

**THE ECONOMY OF THE UNITED STATES OF AMERICA:  
IT NEEDS TO ADD AT LEAST 400,000 NEW JOBS PER MONTH**

Listening to the circuitous line of reasoning of many, pseudo-intellectual Wall Street gurus, one might be led to believe that the economic situation in The United States of America is improving vastly – and shall continue to improve apace.

That being the case, now is the time to accumulate more stocks and shares on The New York Stock Exchange and The NASDAQ.

However, this is unmitigated nonsense: Nothing could be further from the truth.

On reading the remarks of Mr Thomas E. Perez, Secretary of the US Department of Labour, his statement, having been widely reported on or about March 4, 2016, one would, most certainly, come to the conclusion that those pseudo intellectuals of Wall Street were spot on.

However, once again, nothing could be further from the truth, in the opinion of **TARGET** ().

**Secretary Perez's Statement**

In respect of the employment situation in the US for the month of February 2016, Secretary Thomas E. Perez said, inter alia:

*'February's report demonstrates the nation's continued economic vitality, with the addition of 242,000 new jobs. The longest recorded streak of private-sector job growth now stands at six full years, 72 consecutive months, during which private employers have created 14.3 million jobs. The unemployment rate held steady at 4.9 percent, the first time it has been below 5 percent for two months in a row since the fall of 2007. The labor force participation rate and the employment-population ratio both edged up, with the latter reaching its highest level in nearly seven years.*

*'Other previously-reported economic indicators are encouraging as well. There are 5.6 million job openings as of the end of December – that's the second most since we started collecting that data. Initial unemployment insurance claims haven't been this consistently low in more than 42 years. In fact, for a full year now – 52 straight weeks – they have been at or under 300,000, compared to an average of more than 600,000 in early 2009... '.*

**TARGET** does not question the veracity of that which Secretary Thomas E. Perez has stated, but this medium does question that which Secretary Perez seemingly failed to appreciate in his summation of the February employment situation with regard to the largest-single economy of the world, today.

**Should Today's Job Gains Be Considered Anaemic?**

In this medium's opinion, less than a growth of newly created jobs of about 400,000 per month suggests that the economy of the US is, at best, standing still.

Here is **TARGET**'s reasoning.

The human population of the US, today, stands at about 321 million, men, women and children.

About 78 percent of the total human population (about 250.38 million people) of the US is aged 16 years and older.

Of that number of people, about 60 percent are employed (about 150.23 million people).

Approximately, 1.47 percent of those 150.23 million, employed people (about 2.21 million people) have been without work for 27 weeks or more; and, this situation has been virtually unchanged since June of 2015 – nine months ago!

The number of part-time workers in the US stands, today, at about six million people, equivalent to about four percent of the employed workforce.

This statistic has been unchanged since last November – about four months ago!

Surveys, conducted by the US Government, have proved that the part-time workers, by and large, would prefer to be employed, full-time, but they are unable to find such employment, for one reason or another.

It is estimated that about 5.80 million men and women graduate from high schools and universities, annually. The norm is that this group enter the workforce soon after graduation.

Those US citizens, leaving the workforce, annually, number about 3.65 million, according to the Labour Department's statistics.

This number of people, leaving the workforce, includes those workers who have reached the age of retirement, usually put at the age of 65 years.

Also, there are those workers who, for health reasons, are forced out of the workforce, annually.

Adding and subtracting **TARGET**'s calculations with regard to US employment statistics lead one to deduce that the US economy requires the creation of about five million new jobs per annum, that is about 417,000 jobs per month – just to break even (employing the vernacular of Americans).

Of those five million new jobs that must be created, annually, 3.65 million workers (see above) leave the workforce.

This leaves the resultant number of workers, entering the US job market, per annum, at about 1.35 million – that is about 112,500 workers per month.

Ergo, any number that is greater than 112,500 new jobs, created monthly, would, on the surface, appear to be a positive number, being a sufficiency, one might conjecture, to feed new US workers, entering the workforce, with gainful employment.

However, there is still that matter of about nine million workers who, for no fault of their own, became the victims of the so-called Great Depression that ravaged the country between 2007 and 2010.

By simple arithmetic, in order to absorb those unemployed workers into the workforce, the US economy would need to create about 750,000 jobs per annum, or monthly, about 62,500 jobs, over a period of 12 years.

If the US Government is desirous of shortening that period of time to, let us say, five years, then the number of new jobs that would be required to be created, annually, rises to 1.80 million, or about 150,000 per month.

Thus, the monthly creation of new jobs is lifted to about 150,000 – just to have the economy of the US to stand still.

To get those nine million workers, thrown out of work, during the Great Depression, to become re-employed, it would take the best part of five-plus years, as a very rough estimate, taking into consideration likely economic hiccoughs along the way.

But, at the February figure of the creation of 242,000 new jobs, that statistic, having been confirmed by the US Labour Department, it would take the best part of 37.19 months, that is about 3.10 years, to see those nine million workers re-enter the jobs market.

But that figure of 3.10 years does not include the number of new entrants, coming into the workforce, minus the number of workers, leaving the workforce.

The unemployment level in the US, today, is about 4.90 percent, but, if the Government is desirous of bringing that figure down to between three and four percent, it would have to see the creation of at least 400,000 new jobs per month.

Failure to achieve that figure of 400,000 new jobs per month means that the US economy would continue, hobbling along, with the unemployment level, stuck at its present level, plus or minus 10 percent.

It is interesting that not one of those pseudo intellectuals of Wall Street have done their sums in respect of what needs to be considered as a '*positive*' figure of new jobs, having been created in a single month.

Even Secretary Perez seems not to appreciate that the figure of 242,000 is, still, an anaemic figure of new jobs, having been created in a single month.

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