Fuzzy Math in Unemployment Statistics

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The Department of Labor announced that 252,000 new jobs were added to the U.S. economy in December. The Obama Administration is trying to pander to voters by touting a recent decline in government unemployment figures, but the official unemployment figure is dishonest because it excludes from the count the million unemployed Americans who have given up looking for a job. You don't count as "unemployed" unless you are actively looking for a job.

Prospects are especially dismal for those who have been out of work for a half-year or more. A shocking 31.9 percent of the unemployed, about 2.8 million, have been out of work for 27 or more weeks, and that figure remained virtually unchanged last month despite rosy claims by the Obama Administration.

You would never know that by listening to spokesmen for the Obama Administration. Obama's administration claims that unemployment has fallen to 5.6 percent. In fact, the more accurate U-6 unemployment rate was twice as high, 11.2 percent for December.

Once someone is out of work for an extended period of time, it becomes nearly impossible to get a decent job. Studies show that after eight months of being out of work, the likelihood of being called back for an interview declines to less than 50 percent.

This is what allows Obama to prevaricate about so-called falling unemployment rates. The more people who drop out of the workforce entirely, the lower is the official unemployment rate.

Why is the real rate of unemployment so high, why are wages stagnant, and why don't Democrats or Republicans address this fundamental jobs issue instead of misleading the public about the figures and relying on more taxpayer programs and benefits?

The sorry answer is that Republicans and Democrats in Congress are following the Chamber of Commerce game plan: bring in more cheap labor to keep wages low.

Economics 101 still teaches that the law of supply and demand works and a large supply of labor keeps wages low.

Obama facilitates this game plan by illegally admitting illegal aliens, and some Republicans want to expand guest worker visas at all levels (the well-educated by H-1B visas, the low-paid by calling them "guest workers," or farm workers).

The percentage of people who are not in the labor force remains at levels not seen since the failed presidency of Jimmy Carter. The number of people on food stamps is twice as high as before Obama became President, which is a good marker of the failure of Obama's economic policies.

Another point neglected by the data collectors is that the jobs now being created tend to pay a lower wage than the jobs that were lost. As a result, incomes are stagnant, and many people who do have jobs do not earn enough to feed their families.

Politicians of both parties still cater to trade policies that send U.S. manufacturing jobs to foreign countries. The U.S. Chamber of Commerce and a handful of large corporations continue to demand special "fast track" authority to impose trade agreements that will cost us more jobs in the future.

This Wednesday, the leader of the U.S. Chamber of Commerce is scheduled to outline his demands to push through special powers for the Obama Administration to cut trade deals with foreign nations. "We are going to be putting a major push, a major campaign, behind getting trade promotion done as soon as possible," promised a policy director of the U.S. Chamber of Commerce. He added that their push is "going to be around the clock."

Despite evidence demonstrating that prior trade agreements have caused massive losses in quality jobs for Americans, politicians remained determined to send more jobs overseas. The so-called "TPP," which is a proposed 12-nation Trans-Pacific Partnership with Asian nations that exploit cheaper labor, is being pushed by the Obama Administration and the misguided U.S. Chamber of Commerce.

The free-trade agreement with Mexico that was forced upon us in the form of NAFTA resulted in a flood of illegal drugs into our nation, in addition to lost jobs. What undisclosed harmful consequences will flow from the TPP?

Full hearings and debate should be required before imposition of these devastating changes to our economy, and testimony by economists who are critical of this proposed free-trade deal should be heard first before any sweetheart deals are cut for multinational corporations.

Reuters has estimated that 150 Democratic and 27 Republican congressmen are already on record as being opposed to "fast track" free-trade proposals, and the views of many of the 65 newly elected congressmen are unknown. Hopefully they will not forget who brought them to the dance: Americans who want more jobs in America.

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