

Economic Perceptions Lag Economic Recovery, Especially among Black/African Americans and Hispanic Americans

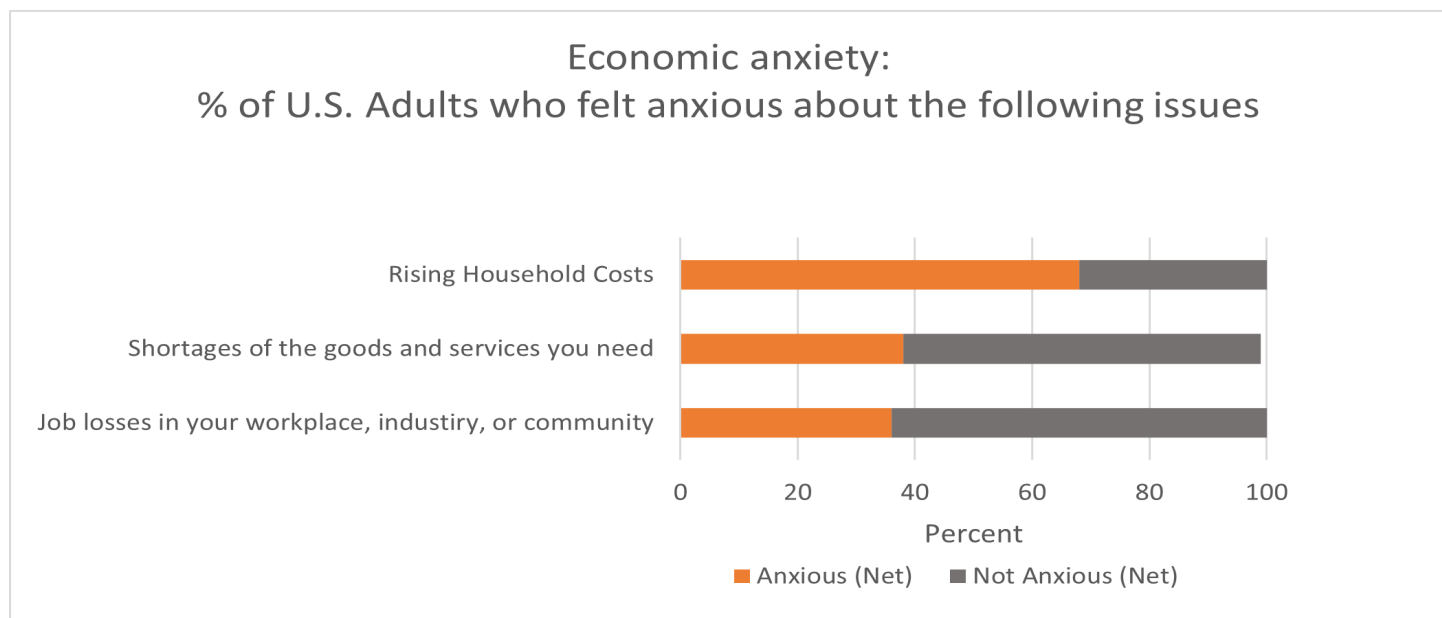
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The U.S. Economy continued its post-COVID recovery in the final six months of 2023. Among metrics touted by the [White House](#): real GDP grew, the unemployment rate stayed below 4 percent even as inflation slowed, real wages rose while wage inequality fell, and women and Black Americans made “historic” gains in the labor market. Yet, despite the relative success of economic indicators, the December 2023 Foreign Policy in a Diverse Society survey found persistent economic anxiety and broad racial and ethnic divides in characterizing community economic outcomes.

Figure 1 summarizes respondents’ anxiety in terms of employment and consumption. An overwhelming number of U.S. adults reported anxieties around rising household costs. Indeed, the number of renter households facing housing cost burden has increased alongside the rate of homelessness, according to the [Joint Center for Housing Studies at Harvard University](#). Close to one-third of respondents expressed anxiety about shortages of the goods and services they might need and about job losses in their workplace, industry, or community. These concerns are not equally distributed. Women expressed greater anxieties than men across two economic domains (i.e., shortages and household costs).

