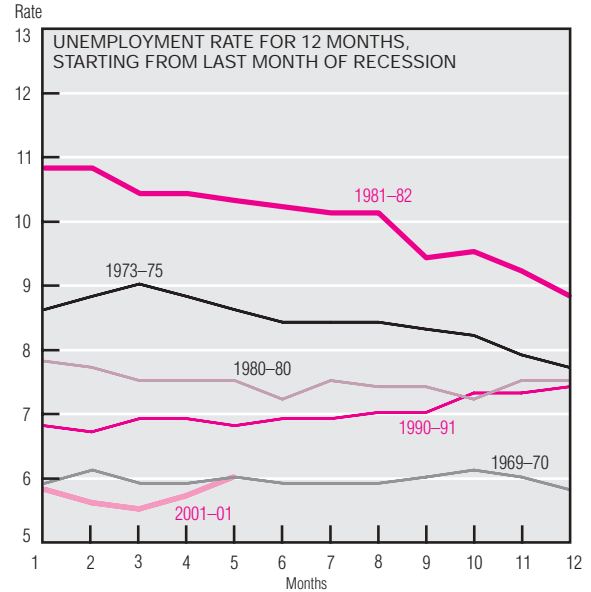
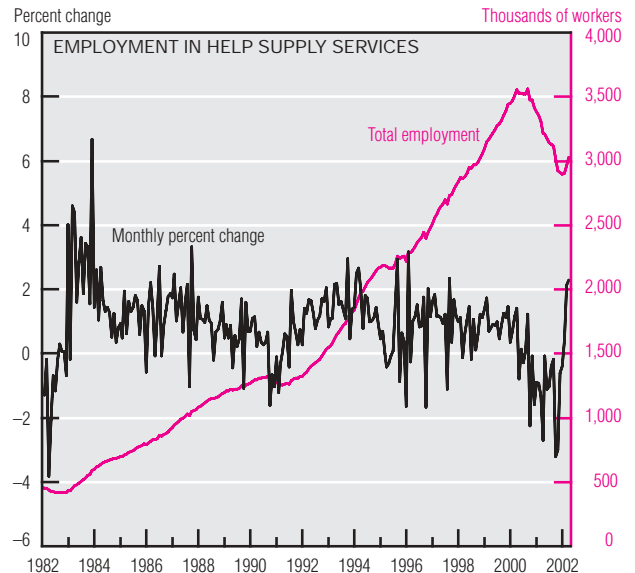


Recession Recovery Indicators

Recent Business Cycles			
Trough	Peak	Duration (months)	
		From previous peak to trough (contraction)	From trough to peak (expansion)
February 1961	December 1969	10	106
November 1970	November 1973	11	36
March 1975	January 1980	16	58
July 1980	July 1981	6	12
November 1982	July 1990	16	92
March 1991	March 2001	8	120



Payroll Employment Change after Recessions		
Recession	Payroll employment change from last month of a recession to five months after	
	Thousands	Percent
December 1969–November 1970	450	0.64
November 1973–March 1975	207	0.27
January 1980–July 1980	874	0.97
July 1981–November 1982	297	0.33
July 1990–March 1991	-199	-0.18
March 2001–December 2001 ^a	-91	-0.07



a. Surmised end of recession.

SOURCES: U.S. Department of Labor, Bureau of Labor Statistics; and National Bureau of Economic Research.

The National Bureau of Economic Research defines a recession as a period of significant decline in total output, income, employment, and trade, usually lasting six months to one year and marked by widespread contractions in many economic sectors. The NBER, which dates both the beginning and the end of these events, has not officially announced the end of the current recession, which began in March 2001. Many, however, have put it as early as December 2001.

If December was indeed the end, do post-recession changes in the

labor market resemble those that followed other recent recessions? For 12 months after four of the recessions since 1970, the unemployment rate declined; for 12 months after the 1990–91 recession, the rate rose. During the five months of data recorded since December 2001, the unemployment rate has risen; in fact, the percent increase was larger than in any comparable post-recession period since 1970.

The decline in employment from December 2001 to April 2002 resembles the five months following the 1990–91 recession. All four of

the recessions previous to that showed employment increases five months after.

Recent employment gains in help supply services, though large, have been smaller than in the five months after the 1981–82 episode. Typically, employment in this sector drops throughout a recession and starts increasing again right after it ends. The gain in the five months after the 1990–91 recession, however, was very modest.

With such conflicting signals, it may be too early to call the latest recession a thing of the past.