

Real U.S. unemployment index

EIR publishes this week an historical index of unemployment in the United States since World War II, which will be updated monthly. Our purpose is the rebuilding of the American labor force, once the finest labor force in the world.

The gross figure for unemployment in February 1982 was 22.2 percent of the entire labor force. This figure measures, most dramatically, the progressive erosion and waste of the workforce since World War II, when total unemployment was only 3.9 percent.

To anyone who considers the

problem, it is obvious that unemployment is considerably larger than the 8 to 9 percent claimed by the Bureau of Labor Statistics of the Department of Labor. Consider the throngs of jobless youth who hang out on street corners, the army of prostitutes, gamblers, dope pushers, pornographers, and participants in organized crime that operate in our largest cities, plus the hundreds of thousands of cult members or youthful drug-culture floaters.

Unemployment index

Consider also the 1.6 million

workers who have retired before age 65 and withdrawn their lifetime of skills from the economy, the thousands of unemployed who have turned to small businesses to eke out a living, or the 2.6 million students—15 percent of the student population—who have become students rather than stand on street corners, unemployed.

Remarkably, the BLS does not count part-time workers who cannot find full-time work as unemployed, and makes no attempt to find the millions who were not found by the census takers.

The above index is computed by adding the following categories:

A) The officially counted unemployed;

B) Fifty percent of the involuntary part-time employed and 15 percent of the voluntary part-times;

C) Fifteen percent of full-time students and 5 percent of those enrolled in vocational education;

D) Fifty percent of the employables among the estimated 6.9 million people not counted by the 1980 Census;

E) Two-thirds of the employables associated with welfare families;

F) All those who leave the workforce early, but are not disabled.

Sources: Official unemployment is that reported by the Bureau of Labor Statistics, U.S. Department of Labor. Part-time unemployment, both voluntary and involuntary, is reported by the BLS back to 1960 with BLS estimates for 1950 and 1955. Student enrollments in higher education and federally assisted vocational training are compiled by the U.S. National Center for Education Statistics. The census undercount estimate is based on a 1972 federal review of the 1970 Census count that found an undercount of 2.7 percent. The number of welfare recipients is compiled by the U.S. Department of Health and Human Services.

Real Unemployment, 1945-82
(in percent)

