

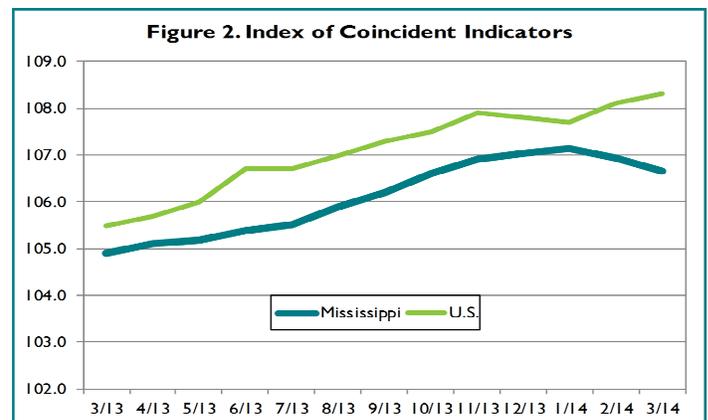
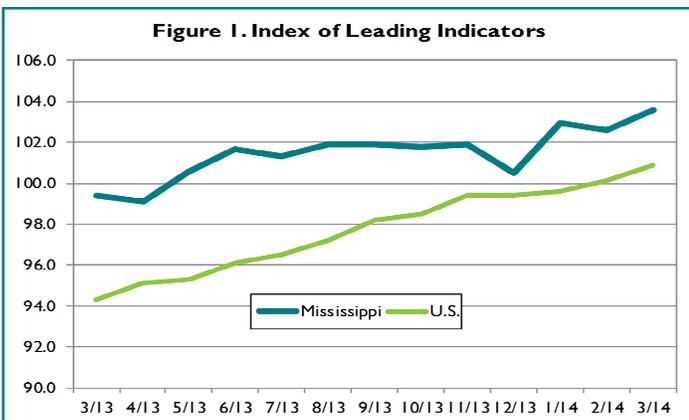
ECONOMY AT A GLANCE

The Mississippi Index of Leading Indicators rose 1.0 percent in March, reaching its highest level since December 2007. The Mississippi Index of Coincident Indicators fell slightly for the month, losing 0.3 percent in value. The March decline marked the first time the Index has fallen in consecutive months in over four years. The drop in total nonfarm employment in the state in March—the fourth consecutive month of job losses—likely pushed the index lower (see page 8).

As evidenced by the release of revised data, the state's economy continues to exhibit some weakness in 2014, particularly in terms of employment. Specifically, the construction sector has lost a number of jobs, likely reflecting the fact that the coal-fired electric power plant under construction in Kemper County is nearing completion. In addition, average earnings and wages in manufacturing fell in March.

Positive developments exist, however, such as the rise in building permits and the diesel fuel consumption index, and increasing job numbers in the manufacturing sector (see figure on page 9). The state's economy clearly occupies a better position than a year ago and displays no signs of slipping back into recession.

The Bureau of Economic Analysis released its initial estimate of only a 0.1 percent increase in GDP in the first quarter of this year. Nevertheless, moderated forecasts for the national economy continue to anticipate increased growth for 2014. Notably, the state may benefit from broader improving trends such as growing retail and automobile sales. Employment growth remains a concern throughout much of the country, however, and until more people who are seeking jobs can find work, the current recovery will not "feel" like a recovery to many of these individuals.



Notes: The Mississippi Coincident Index is constructed by the Federal Reserve Bank of Philadelphia and re-indexed to 2004. 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 2004.

To download the current issue of *Mississippi's Business* as well as view an archive of past issues, visit:
www.mississippi.edu/urc/publications.asp

Inside this issue:

Index of Leading Indicators for March 2014	2
Index of Coincident Indicators for March 2014	4
National Trends	5
Mississippi Employment Trends	8
Long-term Unemployment and the Great Recession	10

MISSISSIPPI'S BUSINESS

LEADING INDICATORS, MARCH 2014

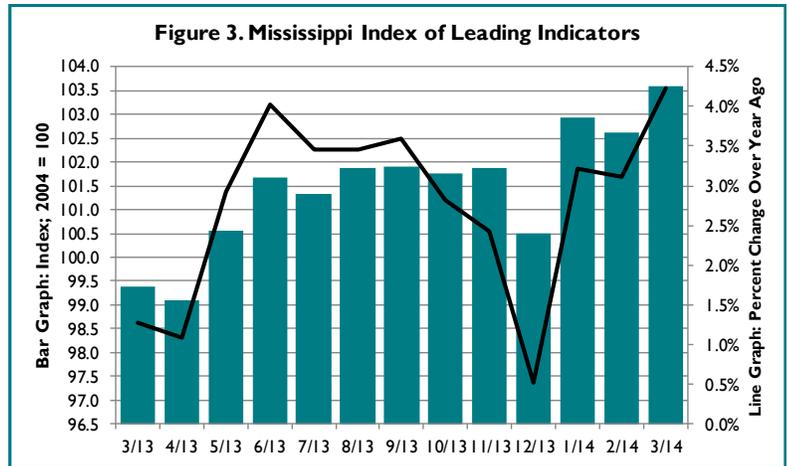
The **Mississippi Index of Leading Economic Indicators** rebounded from its slight decline in February, rising 1.0 percent in March. Figure 3 indicates the index climbed to a value of 103.6—a level last reached in December 2007. The index is up 3.1 percent since December 2013 and stands 4.2 percent higher than a year ago.

Five of the eight components of the index contributed positively to its value in March. Discussion of each component appears below in order of largest to smallest contribution.

Figure 4 indicates the relatively large rise of the **Mississippi Diesel Fuel Consumption Index** in March. The index spiked 5.2 percent in March after declining in two of the previous three months. The value of the index reached 100.4, its highest level in almost two years. Improving weather in the state and the southeast region during the month may have contributed to the higher value. The increase in the diesel index occurred despite a rise in the price of a gallon of diesel fuel in the Gulf Coast district (which includes Mississippi) of 0.4 percent in March, according to the U.S. Energy Information Administration. Although this price has risen for four consecutive months, the March price remains over 5 percent lower than one year ago.

Led by a rise in automobile sales, **U.S. retail sales** for March moved higher by 1.1 percent, as seen in Figure 5. In addition, February retail sales rose 0.7 percent following revisions, more than double the initial report. Several retail industries reported growth in March of more than 1 percent, although growth was not entirely widespread. Sales at electronics and appliances stores and gasoline stations, for example, both fell by more than the overall increase in retail sales. Nevertheless, compared to one year ago retail sales were up 3.7 percent, a gain similar to the year-over-year increases prior to the last two months when harsh winter weather hit much of the country.

For the third month in a row, the **value of Mississippi residential building permits** (three-month moving average) increased in March as indicated in Figure 6. The value of permits in March was 8.0 percent higher than one year ago and the value has increased in nine of the last twelve months. The seasonally-adjusted number of units for which building permits were issued in March also climbed by 30 percent compared to the previous month, reaching its highest level since August 2013. Nationally,



Source: University Research Center

sales of new single-family homes dropped 14.5 percent in March. While the monthly new home sales number is highly subject to revisions, the value has declined in five of the last six months. The level of sales is also 13.3 percent below that of March 2013, indicating the problems still present in the national housing market.

