

Assessing the Perspectives of the Unemployed on Unemployment in Butterworth, Eastern Cape South Africa



Cwenga Mayekiso¹ 

¹ Walter Sisulu University, South Africa.

ABSTRACT

This study assessed the perspectives of the unemployed of Butterworth, Eastern Cape, South Africa, and it looked at their views, attitudes and motives regarding unemployment. Quantitative approach was utilized with the assistance of a closed-ended questionnaire survey of 85 respondents aged between 18 and 55 years, male and female, and variation in skills and educational attainments (primary to Bachelor level). Non-probability judgmental sampling method was utilized, and data analysis was carried out in SPSS to arrive at patterns and correlations. According to Marxist Conflict Theory and evidence-based Keynesian economics, huge unemployment is an emerging structural phenomenon that must have resulted from both capitalist drift and lower aggregate demand. The study shows that unemployed people's skills do not match the demands of the job market, and lack of experience, low educational levels, low skills, networking, and insufficient job hunting skills are the main causes of unemployment in Butterworth. The fact that 95.3% of the interviewees reported corruption and nepotism in the workplace, where the employers demanded personal acquaintance or bribed money, is notable. As expected, most of the unemployed lacked large selectivity in work, and there was little employment mismatch among the core and higher-educated. Overall conclusion is a lack of new vacancies for employment (94.1% agreement), re-industrialization (100% agreement), and deliberate employment creation attitudes by capitalists (71.8% agreement). Unemployment causes in the research are skills mismatch, corruption, minimum wage policy, and wasteful employment creation. Re-industrialisation, employment creation, in-work training, and technological skill building are the answers. Policy can make human capital a reality and stop discrimination in the labour market. The paper adds to industrial sociology, psychology, and human resource management by placing Butterworth's unemployment theoretically within Marxist and Keynesian theory and building answers to structural economic exclusion issues.

Correspondence

Cwenga Mayekiso

Email:

cmayekiso@wsu.ac.za

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INTRODUCTION

Unemployment remains one of the main challenges of most economies across the globe. Various studies have been conducted on unemployment trends.¹ In the context of this study, an unemployed person can be described as someone who is without a job but is available for work and actively looking for work.²

¹ E. Apergis and N. Aergis, "Understanding Unemployment Trends," *Journal of Economic Studies*, 2020.

² C. Bless and C. Higson-Smith, *Fundamentals of Social Research Methods: An African Perspective* (Cape Town: Juta and Company, 2000).

Technological advancement, minimum wage policy, unskilled labour, a mismatch between skills and labour market demand, corruption and nepotism can be attributed to the rise in unemployment in many countries. The contributing factors of unemployment may also be industrial in nature because deindustrialisation is one of the causes of unemployment.³ The shift in technological advancement can lead to prolonged unemployment, especially for those who do not constantly develop their skills. Literature is also of the view that a mismatch between the skills of the available workers and those skills that are required by the labour market can lead to what is known as structural unemployment.⁴

The study, therefore, assesses the perspectives of the unemployed on unemployment in Butterworth, located in Eastern South Africa. Butterworth is a town with high and rising unemployment. The town faces different types of problems that contribute to unemployment. In this study, the unemployed persons of Butterworth share their views on what causes unemployment and what are the contributing factors to this unemployment. These contributing factors are categorized in this paper from primary, secondary, to tertiary so that they can form patterns and relationships that describe unemployment. The main research question the study seeks to answer is: What are the perspectives of unemployed persons on unemployment in Butterworth Town, Eastern Cape? The contributing factors of unemployment in Butterworth will also be discussed, and strategies will be provided to curb this challenge.

LITERATURE REVIEW

Unemployment is still a problem in most parts of the world and has major socio-economic impacts. This literature review summarises important studies and theories on unemployment, focusing on causes and impacts and theoretical frameworks in the light of perceptions of the unemployed people in Butterworth, South Africa.

Theoretical Perspectives on Unemployment

Unemployment has been studied from a number of theoretical standpoints. For example, Marxist conflict theory assumes that unemployment is allowed to exist under a capitalist regime so that there will always be surplus labour and, as such, control over wages and wage exploitation is easily achieved.⁵ On the other hand, Keynesian economics locates the cause of unemployment in aggregate demand deficiency, holding that the government can spur job creation through fiscal and monetary policies.⁶ This view consolidates such findings that establish how government inaction contributes to unemployment in areas like Butterworth.⁷

Causes of Unemployment

Individual Factors

Personal factors, including limited education, skills, and work experience, are the major causes of unemployment.⁸ Indeed, the study respondents from Butterworth identify personal issues as the leading cause of their unemployment, a feature common in many parts of the world.⁹ For instance, Aldrich and Dickie observe that individuals with no prior work experience record a prolonged duration of unemployment since most employers prefer experienced workers.¹⁰

³ Parul Bansal, "The Ravaged Psyche: Impact of the COVID-19 Pandemic on the Human Mind," *Human Arenas* 5, no. 4 (December 28, 2022): 694–706, <https://doi.org/10.1007/s42087-021-00190-6>.

⁴ J. Maynard, *Revisiting Keynesian Theory* (Palgrave Macmillan, 2007).

⁵ O. Afonso, "Effects of Labor-Market Institutions on Employment, Wages, R & D Intensity, and Growth in 27 OECD Countries: From Theory to Practice.," *Economic Modelling* 53 (2016): 1–12.

⁶ J. Maynard, *The General Theory of Employment, Interest and Money* (Palgrave Macmillan, 2007).

⁷ S. Sturn, "Are Corporatist Labor Markets Different? Labor Market Regimes and Unemployment in OECD Countries," *International Labour Review* 152, no. 2 (2013): 293–307.

⁸ M. I. Mafiri, *The Socio-Economic Impact of Unemployment in South Africa* (Pretoria: University of Pretoria, 2002).

⁹ C. A. Pissarides, "Unemployment Persistence," *Quarterly Journal of Economics*, 1992.

¹⁰ R. M. Aldrich and V. A. Dickie, *Perspectives on Unemployment*, 2013.

Industrial and Economic Factors

Structural changes, technological changes, and changes within the industry have led to a mismatch of skills and jobs.¹¹ In Butterworth, the respondents identified the closure of the industries and the absence of reindustrialization as critical issues. Re-industrialization, as noted from the literature, can reinvent local economies and provide job opportunities. While minimum wage policies protect workers, they are also seen as deterrents to the creation of jobs because they discourage investment. Corruption and nepotism, mentioned by Butterworth's unemployed, also deny merit-based employment, a finding supported by Zinyemba.¹²

Demographic Factors

Demographic features such as age, gender, and criminal records, among others, contribute to unemployment. Due to systemic biases, women and youth are also excluded from economic activities. Most of the unemployed respondents in Butterworth attributed the factors that contribute to unemployment, including having a record of crime and not being networked, as identified by Mayekiso and Obioha.¹³

Impacts of Unemployment

The socio-economic impacts of unemployment include poverty, mental health issues, and reduced social mobility.¹⁴ Prolonged unemployment erodes individuals' skills, further diminishing their employability.¹⁵ Butterworth's unemployed face similar challenges, highlighting the cyclical nature of joblessness.

