

CONTENTS

1	Introduction	1
PART I. THE PANDEMIC ECONOMIC COLLAPSE		
2	The Bottom Falls Out	17
3	Making Ends Meet before the Pandemic	40
4	The CARES Act	64
PART II. THE PANDEMIC SETTLES IN		
5	Muddling Through	99
6	Pandemic Relief after the CARES Act	121
7	Left Behind, Again	150
PART III. THE PANDEMIC'S AFTERMATH		
8	Work from Home: The Past and Future of Work	187
9	The Long Term	206
10	Struggling Back to (a New?) Normal	231

viii CONTENTS

11	The Pandemic Paradox	268
	Epilogue: October 2022	296

Acknowledgments 299

Notes 301

Index 363

1

Introduction

THE BAD NEWS kept coming for Sofia. In March 2020, Sofia's workplace closed to help prevent the spread of COVID-19. In addition to losing her job, she suffered a death in her family. The associated costs were around \$2,000. Because her income had gone down, Sofia could not pay all of the funeral expenses initially and charged some to a credit card. Her family also delayed paying some utility bills, reduced their food spending, and made a mortgage payment late. Because of the pandemic, their financial situation was spiraling out of control.

Even before the pandemic, Sofia's family had been having financial difficulties. Sofia, a Hispanic woman in her late twenties, lived with her husband and their two kids in a big Texas city. Before the pandemic, she worked a part-time job in an office and her husband had a full-time job. Between them, they earned about \$30,000 a year. Their income was pretty stable from month to month, unlike about one-quarter of American households.

The expenses just kept adding up, leaving them with little ability to adjust. Some expenses were regular. The mortgage on the house they owned cost about \$700 a month. With two kids, food was a big part of the budget. There were also the unexpected expenses. In the year before the pandemic, Sofia's family had had to find ways to cover a major house repair, a mobile phone replacement, and an increase in child care expenses. The regular expenses plus the unexpected ones made it difficult to save regularly. Sofia's family had less than \$100 in checking and savings accounts in 2019.

And then there were all of the expenses that came from not having much money. Because they had so little in checking and savings, Sofia and her husband had had several overdrafts in the past year. Sofia's family was not intentionally overdrafting, but it was often difficult to know how much money was in the account before paying for groceries. Combined, the overdraft fees were more than they typically kept in savings.

Although some areas of Sofia's life—the kids, the house, the job—seemed to be going well, Sofia felt that her finances often controlled her life. Among her problems, she had an auto loan and at least one credit card bill that had been sent to collections agencies. She also had some student loan debt. She attended college briefly but did not get her degree; the experience left her with more than \$6,000 in outstanding student loans. Those unpaid debts left Sofia's credit score in tatters. Although they had mostly managed to make ends meet in the past by borrowing, cutting back, and occasionally not paying a bill, they were unprepared for a major shock.

When she lost her job at the beginning of the pandemic and faced the unexpected funeral expenses, Sofia's family was already on the edge, and their finances started to deteriorate rapidly. They missed a mortgage payment. Perhaps they would lose the house. They cut back food spending, the one expense they could readily control. Perhaps they would have to start skipping meals. Or their electricity might get cut off because they had skipped paying a utility bill.

Everything changed in March 2020. For the first several months of 2020, COVID-19, a disease caused by a new virus that had been slowly spreading, looked like it might be contained. Something to be worried about, but with so much else to be worried about it was not most people's primary focus. The first confirmed U.S. deaths occurred around Seattle at the end of February. The first confirmed case in New York City was on March 1. But it soon became clear that these deaths and cases were just the beginning. Because testing was so limited, the virus had been

spreading everywhere. By April, New York City briefly reached 800 deaths per day.

As it became clear that the virus was everywhere, suddenly everything stopped. Schools closed across the country. In the third week of March, businesses everywhere sent their employees home. Some employees continued to work from home, figuring it out as best they could. Others were soon fired or furloughed. From mid-March to mid-April, 22 million people lost their jobs. People whose jobs were deemed “essential” for society’s functioning—from physicians and nurses to grocery checkout clerks and meat packers—were asked to still report to work in person but faced terrifying new risks.

“This is a huge, unprecedented, devastating hit,” former Federal Reserve Board chairwoman Janet Yellen told CNBC on April 6, 2020.¹ As the bad news continued, the headlines captured just how terrifying the economic collapse was. The April unemployment rate was “the worst since the Depression era,” the *Washington Post* headline told us.² GDP fell faster in the second quarter than at any time since we started calculating it officially in 1947, leading Reuters to declare, “COVID-19 crushes U.S. economy in second quarter.”³ It was impossible to escape the grim economic news.

Most Americans were not prepared for an economic collapse of this magnitude. Even before the pandemic, many Americans found it difficult to make ends meet. High housing costs left many families with little left over every month. Frequent unexpected expenses and variable incomes often left families facing difficult financial choices. In 2019, 40 percent of families had difficulty paying at least one bill or expense in the previous year. Black and Hispanic families were particularly likely to have had difficulty; two-thirds of Black families and nearly half of Hispanic families had difficulty paying at least one bill.

These problems left many families with little financial cushion. Two out of every five families could not cover their expenses for more than a month if they lost their main source of income. One out of five could not cover expenses for more than two weeks.

As it became clear that the pandemic was going to last longer than two weeks, suddenly many families were staring at a financial cliff.

Because of their limited financial cushion, within two weeks, one-fifth of families would need to start making hard cuts, and within a month another fifth would need to make cuts. Before the pandemic, families that faced difficulty paying bills often cut back on food, medical expenses, and other bills, leading to cascading problems. What cuts would families be forced to make this time?

The response to the 2008 financial crisis and Great Recession suggested that the government would not be there to help. Following the 2008 crisis, millions lost their homes and millions more suffered through years of unemployment and a weak labor market. The wealth of the bottom half of the population—150 million people—had only reached its precrisis peak in 2019. Black employment had also just recovered. While the bankers had quickly moved on, most people were only recovering from the 2008 financial crisis a decade later, just in time for the pandemic.

As the bottom fell out of the economy in March and April 2020, it looked as if widespread financial suffering was imminent.

Then something remarkable happened. Despite the economic collapse starting in March 2020, the pandemic did not bring about widespread financial suffering. In fact, by June 2020 most Americans were better off financially than they had been a year earlier. Even the unemployed, like Sofia, were doing better.

In May, Sofia received money from the CARES Act, a large pandemic relief bill. She and her husband received a total of \$3,400, \$1,200 for each adult and \$500 for each of their two kids. That amount was around 10 percent of their prepandemic income and covered their mortgage for a couple of months plus the unexpected funeral expenses. In addition, Sofia applied for unemployment insurance and started receiving it after three weeks. The benefit included an extra \$600 per week from the CARES Act in addition to about \$100 in regular unemployment benefits.⁴

Until that aid arrived sometime in May, Sofia's financial situation looked dire: unpaid bills, a missed mortgage payment, reduced food expenditure. But after she started receiving unemployment insurance, Sofia's family's income increased by about \$400 a week. As a result, she

felt that her financial situation was somewhat better in June 2020 than it had been a year earlier, despite the period of unemployment and the big unexpected expenses.

These improvements for Sofia and many others continued through 2021 and into 2022, despite the many changes in the economy. Fewer people had difficulty paying bills or expenses. Unlike in 2008, few people lost their homes to foreclosure. Half as many people were evicted during the pandemic compared with the previous years. The average American's savings went up and credit card debt went down. Somehow, a pandemic that would eventually kill over a million Americans and take away so many opportunities left most Americans better off financially.

What explains this paradox? Three massive pandemic relief bills, starting with the CARES Act on March 27, 2020, transformed the pandemic economy. These bills collectively budgeted more than five trillion dollars, although not all of it was spent immediately. This pandemic relief was more than five times the relief in response to the 2008 financial crisis. The aid increased unemployment insurance benefits, extended them to new people, and provided them for longer. It sent direct payments worth several thousand dollars to most Americans. The relief bills gave nearly a trillion dollars to small businesses. The bills and other policies helped struggling homeowners and kept many people from being evicted. The aid kept struggling families from being pulled over the financial cliff, as Sofia's story illustrates.

Part I of this book tells the story of the pandemic's initial months. The story of a terrifying economic collapse. The story of what that meant for already financially precarious families. And the story of how pandemic policy protected so many families.

As the pandemic settled in, in Part II we'll turn to the many ways Americans changed their lives to adapt to the new reality in sometimes creative and sometimes tragic ways. To help slow the virus's spread, many people stopped going out to restaurants and bars, stopped traveling for vacation or to visit grandma. And most people's spending declined sharply. The government aid kept most people's incomes from declining, even if they were unemployed. With incomes the same or up and spending down, the average American's savings increased sharply.

