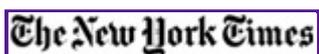


- [Try Times Reader today](#)
- [Log In](#)
- [Register Now](#)
- [TimesPeople](#)
- [Home Page](#)
- [Today's Paper](#)
- [Video](#)
- [Most Popular](#)
- [Times Topics](#)



Search All NYTimes.com



Tuesday, September 14, 2010

[Business](#)

- [World](#)
- [U.S.](#)
- [N.Y. / Region](#)
- [Business](#)
- [Technology](#)
- [Science](#)
- [Health](#)
- [Sports](#)
- [Opinion](#)
- [Arts](#)
- [Style](#)
- [Travel](#)
- [Jobs](#)
- [Real Estate](#)
- [Autos](#)

- [Global](#)
- [DealBook](#)
- [Markets](#)
- [Economy](#)
- [Energy](#)
- [Media](#)
- [Personal Tech](#)
- [Small Business](#)
- [Your Money](#)

MADE TO MEASURE

THROUGH SEPTEMBER + OCTOBER ENJOY PERFECT FIT, CUSTOM DETAILS, + EXCLUSIVE FABRICS.

FOR MORE INFO ▶

BARNEYS NEW YORK

Economix

Explaining the Science of Everyday Life



September 13, 2010, 6:00 am

How Many Jobs Do We Need?

By [NANCY FOLBRE](#)



Nancy Folbre is an economics professor at the [University of Massachusetts Amherst](#).

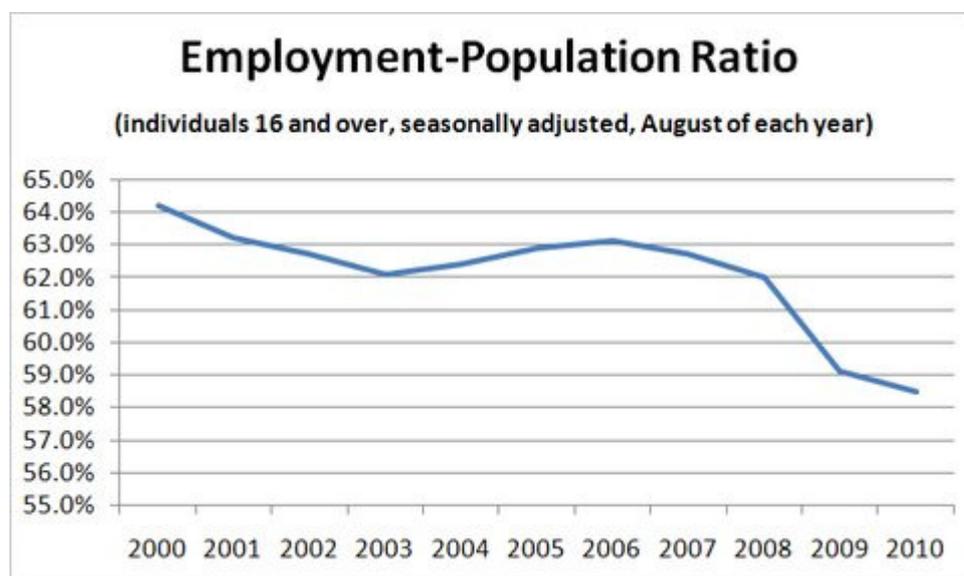
The answer to how many jobs the United States needs depends on how you define “we” and how you define need.

People who have secure jobs may not be too worried about employment levels. Some may even anticipate a comfortable ride over the next few months, whether it leads to another dip in economic growth or to “jobless recovery.”

In an increasingly global economy, some big businesses may look to exports as a source of demand for their goods and services. Others may be able to just sit tight until conditions improve. Corporate profits have rebounded, [partly as a result](#) of high unemployment, which makes it easier to cut labor costs.

Do those unemployed really need jobs? [Some economists suggest](#) that many are just free-riding on the rest of us by taking extended unemployment benefits. In [last week's post](#), I argued that a focus on the decline in wage and salary jobs is useful, because it sidesteps the assertion that the unemployed are just pretending to want work.

The problem is not just fewer jobs, but more potential job applicants.



