

Unemployment falls to 7.8%

Written by Freddie Allen, NNPA Washington Correspondent
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WASHINGTON (NNPA) – After receiving poor marks for his performance in his nationally-televised debate with Republican presidential nominee Mitt Romney, President Obama received a much-needed boost from the Bureau of Labor Statistics' report showing that unemployment fell to 7.8 percent in September, the lowest it has been in nearly four years.

The September report released last week is significant because, unlike in previous months, the rate did not drop because "discouraged workers" dropped out of the labor force.

Not all of the news was encouraging. Even though the unemployment rate for Blacks dropped to 13.4 percent in September from 14.1 percent in August, it remained relatively flat for Black men (14.2 percent in September vs. 14.3 percent in August).

The unemployment rate for white men decreased from 6.8 in August to 6.6 percent in September. The jobless rate for white women ticked down two-tenths in September to 6.3 percent. Black women saw the biggest decrease in the unemployment rate among adults, falling from 12 percent in August to 10.9 percent in September.

Economists said that it's still too early to celebrate. The unemployment rate, calculated using household survey data (60,000 households), is considered a more volatile measure than the actual number of jobs added that relies on a much larger sample size. The establishment survey, used to measure the number of jobs created, includes 141,000 businesses and government agencies.

Even though 114,000 jobs were added in September, many of them were part-time, low wage jobs and not nearly enough to keep pace with population growth, according to economists.

"It's a very mixed picture. I wouldn't say that we've turned the corner, but I would say that unemployment rate is down some, but we still have a large amount of people working part-time for economic reasons," said Wilhemina Leigh, senior research associate at the Joint Center for Political and Economic Studies, a public policy think tank.

The 14.2 percent unemployment rate for Black men is more than double the rate of white men.

Experts point to lower academic achievement and higher interaction with the criminal justice system as reasons to why Black men struggle with greater rates of unemployment when compared to other groups.

The Department of Education reported that 33.1 percent of Black men that attend college actually graduate, while 44.8 percent of Black women earn degrees.

According to Education Trust, an organization focused on closing the opportunity and achievement gaps for minority students, 63 percent of jobs will require a post-secondary degree by 2018.

"The pool of possible Black people that have college degrees will have more Black women than Black men," said Wilhemina Leigh "The odds just become greater that a Black woman will get

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picked for a job."

For many Black men, the same set of circumstances that will prevent them from voting in the November 6 presidential election also block their ability to earn a living wage.

"A felony conviction is like an economic death sentence," said David Bositis, a senior research associate at the Joint Center for Political and Economic Studies.

The number and types of jobs are significantly reduced for ex-felons, said Bositis. Even though some companies have special programs to help ex-offenders return to the job market, they can't keep pace in some southern states where 20 percent of Blacks have prior felony convictions.

Republicans, who have hammered Obama for an unemployment rate that exceeded 8 percent until last month, are now attacking the Bureau of Labor Statistics, the source they relied on earlier to pummel the president.

Former General Electric CEO Jack Welch, a Republican, Tweeted, "Unbelievable jobs numbers...these Chicago guys will do anything...can't debate so change numbers."

Representative Allen West (R-Fla.) and other Republicans made similar comments.

Heidi Shierholz, an economist at the Economic Policy Institute, an independent Washington, D.C.-based think tank, said that Republican outrage over the unemployment rate was strictly political.

"Those claims are outrageous and they would not be made by serious people," said Shierholz.

The Bureau of Labor Statistics is staffed by career employees, not political appointees.

"[The jobs numbers] are all within the margins of the murky economic environment that we're in. Some of the measures go up a little some of the measures go down a little," Leigh said.

"The broad message is that we're in a recovery and we're adding jobs," Shierholz said. "We continue on this steady, but slow recovery. There's some optimism about the decline in the unemployment rate, but it's still too early to see."