

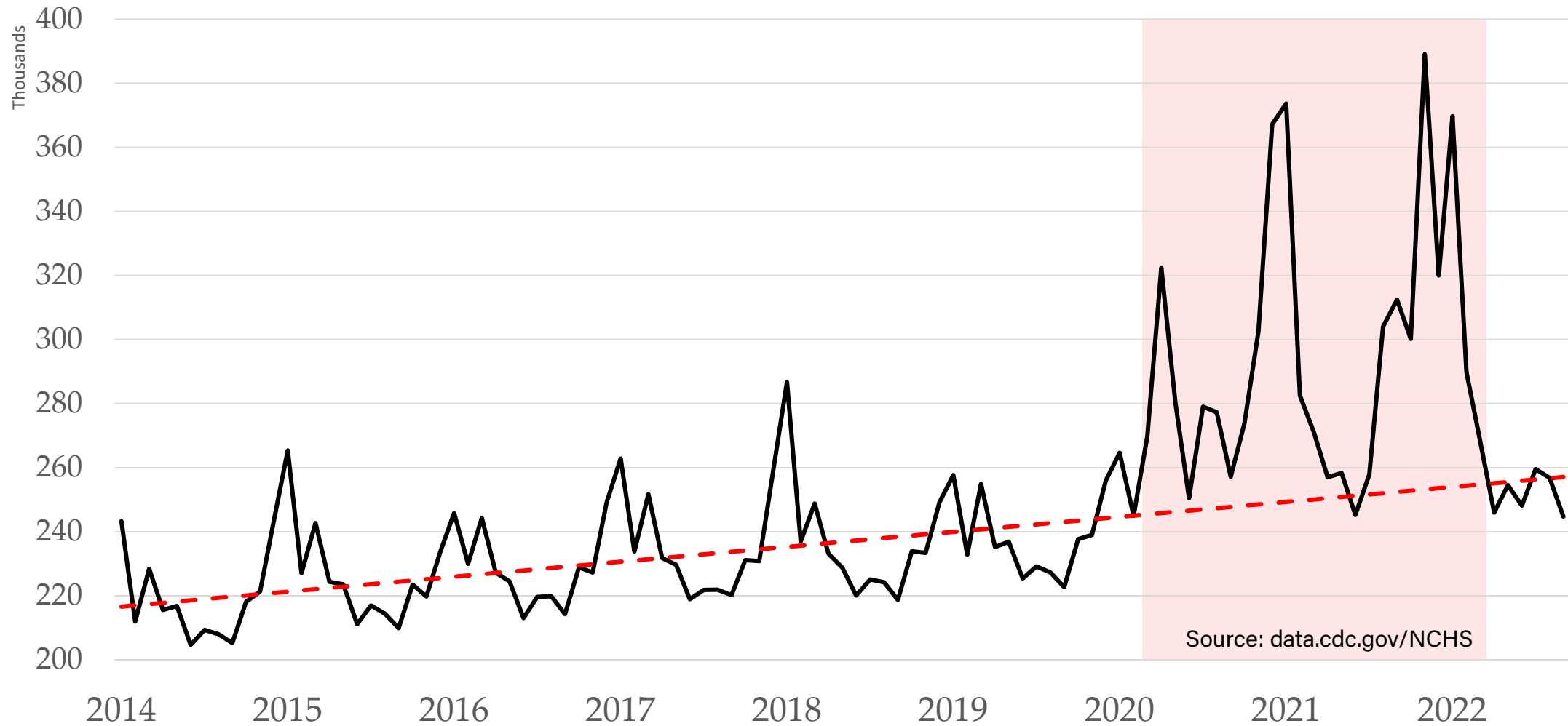
LABOR MARKET OUTLOOK

NOVEMBER 2022

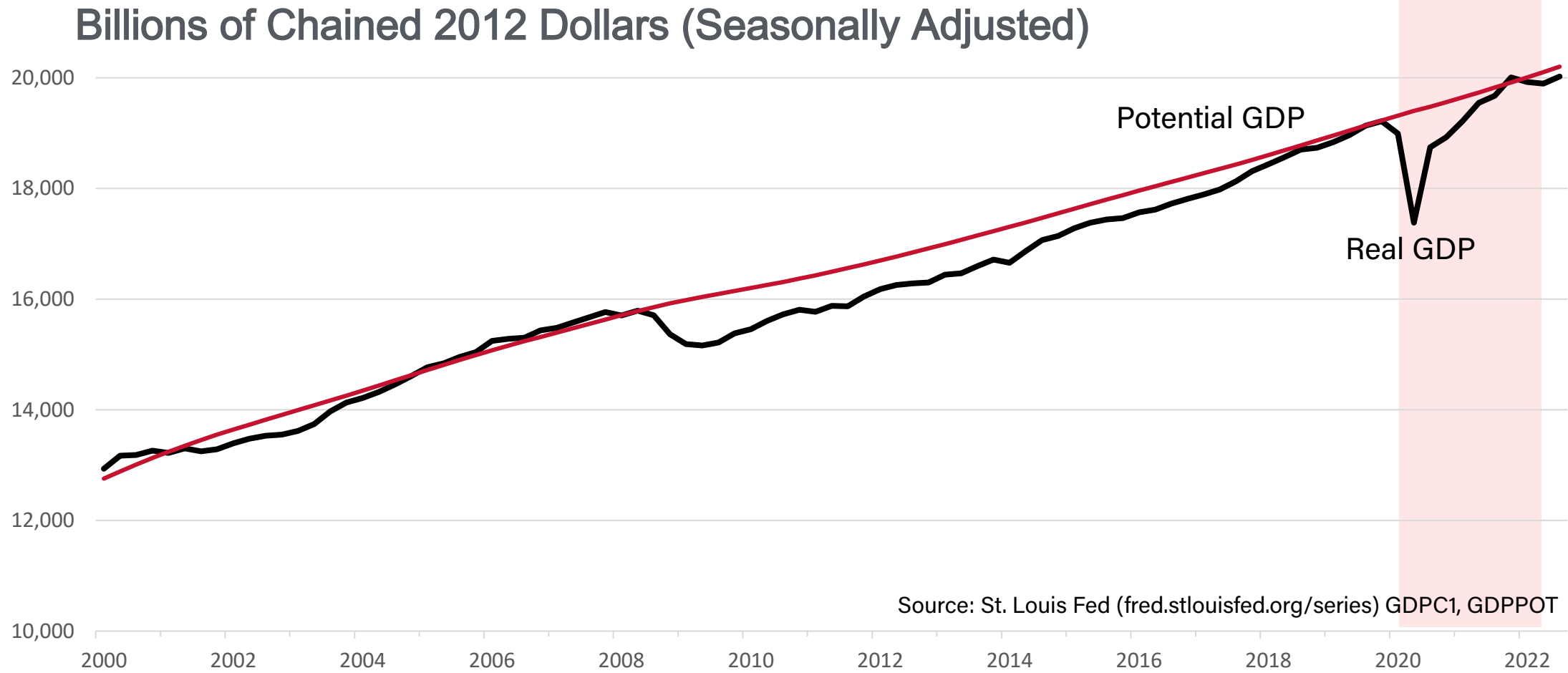
