

The Great Recession and Youth Unemployment . Evidence from the United States

Productivity, Investment in Human Capital and the
Challenge of Youth Employment

October 18, 2012

Bergamo, Italy

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Outline

Background: the Great Recession



Young workers in context



Trends and data

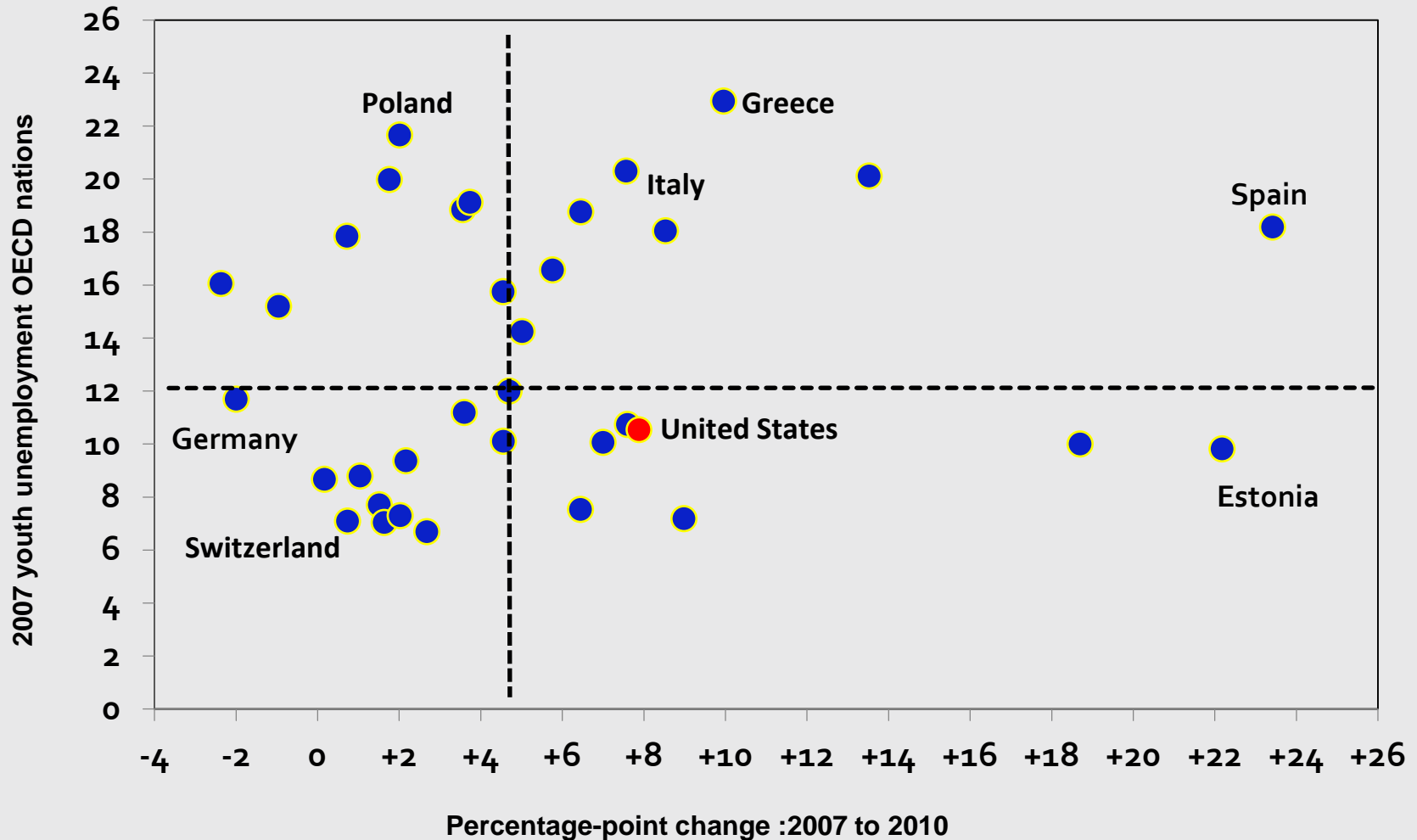


Implications

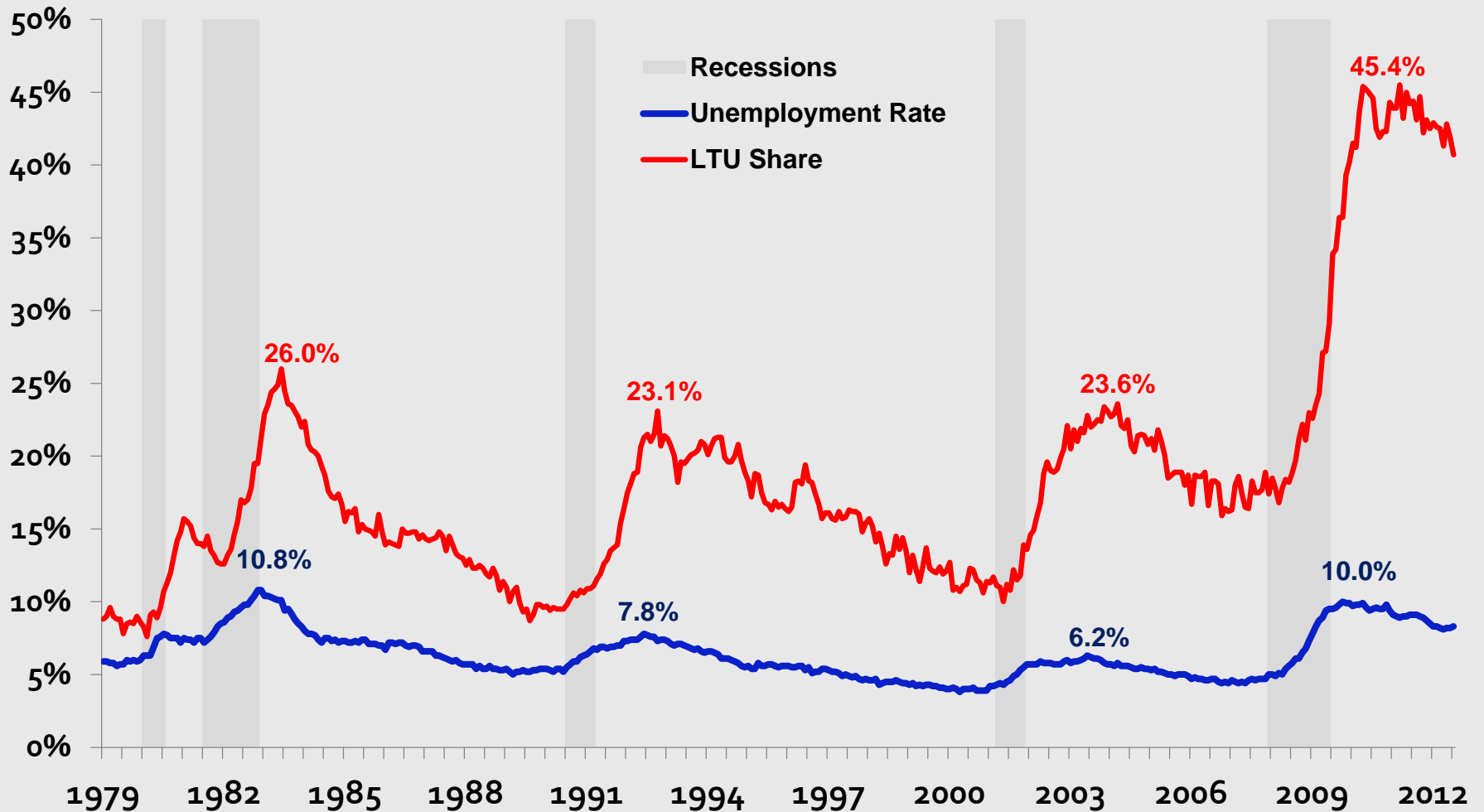


Further discussion

