

Macro Roundup Article

Headline: [The Emergence of a Uniform Business Cycle in the United States](#)

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Tweet: Since the 1960s labor market fluctuations have become more uniform across states, helping to make interstate migration less important in cyclical adjustments. @A_Fieldhouse @D_Munro_Econ @ChristofferKoch

Summary: Using newly digitized unemployment insurance claims data we construct historical monthly unemployment series for U.S. states going back to January 1947. We document 1) a trend decrease in the dispersion of unemployment across states; 2) a marked attenuation of relative employment and relative population responses to state-specific demand shocks; and 3) a convergence across states in both the speed and degree to which unemployment recovers after recessions. Convergence in states' industrial composition helps explain why a more uniform business cycle emerged when it did. And states' increasingly similar experience in recessions helps explain why interstate migration became less of an important adjustment mechanism. Related: Did Pandemic Unemployment Benefits Increase Unemployment? Evidence from Early State-Level Expirations

Primary Topic: Business Cycle

Topics: Academic paper, Business Cycle, Database, GDP, Growth

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