Approaches to Combating Unemployment

Policy Intervention

Effective policies can address unemployment by developing skills, growing the industry, and fighting corruption. Governments are encouraged to invest in education and training that will match the workers' skills with the market demand for them.¹⁶ Participants in Butterworth's study saw reindustrialization as an effective strategy, echoed by Allen and Thomas.¹⁷

Community-Based Solutions

Local initiatives, such as vocational training and networking platforms, would help people access job opportunities. In addition, stimulation of entrepreneurship would stimulate economic activity and reduce reliance on formal employment. This is further supported by.¹⁸

The contributions of unemployed people in Butterworth have highlighted the multidimensionality of unemployment: individual, industrial, and demographic. For the aforementioned reasons, their solutions call for a holistic approach in which policy reforms, community initiatives, and theoretical insights interlink to offer sustainable job opportunities.

THEORETICAL FRAMEWORK

This study of unemployment among Butterworth, Eastern Cape, South Africa, employs two closely related theoretical paradigms: Keynesian Economics and Marxist Conflict Theory. Both paradigms have a powerful paradigm for examining the attitudes of the unemployed and the structural and economic determinants of unemployment. Marxist Conflict Theory would contend that unemployment is a normal

¹¹ Apergis and Aergis, "Understanding Unemployment Trends."

¹² A. Zinyemba, "Workplace Challenges and Solutions," *Management Studies*, 2014.

¹³ C. Mayekiso and E. E. Obioha, "Features of Graduate Underemployment in South Africa: A Case Study of Butterworth," *African Journal of Development Studies* 11, no. 2 (2021).

¹⁴ Mafiri, *The Socio-Economic Impact of Unemployment in South Africa*.

¹⁵ Pissarides, "Unemployment Persistence."

¹⁶ G. Kingdon and J. Knight, *The Incidence of Unemployment in South Africa* (Oxford: Mimeo Centre of Study of African Economics. Oxford University., 2001).

¹⁷ T. Allen and A. Thomas, *Poverty and Development in the 1990s* (Oxford: Oxford University Press, 1992).

¹⁸ James Mbalamwezi, "The Perspectives of Youths on Unemployment in Tanzania:-Voices from Dodoma Municipal" (The Open University Of Tanzania, 2015).

function of capitalist economies, sustained by capitalists to permit the existence of an astronomical surplus population to keep wages down and maximize capitalist dominance.¹⁹ In Butterworth, theory supports the perception of the populace that unemployment is kept purposely by capitalists since 71.8% agreed that "unemployment is deliberately created by capitalists." Theory explains how structural imbalances such as corruption and recruitment nepotism (identified by 95.3% of the respondents) exclude competent candidates from the labour market, worsening class splits. It also puts the mismatch of skills and unemployment as marginalization technique among the unemployed, which is in line with individual and industrial barriers identified in the research.

Keynesian Economics is led by the emphasis on unemployment caused by a lack of aggregate demand, which can be alleviated by government intervention.²⁰ A whopping 96.5% of the people in Butterworth agreed that "the government is not creating enough employment," upholding Keynesian assessment of lack of good employment opportunities. Theory validates research's appeal for re-industrialization and policy actions for stimulation of demand and job growth, as a response to 94.1% agreement that "people are unemployed because there are no new opportunities."

All of these theories put together position the Butterworth unemployment in a double dilemma of capitalist exploitation and demand-side failures, and provide an overall explanation of the causes and possibility of eliminating it.

METHODOLOGY

The targeted group was the unemployed population of Butterworth. This was inclusive of the old, youth, educated, skilled and semi-skilled males and females. Non-probability sampling was used to select participants. According to Bless and Higson-Smith, the availability technique means that the researcher takes all cases on hand until the required number of participants is achieved.²¹ The researcher wanted eighty-five (85) respondents from Butterworth. The sample technique that was used is non-probability sampling, the judgmental or purposive sampling. The procedure used for all respondents was the use of questionnaires, which consisted of structured and closed-ended questions. In the case of this research, the researcher interviewed unemployed people and collected data. This data was analysed and summarized to answer the research questions. Through a detailed analysis that was initiated, the researcher coded the responses of the respondents in preparation for data capture, using the Statistical Package for Social Sciences (SPSS). Statistics (which can be descriptive or inferential) helped turn quantitative information into useful information, which helped with decision-making and was used to summarize data, and describe patterns, relationships and connections.

Ethical Considerations

Informed Consent: The participants were informed about the purpose, goals, and research technique of the study prior to their participation. Communication regarding the scope of the research and voluntarism is met with the application of formal close-ended questionnaires. The consent of participants was obtained and they were told they could withdraw at any time. This is crucial as the study deals with unemployed participants, who are presumably a vulnerable group, to eliminate the suspicion of coercion.

Confidentiality and Anonymity: Confidentiality and anonymity of participants' identities were ensured by keeping the respondents anonymous during data collection and reporting. Answers were aggregated and analyzed with the Statistical Package for Social Sciences (SPSS) without any personally identifiable details marked to individual answers, as in statistical outputs (e.g., mean scores, tables). The data was processed confidentially, and only the research team had access, protecting sensitive information related to participants' views on matters such as corruption or personal unemployment situations.

Non-Maleficence (Do No Harm): The format was meant to cause minimal harm. Closed questions reduced the risk of receiving unsettling personal information, as the issue was personal (unemployment).

¹⁹ Afonso, "Effects of Labor-Market Institutions on Employment, Wages, R & D Intensity, and Growth in 27 OECD Countries: From Theory to Practice."

²⁰ Maynard, *The General Theory of Employment, Interest and Money*.

²¹ Bless and Higson-Smith, *Fundamentals of Social Research Methods: An African Perspective*.

The approach shunned coercive practice and avoided undue coercion of participants to respond artificially. Research also took into account the socio-economic context within Butterworth so as not to incur pragmatic or monetary costs (transportation or time charges) that would add to the difficulties of participants.

Respect for Autonomy: Non-probability, judgmental sampling method predicts participants were chosen on the basis of willingness, showing respect for their autonomy. The sample's heterogeneity (ages 18–55, both sexes, diverse levels of education) provided inclusivity without discrimination so that participants could express themselves about unemployment freely. The research was respectful of participants' choices to participate, creating a voluntary and respectful research setting.

Beneficence: The study intended to do good to the participants and to society by solving unemployment problems. Conclusions suggesting re-industrialization, human capital, and anti-corruption could guide policy towards improved local conditions. By magnifying the voice of the unemployed, the research empowered participants and added to knowledge in academia, consistent with its purpose of breaking down structural barriers to economic inclusion.

Cultural and Contextual Sensitivity: Cultural sensitivity informed the research, being mindful of Butterworth's socio-economic challenges. Questions were framed in a way that appealed to participants' common experience of life to avoid stigmatizing language. Marxist and Keynesian paradigm application was approached with caution to interpret findings without bringing in alien biases, being context-sensitive in the local context.

Data Integrity and Transparency: Data were kept under strict observation with SPSS, and tested statistically (e.g., Chi-Square, p-values). Limitations were reported openly, for instance, small Kaiser-Meyer-Olkin (KMO) values in certain analyses, proving the integrity of its validity and extent.

