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In a Job Market Realignment, Some Left Behind

By CATHERINE RAMPELL

JACKSONVILLE, Fla. — Many of the jobs lost during the recession are not coming back.

Period.

For the last two years, the weak economy has provided an opportunity for employers to do what they would have done anyway: dismiss millions of people — like file clerks, ticket agents and autoworkers — who were displaced by technological advances and international trade.

The phasing out of these positions might have been accomplished through less painful means like attrition, buyouts or more incremental layoffs. But because of the recession, winter came early.

The tough environment has been especially disorienting for older and more experienced workers like Cynthia Norton, 52, an unemployed administrative assistant in Jacksonville.

“I know I’m good at this,” says Ms. Norton. “So how the hell did I end up here?”

Administrative work has always been Ms. Norton’s “calling,” she says, ever since she started work as an assistant for her aunt at 16, back when the uniform was a light blue polyester suit and a neckerchief. In the ensuing decades she has filed, typed and answered phones for just about every breed of business, from a law firm to a strip club. As a secretary at the RAND Corporation, she once even had the honor of escorting Henry Kissinger around the building.

But since she was laid off from an insurance company two years ago, no one seems to need her well-honed office know-how.

Ms. Norton is one of 1.7 million Americans who were employed in clerical and administrative positions when the recession began, but were no longer working in that occupation by the end of last year. There have also been outside job losses in other occupation categories that seem unlikely to be revived during the economic recovery. The number of printing machine operators, for example, was nearly halved from the fourth quarter of 2007 to the fourth quarter of 2009. The number of people employed as travel agents fell by 40 percent.

This “creative destruction” in the job market can benefit the economy.

Pruning relatively less-efficient employees like clerks and travel agents, whose work can be done more cheaply by computers or workers abroad, makes American businesses more efficient. Year over year, productivity growth was at its highest level in over 50 years last quarter, pushing corporate profits to record highs and helping the economy grow.

But a huge group of people are being left out of the party.

Millions of workers who have already been unemployed for months, if not years, will most likely remain that way even as the overall job market continues to improve, economists say. The occupations they worked in, and the skills they currently possess, are never coming back in style. And the demand for new types of skills moves a lot more quickly than workers — especially older and less mobile workers — are able to retrain and gain those skills.

There is no easy policy solution for helping the people left behind. The usual unemployment measures — like jobless benefits and food stamps — can serve as temporary palliatives, but they cannot make workers’ skills relevant again.

Ms. Norton has sent out hundreds of résumés without luck. Twice, the openings she interviewed for were eliminated by employers who decided, upon further reflection, that redistributing administrative tasks among existing employees made more sense than replacing the outgoing secretary.

One employer decided this shortly after Ms. Norton had already started showing up for work.

Ms. Norton is reluctant to believe that her three decades of experience and her typing talents, up to 120 words a minute, are now obsolete. So she looks for other explanations.

Employers, she thinks, fear she will be disloyal and jump ship for a higher-paying job as soon as one comes along.

Sometimes she blames the bad economy in Jacksonville. Sometimes she sees age discrimination. Sometimes she thinks the problem is that she has not been able to afford a haircut in a while. Or perhaps the paper her résumé is printed on is not nice enough.

The problem cannot be that the occupation she has devoted her life to has been largely computerized, she says.

“You can’t replace the human thought process,” she says. “I can anticipate people’s needs. Usually, I give them what they want before they even know they need it. There will never be a machine that can do that.”

And that is true, up to a point: human judgment still counts for something. That means some of the filing jobs, just like some of the manufacturing jobs, that were cut during the recession will return. But a lot of them probably will not.

Offices, not just in Jacksonville but all over the country, have found that life without a secretary or filing clerk — which they may have begun somewhat reluctantly when economic pressures demanded it — is actually pretty manageable.

After all, the office environment is more automated and digitized than ever. Bosses can handle their own calendars, travel arrangements and files through their own computers and ubiquitous BlackBerrys. In many offices, voice mail systems and doorbells — not receptionists — greet callers and visitors.

And so, even when orders pick up, many of the newly de-clerked and un-secretaried may not recall their laid-off assistants. At the very least, any assistants they do hire will probably be younger people with different skills.

