

Macro Roundup Article

Headline: Job Market's 2.6 Million Missing People Unnerves Star Harvard Economist

Author(s)	Ben Steverman
Publication	Bloomberg
Publication Date	January 19, 2023

Tweet: Raj Chetty and his @OppInsights team find that America's workforce earning <\$29k/year is down about 20% relative to its January 2020 level. Adjusting for workers now earning over \$29k, the low-wage workforce was 13.5% under its pre-pandemic level. @BSteverman

Summary: The US is missing about a fifth of its pre-pandemic low-income workforce. At least some of those workers moved to higher-paying jobs, but, after adjusting for wage growth, researchers found employment for the poorest quarter of the workforce was still 13.5% below pre-pandemic levels at the end of 2021. Analyzing local trends, researchers found an important clue to where those missing workers went: Low-wage workers are scarcest where 2020's devastation was worst. "It is clear there are large swaths of the population who are still not employed, and these are low-wage workers who lost their jobs in precisely the places where high-income people cut back on spending so sharply a couple of years ago," Chetty said.

Primary Topic: Unemployment/Participation

Topics: Business Cycle, Database, Factoid, GDP, News article, Sell-by Date, Unemployment/Participation, Workforce

Permalink: <https://www.edwardconard.com/macro-roundup/the-oppinsights-team-finds-that-americas-workforce-earning?view=detail>

Featured Image Link: <https://www.edwardconard.com/wp-content/uploads/2023/01/Chetty-Low-Wage-Workers-.png>