# Research on the Feasible Path to Alleviate the Problem of "Knowledge Unemployment" under the Background of National Unified Big Market

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### Abstract

With the continuous popularization of higher education, the problem of "knowledge unemployment" becomes more and more common, the problem of "knowledge unemployment" has become the focus of the society. Starting from the problem of "knowledge unemployment", this study explores the causes of "knowledge unemployment" in China through relevant investigations and economic theories, and analyzes the harm of "knowledge unemployment", finally puts forward specific policy suggestions from the government, schools and students, and explores the effective path to alleviate "knowledge unemployment".

### **Keywords**

Knowledge Unemployment; National Unified Large Market; Market Segmentation.

### 1. Introduction

Building a large unified national market is the basic support and internal requirement for building a new development pattern. In April 2022, the "Opinions of the CPC Central Committee and The State Council on Accelerating the Construction of a National Unified Large Market" was released, specifying the working principles and objectives of accelerating the construction of a national unified large market. However, there are some problems to be solved in the process of construction, especially the problem of institutional barriers dividing the factor market. There are serious institutional divisions in the labor market, and labor mobility is not a small obstacle. The problem of difficult employment of labor force is becoming more and more obvious, and the most prominent problem is that college students are faced with the problem of employment: the phenomenon of "knowledge unemployment" is more and more common and has a worsening trend; The unbalanced employment structure of college students and the imbalance of academic qualifications make the entrance examination craze more and more intense. There is a structural contradiction between supply and demand in the employment of college students. College students to be employed in the main labor market, thus forming voluntary unemployment among college students.

The unemployment rate of college students in our country is increasing year by year, the youth unemployment rate is 18.2% at present, and the phenomenon of studying and going abroad is getting more and more intense. At the same time, "knowledge unemployment" leads to intellectual outflow and educational transition. How to ease the difficulty of college students employment has become the focus of scholars.

As to the causes of the difficult employment of college students, there are mainly the following views: the expansion of college enrollment leads to the oversupply of college students; The

disconnection between education and market demand results in the dislocation of supply and demand of college students. People who hold this view believe that education should be fully adapted to market demand to supply talents. Influenced by traditional ideas, college students are reluctant to take a low salary when looking for a job.

Based on the above phenomena, this paper analyzes the above reasons, uses the theory of labor market segmentation to explain the problem of college students' employment difficulties, explores the causes of college students' employment difficulties and the factors that hinder the construction of a national unified large market, takes the common causes of the two problems, puts forward corresponding countermeasures, and explores the feasible path to alleviate the problem of "knowledge unemployment" under the background of a national unified large market.

# 2. Theoretical Background and Question

### 2.1. Unify the Large Market Across the Country

Building a national unified large market is a major deployment made by the central government from a strategic and overall height, and it has been highly valued since it was proposed. The unified large market is not a new concept put forward today, but under the background of China's development facing the new situation, it has a richer connotation, and for us, there are higher construction standards and requirements. The national unified big market was first proposed on August 19, 2015, when Premier Li Keqiang chaired the executive meeting of The State Council, proposed to build a national unified big market to promote consumption and development; On April 10, 2022, the "Opinions of the CPC Central Committee and The State Council on Accelerating the Construction of a National Unified Large Market" was released, and the construction of a national unified large market was formally proposed and widely entered the public vision; On May 19, 2023, the executive meeting of The State Council again mobilized and deployed the construction of a national unified large market, studied and implemented new plans and new measures, which shows that the construction of a national unified large market is still highly valued and is in full swing.

