Twitter Thread by Aaron Sojourner



Aaron Sojourner
@aaronsojourner

Happy #JobsDay. 8:30 ET @BLS_gov delivers the most-important signals abt how economy is changing.

Forecasts' center:
+432,000 jobs
6.8% unemployment, tick down from 6.9%

But lots of reason to expect weaker jobs growth.

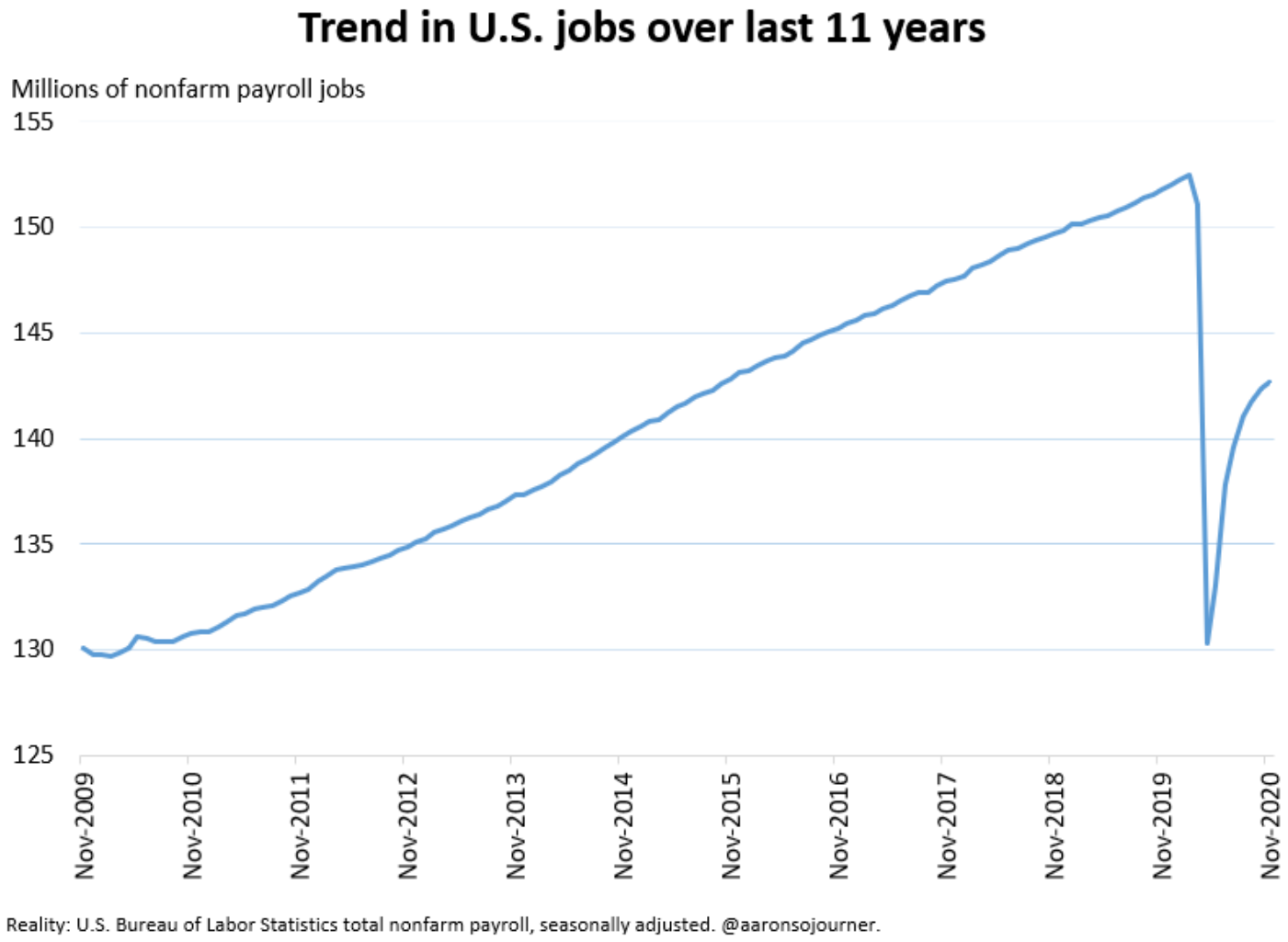
+245K jobs gained last month (mid-Oct to mid-Nov).