Kevin Mumford

Department of Economics

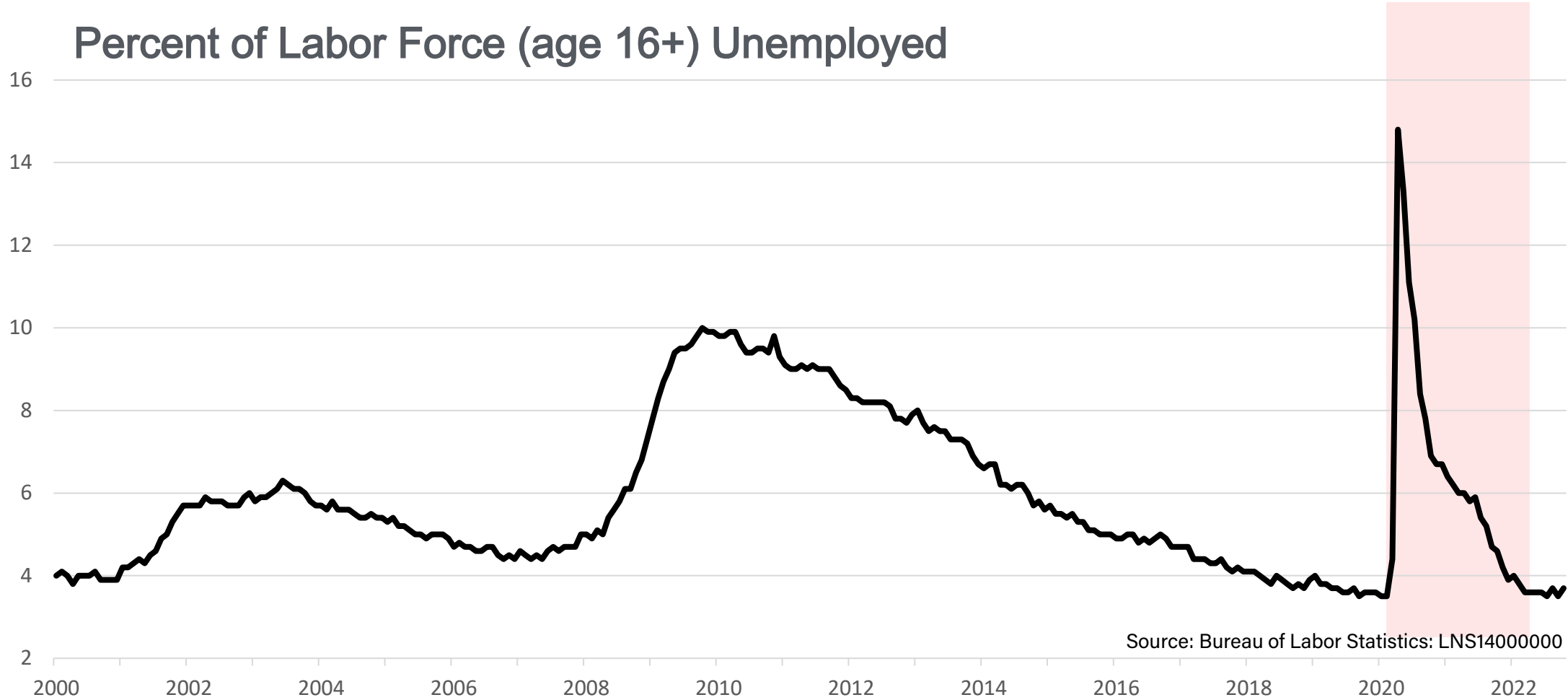
Pandemic: US Deaths by Month



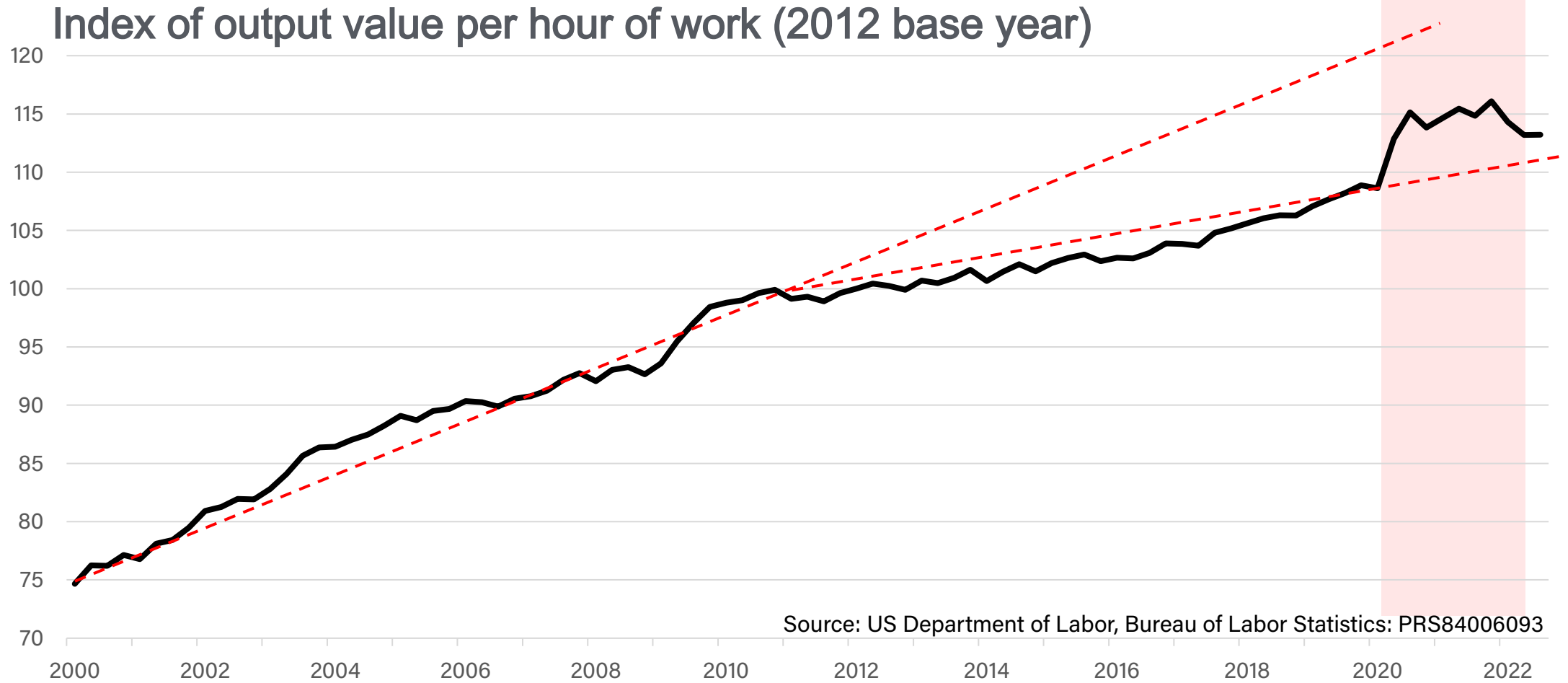
