

TURNAROUND IN FERTILITY TRENDS?

Evidence is mounting that 1977 may mark a turning point in U.S. fertility trends. Rising monthly statistics on 1977 births (available through August as of this writing) have fueled a debate among demographers over whether the end of a steep, two-decade long, decline in births may have occurred. This article will review statistics on recent U.S. fertility trends, as well as discussions of possible interpretations and explanations for the trends. In addition, an update on Nebraska fertility trends and comparisons of Nebraska trends to those of the nation will be made.¹

RECENT STATISTICS

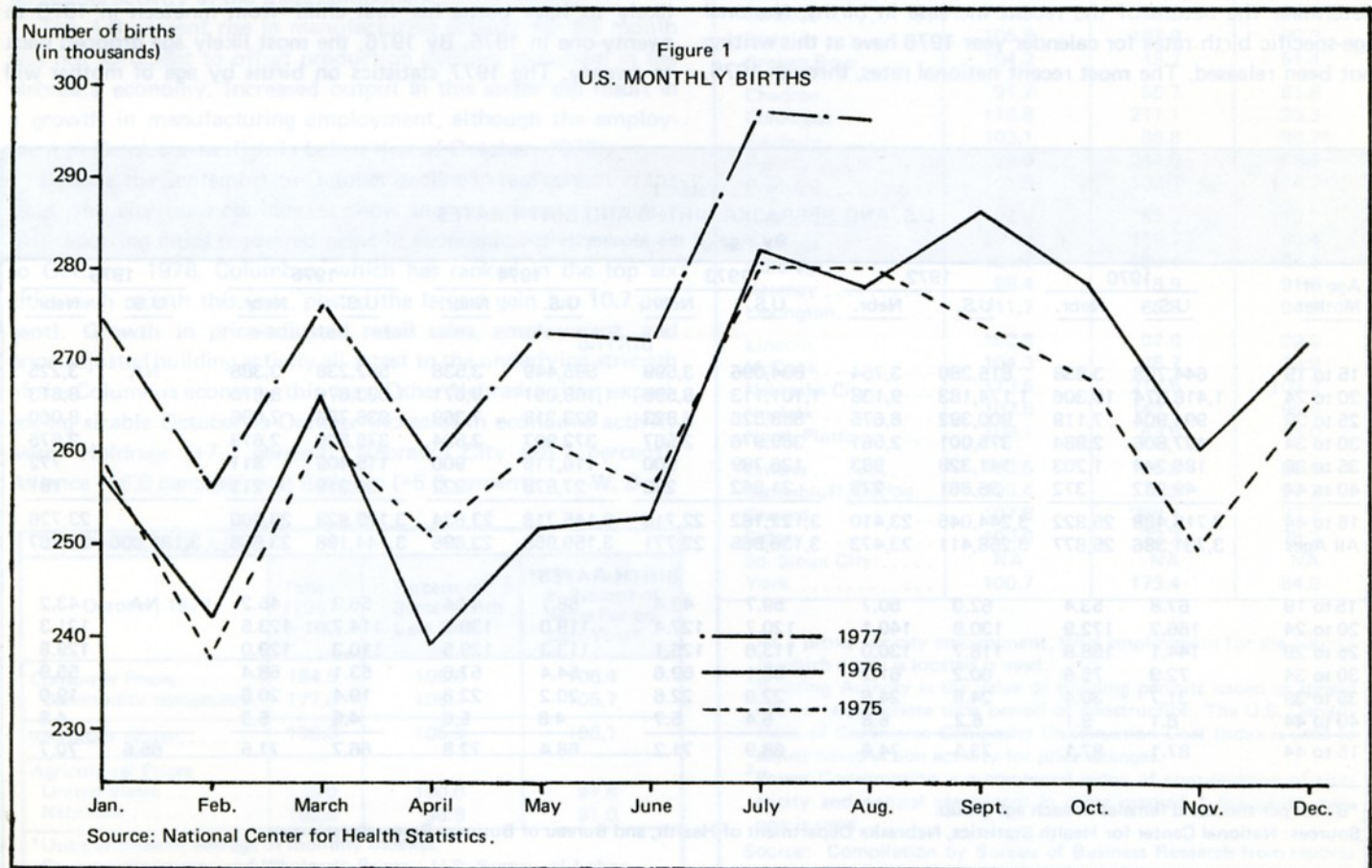
Newspaper headlines, such as "Baby Boomlet? Stagnant Birth Rate is Expected to Climb Within a Few Years" (*Wall Street*

Journal, July 29, 1977), have dramatized the recent upsurge in U.S. births. The actual extent of the recent rise in births is illustrated by Figure 1. As of August, 1977, the sum of monthly births for the twelve months ending in August was 6 percent higher than the comparable 1976 figures. Since September of 1976, monthly births have consistently exceeded levels recorded for the same month of the previous year, although the 3,165,000 calendar year 1976 live births represented only a slight (0.7 percent) increase over the 1975 figure of 3,144,200 births. Year-to-date births for 1977, however, have reached levels higher than any recorded for the past five years.

