

The Impact of the Epidemic on Young People's Employment

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Abstract: The impact of the epidemic has reduced the total labor demand of most industries, and the number of college graduates is large every year. COVID-19 has a great negative impact on young people, and young people, as the future hope of the country, is crucial to ensure the employment of young people. This paper understands the impact of COVID-19 through literature research methods, analyzes the reasons for affecting the employment of young people from the perspective of economic principles, makes a specific analysis of the employment of Chinese young people, and finally puts forward policy suggestions.

1. Introduction

In 2020, the sudden COVID-19 had an impact on the global labor market, and the COVID-19 pandemic severely disrupted labor supply in many countries around the world, bringing the entire economy to a standstill^[1]. Research showed that the increase of infections led to a decline in employment and income^{[2][3]}. In terms of labor demand, under the epidemic, the forced policies such as urban blockade and traffic shutdown have blocked the circulation of production factors such as raw materials and labor, seriously disrupted normal business activities such as logistics, production, sales and payment collection, enterprises have stopped production, and the demand for labor has decreased. In terms of labor supply, traffic control measures during the epidemic period have made it impossible for returning workers to return to cities to resume work in time, or even withdraw from the labor market, resulting in a reduction in labor supply. At the same time, the home quarantine order restricts the development of offline work, reducing the offline labor supply and increasing the online and platform labor supply.

China's labor market has also been impacted by the epidemic. Although at the beginning of the epidemic, China tried to reduce the losses caused by the spread of the epidemic with the rapid and large-scale containment of the epidemic, and achieved positive economic growth, it is undeniable that the containment measures made the labor force in the containment areas unable to go out to work. The measures, including strict quarantining, social distancing, and community containment, effectively contained the spread of the pandemic—during the initial months of the lockdown, economic activity in many sectors was severely affected^[4].

The International Labour Organization noted that the global employment recovery of 15-to 24-year-olds is still lagging behind, and that the negative impact of the COVID-19 pandemic on youth exceeds any other age group. The report predicts that the total number of unemployed youth worldwide will reach 73 million in 2022, a slight improvement from 2021 (75 million), but still 6 million above pre-epidemic 2019 levels^[5]. According to the regulations of international organizations, we define the age of young people as those aged 15 to 24 years old.

The epidemic has a great negative impact on young people, and youth are related to the fate and future of the country, society and families. The employment of this group is one of the most concerned topics in the world. Therefore, it is of great significance to study the impact of the epidemic on youth employment. In this paper through the literature research method get the

influence of the new crown outbreak, and from the perspective of economic principle analysis factors why affect young employment, specific analysis of Chinese young employment, finally put forward policy Suggestions, provide reference for the government and relevant departments, promote social and economic development.

2. The Impact of the Epidemic on the World's Labor Force

In December 2019, COVID-19 first occurred in China and gradually spread around the world. The sudden outbreak and the immature public emergency measures have hit the world economy hard.

First, the pandemic has led some people to exit the labor market, potentially leading to a shortage of labor supply. In the UK, for example, people of all ages are withdrawing from the labor market because of concerns about the outbreak. Among them, some elderly workers may permanently withdraw from the labor market, resulting in long-term loss of labor force. Some of the young workforce may choose to continue their education and delay their entry into the labor market, which will also cause short-term labor supply pressure. In the United States, labor participation rates began to fall because to large government subsidies. In India, some workers have also stopped returning to cities during the outbreak, leading to a labor shortage in the energy sector.

The improvement of the bargaining power of workers may increase the labor cost and labor instability of enterprises. For example, in the context of insufficient labor supply, the bargaining power of India's labor force has increased significantly, and the willingness to change jobs has increased significantly. Although this is conducive to improving the treatment of labor, it objectively pushes up the production cost and increases the instability of production.

The epidemic may cause a long-term decline in the quality of some working people, thus affecting the long-term economic growth.

The IMF study points out that the lack of education caused by measures such as school closures during the pandemic could lead to a long-term decline in the quality of workers, reduce labor productivity and have a long-term impact on economic growth. Especially for countries with low Internet access, the impact of the lack of education will be more obvious.

