



ECONOBLOGGER

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TOPICS

- Unemployment in Sri Lanka
- Organic fertilizer program in Sri Lanka
- The gap between employer expectations and job expectations of Sri Lankan university graduates

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ECON CLUB | FACULTY OF BUSINESS STUDIES | UNIVERSITY OF VAVUNIYA

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Message from Magazine Advisor



I have great pleasure to launch the first issue of Econ Club magazine "ECONOBLOGGER," which serves as a resource for the most recent developments in the fields of economics and management. Bringing out a magazine is not an easy task, but it is a venture of the combined efforts of students and all other contributors. This magazine is the beginning of a new era in which the students will gather more knowledge and skills as well as it is a platform for them to reflect their vibrant talents in a creative way. I'm glad to welcome the students who are more interested in writing articles with fresh ideas and brighter themes for the upcoming issue. I hope they succeed in all of their future endeavors.

Mr. A. Thayaparan
Advisor,
Econ Club.

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**Message from
Vice chancellor - University of Vavuniya**



I am happy to know that the Econ Club of the Department of Business Economics, Faculty of Business Studies, University of Vavuniya is bringing out the first issue of their magazine “ECONOBLOGGER” of this year. The magazine is a forum which could aptly be used for recording events, fond memories and creative writing. I wish this club “Econ Club” a very big success in all their ventures. I also congratulate the coordination and efforts behind the team to bring out this issue. I wish them all success.

Dr.T.Mangaleswaran
Vice Chancellor
University of Vavuniya

**Message from
Dean- Faculty of Business studies**



I am pleased to send a message of congratulations on the first volume of the student magazine of **ECONOBLOGGER** of the Econ club of the department of business economics, faculty of business studies. This magazine has a number of valuable articles, all from the business economics students and academic staff. This is bringing out the talents of students that all students can use to read and get a good understanding of project management theories and applications. In addition, it consists of many students' thoughts and creations.

The economics club was established in 2021 at the faculty. The club organizes many student activities such as seminars, awareness programs, career guidance programs—etc. They have shown great progress in publishing magazines like this one.

I congratulate the chief editor and all the other members of the publication committee for issuing this first volume good-looking magazine.

Dr. Y.Nanthagopan
Dean / Faculty of Business Studies
University of Vavuniya

**Message from
Patron- Econ Club**



It gives me an immense pleasure to note that the Econ Club have been successful in delivering their first issue of the magazine "ECONOBLOGGER" for the silver jubilee year of the faculty of Business Studies, University of Vavuniya. I am sure the activities of Econ Club will help to improve the analytical skills and talents of the students which are essential for their career development. I express my compliments to the secretary, the editors, the advisor, and senior treasurer and their dedicated committee for their valuable efforts in bringing out this magazine. I hope that this publication would be successful in achieving its objectives.

My best wishes for the entire endeavor.

Mrs. P. Godwin Phillip
Head/ Department of Business Economics

**Message from
Senior treasurer - Econ Club**



I am very much delighted to hear that the first issue of "ECONOBLOGGER" being released by Econ club on silver jubilee year of faculty of Business Studies, University of Vavuniya.

I am happy to contribute to this amazing magazine as a way of showing my thanks for the club team's admirable work during its successful launch. I congratulate the editorial team on its tireless efforts in bringing out this magazine. Also extend my sincere thanks to the persons who have contributed to this issue and enhanced its perfection and beautification through their articles.

Wish you all a grand operation throughout the year.

Dr. N. Ravinthirakumaran
Senior treasurer,
Econ Club.

**Message from
President – Econ club**



I pass my heartfelt gratitude to the editorial board and others for giving your fullest contribution to release the magazine. A platform to showcase the creative aspect of Econ club members were created through the magazine “ECONOBLOGGER” . Finally, I’d like to express my gratitude to everyone who helped make this journey possible.

“ Together for Excellence ”

Subapriya Mohanaraja,
President,
Econ club.

