

Handout for September 2020 Newsletter Mapping the Economics of Wealth in GeoFRED®

Purpose.

1. Create a state-level geographical map of the homeownership rate.
2. Edit the maps by modifying the dates, legends, and colors.
3. Interpret the economic information displayed in the maps.

Pedagogical Rationale. This assignment requires that you first search for data online, select a particular series, and display it in the form of a geographical map. Next, you will edit the format of the map. Lastly, you will interpret the economic information displayed in the map. These tasks will develop your proficiency in searching for, transforming, and interpreting data.

Grading. Your grade will be determined by (a) how precisely you complete the search and transformation data tasks and (b) how accurately you interpret the data.

Steps to Search for and Transform the Data.

1. Access <https://geofred.stlouisfed.org> and click on “Build New Map.”
2. Click on “Tools” and under “Choose Data > Region Type:” select “State.”
3. Under “Data,” search for “Homeownership Rate.”
4. Select “Frequency: Annual,” “Units: Percent,” and “2019” as the date.
5. Click on EDIT LEGEND and under “Interval method” select “User Defined.”
6. Define the maximum interval values by typing the following values in each interval box:
 - 55
 - 60
 - 65
 - 70
 - 76
7. Click on “CHOOSE COLORS” and under “Multi Hue,” select the top-row, right-most, color scheme (tagged “ylgn”).

Discussion Prompts. Answer the following questions:

1. Name four states where the homeownership rate was above 70 percent in 2019.
2. Name at least two states where the homeownership rate was below 55 percent in 2019.
3. Among other ways, households hold wealth by means of owning a home. All else being equal, where would a large decrease in average housing prices decrease household wealth for more people: in West Virginia or in New York? Explain your answer.