

Women, Work, and Families: Recovering from the Pandemic-Induced Recession

Betsey Stevenson



ACKNOWLEDGMENTS

The author is immensely grateful to Lauren Bauer, Sara Estep, and Wendy Edelberg for their insight, helpful comments and suggestions, and unwavering patience. Sara Estep went above and beyond in providing excellent research assistance. Her efforts were made possible by Lauren Bauer's intricate data knowledge and guidance. The author wants to thank Danielle Goldfarb and her colleagues at RIWI who designed and fielded the survey of working parents using their Random Domain Intercept Technology. Lastly, the author would like to thank Jeanine Rees for the design of the figures and layout of this document.

MISSION STATEMENT

The Hamilton Project seeks to advance America's promise of opportunity, prosperity, and growth.

We believe that today's increasingly competitive global economy demands public policy ideas commensurate with the challenges of the 21st Century. The Project's economic strategy reflects a judgment that long-term prosperity is best achieved by fostering economic growth and broad participation in that growth, by enhancing individual economic security, and by embracing a role for effective government in making needed public investments.

Our strategy calls for combining public investment, a secure social safety net, and fiscal discipline. In that framework, the Project puts forward innovative proposals from leading economic thinkers—based on credible evidence and experience, not ideology or doctrine—to introduce new and effective policy options into the national debate.

The Project is named after Alexander Hamilton, the nation's first Treasury Secretary, who laid the foundation for the modern American economy. Hamilton stood for sound fiscal policy, believed that broad-based opportunity for advancement would drive American economic growth, and recognized that “prudent aids and encouragements on the part of government” are necessary to enhance and guide market forces. The guiding principles of the Project remain consistent with these views.





Women, Work, and Families: Recovering from the Pandemic-Induced Recession

Betsey Stevenson
University of Michigan

September 2021

BROOKINGS

Introduction

More than a year and a half after the start of the COVID-19 pandemic brought the US economy to a screeching halt, the employment landscape remains in flux. Employers report shortages of workers, and quits and stated intentions to quit have hit record highs, but employment remains well below pre-pandemic levels.

Throughout, the pandemic's impact on women's employment has been a focal concern. **Women** have borne the brunt of job loss from the very first days of the pandemic (Stevenson 2020). That is because **women**, particularly **minority women**, are more likely to be in positions that require in-person work (Gould and Shierholz 2020). At the start of the pandemic, women held the majority of nonfarm payroll jobs, a milestone that they had reached in December 2019. Women's labor force participation had risen both absolutely and relative to that of men in the years before the pandemic. Part of this growth was driven by mothers, whose employment reached a peak in 2019. Mothers in 2020 were older, with more work experience, and more education, potentially shaping their response to the pandemic-induced recession compared to previous recessions.

Women disproportionately work in low-wage service occupations which has been a double-edged sword: as the pandemic intensified, many were laid off and many others were asked to work in increasingly dangerous conditions. More generally, women's employment declined more than that of men since those working in so-called pink jobs (e.g., in education and health services) were more likely to experience layoffs.

Beyond the involuntary job loss, women also shouldered more of the caregiving burden during the pandemic. As the sociologist Jessica Calarco pointedly put it, "Other countries have social safety nets. The U.S. has women (Peterson 2020)." Mothers took **leave**, and were more likely than fathers to drop out of the labor force (Heggeness 2020). They **increased** their time spent on child care and were more likely than fathers to **help children** with **education** (Azcona, Bhatt, and Love 2020; Greene 2021). It was not only mothers who faced an increase in caregiving: **two out of every three caregivers** in the United States are women, providing support not only to children, but also to adults with chronic illnesses or disabilities (Centers for Disease Control and Prevention [CDC] 2021). Eldercare responsibilities **increased**, particularly for **women** (Cohen, Nash, and Greaney 2021), as people began to see institutional settings as unsafe places for their older loved ones to live.

The erasure of decades of women's progress in the labor market highlighted a real fear that the pandemic would set back women's roles in the labor market. Would men go back to work while women stayed home? Had we entered a new

era of gender inequality? Or would women return to work and to making further strides in achieving gender equality at work?

This report reviews what has happened to women's employment and labor force participation in the recovery from the pandemic. The fear that women would be set back decades has not come to fruition, at least not when it comes to employment rates relative to those of men: women have returned to work just as rapidly as men have. However, the pandemic has profoundly shaped expectations and behavior in the labor market. Many workers are continuing to experience tenuous attachment to work, with short spells out of work still more common in 2021 than they were in 2019. This volatility partially reflects high rates of churn in the labor market, since both women and men are seeking new jobs and changing industries at higher rates than before the pandemic.

Both women and men are reevaluating their working lives, with **55 percent** of those in the labor force saying that they want to seek a new employment over the coming year (Foster 2021). Parents made many different types of employment and career adjustments over the past 18 months that may shape their labor market outcomes for years to come. And many parents—both fathers and mothers—do not plan on returning to pre-pandemic employment patterns. So, while women are returning to the labor market, they may be returning on very different terms.

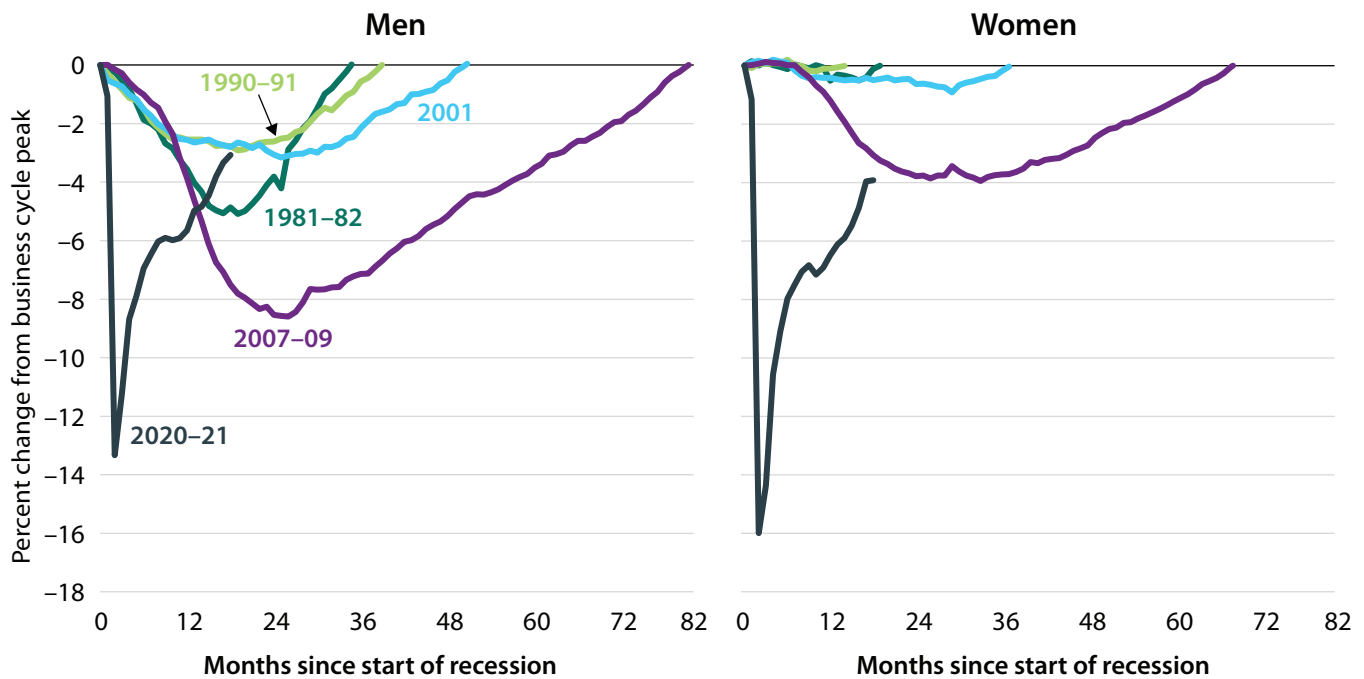
A Recession and Recovery Unlike Any Other

In a typical recession, men often bear the brunt of initial layoffs. The pattern of job loss and recovery in the 2020 pandemic-induced recession was different. Figure 1 shows that women's employment fell 16 percent in the 2020 recession compared to 13 percent for men. While this difference may appear small, it is in striking contrast to previous recessions, in which women's employment declines were barely perceptible. In the depths of the Great Recession women's employment fell by a noticeable amount, but the decline was less than half that of men. In every past recession, women's employment level has returned to pre-recession levels many months before that of men.