Trends in the employment-population ratio over the last 10 years, shown in the chart above, put these two

factors together. The current decline started in 2006 and intensified in 2008. The decline in 2009 was the [largest since 1948](#), when the [Bureau of Labor Statistics](#) began to collect this data.

As [Bradford DeLong](#) of the [University of California](#), Berkeley, [observes](#), the continuing decline in the employment-population ratio – albeit at a less precipitous rate – suggests that economic upturn is an inappropriate description of our current situation.

[Long-run trends](#) show that the employment-population ratio increased steadily between the 1970s and the 1990s, as more women joined the work force. Men's employment rates declined over this period, but not enough to counterbalance increases for women.

The ratio has always declined in recession years, but now the recession-related declines have swamped long-term trends – we are now at an employment-population ratio about the same as in 1977.

As I argued [in a post](#) last year, we shouldn't assume that paid employment is the only productive activity that individuals engage in. Unpaid work in the home should be counted as part of an expanded measure of gross domestic product and may help buffer some of the effects of unemployment.

But families are limited in their ability to substitute time for money. You can't engage in home improvements if you can't buy building materials. You can't cook your own meals if your utilities have been cut off. You can't grow your own food if you don't have a garden.

It's nice to have more time to care for children and other family members, but not if you lack the money to pay for their food, clothing, shelter and education.

Indeed, our increased dependence on the market economy helps explain why unemployment today is more economically stressful in some respects than it was in the 1930s, when fewer families depended on wage employment to put food on the table.

You can move in with Mom and Dad, and maybe even help cut their lawn. But you probably can't help out on the family farm or contribute to the family business, because they don't own anything but their home – and even that may be in foreclosure.

The [most outspoken advocates of job creation](#) project recent trends in the employment-population ratio into the future, pointing out that job shortages are likely to remain severe.

But many economists who oppose public job-creation efforts, like my fellow Economix blogger [Casey Mulligan](#), also [predict very slow growth](#) in employment over the next few years.

The big question then, is not whether many people will need jobs, but whether the rest of us need to do anything about their need.

- [E-mail This](#)
- [Print](#)
- [Share](#)

Twitter

- [Recommend](#)

[Daily Economist](#), [employment](#), [job creation](#), [Nancy Folbre](#), [recession](#), [Unemployment](#), [Unemployment Insurance](#)

Related Posts

From Economix

- [The Great Deprivation](#)
- [The Minimum Wage and Teenage Jobs](#)
- [Flex Work for Whom?](#)
- [When Will Women Become a Work-Force Majority?](#)
- [A Milestone for Working Women?](#)

-
- Previous post [For Whom Does the Health Insurance Broker Work?](#)

18 Readers' Comments

- Next post [2010, a Year of No Inflation](#)

[Post a Comment »](#)

- [All Comments](#)
- [Highlights](#)
- [Readers' Recommendations](#)
- [Replies](#)
- Oldest
- [Newest](#)

[1.](#)

Disappointed

France

September 13th, 2010

11:30 am

"But many economists who oppose public job-creation efforts, like my fellow Economix blogger Casey Mulligan, also predict very slow growth in employment over the next few years".

I often disagree with Professor Mulligan as well (see comments to his last post). Nevertheless, this is a pretty cheap shot, and unsubstantiated as well. If someone disagrees with Folbre on what the best means are to create jobs (reasonable and well-intentioned people often do), does that mean that the other such person "opposes job creation efforts"? I think not.

[Recommend](#) Recommended by 0 Readers

[2.](#)

Jim

Los Angeles

September 13th, 2010

11:30 am

If jobs pay in six figures, then one per family may be enough. If jobs pay \$25K, then all the adults in a family may need to work.

[Recommend](#) Recommended by 1 Readers

[3.](#)

Frederic B. McNally

Philadelphia, PA
 September 13th, 2010
 11:31 am

I suggest we do need to put people back onto the tax rolls with public employment rebuilding our infrastructure as the employer of last resort else we face a downward spiral of deflation or stagnation at unacceptable social costs because eventually all assets of the unemployed become exhausted including the "social assets" of co-housing, etc. No one wants the guests that overstay their welcome and that's what is beginning to happen. On the other hand, the conservatives who cheered about cuts in the social safety net to save on government outlays including a reduction in the government payroll should have seen that the 30 years "debt party" comes with a "balloon payment" requirement after the last champagne bottle is empty. The loud explosion you will hear is when desperate people take extreme social measures to survive because they aren't going to go down without a fight knowing who did them the disfavours creating their unemployment beginning with the federal government bowing down to Wall Street in lax regulation as in repealing the Glass-Steagall Act.

