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New Faces in the South Board of Directors District Business Conditions

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Southeastern States in Perspective

The Federal Reserve Bank of Atlanta will soon release a new publication, "Southeastern States in Perspective," a booklet containing monthly data for the major business indicators of all six states in the Sixth Federal **Reserve District from 1965** through 1975. These statistics are in the areas of income and spending, production and employment, and finance and banking. Requests for copies should be sent to the Research Department, Federal Reserve Bank of Atlanta, Atlanta, Georgia 30303. Please include name, address or post office box number, city, state and ZIP code.

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FEBRUARY 1977, MONTHLY REVIEW

NEW FACES IN THE SOUTH

by Patricia Faulkinberry

The magnetic pull of the South has grown stronger in the 1970s, as record numbers of new migrants have been drawn into the region and Southerners have stayed closer to home.¹ Add this migration stream to an expanding population base, and the South comes out number one among U. S. regions in population increase between 1970 and 1975. And though its population growth rate barely trailed the West's during those years, the South has made inroads into the West's traditional position as the nation's fastest growing region.

The population factor is perhaps *the* basic ingredient of any economy. Changes in demographic patterns have a far-reaching impact on the social and economic characteristics of a region—in the culture, composition, geographical dispersion, income levels, wealth, occupations and economic demands of its people. There is evidence of incipient changes in the migratory forces that shape the face of the South and nation.

Migration in Perspective. Changes in an area's population occur through natural increases (births minus deaths) and net migration (in-

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migrants minus out-migrants). Rates of natural increase vary from region to region in the U. S. but do not explain the much greater differences in regional population growth rates, with one exception: A higher rate of natural increase in the West may explain its edge over the South in the rate of expansion in the early 1970s. Migration, then, is the energy source for this country's regional population dynamics.

Figure 1 allows cross-sectional comparison of the actual and percentage growth of the civilian populations of U.S. regions for the latest three five-year periods. The chart shows that the South, already the most populous region, has consistently led the nation in numbers added to its population. The South's expansion accounted for more than half of the nation's population growth in 1970-75, compared to less than one-third in the 1965-70 period. Growth rates of the Northeast and North Central regions have dwindled to a small fraction of those of the South. Both the South and West had sharp drops in growth rates in the late 1960s and subsequent speed-ups in the early 1970s, but the South has surpassed early 1960s' rates while the West remains below its 1960-65 pace. The comparison of net migration by region, seen in Figure 2, clarifies what has happened during the past decade.

¹The South as defined here is the Census Region which includes 16 states: Alabama, Arkansas, Delaware, Florida, Georgia, Louisiana, Kentucky, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee. Texas, Virginia and West Virginia—and the District of Columbia.



At the expense of the Northeast and North Central regions, the South and West have attracted more and more migrants, creating the wide range in growth patterns seen in Figure 1. The heaviest traffic has flowed into the South; net in-migration nearly tripled between 1965-70 and 1970-75.

Migration thus appears more important to the South than to other regions. But, in fact, migrants make up only a small portion of a region's population. Table A illustrates how movers fit into the scheme of things, both at the regional and national level, and verifies that not only migration but all types of mobility carry more weight in the South than in the country in general. With a larger-than-average percentage of its March 1975 population in each category of movers, except immigration from abroad, and a smaller-than-average share of nonmovers, the South boasts a very mobile population. Notably, the moving category showing the greatest South-U. S. difference is migration from other regions.

The Demographic Influences of Migration. How has migration changed the face of the South? To judge the full impact of migrant streams on the South, comparison of people moving into the South with those leaving the region must be made along several lines. Analysis of the characteristics of only the **net** inflows to the South masks useful information and raises the question of which of the migrants



to the region are the "net" migrants. The Census Bureau's periodic studies of mobility and population characteristics provide a wealth of data about both gross and net migratory patterns of the U. S., which form the basis of this study.

The South has spread the welcome mat for people from all regions in recent years. Map 1 illustrates the gross flows of migrants into and out of the South during 1970-75. As it indicates, the origins of newcomers are fairly evenly dispersed, with the larger flows originating in the Northeast and North Central regions. Outmigrants favor the West and North Central regions. Viewing net migration to the South as the aggregate of net exchanges of population between the South and each other region, as in the table accompanying the map, the South enjoyed net migration from every region in the early 1970s. Even the faster-growing West came out short vis-a-vis the South, losing more people to the South than it had drawn away in the late 1960s.

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TABLE A POPULATION MOBILITY							
<u>%</u>	U. S. of Total	South % of Total					
March 1975 population, 5 years + (who reported mobility status)	100.0	100.0					
Did not move since March 1970	54.4	50.0					
Moved since March 1970:	45.6	50.0					
Within same county	25.6	26.6					
Within same state (but not county)) 8.9	9.6					
Within same region (but not state)) 4.1	5.1					
From another region of the U.S.	5.0	6.9					
From abroad	2.0	1.8					

The South has also realized net in-migration in each of several broad age and racial groups (see Figure 3). As a result of migration in the early 1970s, more of the South's population falls into the older age sectors. The 35-andolder group made up a much larger share, and younger people (especially in the 18-34 age bracket) composed a smaller share of gross migration into the South than of migrants leaving the South. Although the newcomers, as a group, were not older than residents of the South, when the out-migrants are netted out in each age group, the impact of the net flow was to push the South's population toward the older end of the age distribution. The greatest difference in the age composition of net migration and of people already living in the South was in the 65-and-older age group. Continued in-migration of retirees to the sunny South helped raise the percentage of the South's population in this age group from slightly below the national average in 1970 to equal the national share in 1975.