Many paid long-standing debts. With the newfound financial freedom, many Americans started new businesses and, as the economy roared back, others became choosier about jobs. The pandemic gave many Americans a rare opportunity to reset their financial lives.

The pandemic was also just weird. Often stuck at home, we had to learn to muddle through new and suddenly stressful situations. We often had to come up with new ways of doing things to avoid contact. What activities are safe? Where can we get toilet paper? How do we make bread? How do we date or buy houses in a pandemic? Should we go to the dentist? As the pandemic unwound, we had to figure out how to do things again.

And even as the CARES Act distributed near-unprecedented aid, some people were left behind. Even as poverty fell, food insecurity increased. Renters and their landlords were left out of direct assistance until December 2020, and even then, rental assistance took months to go out. And while government aid kept many families from financial catastrophe, inequality increased as wealth became more concentrated. Life expectancy fell sharply for everyone, but especially for Black and Hispanic households. Drug overdoses increased and many Americans drank more.

Finally, in Part III we will examine the pandemic's aftermath. The pandemic fundamentally changed many Americans' lives, effectively pausing them in place for more than a year, with long-term consequences. Education was severely disrupted, harming our children's long-term ability to earn and thrive. The millennial generation faced the second economic catastrophe of their working lives, disrupting their march toward paying down student debt, buying a house, and saving for retirement. Millions of women left the workforce to take care of children whose schools and daycares shut their doors, setting back or permanently derailing their careers. Millions of people retired early, leaving the workforce before they planned and wondering whether they have enough for retirement.

The nature of work changed, as suddenly and for nearly two years, more than a third of the labor force worked from home and began to reconsider where work needed to occur and whether crushing com-

mutes were really necessary. The massive work-from-home transformation may unleash new productivity gains and revive declining cities and towns across the country. Businesses had to rethink the nature of work. And the pandemic forced many people to become creative about how and when they work, juggling child care, cats, work calls, and emotional well-being.

As the pandemic wound down, new troubles emerged. The surge in demand for physical goods created shortages of different kinds as supply chains struggled to keep up. Labor markets did not always align as employers tried to hire under their old approaches and fed-up employees rethought their priorities. Inflation picked up and new economic worries emerged as well as new opportunities.

As we'll see, the pandemic experience shows that it is possible for American society to rapidly change direction. America and the world faced a new threat with massive economic and health implications. And American society responded to that threat in innovative ways. Individually, we learned to navigate a new, sometimes stressful and scary world. Collectively, we found ways to protect each other from the financial collapse. In the process, we learned we do not have to repeat past mistakes. We learned that targeted programs can relieve suffering. But we did not protect everyone. And against these benefits, there are also the costs of increased debt and inflation as the pandemic wound down. As we'll see, we also learned that not all policy was effective, not all spending worth the costs.

By understanding America's response to the pandemic, we can find a better way forward. A path that takes what worked in the pandemic and avoids the blunders. A path that protects the most vulnerable, without the pandemic's suffering. A path that makes us less financially fragile. A path that shows we can still accomplish big things, if we decide to. A path that leads to a fairer and more productive society.

Between chapters, I introduce other families like Sofia's. Sofia responded to a survey—aptly called the Making Ends Meet survey—which

I helped design for the Consumer Financial Protection Bureau (CFPB), where I am a senior economist. Sofia is not her real name. The survey carefully protects its respondents' identities, and we do not have information that would directly identify them, such as their names or addresses. Sofia and others responded to the survey before the pandemic in June 2019, again in June 2020, and again in February 2021. The respondents' credit bureau records are also associated with the survey. Together with their credit records, the three survey waves tell a richly detailed story of the ups and downs in Americans' financial lives before, during, and after the pandemic.⁵

The COVID-19 pandemic had a profound financial impact on people across the country. For some, like Sofia, the impact was immediate and financial. For others, it presented new opportunities or difficult choices. Not all of the families I introduce are having financial problems. But all of them have to think about their finances, have had ups and downs, and are trying to balance the competing demands of expenses and saving for the future. And all of them lived through a pandemic and had to make decisions affected by it. I approach telling their stories as a social scientist. I want to understand their choices and financial constraints, not judge them. These families' financial stories illustrate how the big economic and policy changes affect individuals. I chose families whose unique experiences echo some of the broader trends and families whose age, gender, race, and ethnicity reflect American society's complexity. But Sofia does not represent all Hispanic women any more than John—introduced after Chapter 3—represents all white men; their stories are their own even as many Americans faced similar struggles.

The survey helps understand the financial ups and downs faced by Americans and how they try to make ends meet in the middle. In addition to telling individual stories, I use the survey to describe the broader situation American households faced during the pandemic. It is common in news stories about the pandemic to learn about one family's difficulties. The difficulties these families recount to journalists are real, but they may not be common or representative of others' experiences. By drawing on a national survey, I can give broader context to individual stories and examine what experiences were common. At the same time,

economists often forget that economic statistics are composed of millions of individual stories. Hiding behind dry statistics, we miss diverse experiences for the boring average and often focus on our own frequently limited and privileged experiences. The sometimes messy individual financial stories like Sofia's and John's are a reminder to look beyond the average.

This book draws from many other sources as well. I use research and data collected by a range of research organizations, inside and outside government, to paint a full picture of the pandemic economy. I spent the months after the pandemic hit looking at the CFPB's data sources, reading the evolving research, and briefing policy makers to help them understand what was going on. This book draws from my experience as a research economist at the CFPB during this tumultuous time.

Not many people have heard of the CFPB. As we wrote on the survey, "The Consumer Financial Protection Bureau is a federal agency created in 2010 to make mortgage, credit card, automobile, and other consumer loans work better and ensure that the markets are fair, transparent, and competitive." The CFPB was created by the Dodd-Frank Wall Street Reform and Consumer Protection Act after the 2008 financial crisis exposed deep problems in consumer financial markets. The Dodd-Frank Act consolidated consumer financial protection, which previously had been distributed across the federal government, into one agency whose primary focus would be consumers.⁶ The first thing the act instructed the agency's director to do was to set up a research unit—the part of the CFPB where I work—to research, analyze, and report on emerging issues in consumer finance.⁷ The Making Ends Meet survey I draw from is part of that research mission. But good research also requires independence, so this book does not necessarily represent the views of the CFPB or the U.S. government.

This book is about how the pandemic and pandemic policies affected Americans, not about politics.⁸ Most of the major policies were broadly bipartisan, although they were certainly subject to many compromises. There is ample blame for bad policy, poor administration, and missed deadlines during the pandemic at all government levels. And there is ample praise for civil servants throughout government who worked

through the pandemic to keep necessary services running and for politicians, their staff, and their appointees who championed effective and rapid policy in a quickly changing and uncertain time. Throughout, I focus on the evidence for what happened and why rather than attempt to assign blame or praise.

The pandemic also caused a research boom. New research papers came out more rapidly than ever before. Many research groups were able to use their knowledge and data to speak to current problems, including the JPMorgan Chase Institute, Opportunity Insights, the Census Bureau, and many others. In addition, the investments many newspapers and websites had made in data and economics journalism suddenly paid off. As so much changed so rapidly, good data and economics journalists were at the front analyzing and decrypting it. *FiveThirtyEight*, the *New York Times*, the *Washington Post*, *Vox*, and many other publications and sites put together original research based on data and interviews. I draw on this exciting research to explain how and why the often surprising pandemic economy evolved.

Sometimes the research I discuss conflicts; different teams using different methods reach different conclusions. To someone outside the research community, these different messages can be confusing. But good researchers know that we learn more about the world by challenging our assumptions and not relying too much on any individual study. And we will surely learn more about the pandemic's effects. While I present what we currently understand, good research refines and builds, and there is more to come on this massive economic and social event.

During the pandemic, we were often operating through uncertainty. Just as the pandemic brought new challenges for many Americans, it brought new economic conditions that evolved in unexpected ways. While individual families were trying to navigate a newly complicated world, government statistics offices, economists, and journalists were trying to puzzle through what was happening, and policy makers were trying to make decisions. Throughout the book, I try to highlight how our understanding evolved as the pandemic went on.

