

# After the Wreckage

## *Economic Security and the New Labor Standard*

**Pavlina R. Tcherneva**

Levy Economics Institute of Bard College

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## PRECARITY IS THE ECONOMIC MODEL

48%

of hourly workers earn less than \$20/hr

24% of all working Americans

69%

earn less than \$25/hr

35% of all working Americans

### NELP Study of all low wage employees, large cities

76.3%

**OVERTIME VIOLATIONS** not paid legally required overtime

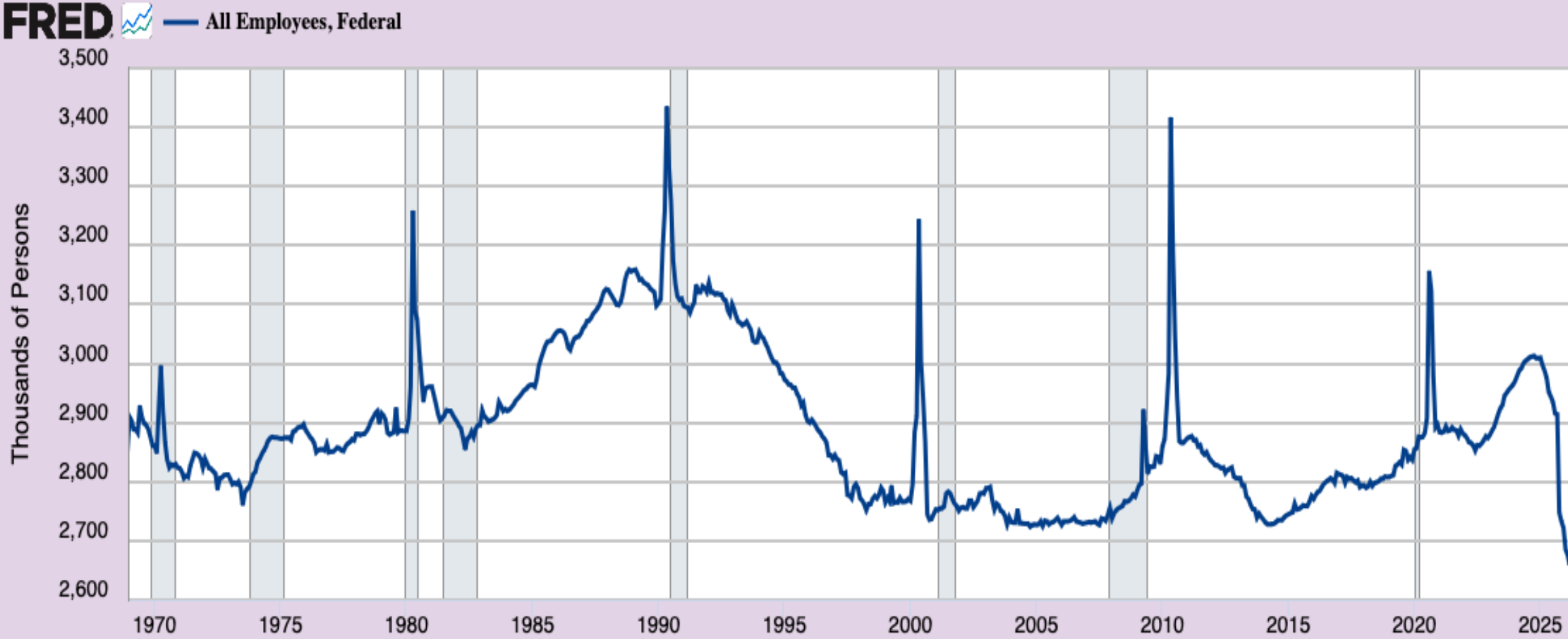
67%

**OFF-THE CLOCK VIOLATION**; came-early/stayed late and under- or uncompensated work outside of shift

68%

**AT LEAST ONE PAY-BASED VIOLATION**: unpaid, underpaid, illegal deductions, stolen tips, denied breaks, no overtime, or incorrect rate, illegal retaliation