The vast majority of migrants both to (91.4) percent) and from (86.1 percent) the South are white. Blacks account for a larger proportion of out-migrants than of in-migrants, but the number of blacks migrating to the South during the early 1970s outnumbered blacks leaving the South by 14,000. This reverses a longstanding trend of net out-migration of blacks from the South and is a stark contrast to the late 1960s, when a net 216,000 blacks left the region. An 86-percent jump in black in-migration, coupled with a 24-percent drop in black outmigration, was responsible for this new migration pattern twist. Even though there are no data available to verify its continuation since 1970, an increase in the rate of return of

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native Southern blacks to the South had begun to emerge in the late 1960s and could explain a significant part of the rise in black inmigration.

Despite the dramatic changes in black migration, the net impact of migration on the racial composition of the South, as the table in Figure 3 shows, makes the South whiter rather than blacker. Moreover, when race and region are considered jointly, the results are a substantial net in-migration of blacks from only one region (the Northeast) and the continuing net loss of blacks to the West.

Migration's Influence on Population Dispersion. Examining the residence characteristics of migrants, i.e., metropolitan or nonmetropolitan origins and destinations, permits the tracing of movements that change the geographical distribution and density of an area's population. In the early 1970s, a national trend of movement away from defined metropolitan areas (Standard Metropolitan Statistical Areas, or SMSAs) into nonmetropolitan



areas emerged, undercutting the domination by urban areas of past migration flows. Table B illustrates the new pattern. The key point of comparison here is between the percentage of movers who moved from SMSAs to nonmetropolitan areas and the share of those who moved from nonmetropolitan areas into SMSAs; moves between or within SMSAs and between nonmetropolitan areas do not affect the metro-nonmetro distribution of the population. Since movers from inside to outside SMSAs outnumbered those moving in the other direction, recent population movements have resulted in net out-migration from the nation's cities.

Data limitations make it more difficult to determine the precise influence of the new trend on the population dispersion of the South alone. For instance, Table B would indicate that the tendency is more pronounced in the South. However, these "movers" include both migrants from other regions and those who moved within the region. Since origins are not identified, it's impossible to measure the impact on any one region. Also, the South has been the only region in recent years where overall population growth rates have been more rapid in metropolitan than in nonmetropolitan areas.

Figure 4 isolates the residence characteristics of *interregional* migrants to and from the South, showing detail for the metropolitan areas. Inspecting the panels vertically reveals the metrononmetro gap in origins and destinations. Central cities of SMSAs are more important as senders of migrants than as receivers for either direction of migration. Migration into the South (far left panel) follows the national trend, with a larger share of migrants coming from than going to SMSAs. Looking at the South's outmigration, we see the pattern reversed---evidence of the continuing tradition of migration from rural Southern areas to urbanized areas of other regions.

A horizontal comparison within Figure 4 highlights the tendencies relevant to judging



the net impact of population movements to and from the South on dispersion in other regions (top) and the South (bottom). If the flows into and out of the region were equal, migration would simply redistribute the metropolitan population in favor of suburbs within SMSAs and roughly maintain the share of nonmetropolitan population. But, in the South, the inflows and outflows are not equal. The table accompanying Figure 4 summarizes the net effects of 1970-75 interregional migration on the residence distribution of the South. Southern SMSAs realized larger net gains due to interregional migration than did nonmetropolitan areas.

Thus, the pattern of interregional migration to and from the South is a blend of old and new. Its impact must be weighed against that of intra-South movements, for, as mentioned earlier, movers within the region carry more weight than interregional migrants in the overall impact of population movements. Here the data on residence characteristics are

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sketchy. However, movements across state lines within the South have favored nonmetropolitan areas at the expense of SMSAs.

The new pattern of movement must be put in perspective. It is better thought of as an exurbanization than a deurbanization trend. On the one hand, nearly three-fourths of the nation's people live in metropolitan areas, and the majority of those who move do go to metropolitan areas. But more movers come from SMSAs than go to them. There are indications that a significant part of movements into nonmetropolitan areas is to counties adjacent to SMSAs. Given a continuing pattern of suburbanization within SMSAs, the exurbanization trend may be interpreted as a fanning out of residences around population centers, not an abandonment of them. Perhaps present boundaries of SMSAs should be extended so that they reflect more realistically the concept of population centers.

Causes and Effects. All this talk of the South's superlative growth raises difficult questions



about the whys and wherefores of its ability to attract and hold population. Traditional migration theory is only a limited aid in understanding the causes and effects of migration; it points them out but does not always distinguish stimulus from response. Analyzing aggregate migration patterns is complicated by the variety of factors that affect individuals' decisions to migrate.

The role of income levels and growth rates in migration is a case in point. Simply stated, aggregate migration is thought of as a response to higher income levels in the destination area, among other things. Yet the country's largest interregional migration flows have been into the South, the region where per capita income is lowest. Data inadequacies prevent conclusive judgments about the theory's validity, but there are several things that may help explain why the theory does not, or does not appear to, hold water in light of U. S. migration experiences.

