



Geographic Inequality and Labor Market Indicators

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Disclaimer

- The views expressed here are mine alone, and do not represent the views of the Federal Reserve Board or its governors

Overview

- A collection of research projects focusing on place-based inequality joint with my colleague Erin Troland and others around DCCA
 - Employment, Housing, Credit, and Community Infrastructure
- Communities people live in affect economic and financial opportunities and outcomes
 - Place matters
 - Fed Listens Chicago: In some neighborhoods, “it’s always a recession”
- We divide counties into three groups based on their median household income, and are in the process of examining how economic outcomes vary across county income groups
 - Examine both structural differences and time series variation

Systematic Way to Classify Communities by Income

Three Key Components of our income definition

1

**County
as primary unit of
geographical analysis**

Allows for analysis
across a broad range of
economic indicators

2

Population-weighted

25% Bottom Income Quartile
25% Second Income Quartile
50% Top Half

Median household
income from American
Community Survey

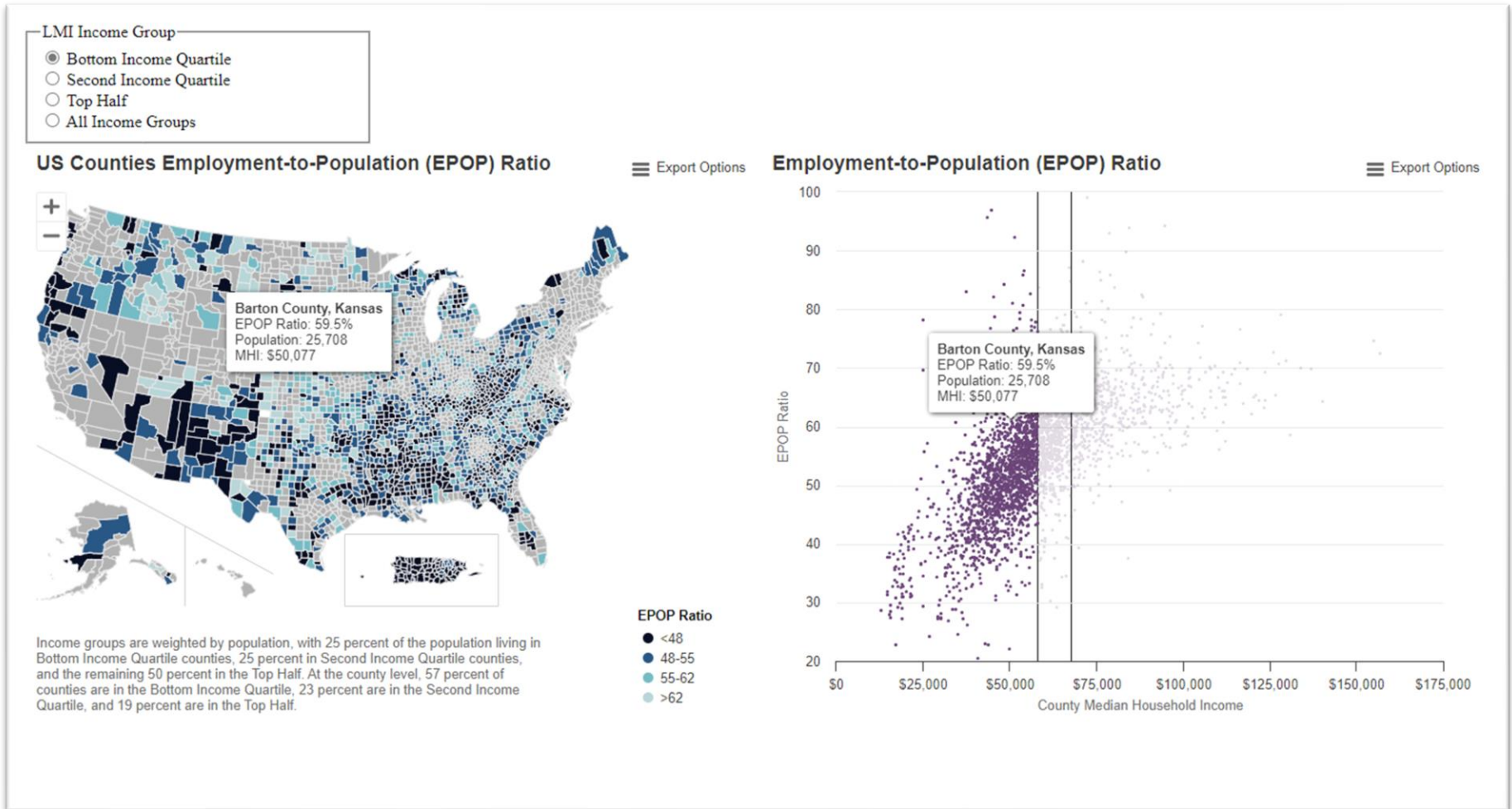
3

Updated Annually

Allows for analysis of
people living in lower-
income counties
according to recent data

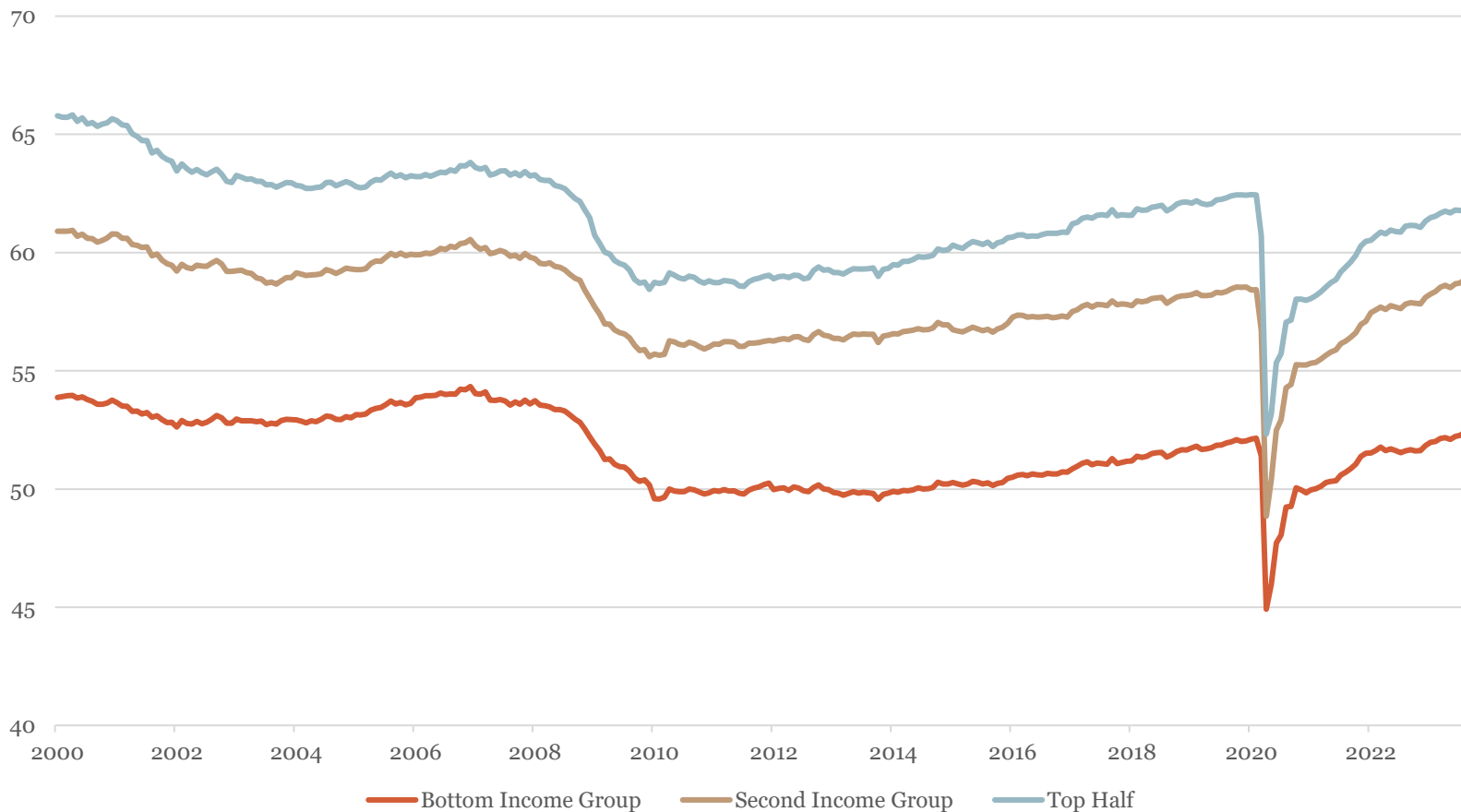
Flexibility to adjust for cost of living