Why build a unified national market? From the perspective of economic theory, the market is the scarcest resource in the world today, and China's socialist market economy is a commodity economy in essence, so it needs to follow the general law of the development of commodity economy. Commodity Exchange is the content of commodity economy, and the place where Commodity Exchange is carried out is the market. Therefore, the development of commodity economy cannot be separated from the market. In addition, with the more developed productivity and the more extensive and in-depth social division of labor, the exchange will occur more frequently, and then the demand for the market will increase. If the structure and scale of the market cannot meet the frequent exchange, the development of commodity economy will be limited. Since the reform and opening up, our country's socialist market economy has developed at the high speed, and new industries have continuously emerged, industry division of labor and internal division of labor has become more and more extensive and in-depth, and exchange scale has been expanding and exchange frequency has grown increasingly. Not only cannot leave the market, but also will have higher and higher requirements for the market; From the current situation of China's market, our country has a large land area, large resident population, rich reserves of resources, on the construction of a national unified large market has unique conditions, China's total population up to 1.4 billion, middle-income groups grow year by year, market size and demand potential is huge, China's manufacturing industry developed, industrial system is huge at the same time is also very complete, With more than 100 million market players and a variety of professional skills, the supply of labor and technology is huge, the use of China's advantages of large countries, give

full play to the effect of scale, will promote the rapid and high-quality development of China's economy; From the perspective of the current era, economic globalization is an irreversible development trend of the global economy. The construction of a national unified large market and the formation of a new development pattern conform to The Times. By promoting the construction of a national unified large market, it can promote the transformation of China's economic development model and make positive contributions to the rebalancing of the world economy. Giving full play to the advantages of the super-large domestic market can prosper the domestic economy and add impetus to China's economic development. The Chinese market is an indispensable part of the world market, and economic globalization has also closely linked the economies of various countries. Therefore, the prosperity of the Chinese economy can drive the recovery of the world economy.

The construction of the national unified large market has made significant progress in recent years, and the construction of the unified large market has entered a period of acceleration, and the positive impact of its scale effect has become increasingly apparent, the consensus on the construction of the unified large market has been continuously consolidated, and the market atmosphere of fair competition has become stronger. But everything has two sides, we should also see that in the process of building a national unified large market we are still facing a lot of obstacles, how these obstacles are formed, how we should solve the problem still need us to further think.

#### 2.2. **Knowledge Unemployment**

After a long period of hard work, socialism with Chinese characteristics has entered a new era. In the new era, the main contradiction of our society has changed, and the problem of employment is closely related to the solution of this contradiction. China's development has entered a new stage, theoretically speaking, it will make Chinese workers have more development opportunities, face more opportunities, employment problems will be alleviated, but because our country is still in the primary stage of socialism development, the problems of unbalanced and inadequate development still exist, therefore, our workers under the new era still have a certain pressure on employment. Since the 18th National Congress of the Communist Party of China, the government has always attached great importance to issues related to employment, and actively put forward active employment policies. While continuously promoting comprehensive deepening of reform and high-quality economic development, it has also continuously innovated in promoting employment and people's livelihood. However, at present, the social competition is becoming increasingly fierce, employers have raised the requirements for college graduates, and the entry threshold of college students has been raised. At the same time, under the influence of the university enrollment expansion policy, the number of college graduates has increased year by year, based on this, the employment problem of college students has become more and more serious. In the graduation season of 2020, the outbreak of the new coronavirus caused enterprises to drastically reduce recruitment and college students to find jobs. However, when the graduation season of 2022 comes, the COVID-19 epidemic has been brought under control, but the employment environment of college students has not been improved, and the number of college graduates in 2022 has exceeded 10 million for the first time, with the total number of graduates reaching 10.76 million, an increase of 1.67 million. However, the employment rate is less than 30%, and the current employment situation of college students is very serious.

The severe employment situation of college students in our country shows that knowledge unemployment has appeared in our country and has a rising trend year by year. At the beginning of China's development, the level of economic development is backward, the education lacks capital investment, only a very few families can afford children to receive higher education, knowledge workers with a certain education are rare groups in the society, enjoy

