

THE ORANGE COUNTY BETA REGISTER

Does jobless aid keep unemployment high?

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While the Senate [tries to figure out what, if anything to do about extending unemployment benefits](#), there is one camp that argues providing more help will just keep more people out of work longer.

Jason Taylor, an associate professor of economics at Central Michigan University in Mount Pleasant, Mich., made the case during testimony before a House Ways and Means Committee subcommittee June 10, [The Hill reported](#).

An economic historian, Taylor cited the country's experience after World War II when war-related government spending was cut in half. He noted that rather than pushing the U.S. back into a Depression, the economy

boomed and 4 million new jobs were created.

He made a more complete argument for withdrawing economic stimulus and aid for the unemployed in a paper for the [Cato Policy Report](#) written with Richard K. Vedder, a distinguished professor of economics at Ohio University and adjunct scholar at the American Enterprise Institute:

"While most would agree that unemployment insurance provides short-term relief to those who must seek new work, many studies confirm what common sense says we should expect—the longer the time frame people are eligible for such benefits, the longer it takes for unemployment rates to fall. In 2009 the average duration of unemployment nearly doubled, and today, well over 40 percent of those unemployed have been out of work over six months. While the poor labor market is to blame for much of this jump in duration, there can be no doubt that incentives to obtain new employment have been, and will continue to be, tempered by governmental action which has extended unemployment insurance to many through the end of 2010."

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