

The Party of the President and Well-Being by Race Zoltan Hajnal*

America has struggled with racial inequality for most of its history. That inequality persists today. African Americans and Latinos often fall well below White Americans on the economic ladder. The statistics can be striking. Blacks and Latinos earn two-thirds of what Whites earn, they are more than twice as likely as Whites to be poor, more likely to be unemployed, and they accumulate less than one-six of the wealth that Whites acquire (Hajnal, Hutchings, and Lee 2024, The Urban Institute 2024). These racial disparities in well-being are not only sharp, they are also consequential. Earning less, living with poverty, and trying to survive without a job are all barriers that impact lives and life chances.

This report looks to see if who we choose as president impacts these economic patterns.

More specifically, it examines economic outcomes over the last 75 years to determine if African Americans and Latinos fare better economically when the president of the United States is a Republican rather than a Democrat. It also investigates how the party of the president affects racial gaps in well-being.

There are a number of reasons to suspect that the party of the president matters for well-being and in particular for Black and Latino well-being. A range of scholarship has shown that the party of the president matters for economic outcomes. Most recently, the Economic Policy

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Institute demonstrated that "The economy performs much better during Democratic presidential administrations than during Republican ones" (EPI 2024:1). That finding closely echoed an earlier study in the *American Economic Review* that found that "The US economy has performed better when the president of the United States is a Democrat rather than a Republican, almost regardless of how one measures performance" (Blinder and Watson 2016:1015). And in what are likely the closest studies to the questions examined in this report, several scholars have shown that Democratic control is associated with greater gains by and more responsiveness to working class Americans (EPI 2024, Bartels 2008, Hibbs and Dennis 1987). In essence, the further down the economic ladder someone is, the more likely they have been to benefit from a Democratic president.² Given that Latinos and African Americans tend to be positioned further down the economic ladder than White Americans, these existing studies suggest that Democratic occupancy in the White House might also help Black and Latino populations.

But do minorities really gain when Democrats hold the Oval Office? Ultimately, as important and exacting as these existing studies may be, none directly assesses gains and losses for racial and ethnic minorities under different partisan presidential regimes.³

To help answer this question, this report offers a simple, direct test that examines the connection between party control and minority well-being. Specifically, this study tests to see whether African Americans and Latinos fare better on basic indicators of well-being like income, poverty, and unemployment when Democrats control the presidency or whether they do better under Republican administrations.

The pattern of results is clear. Blacks and Latinos have made major gains and have closed economic gaps to Whites under Democrats and have tended to fall further behind under

Republicans. If Democrats had been in power over the entire period examined in this report, much of America's racial gaps in income and poverty may well have been erased. Critically, these minority gains do not come at the expense of Whites. On average, White incomes have grown, and White joblessness and poverty have declined, under Democratic administrations.

Assessing Presidential Impact

To help assess the consequences of electing a Democrat or a Republican to the office of the president, this study traces the well-being of racial and ethnic minorities over time using objective, empirical measures, and then compares the relative progress of each racial and ethnic group under different partisan regimes.

To assess well-being, this report focuses on three fundamental markers of economic status: income, employment, and poverty. To assess income, the focus is on median family income (in constant 2022 dollars). For poverty, the study focuses on the overall poverty rate for children in families. For unemployment, the measure is the adult unemployment rate. In each case, the measure on which the Census reports the longest time series has been chosen so that the analysis can assess the impact of presidential partisanship over the longest time period. Income data cover the period 1947 to 2022. Poverty is measured from 1965 to 2023. Unemployment data are from 1972 to 2022.

All economic data are measured annually and are compiled for each racial and ethnic group. All data are from the Census and the American Community Survey. In all cases rather than look at overall well-being, the analysis examines *change* in well-being from year to year. This helps get more directly at the impact of the current administration. For all of the different outcomes, the report assesses change in two ways. First, it looks at each racial and ethnic

minority group's progress from year to year in isolation. Specifically, it subtracts the group's previous year outcome from the group's current year outcome to get a measure of year-to-year change. Second, it assesses changes in the gap between each minority group and Whites to see if minorities are falling behind or catching up.⁶

The Black racial category generally includes those who identify as Black alone.

Likewise, the White category generally includes those who identify as White alone and are not Hispanic. Prior to 2002, each category includes all who identify as Black or White. Prior to that date the Census did not ask about multiracial identity. Latinos include all those who identify as Hispanic. Latinos can be of any race.

The focus is primarily on the President because that office stands at the top of American democracy. The president can veto any piece of legislation passed by Congress. As such he or she may have the institutional power to sway the direction of policy. As the only leader elected by all of the people, the president may also have the bully pulpit and the ability to push American government in one direction or another (Kernel 1997). As well, through executive orders, appointments, and managerial decisions, presidents can steer the ways in which administrations and federal agencies implement laws. Nevertheless, scholars have long debated just how much power the president has (Edwards 2003, Kiewiet and McCubbins 1985). The Framers of the Constitution sought to ensure that the president's power was checked by Congress and the judiciary. Presidents generally cannot unilaterally pass policy. As such, the extent of presidential power remains an open question.

Since government regimes are unlikely to impact well-being immediately upon entering office – policies take some time to be passed and to be implemented –conditions in the first year

of a term are attributed to the previous regime. For example, even though Barack Obama entered office in January of 2009, changes in Black poverty in 2009 are credited to the previous administration of George W. Bush.

Given its prominent role in the Constitution and in the ongoing politics of the nation, one cannot ignore Congress. As the primary law-making body in the polity, it is possible that Congress has greater influence over the well-being of different groups in society than does the president. Indeed, there is a long-standing debate about the relative influence of Congress and the presidency. Therefore, some of the analysis that follows also considers party control of the House and Senate (see page 31 of the report).

To assess partisan control across different governing regimes and to help minimize the confounding influence of other non-political factors, data on well-being have been compiled for as many years as possible. All told there are 75 years of data going back to 1947.

The Presidency and Black Well-Being

The report starts with the impact of Democratic and Republican White House control on Black well-being. It does so for two reasons – one practical and one theoretical. The practical reason is that there are many more years of data for African Americans than there are for Latinos. For African Americans, the data extend as far back as 1947. The Census reports outcomes for Latinos only back to 1972. With fewer years and thus less variation in political leadership, conclusions about Latinos are more tentative. The disadvantaged status of the African American population today – poverty and unemployment rates twice those of the national average – also justifies the close attention paid to Black outcomes. Focusing on 2022, the most recent year of data, Black median family income was \$66,760, roughly \$37,000 less

than the figure for White median income that year. The poverty rate for Black children in families was 22.1 percent – about two times higher than the 9.4 rate for White children. Black unemployment stood at 6.1 percent – double the 3.2 percent rate for Whites.