the right of the state to allocate work and are welcomed by the employment units, do not need to worry about employment problems. In the new generation of young groups in China, the group of people who have received higher education occupies a large proportion, and China's higher education training system has the problem of disconnection with society. The oversupply of college students and the mismatch between their knowledge and skills and the demand of employers leads to the problem of knowledge unemployment which is more and more serious in our country so that the whole society worries and draws the attention of the country to issue policies to help the employment of college students. The emergence and rapid development of knowledge unemployment is a common problem in developing countries, which will have a negative impact on the development of our society. The widening gap between the rich and the poor in China is the result of this reason. The fierce competition in the labor market caused by knowledge unemployment will lead to the pursuit of higher education, and the society will increase investment in education and increase the input cost of education. Some social groups cannot bear the cost, which leads to the inequality of educational opportunities for members of the society, and the potential gap between the rich and the poor will also expand. It will result in a serious waste of resources. For a country and a family, it requires certain investment costs, opportunity costs and other costs to train a college student. The idle state of highly educated knowledge workers or the jobs that people with low educational level can do will lead to a huge waste of human resources, which will also affect the development of other aspects of the society. In general, knowledge unemployment is not conducive to the stability and unity of our society and hinder the overall development of the country.

The frequent occurrence and rapid development of the phenomenon of knowledge unemployment have attracted the attention of the broad masses of our people and the government. If we do not take measures to allow it to develop, it will have a more extensive negative impact in the scope of our society. Therefore, in this context, it is of great practical significance to discuss the causes, hazards and solutions of knowledge unemployment.

### 3. The Causes of Knowledge Unemployment

#### The Formation of "Deepening Education" 3.1.

"Education deepening" refers to the tendency of urban departments to hire people with higher education to do the work that used to be done by people with lower education when there is little difference in the cost of labor use. With the continuous advancement of the education cause in our country, the level of education of people increases year by year. The demand for talents with a higher level of education is also increasing. However, the phenomenon of "deepening education" is becoming more serious due to the interaction between the supply side and the demand side of education. The society pays more attention to the benefits brought by high-level talents. On the one hand, their higher income provides a source for the government to increase tax revenue; on the other hand, in the context of higher education, their moral quality and character cultivation provide a guarantee for the stable and harmonious development of society. Under this development trend, both society and enterprises tend to choose people with higher education. As a result, many people with special skills and strong skills but low education lack or even miss job opportunities, and eventually lead to unemployment.

#### **Misalignment of Supply Structure and Demand Structure** 3.2.

At present, there is a mismatch between the supply of college students and the demand structure of knowledge workers in many colleges and universities. First of all, the training level of college students is misplaced. Many colleges and universities lay emphasis on the training of

undergraduates, but neglect to pay attention to junior college students and vocational students. On the one hand, the latter is reflected in the low proportion of training, resulting in those students who fail to enter the undergraduate college entrance examination and lose the opportunity to continue their studies; On the other hand, there is an imbalance in the cultivation mode. The lack of pertinence in the training of college students and vocational college students makes the society generally short of high-level technical talents specializing in a certain field. The second is the dislocation of major choice. In order to expand the number of students, some colleges and universities vigorously promote their popular majors such as accounting and finance. The assimilation of these majors in the development of the industry continues to intensify, resulting in college students in order to pursue the so-called employment convenience, choose popular majors that may not be suitable for them, and those so-called unpopular majors are even more uninterested, which further deepens the contradiction between professional dislocation and talent training imbalance. Finally, the market demand space is misplaced. At present, China still has the problem of unbalanced regional development, and college students will pay more attention to the region when choosing universities and employment. Research data show that college students are more inclined to choose government organs, public institutions, state-owned enterprises and well-known enterprises outside the system, the world's top 500 companies, listed companies, etc., while the threshold is set too high, many college students are reluctant to take a lower job. It is difficult to find the job you want, so that you end up unemployed. This also leads to the relative surplus of knowledge workers in some departments and enterprises in developed regions due to oversupply, while in other regions with relatively backward development, the demand for knowledge workers in their departments and enterprises can not be met.

#### **College Students' View of Career Choice is Not Correct** 3.3.

With the decline of China's birth rate, most college students are the only child. Compared with those who have many brothers and sisters before, college students lack responsibility and enthusiasm, lack clear plans and arrangements for college life, and have no clear goals for the future employment development direction. However, it may be due to the lack of professional knowledge and their own lack of ability, failed to find the right job, resulting in a psychological gap is too large, unwilling to lower expectations to choose other jobs, resulting in a common phenomenon of "high is not, low is not".

