

Nobody's Buying Homes, Nobody's Switching Jobs—and America's Mobility Is Stalling

The paralysis has left many people in houses that are too small, in jobs they don't love or shackled with 'golden handcuffs.' For everyone, there are economic consequences.

By *Konrad Putzier and Rachel Louise Ensign* and GABBY JONES FOR WSJ Aug. 14, 2025

Americans are stuck in place.

People are moving to new homes and new cities at around the lowest rate on record. Companies have fewer roles for entry-level workers trying to launch their lives. Workers who do have jobs are hanging on to them. Economists worry the phenomenon is putting some of the country's trademark dynamism at risk.

Josue Leon, who recently graduated from the University of Pennsylvania with an engineering degree, applied for over 200 jobs since April, piling up credit-card debt and living in his girlfriend's family's home. In many cases, he didn't even get a reply.

"It's been a nightmare," he said.

But when the Fort Worth, Texas, resident finally got a job offer, he turned it down: The job would have required a move to Massachusetts, the company didn't offer relocation assistance and the five-figure salary wouldn't stretch far.

"Moving to Massachusetts with almost no money is very difficult," Leon said. Eventually he landed a job as a magnet technology engineer in Fort Worth, keeping him close to home.

For generations, Americans have chased opportunity by moving from city to city, state to state. U.S. companies were often quicker to hire—and to fire—than employers in other parts of the world. But that defining mobility has stalled, leaving many people in homes that are too small, in jobs they don't love or in their parents' basements looking for work.

Others are slapped with "golden handcuffs." Those who bought homes when mortgage rates were low or have stable white-collar jobs are clinging to them rather than taking big leaps.

This immobility has economic consequences for everyone. The frozen housing market means growing families can't upgrade, empty-nesters can't downsize and first-time buyers are all but locked out. When people can't move for a job offer, or to a city with better job opportunities, they often earn less. When companies can't hire people who currently live in, say, a different state, corporate productivity and profits can suffer.

Young graduates who don't land good jobs soon after college often never really recover from those years of diminished earnings, widening the gap between the economy's winners and losers.

Economic and geographic mobility often go hand in hand.

Declining mobility is "a big deal in so many dimensions," said Chang-Tai Hsieh, an economics professor at the University of Chicago. His research has previously found that expensive housing



dissuaded so many workers from moving for better jobs that it weighed on U.S. gross domestic product. He believes that link, seen from 1964 to 2009, likely still holds true.

The economy has held up better than many expected this year, with consumers continuing to spend even through President Trump's tariffs and immigration raids. But GDP growth slowed in the first half of the year, and hiring over the summer has been disappointing.

The housing squeeze

In the 1950s and '60s, some 20% of Americans would typically move each year.

The share of people moving has steadily slowed since then, in part because the U.S. population has aged, and older people tend to move less. More Americans also live in households with two earners, which makes uprooting more challenging.

Note

By 2019, the year before the Covid pandemic, 9.8% of Americans moved.

During Covid, there was a well-publicized increase in people decamping farther away from work and deeper into the suburbs. That surge was brief. In 2023, only 7.8% of Americans moved, the lowest rate logged since U.S. Census records began in 1948. That figure held relatively steady in 2024, the most recent data available.

The biggest drop: a roughly 47% decline among people moving within the same county over the past three decades, according to census data.

Brandon and Katherine Righi bought their 1,100-square-foot home in suburban Summit, N.J., in 2017 with a 3.6% mortgage. They had only one young son at the time.

"The plan was to stay five to seven years and then we'd upgrade as our family grew," said Brandon, who works in consulting.

Now, the couple have three boys under 10 in the three-bedroom home with an "apartment-sized" kitchen. The tight space means the Righis store a toaster oven in their dining room and pantry items like pasta and beans in their basement.

The couple were about to put their home on the market this spring. But there weren't many larger homes available in their town, and those that were on the market were very expensive. At today's higher mortgage rates, a bigger home would at least double the family's monthly payment. They abandoned their plans and are staying put for now.

When Bob and Ann Ruffatto moved into their suburban Chicago house 35 years ago, they had two school-age children. Now the kids are grown up, and the Ruffattos live in a 2,400-square-foot house in a great school district that they no longer need.

"I'm in a home that should be occupied by a family with small kids," Bob said. "I'm clogging that."