Do African Americans do better when a Democrat or a Republican is in the White House? Table 1 offers an answer. It presents average annual change in Black income, child poverty, and unemployment and compares Black outcomes under Democratic and Republican presidents.

Table 1. Party of the Preside	ent and Black Well-Being <u>Average Annual Change for Blacks</u>		
	Under Democrats	Under Republicans	Dem vs Rep Difference
Median Family Income ¹	\$1005	\$335	\$670**
Percent of Children Above Poverty ²	1.69	-0.01	1.70**
Percent not Unemployed ³	0.39	-0.12	.51

¹ 1947-2022 ² 1965-2022 ³ 1972-2023 *** p<.01 **p<.05 *p<.10

The pattern of results under Democratic presidents is clear. African Americans tend to experience substantial gains in well-being under Democratic presidents. Black median income grows by an average of just over \$1,000 per year when Democrats control the White House (in constant 2022 dollars). Black poverty declines by almost 1.7 points on average each year when a Democrat is in office. And finally, the Black unemployment rate declines by an average of 0.39 points per year under Democratic presidents. By contrast, when Republicans occupy the White House, changes in Black well-being are mixed. Black median income tends to grow (although not by as much as it does under Democrats), but Black poverty and Black unemployment both increase under Republicans.

The table also shows that Black Americans do better economically with Democratic presidents than they do with Republican presidents. On most measures, Black Americans tend to experience significant gains in well-being under Democratic presidents, while they tend to incur significant losses or remain stagnant under Republican presidents. Child poverty dropped by almost 1.7 points a year across all Democratic presidents. It remained largely flat or even grew marginally across all of the years with Republican presidents. Likewise, Black unemployment dropped an average of 0.4 percentage points each year over all of the years with Democratic presidents. It grew by over 0.1 percentage point a year under Republicans. Black incomes have grown on average under Republicans but not nearly as much as they have under Democrats (a \$335 gain under Republicans vs a \$1005 gain under Democrats).

Differences between outcomes with Democratic administrations and outcomes with Republican administrations are not only significant, they are also substantial. Black incomes rise \$670 dollars per year more under Democrats than they do under Republicans. Likewise, Black child poverty declines 1.7 points more per year with Democrats in charge, than it does with Republicans in office. Finally, the Black unemployment rate drops 0.51 points more with Democratic presidents than it does with Republican presidents. This last difference is, however, not statistically significant. By these measures, whether Black Americans' economic outcomes improve or not appears to be closely linked to whether a Democratic or a Republican occupies the White House.

Moreover, when one adds all of the year-by-year changes together, dramatic partisan differences emerge. As Table 2 demonstrates, the cumulative effects of Democratic and Republican control are immense.

Across the 36 years with Democratic presidents in the data, Black incomes grew by almost \$37,000 (using constant 2022 dollars). Black incomes also grew under Republicans, but much more slowly – around \$13,000 across 39 years. Judging by these numbers, Democratic administrations are responsible for 73 percent of the economic gains that Black Americans have accrued over the last 75 years. The net partisan effects on poverty are even more dramatic. There are fewer years of data on poverty, but the cumulative effects are still substantial. With Democrats in the Oval Office, the Black child poverty rate declined by a total of over 40 percentage points. By contrast, over the 31 years of Republican presidencies, the Black child poverty rate grew 0.4 points. These numbers suggest that nearly all of the declines in Black child poverty occurred under Democratic presidents.

Partisan differences on unemployment are also pronounced. Across 29 years of Republican presidencies in the data, Black unemployment went up a net of 3.6 percentage points. Across the 22 years in the time series with Democrats in charge, the Black unemployment rate fell 8.5 points. Once again that suggests that all declines in Black unemployment over the last half century can be linked to Democratic party control of the presidency.

Table 2. The Cumulative Effects of Democratic and Republican Party Presidential Control				
	All Democratic All Republican Year			
	Years			
Median Family Income ¹	\$36,180	\$13,065		
Children Above Poverty ²	43.9	-0.4		
Not Unemployed ³	8.5	-3.6		

¹ 75 years (1947-2022) ² 57 years (1965-2022) ³ 51 years (1972-2023)

The Presidency and Black-White Inequality

Another way to assess economic outcomes for Black Americans is to look at how they

are doing compared to their White counterparts across the country. Table 3 therefore shifts the focus to racial gaps in well-being. Specifically, it examines the degree to which racial gaps in well-being decline or increase over the years when Democrats or Republicans control the levers of power.

This new analysis shows that African Americans have not only done better under Democrats, but also that they have been more likely to catch up to White Americans under Democratic administrations. On basic measures of economic status, Black Americans have made greater gains relative to White Americans under Democrats than they have under Republicans.

The sharpest contrast is on family income. Under Democratic presidents the Black-White gap in income declined. On average, each year under Democrats Black median income moved \$38 dollars closer to White median income. Under Republican presidents it tended to grow – often rapidly. All told Blacks have fallen \$545 per year further behind Whites when Republicans have held the White House. In terms of child poverty, Black Americans once again tended to catch up to Whites when Democrats held the White House and they tended to fall further behind when Republicans held the presidency. Over the last half century, the Black-White poverty gap declined an average of almost 1.6 points annually under Democratic administrations. It grew by almost 0.1 points annually under Republican administrations. The pattern also holds for unemployment, although the differences here are not quite as stark and are, in fact, not statistically significant. Under Democrats, the gap in the Black-White unemployment gap tended to increase.

Table 3. Party of the President a	and Racial Gaps in	Economic Well-Bein	g	
	Gap Between White and Black Americans			
	Under Under Dem vs Rep Democrats Republicans Difference			
Racial Gap in Income ¹	-\$38	\$545	-\$583*	
Racial Gap in Child Poverty ²	-1.57	0.07	-1.64***	
Racial Gap in Unemployment ³	17	0.03	-0.20	

¹ 75 years (1947-2022) ² 57 years (1965-2022) ³ 51 years (1972-2023) ***p<.01 **p<.05 *p<.10

The cumulative effects of these differences across all of the years in the study are even more striking. As Table 4 indicates, across all 39 years of Republican leadership in the data set, Blacks incomes dropped dramatically compared to White incomes. All told, the Black-White gap in income increased by over \$21,000 under all of the Republican presidents that this report examines. By contrast, across 36 years of Democratic leadership, the Black-White income gap declined by a total of \$1368.

