

## ECONOMIC UPDATE

March 4, 2022

### Job Growth Continued for the Thirteenth Consecutive Month in February, Continuing the Trend of Record-Breaking Job Creation During President Biden’s First Year in Office

The Bureau of Labor Statistics (BLS) reported that the United States added 678,000 jobs in February, exceeding expectations and bringing the total number of jobs added since President Biden took office to 7.4 million—an average of 568,000 per month. President Biden oversaw the largest job growth in a single year by any U.S. president in recorded history, and his first year in office saw the largest calendar-year decrease in unemployment in U.S. history.

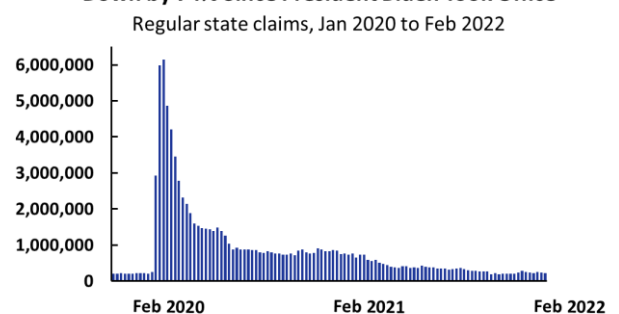
In February, the unemployment rate dropped to 3.8%. It took nine years after the Great Recession for unemployment to recover as much as it has in just two years post-coronavirus recession. Over 90% of the jobs lost during the pandemic have been regained and there have been particularly strong gains in the industries that are integral to addressing supply chain challenges: Transportation and warehousing has recovered more than 200% of the jobs lost; manufacturing has recovered 87%, and construction has recovered 99%.

While, February’s jobs report showed that the strong and broad-based recovery continues, global price spikes are straining household budgets and depriving workers of the full benefits of wage gains. Keeping the pandemic under control is critical to addressing short term inflation. Investments in children and families, workers and small businesses—like the Building a Better America agenda—would address the root causes of inflation, lower household costs and promote strong and broadly shared growth in the long-term.

### Key Economic Indicators to Track

- Unemployment Insurance Claims Remain Near Pre-Pandemic Lows:** The latest [data](#) released by the Department of Labor show that after falling to a 50-year low in December 2021, new unemployment claims fell to 215,000 for the week ending February 26, down from 233,000 the previous week. The four-week moving average (which smooths week-to-week volatility in the data) is now at 230,500, down by 73% since President Biden took office. These data use updated

**Weekly Initial Unemployment Insurance Claims Declined for Second Consecutive Week, Are Down by 74% Since President Biden Took Office**



Source: Department of Labor  
Note: Data are seasonally adjusted.

seasonal adjustments that, among other things, account for the effect of the pandemic.

- **Newest Federal Reserve Survey of Economic Conditions Indicates Continued Economic Growth:** The most recent [release](#) of the Federal Reserve's Beige Book, which provides qualitative information from each of the Fed's 12 regional reserve bank districts, indicates that the economy and labor market grew at a solid pace from mid-January to mid-February, despite COVID-19 disruptions. Although there is heightened uncertainty about the upcoming months, the overall economic outlook for the next six months remains stable and generally optimistic. The Fed estimates the U.S. economy will grow by [4.0%](#) in 2022, which is close to two percentage points higher than the average growth rate over the past couple of decades.
- **Consumer Price Index Data Set for Release March 10:** The Bureau of Labor Statistics is scheduled to release Consumer Price Index data (one of two measures of inflation) for February on March 10. Inflation remains at elevated levels, particularly food and energy prices, which could be expected to increase further due to the Russian invasion of Ukraine and the pressure that this has exerted on international food and energy markets.

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## **JEC Spotlight: President Biden Continues the Trend of Strong Economic Growth and Job Creation Under Democratic Presidents**

A new [issue brief](#) released by the JEC shows that since the Great Depression, the economy has fared better under Democratic presidents than Republican presidents, regardless of the economic measure used, due to strong economic policies. From 1933 to 2020, the economy grew at an average rate of 4.6% per year under Democratic presidents, or nearly double the 2.4% under Republican presidents.

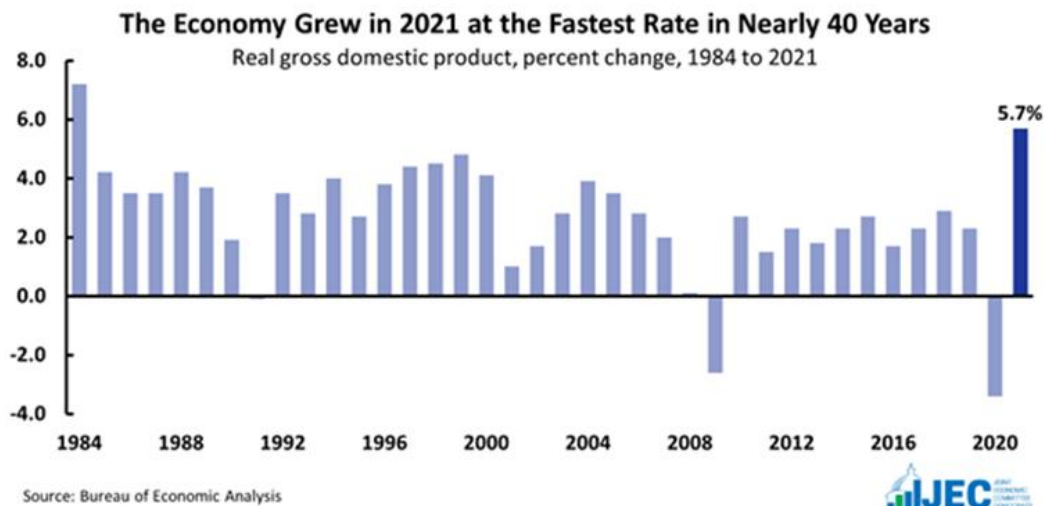
Democratic presidents have repeatedly inherited weak economies and left their successors with strong ones, due to responsive economic policies. Of the seven presidents with the highest annual economic growth rate, five are Democrats. Conversely, five of the seven presidents with the lowest economic growth rate are Republicans. Out of the seven presidents with the highest annual rate of job creation, six are Democrats. On the flip side, six of the seven presidents with the lowest job creation are Republicans.

President Biden has continued the trend of strong economic growth under Democratic presidents as a result of pro-growth investments in workers, families and small businesses like the American Rescue Plan. The U.S. economy improved more during President Joe Biden's first year in office than during comparable periods for [any other president](#) in the past 50 years. President Biden has overseen 5.7% real GDP growth, the highest annual economic growth rate since 1984, and the most jobs created in a single year by any U.S. president in recorded history.

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## Selected JEC Resources

- [\*Building an Economy that Embraces and Empowers Black Entrepreneurship\*](#)
- [\*Hispanic Entrepreneurs and Businesses Are Helping to Drive the Economy's Entrepreneurial Growth and Job Creation\*](#)
- [\*Inaction on climate change will have devastating consequences for the economy, families, and communities\*](#)
- [\*The U.S. Economy Experienced a Record Rebound During President Biden's First Year in Office\*](#)
- [\*Decades of Manufacturing Decline and Outsourcing Left U.S. Supply Chains Vulnerable to Disruption\*](#)
- [\*The U.S. Added Manufacturing Jobs Across the Country in 2021\*](#)

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