

Macroeconomic Data Activity 1

Unemployment Rate

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Student learning outcomes are learning how to:

1. Extract the unemployment rate data from the Federal Reserve Economic Data (FRED) database and interpret it
2. Create maps of the unemployment rate by state and county from the GeoFRED website and interpret it
3. Extract the unemployment rate data by race from FRED and interpret it
4. Discuss an article about racial disparities in the unemployment rate

Steps:

1. Extract the unemployment rate data from FRED and interpret it:
 - i) Go to fred.stlouisfed.org. Click on *Category*. Click on *Current Population Survey*. Click on *Unemployment Rate*. Click on *Seasonally Adjusted*.
 - ii) Answer Questions 1 through 6.
2. Create maps of the unemployment rate by state and county from the GeoFRED website and interpret it:
 - i) Go to geofred.stlouisfed.org. Click on *Build New Map* in the top right corner. Click on *Tools* in the top left corner. Under *Region*, select *State*. Under *Data*, type “unemployment rate” in the search box. Select “Seasonally Adjusted, Monthly”. Under *Month*, select the month that you identified as the month with the highest unemployment rate.
 - ii) Answer Questions 7 and 8.
 - iii) Create the same map on the county level. (You will need to select Not Seasonally Adjusted, Monthly.)
 - iv) Answer Questions 9 and 10.
3. Extract the unemployment rate data by race from FRED and interpret it:
 - i) In FRED, search for “Unemployment Rate Asian.” Use Seasonally Adjusted data. Click on *Edit graph* in top right corner. Click on *Add line* (top middle button), type in “Unemployment Rate Black or African American”, and click on *Add data series* below it. Similarly, add “Unemployment Rate Hispanic or Latino” and “Unemployment Rate White”.

- ii) Answer Questions 11 and 12.
4. Discuss an article about racial disparities in unemployment rate:
- i) Read article “Rise in black jobless rate sets back US progress on labour market parity” from the *Financial Times* as of September 10, 2021 <https://www.ft.com/content/7a804c0c-791c-48cb-be09-872788f71451>.
 - ii) Answer Questions 13 and 14.
 - iii) The article discusses two possible explanations of the August 2021 unemployment rate for black Americans. State these two explanations.
 - iv) What did you find interesting in this article? Be ready to share your answers during our class discussion.

QUESTIONS

1. What is the primary source of the unemployment rate data?
 - a) Federal Reserve Economic Data database
 - b) Census Bureau
 - c) Bureau of Economic Analysis (BEA) in the Department of Commerce
 - d) Bureau of Labor Statistics (BLS) in the Department of Labor
2. What is the frequency of the unemployment rate data?
 - a) Weekly
 - b) Monthly
 - c) Quarterly
 - d) Annual
3. What is the most recent value of the unemployment rate?
 - a) 0%
 - b) 2.8%
 - c) 4.8%
 - d) 10.8%
4. What is the highest unemployment rate value? In which month/year did it occur?
 - a) Approximately 10% in October of 2009
 - b) Approximately 10% in April 2020
 - c) Approximately 15% in October of 2009
 - d) Approximately 15% in April 2020

5. What was the unemployment rate during the month before the highest-value month that you found in the previous question?
- a) 4.4%
 - b) 6.4%
 - c) 8.4%
 - d) 10.4%
6. How does the most recent value of the unemployment rate that you found compare to the entire time period of this graph (since January of 1948)?
- a) The unemployment rate has always been higher than its most recent value.
 - b) The unemployment rate has often been higher than its most recent value.
 - c) The unemployment rate has never been higher than its most recent value.
 - d) There has been only one period when the unemployment rate was higher than its most recent value.
7. In the month that had the highest unemployment rate, which state had the highest unemployment rate?
- a) Alabama
 - b) Kentucky
 - c) Michigan
 - d) Mississippi
 - e) Nevada
8. In the month that had the highest unemployment rate, which state had the lowest unemployment rate?
- a) Arkansas
 - b) Massachusetts
 - c) Nebraska
 - d) New York
 - e) Wyoming
9. In the month that had the highest unemployment rate, what was the unemployment rate in Saratoga County? (*Note: Use the county in which your educational institution is located.*)
- a) 0%
 - b) 3.3%
 - c) 6.3%

- d) 13.3%
 - e) 16.3%
10. In the month that had the highest unemployment rate, what was the unemployment rate in Imperial County (CA)?
- a) 0%
 - b) 5.5%
 - c) 9.5%
 - d) 19.5%
 - e) 29.5%
11. In the month that had the highest unemployment rate, what was the difference between the lowest unemployment rate of these four demographic groups and the highest unemployment rate of these four demographic groups?
- a) 4.8%
 - b) 14.1%
 - c) 14.5%
 - d) 16.7%
 - e) 18.9%
12. The difference between the Unemployment Rate - White and Unemployment Rate - Black or African American after the COVID-19 recession (May 2020) was higher than the difference before the COVID-19 recession (February 2020).
- a) True.
 - b) False.
13. Based on the article “Rise in black jobless rate sets back US progress on labour market parity” from the Financial Times as of September 10, 2021, which one is true about the unemployment rate in August 2021?
- a) The unemployment rate for black Americans decreased while the unemployment rate for the U.S. workers overall increased.
 - b) The unemployment rate for black Americans increased while the unemployment rate for the U.S. workers overall decreased.
 - c) The unemployment rate for both black Americans and the U.S. workers overall increased.
 - d) The unemployment rate for both black Americans and the U.S. workers overall decreased.