Like many parents, I spent the pandemic balancing work and being a parent, getting up early and staying up late so I could help take care of

my two young kids, whose school and daycare had closed. Trying to be a teacher, economist, and dad at the same time. My wife and I sewed (bad and uncomfortable) cloth masks in early April 2020 and baked (delicious) bread in June when we could not buy sandwich bread. I cut my own hair for more than a year. Because I wasn't commuting, I spent a lot more time with my kids. While we have each had our own journey through pandemic, from wondering what was safe, to unemployment, to loneliness, to shortages, to juggling work and child care, we all shared the experience of living through the defining event of our time. I hope this book helps give you perspective on your own experiences and helps you understand others' experiences.

For most of us, the pandemic's primary impact has been social and economic rather than viral. But we should not forget the virus's direct impact. By June 2022, more than a million Americans had died of COVID-19, around one-quarter of worldwide deaths at the time. Grandparents, parents, friends, and loved ones who are no longer with us. At the same time, around three quarters of Americans had COVID-19 by July 2022.⁹ Most cases were so mild that they went unreported. But millions had severe cases, suffering through weeks of breathing difficulty, and some experienced debilitating long-term symptoms. While this book is not primarily about the virus's path through society, these losses are the grim reality that shaped the COVID economy.

The financial ups and downs of families like Sofia's often followed the start, stop, and effectiveness of pandemic policies. The CARES Act policies that had done so much to support Sofia's family largely ended in July 2020. The next six months were hard. When she took the next round of the survey in February 2021, Sofia reported having difficulty paying some bills several times, the most recent in December 2020. They had to cut back on food spending again. And they paid some utility bills late, reduced other household expenses, used a credit card, and borrowed from family and friends. But all of that was not quite enough, so Sofia took out a payday loan that she rolled over at least once. For a

fee, a payday lender advanced money before Sofia's next paycheck. Perhaps Sofia was worried that the skipped utility bills might cause their power to be turned off. But payday loans can be expensive and often get rolled over so many times that borrowers pay more in fees and interest than the amount of the original loan.

Around September 2020, Sofia stopped working so that she could take care of her children. This decision must have been hard for her, as it was for millions of other women. It is likely that the reduced income is one of the reasons they were continuing to have financial problems. But their family's school or daycare was closed because of the pandemic and someone had to look after the kids. Sofia's husband continued to work full time.

The pandemic affected them in other ways. Even though everyone in Sofia's household was covered by health insurance, they delayed some medical treatments because all nonessential medical care was shut down for a while during the pandemic. They could not buy enough of a necessity because it was not available in stores. The tightened finances meant that they looked for ways to cut back on expenses. For example, Sofia reported that although they had enough to eat, it was not always the kinds of food they wanted to eat. Despite this financial tightening, Sofia felt their expenses had increased, while their income had decreased after the expanded unemployment benefits expired. For a family without a large financial cushion, such changes could be dangerous.

The constant expenses that had always been part of their life continued during the pandemic. Part of being in a family network whose members support each other financially is the give and take. Sofia faced a significant unexpected expense when she loaned money to a family member. They also had some large home repairs and expensive phone replacements.

Once again, government support seems to have helped give them a buffer against disaster. Two large pandemic relief bills, one in December 2020 and one in March 2021, sent new cash payments and added to unemployment benefits. Sofia's credit card debt dropped several hundred dollars to nearly zero between January and March 2021 after these payments.

Despite all of the problems she faced during the pandemic, by June 2021 Sofia's debts were down and her credit score was up. They had not missed any more mortgage payments. Unlike millions of families following the 2008 crisis, they had not lost their home. Maybe this financial reset wouldn't last, but it gave her some financial space she had never had before. Like many Americans, Sofia had weathered the ups and downs of the pandemic economy. And despite it all, she was in a better position financially than before the pandemic.

As we'll see in Part I, Sofia's experience before and during the pandemic was common. Many families struggled to make ends meet before the pandemic. So when the bottom fell out of the economy starting in March 2020, it looked like painful cutbacks were just weeks away.

INDEX

- activity stoppages, 5, 27–28. *See also under* employment; shutdowns
- adaptations to pandemic, 99–120; case example of, 117–20; cleaning protocols as, 99–100; comparative advantage changes and, 110–13; dating, marriage, divorce, and friend interaction changes as, 113–16; delayed or forgone medical care as, 101–4; home vs. market production as, 109–13, 246–47, 272–73, 321n52; house purchases/sales and, 104–6, 319n29; overview of, 99–101; social contact changes as, 100, 109, 111–12, 113–16; spending changes as, 102, 107, 245–47, 271–74, 321n52; supply chain shortages necessitating, 106–9; work from home as, 100, 104–5 (*see also* work from home)
- Affordable Care Act, 128, 159
- African American families. *See* Black families
- age: COVID-19 risks with, 209; financial well-being and, 136. *See also specific age groups*
- agglomeration effects, 199–200
- AIG, bailout of, 284, 359n27
- Akerlof, George, 103
- alcohol consumption. *See* substance use/abuse
- Amazon, 263
- American Recovery and Reinvestment Act (2009), 360n31
- American Rescue Plan Act (March 2021), 125–30; background of, 121–22, 125; child tax credits in, 128, 130, 325n27; Economic Impact Payments in, 121, 126, 255, 281; educational support in, 225; effects of, 12, 122, 128; health-related provisions in, 128; Paycheck Protection Program funding in, 79, 121; poverty measures and, 128–30, 325n27; provisions of, 125–30; renter and homelessness assistance in, 127–28, 175–76, 178; SNAP increase extension in, 128; state and local government relief in, 126–27, 165, 282; unemployment insurance benefits in, 121, 123, 125–26, 156, 234–35, 324n16
- Asian Americans, death toll from COVID among, 159
- automobiles: auto title loans, 53; CARES Act benefits toward loans for, 86, 87; eligibility for relief from loans for, 144; inflationary prices of, 254, 255; spending decline on, 29; state laws hampering online sales of, 29; supply chain issues for, 251–52, 254; unexpected expenses for, 45, 46, 48, 54. *See also* travel and transportation
- baby formula, 251
- Bank of Japan, 33
- bankruptcies, 138
- banks and financial institutions: borrowing from, 52–53; CARES Act administration by, 67, 79–82, 83–84, 314n61; deposit insurance in, 287; Federal Reserve programs for, 32–34, 66–67; as Paycheck Protection Program intermediaries, 79–81, 314nn61,64; 2008 financial crisis and, 27, 286, 359n27, 360n32

- behavior adaptations. *See* adaptations to pandemic
- Black families: American Rescue Plan Act effect on, 130; CARES Act benefits for, 76, 80–81, 83–84, 88, 313n58; death toll from COVID among, 159; education disruption effects on, 224–25; employment rates for, 4, 19–21, 257, 302–311n11–12; financial well-being and financial health of, 57, 136–37; health inequalities for, 157–60; housing for, 44, 46, 88, 168, 175, 289; inequality effects on, 50, 150–52, 156–61, 168, 175, 224–25, 313n58 (*see also* inequality); life expectancy for, 6, 158, 160; new businesses started by, 261–62; pandemic-era financial status of, 135–37; prepandemic financial insecurity for, 3, 44, 49–50, 57, 151; substance abuse and suicide in, 161; 2008 financial crisis effects on, 151; unemployment among, 152; wealth of, 50, 151, 156–57, 262; work from home among, 190, 194–95
- Bloom, Nicholas, 196–97
- borrowing: consumer credit options for, 52–53; Federal Reserve programs and, 32, 33–34, 66–67; financial shock management with, 48, 50–51, 52–53, 54–56, 58–59, 91–92; mortgage forbearance and, 66–67, 69, 85–89, 93, 142–44, 156, 177, 235, 286, 309n4; mortgage process adaptations for, 104–6, 319n29; pandemic-era financial improvement with, 138; via Paycheck Protection Program (*see* Paycheck Protection Program); spending decline effects on, 29; student loans as, 69, 85–87, 93, 142–44, 155–56, 236, 297–98, 315n79, 349n15; unexpected expenses due to, 45. *See also* credit cards; *specific loans*
- Brookings Institution, 222
- bullwhip effect, 251–52
- Bureau of Economic Analysis reports, 30–31
- Bureau of Fiscal Services, 70
- Bureau of Labor Statistics reports, 19, 20, 22–25, 188–89, 303n17, 354n72
- Bureau of Transportation Statistics reports, 27
- Burger King, 240, 243
- CARES Act (March 2020), 64–96; costs of, 65–69; Economic Impact Payments in, 66, 68, 69–73, 281, 310n20; end of benefits from, 11, 121, 123; financial improvements following, 90–93, 121; financial status effects of, 4, 5, 11, 64–96, 121; government pandemic relief following (*see* American Rescue Plan Act; December 2020 relief bill); inequality of benefits from, 6, 69–70, 74, 79–81, 83–84, 313n58; mortgage forbearance in, 66–67, 69, 85–89, 93, 144, 177, 235, 286, 309n4; Paycheck Protection Program in, 66, 67–68, 76–85, 177, 313nn52, 58, 314n61; provisions of, 65–69; student loan freezes in, 69, 85–87, 93; tax reductions in, 66–67, 68, 89–90, 282; unemployment insurance benefits in, 4, 5, 66, 68, 73–76, 121, 123, 126, 156, 274–77, 335n91
- Case, Anne, 161, 162
- case examples: Amy, 203–6, 342n61; government policy relief effects, 130–34, 146–49; Joan, 94–96; John, 60–63; Lisa, 117–20, 298; Marcus, 36–39, 44–45, 54, 57; Marvin, 265–67; Samuel, 146–49; Sofia, 1–2, 4–5, 7–9, 11–13, 44–45, 236, 296, 298; Tamira, 181–84, 298; Winona, 227–30
- Census Bureau, 10, 258–60
- Centers for Disease Control and Prevention (CDC): CARES Act funding for, 68; eviction ban by, 124, 170–71, 178, 235; face mask recommendations by, 166; guidance from, 99; overdose death estimates by, 161
- CFPB. *See* Consumer Financial Protection Bureau
- chapter 7 bankruptcies, 138
- chapter 13 bankruptcies, 138

