
T H E

DAILY WIRE

Four Red States Recover All Pre-Recession Jobs As Many Blue States Are Still ‘Lagging Behind’

Ben Zeisloft

January 18, 2022

Four states — Texas, Arizona, Idaho, and Utah — have seen full recovery in their labor markets following COVID-19 and the lockdown-induced recession.

“Texas and Arizona have joined two other states in recovering all the jobs they lost at the start of the Covid-19 pandemic, leading a trend that is expected to include another dozen states by the middle of this year,” [The Wall Street Journal](#) reported on Tuesday. “The states, which also include Utah and Idaho, have benefited from demographic shifts before and during the pandemic — experiencing outsize payroll growth in retail, warehousing, technology and transportation industries.”

The outlet added that the states’ labor markets have been aided by inbound workers and companies launching operations in the regions. “The states — all Republican controlled — also have had relatively relaxed Covid-19 restrictions during the pandemic, which economists say softened the blow on their economies.”

“Those four states have experienced persistently strong population growth, which really wasn’t dented by the pandemic,” Moody’s Analytics director of regional economics Adam Kamins explained. “More and more people keep coming from expensive coastal cities to places like Dallas and Phoenix, which have a relatively lower cost of living and higher quality of life.”

Kamins noted that “California and states in the Northeast” are “lagging behind.”

Indeed, such trends drove a mass exodus from Democrat-controlled states into Republican-led areas. A report shared by CNBC earlier this month [revealed](#) that more than 600,000 people have left New York and California since the onset of COVID-19 for lower-taxed states.

Released at the end of last year, the Cato Institute’s newest “Freedom in the 50 States” report likewise [shows](#) that across a variety of metrics — including fiscal policy, government regulations, and civil liberties — red states generally promote a higher quality of life.

In overall freedom, the top five states are:

1. New Hampshire
2. Florida
3. Nevada
4. Tennessee
5. South Dakota

Meanwhile, the bottom states are:

1. Oregon
2. New Jersey
3. California
4. Hawaii
5. New York

After filtering out categories related to gambling, LGBTQ ideology, marijuana, and tobacco to focus specifically on economic freedom, the top five states are Florida, Tennessee, New Hampshire, South Dakota, and Idaho; the bottom states are once again New York, Hawaii, California, Oregon, and New Jersey. In terms of regulatory freedom, the top five states are Kansas, Nebraska, Iowa, Idaho, and Wyoming; the bottom five are California, New Jersey, New York, Maryland, and Oregon.

Despite job recovery in a few parts of the country, workers are feeling pressure from inflation. According to data from the Bureau of Labor Statistics, “real average hourly earnings” — which consider the effect of inflation — decreased by 2.4% from December 2020 to December 2021, implying that the typical American’s living standard is diminishing.

“In what was the best year for wage growth that we have seen in many, many years, it still comes up as a loss for many households,” Bankrate chief financial analyst Greg McBride told [CNBC](#). “Their expenses increased even faster and chewed up all of the benefit of whatever pay raise they had seen.”