(16 /154)*100 =10.4%

1M start looking for work


Employed
138M

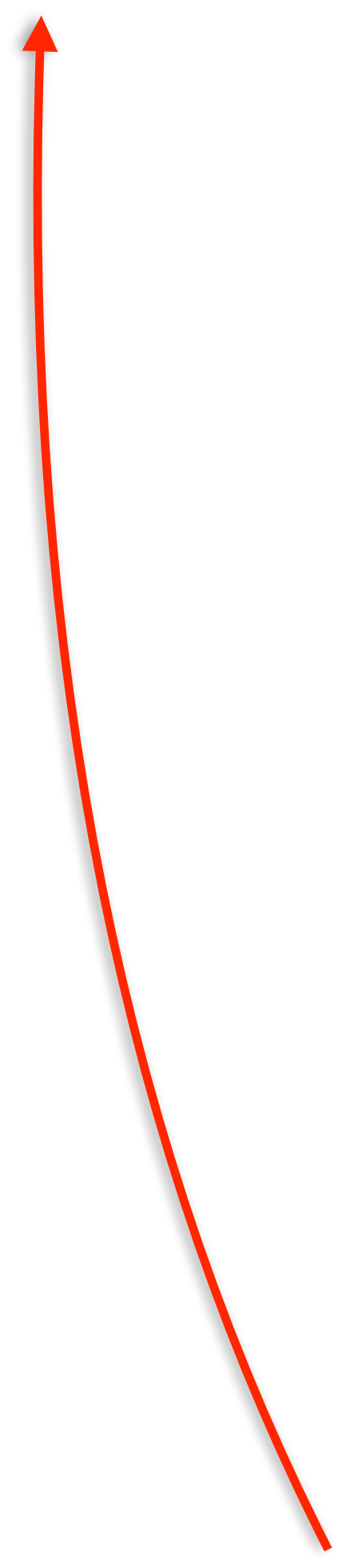
Labor Force = 138 + 16 = 154

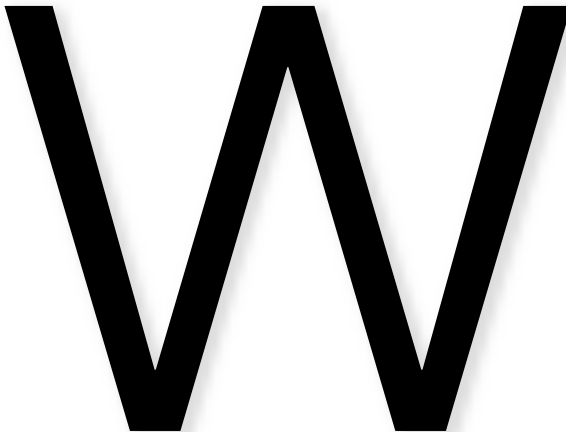

Unemployed
16M

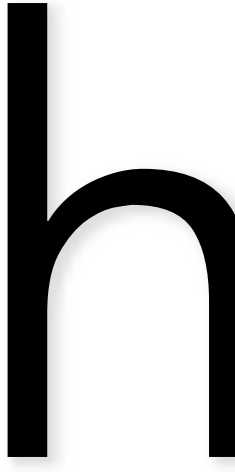
New Unemployed

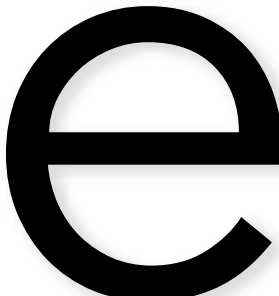
17M

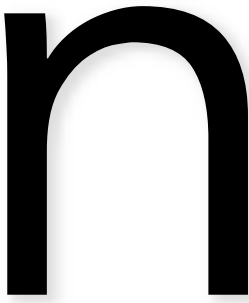
1M Discouraged workers are now counted as Unemployed