Table 4. The Cumulative Effects of Democratic and Republican Party Presidential Control				
Black-White Gaps	All Democratic Years	All Republican Years		
Income Gap ¹	-\$1,368	\$21,259		
Child Poverty Gap ²	-40.6	+2.3		
Unemployment Gap³	-3.7	+0.8		

¹ 75 years (1947-2022) ² 57 years (1965-2022) ³ 51 years (1972-2023)

Adding up all of the years under Democrats also indicates that African Americans have done exceptionally well on poverty when a Democrat holds the nation's highest office. Across the 26 years where one can measure child poverty under Democratic presidents, the Black-White child poverty gap declined by roughly 40 percentage points. By contrast, over 31 years of Republican leadership, the Black-White child poverty gap increased – over 2 percentage points in total. A similar, albeit less sharp, pattern emerges on unemployment. The total drop in the Black-White unemployment gap across all Democratic years (3.7 percentage points) and the

total gain in the Black-White unemployment gap across all Republican years (0.8 percentage points) suggests that the Black labor force did better when Democrats held power.

The Presidency and Latino Well-Being

African Americans have been the racial group most closely associated with the Democratic Party, and perhaps the group most likely to benefit from the Democratic Party's racially liberal policy agenda. However, they may not be the only racial group that stands to gain from Democratic control of the presidency. Given the often disadvantaged economic status of the Latino population and the fact that Latino voters have generally favored the Democratic party, one might expect Democratic party control to benefit the Latino population as well. As such, this report undertakes the same set of tests to assess the link between presidential partisanship and the welfare of the Latino population. That analysis begins in Table 5 which looks at annual changes in income, poverty, and unemployment under Democratic and Republican presidencies. As a reference point, in 2022 Latino median income stood at \$67,880 - only two-thirds of the figure for White median income that year. That same year, 21.5 percent of Latino children in families were poor. That dwarfs the 9.4 percent figure for White children in the same year. Latinos were also more likely than White Americans to be unemployed (4.2 percent vs 3.2 percent).

The overall pattern of results for Latinos mirrors what the report showed earlier for African Americans. By several economic measures, Latinos generally benefit from Democratic leadership and often suffer losses under Republicans. For Latinos, Democratic presidencies are associated with large annual gains in income, substantial declines in child poverty, and real drops in unemployment. By contrast, under Republican administrations Latinos tend to

experience only marginal gains in income, they generally become poorer, and they often face increases in unemployment.

Moreover, as Table 5 illustrates, the magnitude of these partisan differences is quite substantial. Latino incomes grew an average of \$697 more per year under Democrats. Similarly, Latino child poverty declined at a little under half a point under Democrats and grew at a rate of about a tenth of a point annually under Republicans. Finally, the unemployment rate for Latinos dropped almost 0.6 points more per year under Democrats than it did under Republicans.

Table 5. Party of the President and Latino Well-Being			
	Average Annual Change for Blacks		
	Under Democrats	Under Republicans	Dem vs Rep Difference
Median Family Income	\$797	\$100	\$697
Children Above Poverty	0.43	-0.10	0.53
Not Unemployed	0.39	-0.19	0.57

^{***} p<.01 **p<.05 *p<.10

The Census reports far fewer years of data for Latino outcomes than it does for Black Americans. Nevertheless, the cumulative effects of these partisan difference across all of the years of Republican and Democratic leadership on Latinos are still meaningful. Across all of the years of Democratic administrations in the data, Latino incomes grew a total of \$16,737, the Latino poverty rate dropped 9.0 points, and Latino unemployment fell 8.5 points. By contrast, adding together all the Republican years Latino family income increased but only by \$2,900, Latino poverty increased 2.7 points, and Latino unemployment grew 5.0 points.

Table 6. The Cumulative Effects of Democratic and Republican Party Presidential Control				
	All Democratic All Republican Y			
	Years			
Median Family Income ¹	\$16,737	\$2,900		
Children Above Poverty ²	9.0	-2.7		
Not Unemployed ³	8.5	-5.0		

¹ 51 years (1972-2022) ² 50 years (1973-2022) ³ 50 years of data (1974-2023)

What these numbers indicate is that almost all of the gains in Latino economic well-being over the last half century have occurred when Democrats have held the presidency. Judging by these aggregate numbers, all of the net declines in poverty and unemployment and roughly 85 percent of net gains in Latino median income occurred while Democrats were in office. Had the patterns of racial progression that occurred under Democrats been in effect throughout the entire period, Latinos might be in a very different economic position in American society.

The Presidency and Inequality between Latinos and Whites

The degree to which Latinos experience greater gains under Democratic presidents than they do under Republican presidents is further underscored by an analysis of the gaps in well-being between Latinos and White Americans. Once again there is a stark contrast that highlights the benefits of Democratic leadership to the Latino community. That contrast is evident in Table 7 which compares average annual changes in Latino vs. White inequality across all of the years of Democratic and Republican administrations.

Table 7. Party of the President and Racial Gaps in Economic Well-Being				
	The Gap Between White Americans and Latinos			
	Under Under Dem vs Rep Democrats Republicans Difference			
Racial Gap in Income ¹	-\$79	\$597	-\$676	
Racial Gap in Child Poverty ²	-0.47	0.14	-0.60	
Racial Gap in Unemployment ³	17	0.08	-0.25*	

¹ 51 years (1972-2022) ² 50 years (1973-2022) ³ 50 years of data (1974-2023) *** p<.01 **p<.05 *p<.10

Latinos not only do better economically under Democrats, they also tend to catch up to non-Hispanic Whites more when Democrats control the presidency than when Republicans hold power. On each of the three core measures of well-being the gaps tend to decline under Democrats. By contrast, they tend to increase when power is in Republican hands.