Avoiding Exploitation: Exploitation of vulnerable unemployed participants was prevented through voluntary participation without coercive incentives. It questioned their opinions rather than forcing them to provide recommendations, reducing undue pressure.

Ethical Dissemination: Ethical dissemination of results was conducted to advise policymakers without misleading the opinions of participants. The proposals were realistic, aligning with participants' requirements, to ensure a probable positive influence. These factors are consistent with international ethical standards (e.g., Declaration of Helsinki) and South African research protocols, hence making the study ethically oriented and addressing an important societal problem.

PRESENTATION OF RESEARCH FINDINGS

Perspectives of the Unemployed on Unemployment

The perspectives of the unemployed population of Butterworth are not only a topic for this study but also a main objective of the study. Therefore, certain issues or topics on unemployment are measured in degrees (strongly disagree, disagree, agree and strongly agree), and there are also statistical measurements of the mean, degree of freedom, chi-square and p-value to explain these perspectives. This was done to get the respondents' views on these perspectives and the results are shown in Table 1 below.

The first statement was “The government is not creating enough employment”, to which the majority 72.9% strongly agreed. 23.5% agreed and only 3.5% disagreed. Therefore, 96.5% are of the view that the government is not creating enough employment. The mean score was calculated ($M=3.69$), and its skewness towards 4 indicates that the majority of the respondents “strongly agree” with this perspective. Based on the observed Chi-Square statistics of 65.106 associated with the ($p\text{-value}=0.000$) that is (less than) <0.05 , it can be concluded that there is a significant difference between respondents' responses on “the government is not creating enough employment.”

Table 1: Perspectives of the unemployed on unemployment.

| Perspectives on unemployment | SD | D | A | SA | Mean | df | X ² | Sig |
|---|---------|-----------|-----------|-----------|------|----|----------------|-------|
| The government is not creating enough employment. | 0 (0) | 3 (3.5) | 20 (23.5) | 62 (72.9) | 3.69 | 2 | 65.106 | 0.000 |
| Unemployment is a global crisis and is not only in South Africa. | 0 (0) | 18 (21.2) | 56 (65.9) | 11 (12.9) | 2.92 | 2 | 41.388 | 0.000 |
| People are unemployed because there are no new opportunities. | 0 (0) | 5 (5.9) | 35 (41.2) | 45 (52.9) | 3.47 | 2 | 30.588 | 0.000 |
| For Butterworth to create new jobs, it needs to re-industrialize. | 0 (0) | 0 (0) | 28 (32.9) | 57 (67.1) | 3.67 | 1 | 9.894 | 0.002 |
| Unemployment is deliberately created by capitalists. | 2 (2.4) | 22 (25.9) | 25 (29.4) | 36 (42.4) | 3.12 | 3 | 28.365 | 0.000 |

Key: Strongly Disagree (SD), Disagree (D), Agree (A), Strongly Agree (SA), Degree of Freedom (df), Chi-Square (x²)

The second statement, which read “Unemployment is a global crisis and is not only in South Africa”, was measured, and the majority, 65.9% agreed, while 21.2% disagreed and 12.9% strongly agreed. Therefore, 78.8% of the respondents view unemployment as a global crisis. The mean score was calculated (M=2.92) and its skewedness towards 3 indicates that, although some have other opinions, the majority “agrees” that “unemployment is a global crisis and not only in South Africa”. From the observed Chi-Square statistics of 41.388 associated with the (p-value=0.000) that is (less than) < 0.05, it can be concluded that there is a significant difference between the responses of the respondents on the perspective of “unemployment is a global crisis and is not only in South Africa”.

The third statement, “People are unemployed because there are no new opportunities”, was measured, and the majority, 52.9 % strongly agreed, 41.2% agreed, and only 5.9% disagreed. Therefore, 94.1% of the unemployed are of the view that there are no new employment opportunities. The mean score was calculated (M=3.47), and its skewness towards 3 indicates that, although some have other opinions, the majority “agrees” that “people are unemployed because there are no new opportunities”. From the observed Chi-Square statistics of 30.588 associated with the (p-value=0.000) that is (less than) < 0.05, it can be concluded that there is a significant difference between the responses of the respondents on the perspective of “people are unemployed because there are no new opportunities”.

The fourth statement was “for Butterworth to create new jobs, it needs to re-industrialize”. The majority of 67.1% strongly agreed, while 32.9% agreed. Therefore, 100% of the respondents are of the view that the re-opening of the closed industries in Butterworth will create employment. The mean score was calculated (M=3.67) and its skewness towards 4 indicates that, although some have other opinions, the majority “strongly agree” that “for Butterworth to create new jobs it needs to reindustrialize”. The observed Chi-Square statistics of 9.894 are associated with the (p-value=0.002), which is (less than) < 0.05. It can be concluded that there is a significant difference between the responses of the respondents on the perspective of “for Butterworth to create new jobs, it needs to reindustrialize”.

The last statement was “Unemployment is deliberately created by capitalists”. The majority of 42.4% strongly agreed, while 29.4% agreed, 25.9% disagreed, and only 2.4% strongly disagreed. The mean score was calculated (M=3.12), and its skewness towards 3 indicates that, although some have other opinions, the majority “agrees” that “unemployment is deliberately created by capitalists”. From the observed Chi-Square statistics of 28.365 associated with the (p-value=0.000) that is (less than) < 0.05, it can be concluded that there is a significant difference between the responses of the respondents on the perspective of “unemployment is deliberately created by capitalists”.

The summary of the descriptive analysis is presented in Figure 1. All variables of perspectives of unemployment in Butterworth were significant in terms of the range of differences and distribution. From the data, it can be concluded that the respondents have different perspectives towards

unemployment in Butterworth. In terms of the general standings of the perspectives of unemployment in Butterworth, one that proves to be highly favoured is that “the government is not creating enough employment” with a mean score of (M=3.69), and the lowest is that “unemployment is a global crisis and is not only in South Africa” with a mean score of (M=2.92).

