

The economic

Literature, Russian Literature



Unemployment Dips to 9 Percent, But Public Sector Cuts Drag Down Overall Job Growth This article by Neil Irwin discusses about how the public sector has slashed jobs, making it the smallest shareholder in the country's total employment since the financial crisis of 2008 (Irwin 1). Although the overall unemployment rate of the nation improved by dropping down by nine percent, the public sector has not contributed much to it. In fact, the unemployment rate would have registered a better figure if the both the state and local government did not cut back on jobs. According to Irwin, approximately 455, 000 jobs were cut by the state and local governments since the start of 2010 and almost half came from the education sector (Irwin 1). Aside from the education sector, the construction segment also suffered from a major cut due to the slowdown in public construction projects.

Irwin also mentions Obama's response to America's unemployment problem, which is the \$447 billion American Jobs Act. The Act aims to channel money to the state governments to avoid more job cuts (Irwin 2). This Act however is facing a lot of resistance from Congress who deem it unacceptable for the federal government to rescue the state and local governments.

This article by Irwin presents a bird's eye view of the current unemployment situation of the US. It is very informative, citing valuable data on the labor front. One thinks that even if the public sector does not create new jobs or cuts on its employment, the unemployment figure could still improve provided that the private sector is able to take in those who lost their jobs from the state and local governments. The question though that persists in one's mind is whether the private sector is ready to hire more with the

current state of the economy.

Work Cited

Irwin, Neil. " Unemployment dips to 9 percent, but public-sector cuts drag down overall job growth." The Washington Post 4 November 2011. Web. 31 January 2012.