Small +11K revisions of last 2 months.

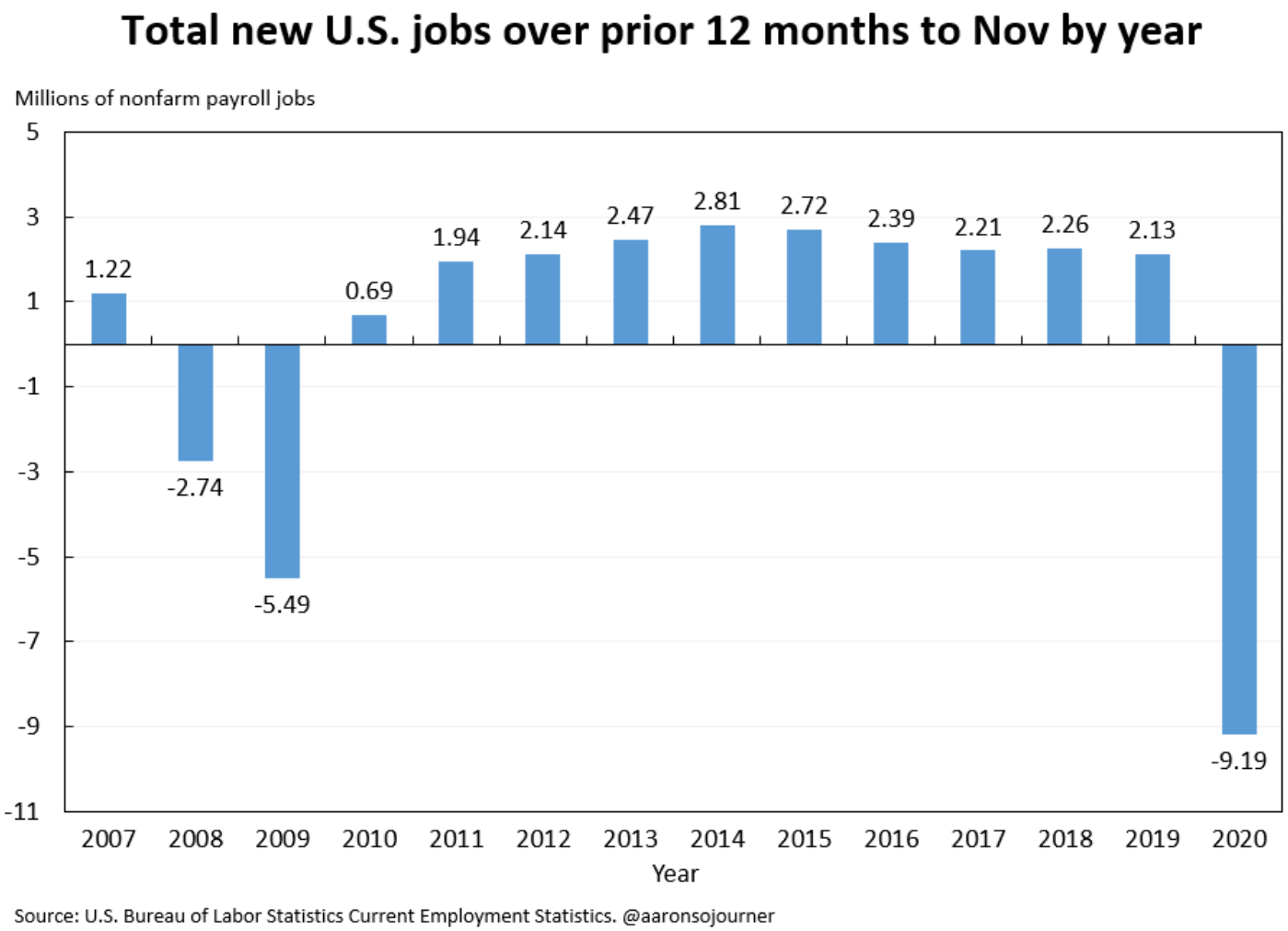
This continues the deceleration of job growth we seen steadily for months.