THE GAP BETWEEN EMPLOYER EXPECTATION AND JOB EXPECTATION OF SRILANKAN UNIVERSITY GRADUATES

Introduction:

Graduate Unemployment is considered an important social problem in Sri Lanka. A high unemployment and underemployment rate among university graduates' points to a mismatch between supply and demand conditions for graduate employment. The objective of this article is to discuss the gap between employer expectations and job expectations of Sri Lankan university graduates

Unemployment in Sri Lanka:

Sri Lanka is a developing country with a population of 21.8 million (2019) and per-capita GDP of US\$ 3851.66(2019). At present, country faces many economic problems such as currency depreciation, inflation, increasing balance of payments deficit, unemployment and decreasing foreign reserves situation. The unemployment rates among the Sri Lankan graduates are high, compared to other developing countries such as Singapore, Malaysia and Thailand. The Faculties of Arts and Management have higher rates of unemployment in the country and accounted for 76% and 36% of unemployed graduates respectively, whereas Medicine and Engineering accounted for 10% and 7% respectively in 2012. It has been repeatedly noted in the literature that Sri Lankan Universities, are far behind, compared with developed and even in some developing countries (Wickramasinghe, 2010).

Graduates employability is a set of achievements, skills, understandings and personal attributes that make graduates more likely to gain employment and be successful in their chosen occupations, which benefits themselves, the workforce, the community and the economy.

Mismatch and unemployment:

Sri Lankan graduates, are not suited to private sector employment opportunities and private sector job requirements. Although the economy has employment opportunities, for some job categories, since seekers are not adequately found and for majority of the other jobs that are available, job seekers do not have the necessary skills (Gunatilaka, 1989; Dickens & Lang, 1996; Rodrigo, 1994; Kelly, 1994; Chandrasiri, 2008). Accordingly, the answers to the related question "reasons for unemployment" are skills mismatch and education mismatch.

Employers normally give their comments on the skills they are looking for in new employees. The following are some of the most common skills time managements, self-understanding, learning skills, teamwork skills, leadership skills, problem solving, working with diversity, career planning, communication skills, management skills, problem solving skills, understanding workplace and risk assessment management. Unfortunately, the most important skill deficiencies amongst Sri Lankan graduates.

'Education Mismatch' is another dimension of skills mismatch. When a person is educationally mismatched, he or she will be unable to utilize the skills acquired through learning and also unable to gain real output from the investment made on the education (Green & McIntosh, 2007). Vertical mismatch occurs when the level of education that an individual has is not suitable for their job. Vertical mismatch can occur in two ways, over education or under-education .

Over education exists when an individual is recruited for a job which requires a lower level of education than that possessed by the individual. On the other hand, under education exists where the individual has a lower level of education than that expected for the job. The logical end result of vertical mismatch is either the presence of over educated workers who bring skills in excess of the skills required for that job, or under-educated workers, whose skills are inferior compared to those required for that particular job. According to Cedefop (2010), both these situations may result in negative consequences for the job market.

Government intervention:

The new government of Sri Lanka is gradually making changes to the entire education system. Under the new unemployed graduate recruiting program, government had provided employment opportunities in the government sector for 50000 unemployed graduates in 2020. Public sector was the conventional employer for the large majority of university graduates for many years. Public service is experiencing resource constraints to generate employment due to lack of funding and lack of organizational planning while many government-owned business entities were privatized. Today, private sector is becoming the dominant player in the economy and expected to generate employment opportunities.

The seventeen state universities admit students into the undergraduate programs directly from the senior secondary schools and provide undergraduate education without charging fees. These universities may also conduct fee-levying courses

such as bachelor's degree programs for external students and postgraduate programs.

Universities are now actively changing their teaching-learning system with the current requirements of a challenging business environment. Accordingly, student centered teaching methods are being practiced, instead of teacher centered teaching methods. This permits students to develop greater initiatives for self-learning through investigation and analysis, project work of different sorts, which involves not only individual work, but also team or group work.