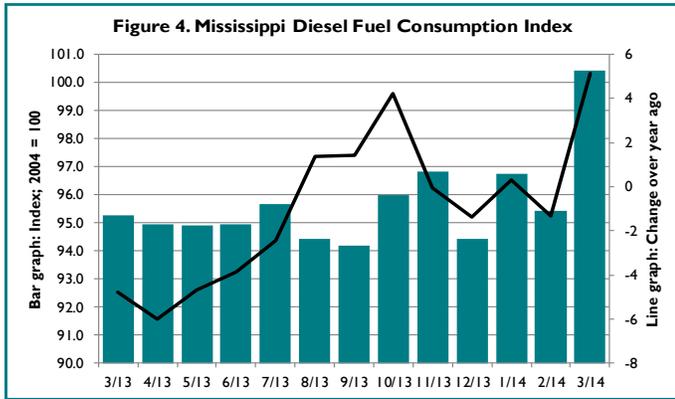
The **Institute for Supply Management Index of U.S. Manufacturing Activity** rose for the third month in a row in April, as indicated by Figure 7. While these increases in the index demonstrate the industry is recovering from the effects of winter, it remains below its December 2013 level. The components for imports and new export orders primarily contributed to the increase in the Index in April. As in Mississippi, the U.S. manufacturing sector continues to perform well, increasing the number of workers during the past year.

In March, the **U.S. Index of Consumer Expectations** (three-month moving average) more than recovered the 1.0 percent it lost in February, as seen in Figure 8. The index rose 1.6 percent as the outlook of consumers improved along with the weather in most of the country during March. In addition, the increase denotes the return of expectations to near their level prior to the federal government shutdown last fall.

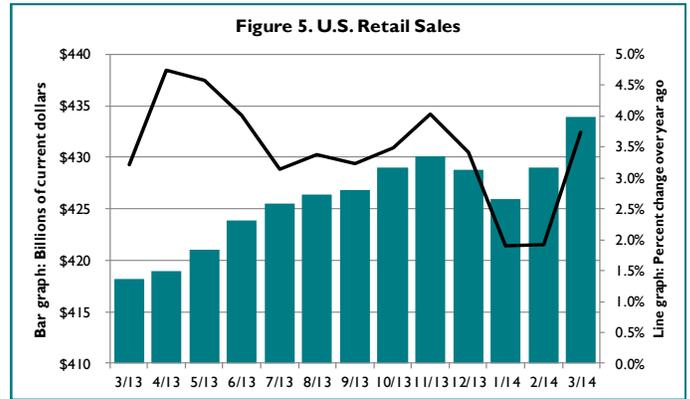
The number of **initial unemployment claims** and continued claims in Mississippi both grew in March, 4.2 and 5.2 percent, respectively. Figure 9 indicates the rise in initial claims was the second consecutive monthly increase and much larger than the nominal rise in February. How-

(Continued on page 4)

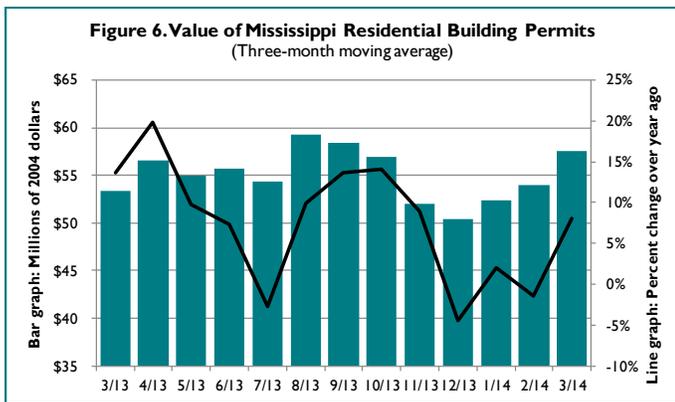
LEADING ECONOMIC INDICATORS, IN FIGURES



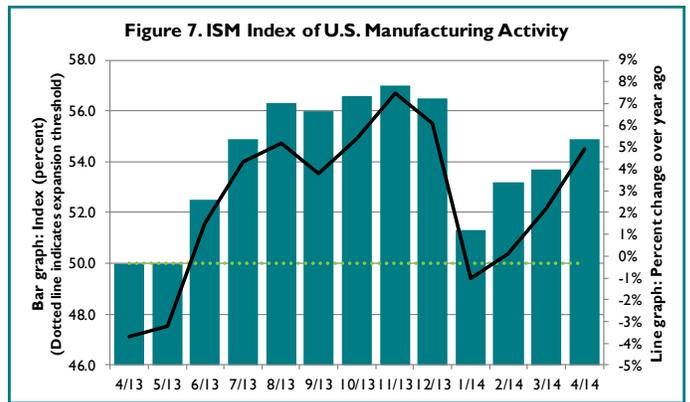
Source: URC using data from Mississippi Department of Revenue