The explanation for this difference lies in the recession itself: the pandemic caused a service sector-led recession. Nonfarm payrolls declined by 15 percent, a loss of 22.4 million jobs. Nearly all of these lost jobs were in the service sector both because it is the dominant sector of the US economy and because employment in the service sector declined more sharply than employment in the goods-producing sector. In the 2007–9 recession, the service sector declined by 3 percent, and had fully recovered to its pre-recession high by the

FIGURE 1.

Percent Change in Employment Relative to Business Cycle Peak, by Gender



Source: U.S. Bureau of Labor Statistics (BLS) 1981 to 2021; National Bureau of Economic Research n.d.; author's calculations.

Note: Figure shows the percent change in total nonfarm employment from the peak of a business cycle until employment returns to the level of the previous business cycle peak.

THE
HAMILTON
PROJECT
BROOKINGS

end of 2012 while the decline in the goods-producing sector was five times the decline in the service sector. Employment in the goods-producing sector declined by 16 percent during the most-recent recession and had not fully returned to pre-recession levels as of the February 2020 business cycle peak. The more-rapid growth of the service sector coming out of previous recessions partially explains why women's employment rates historically recover faster than men's employment rates.

In most previous economic recoveries, women's labor force participation rates grew faster than men's participation. During the recessions of the 1980s and 1990s, women's labor force participation rates were rising rapidly as women's experience and attachment to the labor force were growing during these decades. In the 2001 and 2007 recessions, women experienced greater declines in employment and slower recoveries than in previous recessions, but these declines were still dwarfed by the decline in employment for men. A [Kansas City Fed](#) study of the labor market recovery following the 2007-9 recession found that, among men and women with and without a college degree, only the labor force participation rate of college-educated women had exceeded its pre-recession level by 2019 (Tüzemen and Tran 2019). Overall, the study found that the growth in women's prime-age labor force participation drove most of the growth in labor force participation in the latter half of the boom that followed the recession.

Job Loss and Recovery

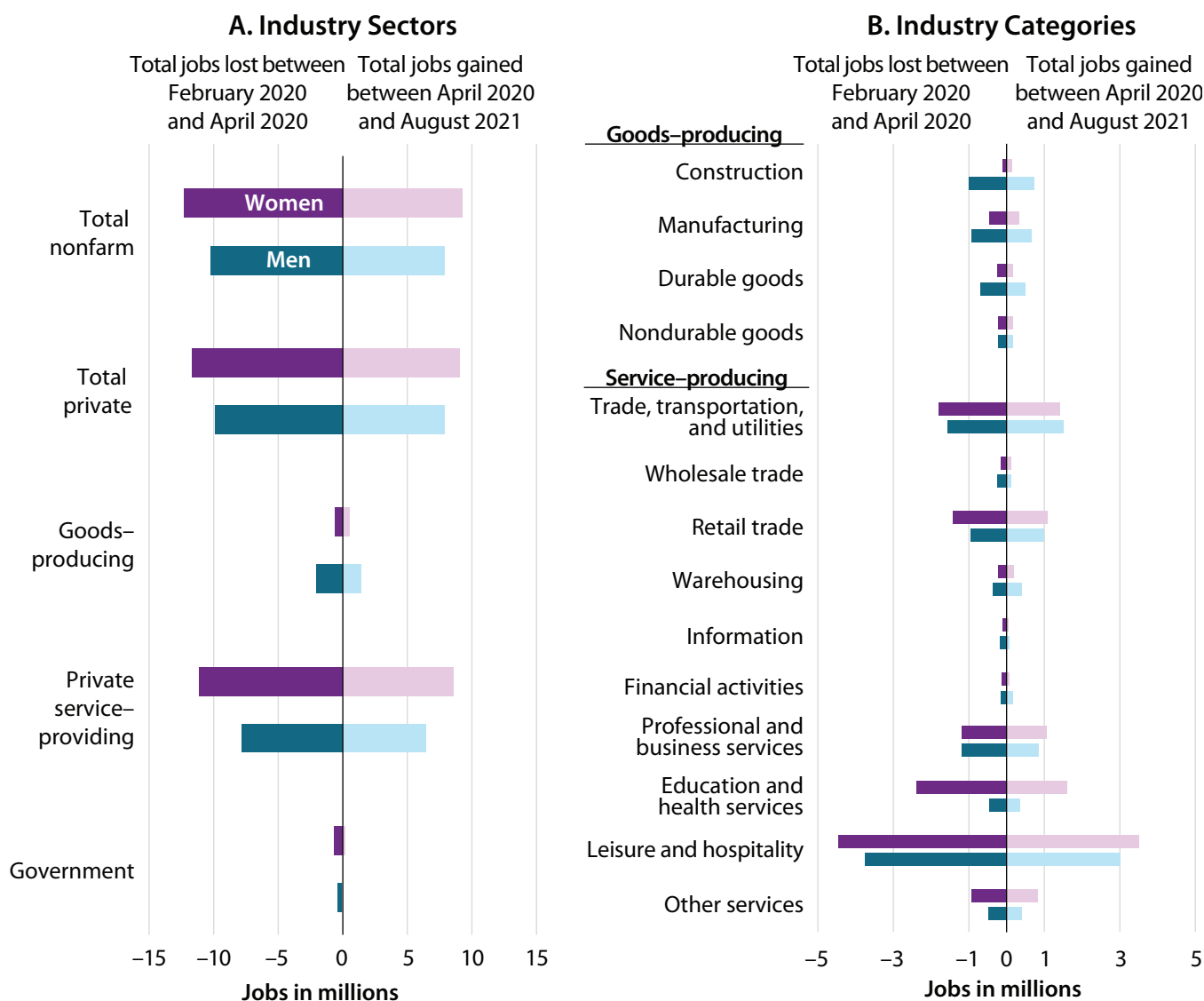
The growth in women's labor force participation in the 2015-19 period culminated in a December 2019 milestone: women held the majority of nonfarm payroll jobs. In the early months of the pandemic there was a retreat from that high water mark, as women lost more jobs than men (as shown in figure 2, panel A). Like most recessions, men lost more jobs than women in the goods-producing sector; however, unlike previous recessions, the vast majority of the jobs lost were in the private service-providing sector where women lost more than three million more jobs than men.

Figure 2 also shows the jobs that have been added back, with 17 million in total gained as of August 2021. Women gained more jobs than men, though total job gains have been roughly in proportion to the job loss, with both men and women having recouped just over three-quarters of the jobs lost. The employment expansion is occurring in every industry sector for both men and women, but not all at the same pace. Moreover, the variation in job loss has also contributed to employment in some industries remaining substantially below pre-pandemic employment levels.