Finally, the epidemic has further widened the gap between different groups of workers, and the labor market reforms have become more sensitive. The impact of the epidemic on different workers is not equal. In general, high-skilled people are relatively less affected, while low-skilled people, women and young people are even more significantly affected^{[1][6][7]}. For example, Adams-Prassl et al. (2020) reported that workers with high remote work compatibility and permanent contracts were less likely to be affected by COVID-19. Montenovo et al. (2020) show that unemployment in occupations is greater during the pandemic^[8]. This involved more personal contact and less remote work compatibility, while those working in basic industries (e. g., agriculture, forestry, fisheries and hunting, health care and social assistance, public administration) were less unemployed. In the current stage of economic recovery, it is also the highly skilled people who recover jobs more rapidly. These phenomena have led to the widening of the salary and treatment gap between different workers, encouraged the dissatisfaction of some workers, and making the reform of the labor market more sensitive.

3. The Impact of the Epidemic on the Employment of Young People in China

According to the National Bureau of Statistics, the unemployment rate aged 16-24 was 19.3 percent in June 2022, the highest level since 2022. Fu Linghui, spokesman for the National Bureau of Statistics and director of the National Economic Bureau of Statistics, said at a press conference that young people enter the labor market for the first time and generally face frictional unemployment. At the same time, due to the impact of the epidemic, the ability of enterprises to absorb jobs has decreased, and under the epidemic conditions, young people's job-hunting channels have also been blocked. In addition, the total number of college graduates this year has reached a record high, increasing the employment pressure on young people.

3.1. Frictional Unemployment

Frictional unemployment refers to the phenomenon of job seekers constantly entering the labor market for job search in order to obtain a job they consider satisfactory under insufficient information in the labor market. The career search theory believes that: (1) labor market information is incomplete, and each enterprise provides different rewards to workers. In order for workers to obtain job satisfaction, they must search in the labor market. (2) The longer the unemployment period taken in search of a job, the more satisfied the worker will be able to find a job, and the higher the job compensation they will receive. However, as they search for a job in the labor market for an extended period of time, the increase in compensation for the job positions they will find in the future will decrease. (3) Workers need to incur costs to obtain information about compensation and job positions. With the extension of search time, the cost of job search also increases, and the marginal cost of job search time increases. (4) According to the "cost-benefit" analysis method, when the benefit of job search is greater than the cost of job search, it is advantageous to conduct job search, and how long the optimal job search time is depends on that the marginal revenue of job search time is equal to the marginal time cost. When marginal revenue is greater than marginal cost, workers should continue to search until they are equal. It is a rational choice for workers to be in a state of unemployment during the period before their career search time reaches its peak^[9]. Based on this theory, we now assume that a college student may not fully understand the employment information in the market when they graduate, but they are aware that different companies offer different benefits. Therefore, in order to find the best paying job, they must spend time constantly searching. Before the search time reaches its optimal point, continuing to search is a rational behavior, and this optimal search time length is also the length of their unemployment time^[10].

Frictional unemployment is caused by the dynamic structure of the national economic system. In this economic phenomenon, due to the constant changes in industrial structure and other aspects, the original work disappeared because of the epidemic, new work is constantly produced, and workers need time to exchange jobs, resulting in the corresponding temporary unemployment, namely frictional unemployment. Its size was determined by the structural difficulties the unemployed worker encountered with his job search. This structural difficulty mainly refers to the lack of information on employment opportunities, the lack of knowledge about employment, and the lack of prerequisites that must be moved quickly. Frictional unemployment is also related to the freedom of workers to find new jobs and to change jobs arbitrarily. In a free economy, frictional unemployment is a regular unemployment, not cyclical. The main way to reduce frictional unemployment is to increase the mobility of the labor force and provide more information on employment opportunities.

Under the outbreak, the liquidity of labor force, the new employment pattern refers to relying on information network technology, with the digital economy platform and new organization form of work, and master the number of young people of the network information technology is low, most young people in a short time to adapt to the new employment pattern, which is the lack of employment knowledge. However, there is no denying that the rise of the Internet, online job search reduces the cost of searching for information, but it does not mean that the time to find jobs is reduced, because the number of jobs is also reduced, and the epidemic still significantly increases the frictional unemployment.

Under the epidemic situation, due to the logistics blockade and other reasons, the raw material cost rises, and the production cost of enterprises increases. Due to the depression of the recruitment market, the reduction of labor supply and labor cost also rises, it is difficult for enterprises to expand the production scale, and the demand for labor also decreases, with different degrees of layoffs. Online business have replaced offline activities, and many brick-and-mortar stores have closed, causing some young people to lose their jobs. The solidification of employment concept is also another cause of frictional unemployment. Many college graduates have high expectations for their jobs and salaries, with high expectations, but their own work experience is insufficient, so it takes time to find a satisfactory job, which leads to temporary unemployment. The mismatch

between supply and demand is an important reason for frictional unemployment. With the accelerated iteration and update of new technologies, the knowledge structure of university education cannot keep up with the development and change, making it difficult for many graduates to integrate with the current needs of enterprises.