[Recommend](#) Recommended by 0 Readers

[4.](#)
[mary](#)

miami beach, fl
 September 13th, 2010
 11:31 am

What we have is a major change in social structure. What is cause and what is effect? This depends on person talking. This is surely tied into the time when the salary of one working parent is not considered sufficient to support a family with children.

At one time a woman working and supporting children alone was an object of pity; now it is viewed as the normal course of things. Far too many men just act like Johnny Appleseed--sowing children as he did apple trees and walking on and not raising them. Just let someone else do it, the mothers, grandmothers and/or society at large by the uses of taxes.

Think about it, guys. Who is responsible here?

[Recommend](#) Recommended by 0 Readers

[5.](#)
 Stanley M.
 Philadelphia

September 13th, 2010
 11:32 am

Two comments prompted by this article:

1. The world is full of people for whom there is no real work and the trend is diverging, with the number of people increasing at the same time automation is still increasing.

2. The indifference and callousness of the rich and powerful to the poor should no longer be shocking as it transcends all times and societies (Dickens's London, serfs in Russia, huge slave population in ancient Rome, etc), but thank goodness it still does have the power to shock me.

[Recommend](#) Recommended by 2 Readers

[6.](#)
 Jen
 NY

September 13th, 2010
 11:32 am

There is always work to be done. There are not always going to be jobs. The good news for the unemployed is that work can be compensated - not necessarily with pay and benefits, but with goods, favors and services-in-kind. Of course, in order for work to "pay off" in that way, you have to build trusting

relationships with other people - a way of life that "having a job" has made less necessary. We now have a society where people have lost or forgotten the kind of relationship skills that a jobless life requires.

[Recommend](#) Recommended by 0 Readers

[7.](#)

Ben

Austin

September 13th, 2010

11:32 am

I would guess that part of the decline in the employment ratio is a reflection of the changing demographics of America. Looking at this ratio across time by gender, age bracket, and race may illuminate more into causes of the change.

[Recommend](#) Recommended by 0 Readers

[8.](#)

[cabBROWN](#)

Rockcliffe Park, CANADA

September 13th, 2010

11:32 am

I am at a complete loss to understand why there is no serious discussion of the fact that tens of thousands of American jobs ((vide Apple Corporation and its iPhones & iPads)) are being exported to China and other countries. Why is this extraordinarily serious matter being avoided, not least of all by the New York Times and its columnists and commentators?

C. ALEXANDER BROWN

Rockcliffe Park, Canada,

Baden-Wuerttemberg, Germany.

[Recommend](#) Recommended by 3 Readers

[9.](#)

September 13th, 2010

11:32 am

This comment has been removed. Comments are moderated and generally will be posted if they are on-topic and not abusive. For more information, please see our [Comments FAQ](#).

[10.](#)

[Robert](#)

Washington, DC

September 13th, 2010

11:33 am

As many jobs as we can get!

Robert

Washington, DC

[Recommend](#) Recommended by 1 Readers

[11.](#)

[chefstig](#)

new york

September 13th, 2010

11:33 am

We need three jobs here. One for me and one for each of my recently degreed kids. No theories, no graphs, no stats. Just jobs. Three of them. End of comment.

[Recommend](#) Recommended by 2 Readers

[12.](#)

AndyfromTucson

Tucson AZ

September 13th, 2010

11:34 am

"The big question then, is not whether many people will need jobs, but whether the rest of us need to do anything about their need."

What is the point of being a nation if we don't take care of each other during hard times? If we are going to stand by idly while our fellow citizens suffer then what are we?

[Recommend](#) Recommended by 2 Readers

[13.](#)

cromanxx

NJ

September 13th, 2010

11:34 am

I would love to listen to the converstaion between the economist who state most folks are free - riding. and my wife, who has been searching for work for 2 years !

Any takers ?

