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Monthly Review

Occupational Change: Reflection of Economic Change

Worry and a sense of impending danger to his occupation impelled Demetrius, a silversmith of the first century, to call together the workmen of like occupation and remind them, "Sirs, ye know that by this craft we have our wealth." He was worried for fear the evangelism of Paul would destroy the business of making silver shrines for the Goddess Diana. Demetrius was fighting change rather than adapting to it. Although the Bible does not tell us what did eventually happen to the business of shrine-making in Asia Minor, we can speculate that a census of occupations taken some years later might well have shown a decline in the relative importance of silversmiths who busied themselves only with making shrines for Diana. Then, as now, what men did for a livelihood undoubtedly reflected their response to changing economic opportunities.

That the South's economy has, in this century, been changing is not news, for the benefits and problems born of change are continually in the press. The recently released 1960 Census data on occupations may do no more than confirm what we have concluded from general observation. By looking at this additional information, however, we may be able to draw new inferences. Most of all, we can see how great the economic changes have been over the decades in that part of the South comprised of the Sixth Federal Reserve District states—Alabama, Florida, Georgia, Louisiana, Mississippi, and Tennessee. The new figures enable us to see how people were occupied in 1960, compared with previous census years.

Interesting Changes

For a summary view of the changing relative importance of occupations, look at the chart showing the percent of all employed persons engaged in seven general occupational groupings in the past three census years. Whether looking at changes over a ten- or twenty-year span, you see a drop in the relative importance of farm workers and laborers and an increase in craftsmen and operatives, professional and managerial personnel, clerical and sales workers, and service workers. Workers engaged by private householders lost importance during the 1940's, but regained part of their earlier importance in the 1950's.

Clearly, the District has become less dependent upon rural occupations and more dependent upon occupations reflecting the area's continuing industrialization. Moreover, this change has been a dramatic one: Farm jobs, which accounted for 36 percent of all occupations in 1940, dropped to 22 percent in 1950 and were at 9 percent in 1960. As a wider variety of occupations benefited from changes in the area's economic structure, offsetting gains among other jobs were less striking, but still substantial.

Also in this issue:

**A NEW TWIST
IN FLORIDA**

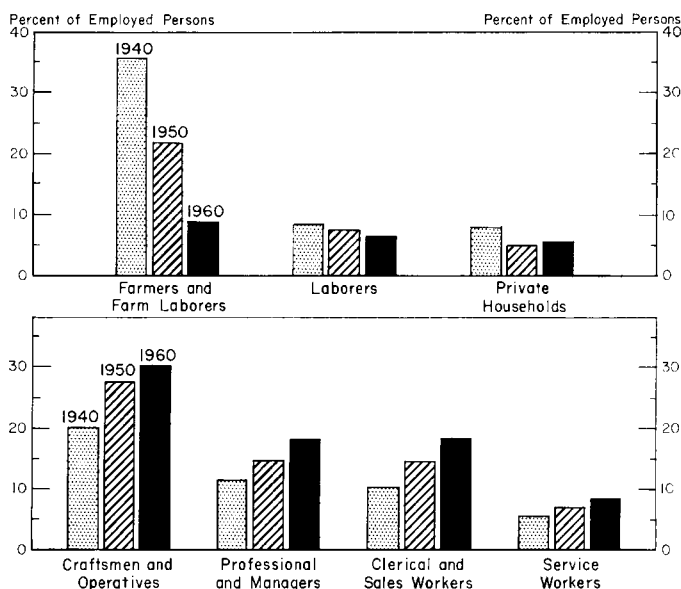
**DISTRICT BUSINESS
CONDITIONS**

**SIXTH DISTRICT
STATISTICS**

**SIXTH DISTRICT
INDEXES**

*Federal
Reserve
Bank of
Atlanta*

Occupational Distribution of Employed Persons Sixth District States, 1940, 1950, and 1960



Occupational Distribution, by State (Percent of Total Employed Persons)

Type of Occupation	Ala.	Fla.	Ga.	La.	Miss.	Tenn.	District
Prof., Tech., and Managerial							
1940	9.9	16.4	10.7	12.3	8.3	11.9	11.4
1950	13.1	19.6	13.3	16.5	11.9	14.3	14.8
1960	16.7	21.4	16.8	19.4	15.5	16.5	18.1
Farming							
1940	39.5	16.6	34.0	31.8	57.3	32.9	35.5
1950	24.1	11.5	20.9	16.8	41.1	21.5	21.8
1960	9.1	5.2	8.2	6.2	20.1	10.3	8.9
Clerical and Sales							
1940	8.6	14.3	10.1	11.8	6.0	11.4	10.3
1950	12.9	18.1	14.6	16.1	10.0	15.3	14.7
1960	17.0	21.1	18.3	18.4	13.7	18.4	18.4
Craftsmen and Operatives							
1940	21.4	21.8	21.9	18.8	10.9	24.1	20.1
1950	29.7	26.4	30.0	26.6	19.4	30.7	27.7
1960	33.4	25.9	33.0	28.8	28.0	33.0	30.2
Private Household Workers							
1940	7.7	9.5	9.3	8.3	6.6	6.5	8.0
1950	5.3	5.2	5.9	5.0	4.6	3.6	5.0
1960	6.3	4.5	6.3	6.1	7.0	4.0	5.5
Service Workers							
1940	4.2	9.0	5.0	6.4	3.4	5.5	5.5
1950	5.8	9.7	6.3	8.0	5.0	6.8	7.0
1960	7.7	9.9	7.7	9.4	7.0	7.8	8.4
Laborers							
1940	7.9	11.3	8.2	10.0	6.9	6.9	8.4
1950	7.6	8.1	7.5	9.6	6.6	6.1	7.5
1960	7.1	5.8	6.2	7.5	6.2	5.4	6.3
Occupation Not Reported							
1940	0.8	1.1	0.8	0.6	0.6	0.8	0.8
1950	1.5	1.4	1.5	1.4	1.4	1.7	1.5
1960	2.7	6.2	3.5	4.2	2.5	4.6	4.2

This general pattern of change is particularly worth noting, for it pretty well describes what happened in each District state. All the states except Florida were heavily dependent upon farm occupations in 1940, but by 1960 farm jobs had been reduced to only a fraction of their former importance. Even in Florida, less dependent upon agriculture, farm occupations had by 1960 dropped to about one-third of their former importance. In Mississippi, where agricultural employment plays a larger role than in other District states, farm employment dropped from 57 percent in 1940 to only 20 percent in 1960—a startling change, to say the least.