One problem may be that analysis of the forces behind migration is just not amenable to an average or aggregate approach. The explanatory power of per capita income averages for entire regions diminishes considerably with the realization that gross migration is the result of the decisions of thousands of individuals in hundreds of occupations.

TABLE	B	
RESIDENCE CHARACTER 1970-7	ISTICS OF M 5	OVERS
	Residence in	March 197
	U. S.	South
Movers (within the U. S.) between 3-70 and 3-75	100.0%	100.0%
Moved within or between SMSAs	61.3	50.2
Moved from outside SMSAs to inside SMSAs	6.4	7.6
Moved from inside SMSAs to outside SMSAs	8.4	10.7
Moved between areas outside SMSAs	23.8	31.4
Source: U. S. Department of Com	merce Census	Bureau.

Perhaps no significant conclusions may be drawn about the role of income without regional comparisons of pay scales in each occupation, adjusting for differences in industry mix and taking account of occupation changers.

Another drawback to comparing regional per capita incomes stems from regional price level differences. If migrants consider cost-ofliving differences, lower price levels in the South may compensate for the lower income levels.

Expectations for future income may be the salient motivation for migration, and regional income growth, rather than levels, may direct the traffic of migration. The South registered the greatest percentage changes in per capita income in the early 1970s, but the ranking of other regions in income growth does not precisely agree with their net migration rankings (see Table C). But net in-migration itself can stimulate economic activity and, in turn, raise income levels. Southern income growth could be as much an effect of migration as a cause.

Income enters into the migration picture in other ways as well. High income levels in the sender regions may indirectly sponsor migration by financing the move. While that may not seem relevant for individual migrants other than retirees, this factor is very important for the location of industry, particularly in plant expansions and relocations. At the same time, lower income levels in the South offer cost advantages that influence industry location.

The growth of job opportunities is probably the best single explanation of the acceleration

		REGIONAL	GROWTH RANKS 970-75		
Rank In	Net Migration	Per Capita Income Level	Per Capita Income Growth	Actual Change, Nonfarm Empl.	Growth Rate, Nonfarm Empl.
South	1	4	1	1	2
Vest	2	2	3	2	1
orth Central	3	3	2	3	3
lortheast	4	1	4	4	4
ource: U. S. Depar	tment of Commerc	e, Census Bureau an	d Bureau of Economi	c Analysis; U. S. Depa	artment of Labor,

of migration to the South. In an indirect way, the low income and price levels of the region actually stimulate in-migration by creating cost advantages, attracting industries which bring and create new jobs. Industry inputs are cheaper and more plentiful in the South. Lower prices and wages, abundant labor and available natural resources have drawn industry, especially manufacturing operations, to the South from all over the nation and world at a rapid pace. The region may be profiting from the energy crunch in this respect. Firms seeking easily accessible energy sources favor Southern petroleum states. The milder climate offers energy savings to all kinds of businesses.

Table C also compares regional ranks in increases in nonfarm employment, which correspond more closely to net migration ranks than do the income ranks. Here again is the chicken-and-egg problem. Employment opportunities beget population growth; population expansion demands increased job activity to serve its greater needs. This duality is evident on the unemployment side of the coin, too. High unemployment rates (excess labor supplies) may not be attractive to potential individual migrants, but they can be to industry. Misdirected migration, however, serves to swell the ranks of the unemployed.

The two economic recessions of the early 1970s may have given a push (perhaps temporary) to migration into the South. It is generally hypothesized that migration slows down and loses efficiency in times of poor business conditions. The 1970-75 overall U. S. migration rate did not change from its 1965-70 pace. The rate of net migration to the South, in

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contrast, rose considerably. At least part of the increase could be explained by the tendency of recession to foster stepped-up return migration, i.e., former Southerners coming home to ride out hard times. The Southern areas with milder climates have perhaps also attracted a number of migrants who preferred temperate settings for economic hardships.

One much-debated factor affecting migration is the role of federal spending. Though it appears that federal dollar or per capita outlays are not higher in the South than in other regions, the ratio of federal expenditures per dollar of taxes paid is indeed higher in the South. The South's greater return on its federal tax dollar stimulates its economic and thus its population growth.

There is a variety of other factors which directly or indirectly influence the migration patterns of the South. The mix, quality and level of public benefits, such as welfare, social services, minimum wages, public education, police protection and recreational facilities, can enhance or detract from the general attractiveness of an area to migrants and to its own people. The South's pleasant climate, in addition to providing energy savings, continues to attract retirees. Characteristics of the region's present population, such as age distribution and racial composition, partially determine the number and kinds of people who will feel at home there.

Many forces can influence the direction and dimensions of migratory flows—income levels and growth rates, cost advantages, industry movements and job gains, natural resources, public spending, demographic characteristics and a variety of amenities. Perhaps it's easier to view migration trends as natural forces toward a kind of economic entropy within the United States, taking up slack where its exists and relieving pressure in tight spots. As long as there's room for expansion, growth breeds growth. The cumulative effects of past migration to the South facilitate new in-migration as newcomers pass along information about their new home to distant friends. The very presence of the newcomers makes adjustment to the new environment easier for those who follow. And the impetus of forward momentum has a magnetic effect on population growth.

