Comments on "Private Sector Estimates of Unemployment Rate and the Development of the Labor Force Concept" by Gabriel Mathy

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SGE Friday seminars
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Findings and views don't represent the agency
I'm not in the employment/unemployment field.
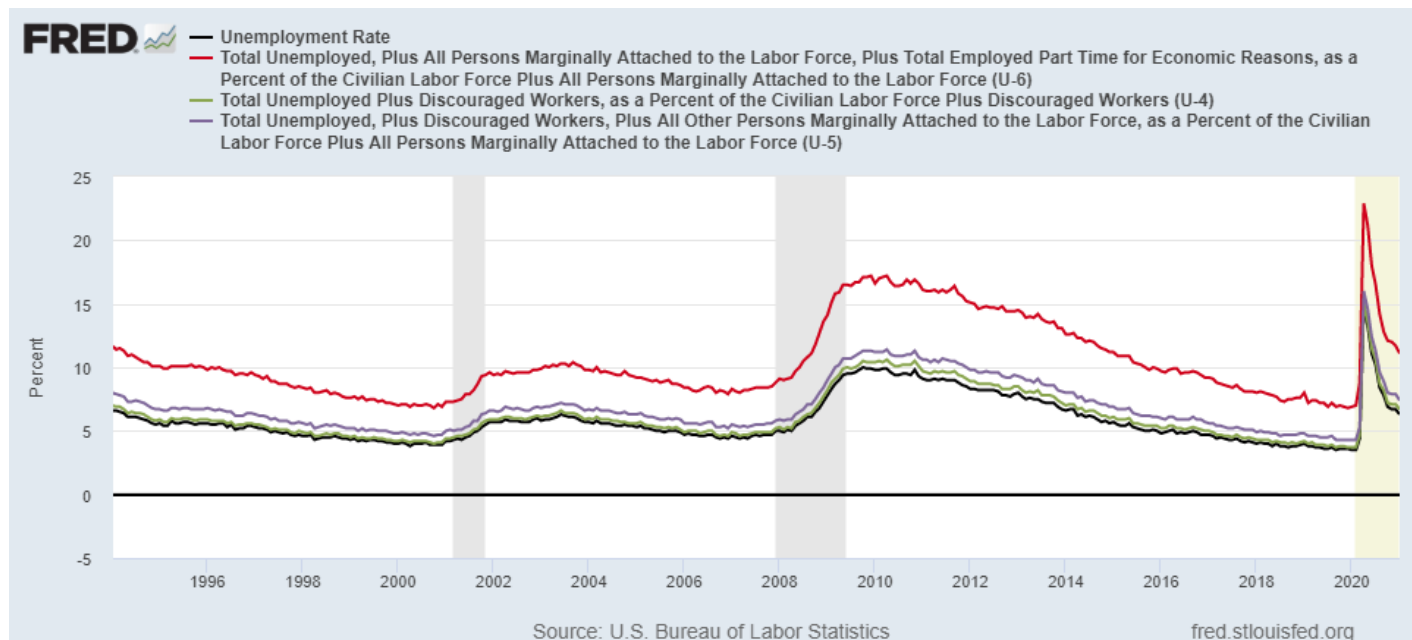
BLS

This paper is illuminating

➢ Prehistory of official unemployment measures

➢ Many independent characters
  ➢ Robert Nathan, Hart, Berridge, NICB, Ayres/Cleveland Trust, Chamber of Commerce, National Research League, AFL, Hetzel/CIO, Thompson, Krock, Lincoln, Eccles, Nixon & Samuelson, Woytinsky, Lebergott

➢ Contrast between methods:
  ➢ (1) Estimated labor force minus estimated employment
  ➢ (2) Census / survey / enumeration methods
    ➢ Monthly Reports ➡ Current Population Survey (CPS)

  ➢ Different concepts / measures of agricultural employment
  ➢ "Unemployment controversy of 1930"
    ➢ President Hoover's statement (disputed; Christmas hiring / seasonal adjustment)

How to count WPA and CCC workers?

➢ Emergency relief programs of Federal government in 1930s

   ➢ Works Progress Administration and Civilian Conservation Corps

➢ Contrast historic "gainful employment" to later "labor force" idea

   ➢ Gainful employment, Census 1870-1930

      ➢ Associated with reporting an occupation to the Census, whether working or seeking work

      ➢ . . . where occupation means the kind of work a person would ordinarily do

      ➢ NOT tied to what they did in a particular week

   ➢ Associated with concepts of role of individual in society

   ➢ New concepts and measures stabilize around 1940

   ➢ Gainful employment measures often miss women's paid work (Bose, 2001; Folbre)

   ➢ It's hard to push US labor force concepts and measures back to 1900

      ➢ Women, Native Americans, children, students, can't find/traveling, refused, retired, volunteering, border-crossers, military, institutionalized, unpaid apprentices

➢ Did participants say WPA and CCC are not productive, or just that it's not regular employment?

How to count discouraged workers?

➢ Recurring issue

➢ Official unemployment measures now tend to be based on behavior, not on what the individual says they'd want

  ➢ Conceptual / scientific question – what we want, and what we **can** measure

  ➢ Why? (1) **market measure**, (2) **stable measure**

  ➢ Was stability/measurability discussed in the 1930s-1940s?

Source: U.S. Bureau of Labor Statistics   fred.stlouisfed.org

Other characters and influences

➢ Frances Perkins, Secretary of Labor in 1930s-40s

  ➢ Public testimony about unemployment and employment statistics

➢ Isador Lubin, BLS chief

  ➢ Attentive to WWII planning   (Downey book; Goldberg and Moye)

➢ Some GNP concepts/measures stabilize around the same time

➢ Role of international comparisons and conferences?

  ➢ ILO

  ➢ International Congresses of Labour Statisticians, (Galenson and Zellner, 1957)

Alternatives blossom before standardization

➤ That's a recurring pattern in technology history

➤ What are we in the prehistory of now?

➤ Maybe: Faster measures, e.g. of GDP

  ➤ "Nowcasts" or "high frequency" measures, proxying for GDP

  ➤ This depends on a stabilized concept of GDP, even if it's complicated

  ➤ Many are available; Atlanta Fed has a smartphone app for this

  ➤ Nowcasting works better than prediction