

The Economics and Psychology of Unemployment: A Case Study of Recent Hanoi University of Science and Technology Graduates

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ABSTRACT

Recent graduate unemployment in developing economies such as Vietnam constitutes not only a structural labor market challenge but also a significant psychological disruption during early career transitions. Moreover, youth unemployment in Vietnamese urban areas is deemed a challenge for national development, with an estimated 12 out of 100 working-age youths jobless in 2020 (Nguyen, T. T. C., et al., 2020). A core reason identified by scholars is a mismatch between university education and labor market demands (Ca, 2021; Tran, 2024). Training programs in most universities in Vietnam are often overly theoretical, missing career-related and practical components (Tran, 2024). Graduates face barriers due to a lack of initiative, unrealistically high salary expectations, or a deficit in essential soft skills (Nguyen, T. T. C., et al., 2020). At the same time, many demonstrate pragmatism by accepting lower-paying jobs or work unrelated to their majors to gain initial experience and build confidence (Tong, 2019, as cited in Ca, 2021). While existing research largely emphasizes skill mismatches and employability deficits, often through quantitative studies concentrated in Ho Chi Minh City, limited attention has been paid to how graduates from elite technical institutions in the capital region experience and interpret unemployment as a lived experience. To address this research gap, this study focuses on alumni of the Hanoi University of Science and Technology (HUST) as a critical case, posing two interrelated questions: How do recent graduates appraise and interpret unemployment one year after graduation, and how do these appraisals inform their alternative income-generating and career strategies?

JEL Codes:

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