

# MISSISSIPPI'S BUSINESS

VOLUME 81, ISSUE 8      AUGUST 2023

A Publication of the University Research Center, Mississippi Institutions of Higher Learning

## ECONOMY AT A GLANCE

The value of the Mississippi Leading Index (MLI) increased 0.8 percent in June as seen in Figure 1. Compared to one year earlier the value of the MLI for the month was down 0.3 percent.

As seen in Figure 2 below the value of the Mississippi Coincident Index (MCI) rose 0.1 percent in June. The value for the month was up 1.8 percent compared to one year ago.

Real U.S. gross domestic product increased at a seasonally-adjusted, annualized rate of 2.4 percent in the second quarter of 2023 according to the initial estimate of the U.S. Bureau of Economic Analysis

(BEA). The expansion of real GDP in the second quarter resulted from increases in consumer spending, nonresidential fixed investment, state and local government spending, private inventory investment, and federal government spending. These increases were partially offset by decreases in net exports and residential fixed investment. The change in real GDP in the first quarter remained an increase of 2.0 percent at a seasonally-adjusted, annualized rate.

The uneven movements of the MLI continued in June as the value rose for the first time

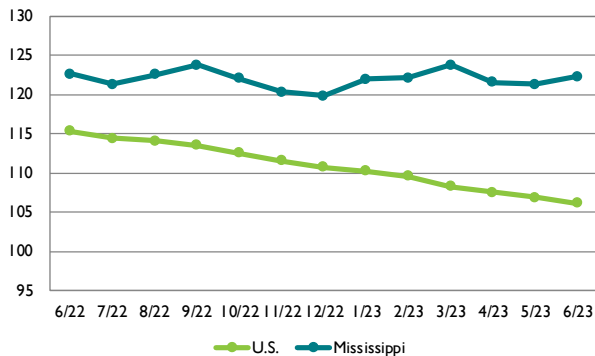
since March. Gains in the components were widespread, punctuated by the rise in consumer expectations. Consumers' views on the economy have improved in recent months as inflation has eased and stock markets have rallied. The employment situation in Mississippi was tepid in June as jobs decreased and initial unemployment claims rose. Nevertheless, claims remain below the average monthly level of 2019 and, despite some softening in the first half of 2023, the job market in the state continues to be relatively tight. Taken together the indicators do not suggest a recession is imminent.

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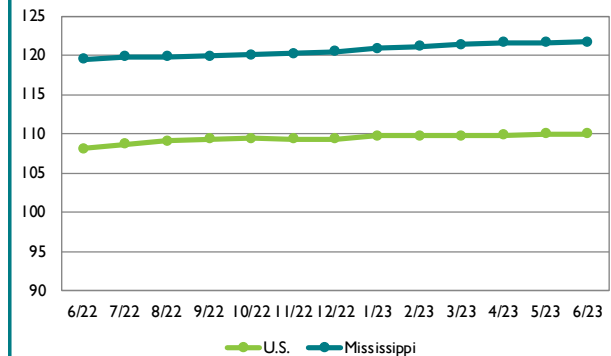
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Figure 1. Leading indices



Sources: University Research Center and The Conference Board

Figure 2. Coincident indices



Sources: Federal Reserve Bank of Philadelphia and The Conference Board

**Notes:** The Mississippi Coincident Index is constructed by the Federal Reserve Bank of Philadelphia and re-indexed to 2012. The Index is based on changes in nonfarm employment, the unemployment rate, average manufacturing workweek length, and wage and salary disbursements. The Mississippi Leading Index is constructed by the Mississippi University Research Center. The U.S. Indices are from The Conference Board. All series are indexed to a base year of 2012.

## MISSISSIPPI LEADING INDEX, JUNE 2023

As Figure 3 indicates, the value of the **Mississippi Leading Index of Economic Indicators (MLI)** rose 0.8 percent in June, the first increase since March. Compared to one year earlier the value of the MLI in June was down 0.2 percent, which marked the fourteenth consecutive month with a year-over-year decrease. The value of the MLI increased 2.0 percent over the last six months.

Five of the seven components of the MLI increased in June. The largest contribution for the month was made by the University of Michigan Index of Consumer Expectations. Each component is discussed below in order of largest to smallest contribution.

In June the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) climbed 4.4 percent, the largest monthly increase since January. Figure 4 indicates the value in June was up 23.5 percent compared to one year earlier, which was the largest year-over-year increase since February 2015. Recent gains in the stock market likely helped push expectations higher. Short-term (one-year) inflation expectations edged up slightly in the most recent survey, while long-term (five-year) inflation expectations were unchanged.

**Mississippi residential building permits** (three-month moving average) increased in value by 6.2 percent in June as seen in Figure 5. The value for the month was down 16.9 percent compared to one year earlier. The number of units in the state rose 2.7 percent in June, the first increase since February. Compared to one year earlier the number of units in the state in June was 17.8 percent lower, which marked the tenth consecutive month with a year-over-year

decrease. The number of privately-owned housing units authorized by building permits in the U.S. decreased 3.7 percent in June from the revised May rate. Compared to one year earlier the number of units in the U.S. in June was down 15.3 percent.

In June the value of the **Mississippi Manufacturing Employment Intensity Index** rose 1.0 percent as seen in Figure 6, its first increase since March. The value for the month was up 3.1 percent compared to one year earlier. Manufacturing employment in the state fell 0.5 percent in June, but this decrease was more than offset by the 1.5 percent gain in the average weekly hours of production employees for the month.

As seen in Figure 7, the value of the **ISM Index of U.S. Manufacturing Activity** rose 0.4 percent in July. The value for the month was down 12.1 percent compared to one year earlier, the twentieth consecutive month with a year-over-year decrease. Four of the five components of the Index increased in July and the Inventories component had the largest increase. The only decrease occurred in the Employment component. Nevertheless, no components of the Index were in expansion territory in July for the second consecutive month. The prices paid index increased but remained in contractionary territory for the third month in a row, which indicates a decline in prices paid by manufacturing firms.

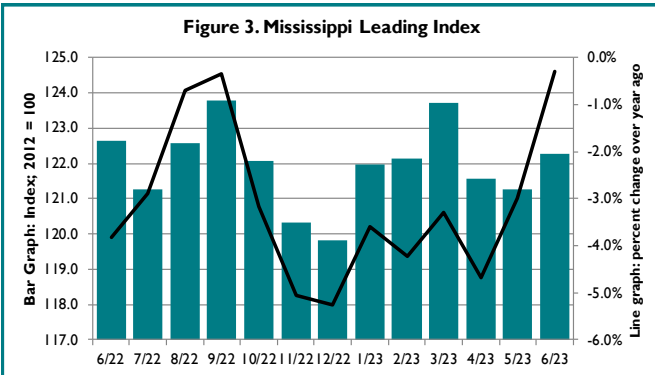
In June the value of **U.S. retail sales** rose 0.2 percent, which marked the third consecutive monthly increase. The value of May sales was revised up to an increase of 0.5 percent. As seen in Figure 8, the value of June retail sales was 1.5 percent higher compared to one year earlier. Sales ex-

cluding automobiles and gasoline rose 0.3 percent in June. A majority of segments saw increases in sales and sales at General Merchandisers had the largest increase. Sales at Gasoline Stations again had the largest decrease among all segments in June, their eighth consecutive monthly decline.