We are down 9.8 million jobs since Feb and growth is decelerating, likely to turn negative over the current month.

For comparison, during the Great Recession, we lost fewer than 9 million jobs.

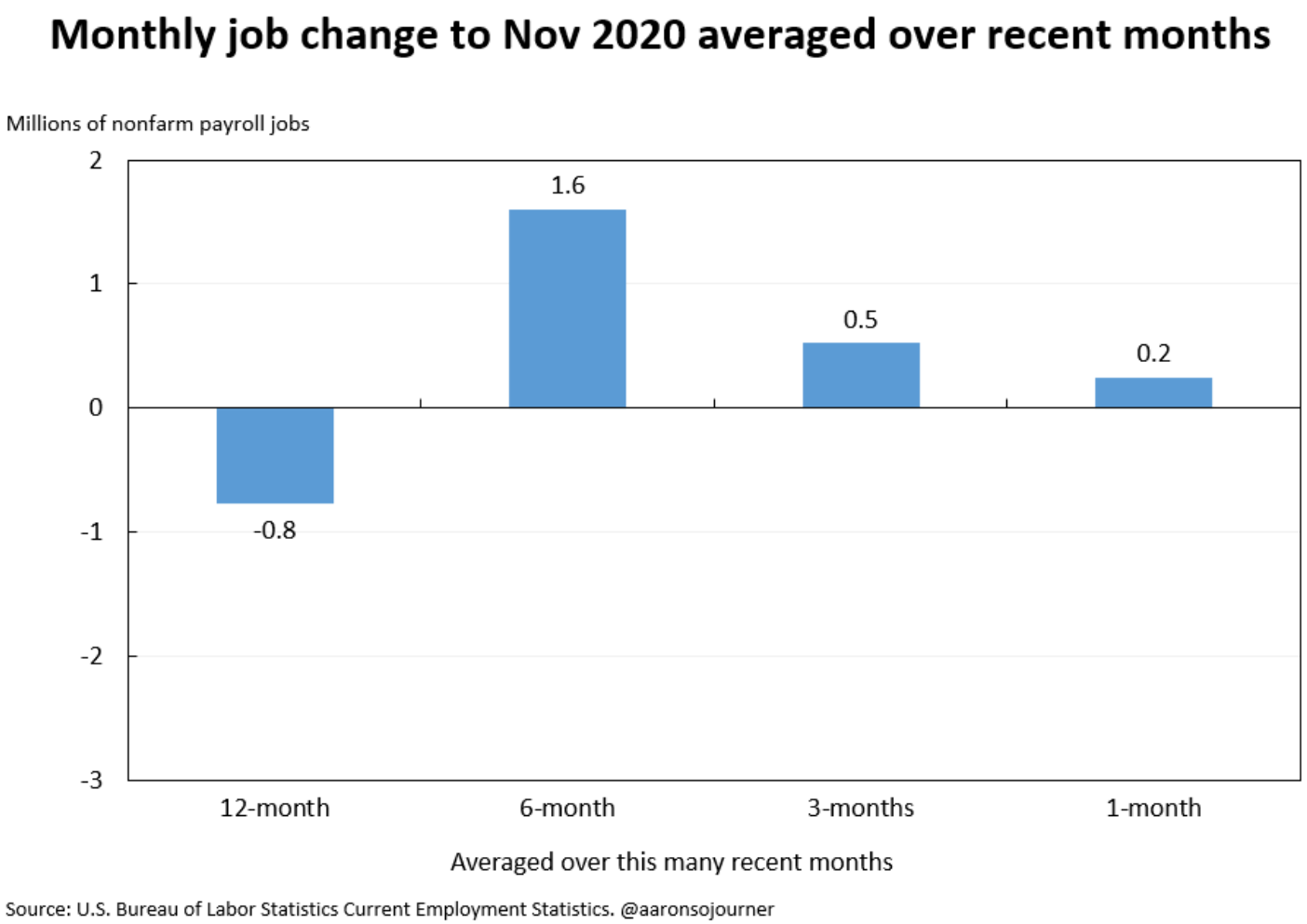


We lost 9.19 million jobs over the last 12 months.