Potential and Nominal GDP



Unemployment Rate

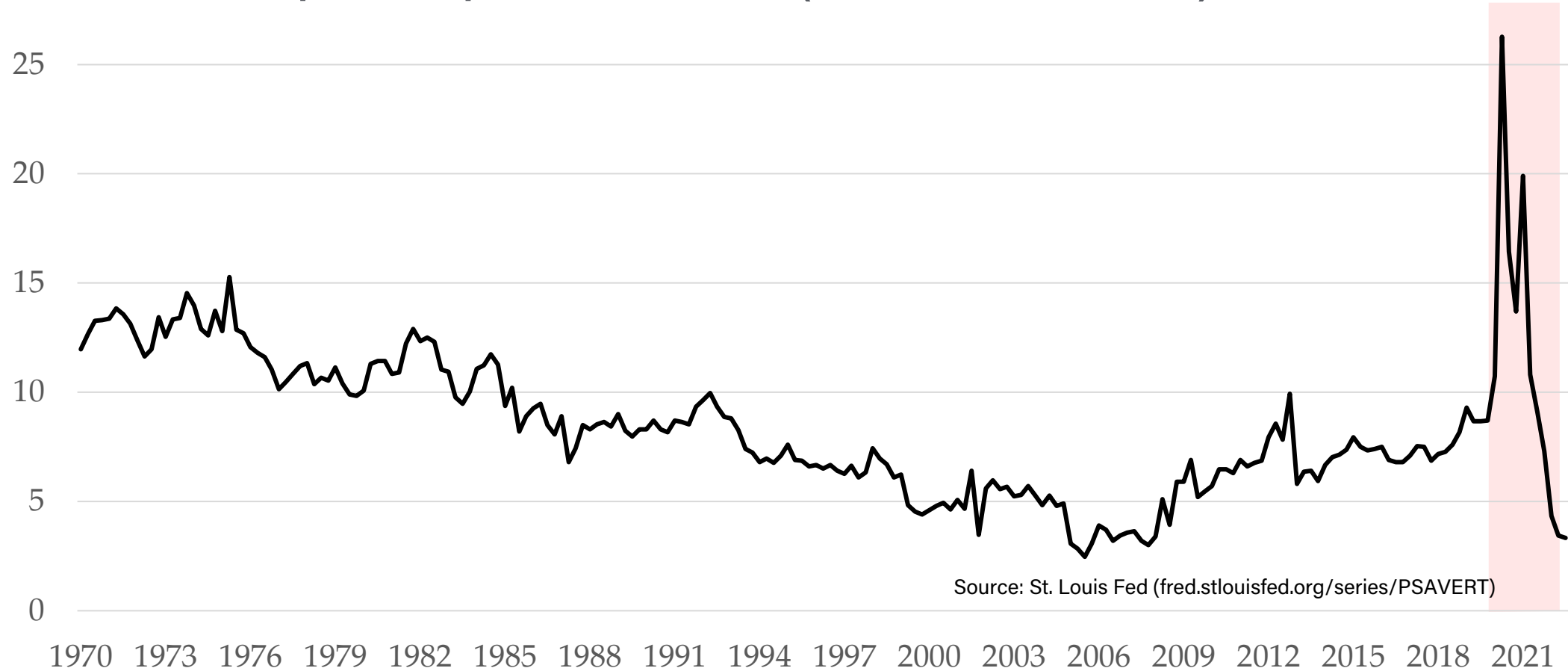


Labor Productivity



