



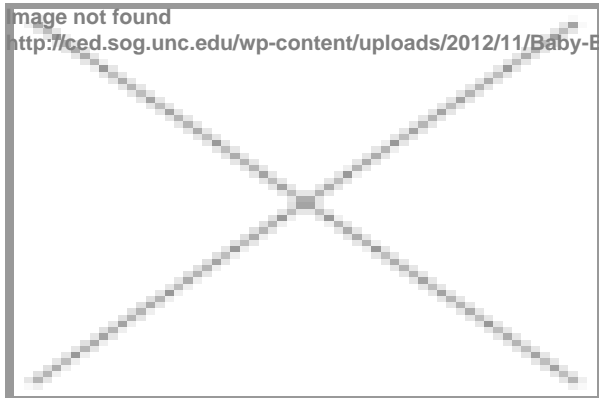
Community and Economic Development in North Carolina and Beyond Blog: A Generational Duel — Jobs and the Zero-Sum Game

By CED Guest Author

Article: <https://ced.sog.unc.edu/a-generational-duel-jobs-and-the-zero-sum-game/>

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When baby boomers delay retirement, do younger workers suffer?

— This is the key question (and title) of the September issue brief put forth by the Pew Charitable Trusts' Economic Mobility Project. The brief explores whether the “lump-of-labor theory” — the notion that younger workers are engaged in a zero-sum game for a fixed number of jobs — holds true in times of economic growth, as well as the last recession. They ultimately conclude that baby boomers are not ruining things for everyone else.

Drawing from Current Population Survey (CPS) data from 1977 to 2011, the report finds a one-percentage-point increase in employment among workers age 55 to 64 was associated with a 0.2-percentage point increase in the employment rate for 25-to-54-year-olds, and a 0.21-percentage point increase for workers age 20 to 24. This information led to the following conclusions:

- The lump-of-labor theory did not hold true during the Great Recession: there is no evidence that employment by Baby Boomers negatively impacted the labor force activity of younger workers.
- Just as during the Great Recession, over the last several decades, an increase in older workers' employment has been associated with an increase in younger workers' employment rate and hours worked.
- This relationship between older and younger workers' labor force behavior also holds true within states.
- This relationship does not vary by education level or by gender.
- Older workers' employment has no negative impact on the hourly wages or annual incomes of youth.

The full report can be accessed [here](#).

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