# THE WRECKAGE OF THE ADMINISTRATIVE STATE



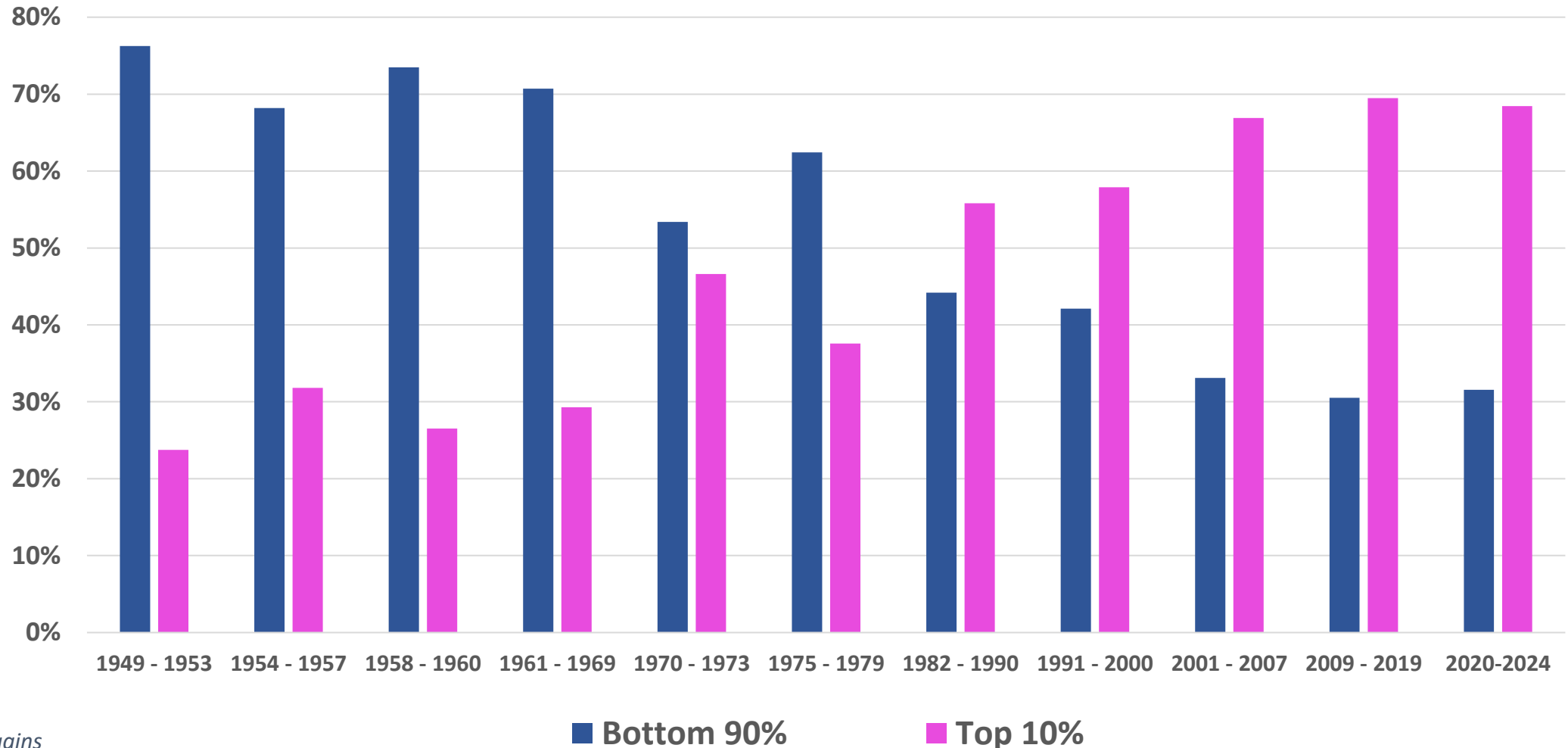
Source: U.S. Bureau of Labor Statistics via FRED®  
Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