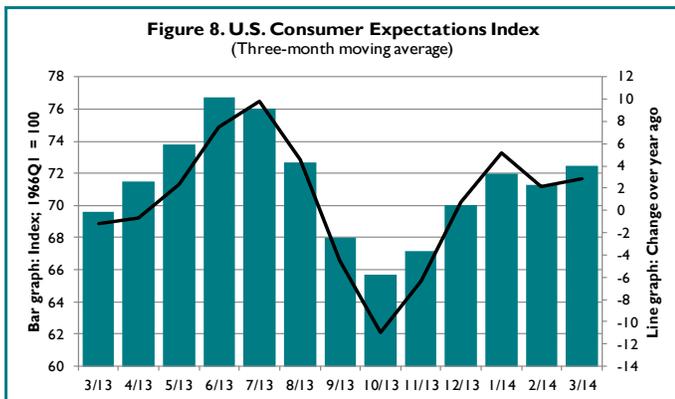
Source: Bureau of the Census



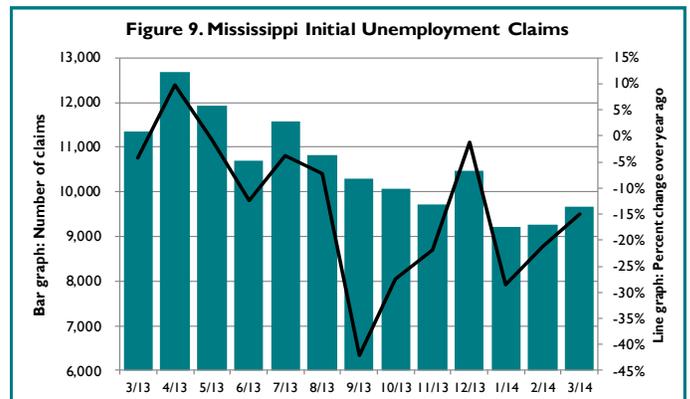
Source: Bureau of the Census



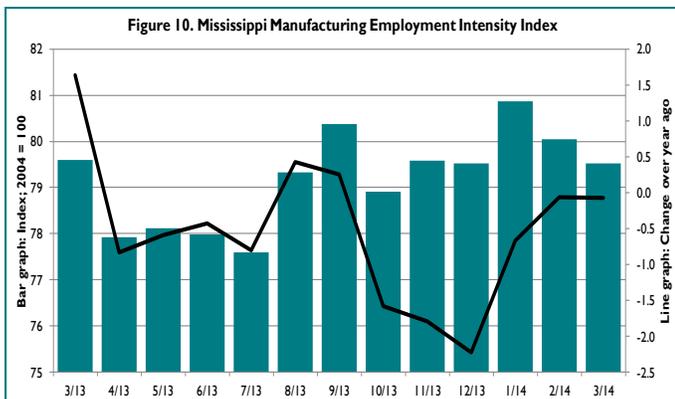
Source: Institute for Supply Management



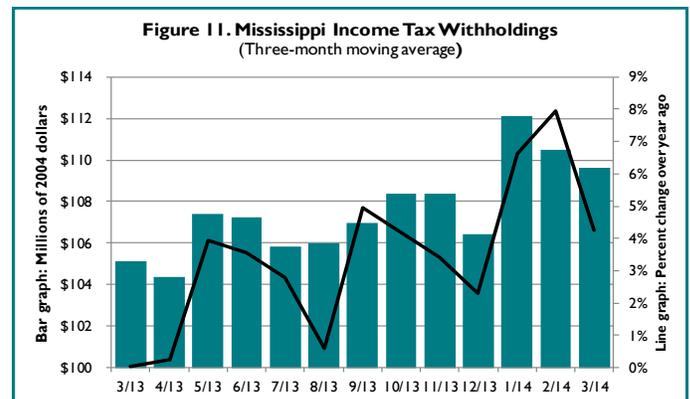
Source: University of Michigan Consumer Sentiment Survey



Source: Mississippi Department of Employment Security



Source: URC using data from Bureau of Labor Statistics



Source: Mississippi Department of Revenue

MISSISSIPPI'S BUSINESS

LEADING INDICATORS, MARCH 2014 (CONTINUED)

ever, the number of claims in March 2014 was 15 percent less than a year ago. Following seasonal adjustments, continued claims rose in a similar manner for the second straight month as seen in Figure 15 on page 6. Nevertheless, this number of claims is more than 17 percent below the level of a year ago. Figure 16 on page 6 also indicates the seasonally-adjusted unemployment rate in March for the state rose to 7.6 percent. Based on revised data, the rate increased for the first time since May 2012.

The **Mississippi Manufacturing Employment Intensity Index** fell 0.6 percent in March, as seen in Figure 10. According to revised data released for March, the index declined for the second consecutive month. Employment in manufacturing saw little change in March, adding 100 jobs, and therefore only slightly impacted the index value. The index stands almost exactly at its value of one year ago.

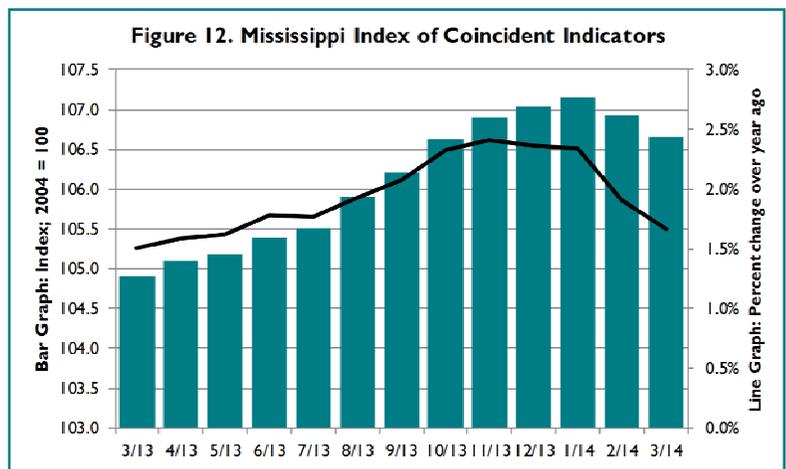
For the second consecutive month, **Mississippi income tax withholdings** (three-month moving average) fell slightly in March. Figure 11 indicates the average lost 0.8 percent for the month. Despite the decline, the average remains 4.3 percent greater than in March 2013.

COINCIDENT INDICATORS, MARCH 2014

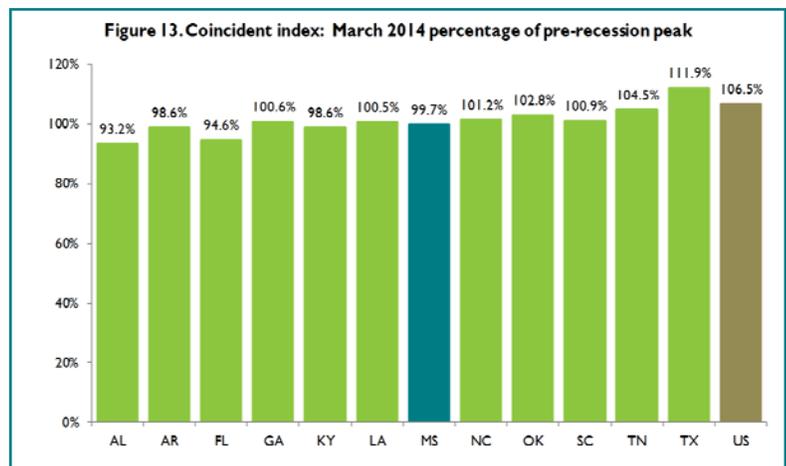
The value of the Mississippi Index of Coincident Indicators fell for the second month in a row in March. As seen in Figure 12, the Index lost 0.3 percent of its value, and based on revised data it also declined 0.2 percent in February. November and December of 2009 mark the last time the index declined for at least two consecutive months.

As seen in Figure 13, following its March decline the state's coincident index now rests at 99.7 percent of its pre-recession peak. While the values of the indices for Alabama and Louisiana also fell in March, seven of the twelve southeastern states remain fully recovered. Among the states in the region, the value of the Alabama coincident index remains the most below its pre-recession peak. The value of the coincident index for Texas, however, exceeds its pre-recession peak by a larger margin than any other southeastern state. Moreover, Texas is the only southeastern state whose index has recovered more than that of the U.S.

Mississippi was also one of eight states where the value of the coincident index decreased in March compared to three months prior, as indicated by Figure 14. Each of the indices for these states dropped between 0.0 and 0.5 percent in value. The coincident indices for the remaining states all increased in value in March. The indices in seven states rose by 0.1 to 0.5 percent, while the indices for all other states increased by more than 0.5 percent compared to the value for December.