Panel B of figure 2 shows that the job loss in the service sector was particularly steep in leisure and hospitality and in education and health services—two industries in which women hold the majority of jobs. In education and health

FIGURE 2.

Jobs Lost and Gained Over the Covid-19 Pandemic



Source: U.S. Bureau of Labor Statistics Current Employment Statistics, 2020 to 2021, author's calculations.

Note: This figure considers the net change in jobs lost during the COVID-19 recession and the net change in jobs gained since the beginning of the business cycle expansion. Utilities and mining and logging industries not shown; men lost 3,400 utilities jobs between February and April 2020 and continued to lose another 8,000 utilities jobs between April 2020 and August 2021. Women lost 500 utilities jobs and gained 1,800 utilities jobs over the same periods, respectively. Men lost 67,000 mining and logging jobs and gained 27,000 while women lost 1,000 mining and logging jobs and continued to lose another 5,000.

THE
HAMILTON
PROJECT
BROOKINGS

services, women held 77 percent of the jobs before the pandemic, which partially explains why women lost five times as many jobs as men lost in the sector. Overall, the higher job loss for women was not just driven by the fact that job loss was concentrated in industries in which women hold the majority of jobs, however. Women's share of job loss in every service sector industry exceeded their share of jobs held. In the two other sectors that experienced high job loss—trade, transportation, and utilities (which includes retail and wholesale trade) and professional and business

services—women lost 52 percent of the jobs despite having held only 42 percent of them prior to the pandemic.

There are some industries, however, where women are returning to jobs more slowly than men. Retail trade is notable as a sector that has been hit hard by the pandemic, both because it sustained job losses and because those who continued to work in the sector faced new, more hazardous working conditions as a result of both their own increased health risk at work and the need to adopt and implement new workplace policies designed to limit the spread of

COVID-19. Notably, all of the retail jobs held by men have been added back, while retail jobs held by women are still down by nearly half a million jobs. Job openings in retail trade exploded over the summer, but retail trade employment remains volatile, with total separations continuing to exceed pre-pandemic levels.

To a lesser extent, women also lag men in making gains in employment in education and health services. Men have added back 74 percent of their jobs lost, while women have added back 67 percent of their jobs lost. This partially reflects which subsectors have recovered and which have not. Subsectors that are extremely skewed toward women, such as child care and residential nursing care remain more than 10 percent below pre-pandemic levels. Because education and health services employs 30 percent of all women working in the private sector and it has been a driver of job growth for women over the past several decades, the slow return of women to the sector has an outsized impact on women's overall employment.

Men have also added back jobs faster in the broad category that combines trade, transportation, and utilities, which includes growing male-dominated sectors such as warehousing. In contrast, women have narrowed gaps with men in other male-dominated sectors, adding back jobs faster than men have in professional and business services and subsectors of the goods-producing sector such as manufacturing and construction.

A Crisis of Care

During the pandemic, child-care availability cratered for many families. The number of child-care workers fell by 34 percent as child-care centers closed and parents removed children from child-care providers due to concerns about COVID-19. Parents of school-aged children were also affected, as schools around the country turned to remote learning, and many remained remote or partially remote for more than a year (Bauer, et al, 2021). For most parents, school is a primary provider of child care, offering roughly 30 hours a week of not only education, but also supervision of children. The pandemic made it clear that education and child care are two sides of the same coin. Parents need their children to have a safe and enriching place to learn and develop while parents are at work. The United States has long struggled with unaffordable or unavailable high-quality early childhood education and care. The pandemic exacerbated and extended the problem.

Many parents have struggled to continue to work as they did before the pandemic. Data show that women bore the brunt of this burden: Early in the pandemic mothers left the labor force at greater rates than fathers. More recently, a survey by RIWI in early summer 2021 shows fewer differences in the effects on working mothers and fathers. Only 39 percent of

working mothers and a somewhat smaller share of working fathers said that they have “worked as usual” (figure 3). This finding is consistent with a report by the [American Staffing Association](#) (2021) that found that 62 percent of adults with children reported that child-care responsibilities during the pandemic had negative consequences for their career.

Working mothers were more likely than fathers to report having dropped out of work completely or having switched to part-time work. Nearly a quarter of women dropped out or reduced work, compared to a fifth of men (Figure 3). Working mothers were less likely to report that they continued working but had changed aspects of their employment other than hours. Parents turned down promotions, changed to a more flexible schedule, and paused their own education or training due to child-care constraints. Similarly, a [Pew study](#) in October of 2020 found that 30 percent of working parents with children at home had reduced their work hours, 13 percent had turned down an important assignment at work, and 6 percent had turned down a promotion (Igielnik 2021).

Although parents were making clear employment sacrifices, most of these sacrifices do not show up in the data as unemployment, but these choices are likely to affect their employment outcomes for years to come.

Struggles with affordable and consistent child care are ongoing. Many parents depend on school to provide child care for their children ages five and up, and most schools have returned to in-person learning. At the same time, though, recent high rates of COVID-19 among children across the country have created uncertainty around what kind of care parents themselves will need to provide during the fall and winter of 2021–22.

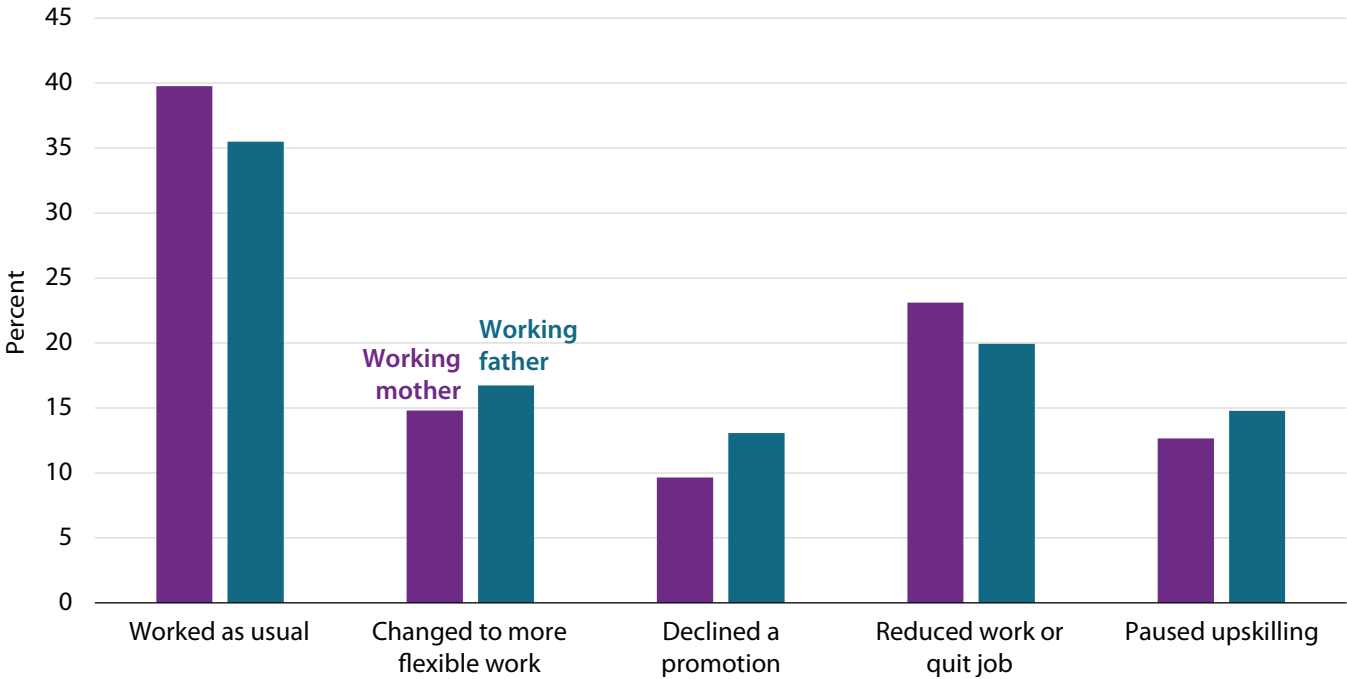
Employment of child-care workers remains 12 percent below pre-pandemic levels as of August 2021. The wages of child-care workers have typically been some of the lowest in the economy; with many industries raising the wages of their lowest-wage workers, child-care workers have new opportunities to earn substantially more in other fields. The wages of child-care workers will need to increase in order to continue to attract workers to the field. However, without further government support, this increase will also make child care unaffordable for some families. Rising costs of child care may prevent some women from returning to the labor market.