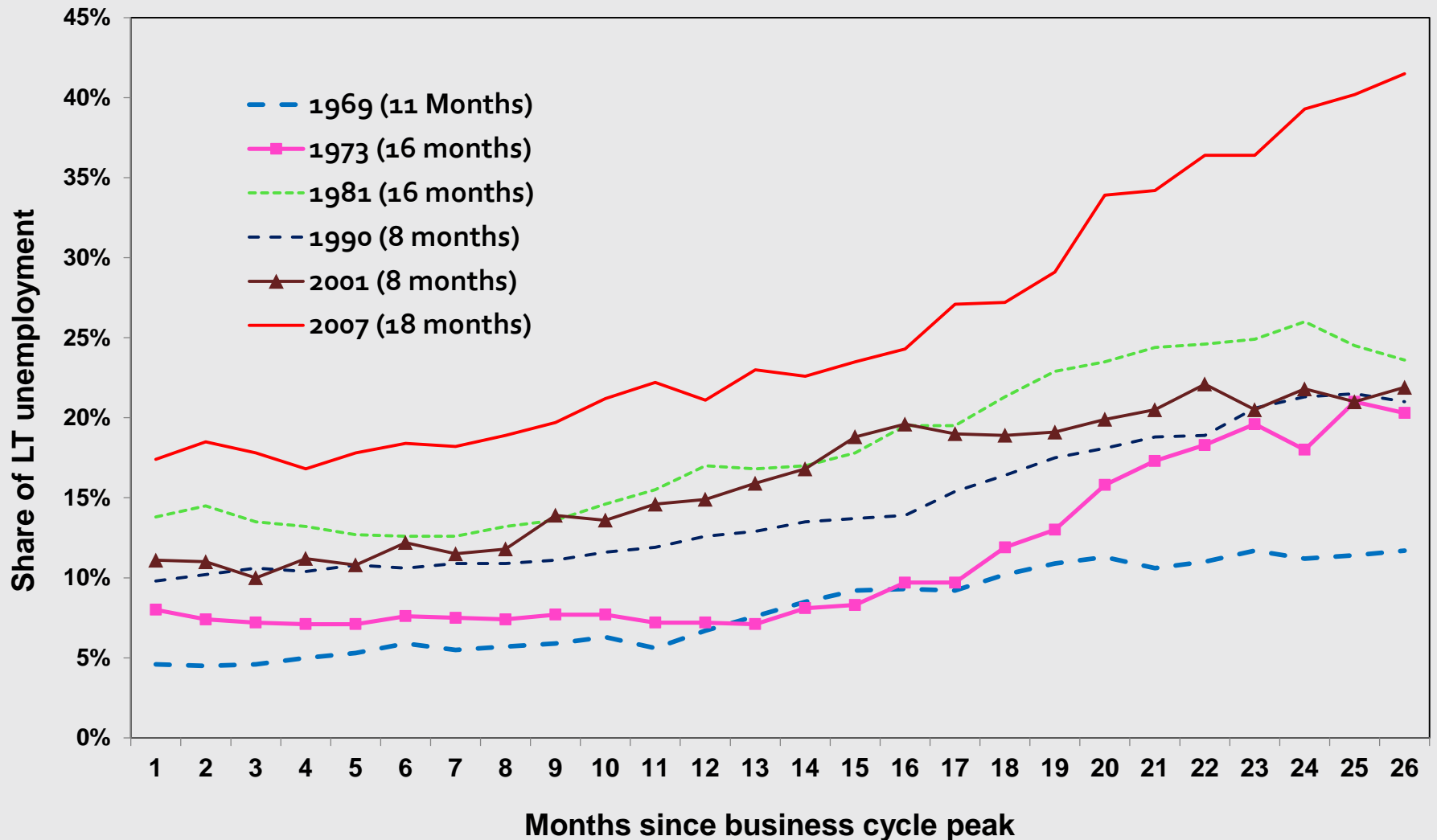
Unemployment Rates, 15-24



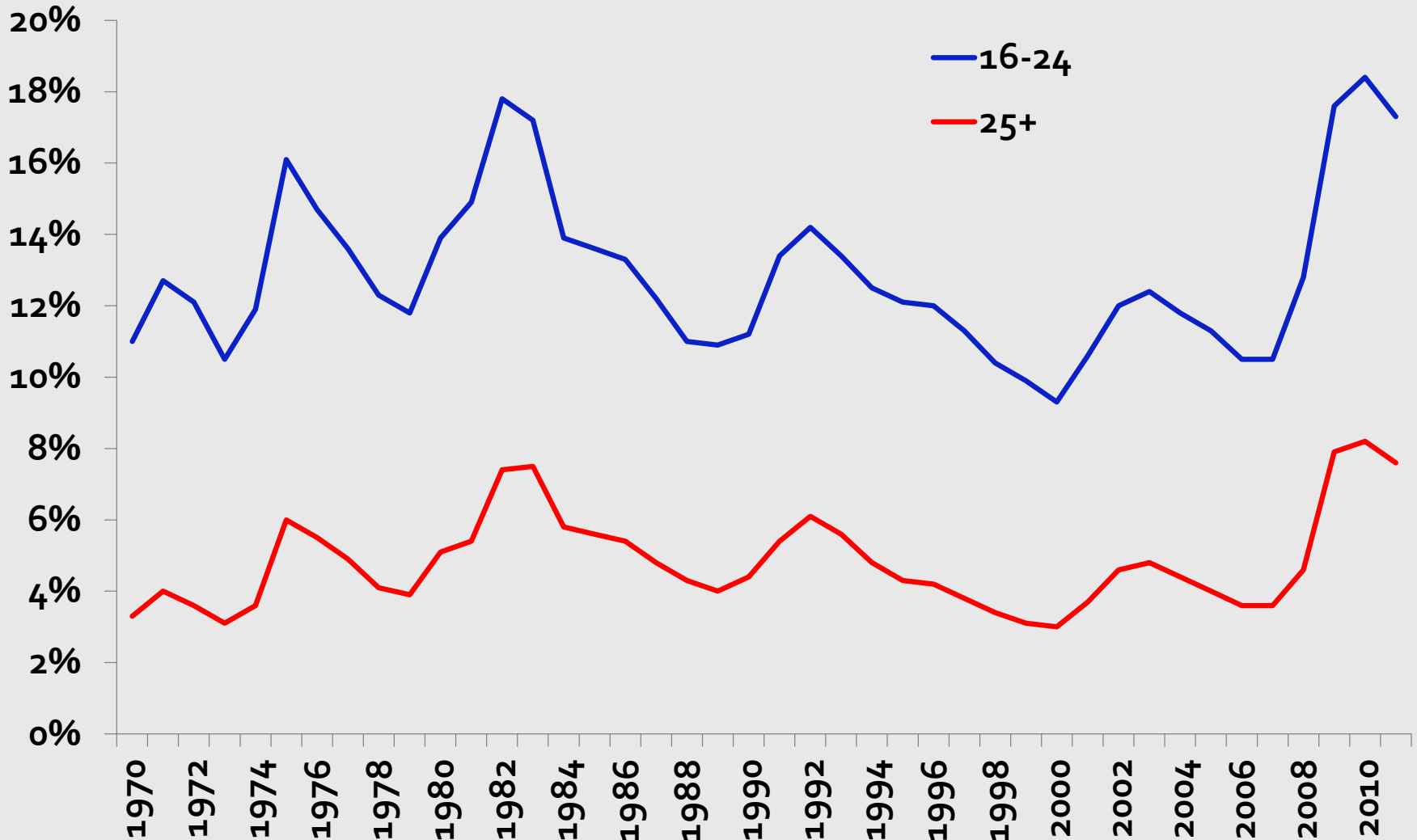
URate and LTU share



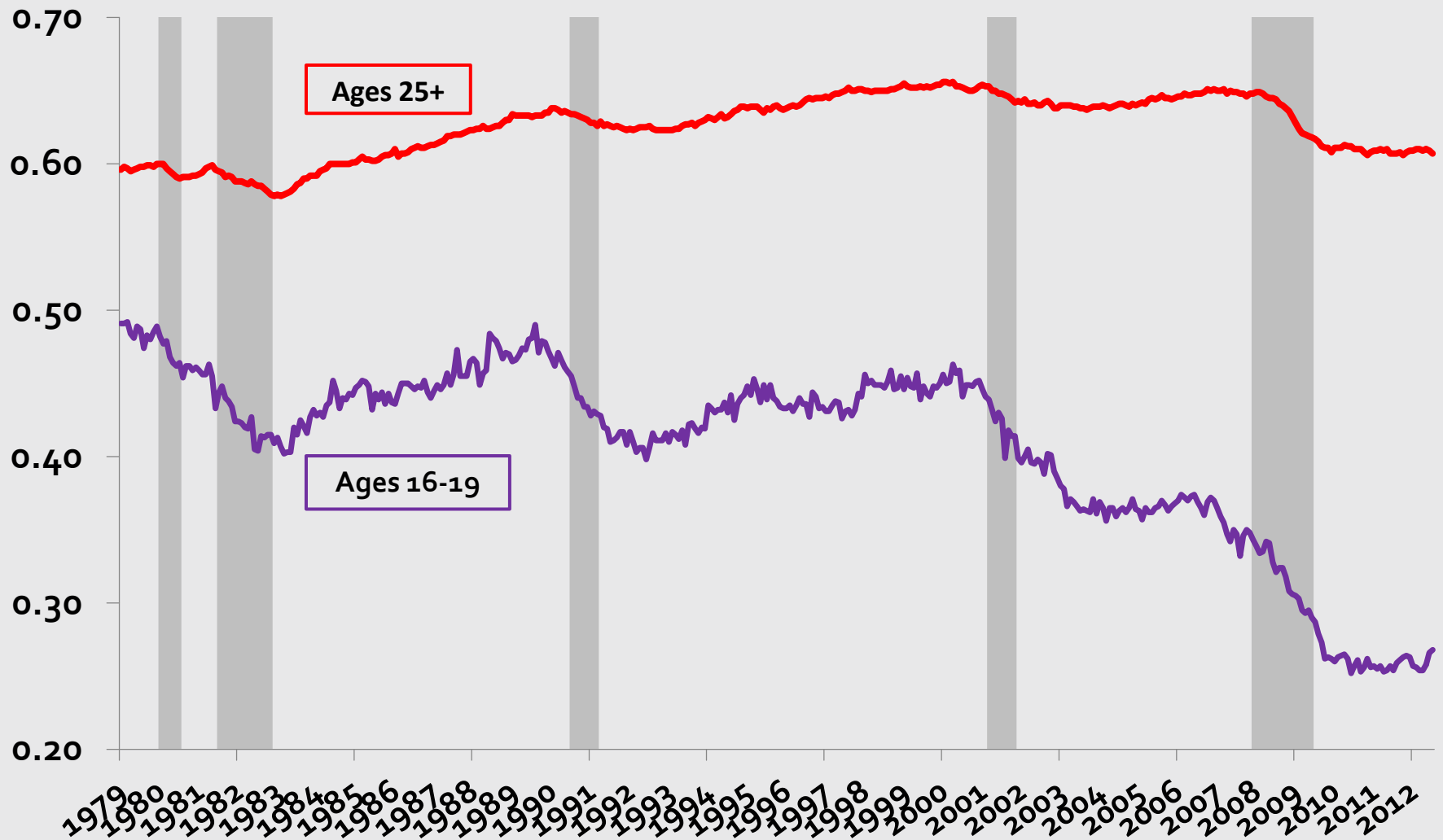
LTU progression in 6 recessions



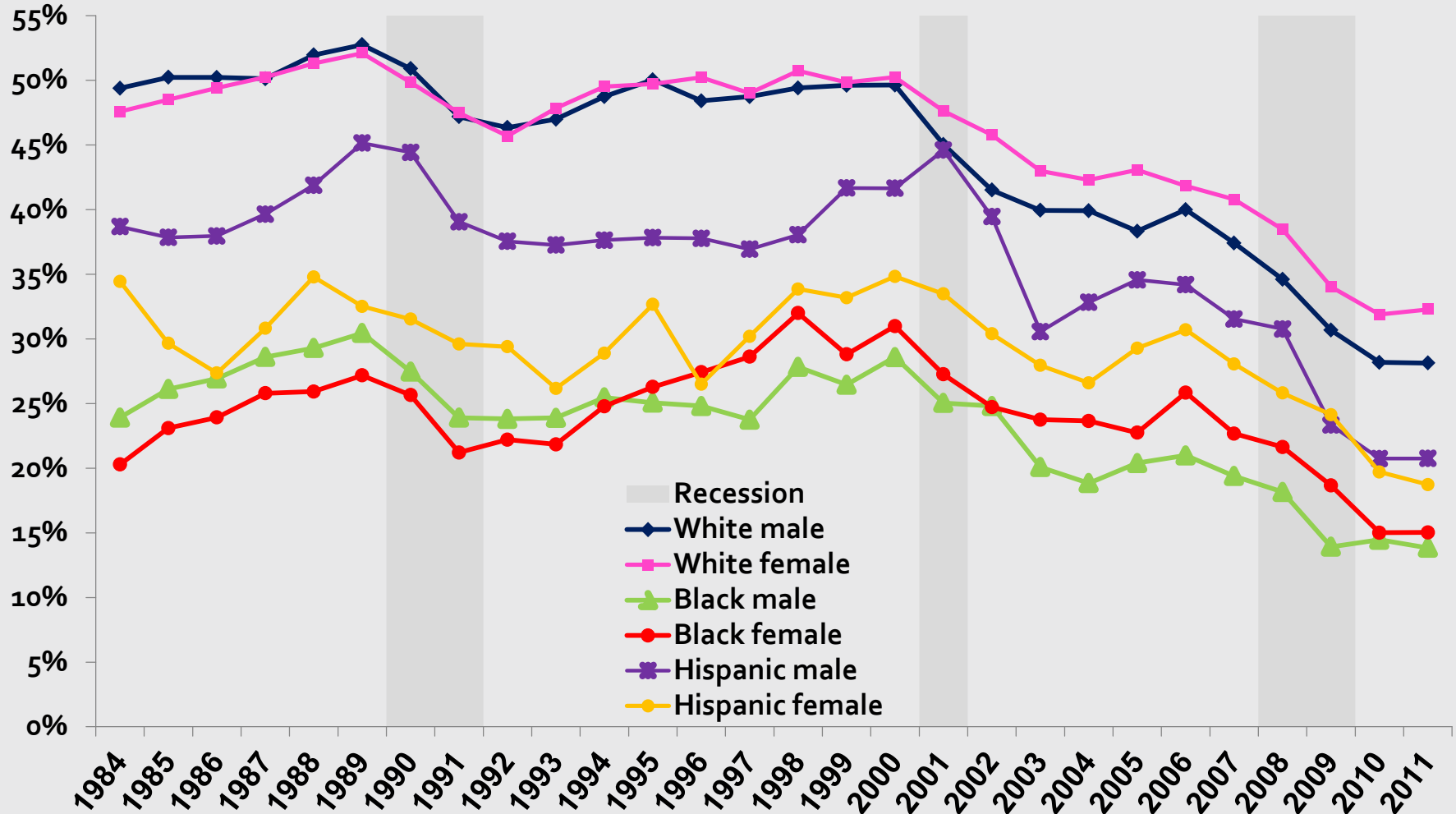