- child care: cost of, 1, 253, 288, 361n40; home production of, 111, 112; lessons learned on need for affordable, 288, 290–91; parents’s employment and, 6, 11, 12, 48, 191, 210–16, 232, 242–43, 288, 290; tight labor market and, 232, 242–43
- children and adolescents: baby formula for, 251; child care for (*see* child care); education for (*see* education and schooling); long-term effects of pandemic on, 207, 221–25, 293; parents of (*see* parents); tax credit for, 128, 130, 283, 325n27; vaccinations for, 102
- child tax credits, 128, 130, 283, 325n27
- cleaning protocols, 99–100
- climate change policies, 297, 298
- coin shortages, 108–9
- commutes: employee reevaluation of acceptable, 293; housing and, 46, 168, 289; income and, 46, 168; oil and gas prices without, 252–53; productivity without, 192; spending and, 247, 273; work from home and, 11, 192, 197–98, 201–2, 210, 338n4. *See also* travel and transportation
- comparative advantage, 110–13
- consumer credit, 52–53. *See also* borrowing; credit cards
- Consumer Financial Protection Bureau (CFPB): financial well-being measures by, 57–58, 137, 306n56, 308n25; mortgage forbearance regulations of, 144; purpose of, 9; survey by (*see* Making Ends Meet survey)
- Consumer Price Index (CPI), 252–54, 349n17, 354n72
- consumer spending. *See* spending
- consumption, inequality of, 328n8
- containers, shipping, 247–50
- Coronavirus Aid, Relief, and Economic Security Act. *See* CARES Act
- Coronavirus Response and Relief Supplemental Appropriations Act. *See* December 2020 relief bill
- corporate bonds, 32, 33–34, 305n45
- costs and expenses: of CARES Act, 65–69; of child care, 1, 253, 288, 361n40; cutting back on, 50–51, 53, 59; delays in paying, 51–52, 55–56, 59, 74, 172–73; difficulty covering changed during pandemic, 135, 274; difficulty covering unexpected, 48–50; difficulty covering with delayed unemployment insurance, 74–75; of Economic Impact Payments, 281; financial ability to cover with loss of main income, 40–41; of government policy decisions, 268–69, 277–80, 359n23; of healthcare, 45, 48, 102–3, 124–25, 159, 160–61, 278, 282, 296, 307n9; of home vs. market production, 111; housing (*see* housing costs); inflationary (*see* inflation); menu, 256; of PPP, 82–83, 280–81; regular household, 42–44; of social isolation, 116; of social spending programs, 283; of state and local funding assistance, 282; strategies to manage unexpected, 50–56; supply chain shortages and, 108; of tax cuts, 282–83; of unemployment insurance expansion, 280; unexpected, 44–56, 58–59; of wartime spending, 277–78; of work from home, 190, 197. *See also* financial status *entries*; spending
- COVID-19 pandemic: adaptations during (*see* adaptations to pandemic); case examples of effects of (*see* case examples); case numbers of, 11; deaths from (*see* death toll); declaration of, 17, 125; economic conditions with (*see* economic conditions); educational effects of (*see* education and schooling); employment effects of (*see* employment); financial status and (*see* financial status, prepandemic; financial status, pandemic-era; financial status, post-pandemic); government policies for relief from (*see* government policies); health and medical consequences of (*see* health and medical issues); inequality effects of (*see* inequality); lessons learned

- COVID-19 pandemic (*continued*)
from (*see* lessons learned); long-term effects of (*see* long-term effects of pandemic); paradox of, 5, 133, 243–44, 268, 279, 298; transmission of, 99; vaccinations for, 114, 128, 159–60, 167, 244
- CPI (Consumer Price Index), 252–54, 349n17, 354n72
- credit cards: CARES Act benefits toward, 72, 86, 87; eligibility for relief from, 144; financial shock management with, 48, 52, 54–56, 58–59, 91–92; interest rates on, 56; pandemic-era financial improvement with, 91–93, 138, 271, 316–17nn101,105; post-pandemic debt on, 296; renters' fluctuation with, 169; spending decline on, 29, 92; 2008 financial crisis and, 92
- Cuban, Mark, 17
- dating, adaptations in, 113–14, 116
- death toll: delayed or forgone medical care increasing, 102; inequalities in, 159, 160, 161–63; initial, 2–3, 17, 102; life expectancy decline and, 157, 159, 297; from overdoses and substance abuse, 157, 159, 161–63; preventable, 160; U.S. total, 11, 297
- Deaton, Angus, 161, 162
- December 2020 relief bill, 122–25; background of, 121–22; Economic Impact Payments in, 121, 124, 281; effects of, 12, 122; end of benefits from, 123, 125; housing assistance in, 124, 177–78; Paycheck Protection Program funding in, 68, 79, 81–82, 121, 124, 314n64; provisions of, 122–25; unemployment insurance benefits in, 121, 122–23, 156, 324n16
- John Deere & Company, 231–32, 243
- deflation, 253
- desks, 191
- Dimon, Jamie, 194, 195
- discouraged workers, 208–9, 216
- Distributional Financial Accounts, 154, 329n14
- divorces, adaptations in, 116
- Dodd-Frank Wall Street Reform and Consumer Protection Act, 9
- domestic partner violence, 151, 163–64
- drug use. *See* substance use/abuse
- economic conditions: activity stoppage effects on, 5, 27–28; case examples on effect of (*see* case examples); education disruption effects on, 224, 347n62; employment and (*see* employment); Federal Reserve policies on (*see* Federal Reserve); financial ruin as potential outcome of, 34–35; GDP reflecting (*see* GDP); Great Depression-era, 31, 178, 221, 285, 286–87; inflationary (*see* inflation); long-term effects of pandemic on (*see* long-term effects of pandemic); new business importance to dynamic, 260–61; pandemic collapse of, 3–4, 5, 17–18, 21–39; pandemic-era growth of, 6; pandemic-era recession and, 231; post-pandemic, 6, 231–67; prepandemic, 19–21; spending change effects on (*see* spending); stay-at-home orders effect on, 27–28; stock market reflecting (*see* stock market); 2008 financial crisis effects on (*see* 2008 financial crisis and Great Recession); unemployment and (*see* unemployment); work from home effects on, 196–99. *See also* financial status *entries*
- Economic Impact Payments (EIP): American Rescue Plan Act on, 121, 126, 255, 281; CARES Act on, 66, 68, 69–73, 281, 310n20; case examples of effects of, 131–34; costs of, 281; December 2020 relief bill on, 121, 124, 281; financial well-being improvements with, 139–40, 141; inequality of access to, 179–80; new business formation following, 261, 262; older adult benefits of, 209
- economies of scale, 111–12
- Education, U.S. Department of, 86, 236, 297–98, 315n79
- education and schooling: American Rescue Plan Act support for, 225; CARES Act