He has already paid off the mortgage and expects to buy their next home in cash, so high mortgage rates aren't a concern for him personally. But they are still holding him back: He and his wife can't find a suitable home nearby, in part because so many would-be sellers are hunkering down.

For much of the 2010s, a median-income family who bought a median-priced home spent 30% or less of their earnings on housing costs, according to brokerage Redfin. That share is now 39%. Last year, home sales fell to the lowest level in almost 30 years.

Now

John Burns Research and Consulting estimates the share of U.S. households moving to a different metro area has fallen by 29% since 2021.

A stagnant job market

When the U.S. started to reopen from pandemic lockdowns, companies couldn't hire workers fast enough and job applicants could name their price. Today, the job market has slowed notably.

A measure of hiring, quits and layoff activity in a range of mostly white-collar industries—the number of people being hired or leaving their jobs divided by the size of the workforce—fell last year to its lowest level since 2009.

The share of people switching jobs declined between the 1980s and the 2010s, according to an analysis of census data by Minneapolis Fed economist Abigail Wozniak and colleagues. In the late 1990s, the probability that a worker would switch employers in any month averaged around 2.8%, according to data from the Philadelphia Fed. That is down to an average of 2.3% in the 2020s so far.

Employees are less optimistic than they were a year ago about finding a new job quickly if they lose theirs, according to a New York Fed survey. In a recent poll by job-listing site Indeed, half of respondents said they are sticking to their current job because they don't want to worry about being laid off as the newest hire.

This combination of weak hiring and few layoffs creates an "insider-outsider divide," said Guy Berger, senior fellow at the Burning Glass Institute.

Recent college graduates who are underemployed are more than three times as likely to be underemployed a decade later than those who quickly secure a good job, a recent study by the Burning Glass Institute found.

Leon, the young engineer, is a first-generation college student. His father immigrated to the U.S. from Mexico, worked as a fruit and vegetable picker and later became a truck driver.

Leon never expected his job search to be so hard. "As a first-gen, you're told that if you go to college you're guaranteed a job," he said.

Still, he feels lucky to have landed a role he likes. "It was a bit of a needle in a haystack," Leon said. He's also happy to stay in Texas, at least for now. He is still living with his girlfriend's family, but the couple have started looking for their own place.

Employers themselves are seeing a decline in willingness to relocate. During the 2022-24 period, about 10% of jobs that recruiting and staffing firm Kelly Services's engineering division placed candidates in required relocating. Now, the figure is closer to 2% or 3%.

Less-generous relocation packages are a factor, said Mark Saltreli, vice president of recruiting for the division. Employees with low-rate mortgages or who got hefty stock or bonus plans

during the post-Covid boom are reluctant to give them up, as those perks often take years to vest.

“The golden handcuffs right now in the market are tighter than ever,” Saltreli said.

Part of the long-term nationwide decline in mobility is because more women work full-time and they earn more money than before, said John Jones, an economist at the Richmond Fed.

Rising expenses have made a dual-income household more of a necessity for many families. Couples where both people work had the lowest levels of interstate mobility of any group in an analysis by Jones.

Craig Allen, 50, was laid off from his project-manager job at a videogame company in early July. He’s looking for a new job but says he’s unlikely to leave the Columbia, Md., area, where he has lived since 2006. His wife’s job requires being in the area, and his youngest daughter has two more years of high school left.

Allen is networking with local contacts. He also plans to look for fully remote jobs, an arrangement not uncommon in the videogame industry. “Moving to another city for a job would be the plan of last resort,” he said.

Others, like Grace Ahn, are stuck in jobs they feel overqualified for.

Ahn, 25, makes \$22 an hour as a social worker at a government contractor in Orange County, Calif. When she graduated with a fine arts degree from California State University, Long Beach, in December 2023, she hoped to find a job in marketing.

She applied for about 20 jobs a day and tracked them in an Excel spreadsheet. For a while, Ahn worked at a gym while she applied for jobs, hauling out trash, restocking weights and helping with sales. Despite cold-calling companies and messaging HR representatives on LinkedIn, she has had no luck.

She is still applying for marketing jobs.

“At first I was so naive, so excited. I was like, the whole world is my oyster,” Ahn said. “The oyster has now expired.”

Write to Konrad Putzier at konrad.putzier@wsj.com and Rachel Louise Ensign at Rachel.Ensign@wsj.com