Visualizing Place-Based Labor Market Differences



Persistent Differences Over Time

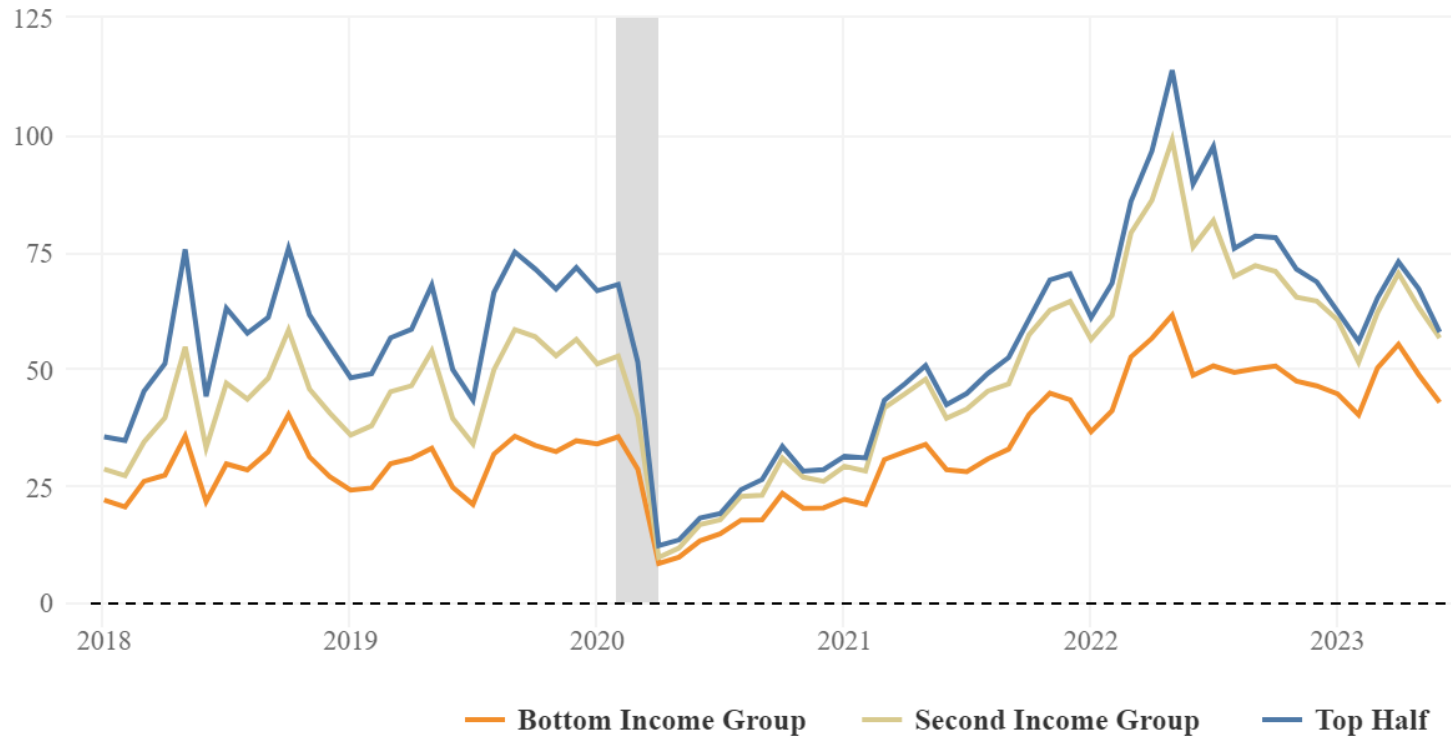
Employment to Population Ratio



Labor Market Tightness and the Pandemic Recession

All Job Postings by the Number of Unemployed

Share, monthly (Value)



Source: Burning Glass