Differential Economic Pain Due to the COVID Pandemic

MOSAIC Data Brief

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MOSAIC Data Brief Series

MOSAIC (Measuring Online Social Attitudes and Information Collaborative) is a collaboration between SSRS, Georgetown University, and the University of Michigan. This collaboration will focus on understanding how to leverage survey data and social media data to better capture public opinion in reliable, valid, and scientifically rigorous ways. This data brief series is intended to share public opinion results to inform researchers and decision makers with information about attitudes in the United States related to different aspects of the COVID-19 pandemic. Data briefs will utilize open-ended survey responses, social media posts, and/or both in order to gain different perspectives on public attitudes.

The onset of COVID created economic havoc around the world. The need to isolate and not congregate forced many businesses to close, creating substantial unemployment in the United States. It increased from 3.5% in January 2020 to 14.8% by April of that year as infection rates and hospitalizations increased rapidly. By July 2021, unemployment had been reduced to 5.4% nationally, but the recovery, such as it was, was not uniformly distributed in the population. For whites, the rate was 4.8% while it was 8.2% for African Americans and 6.6% for Hispanics.[1] At the individual level, losing a job and being out of work meant lost wages, difficulty in maintaining housing, and rising bills, according to the latest survey conducted and analyzed by the MOSAIC research collaborative, consisting of members at the University of Michigan, Georgetown University, and SSRS.
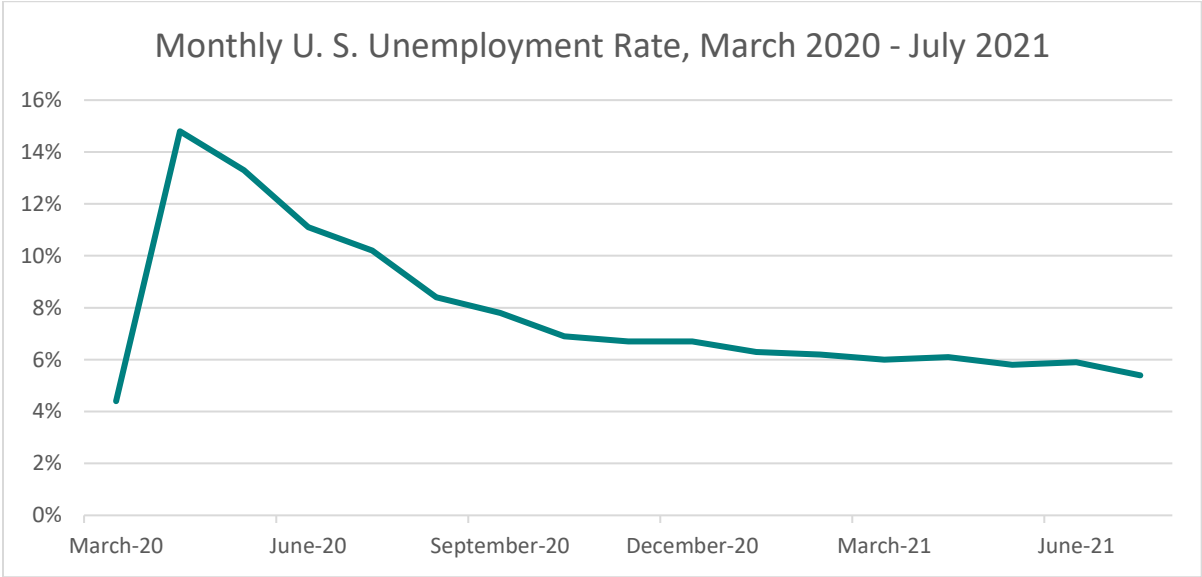

Figure 1. U. S. Bureau of Labor Statistics Unemployment rates March 2020 through July 2021[1]

In a series of repeated surveys conducted by SRSS from April to June, a national sample of adults was asked "How much of a threat, if any, is the coronavirus pandemic to your personal financial situation?" In the total sample, 21% responded the pandemic was a major threat, while 35% responded it was a minor threat. Only 43% indicated that it was not a threat at all.