Larger Gender Gaps Persist Among Gen Z and Millennials

Gender gaps in employment grew during the pandemic for every age group. Table 1 shows that, between February and April 2020, women's employment-to-population ratio fell by more than that of men in age groups between 16 and 54.

FIGURE 3.

Working Parents' Experiences During the Pandemic



Source: Survey conducted between May 27 and July 7, 2021 using RIWI's Random Domain Intercept Technology, a patented, machine-learning technology that delivers anonymous opt-in surveys to Web users who are surfing online.

Note: 2,550 working parents completed the survey, out of a random sample of 14,410 adults who were initially surveyed. When users stumble upon one of the hundreds of thousands of domains that RIWI owns or controls, these random, non-incented users are filtered through a series of proprietary algorithms to ensure there are no non-human respondents, and invited to participate in a survey. RIWI geo-targets respondents automatically by county, region, state, and city. Survey participants are accessed on all Web-enabled devices, and the technology cannot be blocked by state surveillance or Internet control, nor is it susceptible to ad-block technologies. Although RIWI collects and reports the age, gender and geo-location of all respondents, no personally identifiable information is ever collected or reported. No enticements are used, and participants can easily exit the survey at any time. Weights are applied to age and gender as per the most recent national census data available, drawn from the U.S. Census Bureau. Respondent weight values are generated post-stratification using a raking algorithm. Weighted data estimates what the nationally-representative population perceives.

THE
HAMILTON
PROJECT
BROOKINGS

TABLE 1.

Decline in Employment to Population Ratio, by Gender and Age, Since February 2020 (in percentage points)

Ages	Decline in ratio through April 2020		Decline in ratio through August 2021	
	Women	Men	Women	Men
16–24	–17.9	–14.6	–2.5	–2.1
25–34	–13.0	–12.3	–3.0	–2.7
35–44	–9.5	–9.1	–2.6	–2.7
45–54	–10.8	–9.8	–1.9	–1.8
55+	–5.8	–6.1	–1.8	–2.8

Source: Bureau of Labor Statistics, Author's calculations.

THE
HAMILTON
PROJECT
BROOKINGS

Those relatively large declines are evidence that the recession exacted a heavy toll on women quite broadly, and not just on mothers. Since April 2020 the employment-to-population ratios have partially rebounded for all groups. In addition, these employment rates have risen more for women. The increases for women over age 35 have been large enough that, as of August 2021, the net declines in employment for workers between ages 35 and 54 were roughly the same for men as for women (with a notably smaller decline for women ages 55 and over).

The employment increases for women under age 35 have not been large enough to fully undo the initial widening of the gender gaps. As a result, the decline in the employment-to-population ratio between February 2020 and August 2021 was still larger for women under age 35 than it was for men in that age group. The relatively large decrease in employment for younger women may affect their career trajectories. Indeed, prior to the pandemic, in comparison to older cohorts, younger women appeared to be on track to have more equitable labor market outcomes to men as they aged. That could have meant that this cohort saw less of a widening in labor force participation gaps and gender wage gaps than previous cohorts had seen emerge at older ages. The pandemic might be derailing some of that progress.

Seeking Change: Rising Quits and Record Job Postings

One current puzzle in the labor market is that job openings are at a record high. In fact, if every job opening reported at the end of July was filled, total employment in the United States would be not only greater than before the pandemic, but it would exceed pre-pandemic forecasts for employment growth. As many in the press have noted, there are more openings than unemployed workers in nearly every industry. This is particularly true in historically fast-growing sectors like education, health services, and professional and business services. The eagerness of businesses to hire reflects the positive economic outlook, fueled by the rapid recovery in consumer spending, and more generally reflects the increase in gross domestic product, which has already fully recovered to pre-pandemic levels.

Openings, however, have yet to result in rapid hiring. Hiring has increased, but so have quits. The combination of record-high levels of quits with record-high levels of employer demand for workers has created a surge in worker bargaining power that is pushing up wages and reallocating workers. Moreover, this is simultaneously happening while some workers continue to experience more-fragile connections to work. While the recovery has been much faster than is typical in a recession, the ongoing pandemic has left some workers tenuously connected to work.

An examination of individuals using the longitudinal aspect of the Current Population Survey (CPS) to construct four-month panels shows that, in nearly every industry, continuous employment has become less likely. Comparing the 2020–21 period to the 2018–19 period, figure 4 shows that, in most industries, continuous employment for a four-month period is less likely since 2020 than it was in a similar period prior to the pandemic. In some industries that have historically had quite stable employment, such as education services, the differences are very large. In other industries where continuous employment was less likely in a typical year, such as leisure and hospitality, the differences are smaller but still significant.

A [Gallup](#) poll conducted in early August 2021 found that worries about possible job setbacks like being laid off, losing hours, or wage reductions, remain elevated compared to 2019 (Jones 2021). Roughly a third of workers are also concerned about how their work life might change post-pandemic, according to a study by McKinsey (Alexander et al. 2021).

Workers are also changing industries and jobs more frequently than they did prior to the pandemic. Figure 5 shows the greater frequency with which parents shifted industries in 2020–21 compared to 2018–19. Across every industry shown in the figure, mothers were more likely than fathers to have changed industries at some point over the past 12 months.