Specifically, the Latino vs. White income gap declined by an average of \$79 a year under Democrats, while it grew by almost \$600 per year under Republicans. That means that Latinos closed the gap on non-Hispanic Whites almost \$700 per year faster under Democrats than under Republicans. Likewise for child poverty the Latino White gap dropped by roughly half a point a year under Democrats, while it grew on average by a little over 0.1 point under Republicans. That matches the patten for unemployment, where the racial gap declined (by 0.17 points on average) under Democrats, only to grow (by 0.08 points on average) under Republicans.

The fact that the pattern for Latinos so closely mirrors the pattern for Blacks strongly suggests that the partisan differences are real. But because the Census has fewer years of data on Latino well-being than it has for African Americans, the analysis of Latino outcomes is more limited. One consequence of fewer years of data is that the partisan differences for the Latino population often fall below the threshold for being statistically significant.

Nevertheless, several factors which are highlighted in more detail later in the report increase one's confidence in the significance of party control for Latino economic well-being. One factor is the consistency of the results from year to year. On income, poverty, and unemployment Latinos make gains in roughly two-thirds of the years that Democrats are in power. Likewise, racial gaps in poverty and unemployment decline in two-thirds or more of the Democratic years. By contrast, Latinos experience declines in well-being and face increases in

racial gaps in half or more years when Republicans are in charge.

Also relevant are the results of an analysis of second term presidencies. If the focus is limited to outcomes during the second term of a presidency, there are large and significant partisan effects on almost every measure. This additional test suggests that outcomes for Latinos are significantly better under Democrats than they are under Republicans the longer each party is in power. It looks like Latinos benefit from Democratic administrations and lose under Republican presidencies. But without more years of data, firm conclusions are hard to come by.

Adding together all of the years of Democratic leadership and comparing them to all of the years of Republican leadership further underlines the potential importance of presidential control for White-Latino gaps in well-being. As can be seen in Table 8, across all 21 years of Democratic leadership for which data are available, the Latino vs. White gap in income dropped by \$1,660. Across all 29 years of Republican leadership, it grew by \$17,330. Latinos gained much more on Whites when Democrats were in charge. The same is true for both poverty and unemployment. Across all of the Democratic years, the gap between the Latino poverty rate and the White poverty rate fell 9.8 points. That same gap grew by almost 4 points across all of the years under Republican presidents. Finally, on employment, the analysis also find declines in racial gaps under Democrats and increases in those same gaps under Republicans.

Table 8. The Cumulative Effects of Democratic and Republican Party Presidential Control				
Latino vs. White Gaps	All Democratic Years All Republican Years			
Income Gap ¹	-\$1,660	\$17,330		
Child Poverty Gap ²	-9.8	+3.8		
Unemployment Gap³	-3.8	+2.2		

¹ 51 years (1972-2022) ² 50 years (1973-2022) ³ 50 years of data (1974-2023)

Positive Sum or Zero Sum?

The dramatic gains that racial and ethnic minorities experience under Democratic

presidents raise questions about White Americans and their well-being under Democratic presidents. Does a Democratic tide raise all boats? Or do White Americans tend to lose when Democrats win? Or put even more bluntly, are minority gains coming at the expense of Whites?

These questions are all the more important in light of the growing racial divide in the vote. Have White Americans been defecting from the Democratic Party to the Republican Party in such large numbers because their economic fortunes have declined under Democrats? And is all of this underlying the movement of working-class Whites toward a Trump candidacy? Put simply, do the economic fortunes of White Americans now rest with the Republican Party?

Table 9 assesses this question. The table shows average annual changes for White Americans under Democratic and Republican administrations on the three core economic measures where African Americans and Latinos made real gains under Democrats.

Table 9. Party of the President and White Well-Being				
Average Annual Change for Whites				
	Under Democrats Under Republicans Dem vs Rep Difference			
Median Family Income ¹	\$967	\$879	\$87	
Children Above Poverty ²	.12	.08	.04	
Not Unemployed ³	.16	08	.24	

¹ 75 years (1947-2022) ² 58 years (1966-2022) ³ 69 years (1955-2023) ***p<.01 **p<.05 *p<.10

Table 9 is clear on one point. White Americans do not lose out under Democrats. On average under Democrats, White incomes have grown, White poverty has declined, and White unemployment has diminished. Thus, there seems little chance that minority gains are occurring at the expense of White gains. Democrats appear to be able to aid minorities without inflicting losses on the White community.

What is less clear is whether Democratic administrations benefit White Americans more

than Republican administrations do. On two of the three measures of well-being in Table 9, the average gains under Democrats are roughly the same size as the average gains under Republicans. These partisan differences on income and poverty are substantively small and statistically insignificant. The only measure where there is a noticeable difference in White outcomes is on unemployment. The data show that White unemployment tends to drop when Democrats hold office, while it tends to grow marginally when Republicans are in the White House. But even here the difference is not statistically significant.

The data on White well-being are, unfortunately, not broken down by socio-economic class. However, recent research by the Economic Policy Institute and earlier work by Larry Bartels show that Whites who are lower on the economic ladder gain substantially more under Democrats (EPI 2024, Bartels 2008).

Additional Tests

The patterns uncovered so far are striking. They suggest that the policies enacted by Democratic presidents benefit most Americans regardless of race, but that those benefits disproportionately accrue to the Black and Latino populations. But are they really telling the whole story? Could all of this be coincidence? Perhaps Democratic presidents have simply gotten lucky and have inherited economies that were about to take off, while Republican leaders have gotten unlucky and have won office in depressed times. ¹¹ Perhaps the different paths taken by Democrats and Republicans are largely reactions to the policies of their predecessors.

Longer Periods of Party Control

If this were the case, partisan divergence might be expected to be greatest when a president of one party succeeds a president of the other party. However, the reality is essentially

the opposite. When one singles out years where the party in power has been in power for four years or more, the partisan gap gets larger, not smaller.

Table 10 details the patterns. It reveals economic outcomes for African Americans and Latinos only in years where the party in power has been in office for at least four years. ¹² For African Americans, longer term Democratic power is associated with ever greater gains in income, larger declines in poverty, and bigger drops in unemployment. Likewise, when the analysis is limited to years when either party has been in power for at least four years, differences between Democratics and Republican are magnified. In these years, Blacks income grows \$1,267 faster under Democrats, Black poverty drops 2.6 points per year faster under Democrats, and Black unemployment falls 0.6 points more per year under Democrats.