We gained 245K last month (0.2 million). This is half the growth rate over the last 3 months and an eight of the growth rate over the last 6 months.

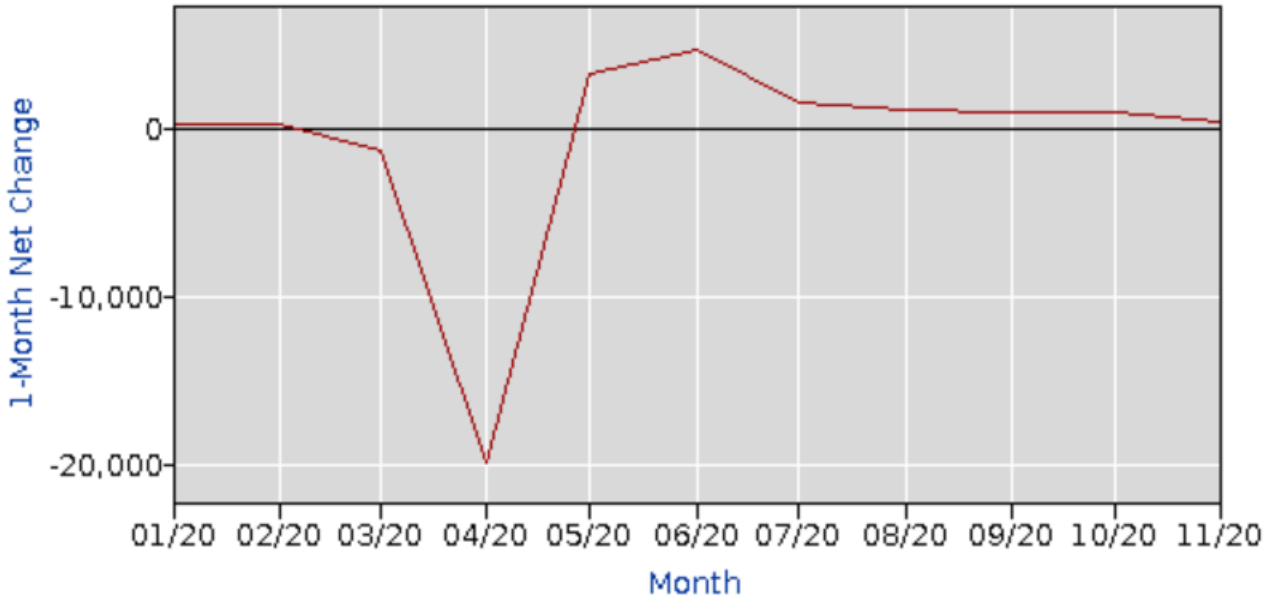
Deceleration is clear.



93K temporary Census worker layoffs are reflected in the +245K.

The private sector added 344K, this is much weaker than recent months' growth, less than half of last month.

