



The Impact of COVID-19 Pandemic on Unemployment Levels in Kurdistan Region

Hamin K. Dizee

Department of Accounting and Finance, College of Administrations and Economics, Lebanese French University, Erbil, Iraq

Hamin.khasrow@lfu.edu.krd

Bayar Gardi

Department of Accounting, College of Administration and Financial Sciences, Knowledge University, Kirkuk Road, 44001 Erbil, Kurdistan Region, Iraq.

Bayar.Gardi@knu.edu.krd

Pshdar Abdalla Hamza

Department of Business Administration, Kurdistan Technical Institute, Sulaymaniyah, Iraq.

Pshdar.Hamza@kti.edu.krd

Rizhin Nuree Othman

Department of Computer Science and Engineering, Lebanese French University, Kurdistan Region, Iraq.

Rezhin.othman@lfu.edu.krd

Khowanas Saeed Qader

Department of Accounting and Finance, College of Administrations and Economics, Lebanese French University, Kurdistan Region, Iraq.

Khowanas.qader@lfu.edu.krd

Sanarya Adnan Anwer

Department of Business Administration, College of Administrations and Economics, Lebanese French University, Kurdistan Region, Iraq.

Sanarya.adnan@lfu.edu.krd

Hawkar Anwar Hamad



Department of Accounting and Finance, College of Administrations and Economics,
Lebanese French University, Kurdistan Region, Iraq.

Hawkar@lfu.edu.krd

ARTICLE INFO

Article History:

Received: 16/5/2022

Accepted: 7/8/2022

Published: Spring 2023

Keywords: Covid-19

Unemployment,
Impact, Kurdistan
Region Government.

Doi:

10.25212/lfu.qzj.8.1.55

ABSTRACT

The purpose of this study is to see how the spread of the covid-19 pandemic impacts unemployment rates, in order to aid authorities in containing the crisis and reducing the negative effects of the pandemic on the economy's variables, particularly employment levels. As a result, the crisis resulting from the Covid-19 pandemic is a multifaceted crisis that necessitates responses to monetary, financial, and health policies. The crisis also highlighted the need to prioritize spending on the health sector while providing health protection for employment in various sectors to support its ability to resist diseases in a way that ensures that they continue to work and do not reduce their productivity in times of heaviness, in addition to continue to promote informal employment, which was severely harmed as a result of the spread of covid-19.

1. Introduction

Since or late 2019, the world has been facing a rapid and spectacular outbreak of the Covid-19 throughout the country, causing hundreds of thousands of casualties, disrupting many activities and disrupting life and even its methods in many countries. Not only is it a health issue, but its effects have spread to many areas in all aspects of life. This situation is an unprecedented epidemic as it evolves from a health crisis to a financial and social disaster that will worsen in the long run as economic growth declines and unemployment rises. The majority of global institutions agree that the resulting crisis and the rise of the pandemic are more severe economically than all their predecessors, affecting both supply and demand, as well as in global value chains, It has also led to a halt in manufacturing activity in many countries, high unemployment, low wage levels and low consumer confidence, while affecting the

crisis in all sectors. Therefore, deflation and increased unemployment call for an appropriate macroeconomic policy, the effects of which should go beyond merely compensating for the decline in total demand, which is usually dealt with by stimulating consumption and encouraging economic activity, because public health policies aimed at reducing the spread of this unprecedented pandemic are based on reducing human interaction and thus economic activity . (Mansour, 2013) .

The covid-19 pandemic, as a health shock, has a negative impact on many economic variables, and is therefore expected to lead to a decline in output growth, investment, operating level and exports, thus entering the economy in recession and the study is trying to focus on the Covid-19's effect on unemployment rates in Kurdistan.

- How does covid-19 and pandemic affect unemployment rates in Kurdistan?

We try in this study understand, examine and shed a light on the shift of unemployment rate resulting from covid-19.