- benefits on, 66, 69, 85–87; December 2020 relief bill benefits on, 124; earnings loss due to disrupted, 223–25, 347n61, 65; economic growth and, 224, 347n62; face masks and, 293; financial well-being and, 136–37; homeschooling for, 213 (*see also* online classes *subentry*); inequality of disruption effects in, 224–25, 347n65; initial pandemic closure of, 3, 17–18, 27, 212–13, 222, 290; long-term effects of pandemic changes to, 6, 207, 221–25; online classes for, 221–25; student loans for, 69, 85–87, 93, 142–44, 155–56, 236, 297–98, 315n79, 349n15
- EIP. *See* Economic Impact Payments
- electronics, supply of, 251–52, 254
- emergency lending facilities, 33–34, 66–67
- Employee Retention Credit, 66, 68, 89
- Employer Identification Numbers, 258
- employment: abusive, 232–33, 240, 263; aftermath of disruptions in, 6–7; CARES Act benefits supporting, 66–68, 76–85; choosiness about, 243–44; December 2020 relief bill supporting, 68, 79, 81–82, 121, 124; employee reevaluation of acceptable, 232–33, 236, 240, 243–44, 249–50, 293–94; essential positions in, 3, 18, 27, 74, 165–67, 276; in greedy professions, 214–15; health issues affecting, 242, 244, 351n31; hire increases, 241–42; initial pandemic closure of and changes to, 3, 17–18, 27–28 (*see also under* unemployment); job openings in, 241–42, 350n27; job switching/job hopping in, 200, 236, 239, 240, 242; maximum, 257; national labor market for, 200–201; in new businesses, 258–63, 294, 356n100; parents's changes for child care needs, 6, 12, 210–16, 232, 242–43, 288, 290; post-pandemic worker shortages, 7, 232, 234–35, 236, 239, 241–45, 249–50 (*see also* tight labor market *subentry*); prepandemic levels of, 19–21; quitting, 132, 165, 212, 233, 236, 239–45, 249, 294; remote or home-based (*see* work from home); retirement from (*see* retirement); strikes disrupting, 223, 231–32, 243; supply chain issues tied to, 249–50, 252, 254–55; tight labor market and, 7, 21, 195, 218, 232–35, 236, 239, 241–45, 249–50, 262–63, 296; wages from (*see* wages). *See also* unemployment
- essential workers, 3, 18, 27, 74, 165–67, 276
- European Central Bank, 33, 360n29
- Eviction Lab/Eviction Tracking System, 172, 335n88
- evictions and eviction protections, 5, 56, 66–67, 69, 124, 142–43, 151, 167–78, 235, 335n88
- expenses. *See* costs and expenses
- face masks, 103–4, 114, 166, 293
- family, contact with. *See* social contact
- Fannie Mae, 85, 87
- Fauci, Anthony, 17
- Federal Deposit Insurance Corporation, 287
- Federal Emergency Management Agency (FEMA), 66, 75–76
- federal funds rate, 32
- Federal Pandemic Unemployment Compensation supplement, 73. *See also under* unemployment insurance
- Federal Reserve (Fed): costs of asset purchases by, 283–84; Distributional Financial Accounts, 154, 329n14; emergency lending facilities of, 33–34, 66–67; federal debt effects of, 279; interest rate changes by, 32, 233, 257–58, 264, 279, 288; money market mutual fund liquidity efforts of, 33; Primary Dealer Credit Facility of, 33; Quantitative Easing by, 32–33; rapid response to pandemic by, 285–86; swap lines by, 33; 2008 financial crisis and Great Recession response by, 32–33, 285
- FedEx, 244–45
- FEMA (Federal Emergency Management Agency), 66, 75–76
- financial distress measures, 138
- financial health measures, 56–58, 90–91, 137
- Financial Health Network, 56–57, 90, 137

- financial status, prepandemic, 40–63; case examples of, 1–2, 36–37, 44–45, 54, 57, 60–62, 117–18, 146–47, 181–82, 203, 227–28, 265–66; dealing with financial shocks and, 50–56, 58–59; demographics and, 3, 44, 46, 48–50, 57; difficulty with financial shocks and, 48–50, 54–55, 58–59; downward spirals or negative cycles in, 54, 58; financial cushion lack in, 3–4, 41–42; financial shocks, income changes, and unexpected expenses in, 44–56, 58–59; financial well-being and financial health measures in, 56–58, 309n26; fragility of, 40–42; making ends meet and, 58–59; regular income and expenses in, 42–44; savings in, 59, 270–71, 357n3; strategies to manage financial shocks and, 50–56, 58–59
- financial status, pandemic-era: American Rescue Plan Act effects on (*see* American Rescue Plan Act); CARES Act effect on (*see* CARES Act); case examples of, 1–2, 4–5, 8–9, 11–13, 37–39, 54, 62–63, 94–96, 118–20, 147–49, 183–84, 204–6, 228–30, 266–67; December 2020 relief bill effects on (*see* December 2020 relief bill); demographics and, 135–37; difficulty covering expenses and, 135, 274; economic collapse effects on, 3–4, 5, 17–18, 21–39; eligibility for relief and, 141–45; financial distress measures in, 138; financial well-being and financial health measures in, 90–91, 136–41; government relief role in improving, 138–41 (*see also specific programs*); improvement of, 4–6, 13, 90–93, 121–22, 134–41, 178–79, 243–44, 268–69; inequality and, 6, 150–84 (*see also inequality*); long-term effects of pandemic and (*see long-term effects of pandemic*); savings increases and, 5, 72, 75, 137, 141, 156, 269–74; spending changes and, 5, 28–30, 41, 64–65, 71–73, 75, 91, 141, 156, 245–47, 269, 271–74, 310n21; unemployment insurance benefits effect on, 4, 5, 66, 68, 73–76, 156, 274–77, 280; work from home effects on (*see work from home*)
- financial status, post-pandemic, 231–67; case examples of, 13, 265–67, 296, 298; disruptions and changes in, 6–7; end of government pandemic policies impacting, 234–36; fading of improved, 296; government policy implementation and, 298; improvement of, 243–44, 264, 268–69, 296; inflation and price effects on, 7, 233, 244, 252–58, 263–64, 296–97; labor market effects on, 7, 232–35, 236–45, 249–50, 252, 254–55, 263, 293–94; new business formation and, 258–63, 294, 356n100; overview of, 231–34, 263–64; ripple effects of, 263–64; spending and demand effects on, 235, 245–47, 250, 252–55, 296; supply chain backups and, 7, 233, 245–52, 254–55, 264
- financial well-being measures, 57–58, 90, 136–41, 274, 306n56, 308–9nn25–26
- FiveThirtyEight, 10
- Flores, Rachel, 240
- food: adaptations to pandemic with, 106–7, 109, 110–12, 321n52; American Rescue Plan Act benefits toward, 128, 130; budget spent on, 42, 53; CARES Act benefits toward, 66, 72–73; costs of government support for, 283; December 2020 relief bill benefits toward, 124; immigrants’s, 272–73; inequality of access to, 178–79; inflationary prices of, 255, 257; poverty and, 129–30; in restaurants (*see restaurants*); spending changes on, 30, 107, 272–73; supply chain shortages of, 106–7, 109, 233
- Food and Drug Administration, 68
- fraud: in face mask quality, 103, 166; in Paycheck Protection Program, 142; in unemployment insurance claims, 26, 141–42; in work from home productivity, 193
- Freddie Mac, 85, 87
- Friedman, Milton, 153

