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The headline that people invested in Rhode Island's status quo would like to see, based on the latest employment numbers for the state, is that the unemployment rate is now 6.5% — the best since early 2008 and fully eight slots from worst in the country. As the charts at right show, such a headline would be misleadingly sunny.

According to the federal Bureau of Labor Statistics (BLS), in January, a net 1,489 Rhode Islanders gained employment, while 19 left the labor force. The first number is positive, but the second one illustrates how trumpeting the unemployment rate misses the point. As the first chart shows, the number of people either working or looking for work continues on a long-term decline. In fact, Rhode Island's labor force hasn't been this small for thirteen years, in 2002.

As for the one-month improvement in Rhode Island, the second chart shows it to be a mere drop in the bucket compared with the neighboring states of Massachusetts and Connecticut. (Experience also suggests that it will be revised down in the months and years to come.)

The final chart illustrates the condition that the Ocean State would be in if its residents weren't giving up their quest for work. Unemployment would still be well above 10% if as many people were looking for work as in January 2007.

Indeed, the best news that Rhode Island could receive would arguably be that it's unemployment rate is going *up* because more people were returning to the labor force than the economy could supply with jobs.