2. Literature Review:

The crisis is defined as an emergency and an unexpected situation that occurs suddenly in many fields such as (economic, social, political, health.... Etc.), The global health crisis is a difficult situation or complex health system that affects humans in one or more geographical areas, is located in a specific location and then transmitted to the world in a family, has significant effects on society's health and losses in wounds and economy, and determines the seriousness and severity of the health crisis by the number of people affected within the scope of its geographical coverage due to a disease leading to death. (Suliman, 2021), While there are many ways to prevent the emergence of this problem by providing a safe health environment and a range of health services, awareness, immunizations, and periodic examinations to try to decrease the spread of diseases and give treatments, Public health is not confined to the physical component, but also encompasses the mental and psychological aspects, as well as the social aspect, and if an individual does not suffer from any difficulties in these areas, he enjoys overall physical wellness, which indicates anatomical safety, a person's physiological performance and capacity to accomplish



all ordinary tasks, mental health, which refers to a person's ability to think and learn, and social health, which refers to a person's ability to communicate correctly with others and develop various social relationships with them. (Shakir, 2020) This necessitates health coordination between health centers and hospitals, as well as the implementation of national and local health programs, particularly in the areas of public prevention, maternal and child health, local health protection, population growth control, family planning, and reproductive health promotion. Many countries in the field of health coordination coordinate with various bodies so that a health crisis in one country does not spread to another country's territory; it uses health warning systems that respond to the needs of the population, improving the tools and preparing adequately before they worsen; and it closes land and sea borders on the grounds that epidemics and health disorders do not stop at borders, and their spread will threaten the health of the entire population. (Mansour, 2013) as states collaborate to train medical personnel and provide the health-care system with the necessary medical equipment when circumstances dictate, in addition to providing medical assistance that aids in the detection of diseases from nations where they are available to countries where they are not, The most important thing is emergency preparedness, which is the key to crises because it allows for an early, strong, orderly, and basic response, and it is necessary to invest in public health resources to prepare preventive measures and reduce health inequalities to lessen the impact of these crises. (WANNAS, 2022) Middle East Respiratory Syndrome (MERS) is a viral respiratory disorder caused by the emerging (Covid-19), which was initially found in Saudi Arabia in 2012. (Suliman, 2021)

The infection was the result of human-to-human transmission and beauty is the main repository that hosts and it is not known exactly what role it plays in the transmission of the virus or its modes of transmission (Mansour, 2013) Symptoms range from no symptoms to mild respiratory symptoms to severe acute respiratory disease and fulfillment. Fever, cough, and shortness of breath are common covid-19 symptoms. Pneumonia is prevalent, however it does not always happen. Gastrointestinal problems have been recorded, including diarrhea. Severe morbidity can lead to respiratory failure, necessitating artificial respiration and critical care unit treatment.



A total of 36% of the patients have died. who have been infected with the covid-19 virus, which causes Middle East Respiratory Syndrome and appears to produce a more serious illness among the elderly, People with a weakened immune system, as well as those suffering from chronic conditions such as cancer, chronic lung disease, and diabetes, are at risk (Raddam, 2021).

Before discussing and analyzing the pandemic of Covid-19's effects on some economic variables, particularly unemployment, some relevant concepts can be identified (Salih, 2021)

The disease caused by the virus infection is a communicable disease or infectious disease, which can be transmitted from person to person through various methods, including contact with blood and body fluids, or the breathing of airborne viruses, or insect bites, including cholera, plague, Ebola virus, AIDS and avian influenza (Raddam, 2021)

These diseases can be divided into three groups: illnesses associated with a high rate of mortality, Diseases that cause severe disability and diseases that, because of their rapid and unexpected spread, can have catastrophic worldwide consequences. According to the 2019 WHO report, these diseases are common in Africa, Southeast Asia and low-income countries in general in the world (Salih, 2021)

These infectious diseases are called an epidemic when they spread rapidly and increasing numbers of people are rapidly spreading in a particular region or region within a country or group of countries. The pandemic is often described as an epidemic that happens globally or throughout a big territory, spreads across international borders, and usually affects a huge number of people. Pandemics are frequently triggered by new and previously unknown viruses or diseases, as was the case with the Coronavirus. (ALSAAD, 2020)

2. METHODOLOGY

In this study we used comparative assessment approach to analyze the COVID-19 based labor market outcomes including the rates of employment and unemployment referable to social disadvantage conditions. Prior recessions have a pattern of steadily worsening economic suffering. The most recent recession, which was brought on by

the COVID-19 epidemic, was an exogenous blow to the economy. The pandemic prompted hastily implemented steps to prevent individual interaction and a slew of shutdown orders. As a result, the unemployment rate trends in the most recent recession are different from those in previous recessions.