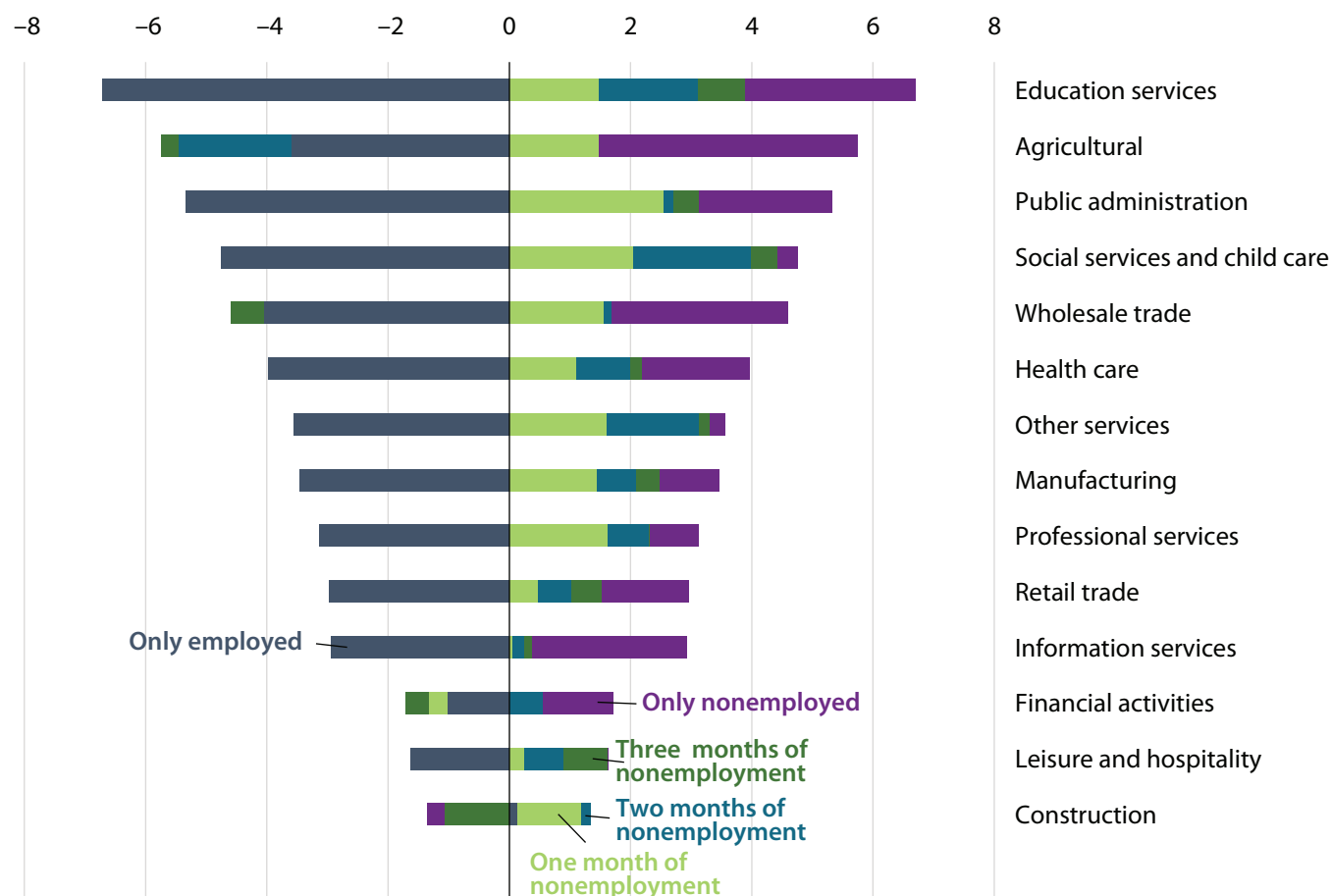
Beyond anxiety for the future, workers are seeking more control of their working lives. One strong preference that workers seem to have is to continue to have the opportunity to work from home. A [McKinsey and Company](#) study (Alexander et al. 2021) found that 28 percent of US workers in corporate or government settings are likely or very likely to quit if they are required to go back to full-time work in person. A survey by [PwC](#) (2021) found that 55 percent of workers prefer to be remote at least three days a week, and that only 21 percent of executives think employees should be in the office five days a week. The summer 2021 survey conducted with RIWI found that nearly half of working parents wanted to be able to work from home, and many were considering changing their employment to be able to do so.

Pew found that [prior to the pandemic](#) fathers were much less satisfied than mothers with the amount of time they had with children (Livingston, 2018). During the pandemic, fathers have [gained](#) more in terms of satisfaction with the amount of time they had with their children (Barroso, 2021). The experience of more-intense parenting for fathers during the pandemic may be part of the impetus for why fathers are more likely than mothers to plan to make an employment change.

In fact, only 26 percent of fathers plan to continue working as they did prior to the pandemic, as shown in figure 6. A quarter of fathers want to reduce their work hours, while an additional 17 percent want to pursue a less-demanding

FIGURE 4.

Percentage Point Change in the Distribution of Months Nonemployed, by Industry, from 2018–19 to 2020–21



Source: Current Population Survey (CPS), 2018–2021, September–August, author’s calculations.

Note: The CPS samples individuals in consecutive four-month panels. The author pools changes in employment status and industry within rolling four-month panels from September 2020 (2018) to August 2021 (2019). Utilities and mining and logging industries not shown; utilities fell 0.4 percentage points for the only employed, -0.3 percentage points for people who experienced one month of nonemployment, -0.1 percentage points for two months of nonemployment, and increased by 0.4 for those experiencing three months of nonemployment and 0.4 percentage points for the only nonemployed. Mining and logging increased 6.9 percentage points for the only employed, increased 1.4 percentage points for people who experienced one month of nonemployment, -2 percentage points for two months of nonemployment, -2.8 percentage points for those experiencing three months of nonemployment, and -3.5 percentage points for the only nonemployed.

THE
HAMILTON
PROJECT
BROOKINGS

career. In contrast, 20 percent of fathers want to work more hours and another 12 percent want to pursue a better career.

Mothers are also seeking a change, with only 35 percent of mothers planning to continue working as before (figure 6). Indeed, 22 percent of mothers plan to reduce their work hours and 13 percent want to find a less-demanding job. Fewer mothers—only 15 percent—want to work more hours, while 14 percent want to pursue a better career.

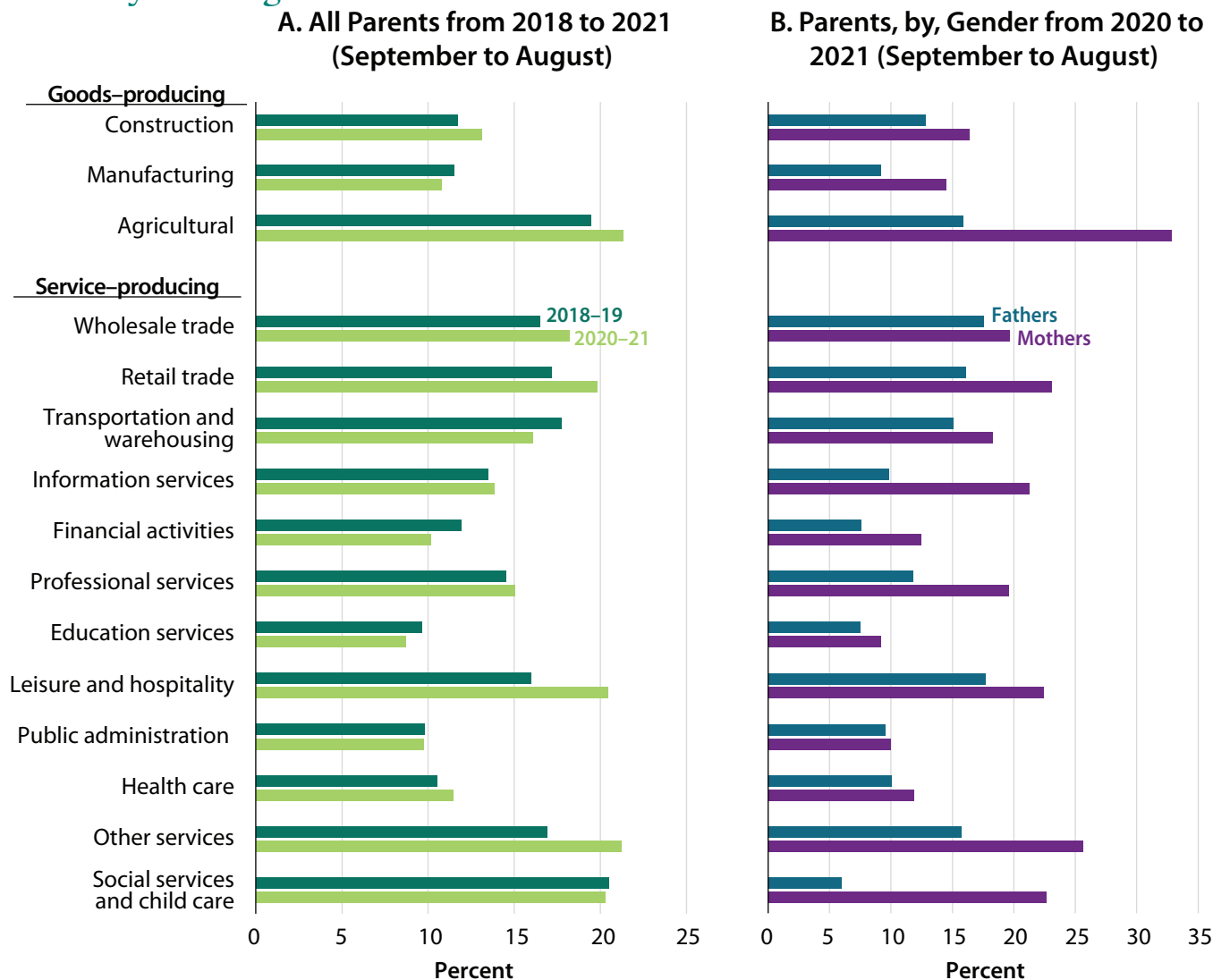
Much attention has been given to the fact that workers and employers expect greater flexibility to work from home as the pandemic recedes and workers return to the office. But what about those whose work must be done in person? Flexible workplace arrangements are not only about where work