Other measures of fertility, such as crude birth rates and general fertility rates, have also shown increases. The crude birth rate (births per 1,000 population) for the twelve-month period ending with August, 1977, was 15.3—up 5 percent from the 14.6 rate

(Continued on page 2)

¹This article updates a previous article on fertility trends published in the October, 1976, issue of *Business in Nebraska*.



(Continued from page 1)

for 1976. The crude birth rate is somewhat misleading, however, because it is not independent of the number of women of child-bearing ages. Numbers of women aged fifteen to forty-four have increased rapidly as the girls born during the baby boom years pass through their years of prime fertility, so that crude birth rates might have been expected to rise *ceteris paribus*.

The general fertility rate, or number of births per 1,000 women aged fifteen to forty-four, is a more meaningful gauge of fertility since it is independent of the number of women of reproductive age. For the twelve months ending August, 1977, the general fertility rate of 67.6 was 4 percent higher than the rate for the preceding twelve months. Annual general fertility rates have plummeted from 87.9 in 1970 and 82.3 in 1971 to a low of 65.6 in 1976, the lowest rate ever recorded.

The pattern of Nebraska fertility has in general followed that of the United States, although the recent rise in births has been more pronounced for the state than for the nation. For the twelve months ending in August, 1977, Nebraska births (on an occurrence basis) were 7.2 percent above the year-earlier level, compared to a 6 percent increase for the nation. Monthly births for Nebraska, available through October, 1977, continue to show an upward trend, with the total for the twelve months ending in October showing a 7.8 percent gain over the previous year's level.

PARITY AND AGE OF MOTHER

Because of the substantial time lag required to compile national statistics on births by characteristics, such as parity and age of the mother, little besides speculation is currently available to determine the nature of the recent increase in births. National age-specific birth rates for calendar year 1976 have at this writing not been released. The most recent national rates, through 1975,

and estimated Nebraska age-specific fertility rates through 1976, shown in Table 1, provide background to the current speculation about fertility trends.

For Nebraska, as for the nation, 1976 births were slightly above 1975 levels, but the general fertility rate continued to decline. Between 1970 and 1976 the general fertility rate for Nebraska declined 17.8 percent, somewhat less than the 23.4 percent national decline. During this period, some age groups of females experienced fertility declines even greater than that of the overall rate, such as women over thirty-five. However, since births to these women near the end of their reproductive years have comprised only about 4 percent of all Nebraska births, they have little effect on overall fertility levels.

The early twenties typically have been the peak years of child-bearing, and the 30 percent drop in the age-specific rate for these Nebraska women since 1970 has had a significant effect on fertility trends. While mothers in their early twenties accounted for about 37 percent of all 1976 Nebraska births, they had accounted for nearly 40 percent in 1970. At the same time, females in the next older age group, twenty-five to twenty-nine, increased their share of total births from about 27.5 percent in 1970 to nearly 34 percent in 1976. Indeed, a slight increase was estimated in the birth rate for twenty-five to twenty-nine year-old Nebraska women between 1975 and 1976, the only age group for which rates did not decline.

That Nebraska women in their early twenties have postponed beginning their families seems to be clear. Postponement of the birth of the first child had, by 1975, been especially pronounced, causing an increase of two years in the age of the mother most likely to have borne her first child—from nineteen in 1970 to twenty-one in 1975. By 1976, the most likely age dropped back to twenty. The 1977 statistics on births by age of mother will

