

Employment & Unemployment

Understanding unemployment rates

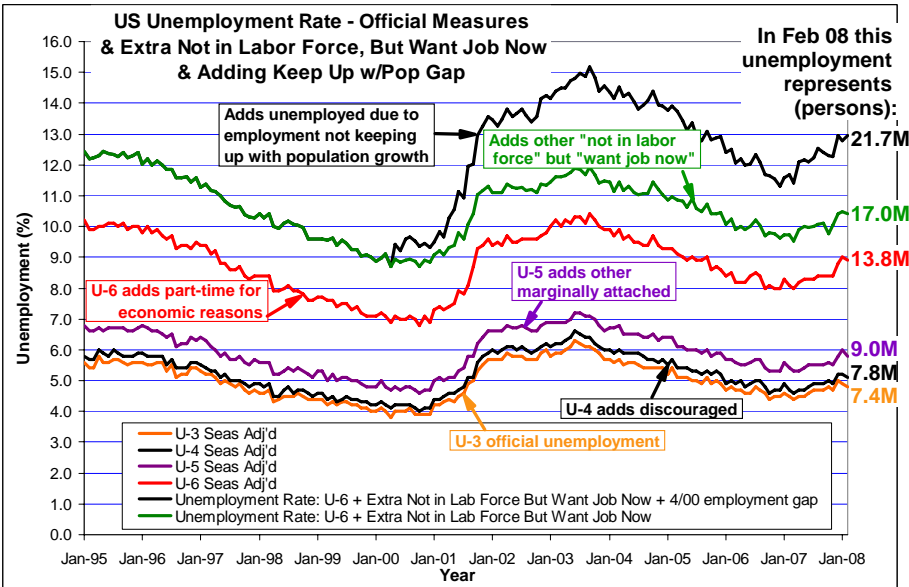
Official definitions are on the [BLS website](#). Briefly:

- **U-3.** the *official* unemployment rate
- **U-4.** Adds "discouraged" workers
- **U-5.** Adds other "marginally attached" - available; had searched for a job sometime in the year preceding the survey, but not currently "looking"
- **U-6.** Adds "part time for economic reasons" -- they want, but can't find, a full time job
- **U-6 + Want Job Now.** Adds those government considers "Not in labor force, but Persons who currently want a job." Factors prevented their entry into the job market *at the time they were being surveyed*.
- **U-6 + Want Job Now + Needed to Keep Up w/Pop Growth.** Adds the number of jobs that would be needed to keep up with population growth.

Unemployment rates: [Statistics](#) are derived from a population survey. They're not related to those collecting unemployment. [BLS explanation](#).

Looking? You're not considered "looking" unless you've made a phone call or sent a letter. "Looking" in the newspaper or on the internet does not count.

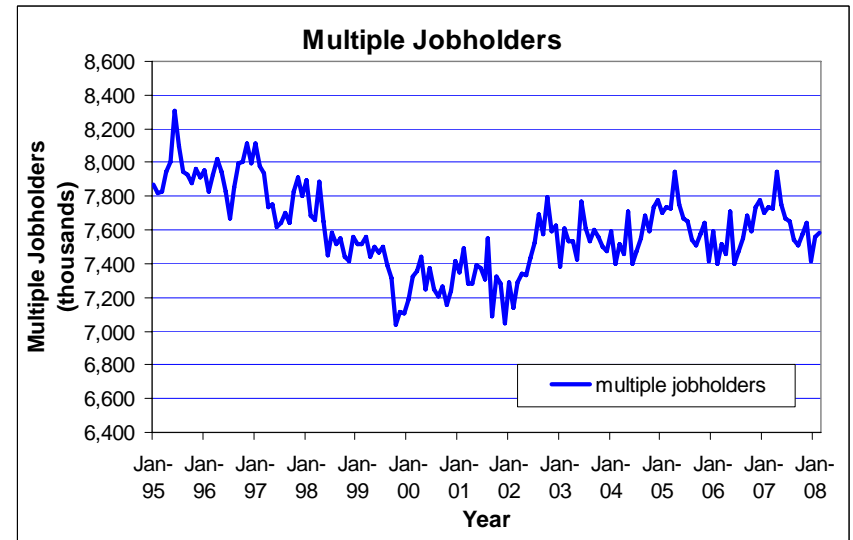
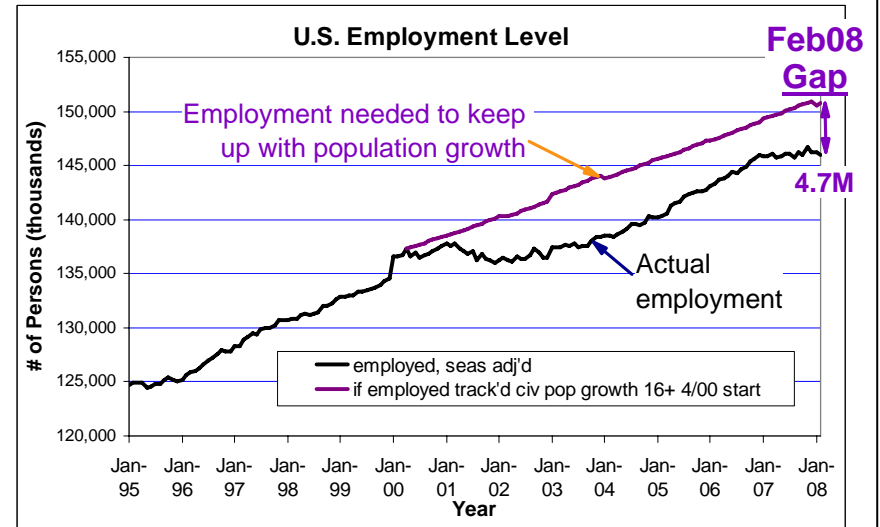
Underemployment: None of this considers those working at jobs for which they are overqualified.



Real unemployment is closer to 12% than to the official 4.5 to 5%. For confirmation see [Shadow Government Statistics](#) at John Williams' [Employment and Unemployment Reporting](#) link.

Employment Lags Population Growth

US seasonally adjusted employment level: 654,000 drop since 11/07.



The "free market for labor" myth

"Conservatives" maintain that unions and a minimum wage interfere in the "free market." But Federal Reserve policy rigs demand to assure there are always more people who want jobs than there are jobs.

Because there are more people than there are jobs, the added value of those extra people is zero ... wages fall to between zero and subsistence level. See documentation of this policy and how the Fed promotes insecurity for those who work for a wage in excerpts from Fed meeting minutes at [Response to a Conservative](#).