

Week 5 Discussion

Unemployment

Unemployment is an indication of the health of the economy. *Unemployment* means that there is a portion of the productive population (labor force) that is not producing and unable to earn income for consumption and/or for investment. The more unemployed workers there are, the less output the economy will be able to produce. High unemployment also means that there are less wages available in the hands of people to consume, which reduces the incentive or need for suppliers to produce at full capacity (lower GDP). Moreover, unemployment means that there are more workers available for work in the labor market (high supply) than jobs (demand). Higher unemployment leads to a reduction in the price of labor (wages).

Please review the following video to develop a better understanding about the functioning of the economy and to learn how and why does unemployment occur.

- [Macroeconomics](#)

Now let's examine the unemployment in the United States. Follow the link below to review up-to-date national data.

1. Go to the [Bureau of Labor Statistics](#) website.
2. Click on and review the following links to learn about the relationship between age, race, gender, and unemployment.
 - Employment Situation Summary
 - Employment Situation Summary Table A. Household data, seasonally adjusted
 - Table A-2. Employment status of the civilian population by race, sex, and age
 - What interests or surprises you from the summary tables?
 - Discuss the differences in unemployment rates by gender, age, educational attainment, and so forth, and provide possible explanation for the variations in unemployment over time and the variation in unemployment by age, gender, educational attainment, and race.

Response:

Hello Professor & Class,

Since I'm a veteran myself, I will be focusing on employment status for US veterans, over 18 years' population from February 2022 to February 2023. If you look at the chart provided below, you can see that the employment population ration fluctuates between 45.8 to 56.7%. I would say this is a pretty steady ratio as the number of total veterans employed are 8,686,000 in Feb of

2022, to a slight decrease of 8,462,000 in Feb 2023. It made sense to see a decrease of employment rate for veterans since the nation is on the verge to face another recession, and you can see a massive lay offs from various companies throughout the nation. It's good to see there are companies who are willing to hire veterans after their time in service despite the nation going through a tough time. According to News Release of Bureau of Labor Statistics, "The unemployment rate for veterans who served on active duty in the U.S. Armed Forces at any time since September 2001—a group referred to as Gulf War-era II veterans—declined to 3.1 percent in 2022 and the rate for all veterans decreased to 2.8 percent, the U.S. Bureau of Labor Statistics reported today. In August 2022, 41 percent of Gulf War-era II veterans had a service connected disability, compared with 27 percent of all veterans" (bls.gov).

Employment status, veteran status, and period of service	Tot
	Feb. 2022
VETERANS, 18 years and over	
Civilian noninstitutional population	18,469
Civilian labor force	8,971
Participation rate	48.6
Employed	8,686
Employment-population ratio	47.0
Unemployed	285
Unemployment rate	3.2
Not in labor force	9,498

Reference:

U.S. Bureau of Labor Statistics. (2023).Table A-5. Employment status of the civilian population 18 years and over by veteran status, period of service, and sex, not seasonally adjusted. Accessed 3/22/23. <https://www.bls.gov/news.release/empsit.t05.htm>