EMPLOYMENT, POPULATION AND INCOME GROWTH IN THE SOUTH, 1960-70

Claude C. Haren*

U.S. Department of Agriculture

The South made tremendous economic advances in the 1960's, with gains far transcending increases elsewhere in the United States. About evenly metropolitan and nonmetropolitan prior to 1960, employment, population, and income became increasingly concentrated in the region's metro areas in the next 10 years. The nonmetro areas benefited greatly from major additions of manufacturing and other nonfarm jobs between 1960 and 1970. Nevertheless, the economic improvements wrought in many rural and other nonmetro communities failed to halt--merely slowed--outmigration of farm and other people to destinations outside the South, as well as to the region's metropolitan centers.

SOUTH-NONSOUTH CHANGES

Exemplifying the rapid transitions occurring in the South in the 1960's. nonfarm wage and salary employment grew by 4.4 percent yearly, as opposed to 2.8 percent in the remainder of the United States. More specifically, some 6,000,000 service and other nonfarm wage and salary jobs were added, against a 600,000 decline in the farm work force.

Population expanded at a slightly higher rate in than outside the South. Altogether, the region's population increased by nearly 8,000,000--an enlargement reflecting major alterations since 1960 in the rate of natural increase and migration flows and counterflows.

The South's population of prime working age (18 to 64) expanded at an annual rate of 1.8 percent, somewhat above the 1.4 percent outside the region. An increase in the population 65 years of age and older at nearly twice the NonSouth rate arose largely from the tremendous inmigration of elderly people into the "Sunshine Belt" of an increasingly metropolitan south and central Florida. The population under 18 enlarged only about half as rapidly in the South as in the NonSouth.

Aggregate personal income in the South increased by 12 percent annually between 1960 and 1970 contrasted with a composite rate of less than 10 percent in the other three major geographic regions. An equally favorable differential raised per capita income in the South relative to the NonSouth from 72 percent in 1960 to 81 percent in 1970. The scaling down of former wage and cost-of-living differentials did not preclude further widening of the money gap in per capita income, and nearly half of the Nation's poor remained in the South in 1970.

METROPOLITAN-NONMETROPOLITAN COMPARISONS

Employment in the South's nonmetro communities expanded only about half as rapidly as in the metro South. The disparity arose primarily from the concentration in rural and other nonmetropolitan counties of more than 80 percent of the 10-year decline in the region's farm work force.

*Claude C. Haren, Economic Development Division, Rural Development Service,

In reality, an appreciably greater number of manufacturing jobs alone were added in the nonmetro South than were lost through reductions in farm employment. Not that about an equal number of new manufacturing jobs weren't also added in the metro areas. Far more so than in the nonmetro counties, however, job improvement in the metro areas, as in metropolitan units outside the South, had its origin in sharply stepped-up gains in trade, government, and other service employment. Even so, the expansion of service jobs in the nonmetropolitan South reflected fairly widespread betterment of the previously inadequate local services and facilities so often found in the region's rural and small-town communities.

The population of the South's metro areas increased by almost 7,000,000, or by about six times the addition in its nonmetro counties. Despite a substantial leveling off of the rapid population gains so typical of metro units in and outside the South in the 1950's, 1960-70 increases added appreciably to the growing concentration of population in the region's metropolitan areas.

Additions of population of prime working age in the metro South reflected the continued influx of farm and other people to the suburbs, if not necessarily to the central cities. Reinforcing traditional jobseekers were enormously increased student enrollments in metro-centered colleges and uninversities.

In the South's nonmetro counties, the increase in population of prime working age stemmed mainly from greatly improved nonfarm job opportunities. More youth formerly migrating to metro areas in and outside the South were retained. Frequently, newcomers as well as returnees were attracted by the resurging economies of nonmetropolitan communities.

The effects of population immobility and aging were particularly in evidence in the Great Plains sections of Texas and Oklahoma, and in rural and other nonmetro areas experiencing a further exodus of Negroes. Also apparent was an increasing inflow, notably in Appalachia and the Ozarks, of people seeking retirement homes.

The residual effect of the carryover of the suburban "baby boom" into the 1960's was manifest in the addition of nearly 1, 700, 000 children and youth in the South's metropolitan units. In the nonmetro South, a decline of almost 600,000 younger people was associated chiefly with the outmigration of many Negro families as a group, and to lowered birth rates—a reduction that could also apply to Mexico-Americans and other groups in the white population.

Marked income improvement in the South's nonmetro areas resulted largely from the replacement of about a half million farm-related jobs by nearly two million generally better-paying employment opportunities in manufacturing, construction, and other nonfarm industries. The South's poor continued to be heavily represented in its rural and other nonmetropolitan counties.

In the South's metro areas, gains in per capita income were retarded by the influx of retirees, many of whom were dependent entirely on pensions and similar income. Students and women often worked only part-time. Tending to limit per capita income increase were the sizable additions taking place in the younger (and largely nonworking) population. Through lack of training and experience, many new entrants in local work forces took low-paid jobs only to migrate from the South as they qualified for better-paying employment.