# GROWTH BRINGS INEQUALITY

## Who Gains When Income Grows?

Distribution of average income growth during expansions



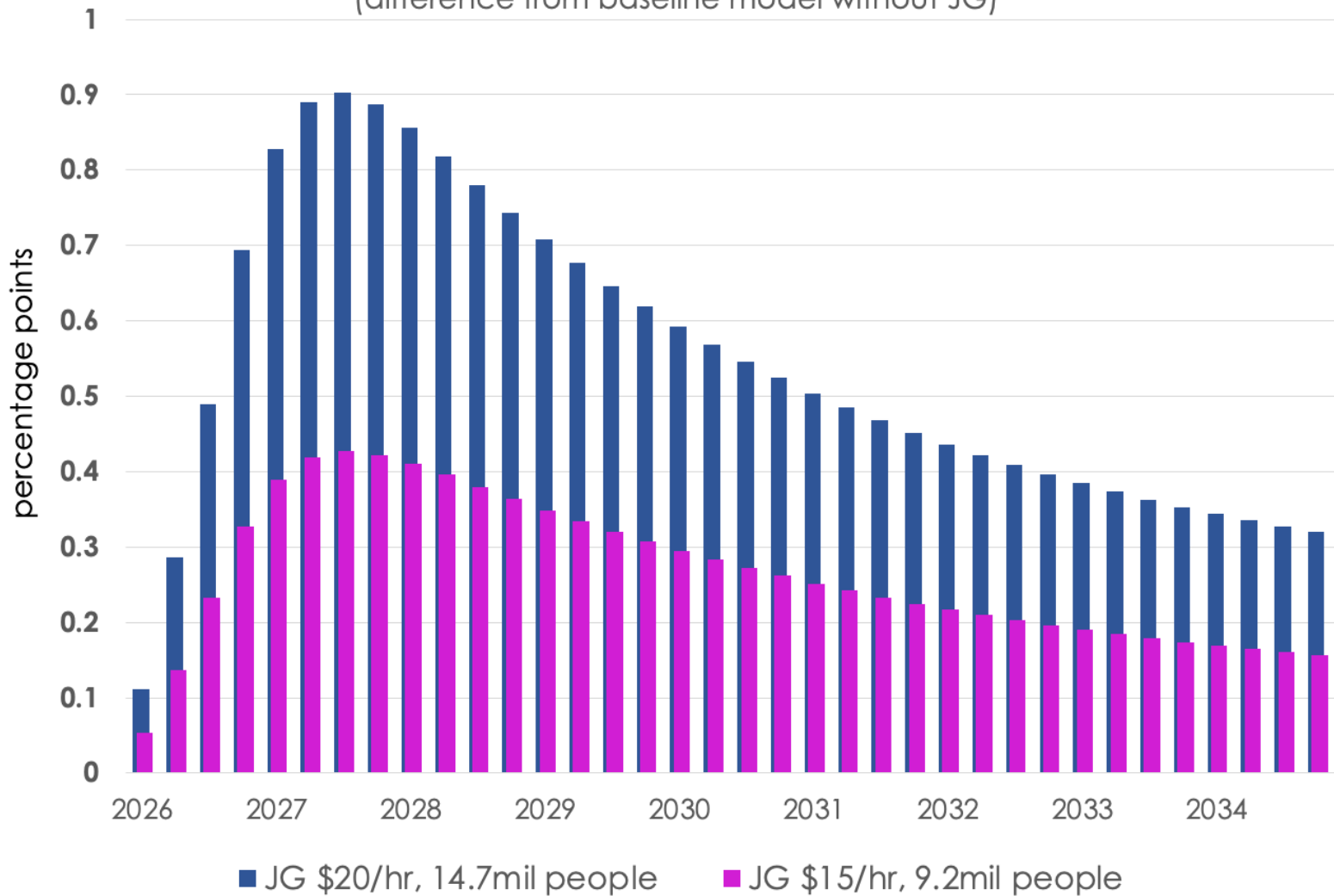
*excluding capital gains*

source: Tcherneva calculations based on wid.world and NBER data

P. Tcherneva 5/8/2026

# LEVY INSTITUTE MODEL: MACROECONOMIC EFFECTS OF THE JOB GUARANTEE

**Inflation Impact**  
(difference from baseline model without JG)



**Average annual impact on:**

- Real GDP: \$225b (0.8%) – \$450b (1.7%)
- Nominal GDP: \$1.2T (2.8%) – \$2.4T (5.7%)
- Private Sector Jobs: 1.2. mil – 2.5 mil
- Budget Impact: \$314b – \$626.9b
- As % of GDP: 0.8% to 1.5% of GDP (1.93% at its peak)

# Thank you

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*The Job Guarantee: an institutional foundation for a labor market where decent work and affordability are the default.*