Youth unemployment in context



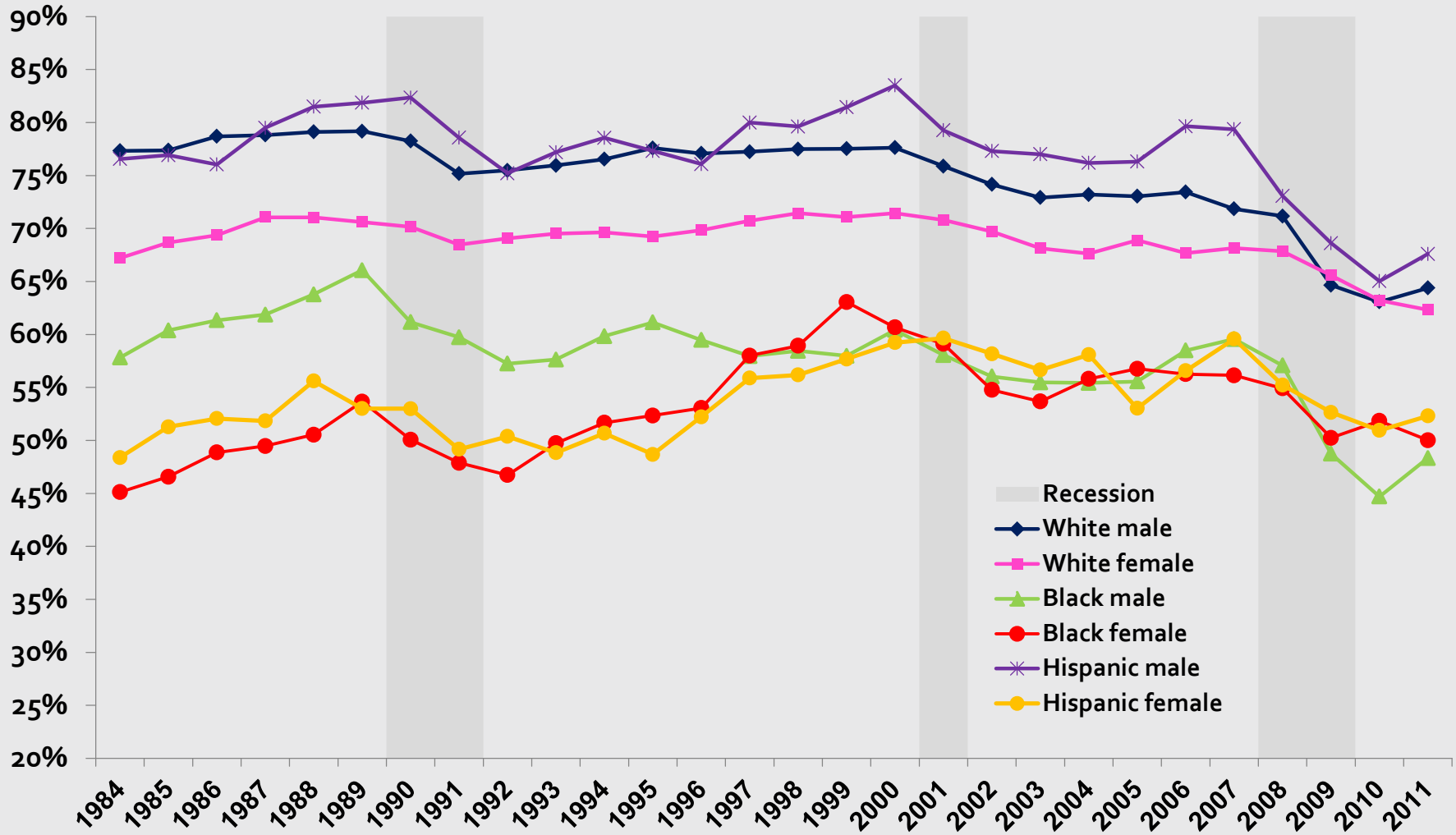
EPOPs or employment rates



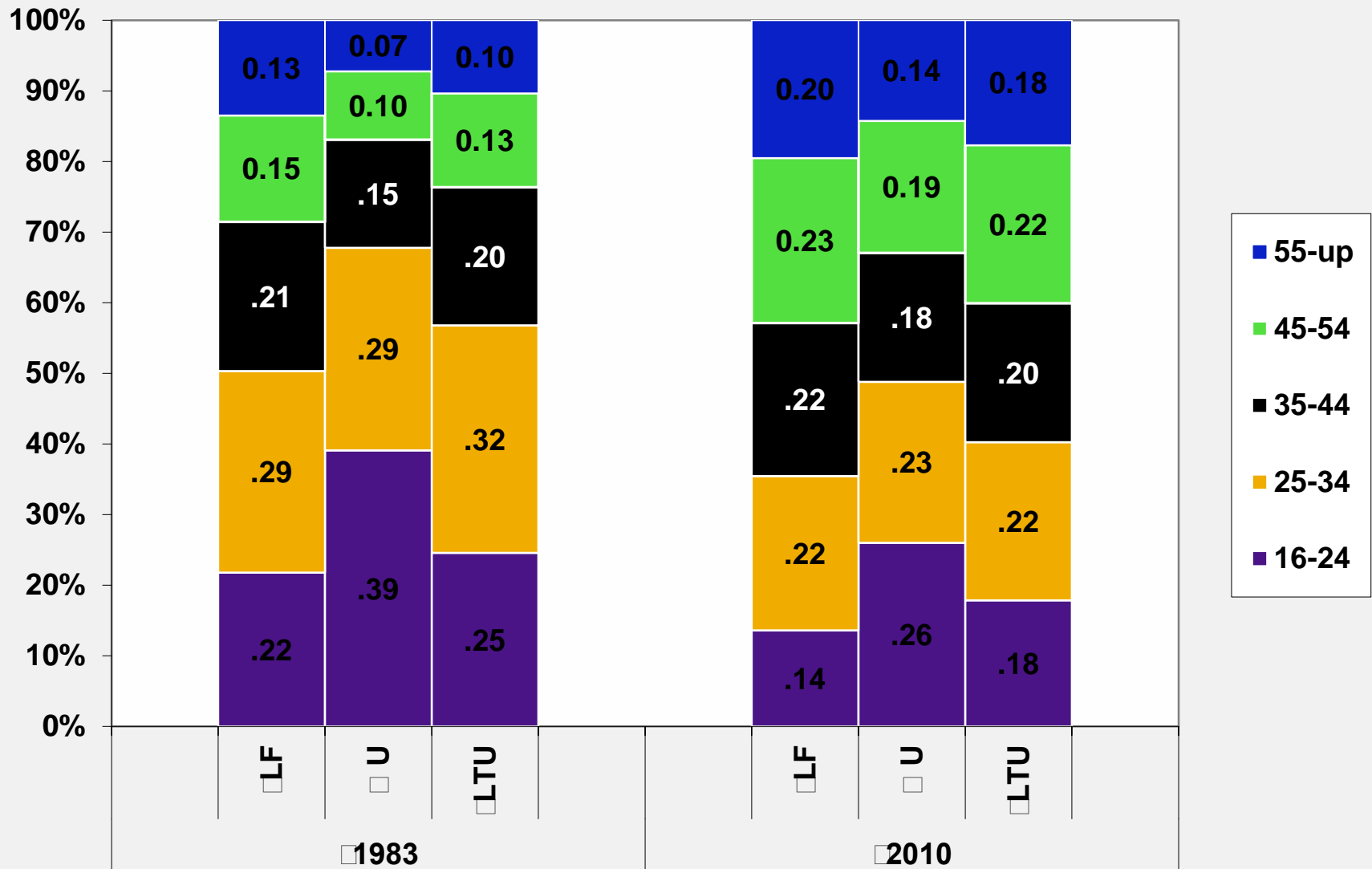
EPOPs 16-19, by demographic group



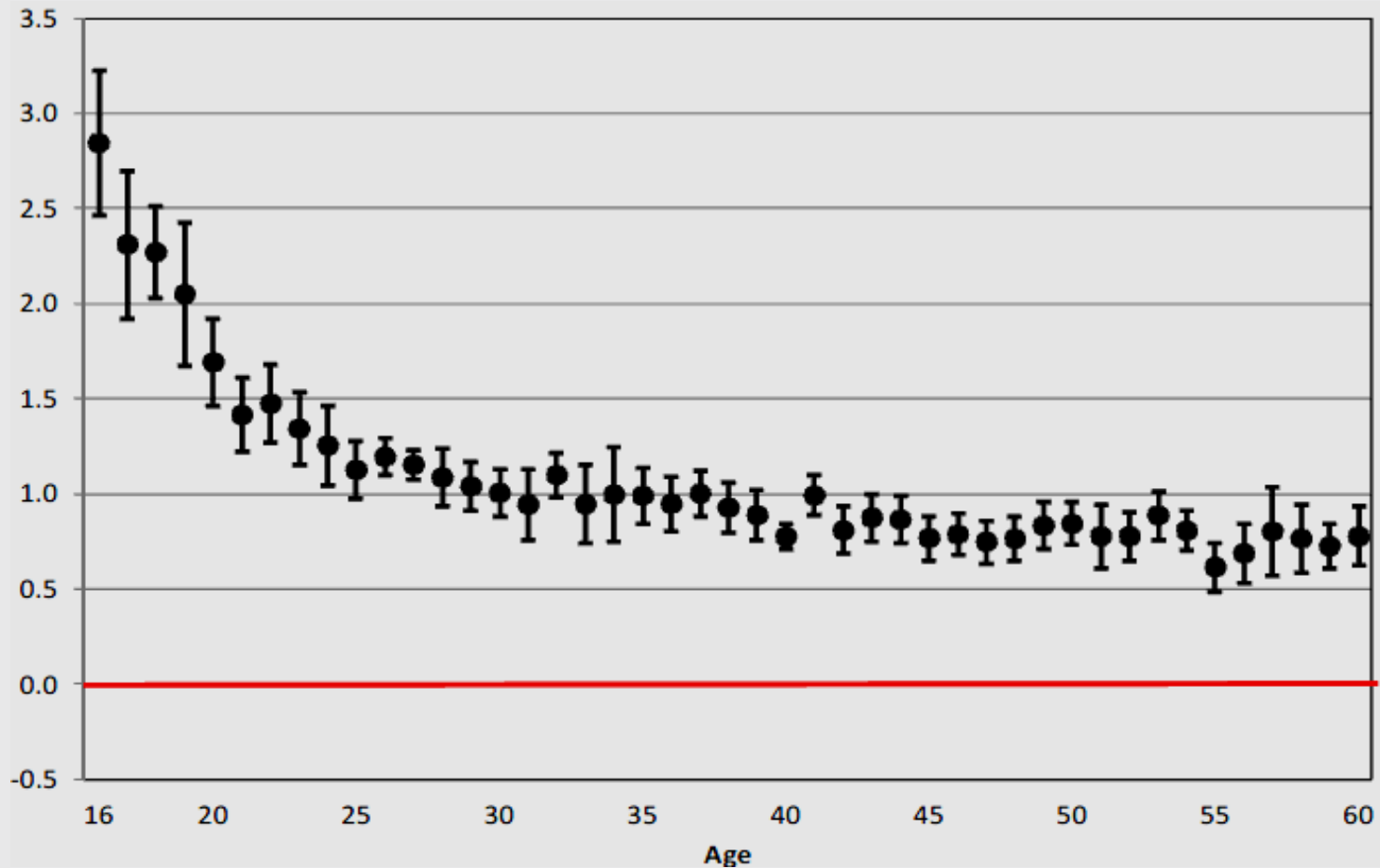