Table 1
U.S. AND NEBRASKA BIRTHS AND BIRTH RATES
By Age of the Mother

Age of Mother	1970		1972		1973		1974		1975		1976	
	U.S.	Nebr.	U.S.	Nebr.	U.S.	Nebr.	U.S.	Nebr.	U.S.	Nebr.	U.S.	Nebr.
BIRTHS												
15 to 19	644,708	3,838	616,280	3,754	604,096	3,599	595,449	3,538	582,238	3,388	NA	3,225
20 to 24	1,418,874	10,306	1,174,183	9,138	1,101,113	8,595	1,108,051	9,071	1,093,676	8,875		8,813
25 to 29	994,904	7,119	900,392	6,675	888,326	6,823	923,318	7,369	936,786	7,696		8,060
30 to 34	427,806	2,984	375,001	2,581	369,976	2,567	372,907	2,534	375,500	2,619		2,675
35 to 39	180,244	1,203	141,328	983	126,789	900	118,115	900	115,409	811		772
40 to 44	49,952	372	36,861	279	31,862	232	27,878	222	26,319	211		181
15 to 44	3,716,488	25,822	3,244,045	23,410	3,122,162	22,716	3,145,718	23,634	3,129,928	23,600		23,726
All Ages	3,731,386	25,877	3,258,411	23,473	3,136,965	22,771	3,159,958	23,695	3,144,198	23,658	3,165,000	23,767
BIRTH RATES*												
15 to 19	67.8	53.4	62.0	50.7	59.7	48.4	58.1	47.4	56.3	45.2	NA	43.2
20 to 24	166.2	172.9	130.9	140.1	120.7	127.4	119.0	130.2	114.7	123.5		121.3
25 to 29	144.1	158.8	118.7	130.0	113.6	126.1	113.3	129.5	110.3	129.0		129.8
30 to 34	72.9	75.6	60.2	61.2	56.1	59.6	54.4	57.6	53.1	58.4		55.9
35 to 39	31.7	30.4	24.8	24.6	22.0	22.6	20.2	22.8	19.4	20.6		19.0
40 to 44	8.1	9.1	6.2	6.8	5.4	5.7	4.8	5.6	4.6	5.3		4.8
15 to 44	87.1	87.1	73.1	74.6	68.9	71.2	68.4	72.8	66.7	71.5	65.6	70.7

*Births per thousand females in each age group.

Sources: National Center for Health Statistics, Nebraska Department of Health, and Bureau of Business Research estimates.

provide a clearer indication of whether this change will be more than trivial.

Postponement of births is further described in Table 2, where a comparison of successive cohorts of mothers is shown. Obviously, women in 1970 were having larger families which they had begun at earlier ages than did women in 1975 or 1976.

Also shown in Table 2, between 1970 and 1975 first births and second births increased as proportions of total Nebraska births, while third- and higher-order births showed declining shares. In 1976, further increases occurred in the share of total births accounted for by second-order births, and third-order births bounced back to more than 15 percent of all births. The decreasing occurrence of higher parities is further illustrated by the fact that in Nebraska, nearly 19 percent of 1970 births were of fourth or higher parity, compared to only 10.4 percent in 1976. Conversely, lower-order births (third or less) increased from 81.2 to 89.6 percent of births during that period.

Partly because women have postponed their childbearing activities to later stages of their lives than they did in the past, average family sizes have apparently declined. National survey data on women's expectations of their own lifetime fertility confirm that there has been a substantial decline during the 1970s in the average number of children expected by wives of all age groups. Wives in 1977 expected from 0.2 to 0.5 fewer children per woman than did wives in 1971. The survey data also show that expectations of young wives aged eighteen to twenty-four have remained stable every year from 1974 to 1977, with 2.1 children expected on the average per woman. Women's expectations of their own future fertility have recently been shown to be slightly above what the ensuing years actually bring, although for young women expectations and reality essentially have coincided.²

Nebraska survey data on fertility expectations collected in

1977 showed that women on the average expected to have 0.3 more births in their lifetimes than did U.S. women on the average.³ The survey data also supported the tendency shown in Table 1 for Nebraska females to begin their families at a later age than occurs for the nation.

While changes in family size have contributed to the parity trends discussed above, changes in the age structure of the female population have also been important. The phenomenal growth of the female population in the early childbearing years since 1970 has increased the ranks of those females least likely to bear their fourth- or higher-order births. In future years as these women age beyond the peak childbearing stages, actual completed family sizes may be determined and compared to earlier expectations.

INTERPRETATIONS AND DEBATES

There continues to be much disagreement among demographers over the likely future course of fertility. Few are predicting a dramatic increase in fertility. But recently some are willing to state that an increase may be likely in the next few years. There appears to be some agreement that postponed childbearing among young married women is likely to be made up—but the timing is the subject of much debate.

A few years ago it was suggested by demographers in California that "the American birth rate may have bottomed out and that the country is likely to see a rise (Continued on page 6)

²U.S. Bureau of the Census, *Current Population Reports*, Series P-20, No. 316, December, 1977, and No. 308, June, 1977.