is performed, but are also about when the work is done, how much control workers have over their own schedules, how many hours workers spend on the job, and whether they have access to paid and unpaid time off for illness and family needs. Many workers are reluctant to go back to jobs in which they have little control over their working hours and/or where they have no ability to take paid time off.

Pre-pandemic research has shown that allowing workers to save time spent on commuting to work by either allowing some work from home or allowing flexibility in work hours increases the time workers devote to work (Council of Economic Advisers, 2014; Sorenson, 2013; Bloom, 2014). Moreover, such flexibility increases job satisfaction, an important factor in retaining workers (Ray and Pana-Cyan,

FIGURE 5.

Industry Shifting of Parents



Source: Current Population Survey (CPS), 2018–2021, September–August, author's calculations.

Note: The CPS samples individuals in consecutive four-month panels. The author pools changes in employment status and industry within rolling four-month panels from September 2020 (2018) to August 2021 (2019). Parents with children are defined as having a child under the age of 18 at home. Utilities and mining and logging industries not show; 8 percent of parents employed in utilities shifted industries in both time periods, 14 percent of parents employed in mining and logging changed industries in 2018–19, while 22 percent changed industries in 2020–21. Looking at parents by gender in 2020–21, 9 percent of fathers and 5 percent of mothers initially employed in utilities changed industries. In the mining and logging industry, 19 percent of fathers and 39 percent of mothers changed industries.

THE
HAMILTON
PROJECT
BROOKINGS

2021). As the labor market tightened in 2019, many employers were turning to greater flexibility to lure workers to take positions. These trends will likely accelerate in 2021 and 2022 as workers feel emboldened to demand better working conditions.

Conclusion

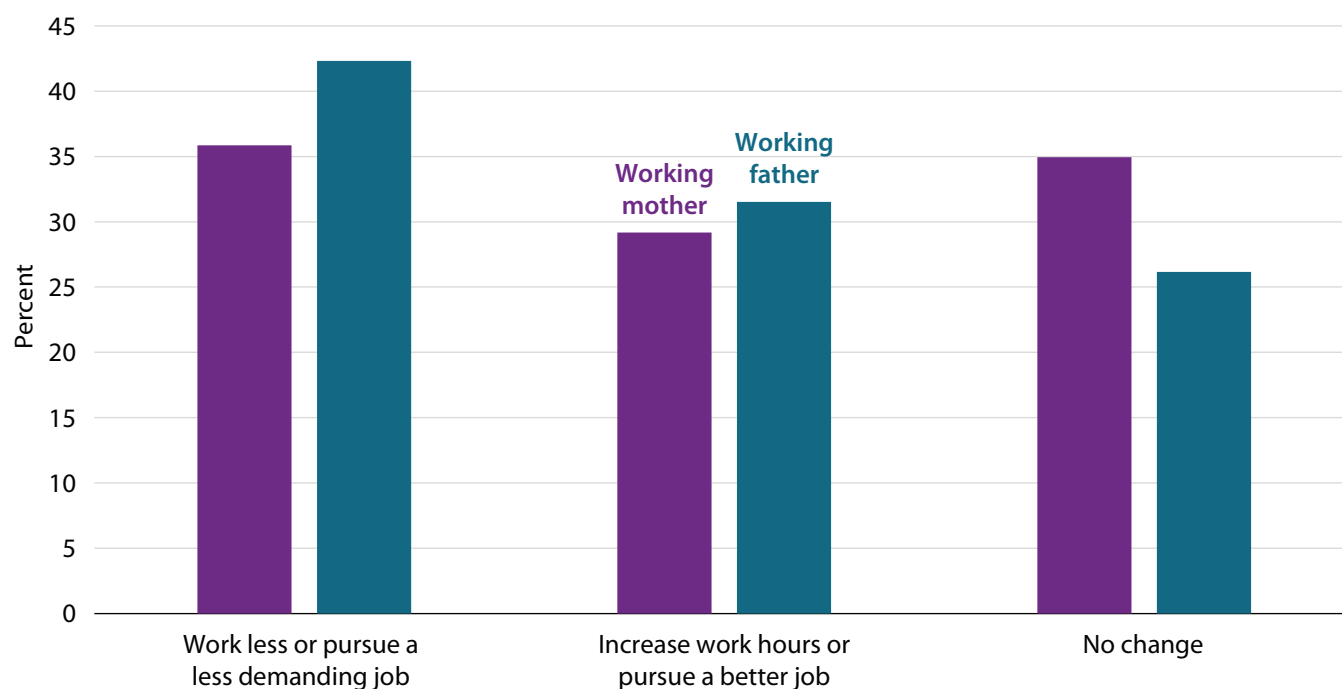
During the pandemic people slowed down. They slowed spending—leading to the accumulation of more than \$2 trillion in excess savings. They kept going to jobs they

wanted to leave—quits fell by half during the pandemic. They changed how they spent their time, with more time for sleep, games, and television, and household production. They spent less time getting to and from work and less time out of their homes more generally. All the slowing down seems to have given many people more time to reflect on their career and life.

Typically, job quits are driven by *idiosyncratic shocks* in people's lives: a life event might change what they want, or a new opportunity might arise (Holtom and Allen, 2019). The pandemic appears to have had the effect of these

FIGURE 6.

Working Parents' Expectations for the Future



Source: Survey conducted between May 27 and July 7, 2021 using RIWI's Random Domain Intercept Technology, a patented, machine-learning technology that delivers anonymous opt-in surveys to Web users who are surfing online.

Note: 2,550 working parents completed the survey, out of a random sample of 14,410 adults who were initially surveyed. When users stumble upon one of the hundreds of thousands of domains that RIWI owns or controls, these random, non-incented users are filtered through a series of proprietary algorithms to ensure there are no non-human respondents, and invited to participate in a survey. RIWI geo-targets respondents automatically by county, region, state, and city. Survey participants are accessed on all Web-enabled devices, and the technology cannot be blocked by state surveillance or Internet control, nor is it susceptible to ad-block technologies. Although RIWI collects and reports the age, gender and geo-location of all respondents, no personally identifiable information is ever collected or reported. No enticements are used, and participants can easily exit the survey at any time. Weights are applied to age and gender as per the most recent national census data available, drawn from the US Census Bureau. Respondent weight values are generated post-stratification using a raking algorithm. Weighted data estimates what the nationally-representative population perceives.



idiosyncratic type of shocks on quits, but this correlated shock is reverberating around the work force. So while both men and women have returned to the labor force, an enormous reallocation is under way. Not only are they seeking change, but the record level of job openings means that they are facing an unprecedented set of opportunities. Despite the slowdown in job growth in August, the large number of job openings is likely to persist, giving workers time to find work in an industry and with an employer that is a better match for their lives, given everything that was been learned during the pandemic.