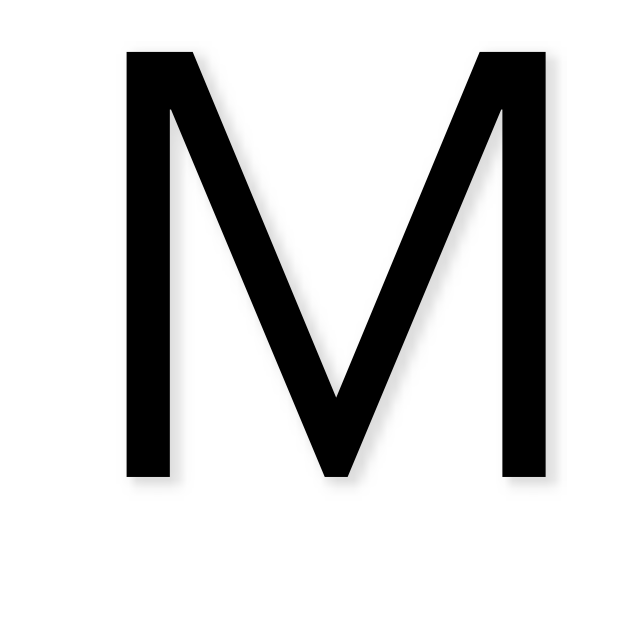


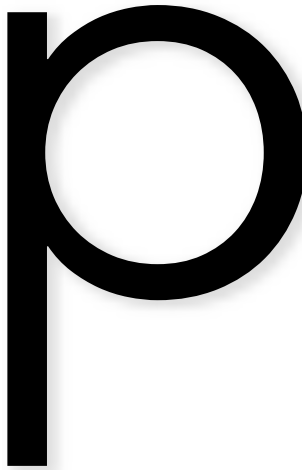


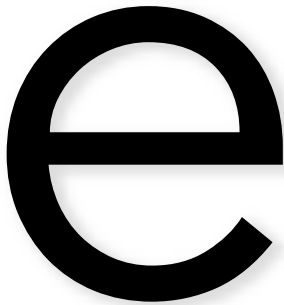


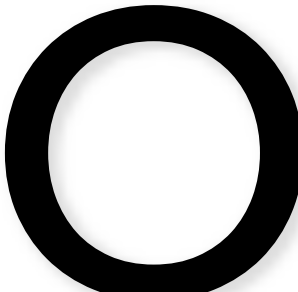


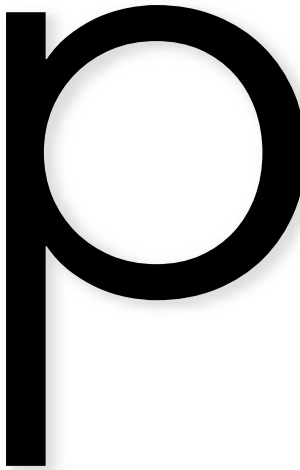


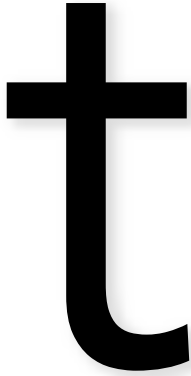












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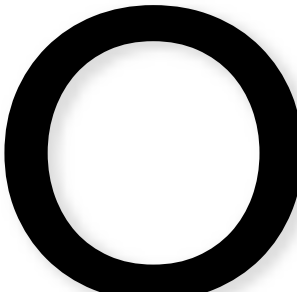
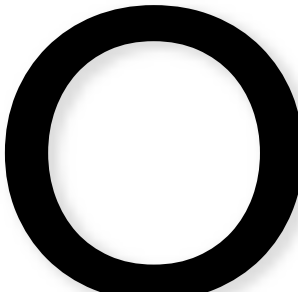
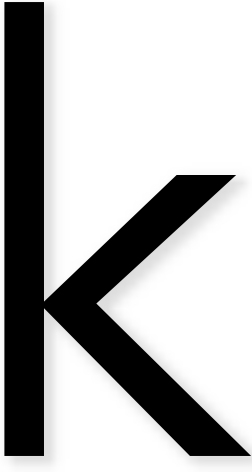
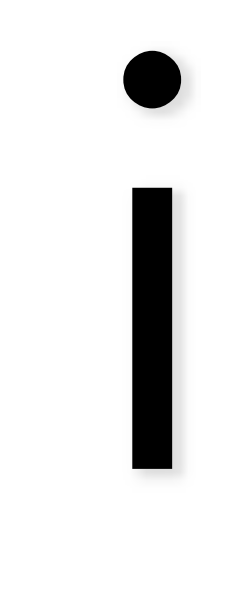
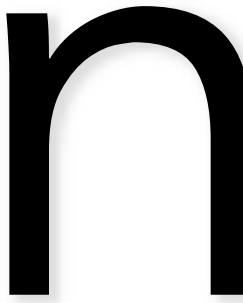
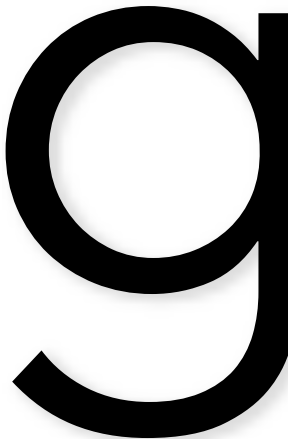