One might well ask if the general similarity of changes

in occupational structure among District states has, by itself, any significance. Undoubtedly it has. If it is true that people move into particular occupations in response to economic opportunities, the various District states must have been feeling the impact of broadly similar economic forces. The occupational changes we have noted here are also similar to those that have taken place in the nation as a whole, reminding us that the District is, to a considerable extent, reflecting economic changes of national scope.

Within the generally similar pattern of occupational change, District states have experienced different degrees of change in the importance of various occupations. With varying rates of decline occurring in agricultural occupations in each state, the relative importance of farmers and farm laborers has moved nearer common ground at a lower level. Because of differing rates of gain, the relative importance of the other broad occupational classifications has moved nearer common ground at a higher level. Over the past ten to twenty years, therefore, occupational structures have tended to become somewhat more similar from state to state. Mississippi, with a particularly sharp drop in farm occupations, serves as a good illustration. The relative importance of farm occupations there in 1960 was closer to that of other District states than in 1950 or 1940, while the importance of craftsmen and operatives, to pick the occupational group now most important in Mississippi, rose much closer to the average of all District states.

So far we have emphasized the shifting relative importance of different occupations to focus attention on the area's changing occupational structure. We should remember, however, that even if all occupations are gaining they can change relative to one another: It is only essential that some increase more rapidly than others. To obtain an idea of the problems of adjustment involved, we should consider briefly the actual changes in the numbers of people engaged in various occupations. The social

Changes in Occupation of Employed Persons 1960 from 1950, Sixth District States (Thousands)

Type of Occupation	Ala.	Fla.	Ga.	La.	Miss.	Tenn.	District States
Prof., Tech., and Kindred Workers	+31	+95	+40	+33	+13	+31	+243
Farmers and Farm Managers	-100	-18	-99	-56	-134	-87	-494
Managers, Officials and Proprietors	+12	+75	+26	+18	+7	+8	+146
Clerical and Kindred Workers	+37	+121	+55	+34	+18	+38	+303
Sales Workers	+11	+58	+17	+10	+4	+13	+113
Craftsmen, Foremen, etc.	+29	+99	+33	+24	+17	+17	+219
Operatives and Kindred Workers	+21	+79	+47	+33	+35	+38	+254
Private Household Workers	+12	+25	+13	+18	+15	+9	+92
Service Workers	+22	+73	+28	+25	+12	+19	+177
Farm Laborers and Foremen	-51	-9	-50	-29	-24	-31	-196
Laborers	-3	+17	-8	-8	-5	-3	-10
Occupation Not Reported	+13	+93	+30	+30	+7	+37	+211
Total Employed	+34	+710	+131	+132	-34	+87	+1,060

Note: Parts may not add to totals because of rounding.

and economic problems of adapting to change are one thing when opportunities for some types of employment are simply not progressing as rapidly as for others; they are quite another thing when the opportunities for some types are actually decreasing.

The latter has been the case in District states. Between 1950 and 1960, job opportunities for farmers, farm laborers, and laborers in nonfarm work dropped about 700,000. About 1.7 million jobs were provided in a wide variety of occupations, however, thus more than offsetting the declines mentioned. On balance, the total number of employed persons was about one million greater in 1960 than in 1950.

As impressive as this job increase was, population figures tell us that economic opportunities for the six states as a group were not sufficiently great to meet the needs of the area. Total population, though increasing, grew less than would have been indicated by the excess of births over deaths. More people moved out of the area in search of economic opportunities than moved in.

Florida provides a major exception, for population migration there was totally different from that in other District states. Many more people moved in than moved out as the state experienced a tremendous economic expansion. The state did, however, experience an actual loss of about 27,000 jobs in farming between 1950 and 1960. Undoubtedly, it was much easier to adjust to this limited loss of job opportunities in farming in Florida than in other District states.

A Reflection of Varied Economic Forces

Anyone with a philosophical turn of mind might wonder whether the changes in occupational structure we have been discussing are caused by certain complex, impersonal economic forces or whether they are caused by economic forces set in motion by people themselves. Whatever starts the forces rolling, we know that the occupational structure does summarize the way in which people have responded to economic opportunities. Perhaps the initiating forces are in the minds of men who are continually looking for new things to do or better ways to do old things. We can at least see evidence of this as a prime factor in the changes noted in the District's occupational structure.

Take the decline in farm occupations. As an article in the January issue of this *Review* pointed out, improved farm technology was the major factor explaining the widespread exodus from District farms. Farmers mechanized their operations more completely and, in many instances, switched from the raising of cash crops, heavily dependent upon labor, to livestock production.

Fortunately, while the exodus from farms was occurring, industrialists were able to expand the region's manufacturing activities at a rapid pace. This, in turn, was instrumental in drawing large numbers of people to the area's cities, as an article in the *Review* of last October pointed out. Manufacturing, with its need for many employees in centralized locations, has characteristically been associated with the trend toward urbanization. These developments have been reflected in the expanded importance of opera-

tives, largely in manufacturing, and of construction craftsmen, such as carpenters, electricians, and plumbers.

The same October article pointed out, "The firms that supplied the manufacturers found it more economical to be nearby. As more and more people concentrated in single areas, city life itself created a demand for new products and services, and the process became self-generating . . ." Moreover, as higher incomes resulted from economic growth in both the District and the nation, efforts were directed toward satisfying the rising demands for services associated with an expanding tourist business. Consistent with these developments has been the growing importance of service workers and clerical and sales workers.