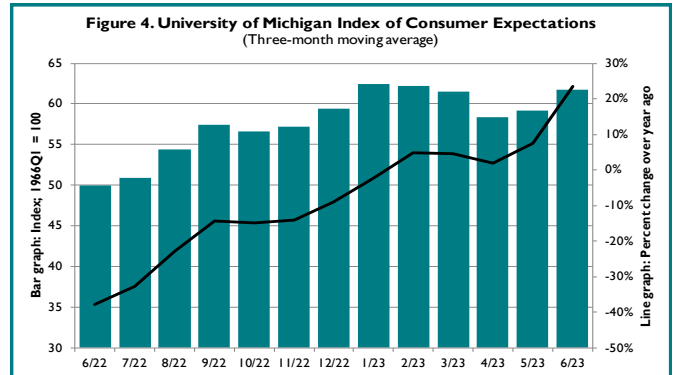
For the third consecutive month, the value of **Mississippi income tax withholdings** (three-month moving average) decreased in June. As seen in Figure 9, the value edged down 0.1 percent for the month. The value of withholdings was 5.8 percent lower in June compared to one year earlier, the seventh consecutive month with a year-over-year decrease. Over the last six months the value of income tax withholdings in Mississippi decreased 2.1 percent.

The number of seasonally-adjusted **initial unemployment claims** in Mississippi rose 21.9 percent in June as seen in Figure 10. The number of initial claims reached its highest level since December 2022. Nevertheless, the value was 9.6 percent lower compared to one year earlier. The number of seasonally-adjusted continued unemployment claims in Mississippi fell 6.3 percent in June as seen in Figure 16 on page 6. Compared to one year earlier the number of continued unemployment claims in the state for the month was 7.4 percent higher. As seen in Figure 17 on page 6, in June the unemployment rate in Mississippi decreased 0.1 percentage point to 3.1 percent, yet another new series low. The rate in June was down 0.6 percentage point compared to one year earlier.

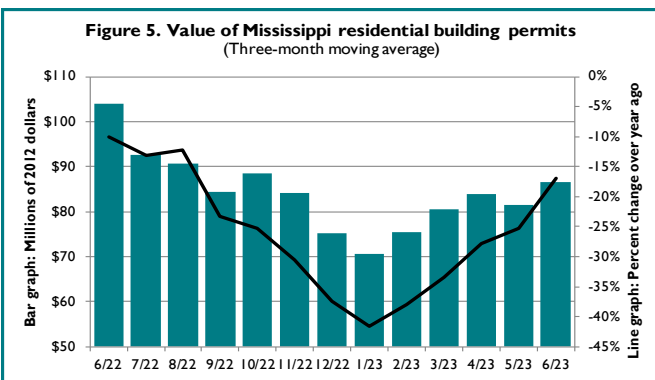
# MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES



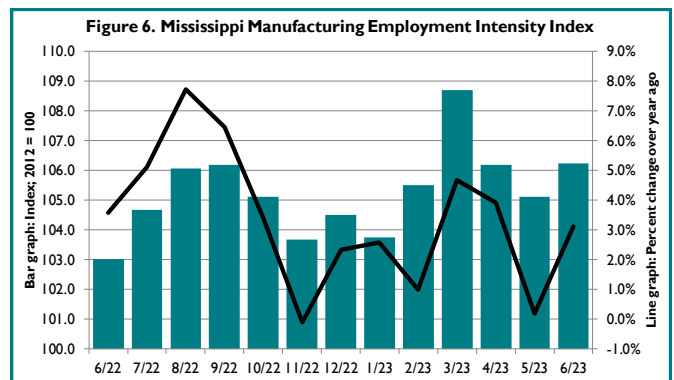
Source: University Research Center



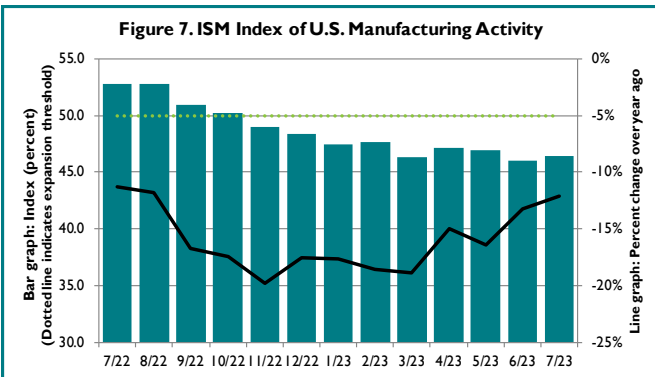
Source: Thomson Reuters/University of Michigan Surveys of Consumers



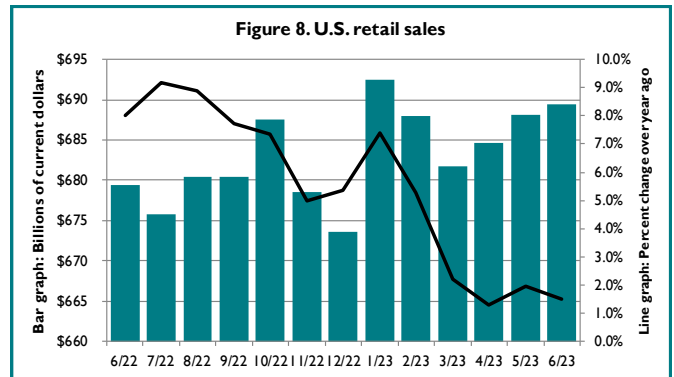
Source: URC using data from U.S. Bureau of Labor Statistics



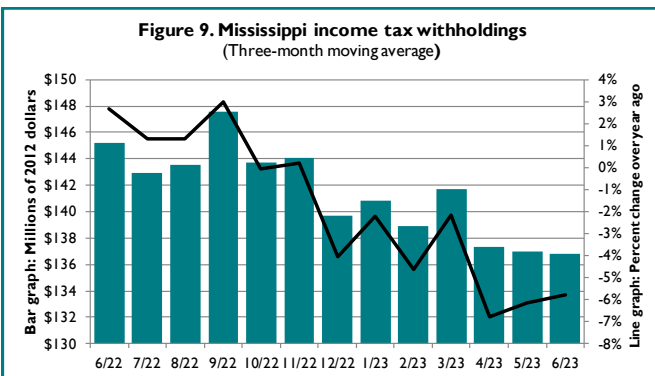
Source: URC using data from U.S. Bureau of Labor Statistics



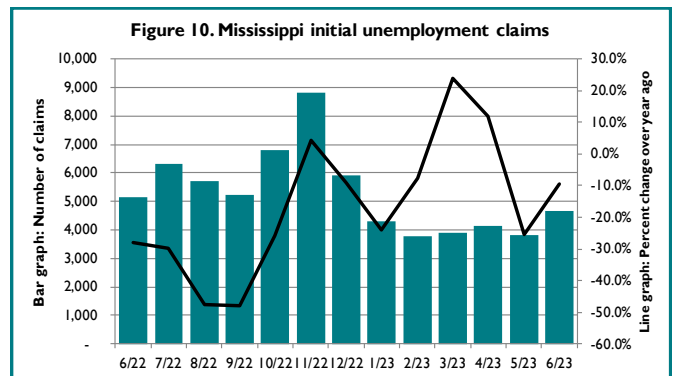
Source: Institute for Supply Management



Source: U.S. Bureau of the Census; seasonally adjusted



Source: Mississippi Department of Revenue; seasonally adjusted



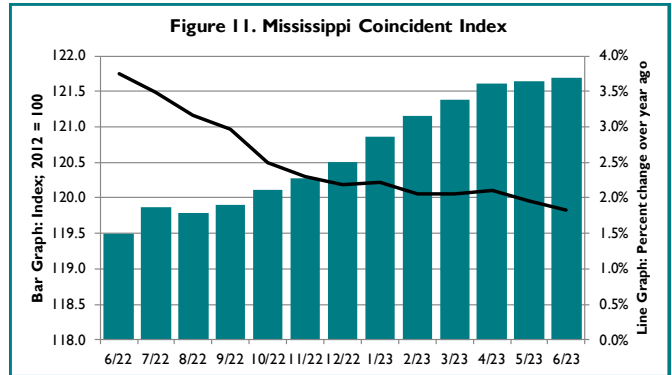
Source: U.S. Department of Labor; seasonally adjusted

## MISSISSIPPI COINCIDENT INDEX, JUNE 2023

The Federal Reserve Bank of Philadelphia reported the value of the **Mississippi Coincident Index of Economic Indicators (MCI)** increased 0.1 percent as seen in Figure 11. The value of the MCI for the month was 1.8 percent higher compared to one year earlier.