³Bureau of Sociological Research, University of Nebraska-Lincoln, "Fertility in Nebraska: Current Trends and Prospects," Report No. 3, *Nebraska Annual Social Indicators Survey*, Lincoln, Nebraska, September, 1977.

Table 2
NEBRASKA BIRTHS BY PARITY AND AGE OF MOTHER

Age of Mother	Parity (Birth Order)						All Parities		Age of Mother	Parity (Birth Order)						All Parities
	1	2	3	4	5	6+				1	2	3	4	5	6+	
15-19 in 1976	(82.7)	(15.4)	(1.8)	(0.1)	(0.0)	(0.0)	(100.0) ¹	35-39 in 1976	(7.1)	(13.2)	(18.5)	(17.6)	(15.3)	(28.2)	(100.0)	
	2,666	497	58	4	0	0	3,225		55	102	143	136	118	218	772	
	(82.6)	(15.6)	(1.6)	(0.1)	(0.0)	(0.0)	(100.0)		(7.0)	(11.0)	(18.6)	(17.4)	(14.3)	(31.7)	(100.0)	
in 1975	2,800	529	53	5	1	0	3,388	in 1975	57	89	151	141	116	257	811	
	(84.8)	(13.5)	(1.7)	(0.1)	(0.0)	(0.0)	(100.0)		(3.9)	(9.1)	(15.5)	(19.9)	(15.6)	(35.8)	(100.0)	
	3,253	518	64	2	0	0	3,838		47	110	187	239	188	431	1,203	
20-24 in 1976	(49.9)	(38.1)	(9.5)	(2.1)	(0.4)	(0.1)	(100.0)	40-44 in 1976	(5.5)	(8.8)	(11.1)	(14.9)	(16.0)	(43.7)	(100.0)	
	4,400	3,359	836	182	31	5	8,813		10	16	20	27	29	79	181	
	(50.6)	(38.3)	(8.9)	(1.8)	(0.3)	(0.0)	(100.0)		(5.7)	(5.2)	(12.3)	(13.3)	(13.7)	(49.8)	(100.0)	
in 1975	4,494	3,395	791	162	31	2	8,875	in 1975	12	11	26	28	29	105	211	
	(50.6)	(34.6)	(11.1)	(2.8)	(0.7)	(0.2)	(100.0)		(3.0)	(5.4)	(8.6)	(11.3)	(14.8)	(57.0)	(100.0)	
	5,215	3,562	1,142	284	76	25	10,306		11	20	32	42	55	212	372	
25-29 in 1976	(28.4)	(39.9)	(21.7)	(7.2)	(1.9)	(0.8)	(100.0)	All ages in 1976	(41.2)	(33.2)	(15.2)	(5.8)	(2.3)	(2.3)	(100.0)	
	2,290	3,217	1,753	582	154	64	8,060		9,779	7,894	3,622	1,375	554	543	23,767	
	(27.1)	(40.4)	(22.2)	(7.1)	(2.3)	(1.0)	(100.0)		(41.5)	(32.9)	(14.6)	(5.8)	(2.4)	(2.8)	(100.0)	
in 1975	2,082	3,109	1,709	545	175	76	7,696	in 1975	9,808	7,785	3,461	1,366	578	660	23,658	
	(18.6)	(31.4)	(27.2)	(13.9)	(5.2)	(3.7)	(100.0)		(39.1)	(26.5)	(15.6)	(8.5)	(4.4)	(5.9)	(100.0)	
	1,322	2,335	1,937	992	370	261	7,119		10,123	6,850	4,033	2,210	1,141	1,514	25,877	
30-34 in 1976	(12.3)	(26.3)	(30.4)	(16.5)	(8.3)	(6.2)	(100.0)	in 1970	(8.1)	(13.6)	(22.4)	(21.7)	(14.9)	(19.3)	(100.0)	
	330	703	812	442	222	166	2,675		241	405	669	648	444	577	2,984	
	(12.2)	(24.9)	(27.9)	(18.5)	(8.5)	(8.0)	(100.0)									
in 1975	320	652	730	485	223	209	2,619									
	(8.1)	(13.6)	(22.4)	(21.7)	(14.9)	(19.3)	(100.0)									
	241	405	669	648	444	577	2,984									

¹Percentage figures are shown in parentheses. Percentages may not add across due to rounding and a few cases of nonreporting.

Source: Calculations by Bureau of Business Research from data of the Nebraska Department of Health.