Authorities have taken steps to reduce the supply area skill mismatch issues during the past decade in Sri Lanka. However, after the implementation also the issue of skill mismatch still exists. By reviewing the literature of other countries, it has been identified that skill mismatch is not always a problem due to inefficiency in the supply side. The literature clearly argues that skill mismatch can take place due to demand area issues as well. For instance, if the number of graduates in the job market exceeds the demand, the reverse scenario will occur. If the economy is unable to produce enough job opportunities to absorb the excess supply of graduates, it may be difficult to

Universities are now actively changing their teaching-learning system with the current requirements of a challenging business environment. Accordingly, student centered teaching methods are being practiced, instead of teacher centered teaching methods. This permits students to develop greater initiatives for self-learning through investigation and analysis, project work of different sorts, which involves not only individual work, but also team or group work

find suitable jobs for graduates. Due to this disparity, the educated youth have to either wait until

they can find a suitable job to match their qualifications or accept any job without considering their qualifications or field of study (Cedefop, 2010).

However, there remains a mismatch between the attributes of graduates and those needed in the workplace. Most of the studies have consistently identified that communication, interpersonal skills, ethics and teamwork are competency gaps which exist among management graduates finally results in unemployment among the graduates, the main reasons for unemployment among graduates is weak coordination and cooperation among stakeholders. Therefore, a lack of coordination and cooperation in the university system is experienced particularly in Management Faculties, which leads to the production of graduates who are continually ignored by the labour market.

Conclusion:

Srilanka can overcome from undergraduate unemployment problem by government intervention and introduction of new courses which are match with job market.

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Central bank report

Subapriya Mohanaraja

3rd year

COVID-19 AND GLOBAL ECONOMY

Objective of this article is give a narrow view of the global economic effects during the COVID-19 pandemic.

Introduction

A year and a half since the onset of the COVID-19 pandemic, the global economy is poised to stage its most robust post-recession recovery in 80 years in 2021. But the rebound is expected to be uneven across countries, as major economies look set to register strong growth even as many developing economies lag.

Global Economic growth

Global growth is expected to accelerate to 5.6% this year, largely on the strength in major economies such as the United States and China. And while growth for almost every region of the world has been revised upward for 2021, many continue to grapple with COVID-19 and what is likely to be its long shadow. Despite this year's pickup, the level of global GDP in 2021 is expected to be 3.2% below pre-pandemic projections, and per capita GDP among many emerging market and developing economies is anticipated to remain below pre-COVID-19 peaks for an extended period. As the pandemic continues to be, it will shape the path of global economic activity.

The United States and China are each expected to contribute about one quarter of global growth in 2021. The U.S. economy has been bolstered by massive support, vaccination is expected to become widespread by mid-2021, and growth is expected to reach 6.8% this year, the fastest pace since 1984. China's economy – which did not contract last year – is expected to grow a solid 8.5% and moderate as the country's focus shifts to reducing financial stability risks.

Lasting Legacies

Growth among emerging market and developing economies is expected to accelerate to 6% this year, helped by increased external demand and higher commodity prices. However, the recovery

of many countries is constrained by resurgences of COVID-19, uneven vaccination, and a partial withdrawal of government economic support measures. Excluding China, growth is anticipated to unfold at a more modest 4.4% pace. In the longer term, the outlook for emerging market and developing economies will likely be dampened by the lasting legacies of the pandemic – erosion of skills from lost work and schooling; a sharp drop in investment; higher debt burdens; and greater financial vulnerabilities. Growth among this group of economies is forecast to moderate to 4.7% in 2022 as governments gradually withdraw policy support.

Among low-income economies, where vaccination has lagged, growth has been revised lower to 2.9%. Setting aside the contraction last year, this would be the slowest pace of expansion in two decades. The group's output level in 2022 is projected to be 4.9% lower than pre-pandemic projections.

The June forecast assumes that advanced economies will achieve widespread vaccination of their populations and effectively contain the pandemic by the end of the year. Major emerging market and developing economies are anticipated to substantially reduce new cases. However, the outlook is subject to considerable uncertainty. A more persistent pandemic, a wave of corporate bankruptcies, financial stress, or even social unrest could derail the recovery. At the same time, more rapid success in stamping out COVID-19 and greater spillovers from advanced economy growth could generate more vigorous global growth.