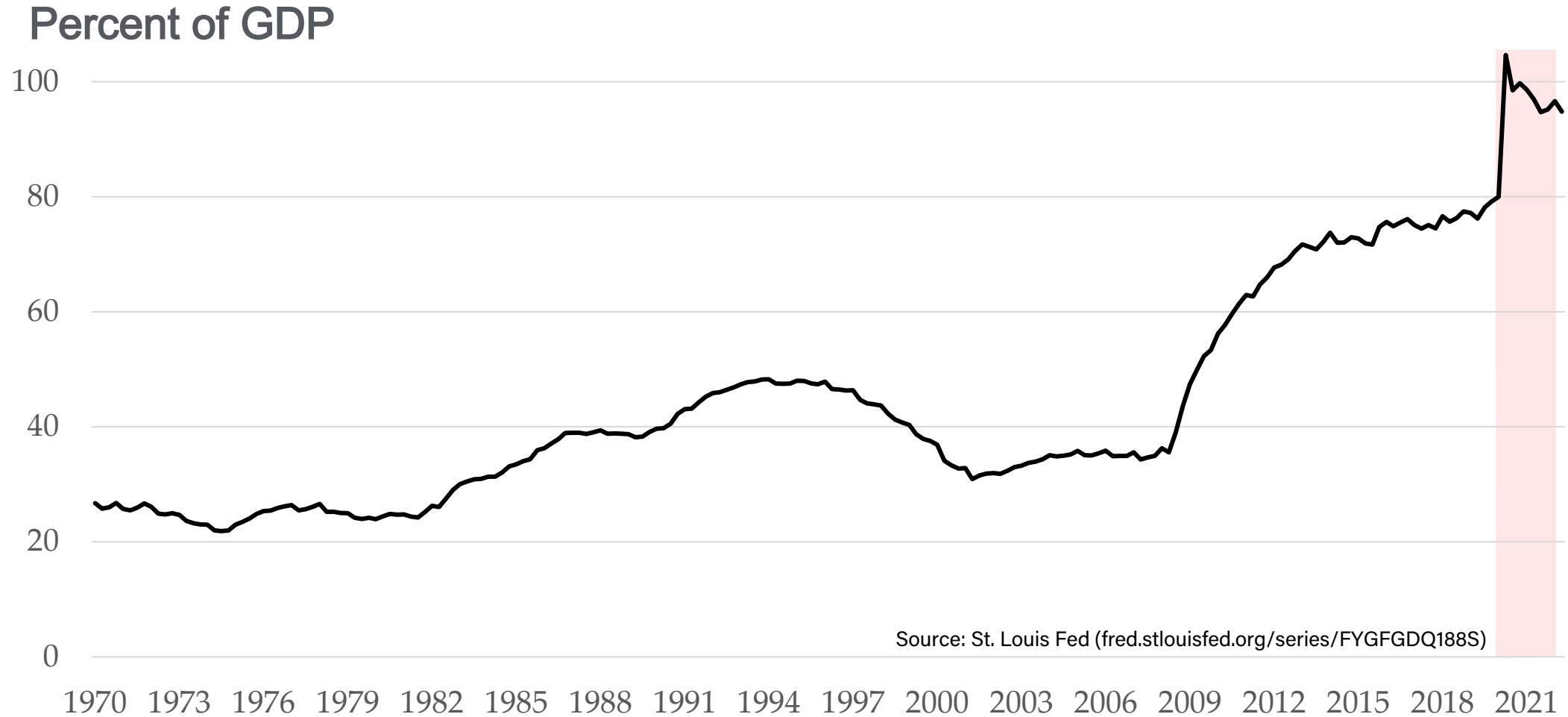
Personal Saving Rate

Percent of disposable personal income (income minus taxes)