Review and Outlook

Real output in Nebraska fell 1.2 percent in October. This was the largest month-to-month decline in the state physical volume index since September, 1976, and marked the fourth monthly decline in real output in the state during the first ten months of the year. On a year-to-date basis, however, the Nebraska economy has recorded significant improvements in comparison to the previous year. For the January-to-October period, physical output was 6.3 percent above the level for the same period in 1976. This compares favorably to the 5.5 percent year-to-date growth in the U.S. physical volume index.

The October decline in real output in the state was broadly based. Both agricultural and nonagricultural physical volume fell

during the month. Manufacturing, up 1.0 percent since September, was the only sector registering a September-to-October increase in economic activity. The other four sectors of the Nebraska economy experienced decreases for the month. Those sectors and their month-to-month declines in activity were: agriculture (-3.4 percent), construction (-0.5 percent), government (-2.5 percent), and distributive (-1.1 percent).

The October decline in agricultural output in Nebraska was the third month-to-month decline in farm output since February 1977. For the first ten months of the year, output by this sector was 9.6 percent above the total for the same period the previous year (see Table 1). Prices received by Nebraska farmers rebounded sharply in October, and were

(Continued on page 5)

Notes for Tables 1 and 2: (1) The "distributive" indicator represents a composite of wholesale and retail trade; transportation, communication and utilities; finance, insurance, and real estate; and selected services. (2) The "physical volume" indicator and its components represent the dollar volume indicator and its components adjusted for price changes using appropriate price indexes—see Table 5, page 5.

ECONOMIC INDICATORS: NEBRASKA AND UNITED STATES				
1. CHANGE FROM PREVIOUS YEAR				
October, 1977	Current Month as Percent of Same Month Previous Year		1977 Year to Date as Percent of 1976 Year to Date	
	Nebraska	U.S.	Nebraska	U.S.
Indicator	Nebraska	U.S.	Nebraska	U.S.
Dollar Volume	111.9	110.6	110.9	111.8
Agricultural	108.1	93.4	99.4	99.3
Nonagricultural	112.5	111.2	112.8	112.2
Construction	114.6	117.3	139.0	116.0
Manufacturing	110.1	112.3	111.4	116.9
Distributive	114.6	111.1	112.3	111.0
Government	106.8	107.5	108.0	106.6
Physical Volume	106.3	104.2	106.3	105.5
Agricultural	109.4	93.4	109.6	101.6
Nonagricultural	105.8	104.5	105.8	105.6
Construction	105.6	108.1	131.0	109.0
Manufacturing	103.5	105.5	105.1	110.1
Distributive	107.6	104.3	105.5	104.3
Government	101.0	102.5	99.8	101.6

2. CHANGE FROM 1967		
Indicator	Percent of 1967 Average	
	Nebraska	U.S.
Dollar Volume	266.8	242.8
Agricultural	228.1	205.8
Nonagricultural	273.5	244.1
Construction	285.3	219.4
Manufacturing	288.9	231.1
Distributive	269.4	253.1
Government	264.9	247.0
Physical Volume	142.7	129.9
Agricultural	137.4	115.6
Nonagricultural	143.6	130.4
Construction	130.9	100.6
Manufacturing	148.5	119.7
Distributive	146.0	137.2
Government	131.0	139.1