As men have improved technology, the need for professional and technical skills has increased rapidly. The growth of business enterprise has also increased the need for managerial ability. These influences have been at work in District states, as we can see from the increased importance of persons employed in professional, technical, and managerial occupations over the last twenty years.

What of the Future?

That great change has occurred in the occupational structure of District states is, by itself, probably of great significance, for it means that people in the area have adapted to changing economic opportunities. There is no way of knowing whether or not still other opportunities were missed because of inability to take advantage of them for lack of needed skills or knowledge. Since there is also no way of knowing the specific needs of the future, perhaps people of the area should prepare themselves in the broadest possible way to be able to seize opportunities that may arise.

Undoubtedly a clue to the District's future needs is found in developments in the professional, technical, and managerial occupations. The number of people in these occupations has grown rapidly. Shortages of persons qualified to fill professional, technical, and managerial positions still exist in spite of a generally high level of unemployment. Manpower experts tell us that a scarcity of such highly trained personnel may well be a limiting factor in future economic growth. Job opportunities, as in the past, are likely to grow fastest in those occupations requiring the most education and training. From this it seems clear that the increased emphasis being placed on improving educational facilities here represents a wise preparation for the future.

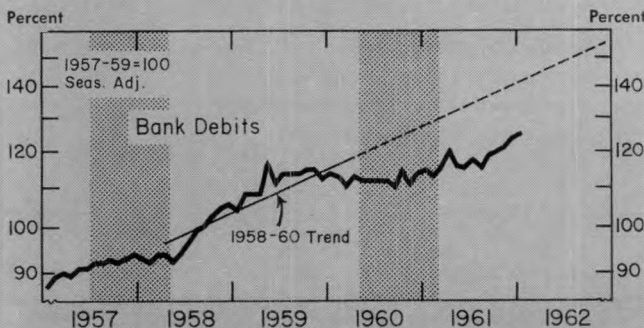
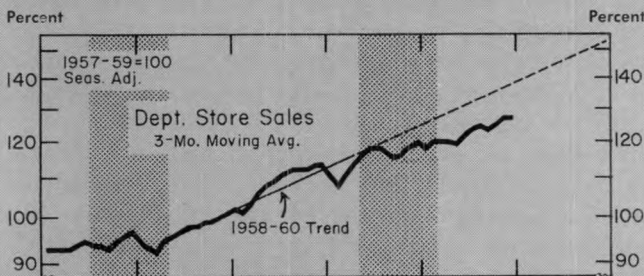
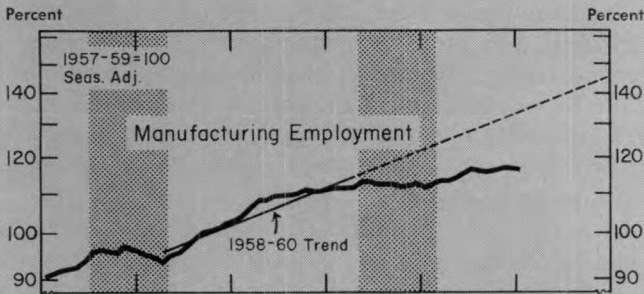
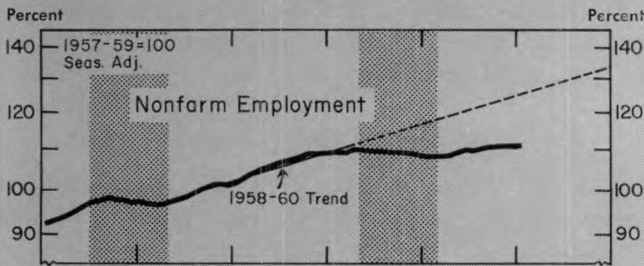
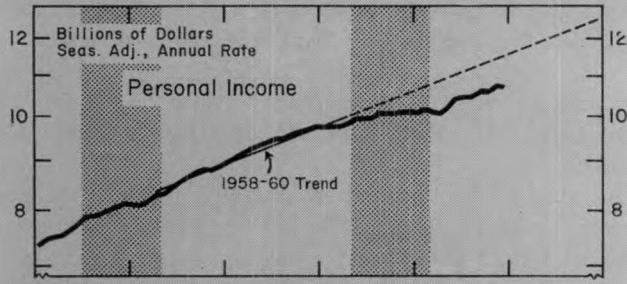
Not houses finely roofed or the stones of walls well-built, nay nor canals and dockyards, make the city, but men able to use their opportunity. —ARISTIDES

PHILIP M. WEBSTER

NOTICE

According to revised postal regulations, it is necessary that fourth class mail bear the complete address of the addressee. You may help to insure prompt delivery of your MONTHLY REVIEW by informing us of your box number or street address, if it is not presently included on the REVIEW envelope.

ECONOMIC DEVELOPMENTS IN FLORIDA during the latest national recession, which is represented by the shaded portion to the right, were very much like those of the preceding recession, the shaded portion to the left. So far, recovery in Florida has not brought about a return to the level that would have been reached had the expansion of the 1958-60 period continued without interruption.



Note: Trend lines computed by a logarithmic least squares method.

Last April's *Review* article on Florida said that "recent economic developments bear many of the characteristics of an old-fashioned recession." At that time the entire nation was at just about the bottom of the decline in business activity. Since then, Florida, like the rest of the country, has emerged from recession and is well into the recovery stage of the business cycle.

The latest recession in Florida was mild. In this respect it was remarkably similar to other postwar declines there. Typically, recessions since the war have only interrupted, not reversed, the expansion that went before. The latest one is no exception. None of the five strategic indicators shown in the panel to the left experienced any sharp drop after the peak of nationwide general business activity was reached in May 1960. About all the recession did was to flatten out the lines—to slow or halt the rate of increase established in the 1958-60 expansion.