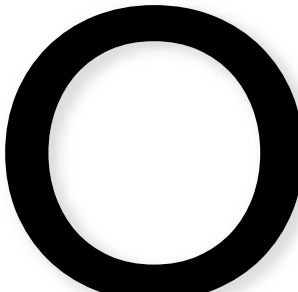


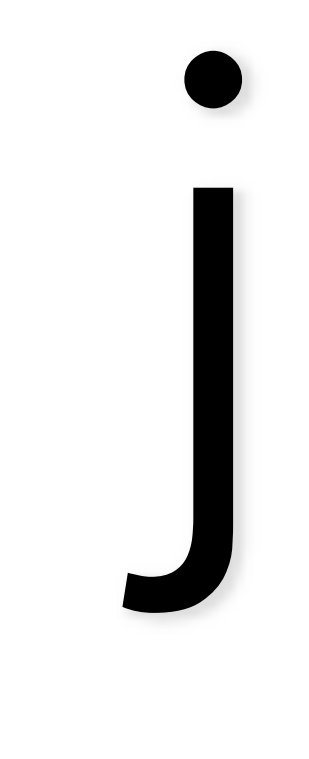


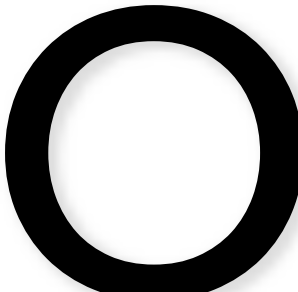


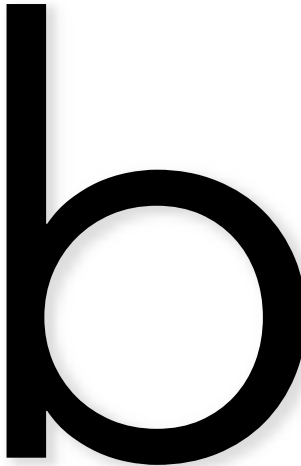


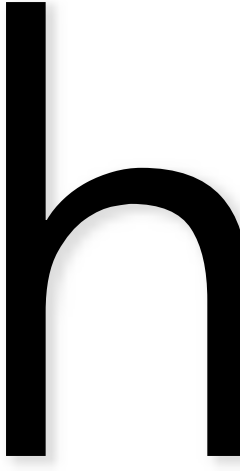


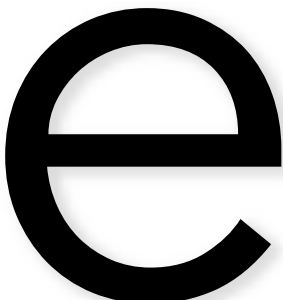


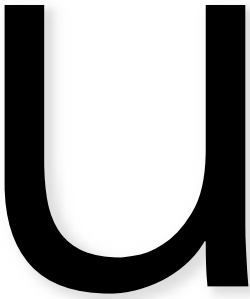


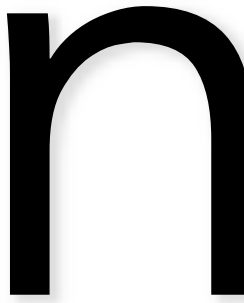


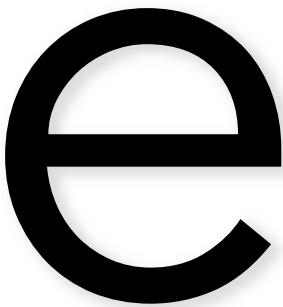


