

The Forward Eagle

News, Reviews & Elisions
Of Mutual Interest
Compiled Weekly by Tim Forward
for
The Riverdale Senior Services Center
Bronx, NY

Current events

Briefly Noted

Levels of Education
Riverdale, NY

The five square mile area of Riverdale, NY has a population of 97,645 people. This is according to 2023 data published on the census website page entitled: US Census Public Use Microdata Area (PUMA) 3701

Riverdale’s educational profile indicates a strong educational base. Approximately 42% of the adult working population have a bachelor’s degree or higher. This is higher than the New York city-wide average.

In the same Riverdale PUMA educational disparities exist. Almost 18% of the adult working population have not completed high school. Some 35% are high school graduates or have some college education. ■

Forces at Work
The United States

Almost every week the world takes another step toward the increased use of artificial intelligence (AI). Powerful AI models perform an astonishing array of tasks in industry and the professions.

Small wonder that so many working people worry they will soon be surplus, if they are not so already. Earlier this year global internet searches for “AI unemployment” were at an all-time high. It has become a common claim that AI is the major cause of unemployment in certain fields.

Specificly studies in Great Britian suggest a strong link between automation and the declining demand for professional translators employed in the field of foreign language interpretation. However, data in the United States show that the number of people employed in language translation is 7% higher than it was a year ago.

Researchers this side of the Atlantic have scoured the macroeconomic records for signs of the forthcoming AI jobs apocalypse. One popular measure is the ratio of the unemployment rate between recent college graduates and the overall white collar average in the American workforce.

Young graduates are more likely than the average worker of all ages to be jobless. The explanation is that they typically do entry-level jobs in industries and professions. It is these tasks that AI can do well and less expensively.

The relative unemployment of young college graduates started to rise as far back as 2009, long before generative AI entered the workplace. (Fig. 1) Also, the unemployment rate of recent graduates remains historically and relatively low at around 6%.

American studies on employment of all ages, sorted by occupations, have singled out workers that are believed to be vulnerable to replacement by AI. These are white-collar employees, including people in back-office support, financial operations and sales. There is scant evidence found there of reductions due to

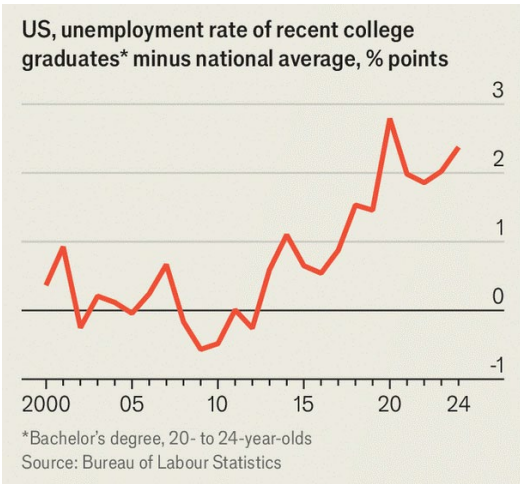


Fig. 1



Fig. 2

the introduction of AI. Over the past year the share of employment in white-collar work has risen even if only slightly. (Fig. 2)

Across the board, American unemployment remains low at 4.2%. Wage growth is still reasonably strong. It is difficult, therefore, to claim for certain that AI is causing demand for labor to fall. Trends outside America point in a similar direction. Growth of earnings in much of the developed world, including Great Britain, the Euro Area and Japan, is strong. In 2024 the employment rate of the OECD¹ group of countries, showing the employment of all working-age people, was at an all-time high.

There are two competing explanations for these trends. The first is that, despite the endless announcements about how firms are ushering AI into their operations, few make much use of the technology for core tasks. An official measure suggests that less than 10% of American companies employ AI to produce goods and services. The second is that even when companies do adopt AI technology, they do not let people go. AI may simply help workers do their jobs faster, rather than making them redundant.■

Inflation Rates
Washington, D.C.

The Federal Reserve Board of Governors’ preferred gauge of consumer prices ticked up slightly in April, a small increase that lowered the 12-month inflation rate.

Consumer prices increased by 0.1% in April, according to the personal-consumption expenditures price index, the Commerce Department reported. That brought the index’s 12-month increase to 2.1% through April, down from 2.3% through March and even closer to the Fed’s 2% inflation index target.

The core version of the index, which cuts out volatile food and energy costs, also increased by 0.1%. The 12-month core inflation fell to 2.5% in April, from 2.7% in March.

The benign headline inflation reading marks further progress in the Fed’s quest to tame the soaring inflation that racked the economy in the early 2020s, and that has subsided only stubbornly during the past few years. ■

Whither the Forecast
New Haven, CT

The advisory firm, Inflation Insights, has reported that if the U.S. Court of International Trade’s recent ruling is upheld on appeal, it leaves only auto, steel and aluminum tariffs in place. In this case the firm’s forecast for core inflation would fall by 1.2%.

The ruling involves trade law, Section 122 of the Trade Act of 1974, which allows the president to impose tariffs of up to 150% for 150 days, based on the argument that the U.S. has a large and serious balance-of-trade deficit. An extension beyond 150 days would then require approval by Congress.

The trade court’s prohibition would lessen the odds of a recession because it implies less inflation and less squeezing of the finances of the average American consumer.

If the trade court’s decision on Wednesday May 28, 2025, is reversed by an appellate court, the forecast by the Yale Budget Lab predicts that core 2025 consumer prices will face an increase of 1.7%, which the lab estimated would cost the average American household the annual sum of \$2,800.

Should the trade court’s decision be upheld, the Yale lab estimates that core consumer prices would decrease to 0.6%, translating to a cost of around \$950 per household. ■

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Tim Forward Editor

This paper is offered as a review of recent topics taken up by the current events discussion group at Riverdale Senior Services Center.

Please join us at the Center for Ageless Living, 2600 Netherland Avenue, Bronx, NY each Monday at 1:00 o’clock in the afternoon for Current Events with Tim.

This week’s articles were excerpted and edited from *The Economist* and *The Wall Street Journal*. Articles also include data from the website *census.gov*.

¹ The OECD, or Organisation for Economic Co-operation and Development, currently has 38 member countries. These countries are: Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, South Korea, Latvia, Lithuania, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom, and the United States.