

## **CHAPTER V**

### **CONCLUSION**

#### **5.1 Conclusion**

Decent work and economic growth are goals number eight of the Sustainable Development Goals that must be achieved in the world. Which provides productive and comprehensive employment opportunities, as well as decent work for all. In order to reduce poverty and promote sustainable development. Unemployment is a problem that must be addressed immediately. Every country must be prepared for a demographic bonus, which peaks in 2025, where the age of the workforce is very abundant, so it is necessary to prepare as early as possible to face the demographic bonus so that later the allocation of labor and its utilization can be carried out more efficiently. In the end, we can maximize the positive impact of the demographic bonus.

This research focuses on the analysis of the impact of globalization in RCEP member countries. Consists of 10 ASEAN countries (Indonesia, Malaysia, Filipina, Singapura, Thailand, Brunei Darussalam, Vietnam, Laos, Myanmar, Kamboja), plus China, Japan, South Korea, Australia, and New Zealand where this bloc is the world's largest trade bloc.

The conclusive outcome of the research study is that in the long run, unemployment is found to be insignificantly influential on economic globalization and political stability with a negative correlation. On the other hand, unemployment is found to be insignificantly influential on inflation and foreign direct investment with a positive correlation. But unemployment has a negative and significant influence on GDP per capita and population growth. The value of R square was found as very low that is only 34% of the variation is explained by the regression and the rest is due to an error. It is, therefore, concluded that in the long run, unemployment possesses a role that is influential but for economic globalization, political stability, inflation, and foreign direct investment

with insignificance levels of the RCEP. And only has a significant influence on GDP per capita and population growth.

The result proves that unemployment is one of the influential phenomena in the economy of RCEP. Unemployment needs to be considered as one of the important factors for economies to consider when making strategic economic decisions. The quantitative factors of the economies are mainly to be considered for the strategic decision to lead the rational approaches in the economic decisions.

## 5.2 Recommendation

Based on the results of this study, the important thing that can be said is that the relationship between unemployment and economic globalization is unavoidable. This relationship is necessary to be properly considered and handled. The government needs to pay attention in signing the agreement, because the correlation between globalization and unemployment, in the long run, is not significant. It is better to focus on the short-term goals to maximize the impact of the agreement. Furthermore, each country needs to increase the specialization and the value-added of goods that they produce to reduce pressure from competition both within ASEAN due to similar products and competition with China, whose products are known to be very cheap. Also, increasing investment in the labor-intensive will help reduce unemployment compared to just focusing on investment in capital intensive.

In order to decrease unemployment in the country of RCEP, the government must measure the political situation. Such as terrorism and violence are lower in their country. This will make other countries believe with employment from that country to work in their country. It will also encourage businessmen who want to build a business will believe to build their company in that country. In the end, it will help to increase the net capital inflows and increase investor confidence in doing business in that country.

In addition, required the government's firmness to emphasize more that the development of quality resources for human beings is crucial because the increase in the quality of the population can encourage increased productivity and produce high output. Where investment in human resources can be carried out on improvements in the fields of education, health as well as mobility of its inhabitants.

