

**THE U.S. ECONOMY:  
MORE BAD NEWS, FOLKS !**

There are more signs that the economy of the United States of America is struggling.

Last Thursday, Eastern Standard Time, the United States Department of Labour announced that Unemployment Insurance Claims were rising, once again.

For the week, ended Saturday, April 13, Initial Claims for Unemployment Insurance were 352,000, an increase, Week-On-Week, of about 1.15 percent, compared with the week, ended April 6, when the figure for Claims came in at 348,000.

The latest statistics in respect of the unemployed, making claims against the US Government in accordance with their rights under the programme of Unemployment Insurance, may appear to be small and nitpicking and some people may go as far as to state that the figures are insignificant.

But, on the contrary, the latest statistics are very telling, especially when one correlates them with other statistics, compiled by the US Government's many departments.

With regard to the four-week moving average, the statistics in respect of Unemployment Insurance Claims indicate that there were 361,250 Claims, lodged at various offices of The Department of Labour, an increase of 2,750 Claims from the previous week's revised average of 358,500 Claims.

As at March 30, 2013, the total number of people, making Claims for benefits under the US Government's Unemployed Insurance Programme, was 5,152,655.

On Friday, April 5, The Bureau of Labour Statistics, another division of The Labour Department, reported that *'nonfarm payroll employment edged up in March'* by 88,000 jobs.

In the past nine months, that figure of 88,000 jobs was the lowest increase, according to the statistics, compiled by **TOLFIN** (), The Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider.

It is well established that new entrants to the US labour pool, monthly, runs at about 150,000 workers so that the March figure of 88,000 new jobs must be labelled as being totally unsatisfactory for an economy, claimed to be improving, as the White House, continuously states whenever the opportunity arises.

The population growth in the US, alone, requires the creation of about 100,000 jobs, monthly ... just to stand still!

The Commissioner of The Bureau of Labour Statistics, Dr Erica L. Groshen, in a Statement with regard to the March figures, said, among other things, that *'job gains over the prior 12 months had averaged 169,000 per month ...'*.

That statement, alone, confirms the fact that the number of new jobs, being created in The Land of The Free and The Home of The Brave, is woefully short of what is required of an improving economy.

In retailing, *'employment decreased by 24,000 (jobs) in March,'* Dr Groshen said and she continued by

adding:

*‘Job growth in the industry had averaged 32,000 per month over the prior 6 months. In March, employment declined in clothing stores, building material and garden supply stores, and electronics and appliance stores’.*

May one surmise by reference to the above statements that US consumers are neglecting to visit the High Streets of the country as regularly as they did when the economy was better – and when jobs were more plentiful?

According to The Bureau, the number of people, unemployed in the US in the month of March, was 11.70 million *‘little changed in March’*.

The level of unemployment in the US for the month of March was about 7.60 percent, also *‘little changed’* from the February level, according to Dr Groshen.

The above intelligence is all compiled by departments of the US Government so that it must be correct and accurate. One may trust it, implicitly.

Then, that being the case, how can the US Government make claims that the largest, single economy of the world is making *‘useful’* and *‘material’* gains?

Finally, the Federal Reserve Bank of Dallas (Texas) collected and compiled intelligence on or before April 5, 2013.

It summarised the data and information, gleaned from businesses, in what is known as The Beige Book.

The Beige Book states, inter alia, that the situation in the US is suggestive of an economy that has been expanding *‘at a moderate pace ... from late February to early April ...’*.

About employment, The Beige Book said:

*‘Employment conditions remained unchanged or improved somewhat ... Outlooks among respondents remained optimistic across sectors and Districts, with growth mostly expected to continue at the same or a slightly improved pace. Some uncertainty remained, primarily regarding fiscal policy and health care reform.’*

The above appears to **TARGET** () to suggest that little may be expected in respect of any material growth in the US economy in the foreseeable future.

To this medium, the term, *‘moderate pace’*, used in The Beige Book, has the meaning of tending toward the mean or average amount or dimension; or, having average or less than average quality.

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