#### **Labor Market Segmentation** 3.4.

The theory of labor market segmentation is as follows: the sectoral differences of labor market are caused by social and institutional factors; The differences are manifested in: access to labor market information, access to labor market channels, and thus different groups of employment departments, positions and income patterns have obvious differences. Under the structure of division in China's labor market, the economic development of China's labor market is unbalanced in the eastern and western regions, and the gap between urban and rural income is increasing. Among them, the major labor markets have comparative advantages in terms of working environment, public resource reserves, income levels and quality of life. Secondary labor market jobs and public conditions are relatively poor, and incomes and quality of life are lower. There is no doubt that the main labor market will be the preferred choice for college graduates when they choose a job in a fragmented labor market, taking into account factors such as the acquired knowledge input, opportunity cost such as time or money. However, even if there is no division between the two labor markets, if it is difficult for college graduates to find employment in the main labor market, the rational choice will make college students find employment in the secondary labor market, which is only temporary. At present, the development status of China is manifested as the serious imbalance in the development of eastern and western regions, and the reality gap between urban and rural dual structure is large, which forces China's labor market to be divided into dual structure. At the same time, the high cost of talent mobility also restricts the mobility of college graduates between the primary and secondary labor markets. A large number of graduates turn their employment attention to the developed cities along the eastern coast and the relatively superior provincial capitals, and are unwilling to work in the rural areas and the backward areas in the west, resulting in the coexistence of unemployment and job vacancies between regions.

## 4. The Harm Brought By Knowledge Unemployment

In recent years, the state has continuously strengthened the emphasis on education, and the level of education is getting higher and higher. Contemporary college students are facing the situation of unemployment upon graduation, and the unemployment rate has risen sharply. Knowledge unemployment not only affects the personal development of college students, but also has a negative impact on the whole society.

#### 4.1. Resulting in "Knowledge Idle", "High Education Consumption" Talent Resources Waste Phenomenon

The segmentation of labor market leads to knowledge unemployment, which has a negative impact on the development of our society and economy, no matter it is explicit unemployment or implicit unemployment. According to the National Bureau of Statistics, as of April 2023, the surveyed urban unemployment rate was 5.2%. Among them, the surveyed unemployment rates for those aged 16-24 and 25-29 were 20.4 percent and 4.2 percent, respectively. According to a set of data from Bank of Wuhan, the total number of people earning less than 5,000 yuan per month in 2022 is 1.328 billion, accounting for 94.8 percent of the total population. Knowledge idle means that the knowledge learned by graduates in college can not be effectively applied, and the time and knowledge of college students are wasted. In job hunting, college students will find that the work content has little to do with their major, and more work has nothing to do with their major, and they can not give play to their talents and advantages. Many college students are required to have a high degree in the recruitment, but they are engaged in the work of people with low education, which is a serious waste of resources.

For learners, the time cost spent in learning knowledge and knowledge are not fully used, resulting in knowledge waste; For educators and families, money and resources spent on educating and nurturing children are wasted. A family makes a strong investment in education for their children, and the result is that the investment is not proportional to the return, the income is reduced, and the ambiguity of the purpose of education leads to a decline in confidence, and there are arguments such as "reading is useless" successively. As far as the country and society are concerned, learners occupy the resources of the country and society strongly support the promulgation of laws and regulations for education, etc., but the result is that they are trained to engage in basic work and some occupations with low professional degree, which undoubtedly wastes a lot of resources.

### 4.2. Cause Psychological Crisis

The phenomenon of unemployment upon graduation continues to flood, and the situation of knowledge unemployment is intensified. As the environment is vague about personal self-positioning, job seekers will face the psychological crisis brought by knowledge unemployment.