Prospects. With some slack remaining in the South, as lower-than-national income levels and prices show, and given the thrust of its recent growth, it's likely that the South's population surge will continue. Cost advantages for industry may persist for many years, especially with the increasing focus on energy sources and uses. Southern population growth appears to have slowed in 1974 and 1975, according to preliminary population estimates, but this is in line with declines in overall U. S. growth rates.

What will the continuation of growth mean for the economy of the South? There are multiple consequences of all economic forces, so it's impossible to say precisely what will occur, but an outline of possibilities can be useful.

In the long run, continued heavy population inflows will probably erode the South's drawing power. Net inflows of industry and jobs to a region tend to raise total income levels, absorb excess labor and push up wage rates and prices, eventually erasing cost advantages. Relative advantages elsewhere would then exert downward pressure on Southern income and recreate excess labor supplies.

Such push-and-pull forces do not always work exactly as expected, and migration does not always efficiently redistribute population. Net inflows of people, considered apart from their indirect consequences, pull down per capita incomes, especially if a sizable portion of them are retirees living on a fraction of their former incomes. Some of the South's newcomers will end up in the unemployment line. Financial problems of cities will worsen if the exurbanization pattern continues. Taxation and spending programs may change abruptly. Haphazard growth may breed problems—unmanageable traffic, misuse of resources, speculation and overbuilding. Although the South may anticipate many benefits from growth of its population and its economy, it is imperative that the region learn to manage this growth wisely.

APPENDIX A

District Growth Surges. The Sixth Federal Reserve District states—Alabama, Florida, Georgia, Louisiana, Mississippi and Tennessee —form the heart of the Southern Census region. The 1970-75 population growth rate of this group of states (11.1 percent) was more than twice the national average (5.1 percent), greater than that of the South (9.0 percent), and nearly double its own 1965-70 growth rate (5.7 percent). Annual population changes indicate that the pace of growth slacked off in 1974 and 1975. Even so, the population of the District states grew by 423,000 between July 1974 and July 1975.

Florida's growth is responsible for more than half of the District's 1970-75 expansion. The population of this state increased at a whopping 23.6 percent in the early 1970s. Each of the District states, except Louisiana, grew faster than the national average during that time, in contrast to the previous five-year period, when only Georgia's and Florida's growth outpaced the nation's, and Alabama and Mississippi lost population. (See table below.)

DISTRICT POPULATION GROWTH Percent Changes In Civilian Population

	1970-75	1965-70	1960-65
Alabama	5.28%	- 0.26%	5.43%
Florida	23.64	14.00	20.41
Georgia	8.45	6.16	9.43
Louisiana	4.25	4.08	6.92
Mississippi	5.78	- 1.26	3.20
Tennessee	6.82	3.48	6.50
District States	11.06	5.73	9.84
U. S.	5.13	5.01	7.93

Source: U. S. Department of Commerce, Census Bureau.

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APPENDIX B

Population Centers: The District's SMSAs. There are 44 defined Standard Metropolitan Statistical Areas wholly or partly within the Sixth District states. Seven of these, all in Florida, have been listed in the rank of 13 U. S. cities with population growth rates of 20 percent or better for 1970-74. The fastest growing metropolitan area in the nation at that time was Fort Myers, Fla., whose population ballooned 39.6 percent in four years. The recession may have exaggerated Florida's growth, perhaps temporarily, with inflows of migrants who preferred to weather hard times in a pleasant climate.

The spectacular population increases in Florida cities help explain how the metropolitan areas of the South, and of the District states in particular, have expanded more rapidly than nonmetropolitan areas when the national trend is in the opposite direction. The District's metropolitan population increased 10.1 percent in 1970-74, while nonmetro areas grew 6.4 percent, compared to the national averages of 3.4 percent for cities and 5.5 percent for other areas. The table below lists the most rapidly growing SMSAs in the District states and those which are notably lagging behind in population expansion. The leaders are the Florida cities referred to above, plus Atlanta, Ga., a growing trade and distribution center, Pascagoula-Moss Point, Miss., where shipbuilding has expanded significantly, and Clarksville-Hopkinsville, Tennessee-Kentucky, a military base area. These were the only District metro areas with substantial rates of net inmigration.

The lagging cities are concentrated in Alabama. The large out-migration from the Columbus and Augusta areas probably represents a transfer of military personnel; slow growth of Huntsville, Ala., and Melbourne-Titusville-Cocoa, Fla., may be linked to a slowdown in the space program. There were other Southeastern cities which lost population through migration—Albany and Macon, Ga.; Alexandria and Lake Charles, La.; and Florence, Ala. The rate of natural increase in these cities was sufficient to maintain near-average growth rates, however.

