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Nationally, signs of recovery are weak *State of Working America* report notes impact on working families

A new report finds little evidence in employment figures that the national recession is nearing an end.

The labor market has stalled, unemployment is largely unchanged, hours worked continue to decline, and involuntary part-time work is actually on the increase, according to *The State of Working America, 2002*, released Sunday by the Economic Policy Institute in Washington.

“The tight labor markets of the late 1990s brought the first persistent, broad-based prosperity in decades,” EPI President Lawrence Mishel said. “But now, with the boom gone bust, American workers are headed back to an economy marred by slow wage growth and no job growth, with wage and income disparities widening again.”

In *The State of Working America, 2002*, Mishel and EPI economists Jared Bernstein and Heather Boushey document the impressive gains of the late 1990s and the impact of the current recession on working families. It also places those events in a larger context, showing:

- The wage growth produced by the boom of the late 1990s was substantial, but still did little more than recover ground lost in the wage stagnation of the 1980s and early 1990s. Even as wages rose, job-based benefits such as pensions and health insurance continued to decline.

- Even as the economy boomed, the standard of living for working families rested heavily on longer work hours, an increase in the number of family members working, and escalating household debt.

- The boom only slowed a long-term trend toward greater inequality and, even as the economy boomed, the nation’s poverty rate “recovered” to its rate of the early 1970s – despite 52 percent growth in productivity and a 60 percent growth in real per capita income in the ensuing 30 years.

For working families, *The State of Working America* shows the recession exposed economic weaknesses that were masked by the 1995-2000 boom.

“For decades the economic progress of working families was stifled by an array of forces including declining job quality and de-unionization, deregulation of key industries, increasingly lopsided trade and the loss of manufacturing base,” Bernstein said. “These problems were offset temporarily by the low unemployment of the late ’90s, but today’s weak labor market is reviving them.”