## Supplemental Online Appendix

## Underemployment in the United States and Europe

## David N. F. Bell and David G. Blanchflower

## Description of U3-U9

The various labor market underutilization variables are explained below. The numbers refer to seasonally adjusted data for July 2018. Numbers in thousands as follows: labor force $=162,245 ;$ employment $=155,965$; unemployment $=6,280 ;$ PTFER $=4,567$; discouraged workers $=512$, and marginally attached (which includes discouraged workers) $=1,498$.
$\mathrm{U} 3=$ Total unemployed, as a percentage of the civilian labor force (official unemployment rate $)=6,280 /(162,245)=3.9 \%$.

U4 $=$ Total unemployed plus discouraged workers, as a percentage of the civilian labor force plus discouraged workers $=(6,280+512) /(162,245+512)=4.2 \%$.

U5 $=$ Total unemployed, plus discouraged workers, plus all other persons marginally attached to the labor force, as a percentage of the civilian labor force, plus all persons marginally attached to the labor force $=(6,280+1,498) /(162,245+1,498)=4.8 \%$.

U6 = Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percentage of the civilian labor force, plus all persons marginally attached to the labor force $=(6,280+1,498+4,567) /(162,245+$ $1,498)=7.5 \%$.
$\mathrm{U} 7=\mathrm{PTFR} /$ Employed $=4,567 / 155,965=2.9 \%$.
$\mathrm{U} 8=$ Discouraged $/($ labor force + discouraged $)=512 /(162,245+512)=0.3 \%$.
$\mathrm{U} 9=$ Marginally attached-discouraged/(labor force + marginally attached minus discouraged $)=1,498-512 /(162,295+1,498-512)=0.9 \%$.

Persons marginally attached to the labor force are those who currently are neither working nor looking for work but indicate that they want and are available for a job and have looked for work sometime in the past 12 months. Discouraged workers, a subset of the marginally attached, have given a job-market-related reason for not currently looking for work. Persons employed part time for economic reasons are those who want and are available for full-time work but have had to settle for a part-time schedule. See https://www.bls.gov/news.release/empsit.t15.htm.

Table A.1. Increase in Weekly Hours Desired by Those Who Want More Hours (Millions)