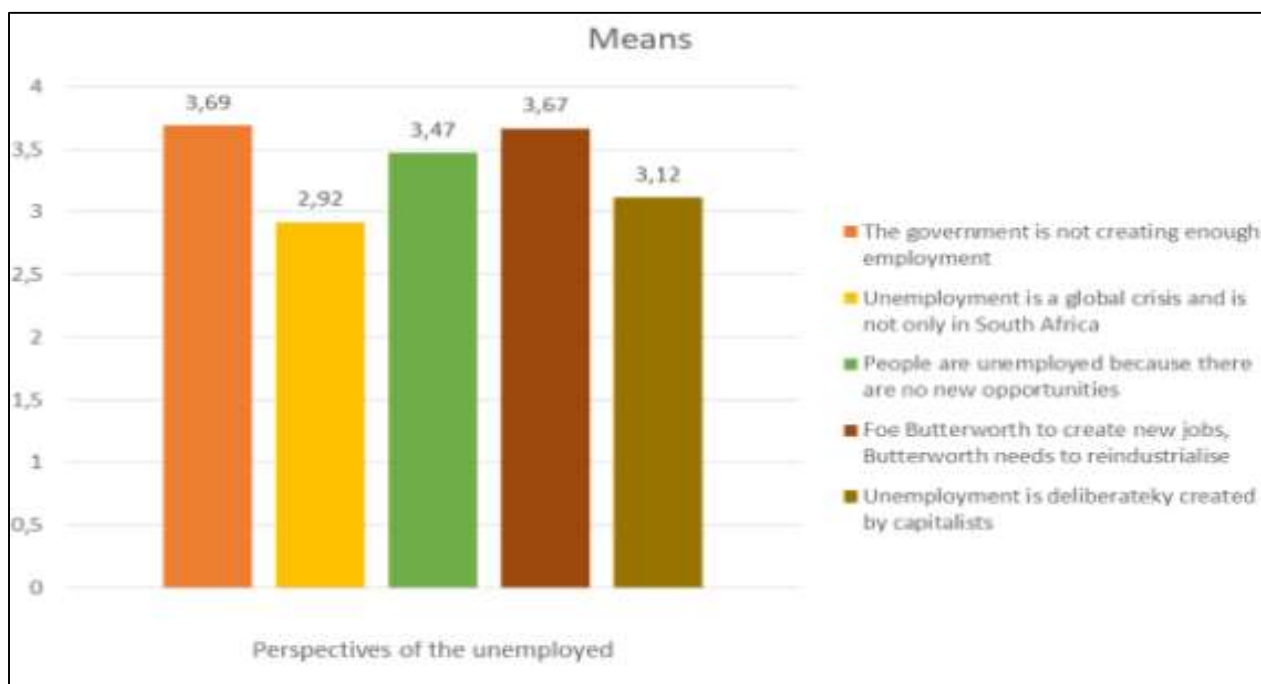


Figure 1: Summary of Mean Scores on the perspectives of unemployment

Factor Analysis of the Perspectives of the Unemployed on Unemployment in Butterworth

Furthermore, a factor analysis of these unemployment perspectives was performed to establish the relative importance of each perspective. The results present the value of Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO), which amounts to 0.761, exceeding the recommended value of 0.6, meaning it is satisfactory for factor analysis; the test results were (Chi-Square=126.389, df=10, and significance value of Bartlett test of Sphericity is {Sig=0.000}), which means the correlation is not an identity matrix.

Table 2 indicates that only one component, which is “People are unemployed because there are no new opportunities”, has a total that is greater than 1, which is 2.701 with 54.018% variance, followed by the component “For Butterworth to create new jobs it must reindustrialize” with a 19.503% variance. The component “unemployment is deliberately created by capitalists” is third with an 11.428% variance, followed by the component “The government is not creating enough employment” with an 8.043% variance.

Table 2: Total Variance explaining the perspective of unemployment in Butterworth

| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | |
|--|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1. People are unemployed because there are no new opportunities. | 2.701 | 54.018 | 54.018 | 2.701 | 54.018 | 54.018 |
| 2. For Butterworth to create new jobs | .975 | 19.503 | 73.520 | | | |

| | | | | | | |
|---|------|--------|---------|--|--|--|
| it needs to reindustrialize. | | | | | | |
| 3. Unemployment is deliberately created by capitalists. | .571 | 11.428 | 84.948 | | | |
| 4. The government is not creating enough jobs. | .402 | 8.043 | 92.991 | | | |
| 5. Unemployment is a global crisis and not only in South Africa | .350 | 7.009 | 100.000 | | | |
| Extraction Method: Principal Component Analysis. | | | | | | |

The last component is “unemployment is a global crisis and is not only in South Africa”, with a 7.009% variance, which is the least. From this factor analysis, it can be concluded that the component that made the most contribution among other components from the perspective of the unemployed is “People are unemployed because there are no new opportunities.”

Table 3 indicates that there are five components, and the component that has the highest value is “People are unemployed because there are no new opportunities” with a value of 0.837. Hence, it can be concluded that this component is the most important, as the unemployed agreed that “people are unemployed because there are no new opportunities.” Even though the view that “unemployment is a global crisis and is not only in South Africa” was the least important perspective, all these perspectives meet the threshold of ≥ 0.3 acceptance levels in the principal component analysis.

Table 3: Component Matrix on Perspectives of Unemployment in Butterworth

| Component | |
|---|------|
| People Are Unemployed Because There Are No New Opportunities | .837 |
| For Butterworth To Create New Jobs, It Needs To Reindustrialise | .830 |
| Unemployment Is Deliberately Created By Capitalists | .797 |
| The Government Is Not Creating Enough Jobs | .690 |
| Unemployment Is A Global Crisis And Is Not Only In South Africa | .448 |
| Extraction Method: Principal Component Analysis. | |
| a. 1 components extracted. | |

Contributing Factors of Unemployment

The contributing factors of unemployment are broken down into three categories that will be analysed holistically, namely individual, industrial, and population-based causes of unemployment.

Individual causes of unemployment (primary causes)

The individual causes are also referred to as the primary causes of unemployment in this study. These are the causes that lead the respondents to unemployment and are therefore an important part of this study.

Table 4 shows that the majority of 49.2% of the unemployed state that they are unemployed because they have never been employed, and they lack experience. None of the respondents is disabled. 27.1% were retrenched and 24.7% resigned but are eager to find employment.

Table 4: Frequency table of individual or primary causes of unemployment

| INDIVIDUAL CAUSES | NO | YES | TOTAL | Mean | Df | X ² | Sig |
|--|--------------|--------------|-------------|------|----|----------------|-------|
| Never worked before and lack the necessary experience. | 43 (50.6) | 42 (49.4) | 85 (100) | 1.51 | 1 | 0.012 | 0.914 |
| I am disabled and I cannot execute some jobs. | 85 (100) | 0 (0) | 85 (100) | 1.01 | 1 | 81.047 | 0.000 |
| I was retrenched. | 62 (72.9) | 23 (27.1) | 85 (100) | 1.27 | 1 | 17.894 | 0.000 |
| I resigned, but I am eager to find a job. | 64 (75.3) | 21 (24.7) | 85 (100) | 1.24 | 1 | 23.824 | 0.000 |

Key: Mean (M), Degree of Freedom (df), Chi-Square (X²)

From Figure 2, it can be concluded that the majority of the unemployed were those who said they had “never worked before and lack the necessary experience” with a Mean of (M=1.51), followed by those who were retrenched with (M=1.27). The second last are those who say, “I resigned but am eager to find a job” with a Mean (M=1.24), and the last are those who were disabled and unfortunately did not make part of the research, although they were wanted.