SMSAS GROWING RAPIDLY IN POPULATION IN SIXTH DISTRICT STATES 1970-74

SMSA	Growth Rate	Net Migration	Net Migration Rate*
Atlanta, Ga.	11.3%	102,300	6.6%
Clarksville-Hopkinsville, Tenn,-Ky.	17.5	14,900	12.5
Davtona Beach, Fla.	19.5	32,700	19.3
Fort Lauderdale-Hollywood, Fla.	32.0	181.600	29.3
Fort Myers, Fla.	39.6	47,700	45.3
Gainesville, Fla.	19.2	14.300	13.7
Lakeland-Winter Haven, Fla.	16.0	27.900	12.2
Miami, Fla.	10.6	129.900	10.2
Orlando, Fla.	27.3	107.800	23.8
Pascagoula-Moss Point, Miss.	18.4	9.600	10.9
Sarasota, Fla.	30.7	42,000	34.9
Tallahassee, Fla.	24.1	18,000	16.4
Tampa-St. Petersburg, Fla.	22.1	247,000	22.7
West Palm Beach-Boca Raton, Fla.	27.0	91,400	26.2

SMSAs LAGGING IN POPULATION GROWTH 1970-74

SMSA	Growth Rate	Net Migration	Net Migration Rate*
Anniston, Ala.	2.5%	- 1,000	- 1.0%
Augusta, GaS. C.	-0.7	-14.300	- 5.2
Birmingham, Ala.	2.2	- 1.800	- 0.2
Columbus, GaAla.	-8.6	-32,900	-13.8
Gadsden, Ala.	0.6	- 2.300	- 2.5
Huntsville, Ala.	1.1	- 9,500	- 3.4
Melbourne-Titusville-Cocoa, Fla.	0.7	- 8.300	- 3.6
Memphis, TennArkMiss.	2.3	-16.600	- 2.0
Savannah, Ga.	-4.3	-16,700	- 8.0
Shreveport, La.	2.9	- 4,800	- 1.4

*Net migration as a percent of beginning (1970) population.

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FEDERAL RESERVE BANK OF ATLANTA AND BRANCHES

January 15, 1977

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Note: Expiration dates of terms occur on December 31 of the year beside each name.

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SIXTH DISTRICT STATISTICS

Seasonally Adjusted

(All data are indexes, unless indicated otherwise.)

	Latest	Month 976	One Month Ago	Two Months Ago	One Year Ago	
SIXTH DISTRICT						
INCOME AND SPENDING						
Manufacturing Income	Nov.	144.5	141.3	141.4	130.1	
Farm Cash Receipts	Sept.	190.7	189.9	287.7	136.5	
Livestock	Sept.	218.5	200.9	215.6	178.5	
Instalment Credit at Banks*/ (Mil. \$)						
Repayments	Oct. Oct	840 753	805	869 789	841 746	
Retail Sales	Oct.	148.8	148.8	149.5	133.6	
EMPLOYMENT AND PRODUCTION						
Nonfarm Employment	Nov.	107.0	106.7	106.5	105.9	
Manufacturing	Nov.	97.7	97.3	97.7	95.9	
Food	Nov.	98.4	98.5	98.9	97.8	
Textiles	Nov.	95.7	95.4	95.4	94.7	
Apparel .	Nov.	94.1	94.4	96 2	95.5	
Printing and Publishing	Nov.	99.3 106.6	106.3	106.2	104.4	
Chemicals	Nov.	102.4	103.8	104.4	102.5	
Durable Goods	Nov.	96.9	95.8	96.3	93.6	
Stone, Clay, and Glass	Nov.	91.8	88.6	91.6	91.3	
Primary Metals	Nov.	97.0	96.7	98.5	92.2	
Fabricated Metals	Nov.	108.9	94.2 108.4	94.9	95.0	
Transportation Equipment	Nov.	95.7	93.3	93.8	90.9	
Nonmanufacturing	Nov	110.0	109.7	109.2	109.1	
Transportation	Nov. Nov.	81.9	82.0 104.6	104.3	102.3	
Trade	Nov.	107.7	107.8	107.6	106.7	
Fin., ins., and real est.	Nov.	114.1	113.6	113.3	113.5	
Federal Government	Nov.	107.2	106.9	107.1	106.8	
State and Local Government	Nov.	119.0	118.6	118.4	117.3	
Farm Employment	Dec.	60.9	57.8	55.8	50.8	
(Percent of Work Force)	Nov.	7.6	76	7.6	9.0	
Insured Unemployment						
(Percent of Cov. Emp.)	Nov.	4.1	40.3	3.8	4.9	
Construction Contracts*	Nov.	174	310	174	151	
Residential	Nov	205	166	168	132	
Cotton Consumption**	Oct.	73.1	70.1	74.9	74.2	
Petroleum Production*/**	Nov.	85.2	87.5	88.0	88.7	
Manufacturing Production	001	149.2	150.4	147.9	146.6	
Food	Oct	130.3	127.3	125.0	131.4	
Textiles	Oct.	143.7	147.5	146.7	142.5	
Apparel	Oct.	121.8	123.9	124.8	130.8	
Printing and Publishing	Oct.	128.8	130.4	129.6	129.6	
Chemicals	Oct.	164.9	166.8	165.3	161.4	
Lumber and Wood	Oct.	166.2	164.6	163.1	151.2	
Furniture and Fixtures	Oct.	135.0	134.3	133.5	139.6	
Stone, Clay, and Glass	Oct.	137.1	143.6	140.5	144.3	
Fabricated Metals	Oct.	107.5	104.9	109.8	114.2	
Nonelectrical Machinery	Oct.	165.8	164.6	1598	143.8	
Transportation Equipment	Oct. Oct.	263.0 147.4	262.8 152.8	259.0 151.5	231.7 139.4	
FINANCE AND BANKING						
Loans*						
All Member Banks	Nov.	284	282	277	266	
Deposits*	NOV.	224	222	220	226	
All Member Banks	Nov.	243	239	237	226	
Large Banks	Nov	204 370	199 363	197 368	197 310	
		5,0	202	500	210	
INCOME		1.40.0		14/ -		
Farm Cash Receipts	Nov. Sept.	148.6 207.1	146.3 232.2	144.7 304.9	131.7 186.6	
EMPLOYMENT						
Nonfarm Employment	Nov.	110.8	110.6	110.4	108.4	
Manuracturing	Nov. Nov	100.3	100.1	100.1	98.5 112 9	
Construction	Nov	121.6	121.7	122.4	123.7	
	LIPC	5 M J	55 2	545	646	