|  | AU | BE | CH | CY | DE | DK | EE | ES | FI | FR | GR | HR | HU |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2001 | 2.6 | 2.9 | 7.5 | 0.6 |  | 2.1 | 1.4 | 40.2 | 9.2 |  | 8.1 |  | 10.0 |
| 2002 | 1.2 | 2.5 | 8.5 | 0.7 |  | 1.2 | 1.1 | 33.8 | 8.8 |  | 8.3 | 3.0 | 8.1 |
| 2003 | 1.2 | 2.8 | 7.7 | 0.8 |  | 2.2 | 1.1 | 45.5 | 9.2 | 53.7 | 8.2 | 3.2 | 10.2 |
| 2004 | 2.2 | 2.9 | 7.7 | 0.9 |  | 2.5 | 0.9 | 39.1 | 8.2 | 58.7 | 8.0 | 2.0 | 9.5 |
| 2005 | 8.3 | 3.5 | 7.5 | 0.7 | 34.8 | 1.9 | 0.6 | 24.8 | 7.0 | 61.0 | 8.0 | 1.8 | 8.7 |
| 2006 | 8.9 | 3.7 | 7.6 | 0.7 | 41.9 | 2.8 | 0.6 | 24.0 | 9.2 | 68.1 | 8.5 | 1.8 | 8.3 |
| 2007 | 9.5 | 4.0 | 8.8 | 0.7 | 39.2 | 6.9 | 0.5 | 23.2 | 7.5 | 73.0 | 8.8 | 1.6 | 8.7 |
| 2008 | 9.6 | 3.8 | 8.3 | 0.9 | 91.8 | 7.1 | 0.7 | 28.1 | 7.4 | 73.1 | 9.7 | 1.3 | 7.2 |
| 2009 | 11.1 | 3.9 | 8.8 | 1.1 | 99.8 | 6.8 | 1.3 | 33.8 | 7.7 | 73.3 | 11.1 | 1.4 | 7.1 |
| 2010 | 10.8 | 3.9 | 7.1 | 1.0 | 90.3 | 6.2 | 1.0 | 33.3 | 7.2 | 69.7 | 9.8 | 1.7 | 7.0 |
| 2011 | 10.3 | 4.6 | 7.3 | 1.1 | 82.3 | 5.9 | 0.9 | 35.7 | 7.0 | 67.9 | 10.3 | 1.9 | 8.3 |
| 2012 | 11.0 | 4.9 | 7.7 | 1.2 | 78.0 | 6.0 | 1.1 | 41.7 | 7.5 | 69.2 | 11.5 | 1.7 | 10.8 |
| 2013 | 11.0 | 5.0 | 7.7 | 1.6 | 75.0 | 6.2 | 1.2 | 43.4 | 7.6 | 85.3 | 11.7 | 2.0 | 12.3 |
| 2014 | 11.3 | 4.8 | 8.5 | 1.8 | 70.4 | 6.1 | 1.3 | 41.2 | 7.9 | 83.8 | 12.5 | 2.2 | 12.3 |
| 2015 | 12.0 | 4.8 | 8.4 | 1.7 | 66.9 | 5.7 | 1.3 | 36.8 | 8.0 | 82.2 | 13.0 | 2.7 | 11.8 |
| 2016 | 12.3 | 4.7 | 8.2 | 1.5 | 63.4 | 8.2 | 1.1 | 33.4 | 7.7 | 77.8 | 12.7 | 1.9 | 9.9 |
|  | IE | IS | IT | LT | LU | MT | NL | NO | PL | PT | RO | SE | UK |
| 2001 | 1.3 | 0.4 |  | 2.3 | 0.1 |  | 21.8 | 0.9 | 37.3 | 7.4 |  | 18.6 | 24.7 |
| 2002 | 1.7 | 0.4 | 6.2 | 2.1 | 0.1 |  | 22.4 | 0.9 | 38.3 | 8.9 | 19.0 | 17.2 | 24.5 |
| 2003 | 1.8 | 0.3 | 7.2 | 2.4 | 0.2 |  | 20.6 | 1.5 | 40.4 | 10.9 | 18.2 | 19.3 | 24.7 |
| 2004 | 2.3 | 0.2 | 14.9 | 1.9 | 0.2 |  | 23.2 | 1.6 | 38.2 | 6.7 | 13.9 | 18.0 | 24.0 |
| 2005 | 2.4 | 0.2 | 11.4 | 1.8 | 0.2 |  | 16.8 | 1.4 | 37.3 | 7.3 | 14.9 | 14.5 | 24.6 |
| 2006 | 2.5 | 0.2 | 11.2 | 1.7 | 0.3 |  | 19.7 | 4.7 | 36.6 | 7.9 | 13.5 | 15.2 | 26.8 |
| 2007 | 2.1 | 0.2 | 10.4 | 1.5 | 0.3 |  | 20.1 | 4.8 | 34.7 | 8.7 | 12.6 | 15.7 | 28.0 |
| 2008 | 2.8 |  | 12.0 | 1.2 | 0.3 |  | 20.7 | 5.2 | 33.6 | 9.6 | 12.4 | 15.6 | 30.0 |
| 2009 | 4.8 |  | 13.0 | 1.4 | 0.4 | 0.4 | 21.9 | 5.3 | 34.7 | 8.6 | 12.8 | 16.6 | 36.2 |
| 2010 | 4.5 |  | 12.5 | 1.4 | 0.3 | 0.5 | 19.3 | 4.9 | 33.9 | 7.8 | 12.8 | 15.1 | 39.6 |
| 2011 | 5.0 |  | 11.6 | 1.4 | 0.3 | 0.5 | 17.9 | 4.9 | 33.9 | 19.5 | 11.8 | 15.4 | 40.9 |
| 2012 | 5.4 |  | 16.3 | 1.5 | 0.4 | 0.6 | 19.0 | 5.2 | 40.3 | 20.5 | 11.4 | 16.1 | 43.1 |
| 2013 | 5.6 |  | 16.6 | 1.5 | 0.4 | 0.5 | 21.5 | 5.8 | 44.2 | 19.7 | 10.6 | 16.9 | 43.8 |
| 2014 | 5.1 | 0.5 | 18.0 | 1.5 | 0.5 | 0.6 | 20.8 | 5.3 | 41.9 | 20.3 | 11.4 | 17.3 | 44.4 |
| 2015 | 4.8 | 0.4 | 17.3 | 1.4 | 0.5 | 0.6 | 21.4 | 5.6 | 36.4 | 18.2 | 11.3 | 17.4 | 42.0 |
| 2016 | 4.3 | 0.4 | 16.7 | 1.3 | 0.5 | 0.5 | 19.8 | 5.5 | 33.0 | 18.4 | 9.7 | 15.7 | 39.7 |