The values of the coincident indices increased in forty-nine states in June compared to March according to the Federal Reserve Bank of Philadelphia as Figure 12 indicates. As in recent months, the largest increase in the value of a coincident index among all states in June occurred in Massachusetts, where the value rose almost 3.9 percent. The values

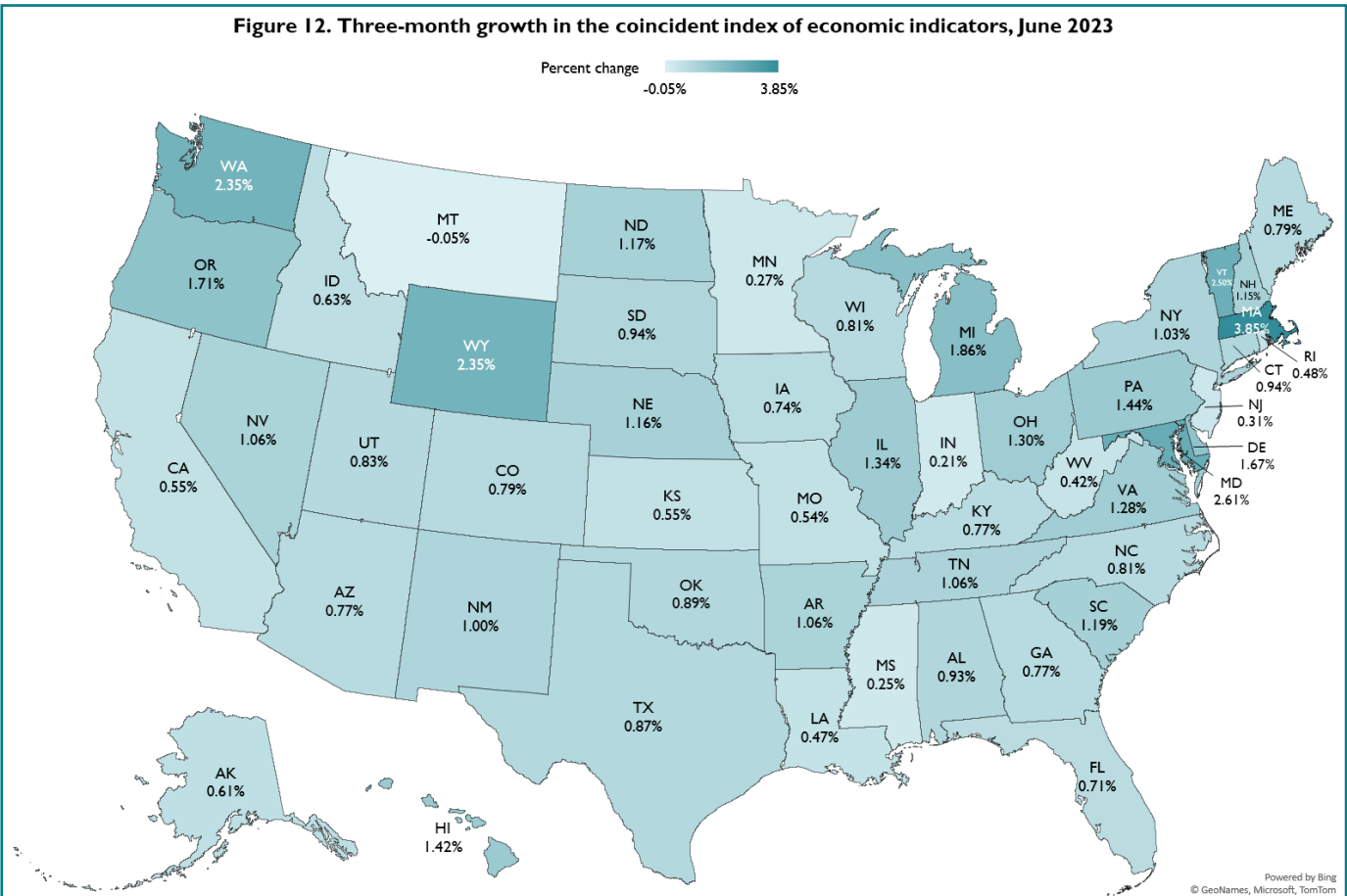
of the coincident indices increased more than 2.0 percent in June in a total of five states. In seventeen states, the values of the coincident indices increased by 1.0 percent to less than 2.0 percent in June compared to March. The values of the coincident indices increased between 0.5 percent and 1.0 percent over the last three months in twenty-one states. In seven states including Mississippi the values of the coincident indices



Source: Federal Reserve Bank of Philadelphia

rose less than 0.5 percent in June compared to March. Montana was the only state where the value of a coincident index decreased over the last three months, and this decline was less than 0.1 percent.

Figure 12. Three-month growth in the coincident index of economic indicators, June 2023



Source: Federal Reserve Bank of Philadelphia

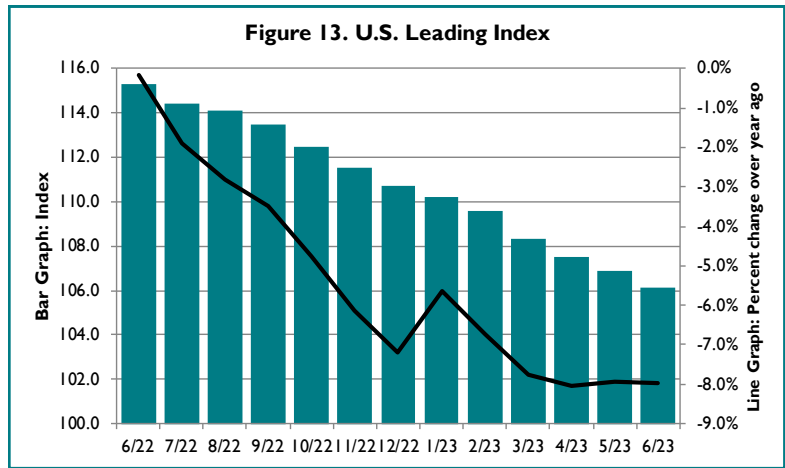
## NATIONAL TRENDS

The Conference Board reported the value of the U.S. Leading Economic Index (LEI) decreased 0.7 percent in June as seen in Figure 13. The value declined for the fifteenth consecutive month. Compared to one year earlier the value was down 8.0 percent for the month. Six of the ten components of the LEI made negative contributions in June while two were unchanged. The largest negative contribution was made by the ISM New Orders Index. As in the previous month the S&P 500® Index of Stock Prices made the largest positive contribution. The value of the LEI decreased 4.2 percent over the last six months.

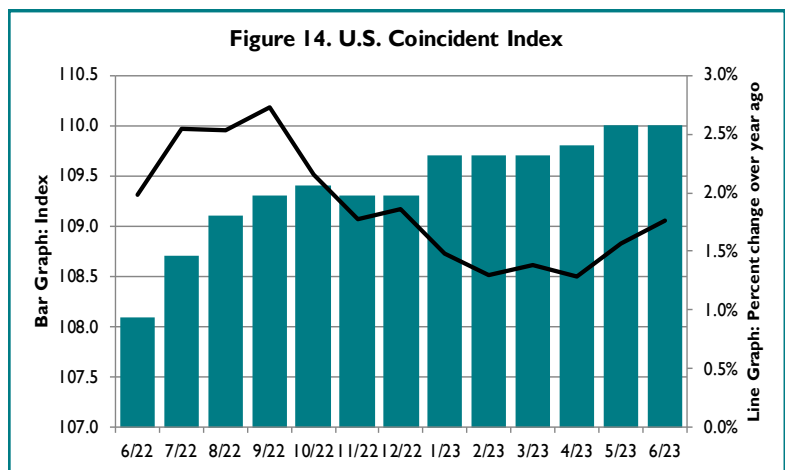
The value of the U.S. Coincident Economic Index (CEI) was unchanged in June according to The Conference Board as seen in Figure 14. Compared to one year earlier the value of the CEI for the month was up 1.8 percent. In June three of the four components of the CEI made positive contributions, led by personal income less transfer payments. Over the last six months the value of the CEI rose 0.6 percent.