Florida also has typically suffered less from recessions than the nation as a whole. A comparison of data for Florida and the United States shows that the decline in business activity during recessions has usually been considerably smaller for the state. The latest recession conformed to this pattern, as can be seen from the charts in the panel to the right. In the left-hand portion of these charts, the high point in national general business activity (which occurred in May 1960) is set equal to 100 percent for each indicator. The months preceding and following this peak are expressed as percentages of the peak figure. In every case, Florida shows less effect from the recession than does the United States.

But though the last recession followed the previous pattern, the same cannot be said for the current recovery. In the past, expansion after the trough generally proceeded more rapidly in Florida than in the nation. At this point in previous recoveries, all the indicators had been well above the U. S. indexes for some time. In the present case, however, Florida seems to be recovering at about the same pace as the rest of the country. This can be seen in the right-hand portion of the charts to the right; the low point in national general business activity (which occurred in February 1961) is set equal to 100 percent for each indicator. Only the two employment series have been higher than the comparable national figures for any considerable time. Even in those cases, the difference is smaller than the same comparison would show for previous recovery periods.

Furthermore, when we project the rate of increase of the 1958-60 expansion period through 1962, as shown in the dashed portions of the trend lines in the left-hand panel, it is evident that none of the indicators has yet reached the level that would have been expected had that rate of expansion continued without interruption. This is not surprising. A new expansion period that starts after a recession will ordinarily begin at a lower level than would have existed had activity followed the old trend line. If the current expansion only proceeds at the same pace as in 1958-60—that is, if the new trend line is

Florida

parallel to the old one at a lower level—this would still be very rapid.

It is not unheard of, however, for the rate of increase during one expansion period to be greater than that of the preceding period. The table below shows that personal income, nonagricultural employment, department store sales, and bank debits all had higher rates of increase in the 1954-57 expansion period than they did in 1949-53;

Annual Rate of Increase in Three Expansion Periods in Florida

	1949-53	1954-57	1958-60
Personal Income	11.7	14.2	9.2
Nonfarm Employment	7.0	10.0	6.9
Manufacturing Employment	8.4	8.0	9.3
Department Store Sales	9.2	13.2	10.2
Bank Debits	14.9	19.5	10.6

manufacturing employment had a higher rate of increase in the 1958-60 expansion than in 1954-57. It is necessary, of course, for the higher rate of increase in the later expansion period to be continued for some time in order for a series to regain the level that would have been produced by a continuation of the previous trend. And in fact the first four indicators did maintain the higher 1954-57 rate long enough to get back to the 1949-53 trend; similarly, manufacturing employment maintained the higher 1958-60 rate long enough to return to the 1954-57 trend line. It is, of course, too early to tell whether or not the current expansion period will return our indicators to the 1958-60 trend line.

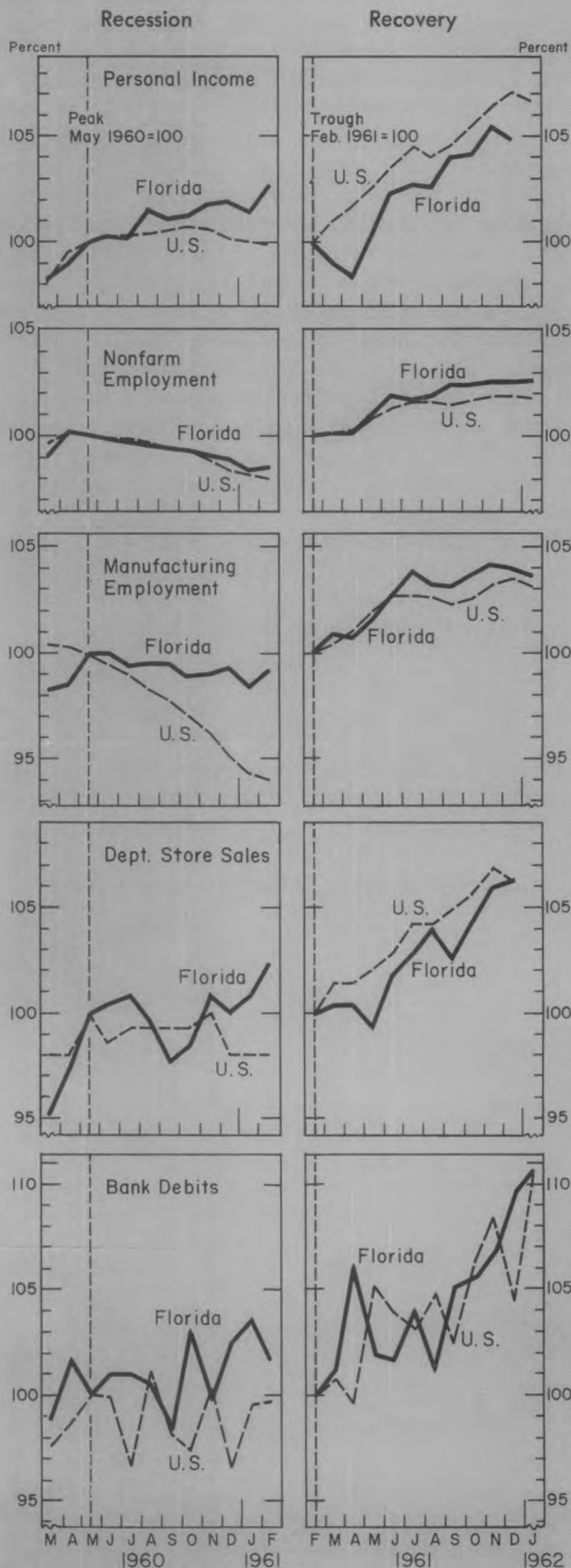
The fragmentary evidence so far available about the current recovery is subject to different interpretations. The optimist can certainly point to several encouraging signs. Most lines of business activity are now at higher levels than ever before. The current tourist season shows promise of being the best since 1957. Hotel occupancy rates and room sales in 1961 were higher than in 1960 in spite of a poor showing in the first half of the year.

