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FROM:

Andrew Edson & Associates, Inc.
89 Bounty Lane
Jericho, NY 11753
Andrew Edson, 516 850 3195
Andrew@edsonpr.com
www.edsonpr.com

FOR:

The Jerome Levy Forecasting Center
69 South Moger Avenue – Suite 202
Mount Kisco, NY 10549
Kevin Feltes, 914 666 0641
kevinf@levyforecast.com
www.levyforecast.com

FOR IMMEDIATE RELEASE

**LEVY FORECAST WARNS OF MAJOR CONSEQUENCES
OF PROLONGED HIGH UNEMPLOYMENT**

Market has failed to think through long-term implications

NEW YORK, Nov. 24 – Financial markets have failed to consider the “financial, broad economic and political consequences of what will almost certainly be the worst period of unemployment since the 1930s,” says economist David Levy in the just-published November Levy Forecast.

According to Levy, the unemployment rate is likely to average 8% or higher for the next decade -- worse than in any previous 10-year period since the 1930s.

While financial markets have rebounded from their lows, “for most Americans things are still getting worse,” according to the nation’s oldest newsletter devoted to economic analysis. As proof, Levy cites:

- Labor markets are still deteriorating.
- Pay rate deflation is becoming increasingly common.
- Small business is under duress without precedent in the past two-thirds of a century.
- Business bankruptcies have been rising exponentially.
- Credit quality is still deteriorating.
- Credit remains nightmarishly tight for much of the household and non corporate business sectors.

Prolonged high unemployment will add “greatly to problems in the financial system, especially in the areas of debt performance, banking sector health and general financial stability,” according to Levy. It will also, he warns, “mean the undoing of many projections of improving financial sector performance.”

Net/net, the implications for macroeconomic policy, regulation, taxes and other issues could be profound.

The head of The Jerome Levy Forecasting Center adds: “When domestic answers to the economic woes prove hard to find, it will be increasingly tempting to look beyond our borders. Trade tensions will heat up. The forces for protectionism will grow stronger, here and abroad.”

About The Jerome Levy Forecasting Center

The Jerome Levy Forecasting Center LLC – the world leader in applying the macroeconomic profits perspective to economic analysis and forecasting – conducts cutting edge economic research and offers consulting services to its clients. The goal of the Levy Forecasting Center is to improve its clients’ business and investment performance by providing them with powerful insights into economic risks and opportunities – insights that are difficult or even impossible to achieve with conventional approaches to macroeconomic analysis. Additional information may be found at www.levyforecast.com.

Note: The full Levy Forecast dated November 24 is available to the press in PDF format by contacting Andrew Edson & Associates – Andrew@edsonpr.com or 516 850 3195.

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