

The decline of geographic and job mobility in the United States: A symptom of capitalism's deepening crisis

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The *Wall Street Journal* recently published a revealing article painting a clear and concerning picture: America's economic and geographic mobility has significantly stalled. Families are trapped in homes that do not suit their needs and young workers face uphill battles launching their careers—hampering fairness, growth and productivity.

The combination of housing market rigidity, job inflexibility and broader demographic trends is creating a “mobility freeze,” undermining the economic dynamism that has long been a hallmark of the US. In a word, the “American Dream” is a dead letter.

Far from being a temporary economic anomaly, this paralysis is the outcome of decades of policies carried out by both big business parties, subordinating the needs of the working class to the dictates of finance capital.

According to the *Journal*, the share of Americans moving upward each year has collapsed from roughly 20 percent in the mid-20th century to 7.8 percent today. Job-switching rates have also fallen sharply. This is not merely an indicator of social inertia but a measure of how the capitalist system now functions to physically immobilize the working class, locking workers into low-paying jobs and unaffordable housing and stripping them of the ability to improve their living conditions.

The ruling elite has pursued decades of policies that produced the inflation of housing costs, the destruction of affordable housing, the suppression of wages and the creation of vast pools of insecure, poorly paid labor. It is not an accident that both housing and job mobility began to fall well before the pandemic, reflecting the long-term decay of American capitalism.

From postwar dynamism to neoliberal stagnation

The end of World War II saw a period of high geographic and job mobility. Millions of workers moved to new industrial centers, supported by rising wages, the expansion of manufacturing and federally subsidized housing construction. This “dynamism” rested on the unchallenged economic dominance of the United States, the destruction of its rivals in the war and the readiness of the ruling class to make limited concessions to stave off social unrest.

That period ended in the mid-1970s. The global crisis of profitability, stagflation and the end of the Bretton Woods system marked the beginning of a sustained assault on the living standards of the working class. Deindustrialization hollowed out entire cities, from Detroit to Pittsburgh, while Reagan's unionbusting, tax cuts for the wealthy and deregulation set the template for every administration that followed.

Since then, housing and labor mobility have steadily contracted. The 2008 financial crash—triggered by Wall Street's orgy of speculation in mortgage-backed securities—destroyed millions of jobs and homes, but it also accelerated the transformation of housing into a speculative asset category dominated by banks and private equity firms. Entire swaths of the housing stock have been converted into instruments for rent extraction, with corporate landlords squeezing tenants for maximum profit.

Housing as a mechanism of class oppression

The *Journal* notes that even with the 30-year fixed mortgage rate falling to 6.58 percent as of mid-August—its lowest point of 2025—home sales remain near their lowest level in nearly three decades. For millions of working people, the idea of home ownership is now completely unattainable. Workers who purchased homes before the rise in interest rates remain trapped by “golden handcuffs” of comparatively low mortgage payments, unable to sell without incurring massive increases in monthly costs.

Far from being a matter of personal preference, this immobility is an economic prison. In the past, if a company wanted to fill jobs in one city, it might have had to offer higher wages to lure workers from elsewhere. But if workers are immobilized by housing costs or debt, they do not have the option of moving. Employers know this and do not need to raise pay. The labor market is tilted even further in the bosses' favor.

Instead of housing being a basic human need, it is an investment vehicle for the wealthy. Workers pay rent and mortgages that funnel money upward to landlords, banks and investors. Rising costs mean more of workers' income is siphoned off into the pockets of the financial elite.

Housing is not simply a commodity under capitalism—It is a financial asset and a tool for disciplining the labor force. Over decades, the speculative inflation of home values, the monopolization of land by real estate conglomerates and private equity and the starvation of public housing have created a permanent housing crisis. The resulting immobility forces workers to accept whatever wages and working conditions are offered locally.

The suppression of job mobility

The decline in geographic mobility parallels the collapse of job

switching. Historically, changing jobs was a means for workers to secure higher wages. Today, with union bureaucracies suppressing strikes and collaborating with management in imposing concessionary contracts, wage growth is tightly constrained. For lower income workers, wage increases have slowed to their lowest rate in eight years, even as inflation continues to erode purchasing power.

Corporate policies further lock in workers through benefit structures that penalize leaving and through the proliferation of “non-compete” clauses. The result is a labor market characterized by stagnation, with employers enjoying unprecedented leverage over a workforce stripped of bargaining power.

