

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
DIVISION OF MONETARY AFFAIRS
FOMC SECRETARIAT

Date: January 19, 2011
To: Federal Open Market Committee
From: Deborah J. Danker
Subject: Background Material on Structural Unemployment

As background on structural unemployment, which is the special topic at next week's FOMC meeting, a range of material is being made available on SDS.

The attached memo by Jason Faberman and Asyegul Sahin, "Reserve Bank Report on Structural Unemployment," will form the basis for their two presentations at the meeting. Bruce Fallick will also be making a presentation.

For additional background, the ten papers listed below are available individually in SDS under the heading of "Structural Unemployment."

Additional Background Material Available in SDS

1. Aaronson, Daniel, Bhashkar Mazumder, and Gadi Barlevy. "Analyses of Select Factors Affecting the Current Level of Structural Unemployment." (January 14, 2011)
2. Barnichon, Regis and Andrew Figura. "What Drives Movements in the Unemployment Rate? A Decomposition of the Beveridge Curve." (November 10, 2010)
3. Barnichon, Regis and Andrew Figura. "What Drives Matching Efficiency? A

- Tale of Composition and Dispersion.” (January 9, 2011)
4. Cheremukhin, Anton A. “Structural Unemployment in the 2008 Recession.” (January 12, 2011)
 5. Daly, Mary, Bart Hobijn, and Rob Valleta. “The Recent Evolution of the Natural Rate of Unemployment.” (January 17, 2011)
 6. Foote, Chris and Richard Ryan. “Understanding Recent Increases in Unemployment Duration.” (December 2, 2010; updated January 16, 2011)
 7. Fleischman, Charles and John Roberts. “A New State-Space Model of Potential Output and the Business Cycle.” (May 3, 2010)
 8. Kitao, Sagiri and Aysegul Sahin. “Extended Unemployment Benefits and the Risk of Hysteresis.” (January 14, 2011)
 9. Molloy, Raven, Christopher L. Smith, and Abigail Wozniak. “Internal Migration in the US: Updated Facts and Recent Trends.” (December 2010)
 10. Yi, Kei-Mu. “Research on Employment and Unemployment.” (January 2011)