

THE BUSH ECONOMY:
FEWER JOBS, LONGER UNEMPLOYMENT, AND FALLING INCOMES
June 26, 2003

- Since January 2001, **the unemployment rate has increased** from 4.2 percent **to 6.1 percent** – the highest level in nine years.
- Since January 2001, the **number of unemployed people increased** from 5.95 million people **to 9 million** – **an increase of more than 3 million, or more than 50 percent.**
- The **increase in unemployment** of the last two and one-half years **has had a disproportionate effect on people of color.** The **rate of unemployment for African Americans is 10.8 percent** – twice the rate for whites. The **unemployment rate for Hispanic Americans is 8.2 percent** -- more than 50 percent higher than the rate for whites.
- The **number of unemployed private construction workers is 715,000** – **an 80 percent increase** over the comparable period in the last year of the Clinton Administration. **The unemployment rate for construction workers is 8.4 percent** – **68 percent higher than the rate in May 2000.**
- Similarly, the number of unemployed manufacturing workers is nearly 1.2 million – an increase of more than 25 percent since January 2001. In January 2003, **the number of production workers in manufacturing dropped below 11 million for the first time since February 1946 and the number continues to fall.**
- Moreover, after workers have lost their jobs, they have had more trouble finding new jobs. The **average length of unemployment is almost 20 weeks, the longest it has been in almost two decades.** In the past two years, the **number of workers who are unemployed for longer than six months has increased by 1.3 million to more than 1.9 million – an increase of more than 216 percent.** One-half of the unemployed are out of work for more than 10 weeks and one in five have been out of work for more than six months.
- In addition, 4.6 million people seeking full-time employment are working only part-time. An additional **5.5 million have completely dropped out of the labor force because they cannot find work,** and therefore are not counted as unemployed.
- As labor markets tightened in the late 1990's, even low- and middle-income workers seemed to gain some wage bargaining power. But, with the Bush recession, **family incomes are falling across the board, and falling most rapidly among lower-income workers.**