

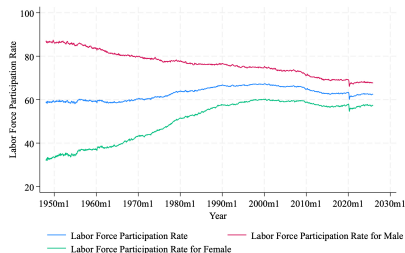
Who Wins and Who Loses in the Labor Market During Economic Downturns?

- ▶ Labor force participation rate (LFPR) refers to the number of people in the labor force as a percentage of the working-age civilian noninstitutional population.

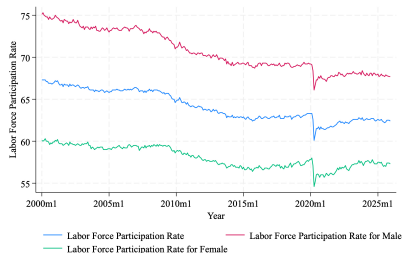
$$\text{LFPR} = \frac{\text{Employed People} + \text{Unemployed People}}{\text{Working Age Non-institutionalized Population}} * 100\%$$

- ▶ Economists use LFPR as an initial economic indicator of current market trends and to understand the overall health of the economy, with some exceptions, particularly in the long run.

Labor Force Participation Rate by Gender



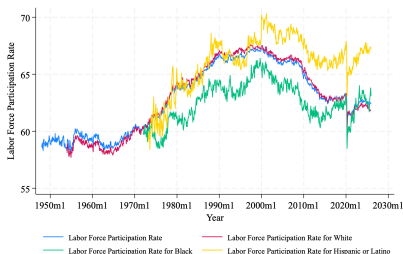
Labor Force Participation Rate by Gender (1948-2025)



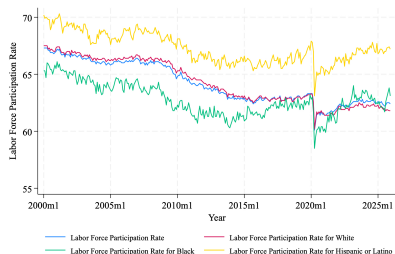
Labor Force Participation Rate by Gender (2000-2025)

- ▶ Why the LFPR of female increased while decreased for male workers?
- ▶ Why the overall LFPR has been decreasing since 2000?

Labor Force Participation Rate by Race



Labor Force Participation Rate by Race (1948-2025)



Labor Force Participation Rate by Race (2000-2025)

- Historical trend of LFPR during Great Recession and COVID-19

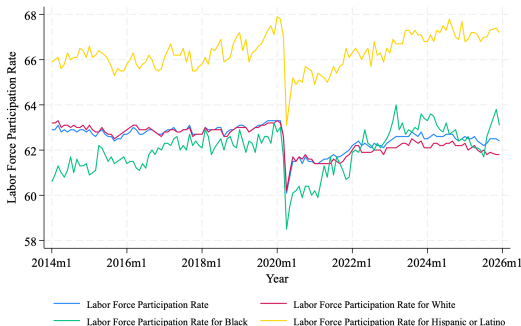


Figure: Labor Force Participation Rate by Race during COVID-19 (2014–2025)

- ▶ Why the LFPR of Black and Hispanic increased while decreased for White after COVID-19?
- ▶ Why Black and Hispanic workers are more vulnerable to economic downturns?