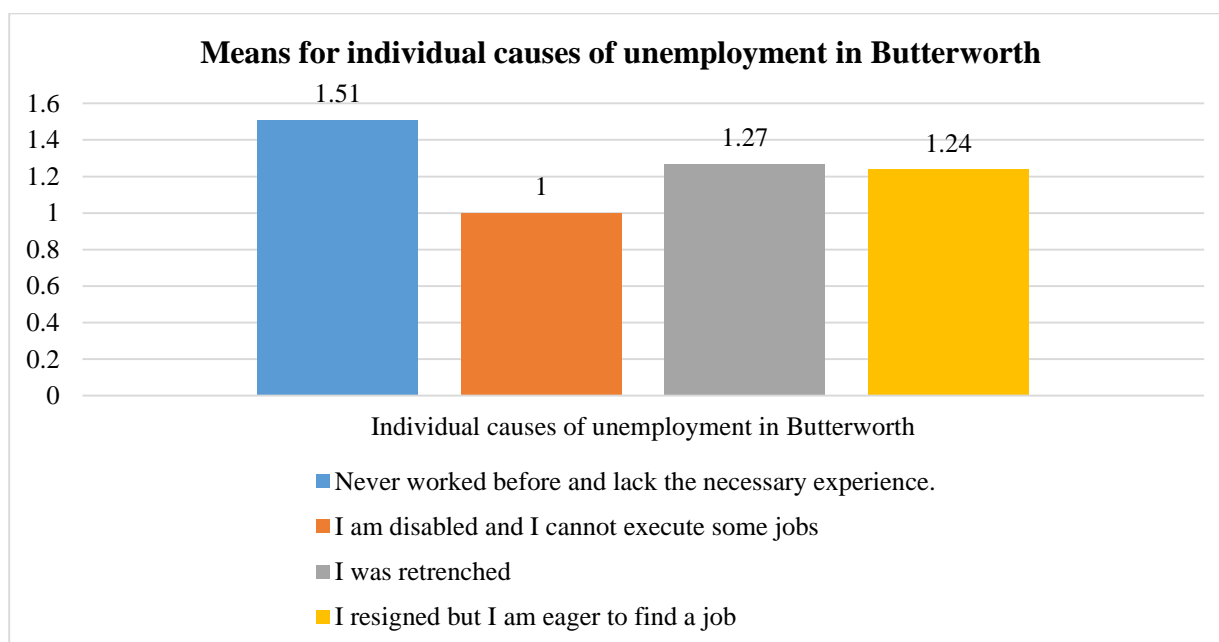


Figure 2: Summary of means for individual causes of unemployment in Butterworth

Factor Analysis on the individual causes of unemployment in Butterworth

Additionally, factor analysis of these individual causes of unemployment was performed to establish the relative importance of each perspective. The results present the value of the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO), which amounts to 0.200, below the recommended value of 0.6. This means it is satisfactory for factor analysis; the test results were (Chi-Square=173.063, df=6, and the significance value of the Bartlett test of Sphericity is {Sig=0.000}), which means the correlation is not an identity matrix.

Table 5 indicates that only one component, which is “never worked before and lacks the necessary experience”, has a total that is greater than 1, which is 1.895, with a 47.364% variance, followed by the component “I am disabled and cannot execute some jobs” with a 29.201% variance. The component “I was retrenched” is third with a 21.878% variance, followed by the component “I resigned but I am eager to find a job” with an 8.043% variance.

Table 5: Total Variance explaining the individual causes of unemployment in Butterworth

| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | |
|--|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1. Never worked before and lacks the necessary experience. | 1.895 | 47.364 | 47.364 | 1.895 | 47.364 | 47.364 |
| 2. I am disabled and I cannot execute some jobs. | 1.168 | 29.201 | 76.565 | | | |
| 3. I was retrenched | .875 | 21.878 | 98.442 | | | |
| 4. I resigned, but I am eager to find a job. | .062 | 1.558 | 100.000 | | | |

Extraction Method: Principal Component Analysis.

The last component is “I resigned, but I am eager to find a job” with 1.558% of variance, which is the least. From this factor analysis, it can be concluded that the component that made the most contribution among other components on the individual causes of unemployment was “I have never worked before and lack the necessary experience.” Table 6 indicates that there are four components, and the component which has the biggest value is “I never worked before and lack the necessary experience” with a value of 0.978. Hence, it can be concluded that this component is the most important, as the unemployed said that “people are unemployed because they lack experience.”

The least important individual cause of unemployment was “I resigned, but I am eager to find employment”, and does not meet the threshold of ≥ 0.3 acceptance level in the principal component analysis.

Table 6: Component Matrix on individual causes of unemployment in Butterworth

| | Component |
|---|-----------|
| Never worked before and lack the necessary experience | .978 |
| I am disabled and I cannot execute some jobs | .598 |
| I was retrenched | -.573 |
| I resigned, but I am eager to find a job | -.503 |

Extraction method: principal component analysis.
A. 1 components extracted.

Industrial-based factors of unemployment in Butterworth

Table 6 indicates that 56.5% of the unemployed agree that technological advancement causes unemployment for those who are not equipped with the latest technology, and 44.5% disagree. The table shows the further percentages of the degrees of measurement. The Chi-Square=2.02 and p-value=0.570 indicate that there is no significant difference between the perspectives of the unemployed on the “technological advancement” as a cause of unemployment. The Mean=2.62 is skewed towards 3, and this means that the majority “agree” that technological advancement is a cause of unemployment.

51.8% of the unemployed disagree, while 48.2% agree that unemployment is caused by the minimum wage policy, as proven by the measurements in degree. The Mean (M=2.52) is skewed toward 3. The majority agree that “minimum wage policy” causes unemployment, and according to the Chi-Square=27.047 and p-value=0.000 state that there is a significant difference in the perspectives of the unemployed on the “minimum wage policy”.

It can be deduced that 55.3% disagree while 44.7% agree that a mismatch between skills and the labour market demand causes unemployment. The results also show further percentages of measurement

in degrees. The Chi-Square=43.329 associated with p-value=0.000 indicates that there is a significant difference between the perspectives of the unemployed on the “mismatch between skill and labour market” as a cause of unemployment. The Mean (M=2.43) is skewed towards 2. This therefore means that the majority “disagree” that unemployment is caused by a mismatch between skills and the labour market.

In the results, 95.3% of the unemployed agree that unemployment in Butterworth is caused by corruption and nepotism in the workplace, while only 4% disagree. The Chi-Square=31.365 and p-value=0.000 of this variable indicate that there is a significant difference between the perspectives of the unemployed on “corruption and nepotism” as a cause of unemployment. The Mean (M=3.44) shows that the majority agree with the notion that corruption and nepotism do cause unemployment.

Table 7: Industrial-based factors of unemployment in Butterworth.

| Industrial Based Factors of Unemployment in Butterworth | SD | D | A | SA | TOTAL | Mean | df | X² | Sig |
|---|------------|--------------|---------------|--------------|--------------|-------------|-----------|----------------------|------------|
| Technology advancement causes unemployment for those who are not equipped with the latest technology that is used in the workplace. | 17 (20) | 20 (23.5) | 26 (30.6) | 22 (25.9) | 85 (100) | 2.62 | 3 | 2.02 | 0.570 |
| Minimum wage policy scares off potential investors. | 8 (9.4) | 36 (42.4) | 30 (35.3) | 11 (12.9) | 85 (100) | 2.52 | 3 | 27.047 | 0.000 |
| A mismatch between skills and labour market demand. | 6 (7.1) | 41 (48.2) | 31. (36.5) | 7 (8.2) | 85 (100) | 2.46 | 3 | 43.329 | 0.000 |
| Corruption & Nepotism in places of employment. | 0 (0) | 4 (4.7) | 40 (47.1) | 41 (48.2) | 85 (100) | 3.44 | 2 | 31.365 | 0.000 |

Key: Strongly Disagree (SD), Disagree (D), Agree (A), Strongly Agree (SA), Mean (M), Degree of Freedom (df), Chi-Square (X²)

Factor Analysis on the industrial causes of unemployment in Butterworth

Additionally, a factor analysis of these industrial causes of unemployment was performed to establish the relative importance of each perspective. The results present the value of the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO), which amounts to 0.566, below the recommended value of 0.6. This means that it is not satisfactory for factor analysis. The test results were (Chi-Square=61.807, df=6, and the significance value of the Bartlett test of Sphericity is {Sig=0.000}), which means the correlation is not an identity matrix.

