

Knichtley: The struggle to find workers could hold back the American boom

The American economy is bouncing back incredibly strongly. But ING's Chief International Economist, James Knightley, says a perhaps surprising labour shortage could have big implications for the bounceback, inflation and US interest rates



The struggle to find workers could hold back the American boom

The US economy is sure to return to its pre-pandemic level this quarter when you look at economic output. But companies are really struggling to find workers, despite the fact that there are some 8 million fewer people in work than there were little more than a year ago.

ING's James Knightley in New York says there are four good reasons for this: Homeschooling, a reluctance to return to work as the pandemic hasn't gone away, older workers who've decided not to return to the workplace and, perhaps more controversially, the expanded benefits programme. James says all this could have a significant impact on both the recovery and inflation, and there are implications too for the Federal Reserve.

[Watch video](#)

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