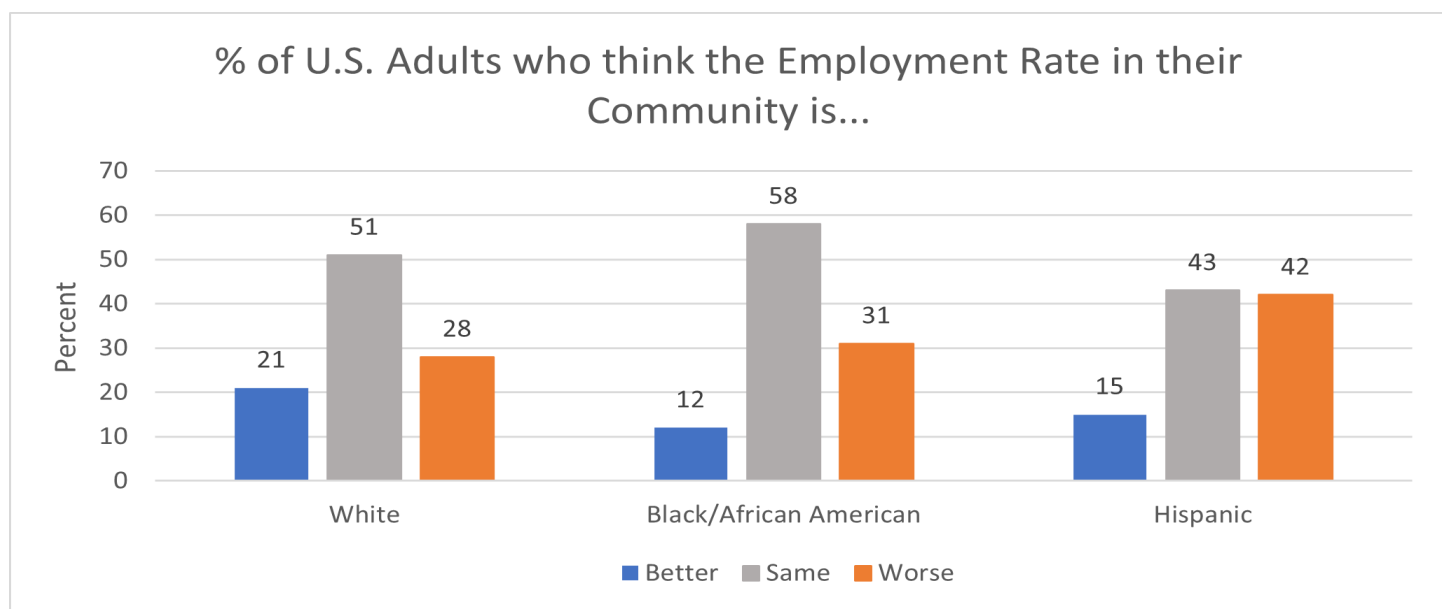
Figure 1. Perception of Economic Anxiety



Furthermore, perception of the job market varies across racial and ethnic groups. Jobless rates among African Americans declined significantly in 2023. “The unemployment rate is close to the lowest it has been in more than 50 years and a record low for African Americans,” [said President Joe Biden](#). In April last year, for example, Black unemployment dropped to a [record-low rate of 5 percent](#). The White House credited the “recovery” for “creating good jobs that you can raise a family on, which...” pulled “more Americans into the labor force.”

Still, few Black Americans, who typically experience the highest rates of joblessness in the country, reported improvements in employment rates for their communities. Figure 2 displays the proportion of White, Black/African American, and Hispanic respondents who think that the employment rate in their community has improved, declined, or stayed the same in the last few months. While most Black respondents (56 percent) said that the situation remained the same, 12 percent of Black Americans believed the employment rate in their communities was “better,” and 31 percent believed it was worse. An even greater proportion of Hispanics in the U.S. had pessimistic outlooks about employment rates in their communities, with 42 percent saying they were worse.

Figure 2. Perceptions about Change in Economic Conditions



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