Table 7 indicates that only one component, which is “minimum wage policy”, has a total that is greater than 1, which is 1.930 with 48.248% variance, followed by the component “mismatch between skills and labour market demand” with 26.492% variance. The component “technological advancement” is third with 16.620% variance, followed by the component “corruption and nepotism at the workplace” with 8.640% variance. From this factor analysis, it can be concluded that the component that made the most contribution among the other components from the perspective of the unemployed is the “minimum wage policy”.

Table 8: Total Variance explaining the industrial causes of unemployment in Butterworth

| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | |
|---|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1. Technological advancement | 1.930 | 48.248 | 48.248 | 1.930 | 48.248 | 48.248 |
| 2. Minimum wage policy | 1.060 | 26.492 | 74.740 | | | |
| 3. Mismatch between skills and labour market demand | .665 | 16.620 | 91.360 | | | |
| 4. Corruption and nepotism in the workplace. | .346 | 8.640 | 100.000 | | | |
| Extraction Method: Principal Component Analysis. | | | | | | |

Table 8 indicates that there are four components, and the component that has the highest value is “minimum wage policy” with a value of 0.888. Hence, it can be concluded that this component is the most important, as it has been identified by the unemployed. Even though “corruption and nepotism at the workplace” was the least important perspective, all these industrial causes of unemployment meet the threshold of ≥ 0.3 acceptance level in the principal component analysis.

Table 9: Component Matrix on industrial causes of unemployment in Butterworth

| | Component |
|--|-----------|
| Minimum wage policy | .888 |
| Mismatch between skills and labour market demand | .777 |
| Technological advancement | .663 |
| Corruption and nepotism in the work place | .312 |
| Extraction method: principal component analysis. | |
| A. 1 components extracted. | |

Population (demographic) factors of unemployment

Population-based factors of unemployment, also called demographic factors of unemployment in this study, are characteristics or attitudes of the unemployed that lead people to unemployment. The results on demographic factors that affect unemployment based on the perceptions of the respondents are presented in Table 9.

According to the result of this study, 63.5% of the unemployed are of the opinion that people are unemployed because they lack skills and are uneducated, while only 36.5% disagree. According to the Chi-Square statistics of 11.988 associated with the p-value=0.007, this means that there is a significant difference between the perspectives of the unemployed on the lack of skills and unemployment. The mean score (M=2.73) shows that their views are skewed towards 3, and that means they “agree” with this perspective. Table 9 shows further percentages in degrees of measurement.

It is evident that 60% of the unemployed disagree with the view that people are unemployed because they are choosy when looking for employment, while 40% agree with the view. The Chi-Square=56.788 and p-value=0.000 of this variable indicate that there is a significant difference between the perspectives of the unemployed on “people are unemployed because they are choosy” as a cause of unemployment. The mean (M=2.34) shows that the majority “disagrees” with the notion that people are unemployed because they are choosy.

The results illustrate that 80% of the unemployed disagree with the view that people are unemployed because they are overqualified for locally available jobs, while only 20% agree. The Chi-

Square=34.106 associated with p-value=0.000 indicates that there is a significant difference between the perspectives of the unemployed on “people are overqualified for locally available jobs” as a cause of unemployment. The mean (M=1.92) is skewed toward 2; therefore, that means the majority “disagree” that unemployment is caused by overqualification.

Table 10: Population (demographic) factors of unemployment

| Population-Based Factors of Unemployment in Butterworth | SD | D | A | SA | TOTAL | Mean | Df | X² | Sig |
|--|--------------|--------------|--------------|--------------|--------------|-------------|-----------|----------------------|------------|
| People are unemployed because they lack skills or are uneducated. | 12 (14.1) | 19 (22.4) | 34 (40) | 20 (23.5) | 85 (100) | 2.73 | 3 | 11.988 | 0.007 |
| People are unemployed because they are choosy when looking for employment. | 7 (8.2) | 44 (51.8) | 32 (37.6) | 2 (2.4) | 85 (100) | 2.34 | 3 | 56.788 | 0.000 |
| People are unemployed because they are over-qualified for locally available jobs. | 29 (34.1) | 39 (45.9) | 12 (14.1) | 5 (5.9) | 85 (100) | 1.92 | 3 | 34.106 | 0.000 |
| People are unemployed because they do not have proper job-seeking strategies. | 2 (2.4) | 51 (60) | 32 (37.6) | 0 (0) | 85 (100) | 2.35 | 2 | 43.082 | 0.000 |
| The unemployed of Butterworth lack proper networking skills to get employment opportunities. | 0 (0) | 41 (48.2) | 42 (49.4) | 2 (2.4) | 85 (100) | 2.54 | 2 | 36.729 | 0.000 |
| The unemployed people of Butterworth are lazy and do not apply for jobs. | 6 (7.1) | 53 (62.4) | 25 (29.4) | 1 (1.2) | 85 (100) | 2.25 | 3 | 78.341 | 0.000 |
| Some people are unemployed because they have criminal convictions or records. | 3 (3.5) | 23 (27.1) | 58 (68.2) | 1 (1.2) | 85 (100) | 2.67 | 3 | 98.671 | 0.000 |

Key: Strongly Disagree (SD), Disagree (D), Agree (A), Strongly Agree (SA), Mean (M), Degree of Freedom (df), Chi-Square (X²)

The results demonstrate that 62.4% of the unemployed disagree, while 37.6% agree with the view that people are unemployed because they do not have proper job searching strategies. The Chi-Square=43.082 and p-value=0.000 of this variable indicate that there is a significant difference between the perspectives of the unemployed on “having proper job searching strategies” as a cause of unemployment. The mean (M=2.35) shows that the majority disagree with the notion that people are unemployed because they do not have proper job searching strategies.

It is indicated that 51.8% of the unemployed agree with the view that people are unemployed because they lack proper networking skills to get employment opportunities, while 48.2% disagree. The Chi-Square=36.729 and p-value=0.000 indicate that there is a significant difference between the perspectives of the unemployed on the “lack of proper networking skills” as a cause of unemployment. The mean=2.54 is skewed towards 3, and this indicates that the majority “agree” that lack of proper networking skills is a cause of unemployment.

Table 10 below shows that 69.5% of the unemployed disagree with the view that people are unemployed because they are lazy and do not apply for jobs, while 30.5% agree. The Chi-Square=78.341 and p-value=0.000 indicate that there is a significant difference between the perspectives of the unemployed on “laziness and not applying” as a cause of unemployment. The mean=2.25, is skewed towards 2 and that means that the majority “disagree” that people are unemployed because they are lazy and do not apply for jobs.

The results show that 69.5% of the respondents agree with the view that people are unemployed because they have criminal convictions or records; only 30.6% disagree. According to the Chi-Square statistics of 98.671 associated with the p-value=0.000, this means that there is a significant difference between the perspectives of the unemployed on criminal records and unemployment. The mean score (M=2.76) shows that their views are skewed towards 3, and that means they “agree” with this perspective.