Table 10. After More Than Four Years in Office: Party of the President and Black Economic Well-Being					ell-Being	
	Anr	Annual Change for Blacks		Annual Cl	hange for Latin	<u>os</u>
	Under	Under	Dem vs Rep	Under	Under	Dem vs Rep
	Democrats	Republicans	Difference	Democrats	Republicans	Difference
Median Income	\$1,361	\$94	\$1,267***	\$1,598	-\$113	\$1,711**
Not in Poverty	2.40	-0.26	2.66***	1.6	-0.15	1.74 **
Not Unemployed	0.45	-0.14	0.59	0.37	-0.14	0.51

^{***} p<.01 **p<.05 *p<.10

The numbers are equally dramatic for Latinos. After each party has been in power for at least four years, Latino incomes grow \$1,711 more per year under Democrats than they do under Republicans. For child poverty, the decline is 1.7 points more per year under Democrats than it is under Republicans. On unemployment, the average drop is 0.51 points more per year under Democrats.

Moreover, these partisan differences are not only substantively large, they are also generally statistically significant. That is especially telling in the Latino case because

differences between Democratic and Republican presidencies were not always significant for Latinos when the report examined all years of the data. Those earlier findings raised questions about how meaningful those Democratic-Republican differences really were for Latinos. But this tougher test looking only at longer Democratic and Republican leadership strongly suggests that Latinos do experience significantly different economic outcomes under Democratic and Republican administrations. On both income and poverty, Latinos experience significant better outcomes when Democrats have been in office for an extended period, than when Republicans have held the office for longer periods.

All of this suggests that African Americans and Latinos both experience greater economic gains as the Democratic party's time in office increases. By contrast, the longer Republican administrations hold office, the more the fortunes of Black Americans and Latinos appear to fall.¹³

Controlling for Other Economic Factors

This report engaged in one additional set of tests to try to ensure that other economic factors are not driving these differences in outcomes across Democratic and Republican presidents. The test was to run a series of regression models that controlled for a range of economic factors that are largely outside presidential control but that could nevertheless affect basic economic conditions in Black and Latino communities. Those models control for basic economic indicators like changes in oil prices and labor force participation, inflation rates and U.S. median family income – as well as a basic time trend.

The main conclusion from these regressions which are included in the appendix is that presidential partisanship continues to be a critical predictor of Black well-being. ¹⁴ Even after

controlling for a range of other factors, the Black population is significantly more likely to experience growth in income and declines in poverty when the president is a Democrat. The regressions also show that Democratic control is associated with greater declines in racial gaps in well-being between Black and White Americans. This more rigorous analysis strongly suggests that the divergent paths that African American economic fortunes follow under Democratic and Republican administrations are no mere coincidence of the timing of Democratic and Republican electoral victories.

These more complex models do, however, indicate that the relationship between the party of the president and Latino economic outcomes is not as robust. When all of these controls are included, the relationship between party control and Latino well-being is no longer significant. This may be due to the fact that there are fewer years of data for Latinos than there are for African Americans. It may also be due to the fact that some of the control variables may be 'controlling' away part of the effects of presidential leadership. These models control for overall economic growth and changes in labor force participation, two factors that are themselves likely to be influenced by presidential actions (Blinder and Watson 2016, Hibbs and Dennis 1988). Ultimately, more definitive conclusions about the links between Democratic party leadership and Latino well-being may have to wait for more data or more rigorous tests.

How Consistent are Gains under Democrats and Losses Under Republicans?

Another factor that increases confidence in the results is the consistency of the partisan differences from year to year across the up to 75 years in the analysis. Black and Latino economic well-being improved in all but a few of the years when Democrats were in office.

Black incomes grew in 70 percent of all of the years that Democrats held the presidency, Black poverty declined in 77 percent of those years, and Black unemployment dropped in 73 percent of those years. Regardless of which Democrat was in power in the White House, Blacks generally gained. By contrast, Black incomes fell in 40 percent of the years that Republicans held the White House and Black child poverty grew in about half of the Republican years. ¹⁵

The numbers for Latinos are almost as consistent from year to year. Latino incomes went up in 62 percent of Democratic years, Latino child poverty dropped in 67 percent of those years, and Latino unemployment fell in 73 of the Democratic years. Again, by contrast, Latino income dropped in more than half of all years with Republican presidents, Latino child poverty increased in half of those years, and Latino unemployment expanded in just over 40 percent of those Republican led years. The property of the property increased in half of those years, and Latino unemployment expanded in just over 40 percent of those Republican led years.

A New Pattern but Not a Surprising One

The patterns in this report are new and telling. But they are not surprising. They are not surprising because they closely match earlier work on race. Focusing on the same outcomes and using roughly the same methodology, Hajnal and Horowitz (2014) found that Blacks and Latinos fared better economically when Democrats held the presidency than when Republicans did. Just as this report finds, that study also found that racial gaps in well-being declined more under

Democrats than it did under Republicans. ¹⁸ The fact that this earlier study found the same patterns over a different period of time lends further credence to the results presented in this report.

The patterns in this report also fit neatly with earlier work by Douglas Hibbs, who found that from 1948 to 1978 economic inequality grew markedly more under Republican administrations than it did under Democratic administrations (Hibbs 1987). It also parallels work by Larry Bartels which concludes that Democrats did more for the lower classes than Republicans (Bartels 2008). And it complements more recent work showing that the economic advantages of Democratic control increase the further one goes down the economic ladder (Economic Policy Institute 2024). Given that African Americans and Latinos fall disproportionately toward the lower end of the economic spectrum, the results from these existing studies conform closely with the current study. Other work showing that Democratic party control is associated with greater benefits for women in many ways also parallels the patterns presented here (Hajnal and Walter 2016, Kuk and Hajnal 2021).

Finally, the results here fit well with one other important data point – the sentiments and electoral choices of the American public. Given the patterns demonstrated here, it is not surprising to find that the overwhelming majority of Black and Latino voters identify with the Democratic party (Hajnal 2020, Dawson 1994). Over 70 percent of African Americans contend that the Democratic Party "works hard on issues Black people care about" (Dawson 1994). Latinos are only a little less likely to believe that the Democratic Party is particularly responsive to issues that affect their own group. Even among White Americans, two-thirds claim that the Democratic Party provides more aid to minorities than the Republican Party. ¹⁹

These perceptions are reflected in the vote. Racial and ethnic minorities tend to favor Democratic candidates – often overwhelmingly – while the majority of White voters typically end up on the Republican side. In the 2020 presidential election, for example, 87 percent of Blacks, and 65 percent of Latinos supported the Democratic candidate, while a clear majority of Whites (58 percent) favored the Republican option (New York Times National Exit Poll). All of this suggests that Black and Latino Americans are well aware of their own interests and know how those interests are connected to the party of the president.

