Unemployment up in most US states

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The unemployment rate rose from June to July in 30 out of 50 states plus the District of Columbia, the Bureau of Labor Statistics (BLS) reported on Monday.

The only states experiencing substantial changes were those that saw growth in the number of unemployed or those applying for unemployment benefits. These states were mainly located in the Southeast and mid-Atlantic, including Tennessee, South Carolina, Georgia, Maryland, Mississippi and West Virginia. The state of Mississippi possessed the highest overall unemployment rate in the country at 8 percent. Twelve states saw no appreciable change.

The BLS also reported that the number of jobless youth rose by 913,000 from April to July, significantly higher than the 692,000 added to unemployment rolls during the same time last year. Historically, the April-July "summer jobs" season is a peak hiring period for youth aged 16-24.

In absolute numbers, Ohio, Maryland, and South Carolina led the nation in net job losses, with 12,400; 9,000; and 4,600 positions shed, respectively. Eight states and the District of Columbia currently have unemployment rates higher than the national rate of 6.2 percent, while another 24 have rates not differing significantly from the national average.

The region with the highest unemployment rate was the West Coast, with 6.6 percent. Only .7 percentage points separated it from the region with the lowest official jobless rate, the Midwest, at 5.9 percent.

The concentration of job losses in the mid-Atlantic region is politically significant. Home to the Washington DC region, the US mid-Atlantic area is often referred to as "recession-proof," a reference to its proximity to and reliance upon the federal government. "Maryland, Virginia and D.C. really suffered from the cutbacks in federal spending, and that seems like old news, but it's a cumulative effect… So stuff that started years ago keeps showing up in the unemployment numbers, and we keep seeing less activity," Stephen Fuller, director of George Mason University's Center for Regional Analysis told the *Washington Post*, in reference to the budget cuts known as the "sequester," implemented by the Obama administration last year.

The BLS and a number of media outlets have noted that despite the gloomy month-to-month numbers, the national unemployment average is 1.1 percent lower than the same period last year.

In fact, the decline in the official jobless rate has largely been driven by workers falling out of the workforce. At 62.9 percent, the labor participation rate—the number of adults gainfully employed or seeking employment—remains at a rate far below the 67.2 percent registered in 2000.

Jobs actually created in the "recovery" have been heavily concentrated in the low-paying service sector. The National Employment Law Project (NELP) reported this spring that since the financial crash of 2008, 1.9 million high- and average-paying jobs in the private sector have been eliminated and replaced with 1.8 million low-wage jobs. This finding was later backed up by a study released by the US Conference of Mayors showing that the average job lost in 2008–2009 paid $61,637 while the typical job created after this period paid only $47,171—a 23 percent drop in pay.

The gains made in a number of states may also prove to be illusory. The *Post* notes that "[t]he reason the [unemployment] rate rose nationwide even as hiring increased is that more Americans launched job searches but didn't find work."