To: Bureau of Labor Statistics
From: Kristine Lister, Lauren Sedita, Tania Ventura
Re: Unemployment Study Proposal: Can We Predict Long Term Unemployment?
Date: September 22nd, 2017

As of 2017, there are 7.1 million unemployed persons in America, 1.7 million of which fall under long term unemployment (unemployed for 27 weeks or more). Long term unemployment can lead to subsequent earning losses, savings depletion, and increased debt. Studies have shown that unemployment can also have negative effects on the physical and mental health of the unemployed and increase stress in the household. We believe that studying unemployment is necessary in order to combat rising unemployment rates, and to give disadvantaged citizens the resources to succeed. Given all of these reasons, we propose a project that uses a dataset in order to find the factors most likely to predict whether an individual might experience long term unemployment.

The National Longitudinal Surveys (NLS), sponsored by the U.S. Bureau of Labor Statistics (BLS) is a set of longitudinal studies with the goal to collect data on the labor force experiences of adults and young adults. We propose using the National Longitudinal Survey of the Youth (NLSY79), which began in 1979, with a cohort of 12,686 young men and women who were 14 to 22 years of age when first surveyed. Survey questions delve into areas including labor market behavior, educational experiences, family background, government program participation, family life, health issues, assets and income, and the Armed Services Vocational Aptitude Battery, which measures knowledge and skills including reading and mathematics. The sample members have been surveyed every year from 1979 to 1994 then biennially from 1994 to 2014. The sample was not random, but is instead broken down into three subsets. One set of 6,111 youths designed to be representative of noninstitutionalized civilian youths living in the United States, another set of 5,295 youths designed to oversample civilian Hispanic, black, and economically disadvantaged nonblack/non-Hispanic youths living in the United States, and a final set of a military sample of 1,280 youths designed to represent the enlisted population in one of the four branches of the active military forces. This design allows researchers to be able to analyze the difference in life course events based on race, economic disadvantage, and active military involvement.

We believe that by looking at variables such as age, gender, race, education, job training, occupation type, geographical area, health, drug use, and criminal record, we can effectively study which factors lead to unemployment. This dataset gives information on all of the factors listed above, and follows individuals over time, which gives a fuller picture on unemployment in America. The identified leading factors for unemployment can be targeted in government programs such as job training programs and scholarships for education.