Comparing the Records of Donald Trump and Joe Biden

Given that the upcoming presidential election will pit a former president against the current vice president, this report engaged in a closer examination of the economic records under those two administrations. Do the partisan patterns evident over the last 75 years continue through the presidencies of Donald Trump and Joe Biden? To put it more concretely, did Black Americans and Latinos do better under Donald Trump than they have been doing under Joe Biden? Especially in light of the claims and counter claims that often emerge in the heat of a campaign, this is information that could be critical to the electoral choices of voters of all racial and ethnic stripes in the November election.

A deeper look at the records under the current and previous president confirms that African American well-being continues to improve more rapidly under the Democrat president (Biden) than it did under last Republican president (Trump). Under Biden Black median income has increased substantially (\$2,560 per year), the Black child poverty rate has dropped dramatically (4.9 points per year), and Black unemployment has fallen significantly (1.5 points per year). Blacks are doing better today than they were at the beginning of Biden's tenure.

Moreover, under Biden African Americans have been making significant gains on White Americans. Under Biden, Black Americans have moved closer to White Americans in terms of income (an \$8,060 decrease in the income gap), poverty (a 5.8 point drop in the poverty gap), and unemployment (a 0.8 point drop).

By contrast, the economic record of African Americans under Donald Trump was more mixed and often more negative. Black Americans did experience slightly higher incomes and a small drop in unemployment under Trump. On other measures, Black Americans fell further behind. The Black-White income gap and the Black-White unemployment gap both grew under Trump. More Blacks were unemployed when Trump left office than when Trump entered office. And even on measures where Blacks gained under Trump, those gains tended to be smaller than gains that have occurred under Biden. Under Biden, Black income has been growing twice as fast as it did under Trump. Likewise, Black poverty has declined five times faster under Biden than under Trump. Judging by these measures, African Americans are doing better with Biden in the White House than they did with Trump in the Oval Office.

Table 12. Black Well-Being	under Biden and Trump				
	Biden	Trump			
	(2022-2023)	(2018-2021)			
	Change for Black	ck Americans			
Median Income	\$2,560	\$1,120			
Child Poverty Rate	-4.9	-0.8			
Unemployment Rate	-1.5	0.28			
	Change Relative to White Americans				
Income Gap	-\$8,060	\$480			
Poverty Gap	-5.8	-0.48			
Unemployment Gap	-0.8	0.05			

Latinos also appear to be doing better economically under Biden than they did previously under Trump, but the contrast is not as clear or as strong. There is little doubt that Latinos are doing well on basic measures of economic well-being with Biden in office. Under Biden, Latino income has gone up, Latino poverty has gone down, and Latino unemployment has declined. Perhaps just as importantly, under Biden, Latinos are catching up to White Americans in terms of income, poverty, and unemployment. The Latino White income gap has dropped by \$6,200 and the Latino White poverty gap has fallen 1.3 points. The Latino White unemployment gap is 0.7 points lower than it was at the beginning of Biden's tenure.

Donald Trump's record with Latinos is more mixed. Under Trump, Latino income went up and poverty declined. At the same time, the Latino unemployment rate grew. Also, unlike the Biden years, with Trump in office Latinos fell further behind White Americans in terms of income, poverty, and unemployment. Latinos are generally winning economically under Biden. They tended to fall further behind under Trump.

Table 13. Latino Well-Bei	ng under Biden and Trump	
	Biden ¹	Trump ²
	Change for	Latinos
Income	\$700	\$995
Poverty Rate	-0.4	-0.7
Unemployment Rate	-1.1	0.4
	Change Relative to	White Americans
Income Gap	-\$6200	\$605
Poverty Gap	-1.3	-0.4
Unemployment Gap	-0.7	0.2

¹ 2022-2023 ² 2018-2021

This Trump-Biden comparison should, however, be read and interpreted with some caution. The data presented here are limited. With only four years under Trump and with

Biden's presidency not yet complete, it is hard to offer definitive conclusions. The data concerns under Biden are exacerbated by the fact that the Census has not yet released any data for 2024. Even data for 2023 are in some cases still not available. Moreover, since one might expect a President's impact to build over time, the full story of Biden's presidency will take longer to evolve.²¹ A comprehensive and complete analysis of Biden's record will have to wait until after his presidency ends. Nevertheless, the empirical record to this point suggests that African Americans and Latinos are faring better under one presidential administration (Biden) than they fared when the other administration (Trump) was in office.

Implications

An examination of Black and Latino well-being under Democratic and Republican presidents over the last 75 years reveals that Blacks and Latinos do better economically with Democrats in the White House than they do with Republicans holding the Oval Office. When Democrats held the presidency, Black and Latino incomes grew, Black and Latino poverty fell, and Black and Latino unemployment declined. By contrast, when Republicans were in office, Black and Latino poverty and unemployment tended to grow. Under Republican presidents Black and Latino incomes did grow, but at a much slower pace than was the case under Democratic presidents. An assessment of outcomes under Democratic and Republican presidents shows that White Americans also fared well under Democratic presidents – although it is unclear whether or not White Americans did significantly better under Democrats than they did under Republicans.

The net effect of all of this is that racial inequality has tended to decline when Democrats

have been in charge. By contrast, racial inequality has tended to grow when Republicans are in power. The differences in outcomes between Democratic and Republican presidencies are so pronounced that it is possible that racial gaps in economic well-being might have been eliminated if Democrats had been in office over the entire time period examined in this report.

An examination of Black-White income inequality illustrates this story. Here the data show that the Black-White gap in median family income tended to fall under Democrats while it tended to grow under Republicans. Thus, replacing all Republican presidential years with Democratic presidential years means replacing years in which Blacks fell further behind Whites with years in which Blacks caught up to Whites. More specifically, replacing those Republican years with Democratic years suggests that Black-White income inequality might have been reduced by roughly \$20,000 if Democrats had held the White House for the entire period. That \$20,000 represents roughly half of the current \$40,000 income gap. In other words, an extended period of Democratic leadership over the last 75 years might have halved the Black-White income gap.