Economists have seen this type of structural change, which happens over the long term but is accelerated by a downturn, many times before.

“This always happens in recessions,” says John Schmitt, a senior economist with the Center for Economic and Policy Research. “Employers see them as an opportunity to clean house and then get ready for the next big move in the labor market. Or in the product market as well.”

Economists like [Erica Groshen](#) at the [Federal Reserve Bank of New York](#) have argued that bigger structural job losses help explain why the last two economic recoveries were jobless — that is, why job expansion lagged far behind overall growth.

But there is reason to think restructuring may take a bigger toll this time around. The percentage of unemployed workers who were permanently let go has hovered at a record high of over 50 percent for several months.

Additionally, the unemployment numbers show a notable split in the labor pool, with most unemployed workers finding jobs after a relatively short period of time, but a sizable chunk of the labor force unable to find new work even after months or years of searching. This group — comprising generally older workers — has pulled up the average length of time that a current worker has been unemployed to a record high of 33 weeks as of April. The percentage of unemployed people who have been looking for jobs for more than six months is at 45.9 percent, the highest in at least six decades.

And so the question is what kinds of policy responses can help workers like Ms. Norton who are falling further and further behind in the economic recovery, and are at risk of falling out of the middle class.

Ms. Norton has spent most of the last two years working part time at [Wal-Mart](#) as a cashier, bringing home about a third of what she had earned as an administrative assistant. Besides the hit to her pocketbook, she grew frustrated that the work has not tapped her full potential.

“A monkey could do what I do,” she says of her work as a cashier. “Actually, a monkey would get bored.”

Ms. Norton says she cannot find any government programs to help her strengthen the “thin bootstraps” she

intends to pull herself up by. Because of the Wal-Mart job, she has been ineligible for unemployment benefits, and she says she made too much money to qualify for food stamps or [Medicaid](#) last year.

“If you’re not a minority, or not handicapped, or not a young parent, or not a veteran, or not in some other certain category, your hope of finding help and any hope of finding work out there is basically nil,” Ms. Norton says. “I know. I’ve looked.”

Of course, just as there is a structural decline in some industries, others enjoy structural growth (the “creative” part of “creative destruction”). The key is to prepare the group of workers left behind for the growing industry.

“You can bring the jobs back for some of these people, but they won’t be in the same place,” says Thomas Anton Kochan, a professor of management at the [Massachusetts Institute of Technology](#).

The White House has publicly challenged the idea that structural unemployment is a big problem, with [Christina D. Romer](#), the [Council of Economic Advisers](#) chairwoman, instead emphasizing that [stronger economic growth is what’s needed](#). Still, the administration has allocated dollars for retraining in both the 2009 [stimulus package](#) and other legislation, largely for clean technology jobs.

Ms. Norton, for her part, may be reluctant to acknowledge that many of her traditional administrative assistant skills are obsolete, but she has tried to retrain — or as she puts it, adapt her existing skills — to a new career in the expanding health care industry.

Even that has proved difficult.

She attended an eight-month course last year, on a \$17,000 [student loan](#), to obtain certification as a medical assistant. She was trained to do front-office work, like billing, as well as back-office work, like giving injections and drawing blood.

The school that trained her, though, neglected to inform her that local employers require at least a year’s worth of experience — generally done through volunteering at a clinic — before hiring someone for a paid job in the field.

She says she cannot afford to spend a year volunteering, especially with her student loan coming due soon. She has one prospect for part-time administrative work in Los Angeles — where she once had her own administrative support and secretarial services business, SilverKeys — but she does not have the money to relocate.

“If I had \$3,000 in my pocket right now, I would pack up my S.U.V., grab my dog and go straight back,” she says. “That’s my only answer.”

With so few local job prospects and most of her possessions of value already liquidated she has considered selling her blood to help pay for the move. But she says she cannot find a market for that, either; blood collection agencies, she said, told her they do not buy her blood type.

“Sometimes I think I’d be better off in jail,” she says, only half joking. “I’d have three meals a day and structure in my life. I’d be able to go to school. I’d have more opportunities if I were an inmate than I do here trying to be a contributing member of society.”