The lack of mobility is also a product of the broader monopolization of the economy. The rate of new business formation has fallen sharply, and small firms that once acted as an outlet for innovation and competition are increasingly squeezed out by massive corporations whose political influence ensures their dominance. This further reduces opportunities for workers to find alternative employment, intensifying their dependence on existing employers.

An aspect the *Journal* fails to report is that about one in six adult workers (16 percent) in the United States say they stay in jobs they might otherwise leave because they fear losing employer-sponsored health insurance. Households earning less than \$48,000 a year are nearly three times as likely to stay in an unwanted job for the health benefits.

A systemic and bipartisan creation

The *Journal* treats this paralysis as a technical economic challenge to be “fixed” through policy tweaks. In reality, it is the product of deliberate bipartisan policy. For decades, Democrats and Republicans alike have presided over the deregulation of the housing market, the gutting of labor protections, the destruction of public housing and the transformation of urban centers into playgrounds for the wealthy.

Democrats in cities like Los Angeles, New York and San Francisco have presided over policies that encourage speculation and luxury development while pushing working class residents into homelessness or exile in distant suburbs. Republicans have been equally ruthless, attacking public services, blocking rent controls and promoting corporate tax cuts that starve local budgets.

Both parties have championed the use of interest rate manipulation by the Federal Reserve as a blunt instrument to control inflation—policies that have intentionally kept housing costs high, suppressing demand and protecting the wealth of the financial elite.

Social and economic consequences

The collapse in mobility has profound consequences for the working class. Workers are trapped in declining regions, unable to pursue better jobs elsewhere. Communities suffer depopulation and economic stagnation. Young people are forced to delay or abandon plans for independence. Entire generations are locked out of home ownership, condemned to a lifetime of rent payments to corporate landlords.

The ruling class is not unaware of these effects—It counts on them. Immobility weakens the ability of workers to organize collectively, isolates them from potential sources of employment leverage and deepens their dependence on employers.

The ideological justification for this state of affairs is the claim that

workers “prefer stability” or “are choosing to stay put.” This is a transparent lie. Workers do not choose to remain in low-wage jobs or overpriced housing; they are compelled to by economic necessity, the product of a social order designed to maximize profit at their expense.

Dead end of capitalist reform

Programs touted as solutions—cash incentives to move to rural towns, subsidies for remote work relocation, token investments in “affordable” housing—are designed to create the illusion of action while leaving the underlying profit system untouched. These initiatives invariably collapse under the weight of the same forces that produced the crisis: speculative real estate, corporate domination of labor markets and the absence of genuine public investment.

Even where economic “booms” occur, as in certain industrial towns, the benefits are restricted to a small layer. In Arkansas’ Mississippi County, a steel industry expansion has not translated into affordable housing, with many workers living in RVs or commuting long distances. This is not a local failure but a microcosm of capitalism’s inability to provide for social needs even in periods of growth.

The rise to power of Trump and his cabal of fascist oligarchs is a logical consequence of the failure of reformism. His imposition of tariffs is an open declaration of war against workers.

The socialist alternative

The paralysis of mobility in the United States is a manifestation of the general crisis of capitalism. It cannot be resolved through half-measures. A genuine solution requires the abolition of the profit system and the reorganization of society on socialist foundations through rational planning.

Housing must be recognized as a social right, not a commodity. Massive public investment in high-quality, affordable housing is necessary, funded by expropriating the wealth of the real estate, banking and corporate oligarchs, who have enriched themselves through decades of speculation.

Wages must be raised to levels that allow workers to live decently and exercise real freedom in choosing where to live and work. The suppression of strikes by the trade union bureaucracy must be ended through the formation of rank-and-file committees controlled democratically by workers themselves.

Monopolies must be broken up, and key sectors of the economy—including finance, housing and major industries—must be placed under public ownership and democratic control.

The historic decline in mobility in the United States is not a passing phase, nor is it the result of individual preferences. It is the direct product of a capitalist system in deep decay, incapable of meeting even the most basic needs of the working class.

The same social order that has presided over declining life expectancy, surging inequality, the rise of fascism and endless war has now stripped workers of the ability to pursue a better life. Without the overthrow of capitalism and the establishment of a workers’ government, the paralysis now gripping American society will deepen and with it the suffering of millions.



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