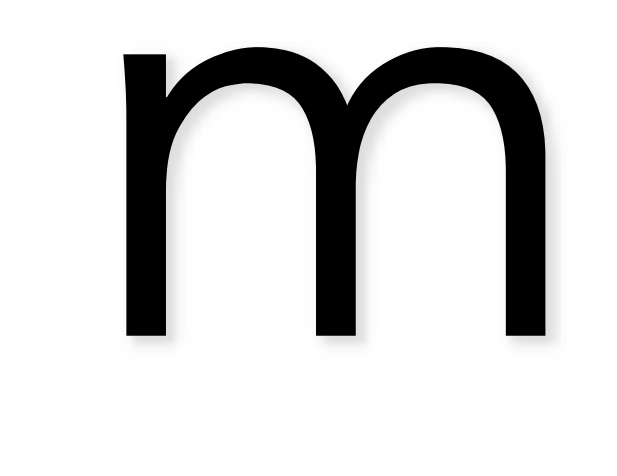


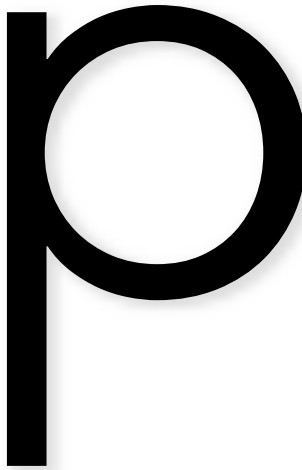


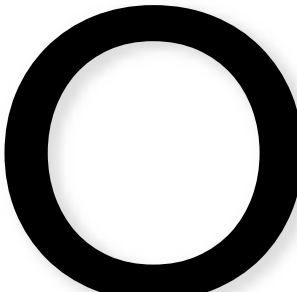


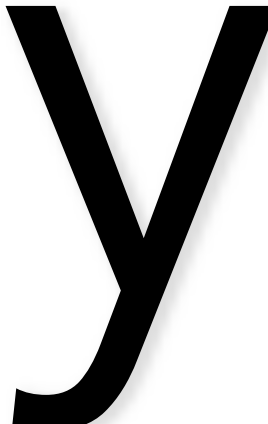


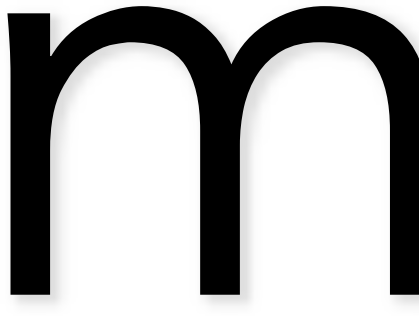


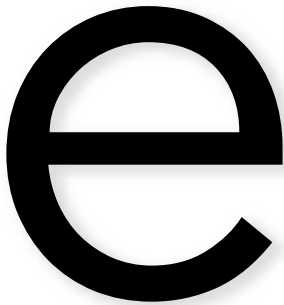


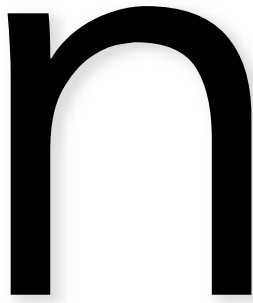


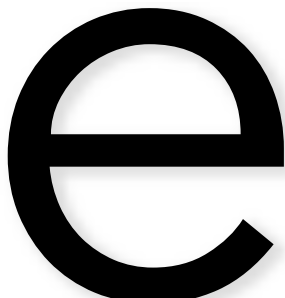


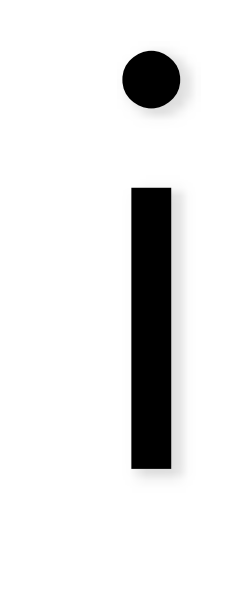