[Recommend](#) Recommended by 0 Readers

[14.](#)

MARK KLEIN, M.D.

OAKLAND, CA

September 13th, 2010

11:35 am

Good bye to human labor. <http://in.reuters.com...>

[Recommend](#) Recommended by 1 Readers

[15.](#)

sustainableUSA

NY

September 13th, 2010

1:00 pm

Until there is full employment for current citizens there is no justification for artificially increasing our domestic population via net migration of +3500 per day (+1.3 million per year). If you disagree, explain your thoughts to cromanxx's wife (post 13) or my brother-in-law, just laid off after 13 years as a printer and now forced to look for work as a janitor.

[Recommend](#) Recommended by 1 Readers

[16.](#)

Mark T.

New York NY

September 13th, 2010

1:01 pm

As I read that graph, you have a long term trend, probably driven by skills based technological change, interrupted by a debt fueled uptick from 03-06 that concides with the last stage of the housing boom and probably centered on the construction and real estate finance sectors, and a return to the trend when that ended.

One answer is to reduce the time spent in school on academic subjects of little real world importance and more on occupationally-targeted education.

[Recommend](#) Recommended by 1 Readers

[17.](#)

dw

Ft Worth tx

September 13th, 2010

1:01 pm

seems to obvious. we need as many jobs as we have potential workers. otherwise we can end up with the problem that China is fighting to keep from having to address. thats a political problem. a large number of

jobless people have little interest in keeping the status quo if there gain nothing from it. and we have seen this many times in many decades. the best example what France right before revolution. and the large disturbance in the US in the great depression. and that was with a much more patient populace, that could survive by working the farm. things that aren't true today. it was drove the big programs that did address the problems and lower the impact of the great depression. without which democracy and capitalism might not have survived. but we are bent on revisiting how tolerant people are of this. again

[Recommend](#) Recommended by 0 Readers

[18.](#)

PW

Philly, PA

September 13th, 2010

2:46 pm

Who are we going to sell products to when people are no longer necessary to produce them? People need jobs to earn money to support themselves. As you point out in your article, it is no longer the case that the unemployed city worker can just go back to the farm to subsist on his or her labors. All of these have become largely automated businesses, that if they use human labor at all, it's of the cheap immigrant variety. If this nation, and others, want to avoid massive social unrest, then it needs to make sure that its population has things to occupy their time with. Idle hands are the devils work shop, and in other countries have fomented social unrest.

[Recommend](#) Recommended by 1 Readers

Post a Comment [Suggest a Correction to This Blog Post »](#)

You must [log in](#) to post a comment ([Register](#)).

Ads by Google

[what's this?](#)

[MBA London Courses](#)

MBA Degree Courses. Study In London Order A Free Prospectus Now!

Internationalbusinessschool.eu/MBA

Search This Blog

- Previous post [For Whom Does the Health Insurance Broker Work?](#)
- Next post [2010, a Year of No Inflation](#)

Featured Economix Posts

- [How Many Jobs Do We Need? \(18\)](#)

Economic upturn is no way to describe the current state of affairs, an economist writes, because unemployment remains so high.

- [For Whom Does the Health Insurance Broker Work? \(17\)](#)

The health care overhaul is unlikely to endanger brokers, but their role in bringing together providers and the insured will continue to raise potential conflicts, an economist writes.

- [The President Tinkers at the Margins \(20\)](#)

President Obama should push harder for medium-term deficit reduction and comprehensive tax reform, an economist writes.

- [Stimulus and Private-Sector Hiring \(39\)](#)

Military spending was not what ended the Great Depression, and now only gets in the way of expanded private-sector employment, an economist writes.

- [Another, Safer Route for Engineers: National Security \(6\)](#)

There are certain engineering jobs that cannot be outsourced — and not because the talent doesn't exist, or is more expensive abroad, but because the employer may be prohibited from doing so.

- [A Tale of Three States \(9\)](#)

California, Florida and Michigan — all with terrible unemployment problems — may be victims of their past success, an economist writes.

- [Taking the 'Un' Out of Unemployment \(31\)](#)

Unemployment is understated by many measures, and a closer look at the numbers underscores the need for job-creation policies, an economist writes.

