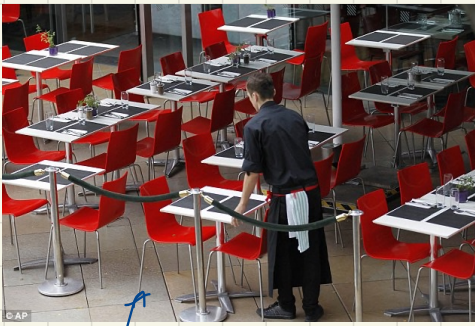


# Prevalence of Idle Labor and Capital

Pascal Michailat  
[www.pascalmichailat.org](http://www.pascalmichailat.org)





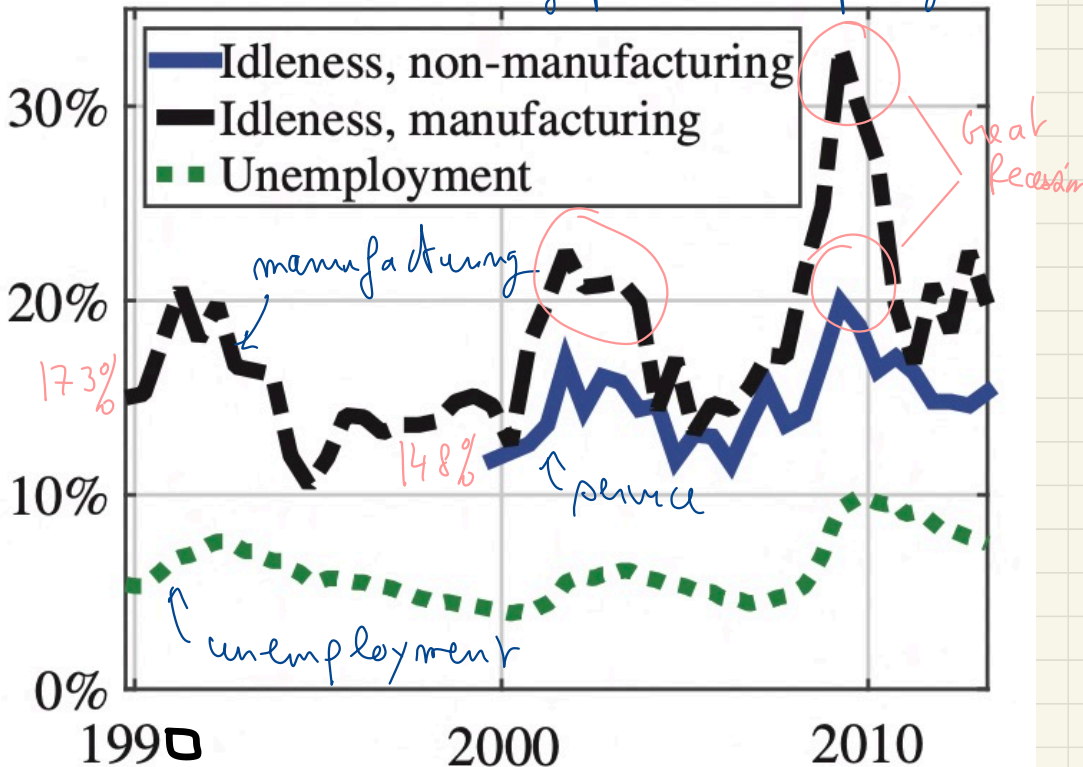
idle restaurant waiter



idle barber

## Institute for Supply Management (ISM)

Operating rate  $\rightarrow$  Idleness rate =  $1 - \text{Operating Rate}$   
 $\rightarrow$  share of productive capacity that's idle

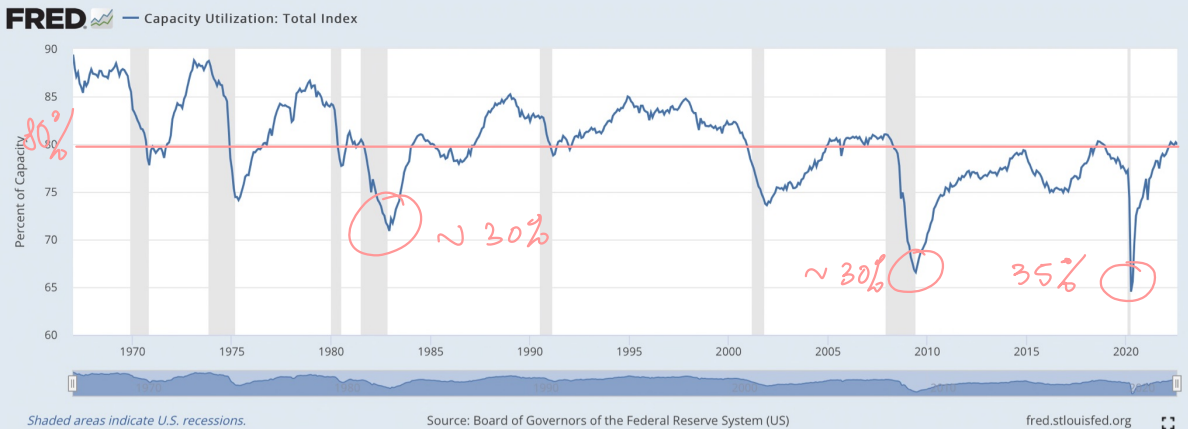


### A. Selling difficulties in the United States

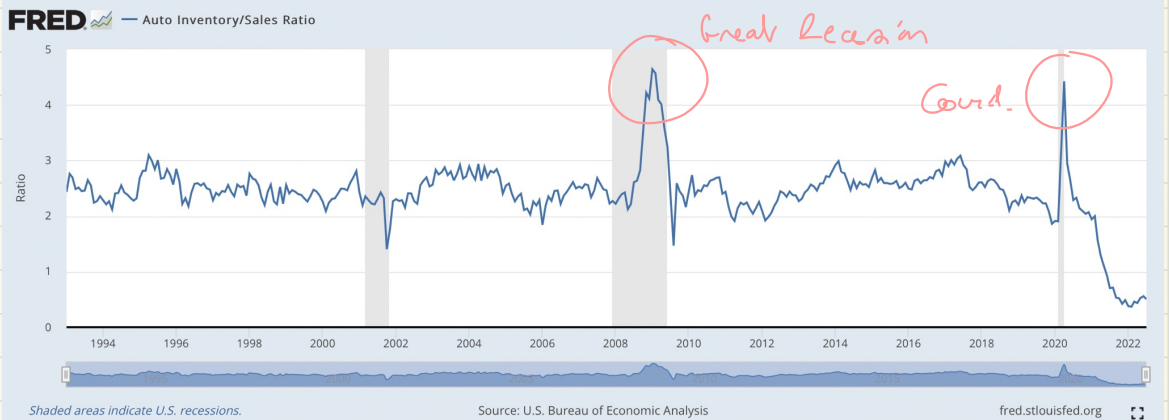
Source Michaelbat & Saez (2015)

Capacity utilisation

- Industrial firms
- Capital given, labor can be adjusted



Inventory fluctuations : another marker of slack



# Another market with lack Housing market

