

Unemployment is never zero...

Because there are always workers who have the necessary skills but were fired because the economy is going through a recession

Explicit Unemployment

A large green arrow pointing to the right, containing the text "We call this" in white. The arrow has a thick body and a sharp point on the right side.

We call this

The **cause** of this type of unemployment is a **recession**: firms don't sell enough, so they cut production and employment

This kind of unemployment lasts for as long
as the recession lasts...

Unemployment is never Zero...

Because there are always workers who have the necessary skills but were fired because the economy is going through a **recession**

We call this

Cyclical Unemployment

The **cause** of this type of unemployment is a **recession**: firms don't sell enough, so they cut production and employment

This kind of unemployment **lasts for as long as the recession** lasts...

Three Types of Unemployment