Source: Federal Reserve Bank of Philadelphia



Source: Federal Reserve Bank of Philadelphia

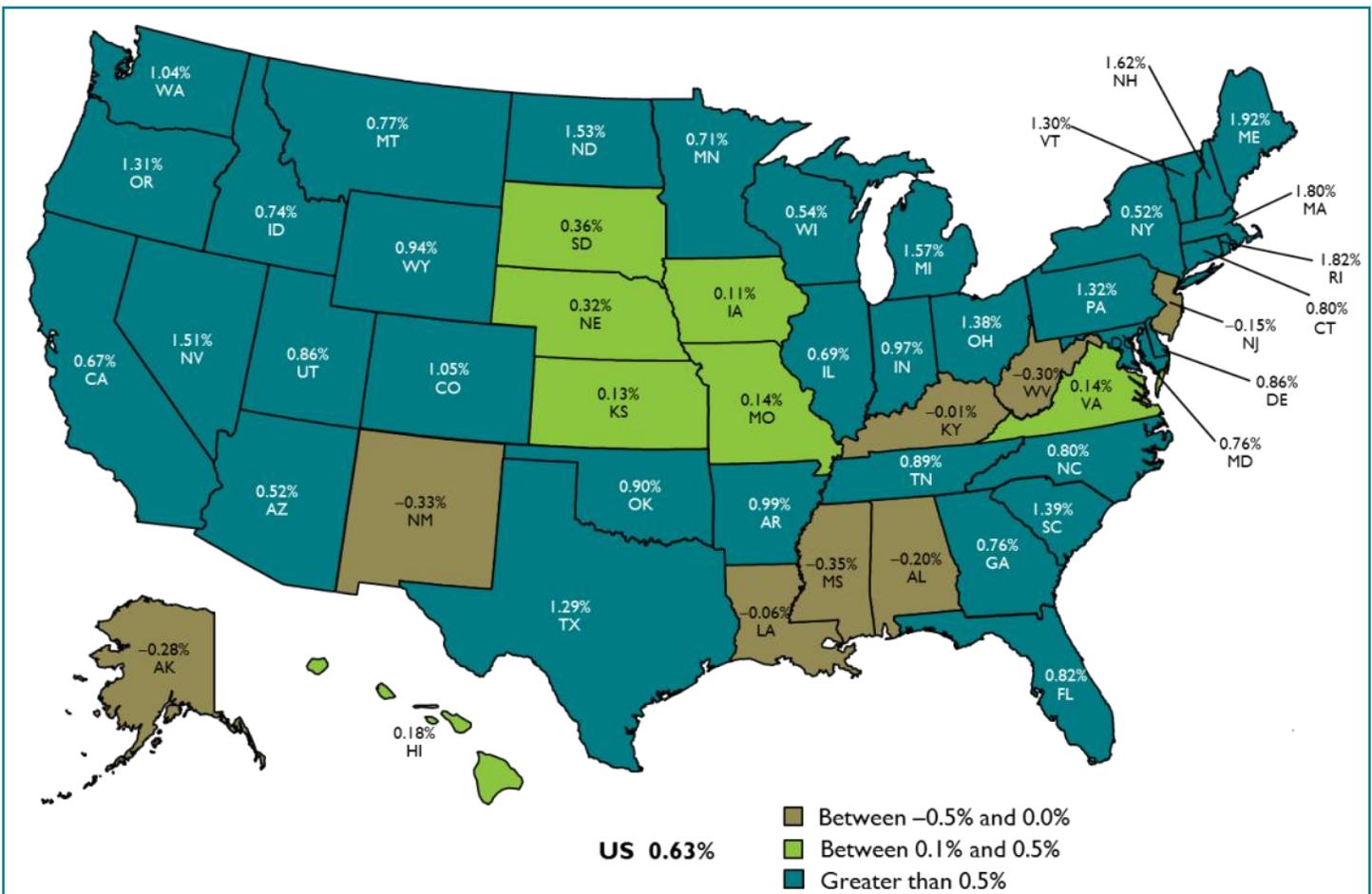
NATIONAL TRENDS

For the third consecutive month, The Conference Board reported the U.S. Leading Economic Index (LEI) increased in March, rising by 0.8 percent. The Board also revised the values of the LEI up for each of the last five months. These revisions mean the index increased 0.2 percent in January and 0.5 percent in February. The U.S. Coincident Economic Index (CEI) as reported by the Board also increased 0.2 percent in March. Additionally, The Conference Board revised the values of the CEI down for each of the previous three months. The revisions indicate the index fell 0.1 percent in January and rose 0.4 percent in February. Despite the flat to slightly negative performance of the indices in December and January, The Conference Board noted the steady growth rates in both over the last six months. As a result, the Board remains bullish on the U.S. economy and believes expansion will continue in 2014.

Following a sharp decline in February, the Small Business Optimism Index compiled by the National Federation of Independent Businesses (NFIB) bounced back in March, rising 2.2 percent. About half of the increase in the Index was due to the improved outlook for real sales gains, and the remainder of the increase resulted from upgraded views of inventory management. The index also reflected gains in wages, which reached their highest levels since before the recession.

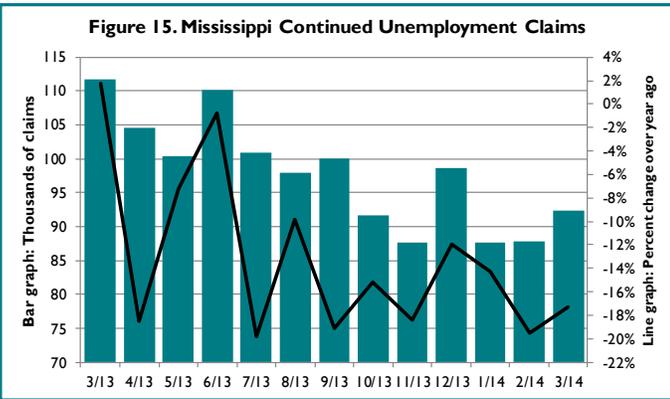
The government's preliminary estimate of a 0.1 percent increase in U.S. GDP for the first quarter means achieving 3 percent growth for the year—which a number of analysts previously expected—becomes difficult. Outlooks for growth are now generally in the range of 2.5 percent for 2014, which will in large part be determined by consumer demand the rest of the year. Despite the challenges experienced during the winter, the fundamentals of the U.S. economy remain sound.

Figure 14. Three-month growth in the index of coincident economic indicators by state, March 2014

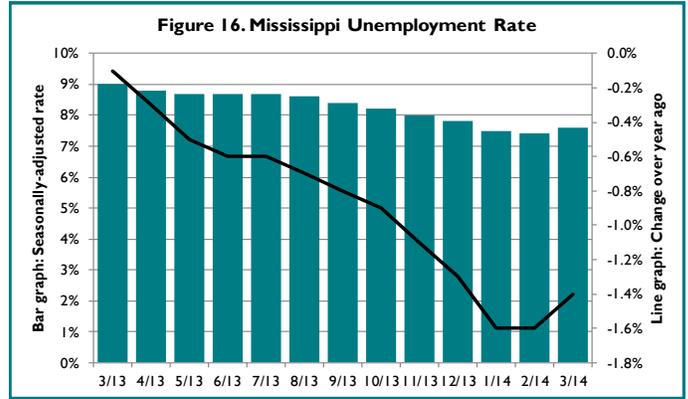


MISSISSIPPI'S BUSINESS

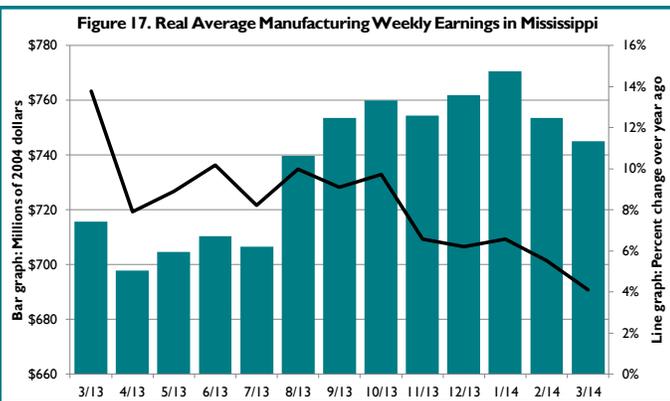
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



