

## The Role of Acculturation in Housing Markets: Evidence from the Institutionalization of the Cemetery\*

First version: Spring, 2017; This version: July, 2019

Chad Kwon\*

### Abstract

This study examines the role of cemeteries in our communities. These include family- or private-plots, memorial parks, general graveyards, and public burial grounds named after local landscapes. We are unaware of an empirical study analyzing their impacts on home values on a national scale. Brief discussion in the literature mentions homebuyers avoid both the frontage of and proximity to cemeteries. We acknowledge there is a stigma attached to the idea of death in many cultures. However, local residents' reception of and accommodation for the dead may exhibit some heterogeneity across communities where people from different ethnic backgrounds inhabit. This study helps explain such superstition should be either acknowledged or thwarted in understanding cultural landmarks. Our data contains residential properties sold in the US between 2014 and 2018 in addition to the cemeteries built since the establishment of the American colonies for early settlers. We conduct a hedonic analysis of cemetery concentration and types on housing prices using a sample of 335,225 houses and 117,696 cemeteries. Our results show cemeteries are negatively related to house sales. On average, a 1% increase in cemetery counts in a county decreases house prices by -0.025%. Both private plots and cemeteries named after landmarks show stronger negative effects on transaction prices. More, cemeteries have adverse effects on houses sold at higher prices. However, re-estimating the model by states shows cemeteries have no effect on prices in 25 states or 25/50=50% of cases, a negative effect in 15 states or 15/50=30% of cases, and a positive effect in 10 state or 10/50=20% of cases. Overall, we find the effects of graveyards on housing prices remain heterogeneous in the U.S. We conclude that our superstitious stigma and perceived externality associated with cemeteries may be overblown. (300 words)

**Keywords:** Finance and Culture, Cultural Attachment and Financial Behavior, Cultural Conservatism and Market Efficiency, Religious Secularization, Neighborhood Gentrification, Social Capital, Housing Markets

**JEL-Classification Codes:** C21, C23, G14, R12, R21, Z12, Z13

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\* This working draft is based on a previously planned chapter for the author's dissertation at the University of Texas Rio Grande Valley. The author thanks Dr. Christian Redfearn of the University of Southern California for introducing two books on cemeteries, which helped the author learn more about these culturally significant yet decaying landmarks. Many scholars deserve credit for offering both encouragement and helpful guidance on earlier drafts during the course of this research project: Dr. Justin Benefield of Auburn University, Dr. David Wyman of the College of Charleston, and Dr. Jeffrey Robert and Dr. Velma Zahirovic-Herbert of the University of Georgia. The author is grateful to the 2019 ERES organizers and especially Professor Paloma Taltavull de La Paz of La Universidad de Alicante for inviting this paper to be presented at the meeting in Cergy-Pontoise, France. The author thanks Professor Douglas-James Hodgson of L'Université du Québec à Montréal (UQAM) for the invitation to present it at the Fifth North American Workshop on Cultural Economics, and Professor Nutsa Gureshidze of L'Université Paris XIII for providing insightful discussion. The author thanks seminar participants at the American and European Real Estate Society Meetings and the Association for Cultural Economics International regional meeting for comments. The author acknowledges financial support from the James R. Webb American Real Estate Society Foundation, the 2019 dissertation fellowship from the Ph.D. program at the Vackar College of Business and Entrepreneurship. Lastly, the author thanks his dissertation committee members for their extreme patience and attention: Dr. Damian S. Damianov of Durham University, Dr. Diego A. Escobari (Chair), Dr. Marie T. Mora, and Dr. Helen Haiyan Zhou. The usual disclaimer applies.

\*Chad Kwon, doctoral candidate; The University of Texas Rio Grande Valley - Department of Economics and Finance. 1201 West University Dr. Edinburg, Texas 78539-2909; E-mail: [mr.superreviewer@gmail.com](mailto:mr.superreviewer@gmail.com); Web: <http://Candidate2020.ChadKwon.com>