3. Finding

For better understand of the covid-19 effect of unemployment rates, divided the finding in to three categories according to nature of workforce distribution:

3.1 Rates by Sex and Age

Early in the most recent recession, unemployment rates tended to rise faster for younger employees and were greater for women. The rate for women aged 16 to 19 climbed by 25.3 percentage points to 36.3 percent between February and April 2020, while the rate for men aged 16 to 19 increased by 16.2 percentage points to 28.2 percent. The gap between younger men and women has reduced since then. In July 2021, the unemployment rate for teenager men (10.4%) was greater than the rate for teenaged women (8.7%). Men aged 20-24 had a greater rate (10.4 percent) than women of the same age group (7.7 %). In July 2021, unemployment rates for older age groups were significantly lower. Women aged 25 to 54 have a higher unemployment rate than men, (4.8 %) was lower than the rate for men in that age group (5.1%), while the rate for women in that age group (4.3%) was somewhat lower than the rate for men in that age group (5.1 %) (4.4 %).

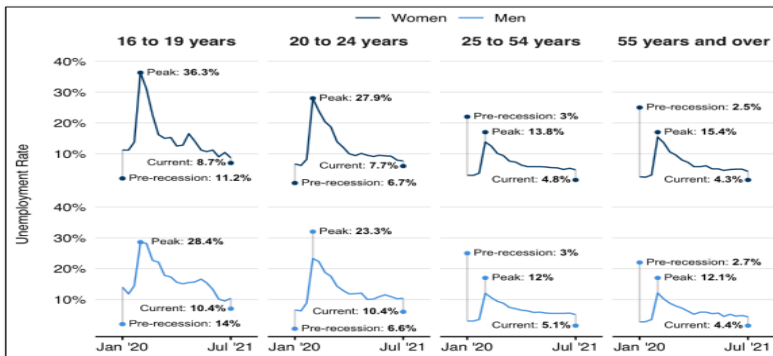


Figure (1): Unemployment Rates by Sex and Age

3.2 Unemployment Rates by Education:

Workers with a lesser degree of education have a greater rate of unemployment in general. During the most recent recession, this pattern was accentuated, as seen in Figure 2. Workers with less than a high school diploma had a greater unemployment rate than those with all other levels of education, peaking at 21.0 percent in April 2020. Workers with less than a high school diploma had a rate of 9.5 percent in July 2021, which was greater than all other education levels. Among all education levels, workers with a Bachelor's degree or more had the lowest peak unemployment rate (8.4% in April 2020) and the lowest July 2021 rate (3.1%).

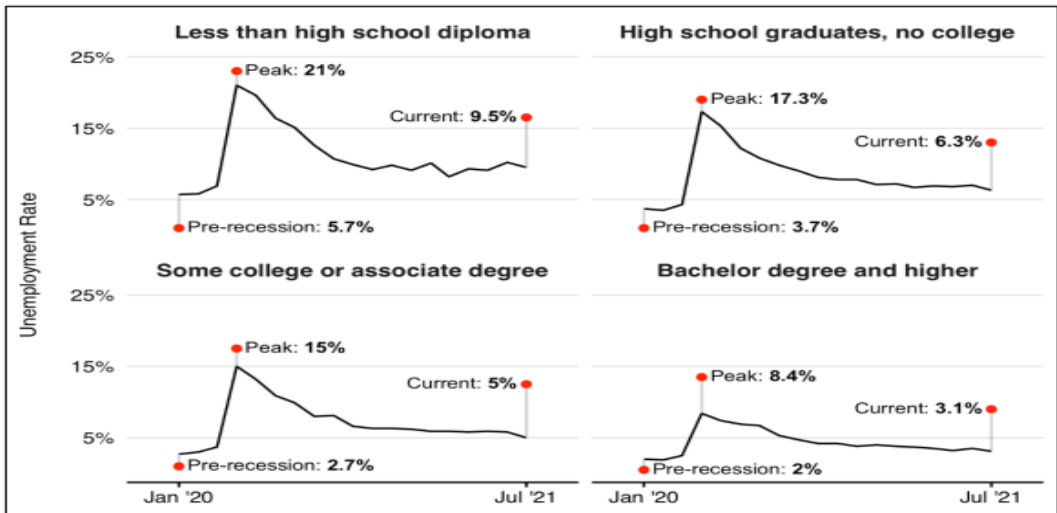


Figure (2): Unemployment Rates by Education

3.3 Educational Attainment and Labor Force Participation Rates:

shows the difference in labor force participation rates between January 2020 and January 2020 for groups with varying levels of education. Between January and April 2020, labor force participation declined for all groups. Those with a high school education but no college diploma had the greatest drop (-4.3 percentage points), followed by those with a high school diploma but no college diploma (-4.2 percentage points) (-3.3 percentage points). Every group, with the exception of those without a high school certificate, stayed below their January 2020 labor force participation rate

in July 2021. In January 2020, those with a high school diploma (-3.3 percentage points) remained far below their labor force participation rates.

