

Funding the Future

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The [Guardian is reporting this morning](#) that the number of long term unemployed is now forecast to increase by 750,000 to more than 3.3 million over the next four years.

In 2009 [I forecast unemployment of 4 million in this recession](#). At the time I did not anticipate the rise in the number of self employed we have seen, or the drop in productivity that has also occurred over the last couple of years as employers keep people in work at lower effective rates of pay rather than sack them. But if the number of long term unemployed (not all claiming benefit of course) reaches 3.3 million I think it's a safe bet that actual unemployment will also rise by more than 700,000 to in excess of 3.5 million, and depressingly, my forecast of 4 million unemployed now looks within the range of reasonable plausibility.

I take no comfort from the fact I may have been right all along.