



Americans Say Biggest Threat to the Economy Continues to be the Covid-19 Pandemic

1 in 5 points to the country's current political environment

NEW YORK – September 15, 2021 – Americans continue to see the coronavirus pandemic as the dominant threat to the economy in the next 6 months, with 39% of respondents citing it and by nearly a 2-to-1 margin over the next highest threat, the political environment in Washington (21%), according to a new study from Bankrate.com. The pandemic was also seen as the biggest economic threat (44%) in Bankrate's 2020 survey, but by a much closer margin over the outcome of the presidential election (34%). Prior to Covid-19, the political environment in Washington has been a runaway top choice as biggest economic threat in previous polls. For more information, click here:

<https://www.bankrate.com/investing/biggest-threat-to-economy-september-2021/>

The pandemic was the most cited economic threat among every income group, level of educational attainment, and region of the country, but not by age or political affiliation. Millennials (age 25-40, 48%), and particularly older millennials (age 32-40, 57%) were most likely to point to the pandemic as the biggest economic threat in the next 6 months, followed by Gen Xers (age 41-56, 41%).

Baby boomers (age 57-75) and those identifying as Republican, 32% respectively, were more likely to point to the political environment in Washington as the biggest economic threat in the next 6 months.

"Americans continue to see the coronavirus pandemic as the biggest economic threat of the next 6 months, and 63% of Americans are concerned about their jobs and incomes taking a hit. Nervous households are less likely to spend, and recent pullbacks in travel and consumer discretionary purchases bear this out," said Bankrate Chief Financial Analyst, Greg McBride, CFA.

Beyond the pandemic and politics, Americans pointed to inflation (14%), political or economic developments overseas (9%), terrorism (8%), an unexpected rise in interest rates (4%), a decline in the stock market (3%), or something else (1%) as the biggest economic threat in the next six months. Just 1% of respondents said they see no threats to the economy in the next 6 months.

McBride noted, "While inflation is on everyone's radar, it is far from the biggest risk. Just 1-in-7 Americans (14%) see inflation as the biggest economic threat in the next 6 months, and even among households earning less than \$50,000 per year just 1-in-6 (17%) see it as the biggest risk."

And it is not as though Americans are not noticing inflation; a recent Bankrate.com [report](#) found that 89% of adults have noticed rising prices, and 66% of those indicated that these increases have negatively impacted their personal financial situations.

Regrettably, 63% of Americans view their selected economic threat as a risk to their jobs or income source in the next 6 months, including 23% that are very concerned and 40% that are somewhat concerned. The 36% of Americans that did not have these concerns were evenly split, with 18% that were not too concerned and 18% that were not at all concerned.

Despite concerns about the prospective impact on their job and income security, Americans are overall more optimistic than pessimistic about how the economy will be faring 6 months from now. More than half, 56% percent, expect the economy to be either somewhat better (48%) or much better (9%), while 42% have a negative outlook, including 28% feeling the economy will be somewhat worse and 15% that see it being much worse.

Gen Xers (72%) and older millennials (71%) had the highest incidence of concern that their jobs or incomes would be negatively affected in the next 6 months. But millennials (64%) and Gen Xers (59%) were also most optimistic that the economy would be better 6 months from now.

Politically speaking, 68% of respondents identifying as Democrats expect the economy to be in a better place six months from now, as opposed to just 44% identifying as Republicans. Independents fall precisely in the middle, with 56% expecting an improved economy.

The lowest income households (less than \$30,000 annually) are evenly split on whether the economy will be better (49%) or worse (49%) six months from now, but the propensity to see an improved economy does increase with household income. Among the highest income households (more than \$75,000 annually), 65% expect the economy to be better, compared to 59% for households earning \$50,000-\$74,999 and 52% earning \$30,000-\$49,999.

This study was conducted for Bankrate via telephone by SSRS on its Omnibus survey platform. The SSRS Omnibus is a national, weekly, dual-frame bilingual telephone survey. Interviews were conducted from August 24-29, 2021, among a sample of 1,009 respondents in English (974) and Spanish (35). Telephone interviews were conducted by landline (201) and cell phone (808, including 558 without a landline phone). The margin of error for total respondents is +/- 3.76% at the 95% confidence level. All SSRS Omnibus data are weighted to represent the target population.

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