Factor Analysis on the demographic causes of unemployment in Butterworth

Factor analysis was performed on these unemployment perspectives to establish the relative importance of each perspective. The results present the value of Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO), which amounts to 0.705, exceeding the recommended value of 0.6, meaning it is satisfactory for factor analysis; the test results were (Chi-Square=128.749, df=21, and the significance value of the Bartlett test of Sphericity is {Sig=0.000}), which means the correlation is not an identity matrix.

Table 11 indicates that only one component, which is “lack of proper networking skills” has a total that is greater than 1, which is 2.781 with 39.722% variance, followed by the component “people are lazy and don’t apply” with 16.095% variance. The component “people are choosy when looking for jobs” is third with a 13.657% variance, followed by the component “lack the necessary job searching strategies” with a 10.820% variance. The fifth component is “people are overqualified for the locally available jobs” with a 7.781% variance, followed by the component “people lack skills or uneducated” with a 7.362% variance. The last and the least is “criminal records” with a 4.563% variance. From this factor analysis, it can be concluded that the component that made the most contribution among other components on the demographic causes of unemployment is “People lack the necessary networking skills”.

Table 11: Total variance explaining the demographic causes of unemployment in Butterworth

| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | |
|----------------------------------|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1. Networking skills | 2.781 | 39.722 | 39.722 | 2.781 | 39.722 | 39.722 |
| 2. Lazy and don’t apply for jobs | 1.127 | 16.095 | 55.817 | | | |
| 3. People are choosy | .956 | 13.657 | 69.474 | | | |

| | | | | | | |
|--|------|--------|---------|--|--|--|
| 4. Job searching strategies | .757 | 10.820 | 80.294 | | | |
| 5. Over qualified | .545 | 7.781 | 88.075 | | | |
| 6. Lack of skills or being uneducated | .515 | 7.362 | 95.437 | | | |
| 7. Criminal records | .319 | 4.563 | 100.000 | | | |
| Extraction Method: Principal Component Analysis. | | | | | | |

Table 11 indicates that there are five components, and the component which has the biggest value is “networking skills” with a value of 0.732. Hence, it can be concluded that this component is the most important, as the unemployed said that “people lack the necessary networking skills”.

Table 12: Component Matrix on demographic causes of unemployment in Butterworth

| | Component |
|--|-----------|
| Networking Skills | .732 |
| Lazy And Do Not Apply | .730 |
| Are Choosy | .730 |
| Job Seeking Strategies | .618 |
| Overqualified | .590 |
| Lack Skills Or Uneducated | .550 |
| Criminal Records | .382 |
| Extraction Method: Principal Component Analysis. | |
| a. 1 components extracted. | |

Even though “criminal records” with a value of 0.382 was the least important perspective, all the demographic causes of unemployment met the threshold of ≥ 0.3 acceptance level in the principal component analysis.

DISCUSSION OF FINDINGS

The unemployed persons’ perspectives of unemployment in Butterworth Town, Eastern Cape

From the factor analysis, it can be concluded that the majority agree that “there are no new opportunities”, and this explains why unemployment is so high in Butterworth. Statistically, 94.1% of the unemployed people of Butterworth agree with this perspective, which made the highest contribution in factor analysis and has a Chi-Square reading that is significant and a variance of 54.018. This indicates that although the people of Butterworth know that there are other reasons for unemployment, the lack of new opportunities causes unemployment. Butterworth needs to create new opportunities to combat unemployment. According to the Keynesian theory, there are no new opportunities because there is no increase in the demand for goods and services. South Africa is a consumer country, and the major problem is that it does not produce some of the goods it consumes.

They also agreed that “for Butterworth to create new opportunities, it needs to reindustrialise.” 100% of the unemployed people of Butterworth agree fully with this perspective, and according to Chi-Square readings, this demonstrates high significance in this perspective and has a high variance of 19.503. This shows that people can see that reopening abandoned industrial places can provide new job opportunities. The literature agrees that closing down socio-economic activity causes unemployment, too. The smallest mechanism in the closure of an organization or part of a unit can cause unemployment.²² Therefore, many agree with this point of view that reindustrialization can bring new opportunities.

The unemployed people of Butterworth agree that “unemployment is deliberately created by capitalists”. This perspective has a high variance of 11.428 and a significant Chi-Square reading. Additionally, 71.8% of the participants agree with the perspective. According to the Marxist theory in

²² Allen and Thomas, *Poverty and Development in the 1990s*.

this study, this indicates that the unemployed believe that capitalists deliberately created unemployment to have surplus labour so that they can exploit the working class. Secondly, companies can threaten to move from one part of the country to another in search of cheaper production costs. According to the literature, they can also threaten to move to another country, thereby causing unemployment. Afonso demonstrates how the labour market institutions can impact unemployment, suggesting that the power capitalists possess enables them to manipulate the unemployment rate, wages and inequality of that economy.²³ There are examples of multinationally owned production units relocating from “higher wage” to newly industrializing countries (NICs) where wages are lower.²⁴

That “the government is not creating enough employment” is one of the perspectives of the unemployed people of Butterworth. 96.5% of the unemployed agree that this is one of the reasons why they are unemployed. This is shown by significant Chi-Square readings and has a variance of 8.043. If the government is not creating enough jobs, at least it should make the South African market conducive for local and international investors to create jobs for the South Africans. Sturn states that weak government policies contribute to high unemployment rates and have weak economies with a huge labour surplus.²⁵

The response that “Unemployment is a global crisis and is not only in South Africa” may have the lowest variance, but the unemployed people of Butterworth are of the view that there should be a way to combat the crisis, even though they acknowledge the fact that they are not alone in this crisis. According to the literature, this is a global crisis because the rate of population growth causes the labour force to grow faster than the normal labour absorption of the market.²⁶ Although all agreed that “unemployment is a global crisis and is not only in South Africa”, it should be noted that this perspective made the least contribution in terms of statistical measurements and, therefore, is the least important.

With all that said, the most important perspective of the unemployed people of Butterworth is “People are unemployed because there are no new opportunities”. This suggests that the unemployed have noted the cause of their unemployment.

Contributing Factors to Unemployment in Butterworth

The contributing factors to unemployment are divided into three categories in this study (individual, industrial and demographic contributing factors of unemployment).

Main individual (primary) contributing factors of unemployment in Butterworth

From the research findings of individual or primary causes of unemployment, it can be said that the majority are of the view that they are unemployed because they lack the necessary work experience.

The strongest individual or primary cause of unemployment is the lack of the necessary experience, and therefore, people who want to gain this necessary experience need to do voluntary work and even take jobs that are irrelevant to the qualifications they have.

Main Industrial (secondary) contributing factors of unemployment in Butterworth

From the research findings, it can be inferred that technological advancement does affect the creation of employment, as some people may not be equipped with the latest technology. Literature indicates that companies want people with technological skills, thus depriving unskilled labourers of work.²⁷

The people of Butterworth also stated that the minimum wage policy does scare away potential investors, even though it is meant to protect the workers from potential exploitation by capitalists. Another factor that contributes to the high unemployment rate is the mismatch between skills and the labour market demand. This is a big problem because it leads people to structural unemployment, and that means they would have to relocate if they want to find employment. According to the literature, the

²³ Allen and Thomas, *Poverty and Development in the 1990s*.

