

Underemployed, underpaid lost in recession

By Michael Cooper, New York Times

Throughout the Great Recession and the not-so-great recovery, the most commonly discussed measure of misery has been unemployment. But many middle-class and working-class people who are fortunate enough to have work are struggling as well, which is why Sherry Woods, a 59-year-old van driver from Atlanta, found herself standing in line at a jobs fair this month, with her résumé tucked inside a Bible.

She opened it occasionally to reread a favorite verse from Philippians: “And my God will meet all your needs according to the riches of his glory in Christ.”

Woods’s current job has not been meeting her needs. When she began driving a passenger van last year, she earned \$9 an hour and worked 40 hours a week. Then her wage was cut to \$8 an hour, and her hours were drastically scaled back. Last month she earned just \$233. So Ms. Woods, who said that she had been threatened with eviction for missing rent payments and had been postponing an appointment with the eye doctor because she lacks insurance, has been looking for another, better job. It has not been easy.

“I’m looking for something else, anything else,” she said. “More hours. Better pay. Actual benefits.”

These are anxious days for American workers. Many, like Woods, are underemployed. Others find pay that is simply not keeping up with their expenses: adjusted for inflation, the median hourly wage was lower in 2011 than it was a decade earlier, according to data from a forthcoming book by the Economic Policy Institute, “The State of Working America, 12th Edition.” Good benefits are harder to come by, and people are

staying longer in jobs that they want to leave, afraid that they will not be able to find something better. Only 2.1 million people quit their jobs in March, down from the 2.9 million people who quit in December 2007, the first month of the recession.

“Unfortunately, the wage problems brought on by the recession pile on top of a three-decade stagnation of wages for low- and middle-wage workers,” said Lawrence Mishel, the president of the Economic Policy Institute, a research group in Washington that studies the labor market. “In the aftermath of the financial crisis, there has been persistent high unemployment as households reduced debt and scaled back purchases. The consequence for wages has been substantially slower growth across the board, including white-collar and college-educated workers.”

Now, with the economy shaping up as the central issue of the presidential election, both President Obama and Mitt Romney have been relentlessly trying to make the case that their policies would bring prosperity back. The unease of voters is striking: in a New York Times/CBS News poll in April, half of the respondents said they thought the next generation of Americans would be worse off, while only about a quarter said it would have a better future.

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