Table A.2. Reduction in Weekly Hours Desired by Those Who Want Fewer Hours (Millions)

|  | AU | BE | CH | CY | DE | DK | EE | ES | FI | FR | GR | HR | HU |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2001 | -4.4 | -0.5 | -15.6 | $-0.7$ |  | -0.4 | -1.2 | -3.2 | -6.1 |  | -10.3 |  | -4.7 |
| 2002 | -1.7 | -0.5 | -14.7 | $-0.8$ |  | -0.1 | -1.0 | -1.5 | -6.7 |  | -11.2 | $-0.3$ | -4.8 |
| 2003 | -1.5 | -0.2 | -15.2 | -0.9 |  | -0.4 | -1.0 | -1.6 | -6.1 | -15.4 | -11.2 | $-0.5$ | -4.7 |
| 2004 | 0.0 | -0.4 | -15.3 | -1.0 |  | -0.4 | -1.0 | -4.3 | -6.4 | -15.4 | -11.9 | 0.0 | -5.4 |
| 2005 | -8.7 | -0.2 | -15.2 | -0.9 | -3.4 | -0.5 | -0.8 | -16.3 | -6.6 | -13.4 | -10.3 | 0.0 | -4.0 |
| 2006 | -8.8 | -0.2 | -15.6 | -0.8 | -1.4 | -0.5 | -0.9 | -19.2 | -6.3 | -15.3 | -9.9 | 0.0 | -3.4 |
| 2007 | -8.8 | -0.1 | -15.8 | -0.8 | -1.0 | -6.8 | -0.8 | -18.5 | -6.7 | -15.6 | -9.3 | 0.0 | -3.4 |
| 2008 | -8.6 | -0.1 | -16.5 | -0.4 | -53.2 | -6.5 | -0.6 | -13.7 | -5.6 | -15.4 | -8.9 | 0.0 | -3.3 |
| 2009 | -8.0 | -0.1 | -15.7 | -0.4 | -42.9 | -5.4 | -0.5 | -9.5 | -4.6 | -14.9 | -8.6 | 0.0 | -2.8 |
| 2010 | -8.6 | -0.1 | -18.6 | $-0.4$ | -41.7 | -4.9 | -0.7 | -9.0 | -4.5 | -15.7 | -8.2 | 0.0 | -2.8 |
| 2011 | -8.6 | -0.1 | -18.7 | $-0.3$ | -39.8 | -5.0 | -0.7 | -8.3 | -4.9 | -15.8 | -7.1 | 0.0 | -2.5 |
| 2012 | -8.3 | -0.1 | -18.0 | $-0.3$ | -38.5 | -4.7 | -0.7 | -7.1 | -4.8 | -13.7 | $-6.4$ | 0.0 | -2.1 |
| 2013 | -8.1 | -0.1 | -19.0 | $-0.3$ | -36.7 | -4.7 | $-0.7$ | -6.9 | -4.8 | -16.4 | -6.4 | 0.0 | -2.1 |
| 2014 | -8.0 | -0.1 | -18.9 | -0.3 | -36.5 | -4.4 | -0.7 | -6.2 | -4.6 | -16.8 | -6.3 | 0.0 | -2.1 |
| 2015 | -7.7 | -0.1 | -19.4 | -0.3 | -35.4 | -4.3 | -0.7 | -6.4 | -4.3 | -15.9 | -6.5 | 0.0 | -2.2 |
| 2016 | -8.3 | 0.0 | -20.1 | -0.3 | -37.4 | -7.8 | -0.9 | -7.2 | -5.0 | -17.4 | -6.6 | 0.0 | -2.7 |
|  | IE | IS | IT | LT | LU | MT | NL | NO | PL | PT | RO | SE | UK |
| 2001 | -0.6 | -0.4 |  | -2.8 | -0.3 |  | -13.6 | -0.1 | -39.2 | -3.2 |  | -5.2 | -31.2 |
| 2002 | -0.9 | -0.4 |  | -2.3 | -0.3 |  | -14.2 | -0.1 | -36.2 | -2.6 | -15.3 | -5.4 | -31.6 |
| 2003 | -0.8 | -0.2 |  | -1.8 | -0.1 |  | -12.8 | -0.1 | -30.0 | -1.9 | -14.7 | $-5.0$ | -32.6 |
| 2004 | -1.1 | -0.2 | -17.3 | $-1.7$ | -0.2 |  | -14.3 | -0.1 | -29.5 | -2.5 | -14.7 | $-5.2$ | -32.1 |
| 2005 | -1.4 | -0.2 | -10.2 | -1.5 | -0.2 |  | -15.3 | -0.1 | -26.5 | -1.7 | -10.9 | $-8.5$ | -30.4 |
| 2006 | -1.3 | -0.2 | -10.6 | -1.4 | -0.2 |  | -17.2 | -5.1 | -27.8 | -2.0 | -9.4 | $-8.2$ | -29.9 |
| 2007 | -1.4 | -0.2 | -9.9 | -1.5 | -0.2 |  | -17.7 | -4.9 | -28.1 | -2.2 | -8.9 | -7.8 | -30.8 |
| 2008 | -1.0 | 0.0 | -8.8 | -1.5 | -0.2 |  | -20.4 | -5.3 | -26.1 | -2.0 | -8.2 | -8.0 | -29.2 |
| 2009 | -0.7 | 0.0 | -5.5 | -1.0 | -0.6 | -0.1 | -20.3 | -4.6 | -24.0 | -1.8 | -7.0 | $-7.5$ | -27.2 |
| 2010 | -0.6 | 0.0 | -4.4 | $-0.9$ | -0.6 | -0.1 | -17.9 | -4.5 | -22.7 | -1.7 | -6.0 | -8.2 | -28.8 |
| 2011 | -0.7 | 0.0 | -3.9 | -0.8 | -0.6 | -0.1 | -17.0 | -4.5 | -21.0 | -1.9 | -6.7 | -8.0 | -27.5 |
| 2012 | -0.8 | 0.0 | -3.7 | -0.8 | -0.7 | -0.1 | -16.9 | -4.8 | -20.5 | -1.6 | -7.0 | -8.0 | -28.0 |
| 2013 | -1.0 | 0.0 | -3.7 | -0.8 | -0.7 | -0.1 | -17.6 | -4.8 | -19.0 | -1.8 | -6.7 | $-8.3$ | -28.2 |
| 2014 | -0.9 | -0.2 | -3.9 | $-0.7$ | -0.8 | -0.1 | -18.1 | -4.5 | -18.9 | -2.1 | -5.5 | -8.4 | -30.4 |
| 2015 | -0.8 | -0.2 | -4.2 | -0.9 | -1.1 | -0.1 | -18.3 | -4.7 | -18.9 | -2.2 | -5.1 | $-8.5$ | -32.0 |
| 2016 | -0.9 | -0.2 | -4.8 | $-1.0$ | -0.9 | -0.1 | -19.3 | -4.3 | -20.0 | -2.2 | -4.9 | $-8.5$ | -34.2 |