²⁴ Allen and Thomas, *Poverty and Development in the 1990s*.

²⁵ Sturn, “Are Corporatist Labor Markets Different? Labor Market Regimes and Unemployment in OECD Countries.”

²⁶ Mafiri, *The Socio-Economic Impact of Unemployment in South Africa*.

²⁷ Kingdon and Knight, *The Incidence of Unemployment in South Africa*; Lucas Kleine-Stegemann et al., “Are Bricoleurs More Satisfied? How Bricolage Affects Entrepreneur Job Satisfaction among Experienced versus Novice Entrepreneurs,” *Journal of Small Business Management* 62, no. 3 (May 3, 2024): 1347–84, <https://doi.org/10.1080/00472778.2022.2140159>.

role of trade union federations in government has led to many people being unemployed, as the increased wages demanded by unions cannot be afforded by many companies, thus resulting in a decline in new employment. Furthermore, many workers lost their jobs because their companies had to reduce their workforce as they could no longer afford to pay all their employees, thus contributing to the unemployment rate in the country.²⁸

The last of the industrial contributing factors is corruption and nepotism in the workplace. Zinyemba stated that nepotism is a “practice of unfairly giving the best jobs to members of your family when you are in a position of power.”²⁹ Nepotism occurs when those in higher management positions influence the recruitment and selection process of employees. Top management takes advantage of their positions to secure jobs for friends and relatives.³⁰ The people of Butterworth are of the view that the employers and the working class are very corrupt and hire or employ their relatives and friends. People are complaining that they have to pay high bribes that they cannot afford to get jobs.

According to the findings of the research, the assertion that “the minimum wage policy scares off potential investors” was the strongest industrial contributing factor. Therefore, the unemployed people of Butterworth are of the view that there are no new opportunities because the minimum wage policy scares away potential investors. Literature indicates that the minimum wage leads to employers not being able to pay all their employees, thus contributing to the unemployment rate in the country, because they have to retrench or close down.³¹

Population (demographic) contributing factors to unemployment

The results of the study indicate that some people in Butterworth are unemployed because they lack skills and are uneducated, but the majority of them possess the necessary skills and education that are needed by the South African labour market. From the Marxist perspective, one would say that these people are deliberately excluded from the economy because they have all the necessary traits to be effective and useful in the economy, but they are not given the opportunity.

Some people are choosy when applying for jobs, but the majority of the people of Butterworth are really desperate and they say that they would take any available job. Every country should have unemployment benefits to provide some security for the unemployed so that they can undertake an effective job search. If the benefits are excessive, however, the search becomes overly “choosy”. Available literature on the subject states that job seekers can be “choosy” at times.

Another factor that can cause unemployment is overqualification. Nevertheless, the people of Butterworth dispute this factor by stating they are not choosy and would rather be underemployed than unemployed. Therefore, to them, qualification is not a problem because they believe that qualifications and skills can never be a disadvantage. According to the literature, unemployment increases progressively with decreased educational levels. For that reason, those who are highly educated are not necessarily in a disadvantaged position. Secondly, the educational system is not geared to produce relevant skills for the labour market, and it needs to be restructured so that it is relevant to the needs of the job market.³²

The research findings also indicate that some of the unemployed people of Butterworth are unemployed because they lack proper job-seeking strategies, and that is a disadvantage to them as job seekers and could prolong their period of unemployment. According to the literature, there is no bad job searching strategy. One needs to use the resources he has effectively to find a job, whether one has internet, newspapers or relies on word of mouth and walk-ins.³³

Another population or demographic contributing factor to unemployment is the lack of networking. The unemployed people of Butterworth are of the view that they lack networking skills.

²⁸ Clifford Tshepang Malakwane, “Economic and Social Effects of Unemployment in South Africa: Prospects for the Future” (Tshwane University of Technology, 2012).

²⁹ Zinyemba, “Workplace Challenges and Solutions.”

³⁰ Zinyemba, “Workplace Challenges and Solutions.”

³¹ Malakwane, “Economic and Social Effects of Unemployment in South Africa: Prospects for the Future.”

³² J. Seeking and N. Natrass, *Class, Race and Inequality in South Africa* (University of KwaZulu-Natal Press, 2006).

³³ Mayekiso and Obioha, “Features of Graduate Underemployment in South Africa: A Case Study of Mthatha.”

According to the literature, people who lack networking skills and have networking channels know people who could be useful in their journeys of seeking employment, but never use such opportunities.³⁴

RECOMMENDATIONS

Based on the findings and discussion, the following recommendations have been proposed:

- The unemployed should be encouraged to apply for jobs as frequently as possible, which enhances their chances of getting a job.
- If one has never worked before, taking a job, no matter how irrelevant it is to one's qualifications and skills, will increase one's work experience. This may help in acquiring the necessary work experience required by employers.
- Unemployed persons should always equip themselves with the use of technology, especially the use of computers, because such skills are essential when one is looking for a job.
- Unemployed people should use all the job-searching strategies that are at their disposal because all of them are effective.
- For the unemployed person to find a job, they should always keep a positive mindset when looking for a job and stay away from criminal activities.

CONCLUSION

The research sought to investigate perceptions of the unemployed, relative to unemployment in Butterworth, Eastern Cape, South Africa, and determine causative factors. The research applied a quantitative survey and Marxist Conflict Theory to discourse about causes such as skills mismatch and corruption and suggests solutions such as re-industrialization and skill development. In summary, the research objectives used relevant literature and theories to evaluate the findings. Some of the findings are incongruent with the literature, although there are others that align with the theories that were used for the study. The study found that the unemployed people of Butterworth are of the view that no new opportunities are being created for the unemployed. This was the strongest perspective on unemployment, and they believe that for Butterworth to create new opportunities, it needs to re-industrialize. This agrees with the available literature on the point that the closure of factories and firms does create unemployment. Participants stated that they are unemployed because their qualifications and skills are seen as a mismatch with the small job market. Available literature agrees with the view that in South Africa, jobs are only available to those who possess scarce skills and professions. All the unemployed people of Butterworth agreed that unemployment is caused by a lack of experience, a minimum wage policy and a lack of education and skills. Their view agrees with the literature because employers want educated and skilled labour that has all the necessary experience for production to speed up. Hence, the unemployed should invest more in themselves, acquire new skillsets, so they can match up with the current changes in the workplace.

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ABOUT AUTHOR

Cwenga Mayekiso is a sociology scholar with a Master's degree in the discipline and is currently advancing his studies as a PhD candidate. He holds a research assistant position at the Walter Sisulu University, where he actively engages in projects that examine socio-economic issues affecting South Africa. His work reflects a profound dedication to understanding the structural and social dynamics that contribute to unemployment and underemployment, especially within rural and under-resourced areas. Through his work, Mayekiso aims to advocate for structural changes that improve employment conditions and access to resources in marginalized communities. His dedication to his field and his contribution to understanding the socio-economic landscape of South Africa underscore his potential as a leading voice in addressing the root causes of unemployment and socio-economic inequality in the region.