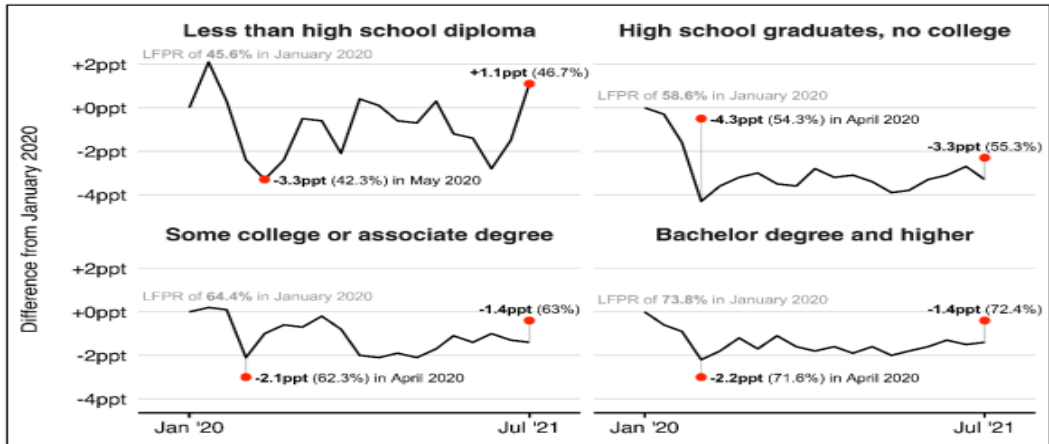


Figure (3): Educational Attainment and Labor Force Participation Rates

4.Discussion:

The Corona pandemic not lone represents since 1918, the most catastrophic global health catastrophe Flu pandemic in Spain, However, it has the potential to be one of the most economically devastating pandemics in modern history. Experiences from previous pandemics give some insights into their short- and long-term economic costs However, the covid-19 virus differs from previous pandemics in several key ways. As a result, the global recession and the cessation of many economic activities are unprecedented, and the resulting global recession is unprecedented. The next section of the study attempts to present previous applied studies that dealt with the negative effects or economic costs of the Corona pandemic and previous epidemics, and then moves on to studies on the effects of unequal distribution.

There are some studies that have dealt with the economic impact of pre-corona epidemics, including:

A study (2020, Barro et al),which measured the effect of the Spanish Influence of the flu epidemic and World War I on economic growth by the growth rates of both actual output and each one abuse, the death rates from flu and war in 1918-1920 were used



for 48 countries, and the consequences of the decline displayed a reverse association between mortality rates and both output and consumption, citing the adverse impact of both Spanish flu and the war on economic growth.

A study (2020, Mckibbin and Fernando) presented , in accordance with the potential development of the disease, a set of scenarios for the impact of the Corona epidemic on economic outcomes or outcomes based on experience gained from assessing the economic impacts of the Sars epidemic in 2003, which aimed to measure the potential economic costs of the Corona pandemic under different scenarios through several economic shocks of low job supply (illness and fulfillment), and the high cost of doing business in each sector, including disrupting production networks. In each country, low consumption due to changes in consumer preferences for each commodity from each country, high risk premiums for volatile share prices in each sector in each country, increases in risk premiums in a country according to the degree of exposure to the disease as well as the degree to which it is exposure to changing macroeconomic conditions, the study finds that as Corona develops into a pandemic at the working level, the economic costs associated with this are rapidly escalating.

Study (2020, Coibion et al) that used extensive new surveys of families in the United States, as well as carried out by the Bureau of Labor Statistics (BLS). The study provided some preliminary evidence of the repercussions of the CO-19 crisis on us labor markets. The study focused on three main variables typically measured by the Bureau of Labour Statistics: the ratio of employment to the population, the unemployment rate and the labour force participation rate. The employment-to-population ratio, the unemployment rate, and the general labor force participation rate. They learned that the ratio of employment to the population and the unemployment rate are historically almost counterproductive to each other during recessions, where workers leave their jobs and move to unemployment (or it is difficult for workers in the event of unemployment to find jobs), and the results of this study showed significant reductions in employment, as the ratio of employment to the population (i.e. the proportion of the adult population who reported a paid job) declined. However, it is quite remarkable that the rise in unemployment was well below the rate commensurate with this significant decline in employment, indicating



that most of these newly unemployed workers are not looking for new employment and therefore do not enter into the definition of unemployment for the Bureau of Labor Statistics (which defines a person in unemployment as not working but looking for work), and therefore is defined as being outside the labor force and not in unemployment. This indicates that the beginning of the CORONA virus crisis led to a wave of retirements ahead of schedule, as the high sensitivity of older persons to the Corona virus may have resulted in part a decision either to leave the job ahead of schedule due to the high risk of work, or to choose not to look for a new job and retire after the loss of work during the crisis, briefly these results indicate an unusual rise in the share of retirement from the extraordinary decline that occurred in the participating workforce during this Time period.