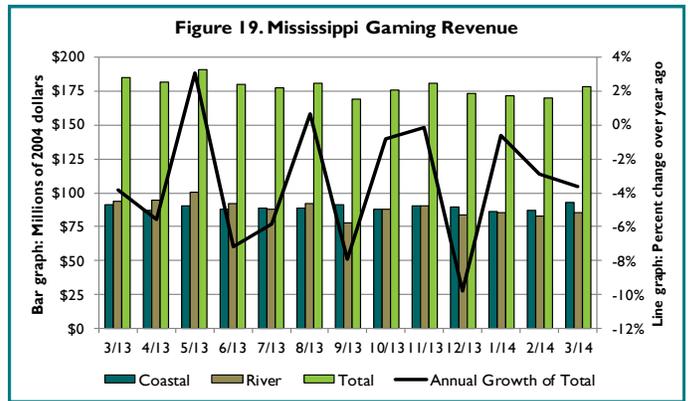
Source: Mississippi Department of Employment Security; Seasonally Adjusted



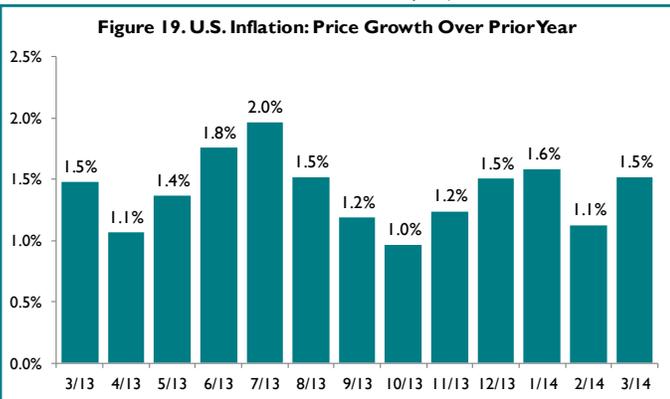
Source: U.S. Bureau of Labor Statistics; Seasonally Adjusted



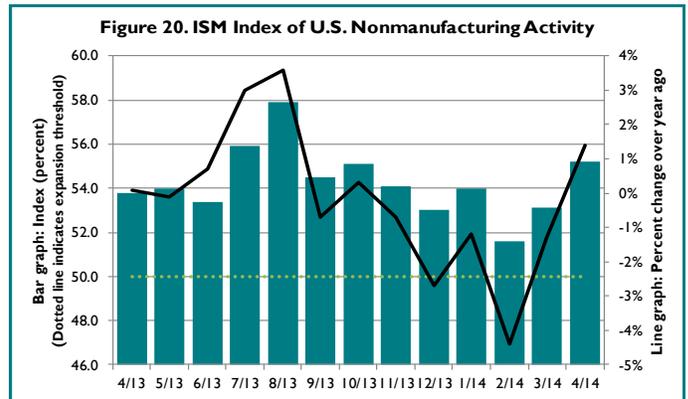
Source: U.S. Bureau of Labor Statistics; Non-seasonally Adjusted



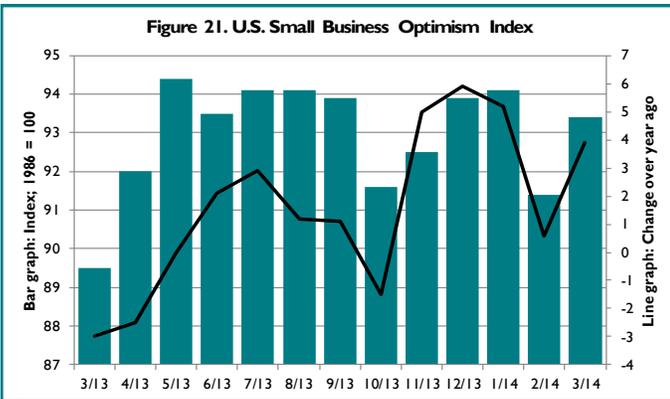
Source: Mississippi Department of Revenue; Seasonally Adjusted



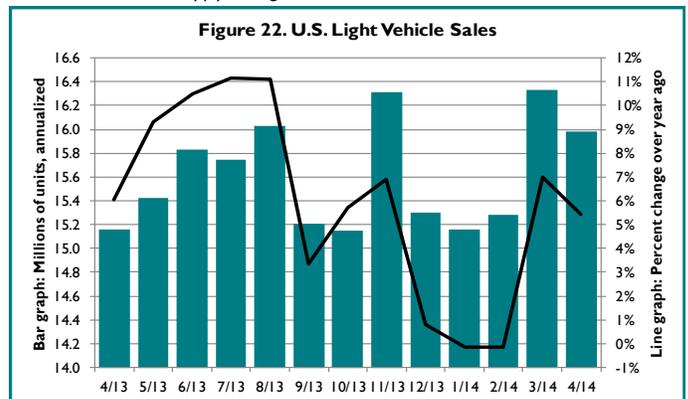
Source: U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



Source: National Federation of Independent Businesses



Source: Bureau of Economic Analysis; Seasonally Adjusted Annual Rate

TABLE I. SELECTED ECONOMIC INDICATORS

Indicator	March 2014	February 2014	March 2013	Percent change from last month last year		
U.S. Index of Coincident Indicators 2004 = 100. Source: The Conference Board	108.3	108.1	105.5	0.2%	2.7%	Economic Indices
Mississippi Index of Coincident Indicators 2004 = 100. Source: Federal Reserve Bank of Philadelphia	106.7	106.9	104.9	-0.3%	1.7%	
U.S. Index of Leading Indicators 2004 = 100. Source: The Conference Board	100.9	100.1	94.3	0.8%	7.0%	
Mississippi Index of Leading Indicators 2004 = 100. Source: University Research Center	103.6	102.6	99.4	1.0%	4.2%	
Mississippi Initial Unemployment Claims Source: Mississippi Department of Employment Security	9,654	9,269	11,353	4.2%	-15.0%	Components of the Mississippi Index of Leading Indicators
Value of Mississippi Residential Building Permits Three-month moving average; millions of 2004 dollars. Source: Bureau of the Census	57.6	53.9	53.4	6.8%	8.0%	
Mississippi Income Tax Withholdings Three-month moving average; millions of 2004 dollars. Source: Mississippi Department of Revenue	109.6	110.5	105.1	-0.8%	4.3%	
Mississippi Manufacturing Employment Intensity Index 2004 = 100. Source: URC using data from Bureau of Labor Statistics	79.5	80.0	79.6	-0.6%	-0.1%	
Mississippi Diesel Fuel Consumption Index Three-month moving average; 2004 = 100. Source: URC using data from Mississippi Department of Revenue	100.4	95.4	95.3	5.2%	5.4%	
U.S. Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: University of Michigan Consumer Sentiment Survey	72.5	71.3	69.6	1.6%	4.1%	
U.S. ISM Index of Manufacturing Activity Advanced one month. Source: Institute For Supply Management	54.9	53.7	50.0	1.2%	4.9%	
U.S. Retail Sales Current dollars, in billions. Source: Bureau of Census	433.9	429.0	418.2	1.1%	3.7%	
U.S. Consumer Price Index 2004 = 100. Source: URC using data from Bureau of Labor Statistics	125.1	124.3	123.2	0.6%	1.5%	
Mississippi Unemployment Rate Seasonally-adjusted. Source: Bureau of Labor Statistics	7.6%	7.4%	9.0%	0.2%	-1.4%	
Mississippi Continued Unemployment Claims Source: Mississippi Department of Employment Security	92,435	87,857	111,788	5.2%	-17.3%	Miscellaneous Indicators
U.S. Mortgage Rates 30-year conventional. Source: Federal Reserve	4.28%	4.28%	3.52%	0.0%	0.8%	
Mississippi Average Hourly Wage for Manufacturing 2004 dollars. Source: Bureau of Labor Statistics	18.21	18.29	16.97	-0.4%	7.3%	
Mississippi Average Weekly Earnings for Manufacturing 2004 dollars. Source: Bureau of Labor Statistics	744.99	753.56	715.60	-1.1%	4.1%	
Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	93.4	91.4	89.5	2.2%	4.4%	
Gaming Revenue	177.9	170.0	184.6	4.6%	-3.7%	
Coastal Counties	92.5	87.0	91.1	6.4%	1.5%	
River Counties Seasonally adjusted, millions of 2004 dollars. Source: Mississippi Department of Revenue	85.3	83.0	93.5	2.8%	-8.7%	