> *56% of respondents said the pandemic was an economic threat.*

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[1] U.S. Bureau of Labor Statistics, Unemployment Rate [UNRATE], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/UNRATE, September 13, 2021.
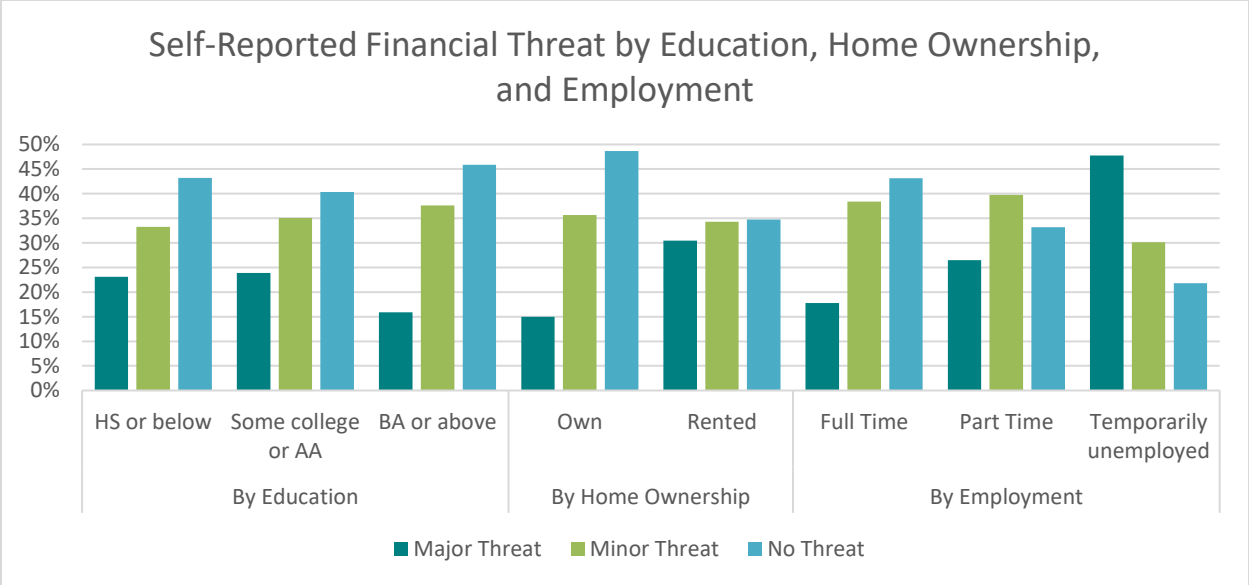
Figure 2. Self-Reported Financial Threat of Pandemic by Education, Home Ownership, and Employment

Feelings of a threat to personal financial situations were not uniformly distributed in the population, however. As expected, those who reported being temporarily unemployed were more than twice as likely to respond that the pandemic was a major threat compared to those who were working fulltime, 48% compared to 18%. Only 15% of non-Hispanic whites felt the pandemic was a major threat, compared to 32% of all Blacks and 35% of all Hispanics. Likewise, 15% of home owners describe the pandemic as a major threat while 30% of renters did. Those with the highest levels of education were less likely to report a major threat compared to 41% of those with less than a high school education who did.
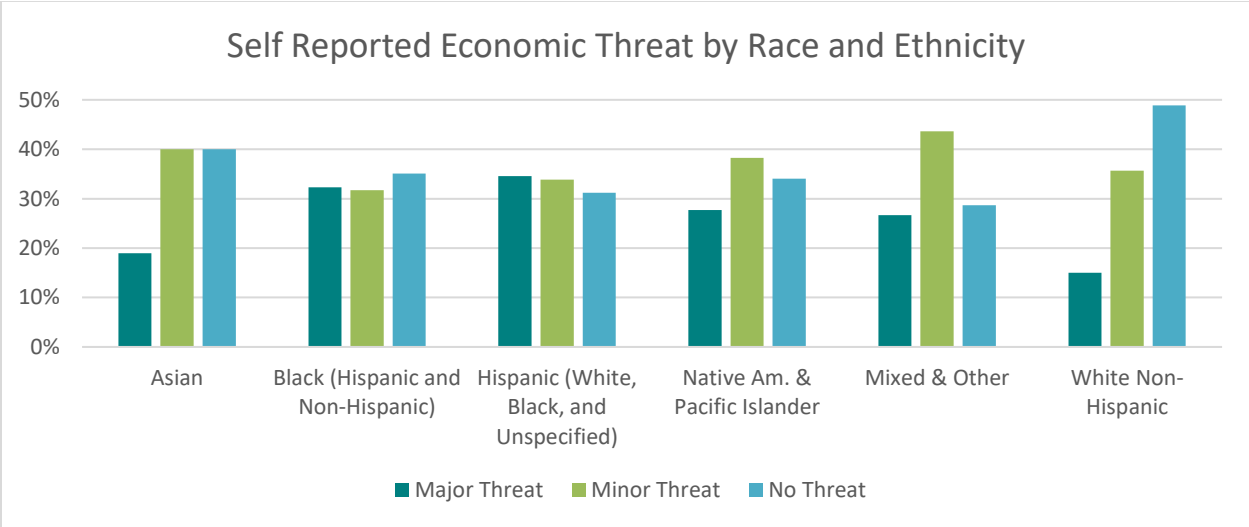