14. Based on the article “Rise in black jobless rate sets back US progress on labour market parity” from the *Financial Times* as of September 10, 2021, which one is true about the difference between unemployment rates of black and white workers in the U.S. before the pandemic?
- a) The difference between unemployment rates of black and white workers was growing before the pandemic.
 - b) The difference between unemployment rates of black and white workers before the pandemic was becoming smaller.
 - c) The difference between unemployment rates of black and white workers before the pandemic was staying about the same.

Macroeconomic Data Activity 2

Labor Force Participation Rate

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Student learning outcomes are learning how to:

1. Extract the labor force participation rate from FRED and interpret it
2. Extract the labor force participation rate by gender from FRED and interpret it
3. Extract the labor force participation rate by race from FRED and interpret it
4. Discuss an article about gender and racial disparities in the labor force participation rate

Steps:

1. Extract the labor force participation rate from FRED and interpret it:
 - i) Go to fred.stlouisfed.org. Type “Labor Force Participation Rate” in the search box in the top right corner.
 - ii) Answer Questions 1 through 7.
2. Extract the labor force participation rate by gender from FRED and interpret it:
 - i) In FRED, search for “Labor Force Participation Rate - Men.” Select the data series. Click on *Edit graph* in top right corner. Click on *Add line* (top middle button), type in “Labor Force Participation Rate - Women”.
 - ii) Answer Questions 8 through 10.
3. Extract the labor force participation rate by race from FRED and interpret it:
 - i) In FRED, search for “Labor Force Participation Rate - Asian.” Select the data series. Click on *Edit graph* in top right corner. Click on *Add line* (top middle button), type in “Labor Force Participation Rate - Black or African American”, and click on *Add data series* below it. Similarly, add “Labor Force Participation Rate - Hispanic or Latino” and “Labor Force Participation Rate - White”.
 - vi) Answer Questions 11 and 12.
4. Discuss an article about gender and racial disparities in the labor force participation rate:
 - i) Read article “U.S. labor market inches back from the COVID-19 shock, but recovery is far from complete” article by Rakesh Kochhar and Jesse Bennett as of April 14, 2021 for the Pew Research Center.

- ii) Answer Question 13.
- iii) According to the article, how does the gender difference in the labor force participation during the COVID-19 recession compare to the gender difference in the labor force participation during the 2007-2009 Great Recession?
- iv) According to the article, among women which race groups experienced the largest drop in the labor force participation? What are the two explanations that the article discusses?
- v) What did you find interesting in this article? Be ready to share your answers during our class discussion.

QUESTIONS

1. What is the primary source of the labor force participation rate data?
 - a) Federal Reserve Economic Data database
 - b) Census Bureau
 - c) Bureau of Economic Analysis (BEA) in the Department of Commerce
 - d) Bureau of Labor Statistics (BLS) in the Department of Labor
2. What is the frequency of the labor force participation rate data?
 - a) Weekly
 - b) Monthly
 - c) Quarterly
 - d) Annual
3. What was the trend in the labor force participation rate from the 1940s until the 1990s?
 - a) Downward trend
 - b) Upward trend
 - c) No change
4. What was the trend in the labor force participation rate from 2000 to 2015?
 - a) No change
 - b) Upward trend
 - c) Downward trend
5. What is the most recent value of the labor force participation rate?
 - a) 60.2%
 - b) 61.6%
 - c) 63.3%

- d) 67.3%
6. Which one is true about the change in the labor force participation rate from February 2020 to April 2020?
- a) Similar changes have frequently occurred since the 1940s.
 - b) There has been only one other period since the 1940s that shows a similar change.
 - c) This was the first time since the 1940s that such a change has happened.
7. Has the labor force participation rate fully recovered to the pre-COVID-19 level?
- a) Yes.
 - b) No.
8. Which one is true about the labor force participation rate by gender from the 1940s until the 1990s?
- a) The labor force participation rate for men increased while the labor force participation rate for women decreased.
 - b) The labor force participation rate for men decreased while the labor force participation rate for women increased.
 - c) The labor force participation rate for both men and women increased.
 - d) The labor force participation rate for both men and women decreased.
9. Which one is true about the labor force participation rate by gender from 2000 to 2015?
- a) The labor force participation rate for men increased while the labor force participation rate for women decreased.
 - b) The labor force participation rate for men decreased while the labor force participation rate for women increased.
 - c) The labor force participation rate for both men and women increased.
 - d) The labor force participation rate for both men and women decreased.
10. Which one is true about the labor force participation rate by gender during the COVID-19 recession from February 2020 to April 2020?
- a) The labor force participation rate decreased for both men and women but it decreased by more percentage points for men.
 - b) The labor force participation rate decreased for both men and women but it decreased by more percentage points for women.
11. During the COVID-19 recession from February 2020 to April 2020, which group shows the largest decrease in the labor force participation rate in percentage points?
- a) Asian

- b) Black or African American
 - c) Hispanic and Latino
 - d) White
12. During the COVID-19 recession from February 2020 to April 2020, which group shows the second largest decrease in the labor force participation rate in percentage points?
- a) Asian
 - b) Black or African American
 - c) Hispanic and Latino
 - d) White
13. According to the article "U.S. labor market inches back from the COVID-19 shock, but recovery is far from complete" by Rakesh Kochhar and Jesse Bennett as of April 14, 2021 for the Pew Research Center, more men than women exited the labor force during the COVID-19 recession.
- a) True.
 - b) False.