As seen in Figure 15, the value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index increased 1.8 percent in June, the largest monthly gain since August 2022. The value of the Index for the month was up 1.7 percent compared to one year earlier, the first year-over-year increase since January 2022. Improvements in the “expect real sales higher” and “expect economy to improve” components were primarily responsible for the increase in the Index in June. The “plans to raise prices” measure increased in June for the second consecutive month.

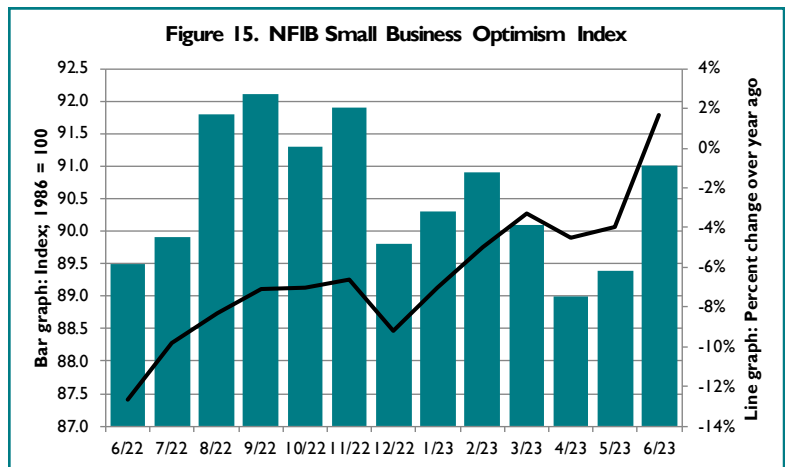
The Federal Open Market Committee (FOMC) raised the benchmark federal funds rate target by 25 basis points at its July meeting, the eleventh increase in the rate since March 2022. The move placed the target rate in the range of 5.25 to 5.5 percent, its highest level since 2001. The FOMC’s statement following its June meeting indicated the committee would raise the target rate to the range of 5.5 to 5.75 percent by the end of 2023. The July increase of 25 basis points thus implies one more such move by the FOMC remains this year.



Source: The Conference Board

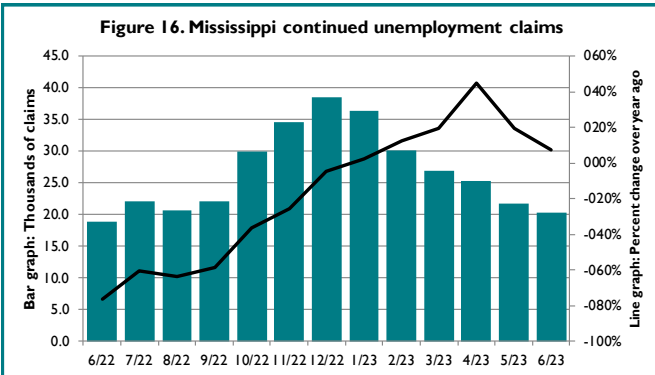


Source: The Conference Board

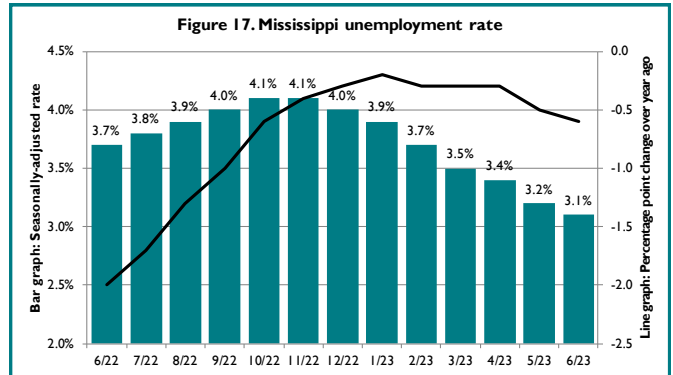


Source: National Federation of Independent Businesses

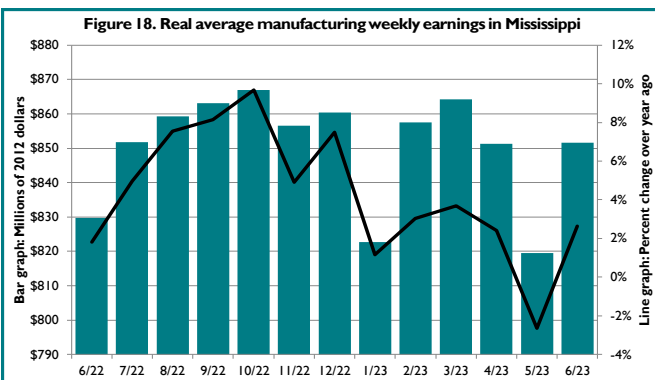
# MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



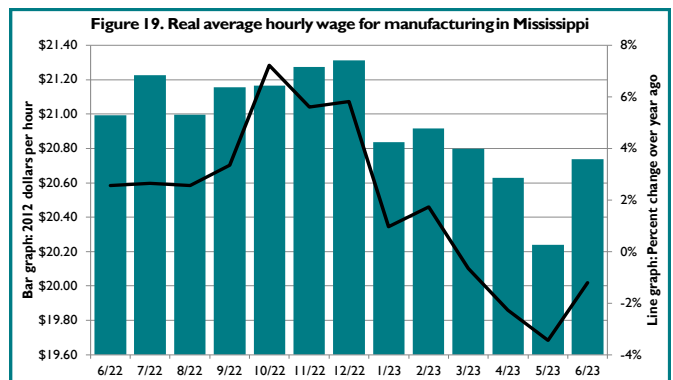
Sources: U.S. Department of Labor, URC (seasonal adjustment)



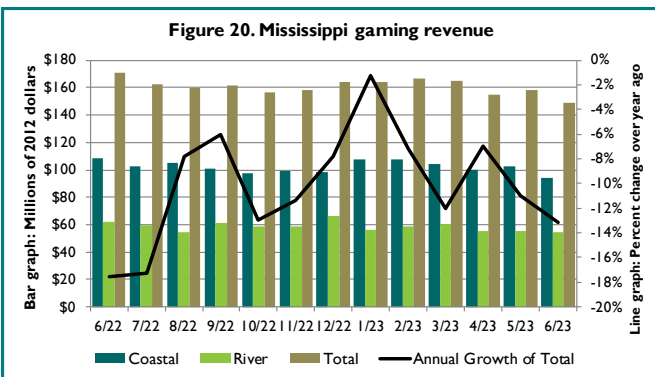
Source: U.S. Bureau of Labor Statistics



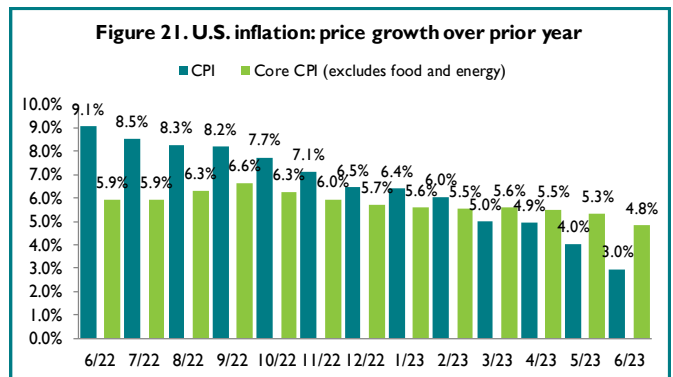
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)



