

Foreword

Since 1978, the Federal Reserve Bank of Kansas City has hosted an annual Economic Policy Symposium, bringing together a diverse group of participants from around the world to discuss issues highly relevant for policymakers. This year's symposium, titled "Re-Evaluating Labor Market Dynamics," occurred Aug. 21-23, 2014, in Jackson Hole, Wyo.

We highlighted labor markets this year not only because many economies have yet to return to the conditions that prevailed prior to the global financial crisis of 2007-09, but also because many longer-run issues have emerged. Job polarization, which reflects the loss of middle-skill jobs to new technology and shifts in manufacturing to emerging markets, has altered the labor market landscape. The pace of new job creation, destruction and reallocation has also been declining, particularly in the United States. And aging populations in many countries will continue to affect labor markets in the decades ahead.

These developments pose challenges to policymakers, and the questions raised during the symposium proceedings rarely have easy answers. The symposium is an effort to compile original research from leading thinkers on these issues. A session may include a presentation of an original research paper, along with a discussant's commentary, or discussion among a panel of experts. This year, thought-provoking and pragmatic speeches on labor market dynamics were delivered by both the chair of the Federal Reserve, Janet L. Yellen, and the president of the European Central Bank, Mario Draghi.

Discussion, questions, responses and debate are hallmarks of the symposium proceedings, which is why we reconstruct the dialogue for the public in this volume. The proceedings provide a range of perspectives on labor market issues that have affected economies in the past and are likely to persist into the future.

We are grateful for the efforts of the authors, discussants, panelists and other participants for their important contributions. I also thank members of the staff of the Federal Reserve Bank of Kansas City who helped plan and arrange the symposium.

A handwritten signature in black ink, reading "Esther L. George". The signature is written in a cursive style with a large, prominent initial "E".

Esther L. George,
President and Chief Executive Officer,
Federal Reserve Bank of Kansas City