Notes: Key to Country Codes: AU = Austria; $\mathrm{BE}=$ Belgium, $\mathrm{CH}=$ Switzerland, $\mathrm{CY}=$ Cyprus, $\mathrm{DE}=$ Germany, $\mathrm{DK}=$ Denmark, $\mathrm{EE}=$ Estonia, ES $=$ Spain, FI $=$ Finland, $\mathrm{FR}=$ France, $\mathrm{GR}=$ Greece, $\mathrm{HR}=$ Croatia, $\mathrm{HU}=$ Hungary, $\mathrm{IE}=$ Ireland, $\mathrm{IS}=\mathrm{Iceland}, \mathrm{IT}=\mathrm{Italy}, \mathrm{LT}=$ Latvia, $\mathrm{LU}=$ Luxembourg, MT $=$ Malta, $\mathrm{NL}=$ Netherlands, $\mathrm{NO}=$ Norway, $\mathrm{PL}=$ Poland, $\mathrm{PT}=$ Portugal, $\mathrm{RO}=$ Romania, $\mathrm{SE}=$ Sweden, UK $=$ United Kingdom.

Table A.3. ILO Unemployment Rates

| GEO/TIME | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Austria | 4.0 | 4.9 | 4.8 | 5.8 | 5.6 | 5.3 | 4.9 | 4.1 | 5.3 | 4.8 | 4.6 | 4.9 | 5.4 | 5.6 | 5.7 | 6.0 | 5.5 |
| Belgium | 6.2 | 6.9 | 7.7 | 7.4 | 8.5 | 8.3 | 7.5 | 7.0 | 7.9 | 8.3 | 7.2 | 7.6 | 8.4 | 8.5 | 8.5 | 7.8 | 7.1 |
| Switzerland | 2.5 | 2.9 | 4.1 | 4.3 | 4.5 | 4.0 | 3.7 | 3.4 | 4.1 | 4.8 | 4.4 | 4.5 | 4.8 | 4.9 | 4.8 | 5.0 | 4.8 |
| Cyprus | 4.0 | 3.3 | 4.2 | 4.4 | 5.3 | 4.6 | 3.9 | 3.7 | 5.4 | 6.3 | 7.9 | 11.9 | 15.9 | 16.1 | 15.0 | 13.0 | 11.1 |
| Germany | 7.8 | 8.5 | 9.8 | 10.7 | 11.2 | 10.3 | 8.7 | 7.5 | 7.8 | 7.0 | 5.8 | 5.4 | 5.2 | 5.0 | 4.6 | 4.1 | 3.8 |
| Denmark | 4.2 | 4.3 | 5.4 | 5.2 | 4.8 | 3.9 | 3.8 | 3.4 | 6.0 | 7.5 | 7.6 | 7.5 | 7.0 | 6.6 | 6.2 | 6.2 | 5.7 |
| Estonia | 13.1 | 10.0 | 11.3 | 10.2 | 8.0 | 5.9 | 4.6 | 5.5 | 13.5 | 16.7 | 12.3 | 10.0 | 8.6 | 7.4 | 6.2 | 6.8 | 5.8 |
| Spain | 10.4 | 11.2 | 11.3 | 11.1 | 9.2 | 8.5 | 8.2 | 11.3 | 17.9 | 19.9 | 21.4 | 24.8 | 26.1 | 24.5 | 22.1 | 19.6 | 17.2 |
| Finland | 10.3 | 10.4 | 10.5 | 10.4 | 8.4 | 7.7 | 6.9 | 6.4 | 8.2 | 8.4 | 7.8 | 7.7 | 8.2 | 8.7 | 9.4 | 8.8 | 8.6 |
| France | 8.6 | 8.7 | 8.3 | 8.9 | 8.5 | 8.5 | 7.7 | 7.1 | 8.7 | 8.9 | 8.8 | 9.4 | 9.9 | 10.3 | 10.4 | 10.1 | 9.4 |