- [Professor Bernanke's Summer Reading List \(15\)](#)

Upon the request of the Financial Crisis Inquiry Commission, the chairman of the Federal Reserve suggested a few good reads about financial crises.

- [On Health Care, the Devil's in the Details \(18\)](#)

How various health-care costs are allotted to which categories is a subject of fierce debate with the sector, and the stakes are high for the public, an economist writes.

- [In Ireland, Dangers Still Loom \(25\)](#)

Ireland's financial stability remains highly uncertain, and its problems could ripple through Europe, two economists warn.

Economic Indicators

Staff Contributors



[Catherine Rampell](#) is the economics editor at nytimes.com.

- [Posts](#) | [Twitter feed](#)



[David Leonhardt](#) writes the Economic Scene column, which appears in The Times on Wednesdays.

- [Posts](#)



[Motoko Rich](#) is an economics reporter for The New York Times.

- [Posts](#)



[Michael Powell](#) is an economics reporter for The New York Times.

- [Posts](#)



[Steven Greenhouse](#) writes about labor and workplace issues for The New York Times.

- [Posts](#)



[Liz Alderman](#) writes about European economics, finance and business from Paris.

- [Posts](#)



[Sewell Chan](#) writes about economic issues from Washington D.C.

- [Posts](#)



[Jack Ewing](#) writes about European economics and business from Frankfurt.

- [Posts](#)

Daily Economists



Economists offer readers insights about the dismal science.

Nancy Folbre

University of Massachusetts-Amherst

- [Bio](#) | [Posts](#)

Edward L. Glaeser

Harvard University

- [Bio](#) | [Posts](#)

Simon Johnson

M.I.T./Peterson Institute

- [Bio](#) | [Posts](#)

Casey B. Mulligan

University of Chicago

- [Bio](#) | [Posts](#)

Uwe E. Reinhardt

Princeton University

- [Bio](#) | [Posts](#)

About This Blog

Economics doesn't have to be complicated. It is the study of our lives — our jobs, our homes, our families and the little decisions we face every day. Here at Economix, [David Leonhardt](#), [Catherine Rampell](#) and other contributors will analyze the news and use economics as a framework for thinking about the world. We welcome feedback, at economix@nytimes.com.

- [Welcome to Economix](#)
- [Comments Policy](#)

Credit Crisis Indicators

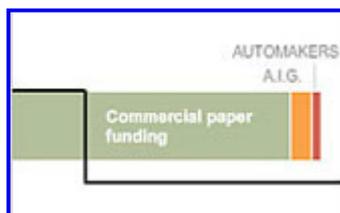
Introducing Apture



Apture allows readers to dig deeper into a subject without ever leaving the blog post. When you click on any link marked by the icons , , or , you will be able to view video, reference materials, images and other related media. Please e-mail your feedback and thoughts on this feature to apture@nyt.com.

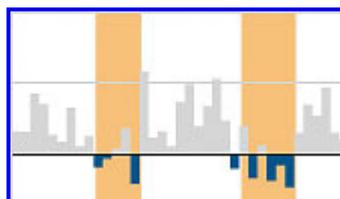
Multimedia

[Breaking Down the Bailout](#)



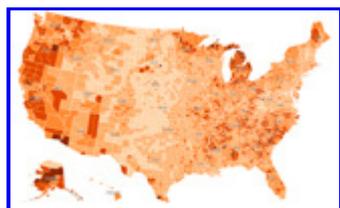
An accounting of the government's rescue package.

[How the Government Dealt With Past Recessions](#)



Three economists explain what worked and what didn't.

[Geography of a Recession](#)



A map of unemployment rates across the United States, now through January.

- [Related Article](#)

Living WITH Less

Faces, numbers and stories from behind the downturn.

Special Features

[The Debt Trap](#)



A series about the surge in consumer debt and the lenders who made it possible.

[The Reckoning](#)



A series exploring the origins of the financial crisis, from Washington to Wall Street.

