

TOP ECONOMISTS “DON’T FEEL GOOD” ABOUT THE JOBS MARKET



“My economic security plan can be summed up in one word: jobs.”

- 01/29/02

*What economists are saying after today’s release of the new unemployment numbers, which showed a net job growth of **only 1,000 jobs** in December (a net increase of 150,000 jobs a month is necessary just to keep pace with population growth):*

- “We’re at least about three to four million jobs below where we should be.”
- James Glassman, economist, J.P. Morgan (Wall Street Journal, 01/09/04)
- “We don’t have evidence of solid job creation, and that must be factored into economic and financial projections for the rest of the year.”
- William Sullivan, senior economist, Morgan Stanley (Wall Street Journal, 01/09/04)
- The miniscule payroll gain “calls into question a strong recovery in the labor market” despite the drop in the jobless rate.
- Bill Quan, economist, Mizuho Securities (Wall Street Journal, 01/09/04)
- “Neither business nor potential employees have confidence in the economy...”
- Sung Won Sohn, chief economic officer, Wells Fargo Bank (Wall Street Journal, 01/09/04)
- “The tendency of recent job losers to leave the labor force likely masks some of the effects of job cuts on the unemployment rate, so that the current measured level of unemployment may understate the extent of job loss or the difficulty of finding new work.”
- Federal Reserve Governor Ben S. Bernanke [Speech to American Economic Association, 01/04/04]
- “Quite shocking... I would certainly have not expected anything resembling that. The [unemployment] rate is going down, but it is going down for the wrong reasons. That doesn’t make you feel really good about the state of the jobs market.”
- Bill Cheney, chief economist, John Hancock Financial Services (New York Times, 01/09/04)