- Friedman, Rose, 153
friends, contact with. *See* social contact
- GDP (gross domestic product): education disruption effect on, 224; home production and measurement of, 112–13; initial pandemic fall of, 3, 30–31, 286, 305n41; national income and, 349n17; per person, 236–37; post-pandemic, 263–64; prepandemic, 21, 30
- gender issues. *See* women
- generational cohorts, 219–20. *See also* Generation Z; millennials
- Generation Z, 221
- government policies: American Rescue Plan Act as (*see* American Rescue Plan Act); avoiding past policy mistake repetition with, 284–87; blame and praise for, 9–10; CARES Act as (*see* CARES Act); case examples of effects of, 130–34, 146–49; costs of pandemic-related, 268–69, 277–80, 359n23; December 2020 relief bill as (*see* December 2020 relief bill); eligible recipients of, 141–45; end of, 234–36; evaluation of effectiveness of, 278–79; Federal Reserve programs (*see* Federal Reserve); in Great Depression, 286–87; inequality of (*see* inequality); legitimacy of need among recipients of, 141–45; lessons learned about effects of, 274–91, 298; older adult benefits of, 209–10; overall effect of relief from, 130–34, 145; pandemic-era financial improvement due to, 138–41 (*see also specific programs*); post-pandemic, 297; poverty as measure of, 129–30; transfer or redistribution of funds with, 278, 279, 281–82; in 2008 financial crisis, 4, 5, 32–33, 72, 144, 284–86, 359–60nn27–29, 31–32; wartime spending as, 277–78
- Great Depression, 31, 178, 221, 285, 286–87
- Great Pause, 27, 30, 34, 107–9, 111–12, 226
- Great Recession. *See* 2008 financial crisis and Great Recession
- Great Resignation, 240, 244. *See also* quitting
- greedy professions, 214–15
- grocery stores: essential workers in, 165; spending changes in, 30, 107; supply chain shortages in, 106–9
- gross domestic product. *See* GDP
- haircuts, 109–10
- health and medical issues: age-affected, 209; American Rescue Plan Act provisions on, 128; budget spent on, 42, 44, 53; CARES Act provisions on, 66, 67–68, 82; costs or expenses for, 45, 48, 102–3, 124–25, 159, 160–61, 278, 282, 296, 307n9; COVID-19-induced, 11, 242, 244, 351n31; delayed or forgone treatment for, 12, 53, 101–4, 159; inequality of access and effects of, 151, 153, 157–61; intimate partner violence creating, 164; mental health issues as, 163, 207 (*see also* suicide); substance use/abuse creating (*see* substance use/abuse); telehealth or remote services for, 104; unexpected expenses for, 45, 48, 124–25; unexpected income reduction due to, 46. *See also* death toll
- Health Care Enhancement Act (April 2020), 67–68, 82
- healthcare industry: burnout of employees in, 233; essential worker issues affecting, 166–67; masks and PPE for, 103–4, 166
- health insurance, 44, 128, 159, 297
- hires, 241–42
- Hispanic families: CARES Act benefits for, 76, 80–81, 83–84, 88; death toll from COVID among, 159; education disruption effects on, 224–25; financial well-being of, 136; health inequalities for, 157–60; housing for, 44, 88, 168, 175, 289; inequality effects on, 50, 151–52, 156–60, 168, 175, 224–25 (*see also* inequality); life expectancy for, 6, 158, 160; pandemic-era financial status of, 136; prepandemic financial insecurity for, 3, 44, 49–50, 151; racial and

- Hispanic families (*continued*)
ethnic categorization of, 329n14; 2008 financial crisis effects on, 151; unemployment among, 151–52; wealth of, 50, 151, 156–57; work from home among, 188, 190, 194–95
- hoarding, 107–8
- home, working from. *See* work from home
- home equity loans, 53
- homelessness, 128, 129, 170, 179–80
- house purchases/sales, 104–6, 198–99, 288, 319n29
- Housing and Urban Development, U.S. Department of, 105
- housing costs: affordable, lack of, 167–69, 175, 288–90; budget spent on, 42–44, 168–69, 288; CARES Act benefits toward, 66–67, 69, 72, 85–89, 93, 177, 286; December 2020 relief bill for, 124, 177–78; evictions for unpaid, 5, 56, 66–67, 69, 124, 142–43, 151, 167–78, 235, 335n88; government relief assistance with, 5, 6, 13, 66–67, 69, 72, 85–89, 93, 127–28, 142–44, 156, 169–70, 175–78, 286, 309n4, 359n28; income in relation to, 43–44, 59, 168–69; inequality issues with, 6, 88, 151, 167–78, 289–90; inflation effects on, 255, 257, 288, 296–97; lessons learned on need for affordable, 288–90; mortgage forbearance and, 66–67, 69, 85–89, 93, 142–44, 156, 177, 235, 286, 309n4; pandemic-era rise of, 106, 288; prepandemic financial status and, 3, 42–44, 45, 46, 56, 59; residential segregation and, 46; spending decline on new mortgages, 29; supply of housing and, 288–90; 2008 foreclosures and, 5, 13, 88, 144, 167, 286, 359n28; unexpected, 45
- changes effect on, 213–15; education disruptions affecting long-term, 223–25, 347nn61,65; financial well-being and, 136–37; gender pay gap, 214–15; housing costs in relation to, 43–44, 59, 168–69; inequality of, 50, 153–57, 262, 292, 328n8, 329n15, 355n84; labor’s share of national, 238–39, 249, 349n18; millennials’s, 219–21, 345–46n48; poverty defined in relation to, 129; regular household, 42–44; retirement and changes in, 46, 47, 209–10; seeking additional, 50–51, 54; unexpected changes in, 44–48, 58; work from home and, 201, 292. *See also* wages
- independent contractors, 22, 68, 73, 75, 245. *See also* self-employed individuals
- inequality, 150–84; of affordable housing, 167–69, 175, 289–90; of CARES Act benefits, 6, 69–70, 74, 79–81, 83–84, 313n58; case example of, 181–84; of consumption, 328n8; in death toll, 159, 160, 161–63; demographics of, 50, 150, 355n84; domestic partner violence and, 151, 163–64; of educational disruption effects, 224–25, 347n65; for essential workers, 165–67, 276; gender-based, 211–16; of health access and effects, 151, 153, 157–61; of inflation effects, 256–58; pandemic-era rise of, 6, 150–84; prepandemic economic, 19; privilege vs., 150; reason for concern about, 152–53; for renters and landlords, 151, 167–78; of substance abuse and suicide, 161–63; of unemployment risks, 151–52; unknown, 178–80, 337–38n116; of wealth, 50, 153–57, 262, 292, 328n8, 329n15, 355n84; of work from home opportunities, 190, 191, 195, 292
- immigrants: Economic Impact Payments to, 69–70; food and nutrition for, 272–73; unemployment insurance ineligibility for undocumented, 180
- income: CARES Act provision of (*see* CARES Act); child care-related employment
- inflation: definition of, 252; distributional effects of, 256–57; economy-wide costs of, 255–56; EIPs stimulating, 72; government policies and, 72, 233, 255, 257–58, 264, 279; housing costs and, 255, 257, 288, 296–97; inequality of effects of, 256–58; interest rates and, 233, 257–58, 264;

- measures of, 252–54, 349n17, 354n72;
post-pandemic rise of, 7, 233, 244, 252–58,
263–64, 296–97; Russia-Ukraine war
effects on, 255, 257; supply chain effects
on, 254–55; wages and, 244, 255–58,
349n17
- Inflation Reduction Act, 297
- insurance: budget spent on, 42, 44; health,
44, 128, 159, 297; unemployment (*see*
unemployment insurance)
- interest rates: credit card, 56; Federal Reserve
changes to, 32, 233, 257–58, 264, 279, 288;
house sales and, 104–6, 288
- intimate partner violence, 151, 163–64
- Iraq invasion, costs of, 277
- IRS (Internal Revenue Service), 70, 179
- job openings, 241–42, 350n27
- job switching/job hopping, 200, 236, 239,
240, 242
- JPMorgan Chase Institute, 10, 75, 76, 88, 137,
142, 174
- just-in-time scheduling, 46
- Katrina, Hurricane, 206, 207
- labor. *See* employment
- Labor, U.S. Department of, 132
- landlords, 6, 67, 69, 143, 172–78
- lawyers, gender pay gap among, 214, 215
- lemons problem, 103
- lessons learned, 268–95; on affordable
housing and child care importance,
288–91; on avoiding past policy mistake
repetition, 284–87; on life priorities,
293–94; overview of, 7, 268–69, 294–95,
297, 298; on pandemic relief effective-
ness, 277–84; on spending and savings,
269–74; on unemployment insurance
benefits, 274–77, 280, 358n20; on work
from home feasibility, 291–93
- life expectancy, 6, 157–59, 160, 161, 166,
297
- lines of credit, 53
- loans. *See* borrowing
- local governments: American Rescue Plan
Act provisions for, 126–27, 165, 282;
CARES Act provisions for, 66, 282; costs
of funding for, 282; eviction limitations by,
171, 178; housing regulations by, 289–90;
renter relief program administration by,
176, 178, 235, 336n101
- long-term effects of pandemic, 206–30;
amelioration of, 207; case example of,
227–30; child care effects on employment
as, 210–16; early retirement outcomes as,
207–10; educational, 6, 207, 221–25; on
millennials, 218–21, 345–46n48; overview
of, 206–7, 225–26; unemployment scarring
as, 216–18; on women’s careers, 210–16
- Lost Wage Assistance program, 76, 123
- Madoff, Bernie, 56
- Making Ends Meet survey: adaptations to
pandemic data from, 101–2, 106; financial
well-being data from, 57–58, 90, 136–41;
inaccessible population for, 179–80; over-
view of, 7–9, 301n5; pandemic-era financial
status data from, 64, 70–71, 74, 87–88, 90,
124, 134–43, 159, 168, 177, 213, 254, 274,
337–38n116; prepandemic financial status
data from, 40–63; respondent stories
from (*see* case examples)
- market failures, 103
- marriage, adaptations in, 114–16
- masks, 103–4, 114, 166, 293
- Match Group, 113
- media: GDP reports by, 31; pandemic safety
information via, 100; research by, 10;
unemployment reports by, 23
- Medicaid, 129
- medical issues. *See* health and medical issues
- Medicare, 68, 104, 210
- menu costs, 256
- millennials, 6, 218–21, 345–46n48
- minimum wage, 237, 238, 350n19
- mobile telephones, 45–46
- money market mutual funds, 33