A similar calculation reveals that the Black-White child poverty gap and the Black-White unemployment gap might have been totally eliminated had Democrats been in charge for the entire time.²³ For Latinos, a similar calculation suggests that had Democrats been in power in every year of the study, Latino-White income inequality might be less than half of what it is today and the Latino-White poverty gap and the Latino-White unemployment gap might have been totally eliminated.²⁴

There are many other factors that likely would have changed if American voters had chosen to elect Democrats in every election over the entire period studied. Nevertheless, these

Democrats been in charge more. All told, these results suggest that which party controls the presidency may be one of the most important influences on economic well-being in America and one of the most important factors shaping racial equality in this country. However, much racial inequality still exists, there seems little doubt that it would be much greater were it not for an extended period of Democratic party governance.

Given how stark these patterns are, it is important for researchers to ask just what it is that the Democrats have done to raise the welfare of racial and ethnic minorities. What have Democratic administrations been doing – and Republican administrations not doing – that improves the economic standing of Black and Latino populations?

There is no shortage of policy differences between Democrats and Republicans and thus no shortage of potential explanations for minority gains under Democratic presidents. The fact that this report finds economic gains for both White Americans and racial and ethnic minorities under Democrats suggests that overall economic growth could undergird many of the gains. Indeed, others have demonstrated that the policy agenda of the Democratic Party has more effectively created economic growth than the competing policies of the Republican Party in period from just after World War II to recent times (Economic Policy Institute 2024, Bartels 2008, Hibbs 1987). But it is important to note that these racial patterns are not solely driven by economic growth. When one controls for GDP, substantial partisan differences persist.

A second category of more racially focused policies may have played a role. The efforts of the Democratic Party to enact a range of racially explicit, racially egalitarian policies could have contributed to the minority gains observed here. Although landmark anti-discrimination

measures like Truman's executive order to desegregate the armed forces, the Fair Housing Act, and the Civil Rights Act are particularly worthy of study, more recent initiatives to expand affirmative action in government hiring may be important as well.

Scholars have also made strong claims about redistribution and the efficacy of various transfers to the poor (e.g. Johnson's war on poverty or Clinton's expansion of the earned income tax credit). Because these kinds of redistributional efforts tend to fluctuate extensively from administration to administration, they are among the most logical sources of minority gains and losses across different administrations. The fact that Republicans under the Trump presidency passed one of the largest and one of the least progressive tax cuts in modern history only serves to underscore the partisan differences in this area and the potential for tax policy to shape economic well-being for good or bad.

Finally, major partisan differences have also emerged on a range of policy programs that are neither explicitly redistributive nor explicitly racial, such as those governing criminal justice and immigration. These may also disproportionately impact the minority community and could help to explain the patterns in this report.²⁵

The more that scholars can do to link patterns in minority gains and losses to specific policy measures, the more they will be able to help disadvantaged minorities by confidently highlighting policies that should lead to further reductions in the social and economic divide between White and non-White Americans.

By the standards of random controlled trials or experiments, the results presented in this report do not provide irrefutable causal evidence of the link between control of the presidency and Black and Latino well-being. But the patterns of economic gains under Democratic

presidents, and fewer gains under Republican presidents, and shrinking racial gaps in economic well-being under Democrats, and smaller shrinkage, stagnation, or even growth in such gaps under Republicans, are too important to ignore. The differences between the outcomes under Democrats and the outcomes under Republicans are large and meaningful – especially for those whose lives have gotten better or become worse. The fact that African Americans and Latinos have experienced consistent economic gains under Democrats and have suffered wide ranging losses under Republicans is critical information that can aid American voters.

Appendix

Party of the President and Annual Change in Black Economic Well-Being: Regressions						
	Annual Change for Blacks			Annual Change for Latinos		
	Income	Poverty	Unemployed	Income	Poverty	Unemployed
Democratic	703 (389)*	-1.89 (.78)**	0.01 (.54)	180 (611)	22 (.63)	06 (.56)
President						
Median Income	.04 (.02)*	00 (.00)	00 (.00)	.02 (.04)	00 (.00)	00 (.00)
Inflation	-177 (79)*	.27 (.16)*	.04 (.11)	-76 (122)	.28 (.13)**	02 (.11)
Change Labor	1029 (392)**	61 (.75)	-1.78 (.48)***	809 (543)	83 (.57)	-1.49 (.52)***
Force						
Change Oil Prices	1.80 (5.61)	005 (.01)	.00 (.01)	4.041 (6.94)	00 (.01)	.00 (.01)
Time Trend	-948 (649)	2.38 (1.15)**	-1.31 (1.02)	527 (1167)	0.64 (1.34)	-2.04 (1.18)*
Democratic House	-175 (533)	30 (1.04)	.96 (.65)	-1495 (739)*	1.10 (.75)	1.74 (.98)*
Democratic	326 (467)	.32 (.90)	76 (.56)	165 (638)	48 (.65)	33 (.69)
Senate						
Constant	-961 (1187)	-2.00 (4.33)	3.20 (2.98)	-1024 (3376)	15 (3.49)	-5.99 (6.54)
Adj R. Squared	.12	.10	.19	.12	.17	.13
N	74	57	50	50	49	48