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Uncertain Outlook

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Even so, the pandemic is expected to have caused serious setbacks to development gains. Although per capita income growth is projected to be 4.9% among emerging market and developing economies this year, it is forecast to be essentially at in low-income countries. Per capita income lost in 2020 will not be fully recouped by 2022 in about two-thirds of emerging market and developing economies, including three-quarters of fragile and conflict-affected low-income countries. By the end of this year, about 100 million people are expected to have fallen back into extreme poverty. These adverse impacts have been felt hardest by the most vulnerable groups – women, children, and unskilled and informal workers.

Climbing Food Costs

Rising food prices and accelerating aggregate inflation may compound rising food insecurity in low-income countries. Policymakers should ensure that rising inflation rates do not lead to a deanchoring of inflation expectations and resist using subsidies or price controls to reduce the burden of rising food prices, as these risk adding to high debt and creating further upward pressure on global agricultural prices.

A recovery in global trade after the recession last year offers an opportunity for emerging market and developing economies to bolster economic growth. Trade costs are on average one-half

higher among emerging market and developing economies than advanced economies and lowering them could boost trade and stimulate investment and growth.

With relief from the pandemic tantalizingly close in many places but far from reach in others, policy actions will be critical. Securing equitable vaccine distribution will be essential to ending the pandemic. Far-reaching debt relief will be important to many low-income countries. Policymakers will need to nurture the economic recovery with "scale and monetary measures while keeping a close eye on safeguarding financial stability. Policies should take the long view, reinvigorating human capital, expanding access to digital connectivity, and investing in green infrastructure to bolster growth along a green, resilient, and inclusive path.

It will take global coordination to end the pandemic through widespread vaccination and careful macroeconomic stewardship to avoid crises until we get there.

Conclusion

The COVID-19 pandemic has resulted in severe economic and social impacts around the world. Young people are particularly vulnerable to the disruptions the pandemic has caused, and many are now at risk of being left behind in education, economic opportunities, and health and wellbeing during a crucial stage of their life development. COVID-19 threatens to have devastating consequences in least developed countries. Health system may be unable to cope with the socioeconomic consequences of lockdowns around the world. Unless bold policy actions are taken by the international community, achieving the Sustainable Development Goals by the 2030 deadline will likely slip out of reach.

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J. Niroja
2nd Year

UNEMPLOYMENT IN SRI LANKA

Introduction

Under the topic of unemployment in Sri Lanka I discussed about the unemployment situation in Sri Lanka and I point out the reasons of unemployment.

Reasons of the unemployment in Sri Lanka

There are more reasons of the unemployment in Sri Lanka. There are asymmetry hypothesis of capabilities. It means candidates should fulfill their qualification to applying for the jobs and capabilities, requirements of labor market with asymmetry. Next, waiting for queue Hypothesis. It means Sri Lankans are like for private sector job than government sector jobs. Then are seeking government sector jobs. Next, economic augment slowly. It means economic growth do not rapidly increase comparative to labor forces development. Other one is labor market. It's seem that job generations are limited by private sector because the law of labor is impacted.

Sri Lanka's unemployment rate has risen to 5.7% in the first quarter of 2020. The number of unemployed persons is estimated as 483,172 during the first quarter of 2020.

Overall unemployment rate reported for female is 9.6% and it is 3.7% for male.

Youth unemployment rate (age 15 – 24years) corresponding to the first quarter 2020 is 26.8% and that is the highest reported unemployment rate among all age groups. Further the unemployment rates for males and females are 21.1 and 36.3 percent respectively for age group 15–24

The survey results further reveals that the unemployment among females is higher than that and gender – First quarter 2020 of males, in all age groups.

Youth and female unemployment contribute more to the overall unemployment of the country. Unemployment Rate in Sri Lanka decreased to 4.60 percent in the fourth quarter of 2021 from 5.20 percent in the third quarter of 2021, the lowest jobless rate in the country since the fourth quarter of 2018.

Survey results further shows that the problem of unemployment is more acute in the case of educated females than educated males, which was observed consistently over the results of previous survey rounds as well. There exists a mismatch on the labor market where the demand for educated labor is less than the supply of it. This is a practical fact, since this mismatch is reflected in the high rate of unemployed educated youth. In other words, there are fewer jobs with educational requirements than the supply of educated workers .