#### 4.2.1. Lead to Psychological Gap and Break Cognition

Intellectual unemployment may be a blow to one's self-esteem. Generally speaking, unemployment may be regarded as a failure or a symbol of incompetence, which may lead to a decline in self-esteem, negative emotions and psychological pressure. Especially for the "favored ones" in the family or the outstanding ones in the school, the fixed thinking thinks that

"going to college can find a good job", while knowledge unemployment will cause a psychological gap. Some college students are constantly frustrated in the process of job hunting, lose their role and social status, and the result is inconsistent with their cognition of learning, resulting in self-doubt. Psychological state out of balance, has a certain negative impact on individuals, families, society and so on.

#### 4.2.2. Cause Employment Anxiety and Fear

The social phenomenon of knowledge unemployment may increase an individual's risk of depression and anxiety. College students are the future of society, and the imbalance of supply and demand in the labor market and the unfair distribution of society have plunged young people into deep anxiety. Many college students are faced with the difficult situation of employment and job hunting. Many graduates find that holding a college degree does not mean easy access to a stable job, and may be faced with starting from scratch, facing lengthy internships, low-paying or unpaid work, or even being turned away due to lack of experience. For college students who have just come out of school, they have high expectations and confidence. When experiencing a series of difficulties, many people will have doubts about their self-worth and self-frustration, so they will have anxiety and fear in the process of job hunting or work in the future, which will directly affect the status and quality of all aspects of the individual.

#### 4.2.3. Loss of Faith in Justice And Equality

In the process of knowledge unemployment, the fairness of education is affected. For students with good family conditions, parents will continue to invest in their children's education and blindly pursue higher education. For students with poor family economic conditions, they may choose to suspend education investment because they cannot afford the cost of education, which reverses the essence of educational equity and may lead to the loss of confidence in education for families who cannot continue to receive education. At the same time, due to unfair treatment and unfair social distribution in the process of job hunting, some college students may fall into a disadvantageous position due to factors such as family background, interpersonal relationship and region, and may face problems such as recruitment discrimination, lower salary than other employees in the same position, and limited promotion opportunities. After suffering from various unfair situations, people may have dissatisfaction and antipathy to society, think that they cannot change the status quo, and lose confidence in the pursuit of fairness and equality.

#### 4.3. Aggravating Social Polarization and Causing Social Instability

Knowledge unemployment leads to inequality of employment opportunities. When the demand of a certain industry or occupation decreases or disappears, those highly educated and skilled talents engaged in the industry or occupation may lose their job opportunities and find it difficult to find new jobs that match their knowledge and skills, which will lead to their long-term unemployment or the risk of income reduction. The requirements for academic qualifications will appear "imaginary high" phenomenon, personnel recruitment expansion, popular professional jobs are basically saturated, unpopular professional jobs can not find jobs, and then aggravate social polarization. When some highly educated people find that their major or skill is no longer in demand in the job market, they may need to adapt to new employment opportunities through continuing education, training, or learning new skills, but not everyone has the time or experience to pursue further education. At the same time, the phenomenon of large-scale knowledge unemployment may cause people to abuse the hidden rules of society, make the social atmosphere corrupt and cause social instability.

### 4.4. The Education Market Demand is Expanding

Knowledge unemployment has led to an inflated demand for education, and people urgently need to acquire new skills and knowledge to adapt to new employment opportunities. However, in the context of the severe employment situation, people usually choose to further receive education and training to improve their competitiveness. As a result, the endless expansion and expansion of education leads to the waste of educational resources, and the phenomenon of highly educated talents unable to find jobs and education overflowing. The labor market is saturated, the training of talents does not match the market demand, education alone cannot guarantee employment, and the unrestrained competition for academic qualifications causes the brain drain.

### 5. Measures to Solve "Knowledge Unemployment"

Based on the analysis of the above problems, we find that "market segmentation" is an important factor affecting knowledge unemployment. Therefore, when proposing measures to solve knowledge unemployment, this paper puts forward measures to alleviate the problem of "knowledge unemployment" from the perspective of solving and alleviating "knowledge unemployment", from the three main subjects of government, enterprises and students, and puts forward measures to alleviate the problem of "knowledge unemployment" under the background of promoting the construction of a national unified large market.