	Latest	Month 76	One Month Ago	Two Months Ago	One Year Ago
Unemployment Rate (Percent of Work Force)*** Average Weekly Hours in Mfg. (Hrs.)	Nov.	6.6 40.6	6.6 40.5	6.8 40.1	7.7 40.1
FINANCE AND BANKING					
Member Bank Loans Member Bank Deposits Bank Debits**	Nov Nov Nov	30 9 251 360	308 251 342	304 247 346	271 230 288
FLORIDA					
NCOME					
Manufacturing Income Farm Cash Receipts	Nov. Sept.	150.3 263.6	148.9 197.2	146.5 442.4	129.8 106.1
EMPLOYMENT					
Nonfarm Employment Manufacturing Nonmanufacturing Construction Farm Employment Unemployment Rate	Nov. Nov. Nov. Nov. Dec.	109.7 99.7 111.3 62.9 74.7	109.2 99.3 110.8 63.4 73.3	108.9 98.7 110.5 62.4 76.6	108.9 95.5 111.0 69.7 85.8
(Percent of Work Force)*** Average Weekly Hours in Mfg. (Hrs.)	Nov. Nov.	9.2 40.0	9.6 40.7	9.9 40.0	11.4 40.2
FINANCE AND BANKING					
Member Bank Loans Member Bank Deposits Bank Debits**	. Nov. . Nov. . Nov.	306 268 387	300 264 383	297 264 380	285 250 325
GEORGIA					
NCOME					
Manufacturing Income	Nov. . Sept.	135.7 208.1	129.9 132.3	131.4 264.8	124.6 237.4
EMPLOYMENT					
Nonfarm Employment	Nov. Nov. Nov. Nov. Dec.	103.3 95.9 106.2 75.1 58.4	103.1 95.1 106.2 74.1 56.4	103.1 95.9 105.8 73.0 51.4	101.7 93.6 104.9 75.4 65.2
(Percent of Work Force) Average Weekly Hours in Mfg. (Hrs.)	Nov. Nov.	6.3 40.5	6.1 39.8	6.2 36.2	8.5 40.6
FINANCE AND BANKING					
Member Bank Loans Member Bank Deposits Bank Debits**	Nov. Nov. Nov.	257 211 446	258 200 436	250 198 442	244 194 376
LOUISIANA					
INCOME					
Manufacturing Income ²	Nov. Sept.	156.7 163.5	159.5 191.0	15 7.8 200.8	141.5 128.4
EMPLOYMENT					
Nonfarm Employment Manufacturing Construction Farm Employment Unemployment Rate	Nov. Nov. Nov. Nov. Dec.	106.3 101.0 107.2 104.4 62.5	106.2 100.9 107.2 104.6 57.3	106.1 101.2 107.0 104.0 52.2	105.8 100.5 106.9 104.2 56.6
(Percent of Work Force)*** Average Weekly Hours in Mfg. (Hrs.)	Nov. Nov.	8.2 40.6	7.7 41.5	7.3 41.5	7.5 41.9
FINANCE AND BANKING					
Member Bank Loans* Member Bank Deposits* Bank Debits*/**	. Nov. . Nov. . Nov.	255 229 294	249 227 289	245 220 301	253 211 258
MISSISSIPPI					
INCOME					
Manufacturing Income [®]	Nov. Sept.	143.5 138.3	141.5 252.3	138.0 279.3	133.0 70.4
EMPLOYMENT Nonfarm Employment Manufacturing Nonmanufacturing Construction	Nov. Nov. Nov.	107.1 99.3 110.9	106.8 99.2 110.5	106.5 99.5 109.9 100.8	105.9 98.8 109.2
Farm Employment	. Dec.	42.1	44.3	46.3	51.8