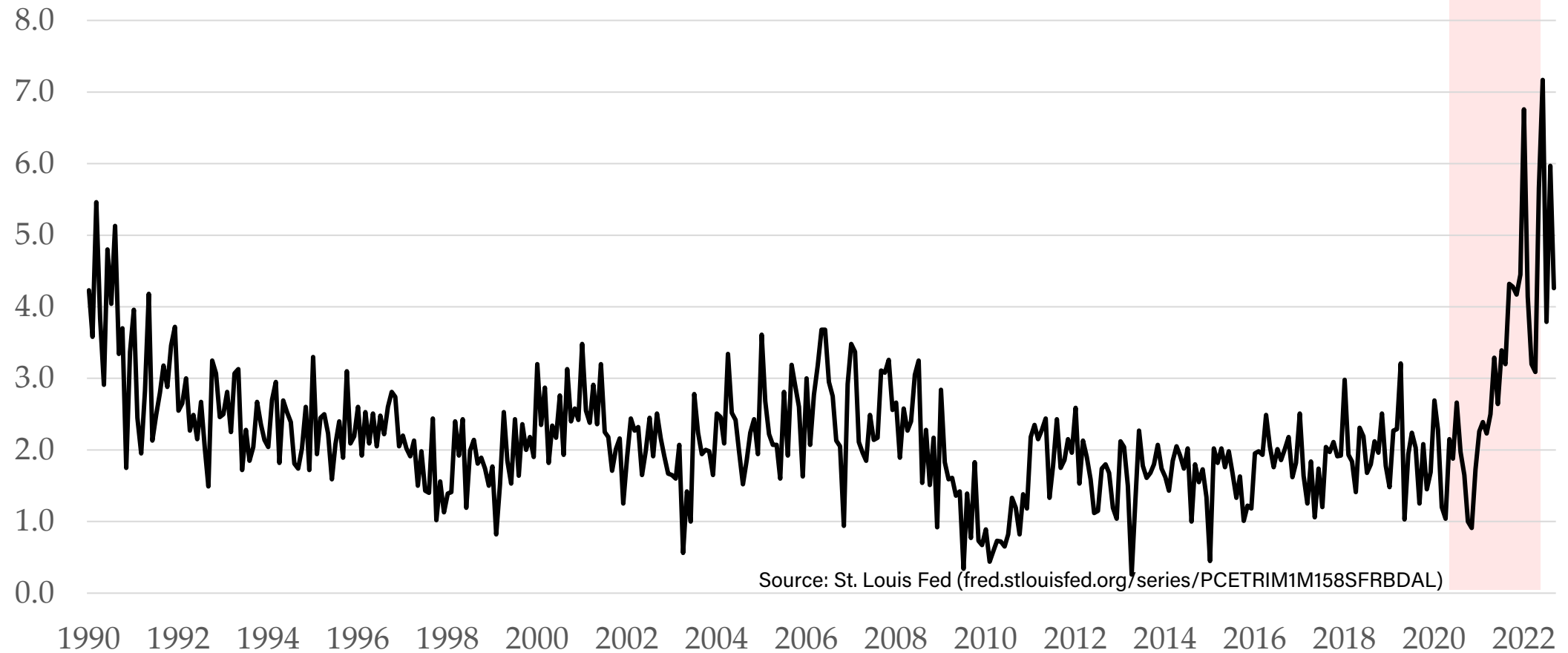
Source: St. Louis Fed (fred.stlouisfed.org/series/PSAVERT)