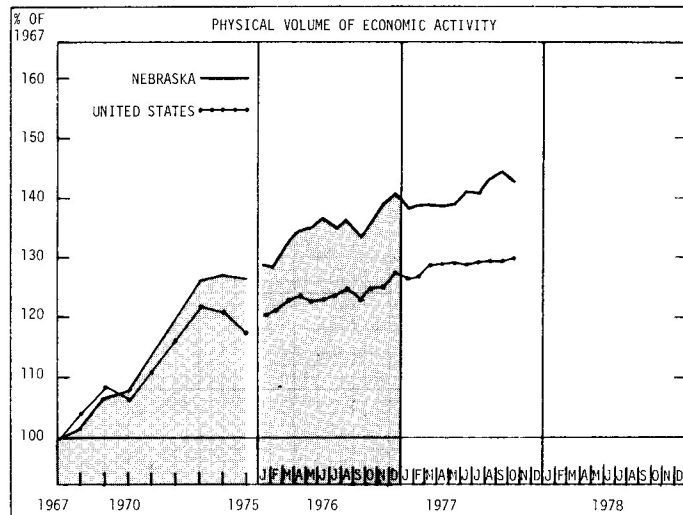
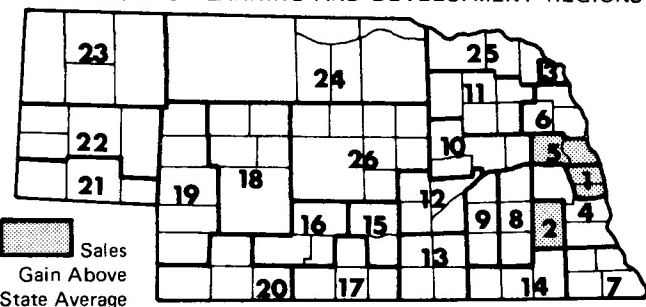
3. NET TAXABLE RETAIL SALES OF NEBRASKA REGIONS AND CITIES (Adjusted for Price Changes)			
Region Number ¹ and City	City Sales ²		Sales in Region ²
	Oct. 1977 as percent of Oct. 1976	Oct. 1977 as percent of Oct. 1976	Year to date '77 as percent of Year to date '76
<i>The State</i>	101.8	101.7	98.9
1 Omaha	107.1	107.9	103.0
Bellevue	112.3		
2 Lincoln	105.4	104.7	104.9
3 So. Sioux City	90.6	86.3	93.0
4 Nebraska City	94.2	98.1	98.6
5 Fremont	98.2	99.2	99.5
Blair	99.3		
6 West Point	111.6	105.0	96.2
7 Falls City	93.1	96.3	98.4
8 Seward	98.6	97.8	94.0
9 York	99.6	87.9	91.3
10 Columbus	105.9	100.1	96.8
11 Norfolk	99.4	99.5	95.0
12 Grand Island	100.9	98.5	96.4
13 Hastings	97.6	92.8	94.0
14 Beatrice	97.4	95.9	94.9
Fairbury	99.1		
15 Kearney	97.2	87.6	95.7
16 Lexington	87.5	90.2	96.5
17 Holdrege	106.8	98.0	90.3
18 North Platte	102.5	104.6	96.7
19 Ogallala	98.4	100.4	91.5
20 McCook	107.3	106.3	94.3
21 Sidney	105.1	110.2	93.2
Kimball	116.7		
22 Scottsbluff/Gering	99.1	104.2	92.9
23 Alliance	106.6	101.5	96.7
Chadron	95.8		
24 O'Neill	84.3	92.6	98.4
25 Hartington	105.2	102.4	95.4
26 Broken Bow	83.4	88.5	90.8

¹ See region map below.

² Sales on which sales taxes are collected by retailers located in the state. Region totals include motor vehicle sales; city totals exclude motor vehicle sales.

Compiled from data provided by Nebraska Department of Revenue.

1977 YEAR TO DATE AS PERCENT OF 1976 YEAR TO DATE IN NEBRASKA'S PLANNING AND DEVELOPMENT REGIONS



(Continued from page 4) 5.0 percent above September levels. Despite the October increase in farm prices, the index for prices received by Nebraska farmers was still 1.2 percent below the December, 1976, level. Most livestock prices in October were significantly higher than at the beginning of the year, with the price of hogs 10.4 percent above mid-December, 1976, levels and beef cattle prices up 12.0 percent. Prices for most crops produced in the state, however, were down sharply from levels prevailing in late 1976. The October price index for crops produced by farmers in the state was nearly 17 percent lower than in late 1976.

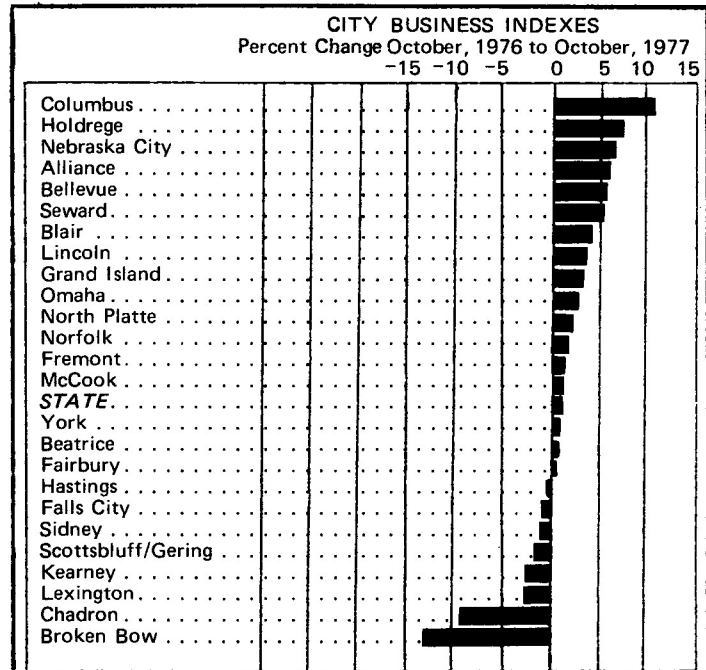
The sharp drop in government sector activity also contributed to the October decline in real output in the state. This marked the third monthly decrease in government output in the past four months, and output by this sector during the first ten months of the year was down slightly from year-earlier totals. Seasonally adjusted government employment fell sharply in October, with the decline in the number of state government employees accounting for all of the decrease.