Blogroll

Blogroll

- [Barking Up the Wrong Tree](#)
- [Brad DeLong](#)
- [Cafe Hayek](#)
- [Calculated Risk](#)
- [Capital Gains and Games](#)
- [Dani Rodrik's Weblog](#)
- [DataPoints: The Dismal Scientist Blog](#)
- [Econbrowser](#)
- [EconLog](#)
- [Economist's View](#)
- [Greg Mankiw](#)
- [Marginal Revolution](#)

- [Nouriel Roubini's Global EconoMonitor](#)
- [Nudge](#)
- [Raghu Rajan](#)
- [Robert Reich](#)
- [Tax.com](#)
- [TaxProf](#)
- [TaxVox](#)
- [The Baseline Scenario](#)
- [The Becker-Posner Blog](#)
- [The Big Picture](#)
- [Will Wilkinson: The Fly Bottle](#)

Blogs From Newspapers and Magazines

- [Andrew Sullivan](#)
- [Ezra Klein](#)
- [Felix Salmon](#)
- [Floyd Norris](#)
- [Freakonomics](#)
- [Free exchange \(The Economist\)](#)

- [James Surowiecki](#)
- [Megan McArdle](#)
- [Money-Supply \(Financial Times\)](#)
- [Paul Krugman](#)
- [Real Time Economics \(WSJ\)](#)
- [Wolf Forum \(Financial Times\)](#)

Economic Resources

- [Employment Statistics](#)
- [GeoFRED: Geographic Federal Reserve Data](#)
- [Historical Data on Job Growth and Wages](#)
- [Historical Unemployment Data](#)
- [Inflation Calculator](#)
- [Interactive Housing Calculator](#)

- [International G.D.P. Rankings](#)
- [Latest Job Market Data](#)
- [Local Gas Prices](#)
- [Statistics on Income, Poverty and Health Insurance Coverage in the U.S.](#)
- [U.S. G.D.P. Statistics](#)

Subscribe

- [Economix RSS](#)

Tag List

- [DAILY ECONOMIST](#) 454
- [TAXES](#) 221
- [UNEMPLOYMENT](#) 214
- [HEALTH CARE](#) 208
- [EMPLOYMENT](#) 114
- [UWE E. REINHARDT](#) 110
- [HOUSING](#) 109
- [STIMULUS](#) 109
- [EDWARD L. GLAESER](#) 108
- [HEALTH INSURANCE](#) 103
- [CASEY B. MULLIGAN](#) 94
- [JOBS REPORT](#) 93
- [JOBS](#) 90
- [SIMON JOHNSON](#) 84
- [WOMEN IN THE WORKFORCE](#) 82

- [NANCY FOLBRE](#) 78
- [RECESSION](#) 78
- [FEDERAL RESERVE](#) 69
- [U.S. HEALTH CARE COSTS](#) 69
- [EDUCATION](#) 67
- [BANKS](#) 66
- [BAILOUT](#) 65
- [CHINA](#) 62
- [BUDGET DEFICIT](#) 62
- [FINANCIAL CRISIS](#) 62
- [INTERNATIONAL ECONOMICS](#) 61
- [HIGHER EDUCATION](#) 60
- [CREDIT CRISIS](#) 59
- [GROSS DOMESTIC PRODUCT](#) 57
- [MAP](#) 57

Archive

Select Month

Today's Headlines Daily E-Mail



Sign up for a roundup of the day's top stories, sent every morning.

Sign Up

[See Sample](#) | [Privacy Policy](#)



Screen Test: William Shatner

ALSO IN VIDEO »

- [A Conversation: Fashion's new generation](#)
- [The Frugal Traveler: Touring the south](#)

nytimes.com

VIDEO

Ads by Google

[what's this?](#)

Future Dialogue 2010

Leading experts discuss future trends of the global energy system.

www.siemens.com/futuredialogue

Home

- [World](#)
- [U.S.](#)
- [N.Y. / Region](#)
- [Business](#)
- [Technology](#)
- [Science](#)
- [Health](#)
- [Sports](#)
- [Opinion](#)
- [Arts](#)
- [Style](#)
- [Travel](#)
- [Jobs](#)
- [Real Estate](#)
- [Autos](#)
- [Back to Top](#)

[Copyright 2010 The New York Times Company](#)

- [Privacy](#)
- [Terms of Service](#)
- [Search](#)
- [Corrections](#)

- [RSS](#)
- [First Look](#)
- [Help](#)
- [Contact Us](#)
- [Work for Us](#)
- [Advertise](#)
- [Site Map](#)