EPOPs 20-24, by demographic group



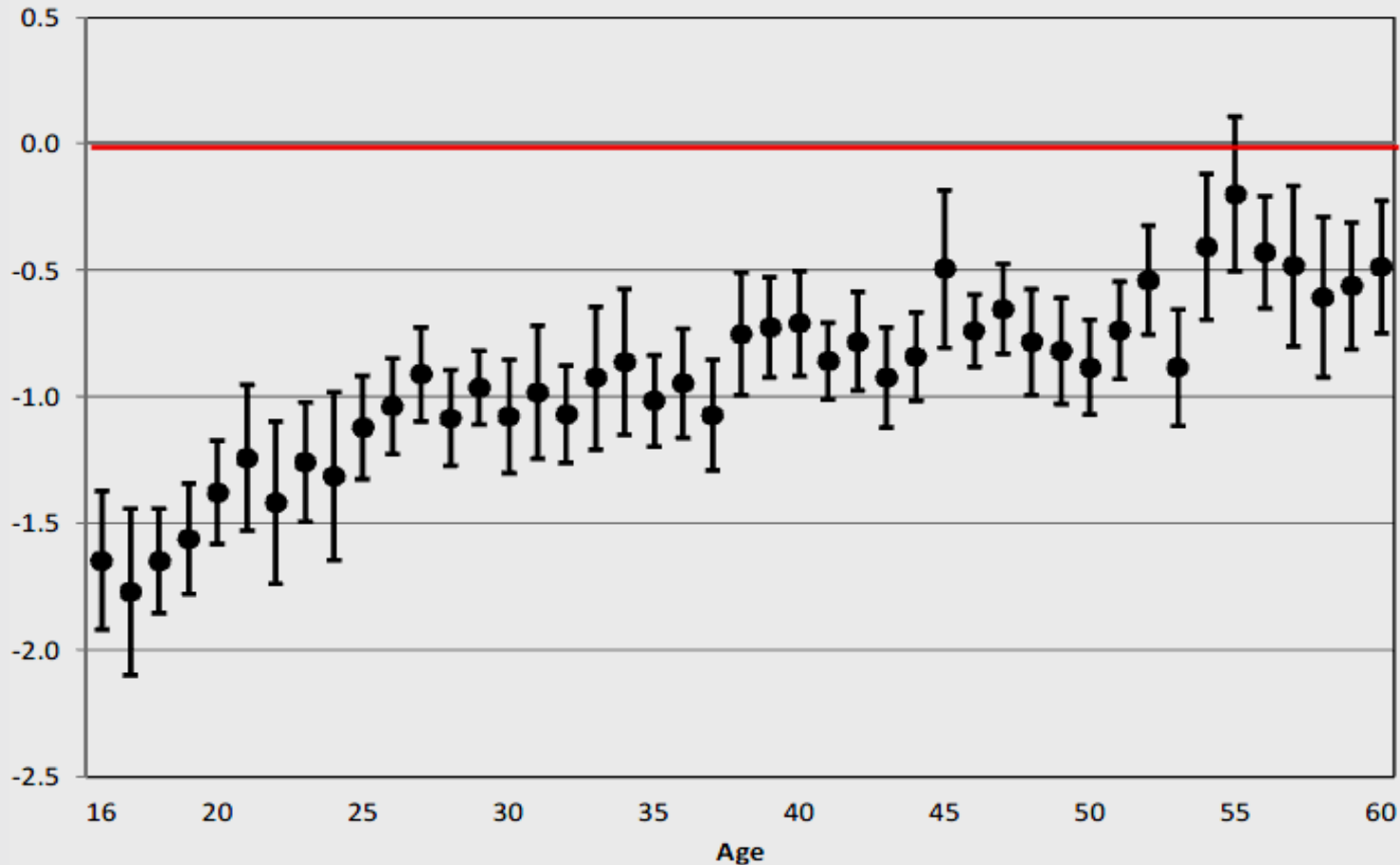
Changing US labor force



Effect of State URate on URate by age

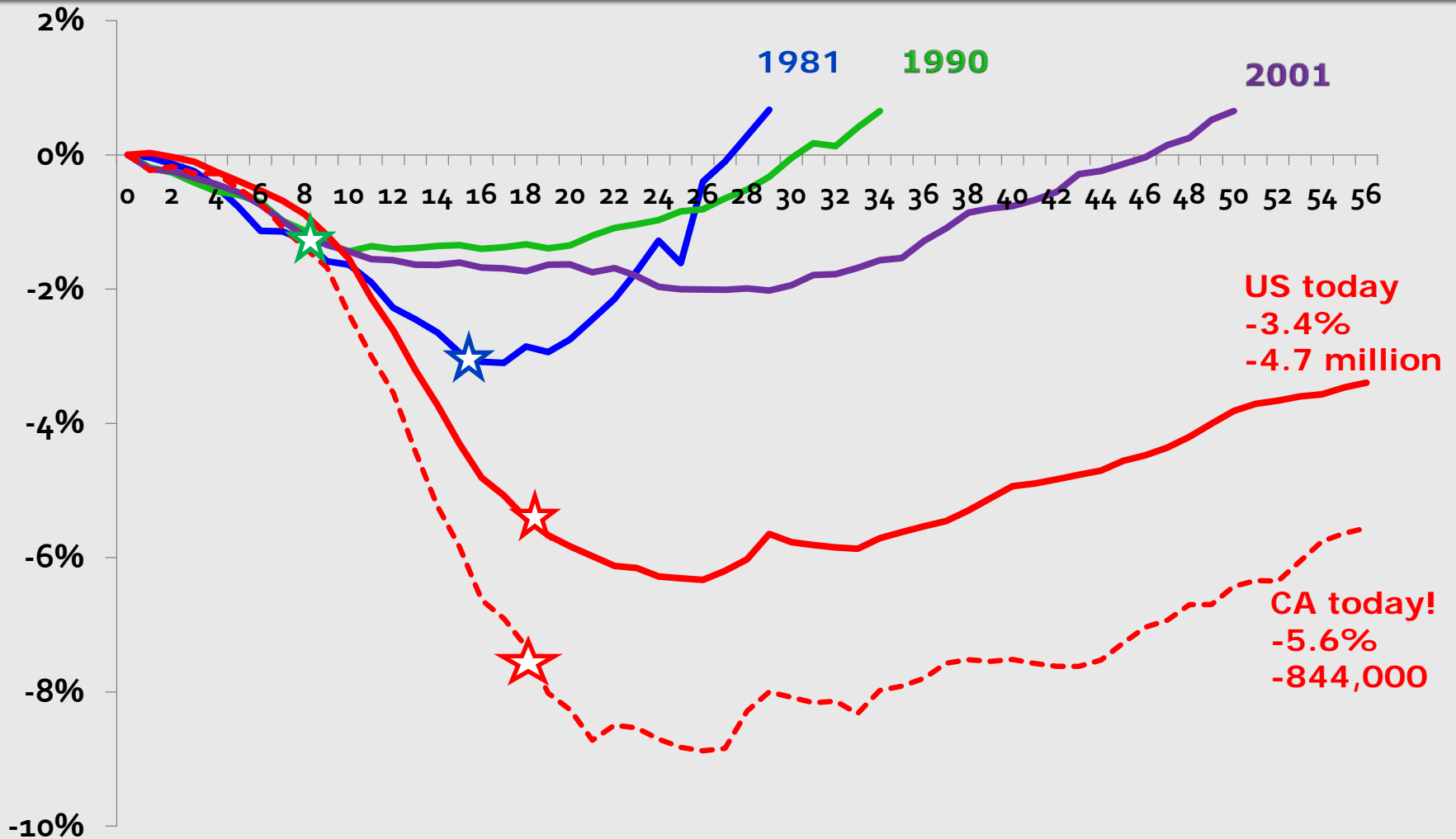


Effect of State URate on Epops, by age



Source: Hoynes, Miller & Schaller, JEP Summer 2012

The Great Recession



Source: Sylvia Allegretto's analysis of Current Employment Statistics data. Data as of July 2012.

Final thoughts

- US debate about the direction the country will go moving forward.
- Bailout of the banks with no stipulations. Then no money to help regular people, housing crisis, jobs crisis.
- Must put people back to work—then worry about debt & deficits—which would correct if GDP growth is strong & sustained.
- Youth are suffering from lack of opportunities and raising costs of higher education. Lower life time earnings profile.

Molte Grazie!

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