Federal Debt held by the Public



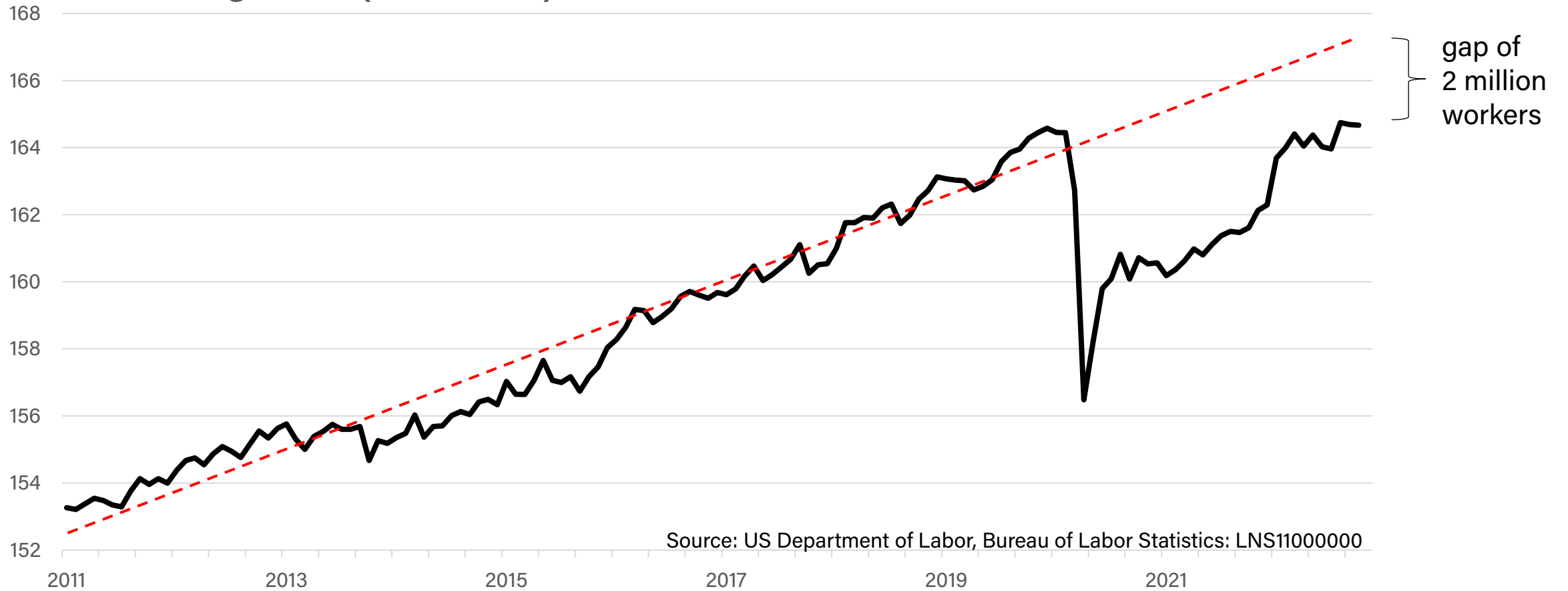
Inflation

Monthly Percentage Change at Annual Rate



US Civilian Labor Force

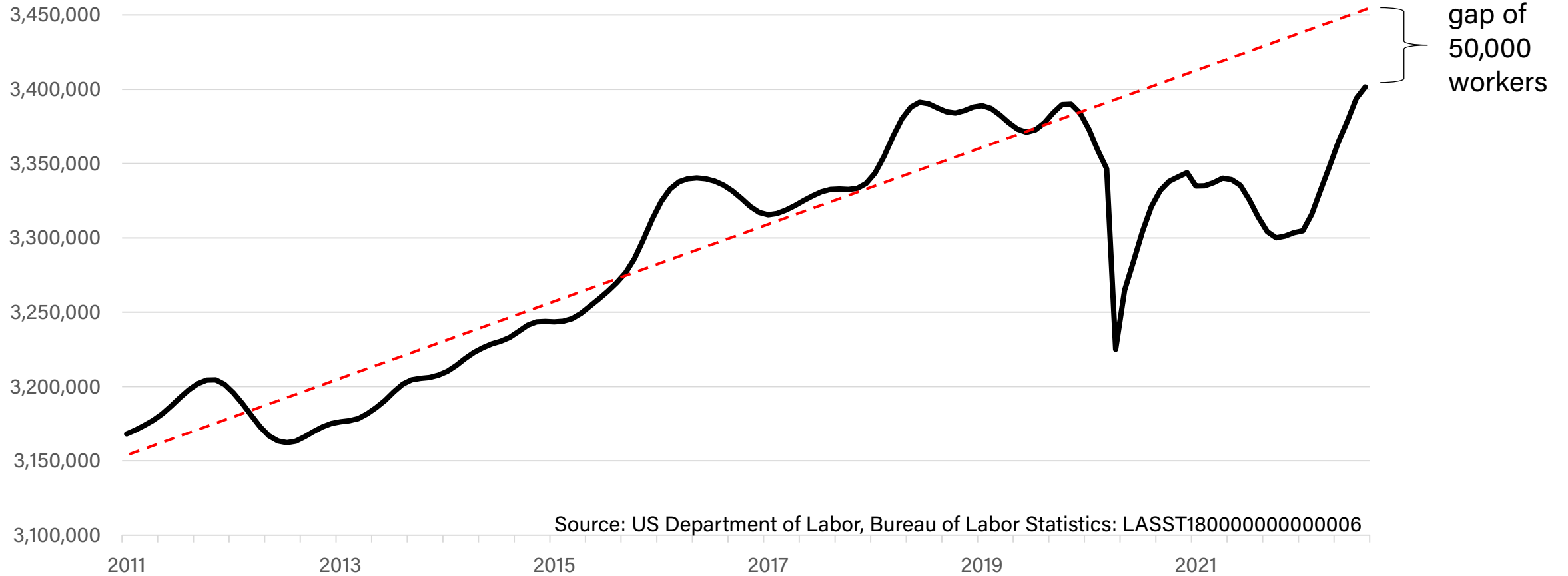
Workers age 16+ (in millions)