| Greece | 10.5 | 10.0 | 9.4 | 10.3 | 10.0 | 9.0 | 8.4 | 7.8 | 9.6 | 12.7 | 17.9 | 24.5 | 27.5 | 26.5 | 24.9 | 23.6 | 21.5 |
| Croatia |  | 15.1 | 14.0 | 13.7 | 12.7 | 11.2 | 9.9 | 8.6 | 9.2 | 11.7 | 13.7 | 16.0 | 17.3 | 17.3 | 16.2 | 13.1 | 11.2 |
| Hungary | 5.7 | 5.6 | 5.8 | 5.8 | 7.2 | 7.5 | 7.4 | 7.8 | 10.0 | 11.2 | 11.0 | 11.0 | 10.2 | 7.7 | 6.8 | 5.1 | 4.2 |
| Ireland | 3.7 | 4.2 | 4.5 | 4.5 | 4.4 | 4.4 | 5.0 | 6.8 | 12.6 | 14.6 | 15.4 | 15.5 | 13.8 | 11.9 | 9.9 | 8.4 | 6.7 |
| Iceland | 1.9 | 3.0 | 4.0 | 4.0 | 2.5 | 2.8 | 2.3 | 2.9 | 7.2 | 7.6 | 7.0 | 6.0 | 5.4 | 4.9 | 4.0 | 3.0 | 2.7 |
| Italy | 9.6 | 9.2 | 8.9 | 7.9 | 7.7 | 6.8 | 6.1 | 6.7 | 7.8 | 8.4 | 8.4 | 10.7 | 12.2 | 12.7 | 11.9 | 11.7 | 11.2 |
| Latvia | 13.9 | 13.8 | 12.1 | 11.7 | 10.0 | 7.0 | 6.1 | 7.7 | 17.5 | 19.5 | 16.2 | 15.0 | 11.9 | 10.8 | 9.9 | 9.6 | 8.7 |
| Lithuania | 1.8 | 2.6 | 3.7 | 5.1 | 4.5 | 4.7 | 4.1 | 5.1 | 5.1 | 4.4 | 4.9 | 5.1 | 5.9 | 5.9 | 6.7 | 6.3 | 5.5 |
| Malta | 7.1 | 6.9 | 7.5 | 7.3 | 6.9 | 6.8 | 6.5 | 6.0 | 6.9 | 6.9 | 6.4 | 6.3 | 6.4 | 5.8 | 5.4 | 4.7 | 4.0 |
| Netherlands | 2.1 | 2.6 | 3.6 | 4.7 | 4.7 | 3.9 | 3.2 | 2.8 | 3.4 | 4.5 | 5.0 | 5.8 | 7.3 | 7.4 | 6.9 | 6.0 | 4.9 |
| Norway | 3.7 | 4.0 | 4.2 | 4.3 | 4.4 | 3.4 | 2.5 | 2.5 | 3.1 | 3.5 | 3.2 | 3.1 | 3.4 | 3.5 | 4.3 | 4.7 | 4.2 |
| Poland | 18.4 | 20.0 | 19.4 | 19.1 | 17.8 | 13.9 | 9.6 | 7.1 | 8.2 | 9.7 | 9.7 | 10.1 | 10.3 | 9.0 | 7.5 | 6.2 | 4.9 |
| Portugal | 3.9 | 4.6 | 6.2 | 6.4 | 7.7 | 7.8 | 8.1 | 7.7 | 9.6 | 11.0 | 12.9 | 15.8 | 16.4 | 14.1 | 12.6 | 11.2 | 9.0 |
| Romania | 6.7 | 8.3 | 6.9 | 7.7 | 7.2 | 7.3 | 6.4 | 5.8 | 6.9 | 7.0 | 7.2 | 6.8 | 7.1 | 6.8 | 6.8 | 5.9 | 4.9 |
| Sweden | 4.7 | 5.0 | 5.6 | 6.7 | 7.8 | 7.1 | 6.2 | 6.2 | 8.4 | 8.6 | 7.8 | 8.0 | 8.1 | 8.0 | 7.4 | 7.0 | 6.7 |
| UK | 4.7 | 5.0 | 4.8 | 4.6 | 4.8 | 5.4 | 5.3 | 5.6 | 7.6 | 7.8 | 8.1 | 7.9 | 7.5 | 6.1 | 5.3 | 4.8 | 4.4 |