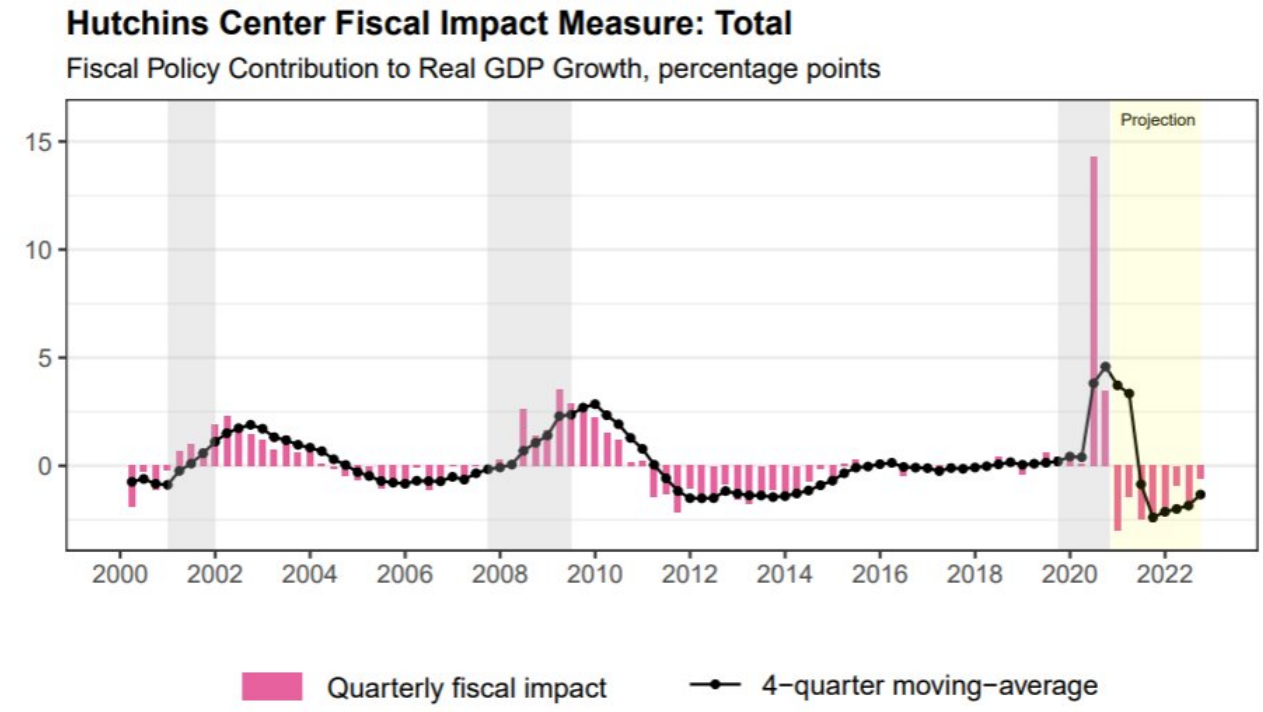
1-Month Net Change
Series Id: CES0500000001
Seasonally Adjusted
Series Title: All employees, thousands, total private, seasonally adjusted
Super Sector: Total private
Industry: Total private
NAICS Code: -
Data Type: ALL EMPLOYEES, THOUSANDS



Federal govt borrowed to provide support in the spring, causing a huge spike in fiscal stimulus in 2020Q2. This stepped down in Q3.

Fiscal policy is on track to be negative in Q4, contracting the economy.

This is insane.
https://t.co/8zJ48EafC7

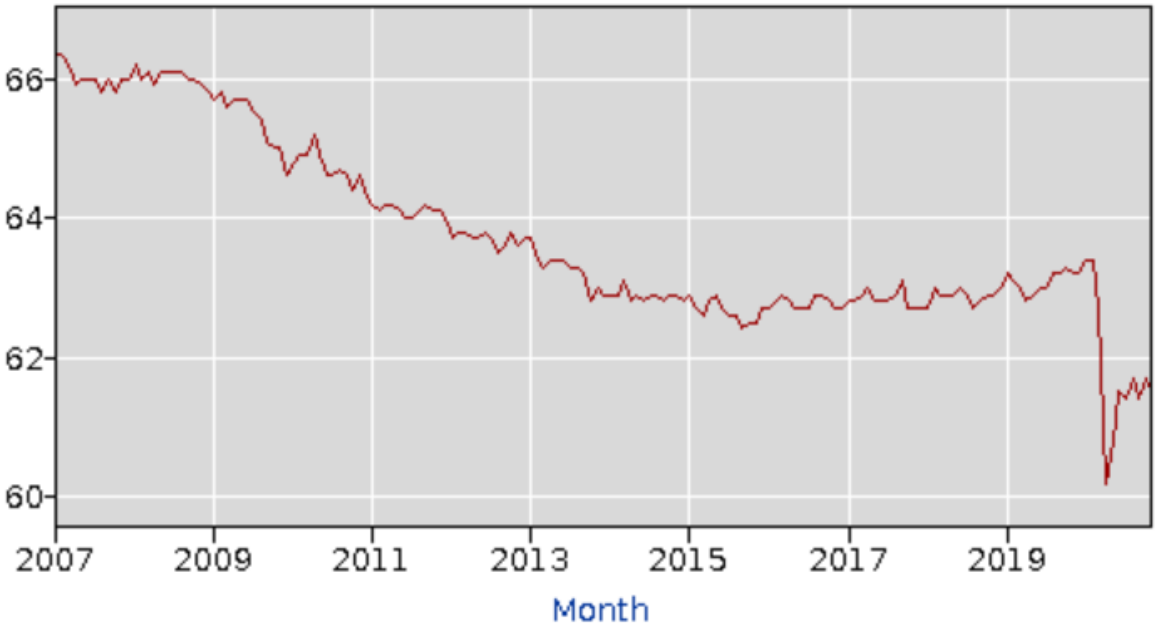


The share of adults working or searching for working -- the labor force participation rate -- down 0.2 percentage points (pp) to 61.5%, suggesting people stopped looking for work.

