

Macro Roundup Article

Headline: [The Rise—and Fall—Of The Software Developer](#)

Article Link: <https://www.adpri.org/the-rise-and-fall-of-the-software-developer/>

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Tweet: The ADP software developer employment index was up 11% in Oct. 2019 vs. Jan. 2018, but by Jan 2024 it had fallen to 17% below 2018 levels. Hat tip to Brent Orrell @AEIecon.

Summary: The ADP Research Institute tracked employees at 6,500 companies, including more than 75,000 software developers and engineers in 10 industries, between January 2018 and January 2024. Using this data, we built an index to track the employment of software developers beginning in January 2018. Developer employment grew from January 2018 to November 2019, then began to fall. The index dropped sharply in January 2022 (down 4.6pp), May 2022 (down 3.5pp), and January 2023 (down 3.4pp). Despite intermediate increases in August 2021 and October 2022, the developer employment index has been falling since 2020. As employment has fallen, pay growth has lagged that of total U.S. workers. Between January 2018 and January 2024, the median base pay for developers grew by 24% while pay growth for total U.S. workers grew by 30%. Still, developers remain well compensated, earning more than two times the U.S. median salary.

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Primary Topic: Innovation/Research

Topics: Database, Innovation/Research, Op-Ed/Blog Post, Productivity, Unemployment/Participation, Workforce

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