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS

Total nonfarm employment in Mississippi fell for the fourth consecutive month in March, albeit slightly, as seen in Table 2. The state's economy lost 1,400 jobs, or 0.13 percent of total employment. This number was less than the number of jobs lost in February. Job losses were spread across sectors and most of the losses occurred in the services and construction industries. Government hired the most workers of any sector in the state in March, while mining and logging, manufacturing, and financial activities all posted relatively small gains in employment. Compared to one year ago, total nonfarm employment changed relatively little, up 0.5 percent. However, job losses in 2014 thus far total 6,700.

The rate of growth in nonfarm employment in Mississippi for the first quarter of 2014—distinct from the change in the number of jobs—was 0.7 percent less than in the first quarter of 2013. Figure 23 indicates the change in growth by sector. The construction industry saw the largest change, as it lost three times as many jobs in 2014Q1 as it gained in 2013Q1, resulting in 8.5 percent less growth. Similarly, professional and business services added jobs in 2013Q1 but lost jobs in 2014Q1, reducing growth by 2.8 percent. Conversely, manufacturing added jobs in 2014Q1, increasing growth by 2.5 percent. The remaining sectors experienced increases or decreases in employment growth of less than 2.0 percent.

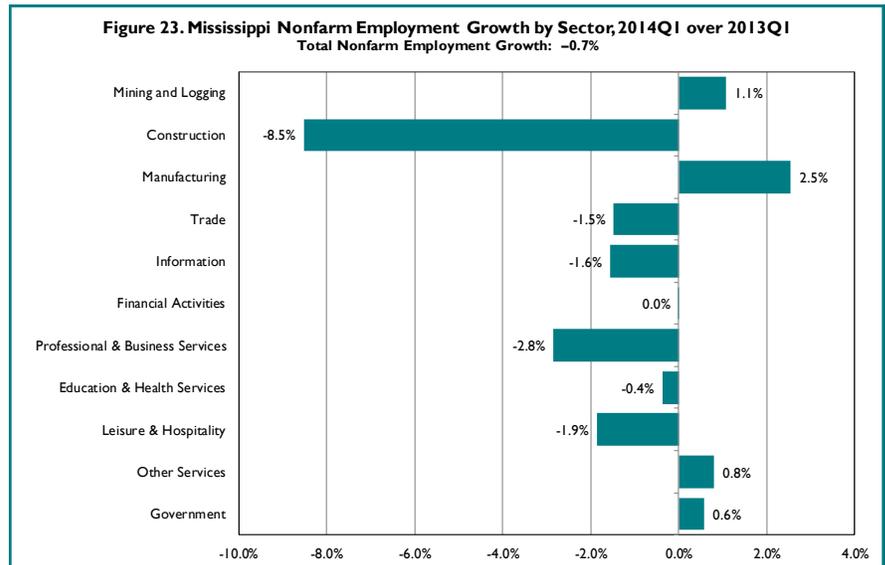


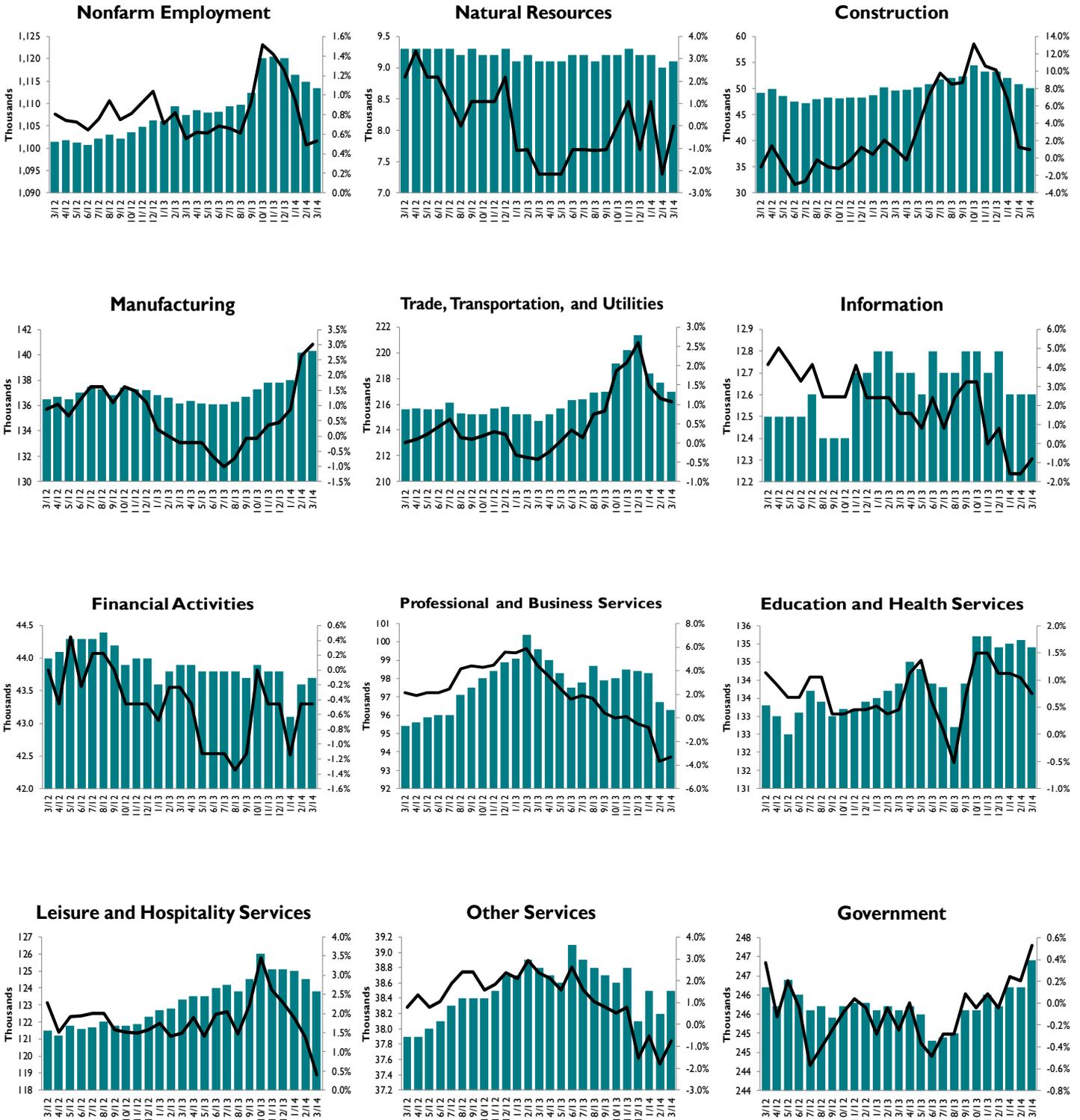
Table 2. Change in Mississippi Employment by Industry, March 2014

