

ABSTRACT

Unemployment and Underemployment among University graduates has been a conspicuous problem in Sri Lanka since mid-sixties. This is a crucial problem that bears political, social and economic consequences specially in a developing country and deserves continuous assessment. In such a context, a comprehensive study in terms of qualitative and quantitative aspects is called for.

In this study, at the outset, an attempt is made to build a conceptual framework by analysing the concept of human capital, growth of educated unemployment particularly in developing countries inspite of investment in human capital and the situation in Sri Lanka. The next stage of the study is the definition of the concepts of unemployment and underemployment in the Sri Lankan context and identification of the nature and the extent of the problem in the country. In this instance the lack of an accepted definition and the ambiguity of terms used and the paucity of data generated by systematic surveys inhibits the development of a clear view of the problem in the country. Next an analysis is made on the nature of the output of Sri Lankan Universities and how the labour market, both private and public sectors, has changed unfavourably for the University graduates; how the governments have tried to intervene to rectify this situation and why these steps could not arrive at a long term solution to the problem. Against this backdrop of the situation in Sri Lanka, an attempt is made to evaluate the educated unemployment problem in the neighbouring subcontinent in order to broaden the understanding of the complexities of the problem.

Inspite of the differences in the magnitude of the problem, many facets of ~~the~~ Indian educated unemployment problem resemble the Sri Lankan situation. Next a case study is undertaken in order to understand the qualitative aspect of the problem and the findings of the case study mainly elucidate that there exists discrimination against women, rural youth and the poor section of the society with regard to employment in the country.

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Finally an attempt is made to evaluate the various factors that contributed to this problem placing them within the broader socio economic context in the country. The objective of this analysis is to identify the major and peripheral variables associated with the problem and to assess the remedial measures to ameliorate them in the Sri Lankan context.

