



Economic Review

The Uneven Recovery in Prime-Age Labor Force Participation

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Prime-age individuals without a college degree had larger declines in their labor force participation during and after the recession, due in part to the disappearance of routine jobs.

The labor force participation rate of prime-age individuals (age 25 to 54) in the United States declined dramatically during and after the Great Recession. Although the prime-age labor force participation rate has been increasing since mid-2015, it remains below its pre-recession level. Understanding the reasons for this decline requires detailed analysis; aggregate statistics on labor force participation may mask potential differences in labor market outcomes by sex or educational attainment.

Didem Tüzemen and Thao Tran identify these differences, finding that prime-age men and women without a college degree experienced larger declines in their labor force participation rates during the recession than their college-educated counterparts. The disappearance of routine jobs over the last few decades may explain these declines. In addition, they find that only prime-age women with a college degree have seen their labor force participation rate fully recover to its pre-recession level, although their participation rate remains well below that of both college-educated and non-college-educated men.

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