Been basically stalled for months.

Labor Force Statistics from the Current Population Survey

Series Id: LNS11300000
Seasonally Adjusted
Series title: (Seas) Labor Force Participation Rate
Labor force status: Civilian labor force participation rate
Type of data: Percent or rate
Age: 16 years and over

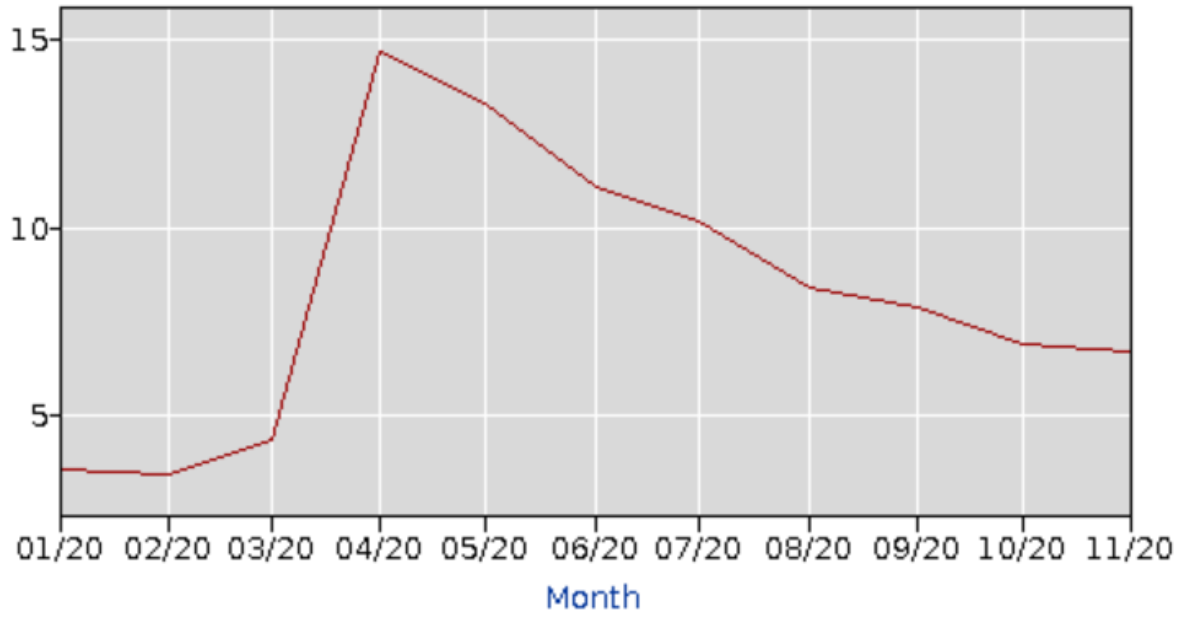


The unemployment rate also fell 0.2 pp, but improvement stalling.

Reflects unemployed stopping search not finding work, due to rising public health threat making many jobs riskier.

These folks are saving lives & health but market won't pay them for that work. Govt should.

