A Note on Our Calculations Of Youth Unemployment

The sources for the data contained in our report on "The British Empire's New Concentration Camps" are as follows.

For *Europe*, unemployment rates for youth (ages 16-24) came directly from the European Commission's official statistical agency, Eurostat; the data was not further elaborated, despite the fact that the reported numbers unquestionably *understated* the actual level of unemployment, since the <u>method used</u> by Eurostat is similar to that used in the United States. It omits consideration of those individuals who: a) have gotten discouraged and have stopped looking for work, and are therefore no longer considered part of the labor force; and b) hold only parttime jobs, despite the fact that they would like to have a full-time job.

For the United States, we began with the official national unemployment rate, both for the total labor force and for youth, which is provided by the <u>Bureau of Labor Statistics</u>. For the end of 2012, the official youth unemployment rate was 16.2%, which is slightly more than double the overall official unemployment rate of 7.9%.

However, *real* unemployment is far greater than the official rate, as even the BLS has been forced to admit. In fact, the BLS itself provides a measure called "U6," which it defines as: "Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force."

The <u>BLS</u> additionally explains: "Persons marginally attached to the labor force are those who currently are neither working nor looking for work but indicate that they want and are available for a job and have looked for work sometime in the past 12 months. Discouraged workers, a subset of the marginally attached, have given a job-market related reason for not currently looking for work. Persons employed part time for economic reasons are those who want and are available for full-time work but have had to settle for a part-time schedule."

For 2012, that <u>U6 unemployment rate</u> for the total labor force was 14.7%. However, U6 only considers those looking for a job in the last 12 months, and excludes those that were previously looking, but did not do so in the last year or longer, in many cases out of discouragement. When that category is added in, a better estimation of real unemployment at the end of 2012 is 16.9%—more than double the official rate.

A state-by-state breakdown of <u>official total un-</u> <u>employment rates</u> is published by the Bureau of Labor Statistics, and this was then used as the basis for pro-rating each state's *real youth unemployment rate*, based on the total national parameters explained above. Although this method of calculation may slightly distort the specific state results (some on the low side, some on the high side), the presentation of the *rate of change* between 2008 and 2013, which is the central point made in the "The British Empire's New Concentration Camp," is fully justified and valid.

-Dennis Small