



Economic Review

Women without a College Degree, Especially Minority Mothers, Face a Steeper Road to Recovery

by: Didem Tüzemen

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The pandemic-induced recession weighed most on the labor force participation of prime-age women without a bachelor's degree, particularly minority mothers.

The labor force participation of prime-age individuals (age 25 to 54) in the United States declined dramatically at the onset of the COVID-19 pandemic, and as of June 2021, the prime-age labor force participation rate remains well below its pre-pandemic level. Prime-age individuals are in their most productive working years, and a persistent decline in their labor force participation has important implications for the future of the labor market and economic growth. However, understanding the decline requires detailed analysis, as aggregate statistics on labor force participation may mask differences in labor market outcomes.

Didem Tüzemen documents changes in the labor force participation rates of prime-age individuals across sex, education level, and race and ethnicity during the pandemic-induced downturn and subsequent recovery. Her analysis yields three key findings. First, prime-age women without a bachelor's degree experienced greater deteriorations in their labor force participation and employment during the recession than all other prime-age individuals, and their labor force participation and employment rates are still well below their pre-pandemic levels. Second, Hispanic prime-age women without a bachelor's degree have seen a larger decline and a slower recovery in their employment and labor force participation rates compared with non-Hispanic white and non-Hispanic Black women. Third, the presence of young children seems to have weighed on the labor market outcomes of less-educated women in general and minority women in particular.

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Author



Didem Tüzemen

Senior Economist

Didem Tüzemen is a Senior Economist in the Economic Research Department at the Federal Reserve Bank of Kansas City and the Executive Director of the Kansas City Research Data Center (KCRDC). Ms. Tüzemen joined the department in July 2011 after earning her Ph.D. in economics from the University of Maryland, College Park. She also holds a B.S. degree in physics and a M.A. degree in economics from Bogazici University in Istanbul, Turkey. Ms. Tüzemen's main areas of research are macroeconomics, labor economics, and health economics.