- mortgage-backed securities, 32–33
- mortgage forbearance, 66–67, 69, 85–89, 93, 142–44, 156, 177, 235, 286, 309n4
- mortgage process, adaptations in, 104–6, 319n29
- muddling through. *See* adaptations to pandemic
- multipliers, 41
- National Institutes of Health, 68
- Native American families: death toll from COVID among, 159; education disruption effects on, 224–25; health inequalities for, 159–60; inequality of effects on, 151, 159–60, 224–25
- NBA, 17, 27
- new businesses, starting, 258–63, 294, 356n100
- New York City, NY: Amazon unionization in, 263; death toll in, 2–3, 17; safe sex guidelines by, 114; shipping and supply chain through, 248
- New York Times*, 10
- oil and gas prices, 252–53, 257
- older workers, retirement of. *See* retirement
- opioid use. *See* substance use/abuse
- Opportunity Insights, 10, 305n38
- Orshansky, Mollie, 129
- overdrafts and overdraft fees, 2, 56, 93
- Panama Canal, shipping via, 248
- pandemic. *See* COVID-19 pandemic
- Pandemic Emergency Unemployment Compensation program, 73, 123
- Pandemic Extended Unemployment Compensation, 125
- pandemic paradox, 5, 133, 243–44, 268, 279, 298
- pandemic relief policies. *See* government policies
- Pandemic Unemployment Assistance program, 73, 75–76, 123
- parents: affordable child care needs of, 288, 290–91; employment and child care by, 6, 11, 12, 48, 191, 210–16, 232, 242–43, 288, 290; just-in-time scheduling challenges for, 48; supply chain issues for, 251; work-home balance for, 10–11, 191, 211
- pawn loans, 53, 93
- Paycheck Protection Flexibility Act (June 2020), 78–79
- Paycheck Protection Program (PPP): American Rescue Plan Act on, 79, 121; CARES Act on, 66, 67–68, 76–85, 177, 313nn52, 58, 314n61; costs of, 82–83, 280–81; December 2020 relief bill on, 68, 79, 81–82, 121, 124, 314n64; fraud in, 142
- payday loans, 11–12, 53, 54, 93
- pensions or retirement accounts, 42, 51
- personal loans, 52–53
- personal protective equipment, 103, 166. *See also* masks
- pharmacists, gender pay gap among, 214–15
- Ponzi scheme, 56
- portfolios of the poor, 55, 56
- post-pandemic financial status. *See* financial status, post-pandemic
- poverty: American Rescue Plan Act reduction of, 128, 130, 325n27; definition of, 128–29; government policies measured by, 129–30; poverty gap measures of, 325n27; retired adults in, 209
- poverty trap, 46, 54
- PPP. *See* Paycheck Protection Program
- prepandemic financial status. *See* financial status, prepandemic
- Primary Dealer Credit Facility, 33
- Quantitative Easing, 32–33
- quitting, 132, 165, 212, 233, 236, 239–45, 249, 294
- recession cohorts, 219–20. *See also* Generation Z; millennials
- recreation, spending on, 245
- remote work. *See* work from home
- renters: delayed payments by, 56, 172–73; evictions and eviction protections for, 5, 56, 66–67, 69, 124, 142–43, 151, 167–78,

- 235, 335n88; government relief assistance for, 6, 66–67, 69, 72, 124, 127–28, 142–43, 169–70, 175–78, 235, 283, 290, 335n91, 336n101; housing costs for, 44, 178, 255, 296–97; inequality effects on, 151, 167–78
- research, 10, 42. *See also* Making Ends Meet survey
- restaurants: adaptations to pandemic by, 109; employment decline in, 28; initial pandemic activity stoppage in, 5, 27, 107; just-in-time scheduling in, 46; minimum wage at, 238, 350n19; as small businesses, 77; spending decline effects on, 30
- retail sales: antigouging laws on, 108; new business formation and, 261; spending changes in, 30, 245–47, 250, 305n39; supply chain backups for, 7, 106–9, 245–47, 250; work from home effects on, 196–97
- retirement: government policies and, 209–10; health issues and, 209, 232; home vs. market production in, 321n52; income change with, 46, 47, 209–10; pandemic-induced early, 6, 207–10, 242; pensions or retirement accounts for, 42, 51; tight labor market affected by, 232, 242–43; work from home and, 198, 209, 210
- Ricardo, David, 111
- Rocket Companies/Rocket Mortgages, 105
- Russia-Ukraine war, 233, 255, 257, 264
- S&P 500, 17, 31–32
- savings: financial shock management with, 50–51, 58; lessons learned about, 269–74; measures of, 270–71, 357nn3,5–6; pandemic-era increases in, 5, 72, 75, 137, 141, 156, 269–74; prepandemic lack of, 59, 270–71, 357n3
- school bus drivers, 243
- schools. *See* education and schooling
- Securities and Exchange Commission, 89
- self-employed individuals: income volatility for, 46; new businesses by, 259, 262–63, 356n100; unemployment insurance eligibility for, 22, 68, 73, 75. *See also* independent contractors
- semiconductor chips, 251–52, 254, 297, 298
- Sen, Amartya, 153
- sex, safety concerns with, 114
- shadow pandemic, 151, 163–64
- Shupe, Cortnie, 134, 142
- shutdowns: addiction support, 161; CARES Act and pandemic relief for, 72, 77–78, 84, 132; dating and marriage effects of, 113, 115; economic effects of, 18, 21, 24, 27–28, 31; educational, 3, 17–18, 27, 212–13, 222, 290; essential workers and, 165; eviction reduction and, 169–70; financial shocks and income changes with, 45; healthcare delays and, 12, 101; inequality of job loss with, 151; intimate partner violence and, 164; new businesses with, 261–62; price increases with, 253, 255, 257; stay-at-home orders and, 109; supply chain and, 106–7, 246, 251; unemployment insurance and, 275. *See also* activity stoppages
- Small Business Administration, 65, 78–80, 82
- small businesses: adaptations to pandemic affecting, 110; definition of, 77–78; government policies effects on, 5, 65–68, 76–85, 280–81; initial pandemic unemployment in, 28; new businesses vs., 260, 356n100
- Smith, Adam, 111
- SNAP (Supplemental Nutrition Assistance Program) benefits, 66, 124, 128, 129
- social contact: adaptations by minimizing, 100, 109, 111–12, 113–16; costs of isolation from, 116; intimate partner violence and, 164; long-term effects of pandemic changes to, 207, 293; mental health and, 163; school-based, 222; substance abuse and lack of, 161–62; work from home changes in, 193–96, 201
- Social Security, 210, 287
- social spending, costs of, 283