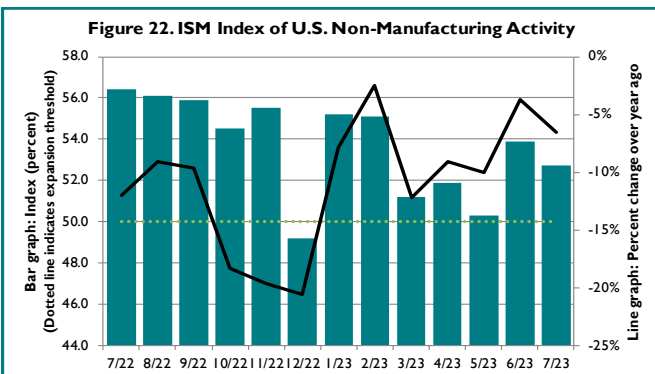
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)



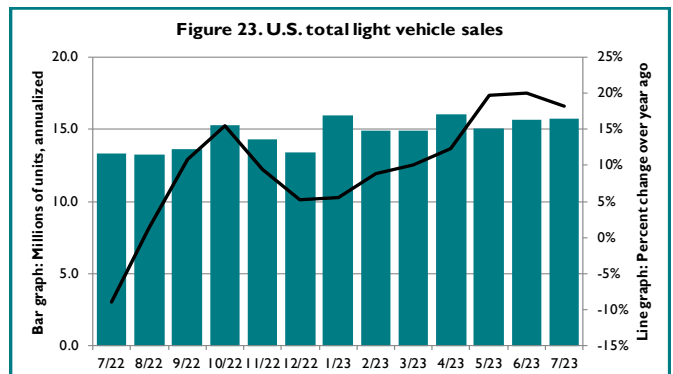
Source: Mississippi Department of Revenue, URC (seasonal adjustment)



Source: U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



Source: U.S. Bureau of Economic Analysis

**TABLE I. SELECTED ECONOMIC INDICATORS**

Indicator	June	May	June	Percent change from	
	2023	2023	2022	May 2023	June 2022
<b>U.S. Leading Economic Index</b> 2012 = 100. Source: The Conference Board	106.1	106.9	115.3	▼0.7%	▼8.0%
<b>U.S. Coincident Economic Index</b> 2012 = 100. Source: The Conference Board	110.0	110.0	108.1	◀▶0.0%	▲1.8%
<b>Mississippi Leading Index</b> 2012 = 100. Source: University Research Center	122.3	121.3	122.6	▲0.8%	▼0.3%
<b>Mississippi Coincident Index</b> 2012 = 100. Source: Federal Reserve Bank of Philadelphia	121.7	121.6	119.5	▲0.1%	▲1.8%
<b>Mississippi initial unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	4,668	3,830	5,164	▲21.9%	▼9.6%
<b>Value of Mississippi residential building permits</b> Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Bureau of the Census	86.5	81.4	104.0	▲6.2%	▼16.9%
<b>Mississippi income tax withholdings</b> Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	136.8	137.0	145.2	▼0.1%	▼5.8%
<b>Mississippi Manufacturing Employment Intensity Index</b> 2012 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	106.2	105.1	103.0	▲1.0%	▲3.1%
<b>University of Michigan Index of Consumer Expectations</b> Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	61.7	59.1	50.0	▲4.4%	▲23.5%
<b>ISM Index of U.S. Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	46.4	46.0	52.8	▲0.9%	▼12.1%
<b>U.S. retail sales</b> Current dollars, in billions. Source: Bureau of the Census	689.5	688.2	679.4	▲0.2%	▲1.5%
<b>U.S. Consumer Price Index (CPI)</b>	305.1	304.1	296.3	▲0.3%	▲3.0%
<b>U.S. Core CPI (excludes food and energy)</b> 1982-84 = 100. Source: URC using data from Bureau of Labor Statistics	308.9	308.1	294.7	▲0.3%	▲4.8%
<b>Mississippi unemployment rate</b> Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	3.1%	3.2%	3.7%	▼0.1	▼0.6
<b>Mississippi continued unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	20,322	21,686	18,928	▼6.3%	▲7.4%
<b>ISM Index of U.S. Non-Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	52.7	53.9	56.4	▼2.2%	▼6.6%
<b>U.S. mortgage rates</b> Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	6.45%	6.25%	5.33%	▲0.20	▲1.12
<b>Mississippi average hourly wage for manufacturing</b> Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	20.74	20.24	20.99	▲2.5%	▼1.2%
<b>Mississippi average weekly earnings for manufacturing</b> Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	851.54	819.53	829.64	▲3.9%	▲2.6%
<b>NFIB Small Business Optimism Index</b> 1986 = 100. Source: National Federation of Independent Businesses	91.0	89.4	89.5	▲1.8%	▲1.7%
<b>U.S. total light vehicle sales</b> Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	15.74	15.66	13.31	▲0.5%	▲18.2%
<b>Gaming revenue</b>	148.80	157.92	171.3	▼5.8%	▼13.1%
<b>Coastal counties</b>	94.25	102.36	108.9	▼7.9%	▼13.4%
<b>River counties</b>	54.55	55.57	62.4	▼1.8%	▼12.6%
Seasonally adjusted; millions of 2012 dollars. Source: Mississippi Department of Revenue					

Economic Indices

Components of the Mississippi Leading Index

Miscellaneous Indicators

## MISSISSIPPI EMPLOYMENT TRENDS

According to the U.S. Bureau of Labor Statistics, (BLS) total nonfarm employment in Mississippi fell by 3,000 jobs in June, a decrease of 0.3 percent. Employment in the state was higher by 8,100 jobs compared to one year earlier, an increase of 0.7 percent. In addition, BLS revised May employment in the state down by 3,200 jobs, a decrease of 0.3 percent. Through the first six months of 2023, employment in Mississippi is down by 1,800 jobs.

In June total nonfarm employment increased in five states, decreased in two states, and was essentially unchanged in forty-three states and the District of Columbia according to BLS. New York added 28,100 jobs for the month, the most among all states, followed by Alabama, which added 8,400 jobs. In Alaska, employment rose 0.9 percent, the largest percentage increase in employment among all states.

Indiana lost 13,900 jobs in June, a decrease of 0.4 percent, while Vermont lost 4,300 jobs, a decrease of 1.4 percent.

BLS reported forty-one states added jobs over the last twelve months and employment was essentially unchanged in nine states and the District of Columbia. Texas added 542,500 jobs, the largest increase in employment over the past twelve months, and Texas and Nevada had the largest percentage increases in employment among all states over the last twelve months of 4.0 percent.

A majority of sectors in Mississippi lost jobs in June. The Health Care and Social Assistance sector added 2,100 jobs, the most among all sectors, followed by Construction, which added 1,900 jobs for the month. The sector also had the largest percentage increase of 4.1 percent. The largest decrease in

employment among all sectors in the state in June occurred in the Professional and Business Services sector, which lost 3,200 jobs. The Arts and Entertainment sector had the largest percentage decrease in employment for the month of 5.4 percent, a loss of 500 jobs.

Over the last twelve months the Health Care and Social Assistance sector added 7,200 jobs in Mississippi, the most among all sectors in the state. The largest percentage increase in employment in the past year occurred in the Educational Services sector, where employment rose 16.8 percent. The Professional and Business Services sector lost 5,100 jobs over the last twelve months, the most among all sectors in the state. The largest percentage decrease in employment in Mississippi over the last twelve months occurred in the Arts and Entertainment sector, where employment declined 5.4 percent.

