We've suffered a jobless recovery. Is a recovery without growth next?
Christopher Matthews

The economic-news meme of 2011 was the "jobless recovery." This was a term used by pundits to describe the U.S. economy which, measured in GDP, began growing again in the third quarter of 2009. Unemployment, however, remained stubbornly high. We were producing more and better goods and services with fewer total workers.

This phenomenon contradicts "Okun's Law," which states that GDP above or below it's long-run trend should be coupled with a proportional increase or decrease in employment. In other words, GDP growth should be accompanied by job growth. But the U.S. economy is back to its pre-recession size in GDP terms, while total employment is still well below pre-recession levels. Of late, however, GDP growth has slowed down. Real GDP only increased 1.7% in 2011, and the government is predicting real GDP growth of 2% or less in the first quarter of 2011, even though we've seen robust job growth in recent months. So what gives?

Some are speculating that we've entered the "GDP-less Recovery," the much more labor-friendly side of the "jobless recovery" coin. Others believe that tepid GDP growth on the horizon will mean that job growth will slow down along with it. Let's take a look at what economy-watchers out there are saying about this phenomenon:

Christina Romer, former Chair of President Obama's Council of Economic Advisors, believes that psychology has something do with the deviation from Okun's Law. She told the Wall Street Journal that firms overreacted to the financial crisis by firing more workers than necessary, scared by the unprecedented severity of the downturn. Now they are merely correcting this deviation from the rule.

Joe Weisenthal at Business Insider predicts that a GDP-less recovery will be bad for investors. He argues that because most of the gains of the recovery have gone to corporations in the form of increased profits without commensurate increases in labor expenses, the remaining recovery gains will, as the trend reverses, filter to workers and eat away at retained earnings.

David Leonhardt at the New York Times is skeptical that we can sustain the kind of robust jobs growth we've seen over the past three months. He writes, "Based solely on the gross domestic product numbers, the obvious conclusion is that job growth will slow in coming months."
It's also quite possible that the GDP-less recovery could be a mirage brought on by bad data.

Matthew Yglesias of Slate reminds us that GDP figures are oftentimes subject to severe revisions, and that the government may need to revise current GDP data upwards in the future. In other words, this whole debate could be moot.

Another piece of news that foretells continued job creation is the non-partisan Conference Board's "Employment Trends Index," which was updated yesterday. This metric aggregates eight different labor market indicators in an attempt to measure the overall health of the jobs market in the U.S. This metric jumped 1.38% in February from the month before and leaped more than 6% year-over-year. Said Gad Levanon, Director of Macroeconomic Research at The Conference Board in a press release, "The acceleration in the ETI suggests that rapid job growth is likely to continue in the next several months despite modest improvements in demand and production."

In other words, the Conference Board data appears to back up the argument that we're experiencing a GDP-less recovery. This shouldn't be a cause for despair: While one would gladly take a higher GDP growth along with more jobs, the GDP-less recovery, should it comes to pass, will thankfully feel much more like a real recovery than the jobless variety.

Fonte: Time, 13 Mar. 2012. Disponível em: <http://www.time.com>. Acesso em: 14 Mar. 2012. On-line.