Nebraska’s Economy Through the Pandemic

Nate Kauffman, Omaha Branch Executive
November 2021

The views expressed here are those of the author and do not necessarily reflect the opinions of the Federal Reserve Bank of Kansas City or the Federal Reserve System.
FOLLOWING SEVERE DISRUPTION IN 2020
NEBRASKA’S ECONOMY HAS REGAINED MUCH THAT WAS LOST.

Exports have more than recovered from the depths of the crisis.
After cratering early in the pandemic, consumer spending has also rebounded.

NEBRASKA today

Unemployment spiked early in the pandemic but is now historically low.
Prospects in agriculture have brightened.

Personal income is up almost $3,000 per capita.

WHILE NEBRASKA IS POSITIONED TO GROW, THERE ARE SOME POTENTIAL HEADWINDS.
Exports have more than recovered from the depths of the crisis.

Nebraska Exports

Source: Wiser Trade.
After cratering in the pandemic, consumer spending has also rebounded.

**Nebraska Consumer Spending**

Percent change relative to January 2020

- Pre-Pandemic (February 2020)
- 2020 Recession (April 2020)
- Current (September 2021)

**Sources:** Affinity (TracktheRecovery.org)
Personal income is up almost $3,000 per capita.

Nebraska Real Per Capita Personal Income

Sources: BEA and Haver Analytics.
Unemployment spiked early in the pandemic but is now historically low.

Sources: BLS and Haver Analytics.
Prospects in agriculture have brightened.

Average U.S. Corn Prices

Sources: Wall Street Journal and Haver Analytics.
As 2021 comes to a close, segments of Nebraska’s economy still face challenges and some risks remain. Businesses are struggling to fill job openings. Many small businesses have not reopened. Economic disparities have persisted for low-income families. Supply chain bottlenecks have disrupted business and household purchases. Prices of many goods and services have increased.

For related charts and additional information on Nebraska’s economy, visit www.KansasCityFed.org/Omaha

Federal Reserve Bank of Kansas City
Businesses are struggling to fill job openings.

Nebraska Worker Availability

Note: Worker availability is calculated by dividing the number of unemployed persons (3 month moving average, Current Population Survey) by the number of job openings (3 month moving average, JOLTS State Estimates). A number greater than 1 indicates that there are more unemployed people than jobs available. Blue bars indicate NBER-defined recessions.

Sources: BLS and Haver Analytics.
Economic disparities have persisted for low-income families.

Gap between High Income and Low Income Employment in Nebraska

Sources: Earnin, Intuit, Kronos, Paychex (TracktheRecovery.org)
Supply chain bottlenecks have disrupted business and household purchases.

Freight Rates - World Container Index

Sources: WCI (Bloomberg).
Many small businesses have not reopened.

Number of Small Businesses Open in Nebraska

Percent change relative to January 2020

2020 Recession (April 2020)  Current (October 2021)

Sources: Homebase and Haver Analytics.
Prices of many goods and services have increased.

Consumer Prices - CPI Inflation

Percent change from previous year

Sources: BLS and Haver Analytics.
As Nebraska’s connection to the nation’s central bank, the Omaha Branch works to understand our region’s economy and serve as a resource to Nebraska businesses and communities.

For additional information, visit [www.KansasCityFed.org/Omaha](http://www.KansasCityFed.org/Omaha).