Source: Eurostat, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Unemployment statistics.

Table A.4. State Level Weekly Wage Equations with Various Measures of Labor Market Slack, 1980-2017, with Robust Standard Errors
a) Unemployment rate and involuntary part time

|  | $1980-2017$ | $1980-2007$ | $2008-2017$ | $1980-2017$ | $1980-2007$ | $2008-2017$ |
| :--- | :---: | :---: | :---: | :---: | :---: | ---: |
| Log $W_{t-1}$ | $.7346(28.34)$ | $.7263(27.06)$ | $.3257(5.84)$ | $.7125(24.38)$ | $.7049(25.55)$ | $.3199(6.07)$ |
| Log U3 |  | $-.0312(7.47)$ | $-.0295(6.62)$ | $-.0377(2.81)$ |  |  |
| Log PTFER |  |  |  | $-.0307(8.21)$ | $-.0309(7.90)$ | $-.0338(4,15)$ |
| $N$ | 1938 | 1428 | 510 | 1938 | 1428 | 510 |
| $R^{2}$ within | .9971 | .9959 | .9237 | .9972 | .9960 | .9250 |
| $R^{2}$ between | .9518 | .9576 | .5553 | .9696 | .9664 | .6595 |
| $R^{2}$ overall | .9927 | .9898 | .6412 | .9941 | .9908 | .7077 |

b) Using alternative measure U6-U9

|  | 2003-2017 | 2003-2017 | 2003-2017 | 2003-2017 | 2008-2017 | 2008-2017 | 2008-2017 | 2008-2017 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\log W_{t-1}$ | . 4701 (11.62) | . 4638 (11.83) | . 4641 (11.98) | . 4632 (11.91) | . 3107 (5.84) | . 3036 (5.99) | . 3031 (5.93) | . 3010 (5.78) |
| $\underline{L o g ~ U 6 t}$ | -. 0490 (5.40) | -. 0145 (0.90) |  |  | -. 0550 (3.47) |  |  |  |
| $\operatorname{Log~U7~}{ }_{t}$ |  | -. 0335 (2.94) | -. 0435 (6.49) | -.0373 (5.08) |  | -. 0478 (4.04) | -. 0410 (3.32) | -. 0427 (3.39) |
| Log U3 ${ }_{t}$ |  |  |  | -. 0113 (1.35) |  |  | -. 0144 (1.03) | -. 0165 (1.29) |
| Log U8t |  |  |  | .. 00006 (0.34) |  |  |  | . 0029 (1.88) |
| Log U9 ${ }_{t}$ |  |  |  | . 0030 (0.69) |  |  |  | . 0014 (0.25) |
| $N$ | 765 | 765 | 765 | 765 | 510 | 510 | 510 | 510 |
| $R^{2}$ within | . 9710 | . 9714 | . 9714 | . 9714 | . 9255 | . 9264 | . 9267 | . 9270 |
| $R^{2}$ between | . 8791 | . 9014 | . 9071 | . 8971 | . 5594 | . 6587 | . 5986 | . 6037 |
| $R^{2}$ overall | . 9135 | . 9249 | . 9280 | . 9927 | . 6403 | . 7069 | . 6684 | . 6716 |

c) Weekly wages and change in the home ownership rate, with robust standard errors