Early on in the pandemic there was a hope that the economy could simply pause, with people staying home from some jobs at first and then returning to those jobs as the pandemic subsided. As the pandemic drags on, it has become clear that many firms could not simply hold on to the same way of doing business—and neither could workers. Many firms reorganized themselves or shuttered permanently, cementing job losses. The pandemic has given US workers a chance

to reinvent themselves, and many are seizing this opportunity to do just that. They are seeking new jobs in different industries, with many trying their hand at starting their own business.

Women have returned to work, but not on the same terms. Some are seeking a permanent increase in flexibility, while others want to reduce their work to better achieve work-life balance. And yet others are looking for better opportunities to build the career that they truly want, to be paid a wage that they believe better reflects their contributions. And they are not alone: men, too, are making career changes and want to find a better balance between their family life and their work life.

Perhaps it is not surprising that Gallup recently found that the percent of Americans who report themselves to be [thriving](#) reached a record high in the summer of 2021 (Witters and Agrawal 2021). Not only has life satisfaction recovered on average, but anticipated life satisfaction now exceeds

pre-pandemic levels. The pandemic continues to wreak havoc on people's lives and there are many people who will never be able to fully recover from the harm it caused them and their families. However, there is the possibility to emerge out of the pandemic on a path to greater life and work satisfaction. And, if the large numbers of Americans seeking a better work life ultimately succeed, instead of setting women back, the pandemic might just have helped propel parent's work-life balance forward.

Author

Betsey Stevenson is a professor of public policy and economics at the University of Michigan. She is also a faculty research associate at the National Bureau of Economic Research, a visiting associate professor of economics at the University of Sydney, a research fellow of the Centre for Economic Policy Research, a fellow of the Ifo Institute for Economic Research in Munich, and serves on the executive committee of the American Economic Association. She served as a member of the Council of Economic Advisers from 2013 to 2015 where she advised President Obama on social policy, labor market, and trade issues. She served as the chief economist of the U.S. Department of Labor from 2010 to 2011, advising the Secretary of Labor on labor policy and participating as the secretary's deputy to the White House economic team. She has held previous positions at Princeton University and at the University of Pennsylvania's Wharton School.

Dr. Stevenson is a labor economist who has published widely in leading economics journals about the labor market and the impact of public policies on outcomes both in the labor market and for families as they adjust to changing labor market opportunities. Her research explores women's labor market experiences, the economic forces shaping the modern family, and how these labor market experiences and economic forces on the family influence each other. She is a columnist for Bloomberg View, and her analysis of economic data and the economy are frequently covered in both print and television media.

Dr. Stevenson earned a B.A. in economics and mathematics from Wellesley College and an M.A. and Ph.D. in economics from Harvard University.

References

- Alexander, Andrea, Aaron De Smet, Meredith Langstaff, and Dan Ravid. 2021. "What Employees Are Saying about the Future of Remote Work." McKinsey & Company, New York, NY.
- Allen, David and Brooks, Holtom. 2019. "Better Ways to Predict Who's Going to Quit." Harvard Business Review, Boston, MA.
- American Staffing Association. 2021. "Majority of Parents Say Covid-19 Child Care Duties Have Hurt Their Careers." American Staffing Association, Alexandria, VA.
- Azcona, Ginette, Antra Bhatt, and Kaitlin Love. 2020. "The COVID-19 Pandemic Has Increased the Care Burden, but by How Much?" Women Count, UN Women, United Nations, New York, NY.
- Barroso, Amanda. 2021. "For American couples, gender gaps in sharing household responsibilities persist amid pandemic" Pew Research Center, Washington, D.C.
- Bauer, Lauren, Arindrajit Dube, Wendy Edelberg, and Aaron Sojourner, June 3, 2021. "Examining the uneven and hard-to-predict labor market recovery." The Hamilton Project, Brookings Institution, Washington, DC.
- Bureau of Labor Statistics (BLS). 2018-2021. "Current Population Survey." Bureau of Labor Statistics, U.S. Department of Labor, Washington, DC. Retrieved From IPUMS.
- Bureau of Labor Statistics (BLS). 2019. "2017-18 Leave and Job Flexibilities Module of the American Time Use Survey." Economic News Release, Bureau of Labor Statistics, Washington, DC.
- Bureau of Labor Statistics (BLS). 2021. "American Time Use Survey Summary." Economic News Release, July 22, 2021. Bureau of Labor Statistics, US Department of Labor, Washington, DC.
- Bloom, Nicholas. 2014. "To Raise Productivity, Let More Employees Work from Home." Magazine January-February 2021. Harvard Business Review, Boston, MA.
- Bureau of Labor Statistics (BLS). 2020-2021. "Labor Force Statistics (Current Population Survey-CPS)." Bureau of Labor Statistics, U.S. Department of Labor, Washington, DC.
- Centers for Disease Control and Prevention (CDC). 2021. "Women, Caregiving, and COVID-19." Health Equity, Centers for Disease Control and Prevention, Atlanta, GA.
- Cohen, Steven A., Caitlin C. Nash, and Mary L. Greaney. 2021. "Informal Caregiving During the COVID-19 Pandemic in the US: Background, Challenges, and Opportunities." Editorial. American Journal of Health Promotion 35 (7): 1032-36.
- Cohen, Steven A., Zachary J. Kunicki, Megan M. Drohan, and Mary L. Greaney. 2021. "Exploring Changes in Caregiver Burden and Caregiving Intensity Due to COVID-19." Gerontology and Geriatric Medicine January-December(7).
- The Council of Economic Advisers. June 2014. "Work-Life Balance and the Economics of Workplace Flexibility." The Council of Economic Advisers, Washington, DC.
- Foster, Sarah. 2021. "Survey: 55% of Americans Expect to Search for a New Job over the Next 12 Months." Bankrate.com, August 23, 2021.
- Gould, Elise, and Heidi Shierholz. 2020. "Not Everybody Can Work from Home: Black and Hispanic Workers Are Much Less Likely to be Able to Telework." Economic Policy Institute, Washington, DC.
- Greene, Patricia. 2021. "What the American Time Use Survey Can Teach Leaders about the Female Workforce." Fast Company, New York, NY.

