Throughout this recovery, Ohio has had the most stubbornly high unemployment rate of any Fourth District state. Ohio’s rate has exceeded 6% in all but one month since January 2003, whereas the U.S. unemployment rate has fallen from more than 6% in mid-2003 to 5.0% this June.

The state’s poorer performance is also apparent in nonfarm employment. This measure shows that for every business cycle in the postwar period (excluding the current one), Ohio recovered its lost employment an average of 2 3/4 years from the start of a recession. But, after four years, Ohio’s employment has yet to return to its level before the 2001 recession.

Although this prolonged period of sluggishness relative to historical norms has prevailed nationwide, Ohio has suffered more than most states, having posted the fourth-worst employment performance since the 2001 recession began.

An important difference between Ohio and the nation concerns the manufacturing sector’s share of total employment. Both the state and the nation have lost roughly 16% of their manufacturing jobs since the start of the 2001 recession, but manufacturing makes up about 15% of Ohio’s employment versus 11% of the nation’s. Unfortunately, nonmanufacturing employment growth has also been weaker in Ohio than in the nation.