Figure 3. Self-Reported Financial Threat of Pandemic by Race & Ethnicity

Those who described the pandemic as a threat (either a major or minor one) were asked to explain in their own words in what ways the pandemic was a threat. The responses were analyzed with topic modeling and the majority of them fell into 10 specific categories. The most frequently described threat was a loss of a job or a pay cut (29%), followed by a family issue (11%), difficulties paying bills (9%), a loss of small businesses (8%), a loss of assets (7%), higher prices (6%), housing issues (6%), and an inability to work (5%). A total of 3% mentioned various policy issues, and 3% mentioned reduced opportunities.
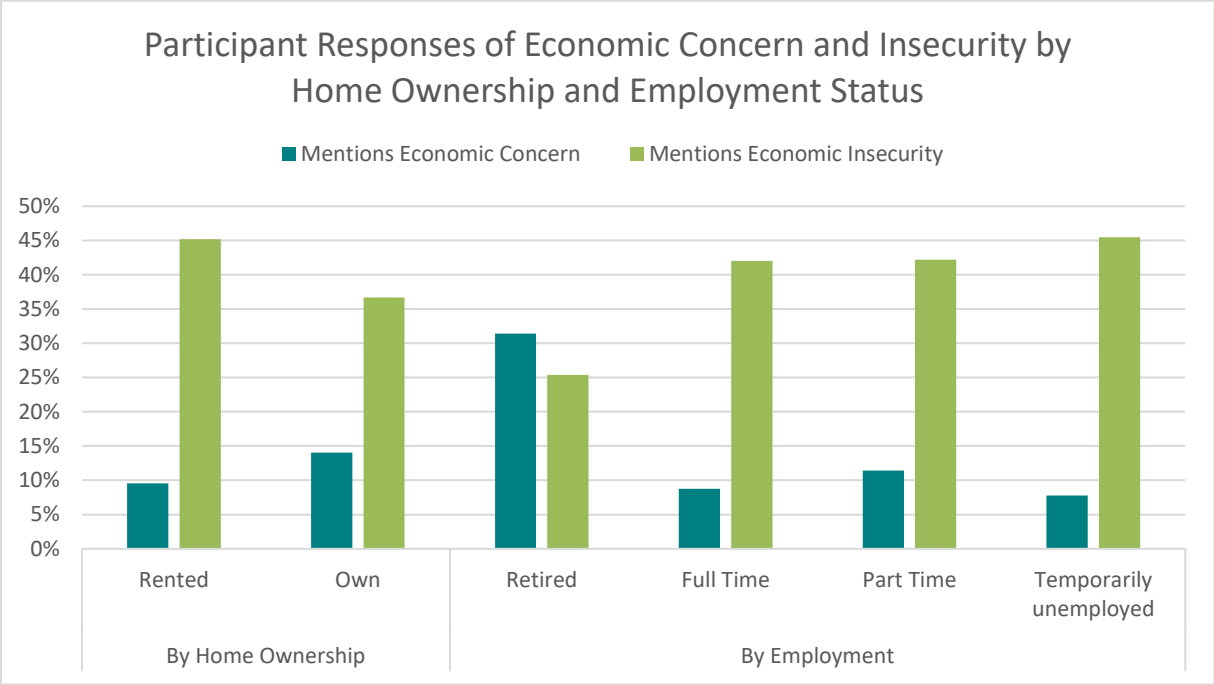

Figure 4. Participant Responses of Economic Concern and Insecurity by Home Ownership and Employment Status

Two groups of these responses were combined for analysis. Job loss, difficulties paying bills, an inability to work, and reduced opportunities were combined to reflect Economic Insecurity, while a loss of assets and housing issues were combined to reflect Economic Concerns. An analysis of these two broad areas among different population subgroups again highlighted the differential economic impact of the pandemic. First, economic insecurity was a more frequent response than economic concerns. Among those who reported being temporarily unemployed, 45% gave responses about that compared to 7% mentioning specific economic concerns. Even among those who are employed full time, four times as many mentioned issues of economic insecurity (42%) compared to specific economic concerns (9%). Only among those who are retired did the mentions of economic concerns (31%) outnumber mentioned of economic uncertainty (25%).

Home owners were less likely to express feelings of economic insecurity (37%) than renters (45%). Single individuals were more likely to express feelings of economic insecurity than those who married or divorced, and those who are widowed were least likely to have such concerns. There was only a weak relationship between gender and such feelings.

This analysis presents an initial look at the economic impact of the pandemic on the American population and a description of its differential impact across a variety of demographic subgroups. With the availability of additional data, we will look at how unevenly recovery has been spread across the same groups.

Methodology

Survey & Social Media Data Collection. The MOSAIC recruitment survey was conducted via the SSRS Opinion Panel and invited U.S. adults aged 18 and older who use the internet to participate. The SSRS Opinion Panel is a probability-based web panel of U.S. adults (including Hawaii and Alaska) and is recruited randomly based on a nationally representative ABS (Address Based Sample) probability design. Data collection was conducted via the web from March 11 – June 13, 2021, among a sample of 9,544 panelists in English (9,468) and Spanish (76). Data were weighted to represent the target U.S. adult population.

Topic Coding of Open-ended Responses. The exact responses to open-ended questions were transcribed by interviewers and coded using semi-supervised topic modeling. Preprocessing steps included capitalization standardization, punctuation removal, and stopword removal. Frequently occurring words and phrases were identified by identifying the frequency with which respondents used different unigrams, bigrams, and trigrams. Experts looked through the list of frequently occurring words and phrases, identifying ones that could be used to represent seed topics. These seed topics were inputs into a generative topic model and used to generate more complete topics and possibly new topics. This topic list was manually adjusted by experts.

Acknowledgments