Source: US Department of Labor, Bureau of Labor Statistics: LNS11000000

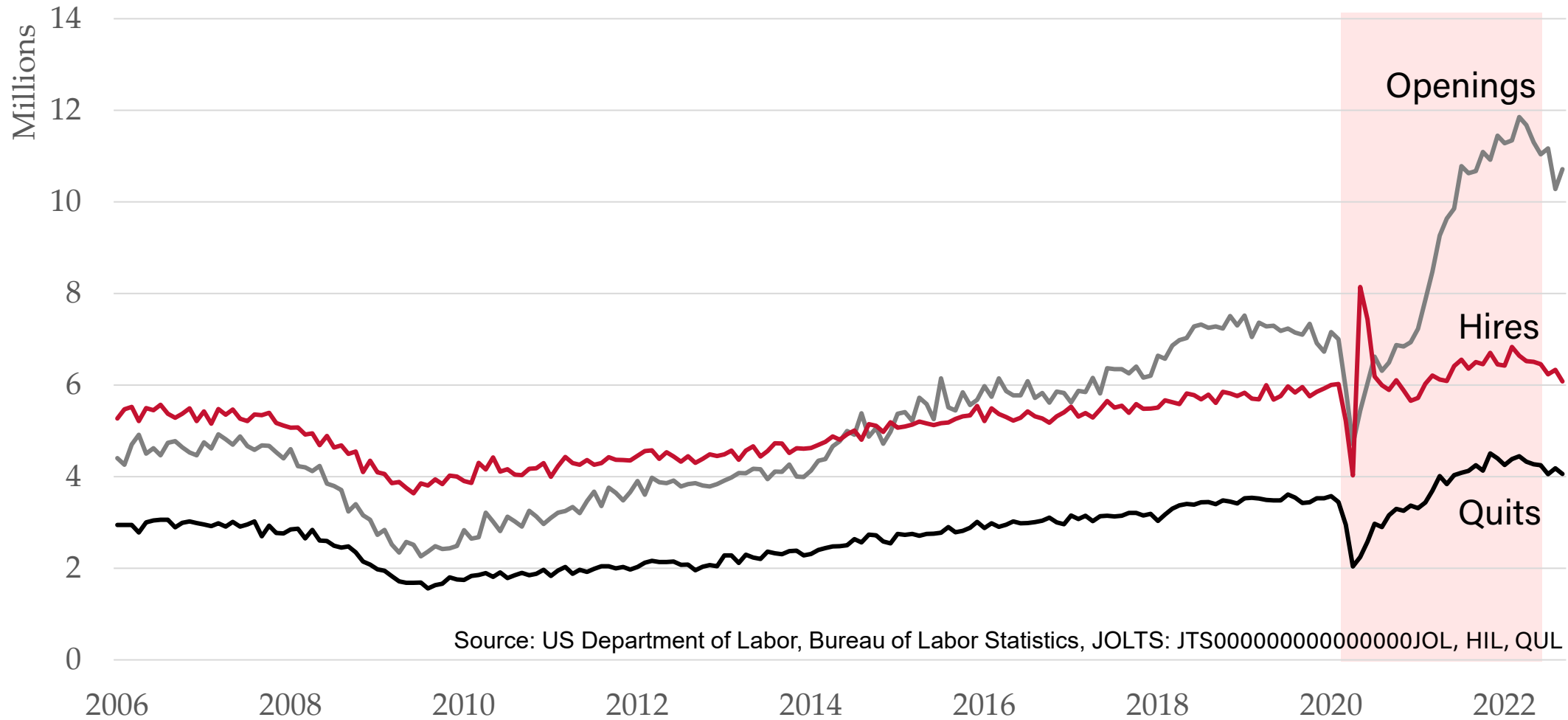
Indiana Civilian Labor Force

Indiana Workers age 16+



Source: US Department of Labor, Bureau of Labor Statistics: LASST1800000000000006

Openings, New Hires, and Quits



Source: US Department of Labor, Bureau of Labor Statistics, JOLTS: JTS0000000000000000JOL, HIL, QUL

Forecast Topics

My past topics:

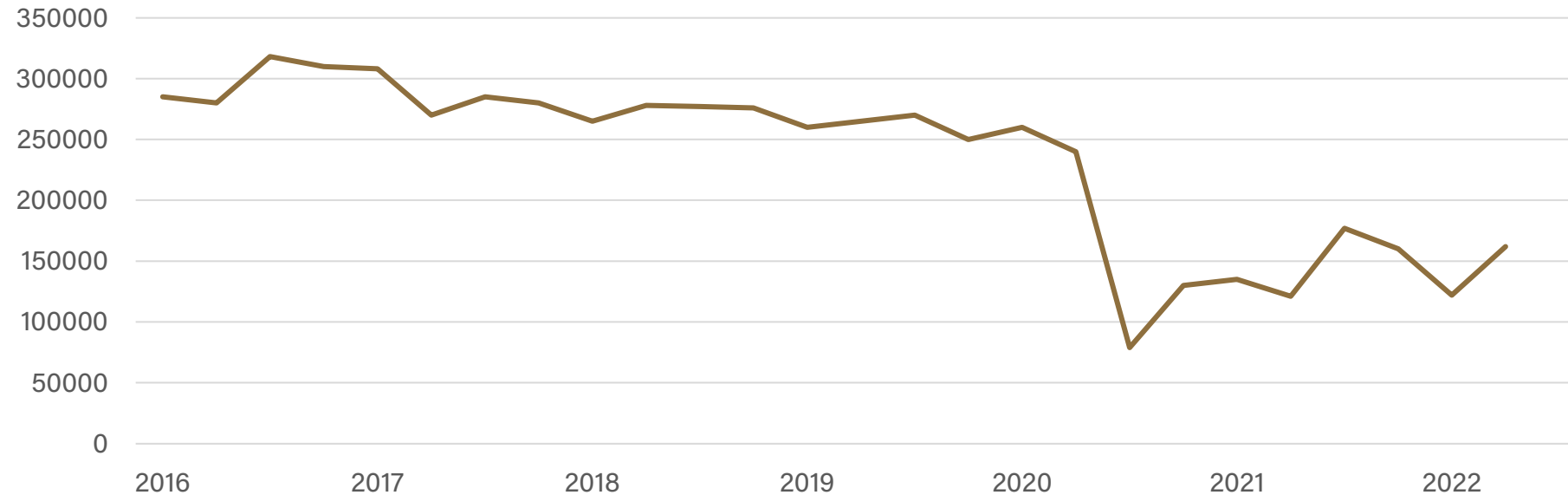
- Skill-biased technological change
- Occupations that are growing/shrinking
- Solow model of economic growth
- Federal income tax cuts
- Social Security
- Government response to the pandemic