Looking at the longer-term future, there are several expansionary forces at work. If paid vacations continue to become increasingly common, growing numbers of ordinary citizens may find a Florida vacation within their means. By contrast, it was the very wealthy who constituted the backbone of the tourist business in the early years of the century.

The spread of private pension plans, in the future as in the past, should enable more people to move to Florida when they retire. Moreover, the retirees who do move there seem to be better off financially than they used to be, according to observers on the scene. The caricature of the retiree as a pauper, ordering a cup of hot water to go with his ketchup, is no longer applicable, if it ever was.

Then, of course, there is the expansion at Cape Canaveral. The space-launching site is to be enlarged by about four times its present size, and the Federal Government

RECESSION did not affect Florida's economy as much as it did the nation's. **RECOVERY**, however, has proceeded at about the same pace in Florida as in the U.S.; in previous recovery periods, the state's advance was more rapid.



plans to spend many millions of dollars for the construction of new facilities. This expansion may well stimulate further growth of manufacturing connected with missile development.

All these things are true, a pessimist might reply, but they may not prove to be unmixed blessings. Some recent developments indicate that Florida may become increasingly sensitive to the economic tides running in the rest of the country. For example, the period of greatest increase in manufacturing employment occurred in 1958-60, rather than 1954-57, as was the case with the other four indicators. The growth of population has attracted manufacturing activity to the state to supply local markets, particularly for light metal manufactures and building materials. Although these firms supply mainly local needs, some have now grown to the extent that they are distributing their products nationally. If this continues, manufacturing may feel more and more the effect of national recessions.

It is true, too, that Federal Government activity is now providing a considerable stimulus to Florida's economy. But sometimes heavy reliance on Government programs can bring instability if these programs are subject to sudden modifications.

Our statistical data do not provide us with a passkey to the future—they merely indicate various areas that will bear watching. The only thing we can say with any certainty is that Florida's future will be interesting.

LAWRENCE F. MANSFIELD

This is one of a series in which economic developments in each of the Sixth District states are discussed. Developments in Tennessee's economy were analyzed in the November 1961 REVIEW, and a discussion of Georgia's economy is scheduled for a forthcoming issue.

Department Store Sales and Inventories*

Place	Percent Change			
	Sales		Inventories	
	Jan. 1962 from Dec. 1961	Jan. 1962 from Jan. 1961	Jan. 31, 1962 from Dec. 1961	Jan. 31, 1962 from Jan. 1961
ALABAMA	-62	+3	-0	+9
Birmingham	-61	+5	+0	+15
Mobile	-63	+4	..	..
Montgomery	-63	+5	..	..
FLORIDA	-51	+11	+5	+7
Daytona Beach	-53	+5	..	..
Jacksonville	-61	+2	-1	+3
Miami Area	-49	+9	..	..
Miami	-48	+6	..	..
Orlando	-51	+11	..	..
St. Petersburg-Tampa Area	-51	+21	-2	+13
GEORGIA	-60	+10	+14	+0
Atlanta**	-59	+13	+17	+4
Augusta	-62	+9	..	..
Columbus	n.a.	n.a.	n.a.	n.a.
Macon	-64	+5	+1	-2
Rome**	-65	+1	..	..
Savannah	-60	+5	..	..
LOUISIANA	-55	+3	-5	+9
Baton Rouge	-58	+18	-19	+14
New Orleans	-55	-1	-0	+8
MISSISSIPPI	-59	+5	+4	+14
Jackson	-60	+4	+13	+18
Meridian	n.a.	n.a.	n.a.	n.a.
TENNESSEE	-63	+7	-3	+7
Bristol-Kingsport-Johnson City**	-69	+7	-7	+2
Bristol (Tenn. & Va.)**	-69	+3	..	..
Chattanooga	-61	+15	..	..
Knoxville	-63	+3	..	..
DISTRICT	-57	+8	+4	+6

*Reporting stores account for over 90 percent of total District department store sales.
**In order to permit publication of figures for this city, a special sample has been constructed that is not confined exclusively to department stores. Figures for non-department stores, however, are not used in computing the District percent changes.
n.a. Not Available.

Personal Income in Sixth District States (Seasonally Adjusted Annual Rates, in Millions of Dollars)

	Dec. ¹ 1961	Nov. ² 1961	Oct. ² 1961	Dec. 1960
Alabama	5,110	5,191	5,122	4,776
Florida	10,683	10,746	10,608	10,121
Georgia	6,796	6,863	6,766	6,382
Louisiana	5,544	5,532	5,539	5,250
Mississippi	2,759	2,809	2,844	2,533
Tennessee	5,814	5,887	5,769	5,527
Total	36,706	37,028	36,648	34,589

¹Preliminary. ²Revised.

Debits to Individual Demand Deposit Accounts (In Thousands of Dollars)

