

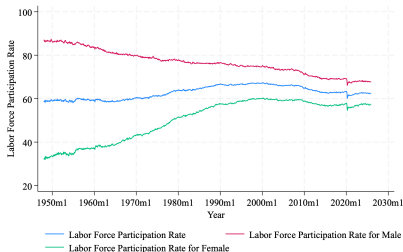
Who Wins and Who Loses in the Labor Market During Economic Downturns?

- ▶ 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.

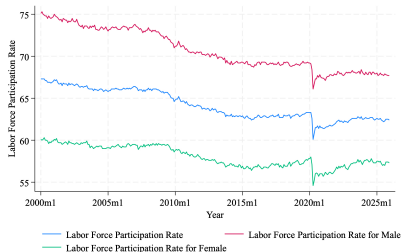
$$\text{LFPR} = \frac{\text{Employed People} + \text{Unemployed People}}{\text{Working Age Non-institutionalized Population}} * 100\%$$

- ▶ 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.

Graphs: Labor Force Participation Rate by Gender



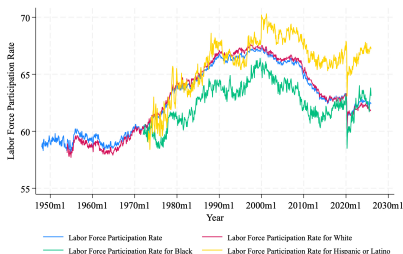
Labor Force Participation Rate by Gender (1948-2025)



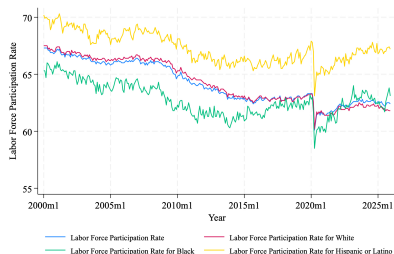
Labor Force Participation Rate by Gender (2000-2025)

- ▶ 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

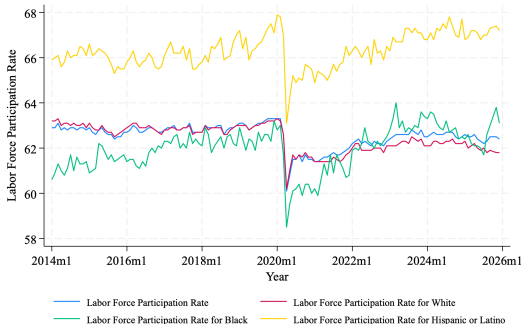


Figure: Labor Force Participation Rate by Race during COVID-19 (2014–2025)

- ▶ 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?