Today's topic:

- US immigration policy

Immigration Policy

Number of Green Cards Issued by Quarter



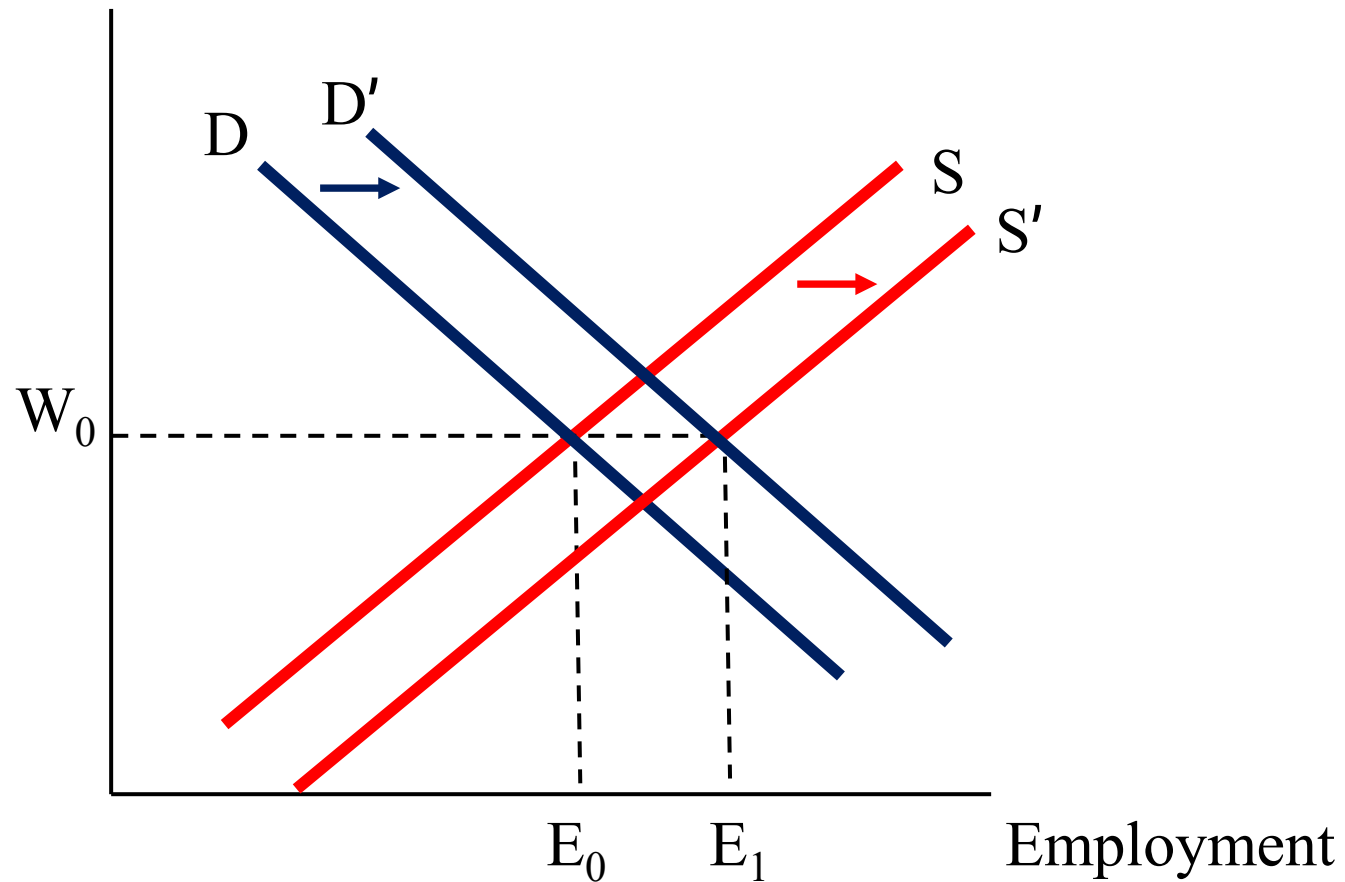
- 12.8 million current green card holders in the US
- Backlog of 9 million green card applications (waitlist)

Incorrect Views on Immigration:

- “Each working immigrant is taking a job away from an American citizen”
- “You are not going to get an American citizen to do that type of work.”
- These arguments ignore the slopes of the demand and supply curves
- New immigrants are also new consumers

Simple Labor Market Model

Wage



Winners and Losers

Empirical Evidence from an Increase in Immigration

- Workers benefit (high-skill workers benefit more)
- Capital owners benefit
- Homeowners benefit
- Immigrants benefit

- Renters are worse off
- Unclear if low-skill workers benefit

QUESTIONS WELCOME

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