	Relative Share of Total ^a	March 2014	February 2014	March 2013	Change from Prior Month Level	Change from Prior Month Percent	Change from Prior Year Level	Change from Prior Year Percent
Total Nonfarm	100.0%	1,113,400	1,114,800	1,107,500	(1,400)	(0.13%)	5,900	0.5%
Mining and Logging	0.8%	9,100	9,000	9,100	100	1.1%	—	0.0%
Construction	4.6%	50,100	50,800	49,600	(700)	(1.4%)	500	1.0%
Manufacturing	12.3%	140,300	140,200	136,200	100	0.1%	4,100	3.0%
Trade, Transportation, & Utilities	19.5%	217,000	217,700	214,700	(700)	(0.3%)	2,300	1.1%
Retail Trade	12.0%	132,900	132,900	132,200	—	0.0%	700	0.5%
Information	1.1%	12,600	12,600	12,700	—	0.0%	(100)	(0.8%)
Financial Activities	3.9%	43,700	43,600	43,900	100	0.2%	(200)	(0.5%)
Services	35.6%	393,500	394,500	395,600	(1,000)	(0.3%)	(2,100)	(0.5%)
Professional & Business Services	8.9%	96,300	96,700	99,600	(400)	(0.4%)	(3,300)	(3.3%)
Education & Health Services	12.1%	134,900	135,100	133,900	(200)	(0.1%)	1,000	0.7%
Leisure & Hospitality	11.2%	123,800	124,500	123,300	(700)	(0.6%)	500	0.4%
Other Services	3.5%	38,500	38,200	38,800	300	0.8%	(300)	(0.8%)
Government	22.1%	246,900	246,200	245,600	700	0.3%	1,300	0.5%

^aRelative shares are for the most recent 12-month average.

Source: Bureau of Labor Statistics

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



Left axes: Bar graphs of employment levels Right axes: Line graphs of annual growth

Source: Bureau of Labor Statistics (all figures)

MISSISSIPPI'S BUSINESS

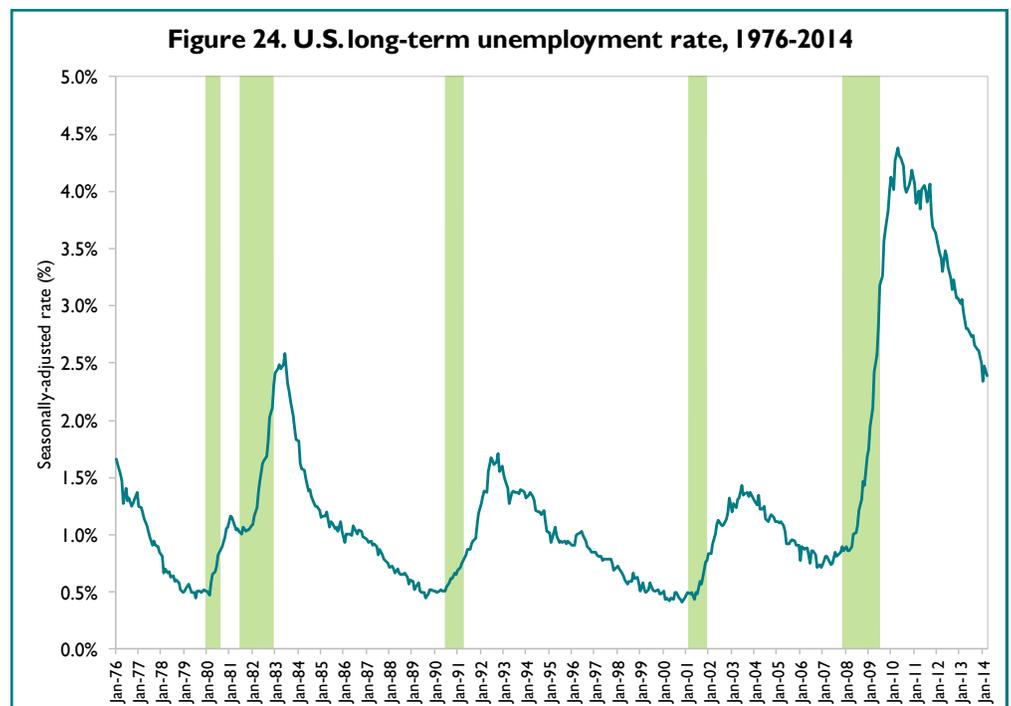
LONG-TERM UNEMPLOYMENT AND THE GREAT RECESSION

While frequently reported in the media, the unemployment rate often does not represent the complete employment situation. For example, according to the Bureau of Labor Statistics (BLS), the U.S. economy added 192,000 jobs in March; however, the “headline” unemployment rate—as it is often referred to in the financial press—remained unchanged at 6.7 percent. The reason was the labor force also grew in March, offsetting the increase in jobs. Moreover, the headline unemployment rate only reflects the share of individuals in the labor force who were without a job at the time of measurement. Individuals who leave the labor force, including those who have given up looking for work, are not reflected in the unemployment rate. In addition, the headline unemployment rate does not reveal the *duration* of the unemployment of those included. Understanding the composition of unemployment requires a more in-depth examination of the employment data.

First, what does “long-term” unemployment mean? BLS classifies an individual who has been out of work for more than 27 consecutive weeks as among the long-term unemployed. Second, why is length of unemployment important to consider? An obvious reason is a longer duration of unemployment, as well as more individuals who are unemployed for longer periods, denotes the economy is creating fewer jobs or is creating them at a slow rate. Such a situation has certainly been the case in the years following the Great Recession. Another reason involves the effects, or the lack of

effects, of long-term unemployment on wages, which influences the labor market as a whole. The most basic economic relationships hold that the wage rate falls until employers hire all of the individuals in the workforce who are willing to work at that rate. In other words, as long as “slack” in the labor market exists, wages do not rise. However, recent work by Linder, Peach, and Rich (2014) of the Federal Reserve Bank of New York indicates the long-term unemployed may have little effect on compensation as they essentially function as non-participants in the labor market. Such a conclusion may hold important implications for monetary policy. If the number of long-term unemployed results in a relatively high unemployment rate, which in part leads the Federal Reserve to keep interest rates low, then a decrease in short-term unemployment may push wages and other prices up. The increase in wages can potentially lead to inflation in the broader economy, and if the Federal Reserve does not raise interest rates because of its focus on only the headline unemployment rate, it may fail to head off this inflation.

The characteristics of the individuals who make up the long-term unemployed represent another potential concern.



Note: Shaded areas indicate recessions as defined by the National Bureau of Economic Research.