Sri Lanka's unemployment rate has risen to 5.7% in the first quarter of 2020. The number of unemployed persons is estimated as 483,172 during the first quarter of 2020.

The logical outcome of this is unemployment. There are, however, different kinds of hypotheses developed to explain this kind of mismatch and one of them is called the mismatch theory.

Conclusion

The high rate of unemployment in Sri Lanka has concerned researchers, policymakers and the international community for a long time, which has resulted in a lot of researches and literature in the topic. Several explanations have been proposed and the most accepted explanation though is the skills mismatch theory hypothesis. It was first spoken by the International Labor Organization (ILO) in the 1970s and was further researched by Glewwe(1987) and Dickens and Lang (1996). This theory suggests that the educational system of Sri Lanka does not produce the skills that are valued by the employers. At the same time it raises the expectations of those who acquire them. This means that the unemployed are not interested in the available jobs.

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T.M.D.L.C. Thennakoon

Third year

“When a countries economy falls to zero, that country’s currency weakens”

Art by—Ashan Isuru



Ashan Isuru

ORGANIC FERTILIZER PROGRAM IN SRI LANKA

Introduction

The main purpose of writing this article is to discuss the successes and failures of the organic fertilizer program in Sri Lanka, which is currently undergoing a revolution. It is not a very easy task and there are several things that need to be fulfilled for it. With the current economy in Sri Lanka, the organic fertilizer program cannot be implemented immediately.

Why organic fertilizer?

The organic fertilizer program is good. But no country in the world uses 100% organic fertilizer, right? The prices of organic products are high. Only the upper classes can afford that price. Therefore, it is more important to have a short, medium and long term plan for this fertilizer program.


Yes, this should be a long-term program in which 10 to 20 percent of the cultivation should be done using organic fertilizer. Fertilizer production could have been planned in advance by selecting people who are interested and capable of program. Yes, this should be a long-term program in which 10 to 20 percent of the cultivation should be done using organic fertilizer. Fertilizer production could have been planned in advance by selecting people who are interested and capable of producing organic fertilizer through the Government Agrarian Regulators in the domain because the biggest obstacle that can be used by the Agrarian Regulators in each domain is to make political appointments.

Pros and Cons of organic fertilizer

There are two sides to this. Reducing the use of chemical fertilizers is a really good thing. Because life expectancy has decreased by now. 75 years is the current life expectancy. The other is that even young children can be exposed to various diseases in advance. Even today's disease is difficult for a physician to diagnose. All this may be due to the use of chemical fertilizers. There is no chemical fertilizer-free crop on the market today.

10 to 20 percent of the cultivation should be done using organic fertilizer.

Also, this organic fertilizer program is adversely affecting the economy. Because domestic production collapses instantly. Products also have to be imported to meet the consumer needs of the country. Then you have to bear a large amount of expenses. On the other hand, the products we import may be substandard and chemically treated. So what is the result of our organic fertilizer program? On the other hand, products such as tea, coconut and rubber, which are the main sources of export earnings in our country, are declining. Then the eight export earnings will go down. This is a very bad situation. At the same time the living standards of farmers in the country are declining. They have to face a huge loss. This can lead to unrest and conflict in the country.

A woman wearing a red sari is working in a lush green field. She is holding a large bundle of green plants or crops. In the foreground, a black chicken is visible. The background shows a hilly landscape with green vegetation and a small structure.