	Jan. 1962	Dec. 1961	Jan. 1961	Percent Change	
				Jan. 1962 from Dec. 1961	Jan. 1962 from Jan. 1961
				Dec. 1961	Jan. 1961
ALABAMA					
Anniston	44,992	45,031	40,046	-0	+12
Birmingham	959,377	863,575	869,790	+11	+10
Dothan	40,566	40,401	35,308	+0	+15
Gadsden	39,173	37,185	35,688	+5	+10
Huntsville*	84,617	83,368	70,674	+1	+20
Mobile	313,723	301,911	302,055	+4	+4
Montgomery	186,415	176,957	172,606	+5	+8
Selma*	27,980	29,393	26,027	-5	+8
Tuscaloosa*	63,065	60,291	56,164	+4	+12
Total Reporting Cities	1,759,908	1,638,212	1,608,358	+7	+9
Other Cities†	844,904	843,888r	773,323r	+0	+9
FLORIDA					
Daytona Beach*	71,411	56,077	64,909	+27	+10
Fort Lauderdale*	268,738	232,477	239,492	+16	+12
Gainesville*	45,120	46,524	48,017	-3	-6
Jacksonville	1,041,540	858,214	913,042	+21	+14
Key West*	22,967	18,159	19,350	+26	+19
Lakeland*	100,554	84,464	98,262	+19	+2
Miami	1,141,552	1,008,127	1,067,114	+13	+7
Greater Miami*	1,722,137	1,460,295	1,577,108	+18	+9
Orlando	317,155	276,126	288,211	+15	+10
Pensacola	88,369	88,692	89,687	-0	-1
St. Petersburg	289,022	238,456	255,085	+21	+13
Tallahassee*	78,101	65,599	n.a.	+19	n.a.
Tampa	518,018	478,845	481,281	+8	+8
W. Palm-Palm Bch.*	200,677	152,151	157,400	+32	+27
Total Reporting Cities	4,763,809	4,056,079	4,231,844	+17	+13
Other Cities†	2,256,905	1,777,950r	1,897,855r	+27	+19
GEORGIA					
Albany	64,027	62,572	54,307	+2	+18
Athens*	50,117	45,156	42,243	+11	+19
Atlanta	2,510,286	2,497,342	2,170,801	+1	+16
Augusta	131,110	122,398	117,649	+7	+11
Brunswick	32,140	31,003	26,456	+4	+21
Columbus	132,176	120,642	113,365	+10	+17
Elberton	8,424	10,064	9,154	-16	-8
Gainesville*	50,035	47,616	48,554	+5	+3
Griffin*	21,850	22,427	20,918	-3	+4
LaGrange*	19,135	19,229	20,360	-0	-6
Macon	145,329	144,437	126,594	+1	+15
Marietta*	36,839	38,808	33,076	-5	+11
Newman	24,198	27,051	17,852	-11	+36
Rome*	51,794	51,609	53,775	+0	-4
Savannah	189,626	185,824	170,881	+2	+11
Valdosta	39,877	35,337	35,940	+13	+11
Total Reporting Cities	3,506,963	3,461,515	3,061,925	+1	+15
Other Cities†	1,092,436	1,041,103r	1,024,710r	+5	+7
LOUISIANA					
Alexandria*	84,700	74,898	71,191	+13	+19
Baton Rouge	306,481	267,925	283,296	+14	+8
Lafayette*	75,962	69,380	68,220	+9	+11
Lake Charles	99,984	83,709	87,044	+19	+15
New Orleans	1,458,145	1,474,329	1,403,891	-1	+4
Total Reporting Cities	2,025,272	1,970,241	1,913,642	+3	+6
Other Cities†	753,527	674,563r	631,770r	+12	+19
MISSISSIPPI					
Biloxi-Gulfport*	58,598	56,726	52,466	+3	+12
Hattiesburg	40,555	38,813	38,776	+4	+5
Jackson	366,016	347,973	322,001	+5	+14
Laurel*	27,586	28,578	28,702	-3	-4
Meridian	49,720	44,491	45,350	+12	+10
Natchez*	24,192	24,488	23,067	-1	+5
Vicksburg	24,281	23,247	21,213	+4	+14
Total Reporting Cities	590,948	564,316	531,575	+5	+11
Other Cities†	310,356	310,121r	280,443r	+0	+11
TENNESSEE					
Bristol*	54,482	53,741	46,984	+1	+16
Chattanooga	430,255	355,821	400,303	+21	+7
Johnson City*	46,312	49,654	42,077	-7	+10
Kingsport*	94,933	90,440	85,071	+5	+12
Knoxville	275,740	281,073	269,989	-2	+2
Nashville	850,821	837,428	762,726	+2	+12
Total Reporting Cities	1,752,543	1,668,157	1,607,150	+5	+9
Other Cities†	650,143	648,003r	623,163r	+0	+4
SIXTH DISTRICT	20,307,714	18,655,148r	18,185,758r	+9	+12
Reporting Cities	14,399,443	13,358,520	12,954,494	+8	+11
Other Cities†	5,908,271	5,296,628r	5,231,264r	+12	+13
Total, 32 Cities	12,159,093	11,404,999	11,027,501	+7	+10
UNITED STATES					
344 Cities	294,600,000	286,600,000r	257,700,000r	+3	+14

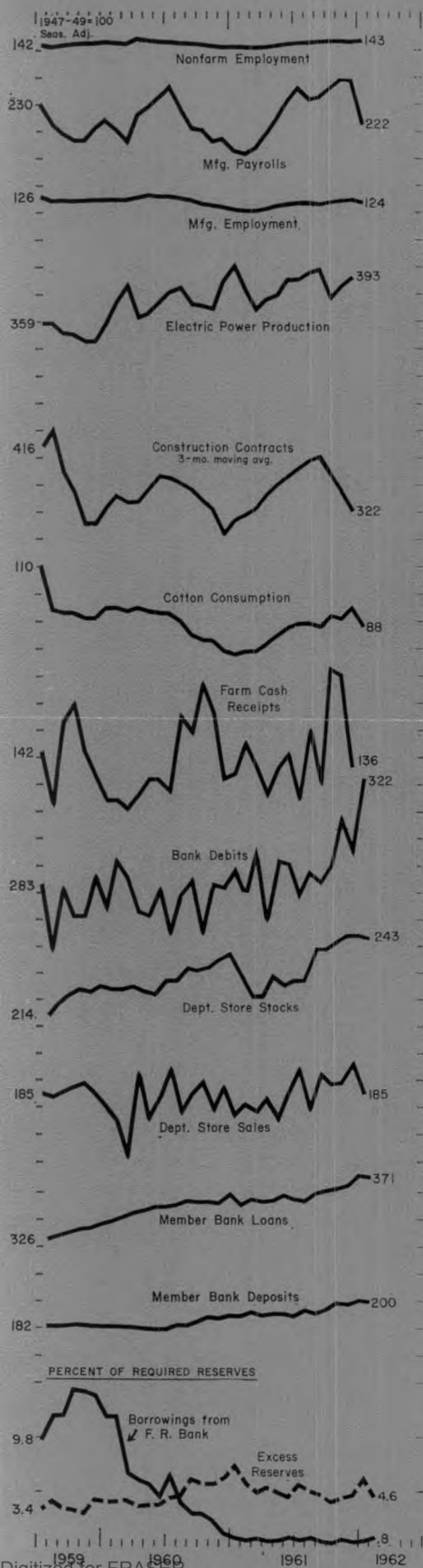
*Not included in total for 32 cities that are part of the national debit series maintained by the Board of Governors. †Estimated. r Revised. n.a. Not Available.