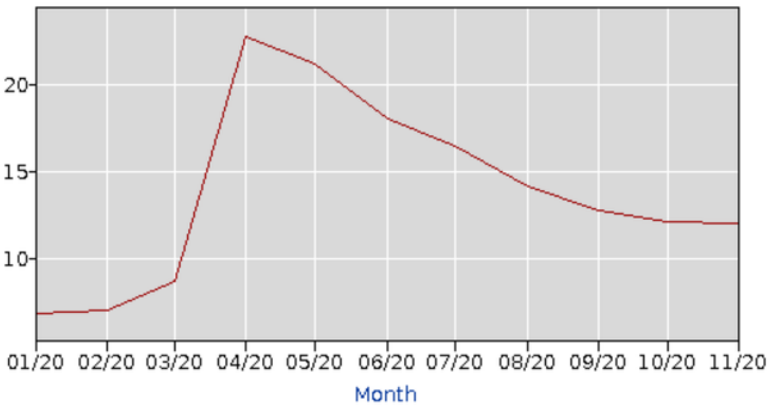
Series Id: LNS14000000
Seasonally Adjusted
Series title: (Seas) Unemployment Rate
Labor force status: Unemployment rate
Type of data: Percent or rate
Age: 16 years and over



The broadest official measure of labor under-utilization ("U6") has also basically stalled. It includes discouraged workers, those marginally attached to the labor market, and those working part time but who would prefer full time on top of the unemployed.

Labor Force Statistics from the Current Population Survey

Series Id: LNS13327709
Seasonally Adjusted
Series title: (Seas) Total unemployed, plus all persons marginally attached to the labor force, plus total e
Labor force status: Aggregated totals unemployed
Type of data: Percent or rate
Age: 16 years and over
Percent/rates: Unemployed and mrg attached and pt for econ reas as percent of labor force plus marg attached



Average workweek in private sector unchanged at 34.8 hours in Nov.

In manufacturing, workweek decreased by 0.2 hour to 40.3 hours, & overtime decreased by 0.1 hour to 3.1 hours.

In sum,

1) the labor market is stalling with job losses comparable to the bottom of the Great Recession.

2) many jobs are increasingly dangerous & we should pull back from some econ activity to preserve health.

Vaccines will bring improvement but we should protect each other thru the next few months.

Instead, 12-13 million Americans out of work through no fault of their own are about to lose their insurance benefits on the day after Christmas.

https://t.co/bN8zddMhMB

> \U0001f6a8 This is a time bomb ticking in plain view that will blow up the stability, health, and well-being of many millions of American families &, consequently, damage the macroeconomy and everyone else.\U0001f6a8https://t.co/m2ooWo880V
>
> — Aaron Sojourner (@aaronsojourner) October 28, 2020

Households expectations are worsening quickly. https://t.co/U9e6k17fzH

> \U0001f6a8The number of American households expecting to lose employment income rose 18% over the last 2 weeks \U0001f6a8 #HouseholdPulseSurvey
>
> Millions expect loss in next 4 weeks: survey period
>
> 75.6 : Nov11-Nov23
> 64.2 : Oct28-Nov9
> 59.7 : Oct14-Oct26
> 58.3 : Sep30-Oct12
> 59.2 : Sep16-Sep28 https://t.co/MYi9hVSMha
>
> — Aaron Sojourner (@aaronsojourner) December 2, 2020

Small business expectations are worsening too.
https://t.co/xZ1HKAHb0f

> Expectations worsening.
>
> The share of small businesses expecting that, in the next 6 months, they will need to identify & hire new employees is falling.
>
> Small businesses increasingly say they need public health & liquidity. pic.twitter.com/E8y7wzeYE9

— Aaron Sojourner (@aaronsojourner) December 3, 2020

The U.S. economy has, according to the latest official data, 6.4 million job openings.

Unless the federal govt acts, about twice that many people will be kicked off unemployment insurance on Dec 26.

Pre-haunting Ebenezer Scrooge would approve.

It is the best of times on Wall Street.

It is the worst of times on Main Street.

Last thing. @BLS_gov does amazing work to create timely, accurate info about America's working families, a huge public good.

They are there for us & we need to show up for them. If you are a labor economist or care about workers & employment, follow & join @Friends_of_BLS.

Last, last thing.

@snaidunl & I have a new report out today @rooseveltinst.
https://t.co/jHIK2xXWj4

> \u203c\ufe0f NEW from @rooseveltinst \u203c\ufe0f @snaidunl @aaronsojourner explain why, despite public perception, a #skillsgap doesn\u2019t explain rising economic inequality or persistent race and gender inequality. \U0001f447\U0001f3fd\U0001f447\U0001f3fd https://t.co/GtVqi8PMbt
>
> — Katie Kirchner (@kkirch92) December 4, 2020