#### 5.1. The Government

#### 5.1.1. Eliminate Institutional Segmentation of the Labor Market

First of all, the gap between smes and state-owned enterprises and state agencies in terms of job stability, job income and social status should be eliminated, and relevant governments should provide policy and financial support for the development of smes. Secondly, promote the integrated development of urban and rural areas, and promote the development of rural areas by giving play to the exemplary role of cities, and improve the construction level of rural infrastructure, working environment and wages. Finally, promote the coordinated development of regions, narrow the gap between regional education resources and related employment resources, improve the wages and benefits of the central and western regions, and attract more college students to work.

#### 5.1.2. Eliminate Institutional Segmentation of the Labor Market

First of all, improve the household registration system, constantly carry out the reform of the household registration system, explore the household registration management system that ADAPTS to the development of the current social form, and eliminate the institutional barriers to the employment flow of graduates. Strengthen the management of the labor market, strengthen the construction of relevant laws and regulations, relevant governments to strengthen supervision, standardize the recruitment behavior of enterprises, and provide relevant legal and institutional guarantees for the employment of college students. Thirdly, the relevant government builds a relatively perfect employment service platform to solve the problem of asymmetric employment information of college students.

#### 5.2. Schools

#### 5.2.1. Pay Attention to the Employment Guidance and Service of College Students

Due to the current severe employment situation, the unemployment problem of college students is a common concern of the society. Colleges and universities should pay attention to the employment guidance of college students and related services, and relevant colleges and universities should establish and improve the employment guidance system for college students, and provide employment security for students. To provide professional employment-

related knowledge consultation, enrich the form of employment guidance, and carry out employment guidance activities in a richer form. At the same time, we will carry out employment activities for lower grades, increase the popularization of employment-related knowledge, improve students' attention to employment, carry out career planning education, improve the level and quality of consulting services for college students, provide professional knowledge for contemporary college students to find jobs, and solve their problems.

#### 5.2.2. Cultivate the Independent Innovation Ability of Contemporary College Students

China attaches more and more importance to the independent innovation ability of college students, and the government also provides relevant policy support and financial support. Colleges and universities should seize the opportunity to attach importance to the entrepreneurial education of college students, cultivate the entrepreneurial consciousness of contemporary college students, and exercise the independent innovation ability of contemporary college students. At the same time, entrepreneurship courses are set up, and teachers are equipped to provide professional guidance for relevant innovation and entrepreneurship, encourage contemporary college students to start their own businesses, provide more jobs for the society, and alleviate the current situation of employment difficulties for contemporary college students.

#### 5.3. Students

# 5.3.1. Change the Employment Concept and Improve the Employability of College Students

The employment ability of college students themselves is an important reason for the cause of contemporary college students. Contemporary college students should actively understand the severe employment situation in the contemporary society, adjust the corresponding employment strategy according to the employment situation, conduct scientific positioning, objectively evaluate their own ability, formulate reasonable employment expectations, and constantly improve their employment ability to actively adapt to the needs of the market.

#### 5.3.2. Recognize the Form of Employment and Establish a Correct View of Employment

Facing today's competitive employment situation, college students should have a clear understanding that to occupy a place in the fierce competition in the labor market, they need to improve their employability and master full skills. More clearly understand the requirements of the current labor market for talents, understand the basic skills that should be possessed by their major, and plan for the future in advance. Learn the process of job hunting and career selection independently, master the relevant skills of job selection, understand the relevant policy requirements, combine their own situation, determine reasonable expectations, fully understand themselves, and make a clear plan for their future.

#### 5.3.3. Actively Plan for the Future

In today's fierce international competition, college students should actively establish a sense of career planning, carry out self-career planning in advance, make full use of the teaching resources of the school, set up employment goals as soon as possible, improve their career planning according to their own experience and professional knowledge, and combine the skills they have mastered with career planning. After the goals are finally determined, focus on career planning efforts, consciously learn skills related to career planning, and constantly improve themselves to lay a good foundation for the realization of career planning.

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