**Table 2. Change in Mississippi employment by industry, June 2023**

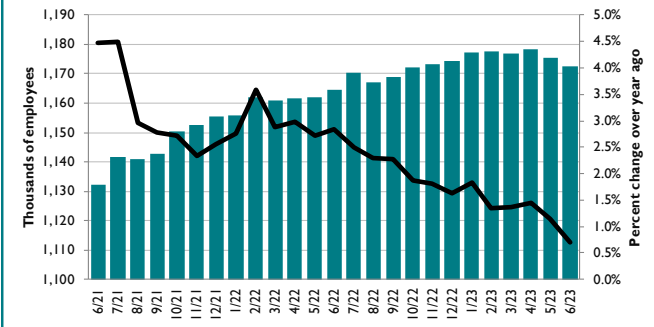
	Relative share of total <sup>a</sup>	June 2023	May 2023	June 2022	Change from May 2023 Level	Change from May 2023 Percent	Change from June 2022 Level	Change from June 2022 Percent
Total Nonfarm	100.0%	1,172,500	1,175,500	1,164,400	▼3,000	▼0.3%	▲8,100	▲0.7%
Mining and Logging	0.5%	6,100	6,100	6,100	◀▶0	◀▶0.0%	◀▶0	◀▶0.0%
Construction	4.0%	48,600	46,700	46,100	▲1,900	▲4.1%	▲2,500	▲5.4%
Manufacturing	12.6%	147,200	147,900	148,200	▼700	▼0.5%	▼1,000	▼0.7%
Trade, Transportation & Utilities	20.9%	245,000	246,000	243,100	▼1,000	▼0.4%	▲1,900	▲0.8%
Retail Trade	11.8%	139,300	139,100	138,800	▲200	▲0.1%	▲500	▲0.4%
Information	0.9%	10,100	10,300	10,300	▼200	▼1.9%	▼200	▼1.9%
Financial Activities	3.8%	44,500	44,200	44,200	▲300	▲0.7%	▲300	▲0.7%
Services	37.4%	437,600	440,800	434,300	▼3,200	▼0.7%	▲3,300	▲0.8%
Professional & Business Services	10.0%	112,900	116,000	118,000	▼3,100	▼2.7%	▼5,100	▼4.3%
Educational Services	1.2%	14,600	14,500	12,500	▲100	▲0.7%	▲2,100	▲16.8%
Health Care and Social Assistance	11.5%	139,200	137,100	132,000	▲2,100	▲1.5%	▲7,200	▲5.5%
Arts and Entertainment	0.8%	8,800	9,300	9,300	▼500	▼5.4%	▼500	▼5.4%
Accommodation and Food Services	10.6%	123,000	124,900	123,300	▼1,900	▼1.5%	▼300	▼0.2%
Other Services	3.3%	39,100	39,000	39,200	▲100	▲0.3%	▼100	▼0.3%
Government	19.9%	233,400	233,500	232,100	▼100	◀▶0.0%	▲1,300	▲0.6%

<sup>a</sup>Relative shares are for the most recent twelve-month average. Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

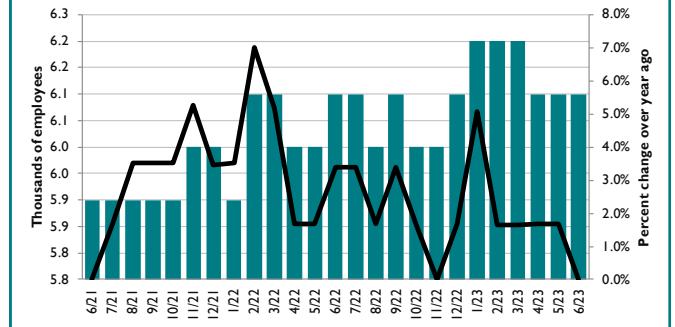


# MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES

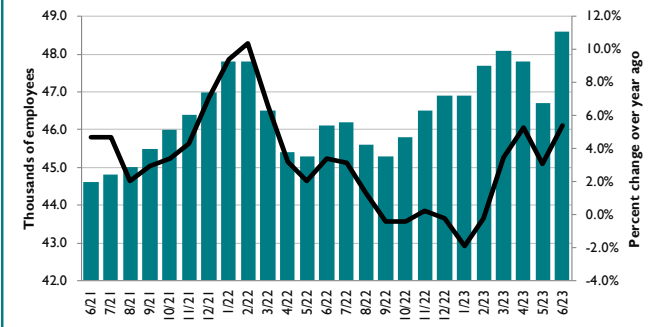
**Figure 24a. Nonfarm employment**



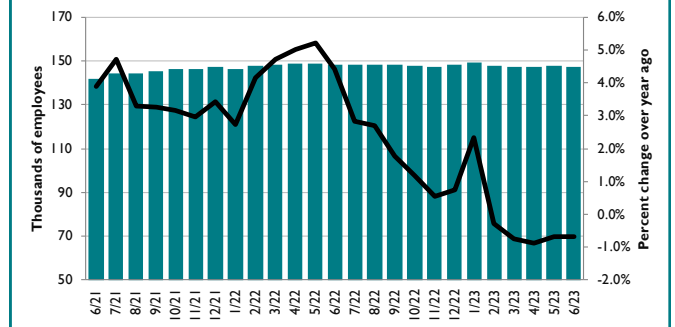
**Figure 24b. Mining and Logging**



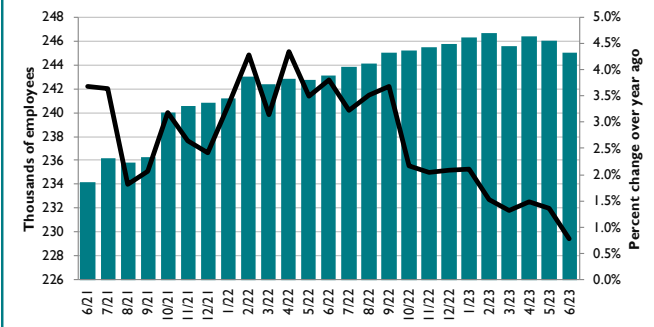
**Figure 24c. Construction**



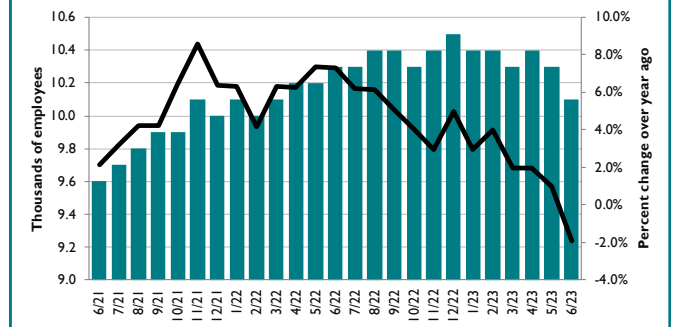
**Figure 24d. Manufacturing**



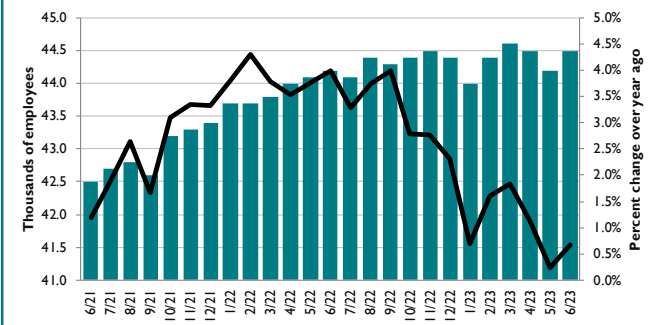
**Figure 24e. Trade, transportation, and utilities**



