Broken Escalator: Gathering Systemic Troubles
In 21st Century America

Nicholas Eberstadt
Henry Wendt Chair in Political Economy
American Enterprise Institute
eberstadt@aei.org

Associated General Contractors of America
National Chapter Leadership Conference
Washington DC
September 25, 2017

The Big Slowdown…
Real (2009 USD) GDP, quarterly, 2000-2016
(exponential trend-line 1947-2007)

...And The Crash

(seasonally adjusted)

Decline of the Males

Employment to Population Ratios: Ages 25-54 by Sex, 1948-2017 (seasonally adjusted)


Copyright Nicholas Eberstadt
### An Invisible Army of Men without Work


<table>
<thead>
<tr>
<th>Decadal Averages:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1950s: 6.2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1960s: 6.3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1970s: 8.7%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1980s: 11.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990s: 12.3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000s: 13.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010s: 16.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


# US male “work rates”: Nowadays vs. Selected Depression years

## Year and source

<table>
<thead>
<tr>
<th>Year and source</th>
<th>Employment to population ratio, men 20-64 (percentage of civilian non-institutional population)</th>
<th>Employment to population ratio, men 25-54 (percentage of civilian non-institutional population)</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 2017 (BLS, seas. unadj.)</td>
<td>80.0</td>
<td>85.1</td>
</tr>
<tr>
<td>1940 (Census)</td>
<td>81.3</td>
<td>86.4</td>
</tr>
<tr>
<td>1930 (Census)</td>
<td>88.2*</td>
<td>91.2*^</td>
</tr>
</tbody>
</table>

Notes: * = calculated for total enumerated population, not civilian non-institutional population
^ = 25-44 population—corresponding male 25/44 work ratio for 2015 would be 85.3 for civilian non-institutional population alone

Sources:
The Great Postwar “Flight From Work” by Men
(seasonally unadjusted)

NILF to Unemployed Ratio
(employed = 100)
1950s: 86
1960s: 115
1970s: 150
1980s: 115
1990s: 186
2000s: 219
2015: 303
2017: 358 (thru July)


Copyright Nicholas Eberstadt
Race To The Bottom

Labor Force Participation Rates for Men Ages 25-54:
USA vs. 22 “Original” OECD Member States, 1960-2015


Copyright Nicholas Eberstadt
Who is more likely—and less likely—to be in the 7 million+ pool of prime age NILF men?

Relative odds by demographic characteristic: 2015 (Census CPS Microdata)

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Educational Attainment</th>
<th>Marital Status</th>
<th>Nativity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic</td>
<td>-20%</td>
<td>-59%</td>
<td>-36%</td>
</tr>
<tr>
<td>Asian</td>
<td>-10%</td>
<td>-43%</td>
<td>+41%</td>
</tr>
<tr>
<td>“Anglo” (Non-Hispanic White)</td>
<td>-7%</td>
<td>-3%</td>
<td>+48%</td>
</tr>
<tr>
<td>Multiracial</td>
<td>+31%</td>
<td>+25%</td>
<td>Widowed</td>
</tr>
<tr>
<td>Non-Hispanic Black</td>
<td>+71%</td>
<td>+77%</td>
<td></td>
</tr>
</tbody>
</table>
But Marriage Trumps Race
Labor Force Participation Rate for Men Ages 25-54 by Marital Status and Race: Married Black vs. Never Married White

Copyright Nicholas Eberstadt
The Uncanny Regularity of the Male Flight From Work

NILF Rates for Men 25-54 Years of Age: USA, 1965-2016

Notes: Recession variables - The data used to create this figure is from the "Current Population Survey" (CPS) as was downloaded from the Bureau of Labor Statistics. The data used to create the regression table in the upper left corner is also from the "Current Population Survey" but was downloaded from IPUMS-CPS for statistical manipulation. 1 if "year" variable falls into any time during the following list of recession dates; 0 otherwise. Recession dummy variables for the following recessions spanning the subsequent years: (1969-1970), (1973-1975), (1980-1982), (1990-1991), 2001, and (2007-2009).

Not All High School Dropouts Seem To Have Suffered


Copyright Nicholas Eberstadt

Notes: “Nativity” is a variable that equals 1 if an individual was born either in a territory of the United States or born in one of the fifty United States; “Nativity” equals 0 otherwise.
Where Are The U-Hauls?
NILF Rates Among Prime Age Males by State (2015)

Coefficient of Variation by State:
1980: 0.121
1990: 0.128
2000: 0.143
2010: 0.154
2014: 0.170


Copyright Nicholas Eberstadt
## Disability Nation

Reported Recipience of Disability Benefits for Prime Working Age Men 25-54 and their Households:
SIPP Survey, 1985 and 2013 (percent)

<table>
<thead>
<tr>
<th>Year</th>
<th>Employment status</th>
<th>Prime male disability benefit</th>
<th>Two or more prime male disability benefits</th>
<th>Disability benefit, household level</th>
<th>Two disability benefits, household level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>Total</td>
<td>4.2</td>
<td>0.6</td>
<td>13.1</td>
<td>1.9</td>
</tr>
<tr>
<td>1985</td>
<td>Employed</td>
<td>2.0</td>
<td>0.04</td>
<td>10.1</td>
<td>1.1</td>
</tr>
<tr>
<td>1985</td>
<td>Unemployed</td>
<td>4.7</td>
<td>0.17</td>
<td>23.7</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>1985 NILF</strong></td>
<td></td>
<td><strong>38.3</strong></td>
<td><strong>9.9</strong></td>
<td><strong>51.9</strong></td>
<td><strong>13.6</strong></td>
</tr>
<tr>
<td>2013</td>
<td>Total</td>
<td>6.3</td>
<td>1.1</td>
<td>14.9</td>
<td>2.4</td>
</tr>
<tr>
<td>2013</td>
<td>Employed</td>
<td>2.5</td>
<td>0.1</td>
<td>10.6</td>
<td>1.4</td>
</tr>
<tr>
<td>2013</td>
<td>Unemployed</td>
<td>4.3</td>
<td>--</td>
<td>21.6</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>2013 NILF</strong></td>
<td></td>
<td><strong>56.5</strong></td>
<td><strong>14.1</strong></td>
<td><strong>66.0</strong></td>
<td><strong>15.4</strong></td>
</tr>
</tbody>
</table>

Disability, Medicaid, and the Opioid Epidemic
Reported Recipience of Disability Benefits and Means Tested Benefits by Education:
US Prime Age Non-Labor Force Men, 2013 (percent)

Source: SIPP
Copyright Nicholas Eberstadt
Felony Nation
Estimated Population of Felons and Ex-Felons: USA, 1948-2010