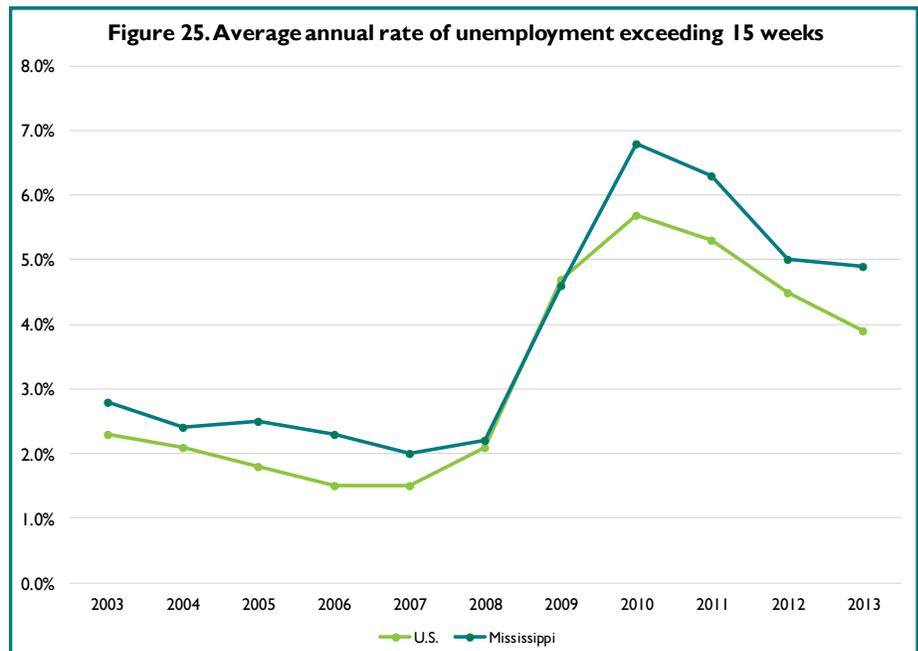
Source: U.S. Bureau of Labor Statistics

LONG-TERM UNEMPLOYMENT AND THE GREAT RECESSION (CONTINUED)

Researchers at Princeton University recently found that, essentially, the long-term unemployed not only have more difficulty finding jobs but also holding on to a job (Krueger, Cramer, and Cho, 2014). In fact, among the long-term unemployed they surveyed only 11 percent were placed in steady jobs within sixteen months. In addition, analysts and policymakers should not disregard the long-term unemployed who leave the labor force because they give up trying to find a job. Krueger, Cramer, and Cho's research suggests at least 10 percent of the long-term unemployed exit the labor force and do not return.

Data from BLS reveal that for March 2014 the share of the U.S. labor force who are long-term unemployed equaled 2.4 percent. This rate is below the recession-associated peak of 4.4 percent in April 2010 but above the pre-recession level of 0.7 percent in June 2007. In fact, Figure 24 demonstrates the long-term unemployment rate experienced since the Great Recession is historically very high. Since 1976, the long-term unemployment rate has exceeded 2.0 percent in only one other period, as a result of the recession from July 1981 to November 1982. The rate exceeded 2.0 percent for 13 months at that time; as of March 2014 the rate has exceeded 2.0 percent for 61 consecutive months. BLS also collects state-level data on individuals who have been unemployed 15 months or longer on an annual basis. Individuals who have been unemployed from 15 to 26 months are considered medium-term unemployed; thus the data BLS collects for states captures both medium- and long-term unemployment on an annual basis. Despite the differing characteristics, an examination of these data for Mississippi yields insights. Figure 25 depicts the average annual long-term unemployment rate for the state from 2003 to 2013 and includes the U.S. for comparison. Clearly, even measured on an annual basis the non-short-term unemployment rate in Mississippi and the U.S. has been higher since 2009 and has remained so. In addition, the non-short-term rate in Mississippi has generally surpassed the U.S. rate over the last decade. Such a higher rate over a period as long as ten years suggests some structural difference in the labor market exists in Mississippi compared to the U.S. as a whole.

What are the reasons for the relatively high and persistent long-term unemployment rate following the Great Recession? Some economists, including Robert Valletta (2013) of the Federal Reserve Bank of San Francisco, maintain it simply results from the depth and severity of the last recession. Furthermore, these economists contend long-term unemployment will slowly but surely return to a more typical level as the economy strengthens. Valletta and other analysts also note the unprecedented extension of unemployment benefits to 99 weeks in some states as a result of the American Recovery and Reinvestment Act of 2009 likely affected the level of long-term unemployment to some degree. Some justification for either of these assertions can be found in the data depicted in Figure 24, as the rate began to fall in mid-2011 and generally has



Source: U.S. Bureau of Labor Statistics

MISSISSIPPI'S BUSINESS

LONG-TERM UNEMPLOYMENT AND THE GREAT RECESSION (CONTINUED)

continued this downward trend. The current rate of 2.4 percent, while relatively high in historical terms, appears to be moving toward a more established level. In a similar approach, a 2013 report by the research firm Macroeconomic Advisers focused on the impact of fiscal policy uncertainty on the U.S. economy, including unemployment. Fiscal policy generally consists of Congressional and Presidential actions through legislation and executive orders to influence the economy. The report lists examples of such uncertainty as changes to the federal tax code that expire on an annual basis, a lack of annual budget resolutions, and, relatedly, more use of short-term continuing resolutions to fund the federal government, and brinkmanship involving the debt ceiling. The results of the model of Macroeconomic Advisers found—by assuming fiscal policy uncertainty remained at its average level prior to 2010—that the unemployment rate was 0.6 percent higher in 2013 because of this fiscal uncertainty. These results suggest fiscal policy uncertainty, because of its tendency to persist, likely affects the long-term unemployment rate to some degree.

On the other hand, some observers remain concerned the continued relatively high number of long-term unemployed individuals may indicate a structural change in the economy occurred during or as a result of the Great Recession. The 2013 annual report of the Federal Reserve Bank of Atlanta (2014) found that skills mismatch likely played a role in the rise in unemployment due to the recession, and that in part it explains the increase in the long-term unemployment rate. Skills mismatch occurs when the abilities and qualifications of job seekers do not meet the needs and requirements of available jobs, and as a result these individuals remain unemployed. The report notes that according to the BLS almost half of the jobs lost between 2007 and 2013 were in the manufacturing and construction industries, yet about 90 percent of new jobs created during the period were in other industries. Skills mismatch can function in both directions, however, as over time the long-term unemployed may lose the skills that would allow them to secure a job.

In conclusion, the rise in the long-term unemployment rate is another negative consequence of the Great Recession that has taken time to manifest itself. The rate is falling—albeit very slowly—however, and perhaps as some analysts believe it will return to a more historically typical level. Conversely, a persistent, relatively high long-term unemployment rate has important implications for policymakers, as the current system of government policies was developed to primarily confront the problem of short-term unemployment. Moreover, long-term unemployment resulting from skills mismatch will require a considerable period of time to adequately address through retraining and education.

FOR FURTHER READING:

Federal Reserve Bank of Atlanta. *2013 Annual Report*. March 2014. Available from <http://www.frbatlanta.org/pubs/annualreport/13ar/>.

Krueger, Alan B., Judd Cramer, and David Cho. *Are the Long-Term Unemployed on the Margins of the Labor Market?* Paper presented at the Spring 2014 Brookings Panel on Economic Activity, Washington, DC: March 20–21, 2014. Available from http://www.brookings.edu/~media/projects/bpea/spring-2014/2014a_krueger.pdf.

Linder, M. Henry, Richard Peach, and Robert Rich. *The Long and Short of It: The Impact of Unemployment Duration on Compensation Growth*. Liberty Street Economics, Federal Reserve Bank of New York. February 12, 2014. Available from: <http://goo.gl/BHq2qT> [URL shortened].

Macroeconomic Advisers, LLC. *The Cost of Crisis-Driven Fiscal Policy*. Report prepared for the Peter G. Peterson Foundation. October 2013. Available from <http://goo.gl/bTJ7HB> [URL shortened].

Valletta, Rob. *Long-term Unemployment: What Do We Know?* *FRBSF Economic Letter 2013-03*. February 2013. Available from <http://goo.gl/BqX65I> [URL shortened].