

The Recession Is Already Happening for Many Americans

— — — — — — —

...

By [Edward Harrison](#)

September 17, 2025 at 11:49 AM EDT

...

A k-shaped recession?

One way to think about the post-rate-hike economy is as a bifurcation between haves and have-nots as rising underemployment, sticky inflation and higher interest rates hit lower-income households more. Small businesses have also suffered disproportionately from high interest rates and tariffs. High-income households are basically keeping the economy afloat – helped in no small part by elevated home prices, the AI boom, steady interest income and the surge in stock prices.