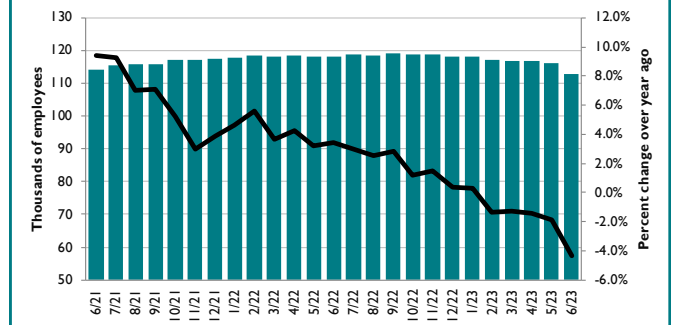
**Figure 24f. Information**



**Figure 24g. Financial activities**

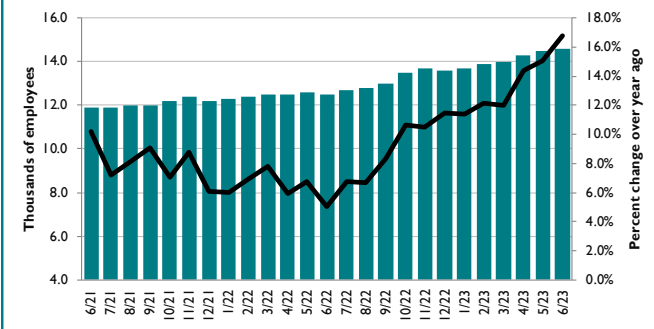


**Figure 24h. Professional and business services**

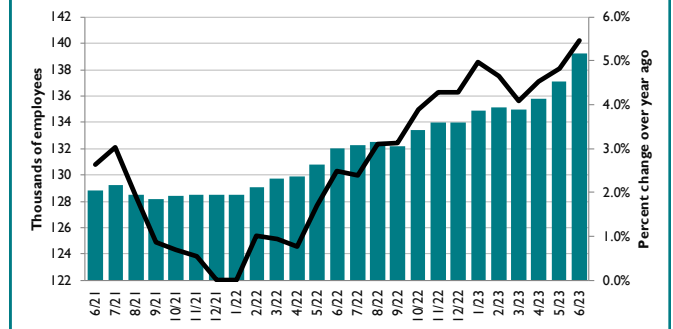


## MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)

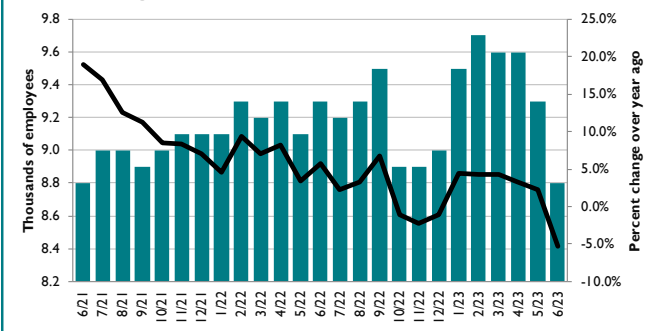
**Figure 24i. Educational services**



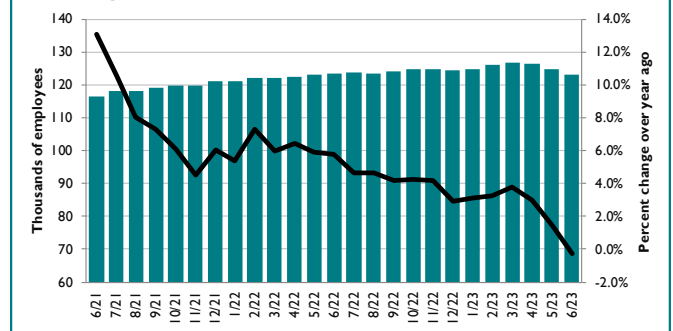
**Figure 24j. Health care and social assistance**



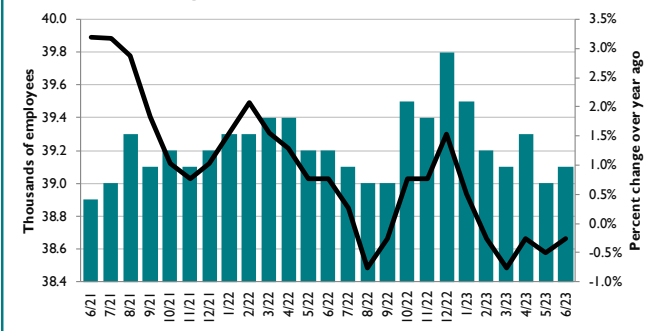
**Figure 24k. Arts and entertainment**



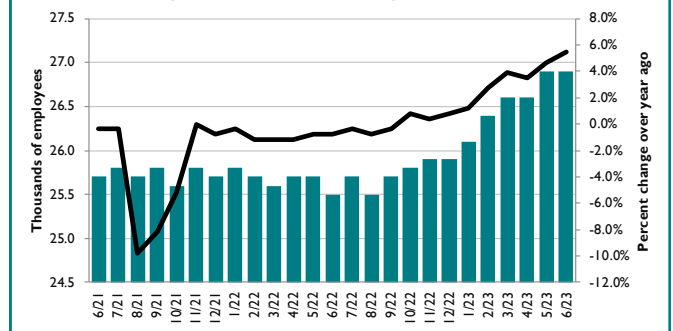
**Figure 24l. Accommodation and food services**