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	Latest Month 1976	One Month Ago	Two Months Ago	One Year Ago		Latest	Month 976	One Month Ago	Two Months Ago	One Year Ago
Unemployment Rate					EMPLOYMENT					
(Percent of Work Force)*** N	Nov 6.0	6.3	5.9	6.0	Nonform Employment			1041	100.0	
Average Weekly Hours in Mfg. (Hrs.)	Nov. 39,8	39.7	39.2	40.1	Manufacturing	Nov	104.7	104.1	103.8	104.2
					Nonmanufacturing	Nov.	100.0	109.3	108.3	100 5
FINANCE AND BANKING					Construction	Nov.	01.3	01.0	100.2	103.5
Member Bank Loans*	lov. 290	286	284	259	Farm Employment	Dec.	61.2	61.5	50.0	62.0
Member Bank Deposits*	lov. 251	247	244	228	Linemployment Bate	Dec.	01.4	20.9	39.0	02.9
Bank Debits*/**	lov. 306	327	3 2 6	270	(Percent of Work Force)	Nov. Nov.	6.9 40.6	7.4	7.2 40.3	8.0 40.7
TENNESSEE										
					FINANCE AND BANKING					
INCOME					Member Bank Loanst	Neu	201	794	279	272
Manufacturing Income	140.6	124.0	120.0	100 1	Member Back Densitet	Nev.	201	204	220	204
Form Cook Receipte	opt 196.3	227.0	247.8	115.2	Rank Debits*/**	Nov.	234	205	320	224
Famili Casil Receipts	ept. 180.2	727.0	247.0	113.2			514	500	320	2/1
*For Sixth District area only; other totals for ***Seasonally adjusted data supplied by sta	r entire six sta Ite agencies.	tes	**D	aily average bas	15 *Preliminary data r-Revis	ed	N.A	. Not ava	ilable	

Note: All indexes: 1967 = 100, except mfg. income, employment, and retail sales, 1972 = 100.

Sources: Manufacturing production estimated by this Bank; nonfarm, mfg, and nonmfg emp, mfg, income and hours, and unemp, U.S. Dept. of Labor and cooperating state agencies; cotton corsumption. U.S. Bureau of Census; construction contracts, F. W. Dodge Div., McGraw-Hill Information Systems Co.; pet. prod., U.S. Bureau of Mines; farm cash receipts and farm emp., U.S.D.A. Other indexes based on data collected by this Bank.

Data have been bench marked and new trading day factors and seasonal factors computed using December 31, 1974 and June 30, 1975 Report of Condition data as bases. *Partially estimated

Manufacturing income data have been rebenchmarked to the most recent U.S. Dept. of Commerce manufacturing income series.

DEBITS TO DEMAND DEPOSIT ACCOUNTS

Insured Commercial Banks in the Sixth District

(In Thousands of Dollars)

				Pe	rcent C	hange					Pe	rcent C	hange
	Nov.	Oct.	Nov.	Nov 197 From	/. 6 m Nov.	Year to date 11 mos. 1976 from		Nov.	Oct.	Nov.	Nov 197 From Oct.	/. 6 1 1 Nov.	Year to date 11 mos 1976 from
	19/0	1976	1975	1976.	1975	1975		1970	1970	13/3	1970		1975
STANDARD METROPOLII STATISTICAL AREAS	FAN						Dothan	272,646 109,453	311,930 101,459	213,683 87,596	-13 + 8	+28 +25	+21 +17
Birmingham Gadsden Huntsville Mobile Montgomery Tuscaloosa	6,146,564 138,351 497,730 1,557,993 1,173,393 299,446	5,981,708 141,923 491,612 1,459,636 1,029,233 290,447	4,483,725 109,854 397,253 1,281,929 828,627 255,377	+ 3 - 3 + 1 + 7 +14 + 3	+37 +26 +25 +22 +42 +17	+15 +17 +15 + 2 +27 + 7	Bradenton Monroe County Ocala St. Augustine St. Petersburg Tampa	217,879 90,318 220,827 52,286 1,174,767 2,571,064	196,766 102,826 207,585 45,146 1,144,590 2,335,784	165,354 98,300 203,679 37,957 945,593 2,154,610	$^{+11}_{-12}$ + 6 + 16 + 3 + 10	+32 - 8 + 8 +38 +24 +19	+ 7 -14 + 2 +18 +11 + 8
Bartow-Lakeland- Winter Haven Daytona Beach	968,963 510,010	893,691r 478,259	772,218 393,294	+ 8 + 7	+25 +30	+10 +10	Athens	192,575 114,914	192,282 116.817	166,358 112,473	+ 0 - 2	+16 + 2	+12 + 4
Ft. Lauderdale Hollywood Ft. Myers	2,448,636 419,714	2,559,073 429,176	1,994,372 347,040	- 4 - 2	+23 +21	+29 + 4	Daiton Elberton Gainesville	231,545 33,244 210,484 84,034	205,583 32,365 207,592 84,676	29,468 169,781 68,351	+13 + 3 + 1 - 1	+42 +13 +24 +23	+21 +16 +14 +13
Gainesville Jacksonville Melbourne- Titusville-Cocoa	298,322 5,886,403 442,791	313,418 5,808,809 389,436	5,275,290 428,942	- 5 + 1 +14	+ 32 + 12 + 3	+10 +25 + 2	LaGrange	48,814 63,910 175,089	48,543 56,597 168,240	42,943 46,229 247,684	+ 1 +13 + 4	+14 +38 -29	+14 +17 - 2
Miami Orlando Pensacola	9.515.219 2,121,914 711,472	9,511,512r 2,013,404 719,728	6,828,452 1,424,363 670,509	+ 0 + 5 - 1	+39 +49 + 6	+19 +21 +27	Abbeville Bunkie	20,420 21,272	21,825 17,494	102,818	+ 0 - 6 +22	+15	+ 9
Sarasota Tailahassee Tampa-St. Pete W. Paim Beach	499,458 1,258,839 4,851,274 1,328,669	499,368 1,098,451 4,502,816 1,279,436	538,011 797,086 3,966,144 1,015,465	+ 0 +15 + 8 + 4	- 7 +58 +22 +31	-4 +4 +8 +10	Hammond New Iberia Plaguemine	104,192 110,017 31,268	93,360 101,842 34,216	86,721 87,005 21,015	+12 + 8 - 9	+20 +26 +49	- 3 +15 - 3
Albany	238,166 25.213,287	229,959 26,070,462	190,342 20,085,021	+ 4 - 3	+25 +26	+ 9 +15	Haltiesburg	172,154	166,994	156,133	+ 3	+10	+12
Augusta Columbus Macon Savannah	881,072 567,114 846,471 1 403 835	856,780 539,620 856,034 1 399,851	591,866 454,894 733,908r 1,037,448	+ 3 + 5 + 0	+49 +25 +15 +35	+21 +12 + 3r +36	Meridian Natchez Pascagoula	144,026 76,510	163,959 70,862	129,230 61,739	-12 + 8	+15 +11 +24	+ 9 +16
Alexandria Baton Rouge	380,967 2,021,575	380,721 2,053,822	301,027 1,833,112	+ 0 - 2	+27 +10	+11 + 1	Moss Point Vicksburg Yazoo City	174,686 113,104 50,400	143,606 126,490 62,399	164,446 92,786 39,353	+22 -11 19	+ 6 +22 +28	+ 0 +19 - 0
Lafayette	462,626 3 91, 179 6,312,605	461,389 373,392 5,988,388	386,347 262,126 5.087,184	+ 0 + 5 + 5	+20 +49 +24	+14 +17 + 9	Bristol) Johnson City	284,706 161,258	236,312 168,793	127,869 164,758	+20	+123	+59 + 0
Biloxi-Gulfport Jackson	366,266 2,212,783	380,447 2,328,632	298,702 1.751,968	4 5	+23 +26	+21 +22	DISTRICT TOTAL	416,212	390,912 109,383,354r	328,015 87,360,373r	+ 1	+27	+20 +15r
Chattanooga Knoxville Nashville	1,321,009 1,771,730 5,580,338	1,360,181 1,744,458 5,190,935	1,110,331 1,352,365 4.155,581	+ 2 + 8	+19 +31 +34	+ 4 +10 +14	Alabama Florida Georgia Louisiana'	13,893,895 34,231,542 34,247,723 11,519,645	13,407,249 33,297,301r 34,629,051 11,116,381	10,539,330 26,773,786 27,223,422r 9,465,968	+ 4 + 3 - 1 + 4	+32 +28 +26 +22	+14 +17r +16r + 8
Anniston	161,519	156,209	122,005	+ 3	+ 32	+17	Mississippi Tennessee	4,383,769 12,624,206	4,610,356 12,323,016	3,605,268 9,752,599	- 5 + 2	+22 +29	+19 +13