Sixth District Indexes

Seasonally Adjusted (1947-49 = 100)

	1960				1961								1962	
SIXTH DISTRICT	DEC.	JAN.	FEB.	MAR.	APR.	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.	JAN.
Nonfarm Employment	141	142	141	141	141	142	142	142	142	143	143	143	143	143
Manufacturing Employment	122	121	121	121	121	122	123	124	124	123	124	124	124	124
Apparel	189	187	187	186	190	191	193	198	196	194	193	195	197	198
Chemicals	134	134	134	134	133	133	133	133	133	133	132	133	133	132
Fabricated Metals	191	190	189	186	186	185	184	181	184	183	187	190	190	189
Food	119	118	118	118	118	117	118	117	117	116	117	117	119	119
Lbr., Wood Prod., Fur. & Fix.	75	73	73	73	74	74	74	74	74	74	75	75	75	73
Paper	164	163	164	165	166	167	167	168	168	165	164	165	164	163
Primary Metals	89	86	87	86	87	91	92	93	94	92	94	92	93	89
Textiles	85	84	84	83	84	84	85	85	85	85	85	85	85	84
Transportation Equipment	190	191	190	183	187	188	191	193	184	190	204	202	202	210
Nonmanufacturing Employment	149	150	150	149	149	150	150	150	150	151	151	151	150	151
Manufacturing Payrolls	218	213	212	214	220	225	232	236	232	232	235	239	239r	222
Cotton Consumption**	79	78	79	79	82	85	88	89	89	88	92	91	95	88
Electric Power Production**	390	401	383	368	376	379	391	391	396	398	377	386	393	n.a.
Petrol. Prod. in Coastal Louisiana & Mississippi**	250	239	237	241	244	253	252	243	243	239	251	250r	267	268
Construction Contracts*	288	309	315	324	345	360	372	384	394	402	375	351	322	n.a.
Residential	304	291	330	343	362	388	412	393	402	406	431	374	368	n.a.
All Other	276	324	303	309	330	337	340	377	387	400	329	333	285	n.a.
Farm Cash Receipts	132	134	145	136	126	136	141	125	150	131	173	169	136	n.a.
Crops	94	97	123	104	99	113	117	97	139	104	162	147	98	n.a.
Livestock	199	191	191	205	189	192	191	175	187	197	194	202	203	n.a.
Department Store Sales**	187	177	181	178	183	175	185	194	179	192	188	189	196	185
Department Store Stocks*	237	229r	221	221	229	225	227	227	239	239	242	244	244	243p
Furniture Store Sales**	134	127	130	134	135	129	130	135	132	143	139	138	143	135p
Member Bank Deposits*	189	189	192	189	191	191	189	193	190	194	199	197	200	200
Member Bank Loans*	359	351	355	353	354	357	355	353	359	361	363	365	372	371
Bank Debits*	282	288r	280r	295r	271r	292r	291r	279r	288r	284r	291r	307r	296r	322
Turnover of Demand Deposits*	151	162	156	155	146	165	154	162	166	152	161	161	162	159
In Leading Cities	163	176	168	167	164	183	175	179	189	164	170	170	172	168
Outside Leading Cities	119	125	116	122	111	127	119	129	122	126	119	117	123	124
ALABAMA														
Nonfarm Employment	124	125	123	123	123	124	125	125	125	125	125	126	125	125
Manufacturing Employment	102	101	101	101	102	102	103	104	105	104	104	104	104	103
Manufacturing Payrolls	175	175	175	177	183	185	191	196	195	197	204	209	197r	182
Department Store Sales**	166	158	156	166	173	163	168	177	171	175	166	163	172	157
Furniture Store Sales	113	103	106	112	124	101	112	111	117	114	108	120	111	109p
Member Bank Deposits	167	169	170	167	169	163	162	163	163	167	170	168	172	171
Member Bank Loans	299	300	299	303	298	304	301	295	302	303	304	309	314	314
Farm Cash Receipts	121	115	126	133	115	126	118	117	113	118	163	155	131	n.a.
Bank Debits	243	247	238	249r	232r	266r	254r	241r	256r	254r	264r	273r	254r	270
FLORIDA														
Nonfarm Employment	201	200	200	200	200	202	203	203	204	204	204	205	205	205
Manufacturing Employment	208	206	207	209	209	211	213	215	214	214	215	216	216	215
Manufacturing Payrolls	384	368	374	373	392	406	414	443	432	437	441	428	427r	408
Department Store Sales**	276	265r	264	287	269	263	277	290	274	284	280	288	296	283
Furniture Store Sales	158	154	155	161	156	151	155	162	148	167	171	155	170	174
Member Bank Deposits	250	247	252	247	248	250	247	253	250	254	260	260	263	262
Member Bank Loans	560	550	556	556	550	559	555	553	561	567	567	568	570	571
Farm Cash Receipts	232	266	264	197	227	244	257	211	292	246	200	215	226	n.a.
Bank Debits	413	416r	400r	419r	385r	431r	441r	407r	438r	432r	443r	457r	428r	476
GEORGIA														
Nonfarm Employment	134	134	134	133	134	134	134	134	134	135	136	136	136	137
Manufacturing Employment	119	117	116	116	117	118	118	119	119	119	120	120	119	120
Manufacturing Payrolls	205	199	200	203	205	215	217	223	218	215	223	227	223r	210
Department Store Sales**	163	157	155	166	155	166	166	175	159	167	165	168	175	164
Furniture Store Sales	130	124	131	138	132	133	133	136	136	139	133	128	140	135p
Member Bank Deposits	170	169	173	172	172	175	173	176	171	175	183	180	183	183
Member Bank Loans	289	285	292	292	290	292	291	289	292	289	296	300	300	303
Farm Cash Receipts	148	144	152	171	149	144	147	127	193	151	184	156	158	n.a.
Bank Debits	256	263	253r	265r	243r	265r	268r	265r	267r	266r	278r	280r	277r	296
LOUISIANA														
Nonfarm Employment	128	129	129	128	128	129	128	127	127	127	127	127	127	128
Manufacturing Employment	93	92	91	92	91	91	90	90	90	89	90	90	91	90
Manufacturing Payrolls	175	177	173	177	180	179	179	178	177	175	179	181	182r	177
Department Store Sales**	155	151	151	155	149	149	157	157	152	148	144	147	158	151
Furniture Store Sales	166	163	152	147	158	165	159	164	159	185	177	186	196	151
Member Bank Deposits*	166	165	167	163	169	166	167	172	169	171	174	173	174	172
Member Bank Loans*	331	319	322	314	331	324	326	327	331	337	335	331	346	350
Farm Cash Receipts	113	93	103	104	98	105	112	104	112	109	130	137	118	n.a.
Bank Debits*	234	210	209r	237r	216r	234r	252r	223r	236r	234r	230r	235r	238r	230
MISSISSIPPI														
Nonfarm Employment	134	137	136	137	136	137	136	137	137	138	138	138	137	139
Manufacturing Employment	131	130	129	130	132	134	135	136	136	136	137	138	139	137
Manufacturing Payrolls	240	244	237	241	244	243	256	259	260	263	265	264	268r	235
Department Store Sales**	165	155r	146	154	157	153	165	169	156	160	155	165	171	157
Furniture Store Sales*	102	95	100	108	95	85	91	112	116	119	105	110	103	109
Member Bank Deposits*	209	204	205	207	208	210	208	207	205	208	213	215	221	221
Member Bank Loans*	460	442	446	442	449	455	451	446	458	460	464	477	502	491
Farm Cash Receipts	136	86	99	116	90	99	99	100	102	92	174	181	121	n.a.
Bank Debits*	254	238	233r	255r	234r	240r	253r	243r	255r	253r	256r	279r	262r	264
TENNESSEE														
Nonfarm Employment	124	124	124	124	124	125	126	126	126	126	126	126	125	125
Manufacturing Employment	123	123	123	123	123	124	125	125	124	125	125	125	126	126
Manufacturing Payrolls	217	215	216	216	222	224	230	227	234	231	228	235	239	225
Department Store Sales**	157	147	154	151	147	141	152	157	146	157	150	154	158	152
Furniture Store Sales*	94	85	95	98	100	91	84	90	89	102	97	101	96	88p
Member Bank Deposits*	170	170	176	176	175									