3.2. Employment Competition

Due to the outbreak, some graduates who plan to study abroad have had to work directly in China. As the number of job seekers increases and the demand for jobs remains unchanged or even decreases, the competition for jobs will become more intense. In addition, college graduates have no employment accumulation, and the employment competition is greater.

On the one hand, the reduction of jobs, on the other hand, the number of graduates employed has increased significantly, bringing huge competitive pressure to the employment of college graduates.

3.3. Psychological Problems in Employment

As the employment situation becomes more severe and the career competition is more fierce, the employment psychological pressure of college graduates is getting more and more big, and the psychological problems that have not appeared or are not serious before have become more common, such as employment psychological neglect, psychological anxiety and other psychological problems, which not only affect their physical and mental health, but also affect the employment.

Graduates living at home or in school for a long time is easy to form a leisurely and comfortable mentality. Once there is difficulty in finding jobs or finding jobs again, graduates will appear "slow employment", "slow employment" or "temporary unemployment" phenomenon.

4. Suggestions

4.1. Implement National Policies and Expand Employment Channels

Recent increase of graduates employment policy, such as greatly increase the number of institutions and state-owned enterprises recruitment, its main benefit group is more competitive "985" and "211" colleges and universities graduates, and for the outbreak of higher vocational colleges and universities graduates and lower ordinary undergraduate institutions of higher learning graduates, alleviate the role of the employment pressure is not big^[11]. Therefore, the next step to promote the employment of graduates should be to increase efforts to help graduates from higher vocational colleges and non-key universities employment, and the stability of small and medium-sized enterprises is the most effective way to relieve the employment pressure of college students. First, in terms of grassroots employment, the number of jobs can be increased for the "College Students Volunteer Service Plan in western China", "three branches and one support" and "student selection", and some positions can lower the threshold of academic qualifications and expand the grass-roots employment opportunities for junior college students. It is suggested that the enrollment time of grassroots projects can be advanced in advance to ensure that they can participate in the campus recruitment in time if they are not admitted. Second, while expanding the scale of upgrading, we should support more public colleges and universities to increase their enrollment plans and open up the channels for vocational students to enter higher education. Third, we should further promote innovation and entrepreneurship, and support graduates in starting their own businesses. We should continue to promote the construction of entrepreneurship demonstration bases for college students and municipal entrepreneurship incubation bases. Higher vocational colleges should match more special funds to support college students to start their own businesses, and provide students with free business venues and perfect business incubation services. Every year for graduates to give one-time business subsidies, vigorously support students to establish micro enterprises.

4.2. Improve Employment Guidance and Competitiveness in Employment

First, we should strengthen personalized guidance. Various career assessment and planning platforms for college students have been opened, and a consulting team of campus employment and

entrepreneurship tutors has been set up, and personalized guidance has been strengthened by means of "career planning navigation" and "online tutor consultation". Second, build a professional teacher team. Third, we should organize activities to improve our employability. For example, holding simulated job fairs, employment salon, resume making and other employment lectures.

4.3. Full and stable Exploitation of Employment

Market-based mechanism should be strongly adopted to encourage firms to enroll more college graduates with moderate reward subsidies depending on actual circumstances, to strengthen the docking of key areas, key industries and colleges, and to fully motivate the enterprise power of alumni (tenure). Using a good policy position for foot use, we should actively promote the implementation of primary employment programs, support the enrollment of college students, and stably expand the enrollment of SOEs and Codonopsis organs and business units. It is also very important to fulfill social management service posts and enhance the work strength of minor protection, community nursing service, disabled welfare, urban-rural community governance, urban-rural environment remediation and so on.

4.4. Strengthen Job Market Service

Relevant policies and strategies should be adopted to strengthen job supply demand matching, to integrate online and offline talent market and recruitment market, and to guide graduates to industries with high sluggish and demand. It is important to improve the scale and quality of "Cloud Recruitment ", to strengthen the data docking of colleges, people and enterprises, to build up a precise employment platform for supply and demand, to achieve higher level of job demand line, job line seeking, employment policy line operation, to provide graduates' live post recommendation, job demand line precise push, remote network interview, cloud internship and other series services, to maximize the needs of the enrolling enterprises and job candidates.

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