^{***}p<.01 **p<.05 *p<.10

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Notes

- ¹ This report mirrors work by <u>Hajnal and Horowitz</u> (2014). That research focused on earlier time period.
- ² Also relevant is work that shows that women fare better and are able to close the gender gap in well-being more under Democrats than under Republicans (Hajnal and Walter 2016).
- ³ It is also worth noting that members of both parties make strong claims about how their agendas help minority groups. Republican leaders often contend that greater efficiencies associated with more conservative policies and smaller government ultimately lead to more growth and higher incomes for all. Democratic leaders often counter that a program of greater redistribution, increased affirmative action, and tougher anti-discrimination measures does more for Blacks and other minorities. The two parties offer different paths, but both can claim to aid racial and ethnic minorities.
- ⁴ Income data are from Table F5 at: https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-families.html
- ⁵ Unemployment data are from: https://www.bls.gov/opub/reports/race-and-ethnicity/2020/home.htm
- ⁶ For example, it subtracts the Black unemployment rate from the White unemployment rate in the previous year, then subtracts Black unemployment from White unemployment in the current year, and finally it subtracts the gap in the current year from the previous year to see if the gap is closing or increasing.
- ⁷ The partisan difference on unemployment is substantively large but not statistically significant.
- ⁸ The lack of a statistically significant relationship between party control and unemployment is likely to be in part due to the fact that the measure of unemployment is available for fewer years than the income measure (51 years for unemployment versus 77 years for median income).
- ⁹ At the same time there are also important dissimilarities between the two groups that suggest that they may follow different economic paths. First, the experiences of the Latino population are shaped much more by the process of immigration. Second, diversity within the Hispanic population in terms of socioeconomic circumstance, distinctive paths to arrival in the United States, and different levels of incorporation once in the United States all imply that the same policy could affect different members of the group in sharply divergent ways. Third, although Latinos tend to support Democrats, they do so in a less hegemonic fashion than African Americans.
- ¹⁰ From present day back to 2002, the gap is between Latino well-being and non-Hispanic White well-being. Prior to 2002, the gap is between Latino and White well-being.
- ¹¹ Blinder and Watson (2016) find that Democrats have not inherited more favorable initial conditions than Republicans upon entering office.
- ¹² The patterns are similar when one simply compares outcomes under first and second term presidents.
- ¹³ Focusing only on years in which one party has been in power for at least four years, also reveals that white Americans experience substantially greater economic gains under Democratic presidents than they do under Republican presidents. In these years, White median income grows significantly faster under Democrats (\$1316 more per year) than it does under Republicans, White child poverty declines significantly faster (0.54 points per year) under Democrats than it does under Republicans, and White unemployment may fall more under Democrats (the difference is 0.21 points per year but it is not statistically significant).
- ¹⁴ These more complex models also test for the effects of Democratic and Republican control of the House and the Senate. The models suggest that control of Congress has limited effects on Black and Latino economic well-being. In almost every case, Democratic or Republican control of the House and the Senate does not lead to systematically different economic outcomes for Blacks or Latinos. One of the only signs that Congress matters is that Democratic control of the House appears to be linked to greater declines in the income gap between Black and White Americans than is Republican control of the House. Specifically, under Democratic majorities the Black-White income gap is estimated to decline \$981 per year faster than it does under Republican majorities. There is also some evidence that divided government also matters and that Democratic administrations are less effective at raising

Black incomes when they have to work with a Republican Congress. Black family income did not grow significantly under Democratic presidents when they were coupled with a Republican- controlled Congress.

- ¹⁵ Black unemployment did, however, decline in 62 percent of the years when Republicans controlled the White House.
- ¹⁶ By contrast, Black Americans and Latinos often lost under Republican administrations. For Latinos, income declined, and poverty increased in half or more of all the Republican led years. Likewise, Black incomes fell in 41 percent of Republican years and the Black child poverty rate grew in almost half of all Republican led years.
- ¹⁷ A similar pattern is evident for racial gaps in well-being. In particular, for poverty and unemployment, there were consistent declines in Black-White and Latino-White gaps under Democrats and fairly regular increases in those gaps under Republicans.
- ¹⁸ Hajnal and Horowitz (2014) also found that Democratic presidents were associated with improved criminal justice outcomes. For Blacks, the overall arrest rate for adults, the homicide arrest rate, and the juvenile arrest rate all declined significantly faster under Democrats than under Republicans. The study also noted that the racial gap in arrest rates declined more under Democratic presidents.
- ¹⁹ Data are from the American National Election Study which asked respondents to rate the amount of effort each political party devotes to "help Blacks."
- ²⁰ During Trump's presidency, poverty was the only area where the Black-White gap declined and in this case it declined much more narrowly than it has under Biden's presidency to date.
- ²¹ It takes time for a president to enact their agenda. It takes even more time for that agenda to have an impact on economic well-being. Thus, the analysis lags presidential control by one year. In other words, for any given president, economic outcomes in the country are attributed to that president only after their first year in office.
- ²² To do this calculation, the analysis replaces 39 years under Republican presidents where White median income grew on average \$545 more per year than Black median income with 39 years of average Democratic leadership where White median income on average grew \$38 less annually than Black median income. Multiplying that \$583 annual difference between Republicans and Democrats by 39 years leads to a predicted decrease of \$22,373 in the Black-White income gap.
- ²³ Replacing Republican leadership with average Democratic outcomes in the case of child poverty means replacing 29 years in which the Black-White child poverty gap grew marginally (a 0.07 annual increase) with 29 years of Democratic outcomes in which the racial poverty gap generally declined (a 1.56 annual decline). Adding up that 1.64 point annual difference over 29 years leads to an estimated 50 point drop in the gap. With the Black-White child poverty gap at 12.7 points in the last year of the study, electing Democrats in all of the years of the study might very well have eliminated all remaining racial gaps in child poverty. Likewise, on unemployment, replacing 29 Republican led years where the Black-White gap in unemployment grew (by 0.03 points on average) with 29 years of average Democratic outcomes when the gap declined (by 0.17 points per year) leads to an estimated reduction of 5.8 points in the racial gap in unemployment. That 5.8 point reduction in the gap would more than account for the 2.25 point gap evident today.
- ²⁴ Here, replacing Republican outcomes with Democratic outcomes means replacing 29 Republican led years where the Latino-White income gap increased by \$598 annually with 29 Democratic led years where the average annual change was a \$79 drop in the income gap. That leads to a potential additional \$19,621 drop in the Latino-White income gap had Democrats always been in charge. Since the Latino-White income gap standing at \$35,520 in the last year of the study, that suggests that Latino-White income inequality might be less than half of what it is today had Democrats controlled the presidency every year since 1972. Similarly, replacing Republican years on poverty (where the racial gap increased on average by 0.14 points a year) with Democratic years (where the racial gap decreased by an average of 0.47 points a year) equates to a net 16.9 drop in the gap more than enough to eliminate the current gap of 12.1 points. Similarly, replacing Republican years on unemployment (when the Latino vs. White gap grew by 0.08 points per years) with Democratic years (when that same gap declined by 0.17 points annually) leads to a decline of 6.8 points in the gap. This is also larger than the 1.4 point gap that currently separates Latinos and White Americans.

²⁵ On this point, it is important to highlight the fact that Hajnal and Horowitz (2016) found that Democratic presidents were associated with improved criminal justice outcomes. Black arrest rates and the Black-White gap in arrest rates both declined significantly more when Democrats controlled the presidency than when Republicans did so.