DISTRICT BUSINESS CONDITIONS



The region shared to some extent in the January lull noted in key indicators for the nation. Manufacturing and construction employment and the average work week in manufacturing declined. Loans at member banks varied little from December's advanced levels, and nonfarm employment in December-January showed practically no change. Some measures of production, however, rose in January, and in the agricultural sector of the economy, farm market prices, production, and income continued to increase. All comparisons are on a seasonally adjusted basis.

A decline occurred in manufacturing employment in January, but this was more than offset by a rise in nonmanufacturing. Total nonfarm employment, as a result, rose slightly, regaining the loss of the preceding month. Employment thus gives a picture of stability over the past several months. The January rise reflected gains in Georgia, Louisiana, and Mississippi; employment in Florida was virtually unchanged, while that in Alabama and Tennessee edged further downward. The average work week in manufacturing dropped for the second month, reflecting bad weather to a considerable degree. Estimates show that a slight decline occurred in personal income in December.

Construction employment edged downward again in January, reflecting earlier declines in construction contracts. Cotton consumption dropped back to about the level of last summer, following a substantial rise in the final quarter of 1961. Steel production, however, increased in January and early February, and the output of crude oil in coastal Louisiana and Mississippi continued in record volume during January.

Judging from available measures, consumer spending showed some slackening during January. Department store sales declined in nearly all major District cities, after reaching a record volume in December. Preliminary figures for February, however, show that sales are rebounding sharply. Furniture store sales also fell during January, but sales at appliance stores remained virtually unchanged. Consumer instalment credit outstanding at District commercial banks was unchanged during January. Direct loans to individuals to purchase autos picked up somewhat, but loans for the purchase of other consumer goods declined during the month.

The farm economic scene brightened recently. The index of prices received by District farmers in January increased, as most crop and livestock prices advanced. A rise in prices for eggs, broilers, beef, hogs, and oranges more than offset slight declines for milk, cotton, and tobacco. Total livestock output held near recent levels, with increases in egg and broiler output counterbalancing a drop in milk production. Meanwhile, harvests in citrus, potato, and vegetable areas continued at a rapid pace. Farmers ended 1961 with their total cash receipts from farm marketings slightly larger than those a year earlier, although cash receipts declined in December. Recent trends in prices and production suggest that receipts have been sustained.

Total member bank loans, also seasonally adjusted, changed little in January, as a rise in loans at banks outside leading cities about offset a decline in those at banks in leading cities. Mississippi and Tennessee were the only states to show loan declines, and in no state did loans drop below end-of-November levels. During the first three weeks of February, however, loans at banks in leading cities rose less than is normal for this period. Member bank deposits declined slightly more than seasonally in January after a sharp December increase, despite a pronounced rise in time deposits. In February, excess reserves declined somewhat from high January levels, and borrowings from the Federal Reserve Bank of Atlanta inched upward.