Real construction activity fell for the sixth consecutive month in Nebraska. A drop in residential construction more than offset increases in nonresidential and nonbuilding construction. Since April, seasonally adjusted construction (corrected for price changes) in Nebraska has fallen nearly 15 percent.

The physical volume index for the distributive sector in Nebraska dropped in October for the first time in five months. Seasonally adjusted employment in this sector continued its growth, and stood at 347.1 thousand for the month. Price-adjusted retail sales declined sharply in October, reflecting slower economic activity in the trade component of this sector.

The 1.0 percent rise in manufacturing activity for the month was not sufficient to offset production declines elsewhere in the Nebraska economy. Increased output in this sector did result in a growth in manufacturing employment, although the employment in October was slightly below that of October, 1976.

Despite the September-to-October decline in real output in the state, the city business indexes show that seventeen of twenty-five reporting cities registered gains in economic activity relative to October, 1976. Columbus, which has ranked in the top six cities each month this year, posted the largest gain (up 10.7 percent). Growth in price-adjusted retail sales, employment, and price-adjusted building activity all attest to the underlying strength of the Columbus economy this year. Other Nebraska cities experiencing sizable October-to-October increases in economic activity were: Holdrege (+7.3 percent), Nebraska City (+6.7 percent), Alliance (+6.0 percent), and Bellevue (+5.8 percent). W. D. G.



Source: Table 4 below.

4. OCTOBER CITY BUSINESS INDICATORS

The State and Its Trading Centers	Percent of Same Month a Year Ago		
	Employment ¹	Building Activity ²	Power Consumption ³
<i>The State</i>	103.6	101.7	90.3
Alliance	112.6	74.4	96.2
Beatrice	102.0	130.6	97.7
Bellevue	103.5	90.8	99.4*
Blair	105.8	167.9	99.3
Broken Bow	104.2	48.7	51.4
Chadron	91.7	56.7	81.8
Columbus	113.8	211.1	95.3
Fairbury	103.1	86.8	99.7*
Falls City	98.0	244.8	86.6
Fremont	101.9	103.7	114.2*
Grand Island	103.0	85.3	119.2
Hastings	101.7	110.7	94.4
Holdrege	104.1	180.4	104.1
Kearney	96.4	118.9	91.9
Lexington	111.7	65.8	94.6
Lincoln	102.8	97.6	99.5
McCook	104.3	76.7	79.9
Nebraska City	113.5	212.5	103.2
Norfolk	102.5	142.7	95.6
North Platte	109.1	63.6	95.0
Omaha	103.5	106.8	80.6
Scottsbluff/Gering ..	100.4	75.9	97.2
Seward	107.8	268.1	83.2
Sidney	100.8	72.2	78.2
So. Sioux City	NA	NA	NA
York	100.7	173.4	84.9

¹As a proxy for city employment, total employment for the county in which a city is located is used.
²Building Activity is the value of building permits issued as spread over an appropriate time period of construction. The U.S. Department of Commerce Composite Construction Cost Index is used to adjust construction activity for price changes.
³Power Consumption is a combined index of consumption of electricity and natural gas except in cases marked * for which only one is used.

Source: Compilation by Bureau of Business Research from reports of private and public agencies.

5. PRICE INDEXES

October, 1977	Index (1967 = 100)	Percent of Same Month Last Year	Year to Date as Percent of Same Period Last Year*
Consumer Prices	184.5	106.5	106.4
Commodity component	177.0	105.7	105.7
Wholesale Prices	196.3	105.9	106.1
Agricultural Prices United States	178.0	100.0	97.8
Nebraska	166.0	98.8	91.0

*Using arithmetic average of monthly indexes.
 Sources: Consumer and Wholesale Prices: U.S. Bureau of Labor Statistics; Agricultural Prices: U.S. Department of Agriculture.