The study (2020, Shibata) In comparison to what happened during the global financial crisis, the magnitude of the decline in overall employment, the reduction in the number of hours worked, and the increase in unemployment rates in the United States of America were all very severe during the recession caused by the Corona pandemic. She also explained that both the global financial crisis and the recession caused by the Corona pandemic had negative moral distributional effects, meaning that low-income earners lost more jobs than those with higher incomes, and that the mixed effect among these groups in the accelerated job losses was very visible during the current pandemic-induced recession.

A Study (2020, Bartik et al) which experienced a partial recovery in spring 2020, found that the current recession, unlike previous recessions, was driven by low-wage service sectors, particularly retail, entertainment and hospitality, and a large proportion of job losses in small businesses reflected a complete closure of the facility. At the employment level, the most disadvantaged workers (i.e. the less educated, non-white) were more likely to be laid off and had fewer opportunities to re-employ, the study said, adding that the unemployment rate rose from 3.5 percent in February to 14.7 percent in April, and the number of workers fell by 25 million, and the study also found that the sectors most affected by the pandemic were in fact the most female-employed sectors, while previous recessions were led by the most male-employed sectors.



Study (2020, Kurman et al) to new appraisals of the outcome of the Corona crisis on employment and working hours in the United States, focusing on the entertainment and hospitality sector, and retail, two of the sectors most affected by the crisis, where it reached four main results: first, a 60% reduction in employment in these sectors between mid-February and the end of April 2020, and secondly that one third of this decline is due to companies reducing employment to zero, and thirdly the decline in the average number of weekly hours For workers who are still working at about 10 percent and fourthly, the first signs of recovery appear in the form of the return of 15% of previously shut down establishments and the increase in average working hours of employees.

A study (2020, Angelucci et al) found that between mid-March and July 2020, 24% of those working at the same workplace and 8% of remote workers working from home, for example, lost their jobs, exacerbating an already existing disparity: low-income workers working in the workplace were the hardest hit by the Corona pandemic, exacerbating an already existing disparity: Workplace workers from poorer families suffered the most job losses and, to a lesser extent, health problems, and reopening of enterprises appeared to be ineffective in considerably improving employment in the short term, presumably at the expense of workplace workers' respiratory systems.

5. Conclusion:

As a result, the crisis resulting from the covid-19 pandemic is a multifaceted crisis that necessitates responses to monetary, financial, and health policies. The crisis also highlighted the need to prioritize spending on the health sector while providing health protection for employment in various sectors to support its ability to resist diseases in a way that ensures that they continue to work and do not reduce their productivity in times of crises a result, as a result, the covid-19 pandemic issue is a complex crisis that demands monetary, financial, and health-care policy measures. The crisis also highlighted the importance of prioritizing health-care spending while also providing health-care protection for workers in various sectors to support their ability to resist

diseases in a way that allows them to continue working and not reduce their productivity during difficult times.

References:

- ALSAAD, K. (2020). INFECTION WITH A NOVEL CORONA VIRUS (2019-nCoV) - (The PRESENT RISK AND THE CHALLENGE). *Department of internal and preventive medicine, College of Veterinary Medicine, University of Basrah, Iraq*, 6.
- Hassan, A. A. (2021). Global epidemics and their repercussions on societies in the world - Corona as a model. *Tikrit University Journal For Rights*, 38.
- Kamal, B. M. (2020). THE ROLE OF CRIMINAL LAW IN REDUCING THE NEGATIVE EFFECTS OF CORONA PANDEMIC. *researchgate*, 9.
- Mahmood, A. S. (2020). The Extent to Which Force Majeure Applies to Contractual Obligations in The Shadow of the Corona Pandemic. *researchgate*, 8.
- Mansour, K. (2013). Detection of bovine corona virus in some governorate of Iraq. *AL-Qadisiya Journal of Vet.Med.Sci.*, 10.
- Matar, M. (2021). Analysis of the COVID-19 impacts on employment and unemployment across the multi-dimensional social disadvantaged areas . *Social Sciences & Humanities Open* , 9.
- Obaid, M. Y. (2021). Education and the Challenges of Globalization during the Corona Pandemic: A Field Study from Baghdad University. *Journal of the College of Education for Women*, 13.
- Raddam, H. A. (2021). Panic disorder and its relationship to psychological immunity among people infected with the Corona virus. *General Directorate of Education of Baghdad / Al-Karkh*, 11.
- Riaz, M. A. (2021). The Impact of (COVID-19) on Global Economy. *University of Kirkuk Journal*, 17.
- Saadi, A. (2020). The Repercussions of the Corona Virus Pandemic on the Iraqi Economy. *researchgate*, 14.
- Salih, A. (2021). The Verbal Expression of Pain among a Sample of Patients with Corona Virus Covid-19 in Basra Governorate. *researchgate*, 17.