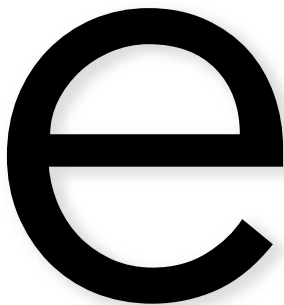


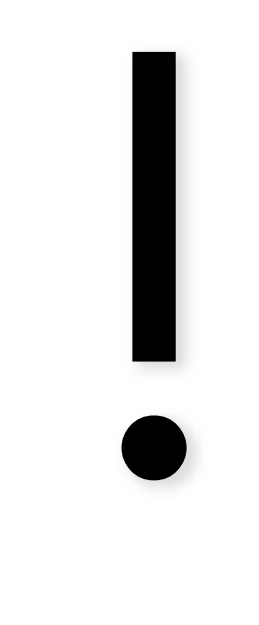












$$U_{rate} =$$

New LF = 138 + 17 = 155

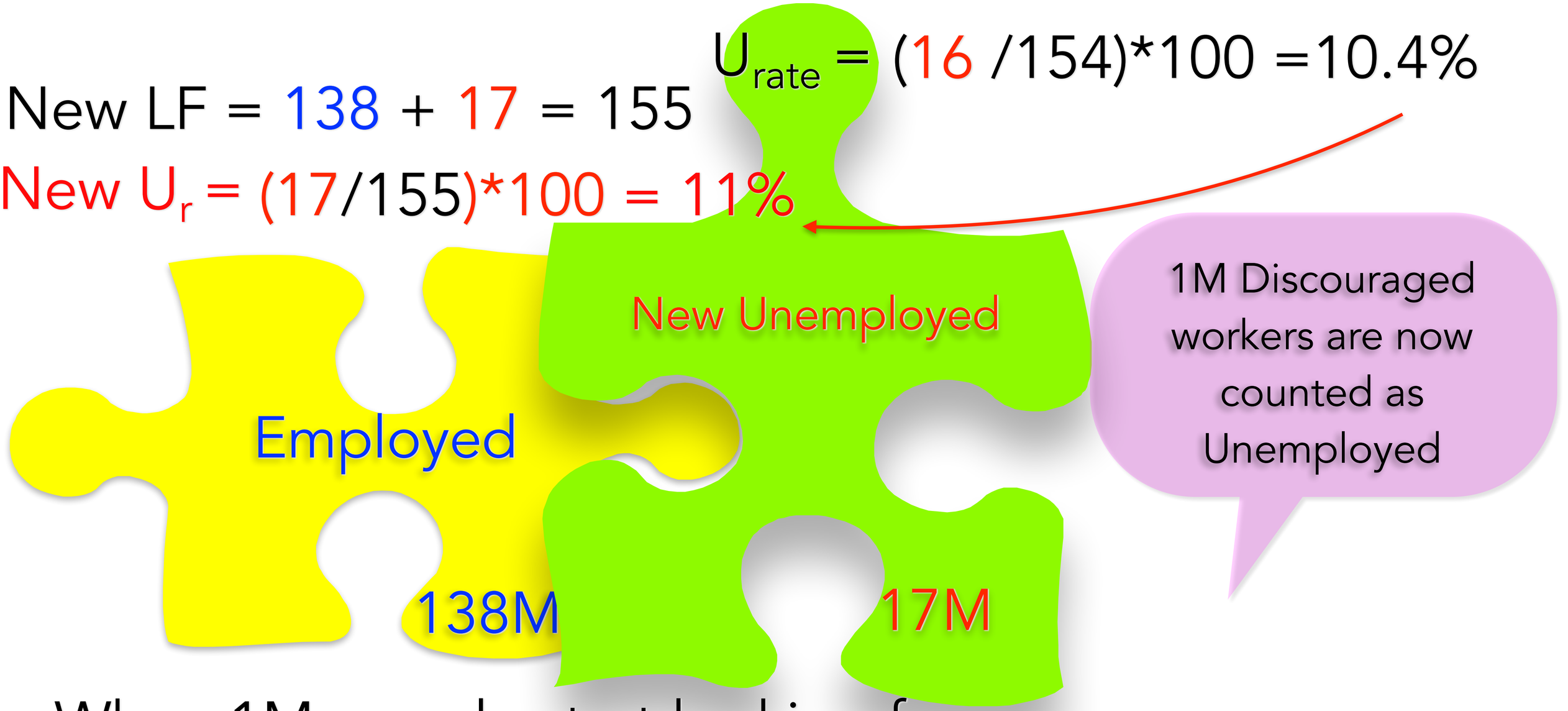
New U_r =

(17/155)*100 = 11%

U_{rate} = (16 /154)*100 =10.4%

New LF = 138 + 17 = 155

New U_r = (17/155)*100 = 11%



When 1M people start looking for a job, the unemployment rate rise!

Is Unemployment Measured Correctly?