(Continued from page 3) in reproduction."⁴ Their statement was based on the observation that by 1974 a pattern of more youthful childbearing was emerging in California, a state often a forerunner of national social and economic trends, and that in addition there had been some making up of postponed births by older women as well.

Others have argued that the time remaining in which young wives can still biologically fulfill their lifetime fertility expectations is sufficiently variable that a sizable increase in annual fertility cannot be predicted at this time.⁵

Of interest is the heightened debate over the influence of economic factors on fertility. It has been shown that the unfavorable economic conditions of 1973 to 1975 correlated with the sharp fertility declines of the 1970s. Allowing a time lag sufficient for economic conditions to manifest their effects on reproductive behavior, the onset of the adverse economic situation experienced by families in the childbearing ages (particularly as indicated by record post-World War II unemployment rates and declining median family incomes of 1973 to 1975) and the onset of fertility declines coincided. While it has not been argued that economic factors largely determine fertility trends or that the effects on fertility of changing economic conditions are symmetrical, the suggestion is that substantial fertility increases in the face of adverse economic conditions are unlikely.⁶

More recent preliminary data for 1977 show that while unemployment rates are still high by historical standards, they have improved from the levels of 1975 and 1976. And advance statistics on median family income for 1976 showed a sharp reversal of the downward trend that had occurred since 1973. A 3.0 percent increase occurred from 1975 to 1976 in real median family incomes, reflecting recovery of the national economy from the mid-decade recession.⁷ These facts suggest that the economic constraints which might have been exerting a downward influence on fertility have eased by 1977.

Dr. Richard Easterlin, professor of economics at the University of Pennsylvania, has done extensive research on fertility trends in the United States and has developed one of the leading theories explaining how economic factors influence fertility. His theory is

that fertility does not respond to how good or bad times are, but rather to how well-off people feel in either good or bad times:

One of the factors that seem to have been important in the last baby boom was the relative number of young people in the labor market. In the forties and fifties, there were relatively few of them and they were thus relatively well-off. These people then had lots of children—the baby boom cohorts—so that in the sixties and seventies there was a relative glut of young people on the market and they've had a somewhat rough time. They had fewer children than their parents had had, and now some of their children—the first of the post-baby-boom cohorts—will soon be entering the labor market. And when they do, there are going to be relatively few of them and they are going to find themselves relatively well-off, and thus the baby trend is going to swing upward again.⁸

CONCLUSION

Changes in the direction of fertility trends have occurred many times before, only to be reversed a short time later. The volatility of fertility trends, and the lack of certainty about the role that economic or any other factors have played in causing fluctuations in fertility trends, make predictions precarious. It appears, however, that the circumstances of the 1977 rise in fertility have differed enough from the circumstances of the earlier 1970s to warrant a close monitoring of upcoming data in order to determine whether a turnaround in trends has occurred.

VICKI S. STEPP

⁴J. Sklar and B. Berkov, *Science*, August, 1975, pp. 693-700.

⁵C. Gibson, *Science*, April, 1977, pp. 500-503.

⁶Ibid.

⁷U.S. Bureau of the Census, *Current Population Reports*, Series P-60, No. 107, September, 1977; and U.S. Bureau of Labor Statistics, *Monthly Labor Review*, December, 1977.

⁸*New York*, January 10, 1977, p. 40.

UNIVERSITY OF NEBRASKA LINCOLN NEWS

BUSINESS IN NEBRASKA

PREPARED BY BUREAU OF BUSINESS RESEARCH

Member, Association for University Business & Economic Research

Business in Nebraska is issued monthly as a public service and mailed free within the State upon request to 200 CBA, University of Nebraska—Lincoln 68588. Material herein may be reproduced with proper credit.

No. 401

February, 1978

UNIVERSITY OF NEBRASKA-LINCOLN

Roy A. Young, *Chancellor*

COLLEGE OF BUSINESS ADMINISTRATION

Gary Schwendiman, *Interim Dean*

BUREAU OF BUSINESS RESEARCH

Donald E. Pursell, *Director*

Charles L. Bare, *Statistical Coordinator*

William D. Gerdes, *Research Associate*

Mrs. Vicki Stepp, *Research Analyst*

Jerome A. Deichert, *Research Analyst*

Mrs. Jean Keefe, *Editorial Assistant*

Publications Services & Control
University of Nebraska—Lincoln
Nebraska Hall—City Campus 5U
Lincoln, Nebraska 68588