- Heggeness, Misty. 2020. "Why Is Mommy So Stressed? Estimating the Immediate Impact of the COVID-19 Shock on Parental Attachment to the Labor Market and the Double Bind of Mothers." Revised October 26, 2020. Institute Working Paper 33, Federal Reserve Bank of Minneapolis, Minneapolis, MN.
- Igielnik, Ruth. 2021. "A Rising Share of Working Parents in the U.S. Say It's Been Difficult to Handle Child Care during the Pandemic." Pew Research Center, Washington, DC.
- Jones, Jeffrey M. 2021. "U.S. Workers' Job Worries Easing; Still Above 2019 Levels." Gallup, Washington, DC.
- National Bureau of Economic Research n.d. "Business Cycle Dating." Cambridge, MA.
- Pana-Cryan, Regina and Ray, Tapas K. 2021. "Work Flexibility and Work-Related Well-Being." March, 2021; 18(6): 3254. International Journal of Environmental Research and Public Health.
- Patrick, Kayla, Meika Berlan, and Morgan Harwood. 2018. "Low-Wage Jobs Held Primarily by Women Will Grow the Most over the Next Decade." Fact Sheet, National Women's Law Center, Washington, DC.
- Peterson, Anne Helene. 2020. "'Other Countries Have Social Safety Nets. The U.S. Has Women.'" Culture Study, November 11, 2020.
- PwC. 2021. "It's Time to Reimagine Where and How Work Will Get Done: PwC's US Remote Work Survey." PwC, New York, NY.
- Sorenson, Susan. 2013. "Don't Pamper Employees— Engage Them." Workplace July 2, 2013. Gallup, Washington, DC.
- Stevenson, Betsey. 2020. "The Initial Impact of COVID-19 on Labor Market Outcomes Across Groups and the Potential for Permanent Scarring." Essay 2020-16, The Hamilton Project, Brookings Institution, Washington, DC.
- Tüzemen, Didem, and Thao Tran. 2019. "Women Are Driving the Recent Recovery in Prime-Age Labor Force Participation." Economic Bulletin. Federal Reserve Bank of Kansas City, Kansas City, MO.
- Witters, Dan, and Sangeeta Agrawal. 2021. "Americans' Life Ratings Reach Record High." Gallup, Washington, DC.



ADVISORY COUNCIL

STEPHANIE AARONSON
Vice President and Director,
Economic Studies;
Senior Fellow, Economic Studies,
The Brookings Institution

GEORGE A. AKERLOF
University Professor,
Georgetown University

ROGER C. ALTMAN
Founder and Senior Chairman,
Evercore

KAREN L. ANDERSON
Senior Director of Policy & Communications,
Becker Friedman Institute for
Research in Economics,
The University of Chicago

ALAN S. BLINDER
Gordon S. Rentschler Memorial Professor of
Economics and Public Affairs,
Princeton University;
Nonresident Senior Fellow,
The Brookings Institution

STEVEN A. DENNING
Chairman,
General Atlantic

JOHN M. DEUTCH
Institute Professor,
Massachusetts Institute of Technology

CHRISTOPHER EDLEY, JR.
Co-Founder and President Emeritus,
The Opportunity Institute

BLAIR W. EFFRON
Partner,
Centerview Partners LLC

DOUGLAS W. ELMENDORF
Dean and Don K. Price Professor of
Public Policy,
Harvard Kennedy School

JUDY FEDER
Professor and Former Dean,
McCourt School of Public Policy,
Georgetown University

JASON FURMAN
Professor of the Practice of
Economic Policy, Harvard University;
Senior Fellow, Peterson Institute for
International Economics;
Senior Counselor, The Hamilton Project

MARK T. GALLOGLY
Cofounder and Managing Principal,
Centerbridge Partners, L.P.

TED GAYER
Executive Vice President,
Senior Fellow, Economic Studies,
The Brookings Institution

TIMOTHY F. GEITHNER
President, Warburg Pincus;
Senior Counselor, The Hamilton Project

JOHN GRAY
President and Chief Operating Officer,
Blackstone

ROBERT GREENSTEIN
Founder and President,
Center on Budget and Policy Priorities;
Visiting Fellow, The Hamilton Project

MICHAEL GREENSTONE
Milton Friedman Professor in
Economics and the College,
Director of the Becker Friedman Institute for
Research in Economics, and
Director of the Energy Policy Institute,
University of Chicago

GLENN H. HUTCHINS
Chairman, North Island;
Co-founder, Silver Lake

LAWRENCE F. KATZ
Elisabeth Allison Professor of Economics,
Harvard University

MELISSA S. KEARNEY
Neil Moskowitz Professor of Economics,
University of Maryland;
Nonresident Senior Fellow,
The Brookings Institution

LILI LYNTON
Founding Partner,
Boulud Restaurant Group

HOWARD S. MARKS
Co-Chairman,
Oaktree Capital Management, L.P.

KRISTON MCINTOSH
Managing Director,
Hamilton Place Strategies

ERIC MINDICH
Founder,
Everblue Management

DAMBISA MOYO
Co-Principal,
Versaca Investments

SUZANNE NORA JOHNSON
Former Vice Chairman,
Goldman Sachs Group, Inc.;
Co-Chair,
The Brookings Institution

PETER ORSZAG
CEO, Financial Advisory,
Lazard Freres & Co LLC

RICHARD PERRY
Managing Partner & Chief Executive Officer,
Perry Capital

PENNY PRITZKER
Chairman and Founder, PSP Partners;
38th Secretary of Commerce

MEEGHAN PRUNTY
Principal,
PE Strategic Partners

ROBERT D. REISCHAUER
Distinguished Institute Fellow and
President Emeritus,
Urban Institute

NANCY L. ROSE
Department Head and Charles P. Kindleberger
Professor of Applied Economics,
Massachusetts Institute of Technology

DAVID M. RUBENSTEIN
Co-Founder and Co-Executive Chairman,
The Carlyle Group

ROBERT E. RUBIN
Former U.S. Treasury Secretary;
Co-Chair Emeritus,
Council on Foreign Relations

LESLIE B. SAMUELS
Senior Counsel,
Cleary Gottlieb Steen and Hamilton LLP

SHERYL SANDBERG
Chief Operating Officer,
Facebook

DIANE WHITMORE SCHANZENBACH
Margaret Walker Alexander Professor and
Director, The Institute for Policy Research,
Northwestern University;
Nonresident Senior Fellow,
The Brookings Institution

STEPHEN SCHERR
Chief Executive Officer,
Goldman Sachs Bank USA

RALPH L. SCHLOSSTEIN
President and Chief Executive Officer,
Evercore

ERIC SCHMIDT
Former CEO and Chairman, Google;
Co-Founder, Schmidt Futures

ERIC SCHWARTZ
Chairman and CEO,
76 West Holdings

JAY SHAMBAUGH
Professor of Economics and International Affairs,
The George Washington University

THOMAS F. STEYER
Business Leader and Philanthropist;
Founder,
NextGen America

MICHAEL R. STRAIN
Director of Economic Policy Studies and
Arthur F. Burns Scholar in Political Economy,
American Enterprise Institute

LAWRENCE H. SUMMERS
Charles W. Eliot University Professor,
Harvard University

LAURA D'ANDREA TYSON
Distinguished Professor of the Graduate School,
University of California, Berkeley

DAVID WEIL
Co-President,
Charles and Lynn Schusterman Family Philanthropies

WENDY EDELBERG
Director

More than a year and a half after the arrival of the coronavirus in the United States brought the economy to a crashing halt, the employment landscape remains in flux. The labor market recovery for different groups has varied by gender and other demographics such as race, ethnicity, education level, and parental status. The resulting reallocation of workers and businesses has changed both who is working and in which industries and occupations. In this essay, Betsey Stevenson of the University of Michigan revisits her previous work for The Hamilton Project, and examines the effects of an uneven recovery from the COVID-19 pandemic.

Percent Change in Employment Relative to Business Cycle Peak, by Gender



Source: U.S. Bureau of Labor Statistics (BLS) 1981 to 2021; National Bureau of Economic Research n.d.; author's calculations.

Note: Figure shows the percent change in total nonfarm employment from the peak of a business cycle until employment returns to the level of the previous business cycle peak.

THE
HAMILTON
PROJECT
BROOKINGS

THE
HAMILTON
PROJECT

1775 Massachusetts Ave., NW
Washington, DC 20036

(202) 797-6484

BROOKINGS



Printed on recycled paper.

WWW.HAMILTONPROJECT.ORG