|  | $1980-2017$ | $1980-2007$ | $2008-2017$ | $2003-2017$ | $2008-2017$ | $2008-2017$ |
| :--- | :--- | :---: | ---: | ---: | ---: | ---: |
| $\log W_{t-1}$ | $.6513(17.56)$ | $.6011(12.88)$ | $.3212(6.09)$ | $.4670(12.09)$ | $.3105(6.09)$ | $.3108(6.15)$ |
| Log U3 |  | $-.0086(1.67)$ | $-.0022(0.36)$ | $-.0255(1.83)$ | $-.0104(1.15)$ | $-.0157(1.12)$ |
| Log PTFER | $-.0252(5.24)$ | $-.0236(4.23)$ | $-.0246(2.96)$ |  |  |  |


| $\operatorname{Log~U7}_{t}$ |  |  | $-.0363(4.90)$ | $-.0384(3.17)$ | $-.0457(3.93)$ |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: |
| Log Home $_{\bullet}-$ Log Home $_{\mathrm{t}-1} .1270(3.49)$ | $.1002(2.44)$ | $.1724(2.90)$ | $.1314(2.87)$ | $.1759(3.15)$ | $.1728(3.01)$ |  |
| $N$ | 1,683 | 1,173 | 510 | 765 | 510 | 510 |
| $R^{2}$ within | .9960 | .9939 | .9276 | .9718 | .9283 | .9280 |
| $R^{2}$ between | .9578 | .9504 | .5382 | .9001 | .5824 | .6485 |
| $R^{2}$ overall | .9894 | .9810 | .6288 | .9245 | .6579 | .7005 |

Notes: All equations include a full set of year and state effects plus 21 personal controls- 15 education variables, age, gender, and four race variables. U3 is the unemployment rate. PTFER is part time for economic reasons as a percentage of employment calculated from the MORG files (weighted using variable $=$ weight). U7 is involuntary PT as a percentage of the civilian labor force. U8 is discouraged workers as a percentage of the civilian labor force U 9 is all marginally attached as a percentage of the civilian labor force.

## Table A.5. Additional Information Required to Justify the Assumption that the Unemployed Would Work the Same Hours on Average as the Currently Employed

. regress hwusual sex age agesq i.ieduc i.refyear i.icountry if age $>16$ \& ilostat $==1$ \& ieduc $!=9$

| Source | SS | $d f$ | MS |
| :---: | :---: | :---: | :---: |
| Model | 377615274 | 35 | 10789007.8 |
| Residual | $2.3954 \mathrm{e}+09$ | 17014555 | 140.784922 |
| Total | $2.7730 \mathrm{e}+09$ | 17014590 | 162.978248 |


| Number of obs | $=17014591$ |
| :--- | :--- | ---: |
| $F(35,17014555)$ | $=76634.68$ |
| Prob $>F$ | $=0.0000$ |
| $R-$ squared | $=0.1362$ |
| Adj R-squared | $=0.1362$ |
| Root MSE | $=11.865$ |