- Shakir, H. A. (2020). The criminal responsibility of a newly infected Corona virus (Covid 19) when transmitting the virus in Iraqi legislation. *Journal of College Education*, 7.
- sida, G. M. (2021). CRIMINAL RESPONSIBILITY FOR THE OUTBREAK OF THE CORONA VIRUS (ANALYTICAL STUDY IN LIGHT OF IRAQI LAWS). *researchgate*, 10.
- Suliman, k. (2021). Educational Experts Perceptions Regarding Transition from Face to Face Education to Distance Learning during Corona Virus Pandemic: Qualitative Study. *Journal of Tikrit University for Humanities*, 9.
- WANNAS, A. F. (2022). weak collective response, Instruction and Awareness designs for the disaster Corona virus in Iraq. *researchgate*, 5.
- Ziboon, M. F. (2021). Frameworks for the Russian Radio Sputnik's website addressing the issues of the Corona pandemic in Iraq. *Journal of Media Studies and Research*, 6.

کاربگه ریی به رده وامی قهیرانی کۆفید-۱۹ له سه ر بیکاری له هه ریمی کوردستان

پوخته:

ئهم توێژینه وهیه ئامانجی ئه وهیه که ئه و رادهیه بکۆلیته وه له بـلابوو نه وهی کۆفید-19 کاربگه ریی له سه ر پێژه ی بیکاری هه یه و به م شیوه یه یارمه تی دروستکه ری سیاسه ت ده دات که قهیرانه که ی تیدا بێت و کاربگه ربیه نه ر بێنیه کانی ئه م په تاته له سه ر گۆراوه کانی هه موو ئابووری به تایبه تی ئاستی دامه زران دن که م بکاته وه هه ر له مه وه روونه که ئه و قهیرانه ی که له کۆفید-19 ی په ندمیکه وه دروست ده بێت قهیرانیکی فره لایه نه یه و بۆیه پێویسته به وه لامدانه وهی سیاسه تی دراوی و دارایی و ته ندروسته ی هه یه و قهیرانه که ش تیشکی خسته سه ر پێویستی ئه وله وهی ته خه ر جکردن له که رتی ته ندروستیدا له قهیرانی ته ندروستیدا، جگه له به رده وامی پشتگیری بۆ دامه زران دن یکی نافه رمی، که له کاتی بـلابوو نه وهی کۆفید-19 دا زیانی زۆری پێگه یشتوو ه.

استمرار تأثير كوفيد-19 على زيادة البطالة في إقليم كردستان**الملخص:**

تهدف هذه الدراسة إلى فحص مدى تأثير انتشار جائحة كوفيد-19 على معدلات البطالة وبالتالي مساعدة صانع السياسة على احتواء الأزمة وتقليل الآثار السلبية لهذا الوباء على متغيرات الاقتصاد ككل ، وخاصة مستوى التوظيف. . يتضح من هذا أن الأزمة الناتجة عن جائحة كوفيد-19 هي أزمة متعددة الأوجه وبالتالي تتطلب استجابات للسياسات النقدية والمالية والصحية ، وقد أبرزت الأزمة الحاجة إلى إعطاء الأولوية للإنفاق على قطاع الصحة مع توفير الحماية الصحية للتوظيف. في مختلف القطاعات لدعم قدرتها على مقاومة الأمراض بشكل يضمن استمرارها في العمل وعدم خفض مستوى إنتاجيتها في أوقات الأزمات الصحية ، بالإضافة إلى استمرار دعم العمالة غير المنظمة التي تضررت بشدة أثناء انتشار كوفيد-19.