†Changes reflect structural changes in series. †District portion only. Conforms to SMSA definitions as of December 31, 1972.

FEDERAL RESERVE BANK OF ATLANTA



By late 1976, the economy showed renewed strength. Employment, income and business loans increased; residential construction contracts surged to the highest level of the year. However, nonresidential construction activity declined and farm income growth was arrested by reduced agricultural prices.

Total nonagricultural employment grew in November, while the unemployment rate remained unchanged. Nonmanufacturing jobs increased, mainly because of large increases in government, services, and transportation and public utilities. Job growth in durable industries more than offset job declines in both construction and nondurables. Factory hours increased slightly.

After a pause in October, manufacturing income accelerated in November, equaling September's gain, the best in the past 15 months. Department store sales and new car registrations improved moderately in October, but total retail sales were virtually unchanged. Increased extensions of bank consumer installment credit lent support to autos; declines occurred in extensions of credit card, other retail consumer goods and especially check credit. Reports indicate stronger Christmas sales than previously expected.

A strong advance in business loans continues. Commercial and industrial business borrowing at the large banks was steady in the last quarter of the year. The prime lending rate posted by many District banks fell 25 basis points to $6^{1}/_{4}$ percent in mid-December, bringing the rate down 100 basis points in the last six months. Deposit inflows continue to be strong, particularly for passbook savings. To expand earning assets, member banks continue to purchase a large volume of U. S. government securities.

In November, the value of residential construction contracts surged to the year's highest level after two months of decline. Savings inflows at thrift institutions continued to be strong into December in spite of reductions in rates and advertising; in some areas, terms of long-term certificates of deposit were lengthened. Mortgage rates continued to decline. Nonresidential contracts were down almost 70 percent from an October volume inflated by a bunching of large contracts. Consequently, the total value of construction contracts dropped to the third lowest level of the year.

Prices received by farmers declined sharply in November. Huge declines in citrus prices from October's levels, combined with reduced corn prices, accounted for most of the downturn. Livestock prices also fell, but a brisk increase in egg prices was partially offsetting. Following substantial gains through the first nine months of the year, estimated farm cash receipts held near year-ago levels during October and November. Unusually cold weather has arrested growth of winter forages in recent weeks and necessitated increased supplemental feeding of livestock.

Note: Data on which statements are based have been adjusted whenever possible to eliminate seasonal influences.

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