

NUMBER OF AMERICANS WHO HAVE GIVEN UP HOPE OF FINDING A JOB- 88 MILLION AND WE'RE STILL COUNTING



The gauge for measuring the economy's progress is the declining unemployment rate, which dropped from 8.3 percent to 8.2 percent. On the face of it, the drop in the unemployment rate is because new jobs were added and something to be happy about. But this time the celebrations are muted, for the figures conceal more than they reveal. Sarah Kliff, a blogger, whose work has appeared in Newsweek and Politico points out, it was mainly because there were "164,000 fewer people were actively looking for work." Since February 2010, private employers have added almost 4 million jobs, at around 164,000 jobs per month. These jobs are not counted in the unemployment statistics. The government added 120,000 jobs, that's a lot less than the expected 205,000 and the 240,000 jobs that were added in February. Over the period when the private employers added, well nigh 4 million jobs, almost 485,000 jobs were lost. What happened to these people? Survey data from Barclays shows, that about 35 percent of the people want a job but have become so disheartened that they have stopped looking for one. The other 65 percent are just not interested in wanting a job. Most of them are Baby Boomers who have decided to take premature retirement. In March, the number of people who have, of their own accord, taken themselves out of the labor force reached an exceptional 88 million. Even economists, who felt that the March figures were an aberration and not too much a cause for worry, confessed that the "such a number presents a dire warning concerning the economy." However, what is even more worrying is the ever expanding number of Americans, who frustrated and discouraged by their inability to find work; have given up looking for one. However, Economists believe that the hiring will not be as disappointing this spring and summer inspite of the disappointment of the March Labor Report. Paul Ashworth, chief U.S. economist with Capital Economist said, "We don't think this is the start of another spring dip in labor market conditions." Chris Jones, of TD Economics said, "The last few months of aggressive employment growth were inconsistent with underlying economic fundamentals, March's number, while still weak, actually makes sense." The stark reality that 88 million US citizens, who could be working but aren't, signals a serious problems, that the administration is failing to address. Does the increasing number of Americans who have stopped looking for a job mean that they have lost faith in their future? Or does it reflect a loss of faith in the government? That will be bad news for the politicians, who will, come November, probably understand the pain of losing a job and trying to find a new one.