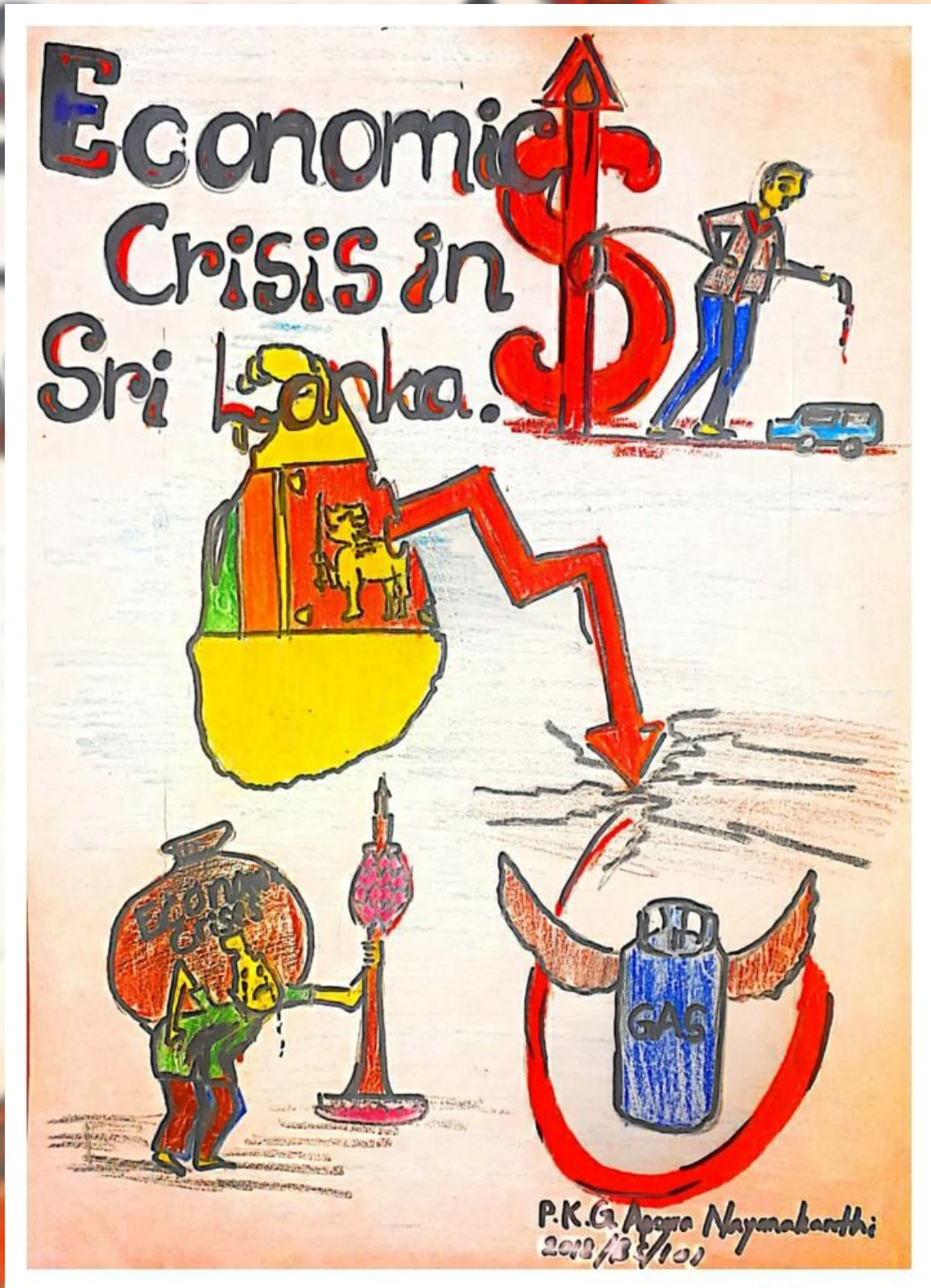
his is not how it should be. Systematically. Can't get used to organic fertilizers instantly. Because there is no systematic program for the production of organic fertilizer in the country. There is not enough organic manure. On the other hand, it is not successful if you have to pay a high price for it. In addition, relief and a fair price should be provided to local farmers. There must be some program for their living conditions. Thereafter a systematic organic fertilizer program should be launched.

Conclusion

Thus, it is clear that the program of organic fertilizer should be done systematically over a period of time. As a negative effect, the agricultural industry will collapse and exports will decrease and export income will decrease.

H.P.G. Subhashi

Third year



BY ; P.K.G. Apsara Nayanakanthi,
2nd year

EVENTS GALLERY



MOU SIGNING WITH IBSL

5S system implementation within the faculty





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