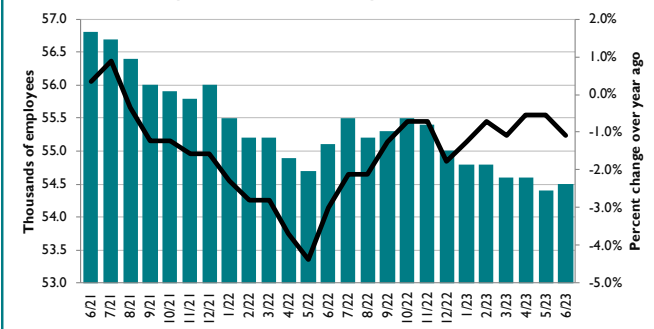
**Figure 24m. Other services**



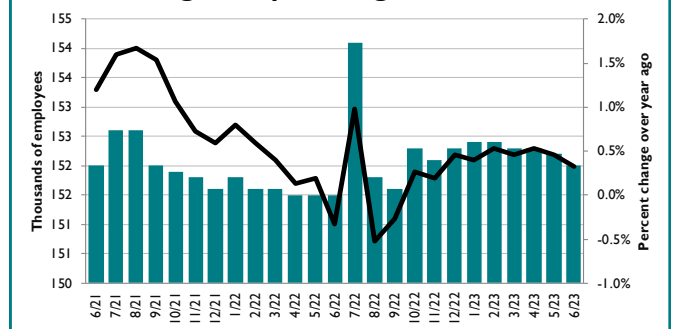
**Figure 24n. Federal government**



**Figure 24o. State government**



**Figure 24p. Local government**



Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted

## CHANGE IN LABOR FORCE PARTICIPATION BY STATE IN 2022

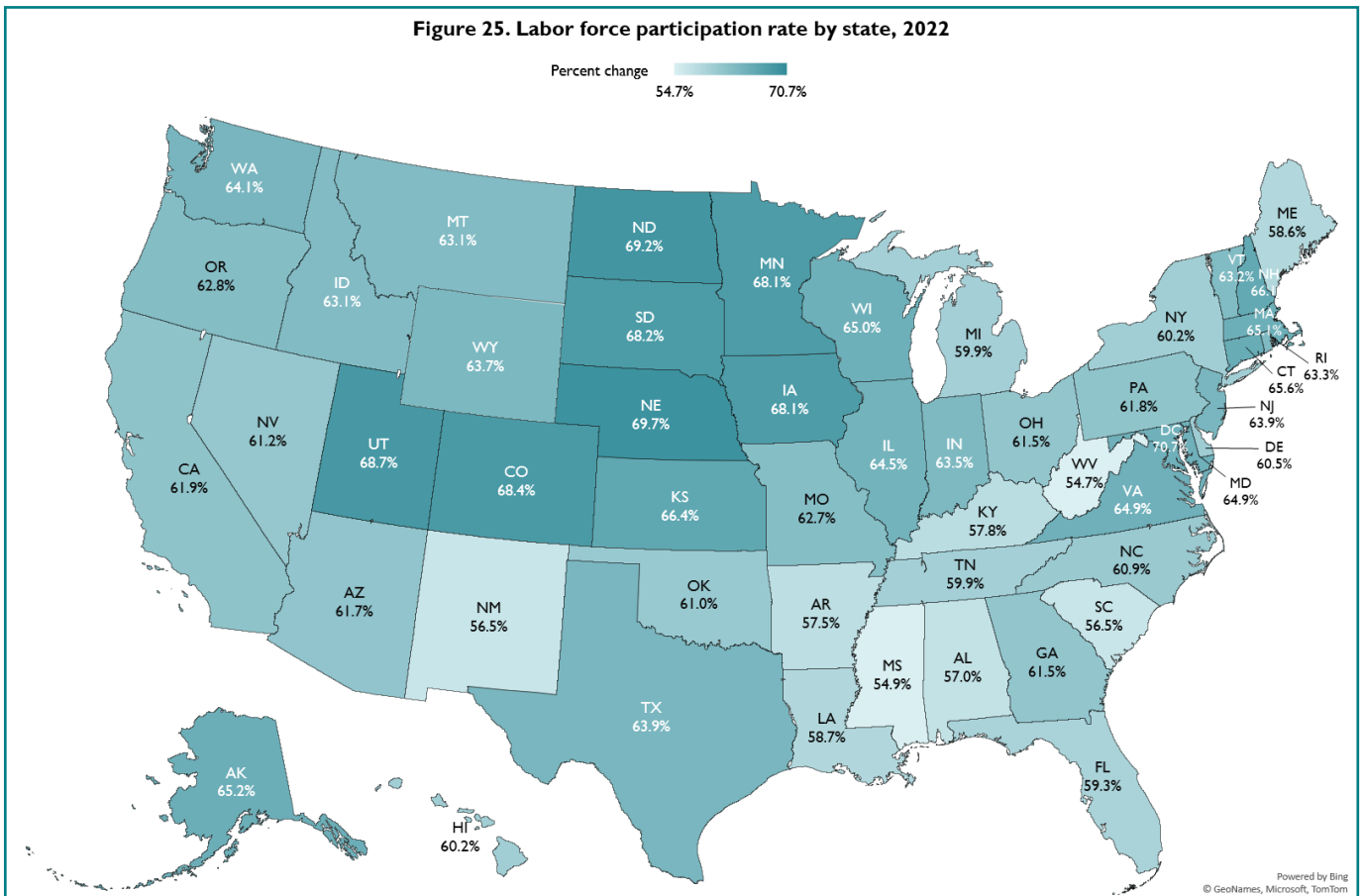
In 2022 labor force participation rates increased in thirty-five states and the District of Columbia, decreased in ten states, and did not change in five states according to the U.S. Bureau of Labor Statistics (BLS). The only states with higher labor force participation rates in 2022 than in 2019 were Alaska, New Jersey, Oregon, and Utah, while in Louisiana, Oklahoma, Texas, and West Virginia labor force participation rates in 2022 were the same as in 2019. The U.S. labor force participation rate in 2022 was 62.2 percent, up 0.5 percentage point from 2021 but 0.9 percentage

point below the 2019 rate. The labor force participation rate in Mississippi decreased 0.2 percentage point in 2022 to 54.9 percent and remained 1.2 percentage points below the rate in 2019.

The highest labor force participation rate among all states in 2022 was the 69.7 percent rate in Nebraska as seen in Figure 25 below. This rate was up 0.3 percentage point from 2021 but was still 0.7 percentage point below the state's 2019 rate. In 2022 fourteen states and the District of Columbia had labor force participation rates of 65.0 percent or more. Most of

these states were located in the Midwest region. The lowest labor force participation rate among all states in 2022 was the 54.7 percent rate in West Virginia, which was closely followed by the rate for Mississippi. Twelve states had rates below 60.0 percent in 2022. Most of these states were located in the Southeast. The only states in the southeast region with rates above 60.0 percent were Oklahoma, Texas, and Virginia. The only states west of the Mississippi River with labor force participation rates below 60.0 percent in 2022 were Arkansas, Louisiana, and New Mexico.

Figure 25. Labor force participation rate by state, 2022

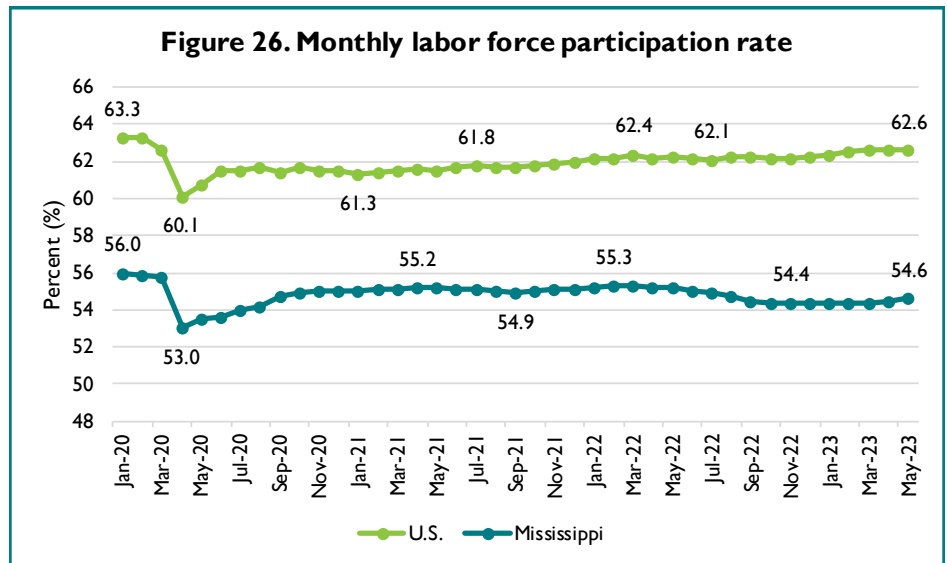


Source: U.S. Bureau of Labor Statistics.

## CHANGE IN LABOR FORCE PARTICIPATION BY STATE IN 2022 (CONTINUED)

Although every state added jobs in 2022, the uneven nature of the employment recovery across sectors resulted in various changes to labor force participation rates across states.

Figure 26 depicts the monthly labor force participation rate for the U.S. and Mississippi since January 2020. The rate in Mississippi in January 2020 was 56.0 percent, which fell to 53.0 percent in April 2020, then slowly increased over the next year to 55.2 percent. The rate then decreased to 54.9 percent by September 2021 and gradually increased in the first few months of 2022. The state's labor force participation rate reached what is to date a post-recession peak of 55.3 percent in March 2022. The rate then fell to 54.4 percent in October 2022, where it held steady before slightly increasing in April and May of this year to 54.6 percent. The U.S. labor force participation rate fell from 63.3 percent in January 2020 to 60.1 percent in April 2020. The rate rose to 61.7 percent in August 2020 and remained in a relatively narrow range until January 2022, when the labor force participation rate rose to 62.2 percent. The rate was essentially steady until January 2023, at which point it slightly increased to 62.6 percent as of May 2023.



Source: U.S. Bureau of Labor Statistics.

The U.S. labor force finally surpassed its February 2020 level in August 2022. As of June 2023 the U.S. labor force was higher than its February 2020 level by almost 2.5 million individuals. Nevertheless, as of May 2023 the labor force in nineteen states including Mississippi was smaller than it was in February 2020. The labor force in Mississippi as of May was smaller than the labor force in February 2020 by 28,316 individuals, or 2.2 percent. Economists remain uncertain as to why some individuals have yet to return to the labor force. One likely factor is the number of workers who retired early because of the pandemic and who have chosen not to return to the workforce. Another factor may include individuals—primarily women—who left the

workforce during the pandemic to care for family members and have yet to return to employment. One other potential reason some individuals have not returned to the labor force is the accumulation of savings, including government assistance, during the pandemic. Regardless of these potential issues, the aging demographics of the U.S. mean as more members of the Baby Boom generation enter retirement, labor force participation rates will continue to face downward pressure.