| hwusual | Coef. | Std. Err. | t | $P>\|t\|$ | [95\% Con | Interval] |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| sex | -6.111863 | . 0058159 | -1050.89 | 0.000 | -6.123262 | -6.100464 |
| age | 1.021285 | . 0013863 | 736.67 | 0.000 | 1.018568 | 1.024002 |
| agesq | -. 0118742 | . 0000163 | -730.51 | 0.000 | -. 011906 | -. 0118423 |
| ieduc |  |  |  |  |  |  |
| L | -1.59341 | . 0081365 | -195.84 | 0.000 | -1.609357 | -1.577462 |
| M | -. 3053178 | . 0072921 | -41.87 | 0.000 | -. 3196101 | -. 2910254 |
|  |  |  |  |  |  |  |
| refyear |  |  |  |  |  |  |
| 1999 | -. 1977689 | . 0264708 | -7.47 | 0.000 | -. 2496507 | -. 1458871 |
| 2000 | -. 3507154 | . 0263731 | -13.30 | 0.000 | -. 4024057 | -. 2990251 |
| 2001 | -. 4200781 | . 0258516 | -16.25 | 0.000 | -. 4707464 | -. 3694098 |
| 2002 | -. 4890754 | . 0257804 | -18.97 | 0.000 | -. 5396042 | -. 4385467 |
| 2003 | . 2434503 | . 0263354 | 9.24 | 0.000 | . 1918339 | . 2950668 |
| 2004 | . 0076015 | . 0261762 | 0.29 | 0.772 | -. 043703 | . 0589059 |
| 2005 | -. 4284576 | . 0209761 | -20.43 | 0.000 | -. 46957 | -. 3873453 |
| 2006 | -. 3226952 | . 0217842 | -14.81 | 0.000 | -. 3653914 | -. 2799989 |
| 2007 | -. 3196307 | . 0217277 | -14.71 | 0.000 | -. 3622163 | -. 2770451 |
| 2008 | -. 1346552 | . 0217341 | -6.20 | 0.000 | -. 1772532 | -. 0920571 |
| 2009 | -. 3237646 | . 0217788 | -14.87 | 0.000 | -. 3664503 | -. 2810788 |
| 2010 | -. 4821226 | . 0216578 | -22.26 | 0.000 | -. 5245711 | -. 4396742 |
| 2011 | -. 5479243 | . 0217237 | -25.22 | 0.000 | -. 590502 | -. 5053466 |
| 2012 | -. 6462469 | . 0218482 | -29.58 | 0.000 | -. 6890686 | -. 6034252 |
| 2013 | -. 7024571 | . 0219505 | -32.00 | 0.000 | -. 7454793 | -. 6594349 |
| 2014 | -. 7653292 | . 0219525 | -34.86 | 0.000 | -. 8083554 | -. 722303 |
| 2015 | -. 7817403 | . 0219754 | -35.57 | 0.000 | -. 8248112 | -. 7386693 |
| 2016 | -. 6445245 | . 0219963 | -29.30 | 0.000 | -. 6876365 | -. 6014126 |
|  |  |  |  |  |  |  |
| icountry |  |  |  |  |  |  |
| BE | -4.403054 | . 0186288 | -236.36 | 0.000 | -4.439566 | -4.366542 |
| DK | -3.744345 | . 0180689 | -207.23 | 0.000 | -3.779759 | -3.70893 |
| ES | . 162434 | . 0156645 | 10.37 | 0.000 | . 1317322 | . 1931359 |
| FI | . 0424858 | . 021859 | 1.94 | 0.052 | -. 0003572 | . 0853287 |
| FR | -1.032941 | . 0130195 | -79.34 | 0.000 | -1.058458 | -1.007423 |
| GR | 4.549584 | . 0146877 | 309.76 | 0.000 | 4.520797 | 4.578371 |
| IT | -. 6106633 | . 0125912 | -48.50 | 0.000 | -. 6353416 | -. 585985 |
| NL | -7.101879 | . 0156424 | -454.01 | 0.000 | -7.132538 | -7.071221 |
| NO | -3.529512 | . 0238674 | -147.88 | 0.000 | -3.576292 | -3.482733 |
| PT | 2.287623 | . 0163103 | 140.26 | 0.000 | 2.255655 | 2.31959 |
| RO | -4.472456 | . 0146439 | -305.42 | 0.000 | -4.501158 | -4.443755 |
| SE | -. 9454173 | . 0134838 | -70.12 | 0.000 | -. 9718449 | -. 9189896 |
| _cons | 27.4283 | . 0367086 | 747.19 | 0.000 | 27.35635 | 27.50025 |

Hours of the unemployed calculated from the predicted values equals 36.06

| predict hours_unemp if ilostat == 2 (option xb assumed; fitted values) (49,348,771 missing values generated) |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| . sum hours_unemp, det |  |  |  |  |
| Fitted values |  |  |  |  |
|  | Percentiles | Smallest |  |  |
| 1\% | 24.66239 | . 1434651 |  |  |
| 5\% | 27.73668 | . 341234 |  |  |
| 10\% | 30.06632 | . 6011819 | Obs | 1,648,475 |
| 25\% | 33.00655 | 6.255328 | Sum of Wgt. | 1,648,475 |
| 50\% | 35.97066 |  | Mean | 36.06221 |
|  |  | Largest | Std. Dev. | 4.691073 |
| 75\% | 39.68262 | 48.05743 |  |  |
| 90\% | 41.61391 | 48.05743 | Variance | 22.00616 |
| 95\% | 43.42683 | 48.05743 | Skewness | -. 2106698 |
| 99\% | 46.36205 | 48.05743 | Kurtosis | 2.940897 |
| Usual hours of current workers $=36.16$ |  |  |  |  |
| . sum hwusual, det |  |  |  |  |
| HWUSUAL |  |  |  |  |
|  | Percentiles | Smallest |  |  |
| 1\% | 0 | 0 |  |  |
| 5\% | 8 | 0 |  |  |
| 10\% | 18 | 0 | Obs | 22,030,676 |
| 25\% | 34 | 0 | Sum of Wgt. | 22030676 |
| 50\% | 40 | Largest | Mean | 36.16291 |
|  |  |  | Std. Dev. | 13.11152 |
| 75\% | 40 | 80 |  |  |
| 90\% | 50 | 80 | Variance | 171.9119 |
| 95\% | 55 | 80 | Skewness | -. 5141681 |
| 99\% | 70 | 80 | Kurtosis | 4.778626 |



