

The economic growth of the united states and the labour quality essay sample

[Countries](#), [United States](#)



United States is ranked as the 12th freest economy in 2014 index, this is a point low than last year. The reduction in its score has been as a result of, deterioration in property rights, fiscal freedom, and business freedom. In addition to that U. S is ranked the second place out of three countries in the North America region, therefore, remaining very competitive and well above the world's regional average (Barro 15).

In the year 2013, the gross domestic products of United States, increased from the previous year and was recorded as 2. 6 percent. According to Barro 17 the increase in the fourth quarter is a primary reflection of the positive contribution from exports, and nonresidential fixed investments. United States has the most diversified and the most technologically advanced economies in the world.

American workforce is made up of 153 million; these are considered to be the people behind the driving force of the economy. In addition to that, the country is considered to maintain a high standard of women and men contributing to the economy. It is estimated that, American workers produce in excess of \$62 of goods and services per hour, making the economy generate more than fourth billion per day (Castellano 12).

Since 1950s, the critical driver of the United States competitive advantage has been its growing and highly educated labor force. This has been as a result of rapidly increased in births now referred to as the baby boom. In addition to that, the role of women has significantly changed; nowadays women are well educated and highly independent. This has made the women enter the work force at a higher rate, thus reducing the rate of dependence in the society (Castellano 14).

United States, on the other hand, is witnessing a significant drop in the labor force. Drop in the labor force is happening when the demand has increased. Most of the institutions are not producing quality graduates; there have been complaining from the labor market that the graduates produced are not matching with the labor demand required. As a result, there are so many graduates who are not absorbed into employment. The rate of students graduating has also reduced significantly from 77 percent to 70 percent (Castellano 16). The growing education achievement is gap is the equivalent of a permanent recession. The economy is likely to experience a continuous upward pressure on wage for high skilled jobs and demand for talents for these jobs if the current trend continues.

The US labor productivity growth fell to 0.8 percent in 2008 but increased to 1.6 percent in 2009, and improved further to 2.7 percent in 2010. According to the world economic forum, the leaders have ranked United States as the world's most competitive economy. US companies operating in the international market have remained very competitive and the drives to this are innovation and cost reduction (Jorgenson 37).

Works cited

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