- spending: adaptations in, 102, 107, 245–47, 271–74, 321n52; CARES Act effect on, 71–73, 75; on credit cards (*see* credit cards); demographics and, 50; end of government relief effects on, 235; GDP in relation to, 30; government (*see* government policies); on healthcare, 101; inflation and, 252–55, 354n72; initial pandemic decreases in, 5, 28–30, 31, 41, 64–65, 71, 156, 305n39; interest rate effects on, 32; lessons learned about, 269, 271–74; on necessities, 42–43; pandemic-era changes in, 5, 28–30, 41, 64–65, 71–73, 75, 91, 141, 156, 245–47, 269, 271–74, 310n21; post-pandemic, 296; precautionary behavior with, 29; prepandemic financial status and, 41, 50, 59; supply chain backups with increased, 245–47, 250, 252; on weddings, 114–16. *See also* costs and expenses
- startups, 258–63, 294, 356n100
- state governments: American Rescue Plan Act provisions for, 126–27, 165, 282; antigouging laws by, 108; CARES Act provisions for, 66, 282; costs of funding for, 282; eviction limitations by, 171; health emergency declarations by, 108; housing regulations by, 289–90; laws hampering online automobile sales, 29; new business registrations with, 261; renter relief program administration by, 176–77, 235, 336n101; unemployment insurance administration by, 23–24, 25–27, 74, 76, 123, 125, 130, 142, 234–35, 276
- stay-at-home orders, 27–28, 100, 109. *See also* work from home
- stimulus checks. *See* Economic Impact Payments
- stock market: capital gains from, 127; government policies to stabilize, 32–34, 67; growth of, 34; initial pandemic fall of, 17, 31–32; post-pandemic fall of, 264
- strikes, 223, 231–32, 243
- student loans, 69, 85–87, 93, 142–44, 155–56, 236, 297–98, 315n79, 349n15
- substance use/abuse: deaths of despair with, 157, 159, 161–63; intimate partner violence and, 164; pandemic-era increases in, 6, 161–63
- Suez Canal, shipping via, 248
- suicide, 161, 163
- Supplemental Nutrition Assistance Program (SNAP) benefits, 66, 124, 128, 129
- supply chains: early pandemic shortages in, 106–9; face mask and PPE shortages in, 103–4, 166; house building lack with difficulties in, 288; inflation effects of, 254–55; labor market issues in, 249–50, 252, 254–55; post-pandemic backups in, 7, 233, 245–52, 254–55, 264; post-pandemic policies on, 297–98; production decline effects on, 251–52, 254–55, 264; Russia-Ukraine war effects on, 233, 264; spending and increased demand effect on, 245–47, 250, 252; Three Stooges analogy for, 245; transportation issues for, 247–50, 252, 254–55
- swap lines, 33
- taxes: American Rescue Plan Act on, 126–27, 128, 130, 325n27; CARES Act provisions, 66–67, 68, 89–90, 282; costs of reduced, 282–83; new businesses and, 258–59; 2008 financial crisis and reduction of, 286; on unemployment benefits, 125–26; work from home relocation and, 198
- Tax Identification Numbers, 258
- telework. *See* work from home
- tight labor market, 7, 21, 195, 218, 232–35, 236, 239, 241–45, 249–50, 262–63, 296
- Tinder, 113–14
- toilet paper, 107–9
- travel and transportation: adaptations to pandemic by limiting, 111–12; budget

- spent on, 42, 254; CARES Act provisions on, 66, 69; employment issues in, 28, 243, 249–50, 254–55; initial pandemic decline in, 5, 27–28; oil and gas prices and, 252–53; “revenge travel,” 296; school bus drivers in, 243; shipping (or transshipping) for, 247–48, 250, 252; spending changes in, 245–46, 254; supply chain backups tied to, 247–50, 252, 254–55; trucking in, 248–50; unexpected expenses for, 45, 46, 48; work from home omitting, 187, 192, 201–2.
See also automobiles; commute
- Treasury, U.S. Department of the, 33–34, 65, 70, 177, 283
- Treasury securities, 32–33, 279, 305n45
- 2008 financial crisis and Great Recession:
credit cards debt in, 92; economic conditions in, 4, 19–20, 22, 27, 126; economic growth following, 19; food insecurity in, 178; government policies and relief in, 4, 5, 32–33, 72, 144, 284–86, 359–60nn27–29, 31–32; housing foreclosures in, 5, 13, 88, 144, 167, 286, 359n28; inequality of effects of, 151, 154; millennials impacted by, 218–21, 345–46n48; new business decline during, 260; older workers’s experiences after, 208; savings following, 271; unemployment in, 4, 22, 217, 218, 220–21, 276, 286
- Tyson Foods, 106
- unemployment: definition and measurement of, 20–21; employee reevaluation of acceptable work after, 232–33; European coverage of, 84–85; inequality of risks of, 151–52; initial pandemic surge of, 3, 17–18, 21–27, 28, 239, 286, 326n37; insurance benefits for (*see* unemployment insurance); long-term, 216–18; of millennials, 218–21, 345–46n48; new business formation following, 262; of older workers’s, 208–9; prepandemic, 20–21; quitting vs., 239 (*see also* quitting); scarring from, 216–18; seasonal adjustments in, 23, 303n17; spending decreases with, 28–29, 321n52; substance abuse and suicide increase with, 161; tight labor market and lower, 242; 2008 financial crisis and, 4, 22, 217, 218, 220–21, 276, 286; unexpected income reduction with, 46–47
- unemployment insurance: American Rescue Plan Act on, 121, 123, 125–26, 156, 234–35, 324n16; as automatic stabilizer, 276–77; CARES Act on, 4, 5, 66, 68, 73–76, 121, 123, 126, 156, 274–77, 335n91; case examples of effects of, 131–34, 326nn37–38, 40; costs of expanded, 280; December 2020 relief bill on, 121, 122–23, 156, 324n16; eligibility for, 165, 179–80, 324n16, 326n38, 337–38n16; end of pandemic benefits, 234–35; essential workers not eligible for, 165, 276; financial well-being improvements with, 138–40, 274–77, 280, 358n20; fraudulent claims, 26, 141–42; Great Depression-era creation of, 287; inequality of access to, 179–80, 276, 337–38n16; initial pandemic claims for, 21–27; lesson learned on benefits of, 274–77, 280, 358n20; new business formation using, 262; older adult benefits of, 209; Paycheck Protection Program vs., 82–85; poverty measures and, 130; regular state benefits for, 130, 275–77; seasonal adjustments in claims for, 23, 303n17; \$600 supplement to, 4, 66, 68, 73–75, 121, 123, 126, 139, 165, 276; spending changes in relation to, 29, 75, 235; state system administration of, 23–24, 25–27, 74, 76, 123, 125, 130, 142, 234–35, 276; taxes on, 125–26; \$300 supplement to, 123, 125, 234–35; timing of payments of, 25–27, 74–75, 123, 142, 276–77, 311n35; 2008 financial crisis claims for, 22, 276, 286
- unions, 232, 245, 263, 356n103
- UPS, 244–45
- Urban Institute, 130, 175, 311n35

- vaccinations: American Rescue Plan Act funding for, 128; dating impacted by, 114; deaths due to lack of, 160; delayed or forgone routine childhood, 102; employment options with, 244; healthcare worker frustrations with lack of, 167; inequality of access to, 159–60
- Veritec Solutions, 93
- Vox, 10
- wages: buying power of, 44; CARES Act provisions on, 66, 67–68, 76–85 (*see also under* unemployment insurance); Euro-pean coverage of, 84–85; garnishing for student loans, 86, 315n79; gender wage gap, 214–15; hazard or premium pay, 165–66; healthcare costs and, 44; housing costs in relation to, 44, 59; inflation and, 244, 255–58, 349n17; long-term unemployment effect on, 217; median, 236–37, 244; millennials's, 219–21, 345–46n48; minimum, 237, 238, 350n19; national income and, 238–39, 249, 349n18; prepandemic, 19, 21, 44–48, 59; tight labor market necessitating increased, 236, 239, 244, 249–50; unemployment insurance benefits higher than, 73–74, 165; unexpected changes in, 44–48; work from home and, 201, 292. *See also* income
- Walmart, 263, 356n103
- Washington Post*, 10
- wealth, inequality of, 50, 153–57, 262, 292, 328n8, 329n15, 355n84
- weddings, adaptations in, 114–16
- women: employment changes for child care by, 6, 12, 210–16, 232, 242; gender wage gap for, 214–15; home production of unpaid services by, 112–13; intimate partner violence against, 164; substance abuse among, 162; unemployment among, 21, 152, 216; work from home among, 194–95
- work. *See* employment
- work from home, 187–206; adaptations to pandemic via, 100, 104–5; aftermath of change to, 7, 196–97, 201–2, 291–93; career development and, 194, 195, 201; case example of, 203–6; child care challenges for, 191, 210–11; costs and expenses of, 190, 197; demographics and, 188, 190, 194–95; fraudulent productivity in, 193; historical, 187; house sale effects of, 104–5, 198–99; inequality of ability to, 190, 191, 195, 292; initial pandemic shift to, 18, 27–28, 187–91, 338n4; innovation effects of, 193–94, 201; job switching and, 200; lessons learned on feasibility of, 291–93; measurements of, 188–89; mobile telephone required for, 46; monitoring of, 193; national labor market with, 200–201; new business formation and, 261; older workers's, 198, 209, 210; preference for, 188–89, 195–96, 201, 233; prepandemic, 189, 190–91; productivity of, 191–93, 195–96, 200; relocation with, 196–201, 210, 291–92; social contact changes, 193–96, 201; space adaptations for, 191; taxes and, 198; technology for, 46, 190–91, 201; telehealth services via, 104; tight labor market and, 195, 233, 239, 244; travel omitted with, 187, 192, 201–2; two-body problem solved via, 200–201; wages and, 201, 292
- World Health Organization, 17, 125
- Yellen, Janet, 3