The Future of American Jobs Part II

Roundtable: Proposals for Improving Skills and Creating Jobs

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Fact 1: It Will Take a Long Time To Return to Full Employment

Number of months required to close the job gap
(including job losses through October 2010)

Assumed number of jobs created per month (in thousands)

Months to close the job gap

Average monthly job creation for best year in 2000s
Maximum number of jobs created in a month in the 2000s
Average monthly job creation for best year in 1990s
Fact 2: Median Wages Have Not Increased Since 1973

Source: March CPS, 1962-2009. Note: Earnings of full-time, full year (40+ weeks) workers ages 16-64 in 2009 Dollars
Fact 3: Wages for Lower Skilled Male Workers Have Declined While Wages for Higher Skilled Workers Have Increased

Source: May/ORG Current Population Survey. Includes male workers 25-64. Percent change in wages is calculated using mean wages for education-age-sex-race groups. Population weights for the 2009 population are then used to create the overall average for male workers.
Fact 4: Disturbing Trends in Employment Rates

Percentage of 30-50 Year Olds Employed, 1962-2010 by Sex and Education

Note: Men and Women ages 30-50, excludes institutionalized population and armed forces.
Source: March CPS Data 1962-2010.
Fact 5: The Supply of Female College Graduates Has Been Increasing, While the Supply of Male College Graduates Has Stagnated

Source: March CPS 1964-2010. Individuals ages 25-34 with at least 4 years of college.
Fact 6: America Is Losing Its Educational Edge

Changes in College Completion Over Time

Source: OECD Education at a Glance 2010. Table A1.3a
What Explains these Long Run Trends?

1. Technological change
   → Polarization of job opportunities

2. Globalization
   → Growing global trade and interconnectedness

3. Slowing increases in education attainment
   → Share of Americans with a college degree is still increasing, but at a slower rate

4. Decreasing rates of unionization/Low minimum wage
   → Contributing factors to income inequality