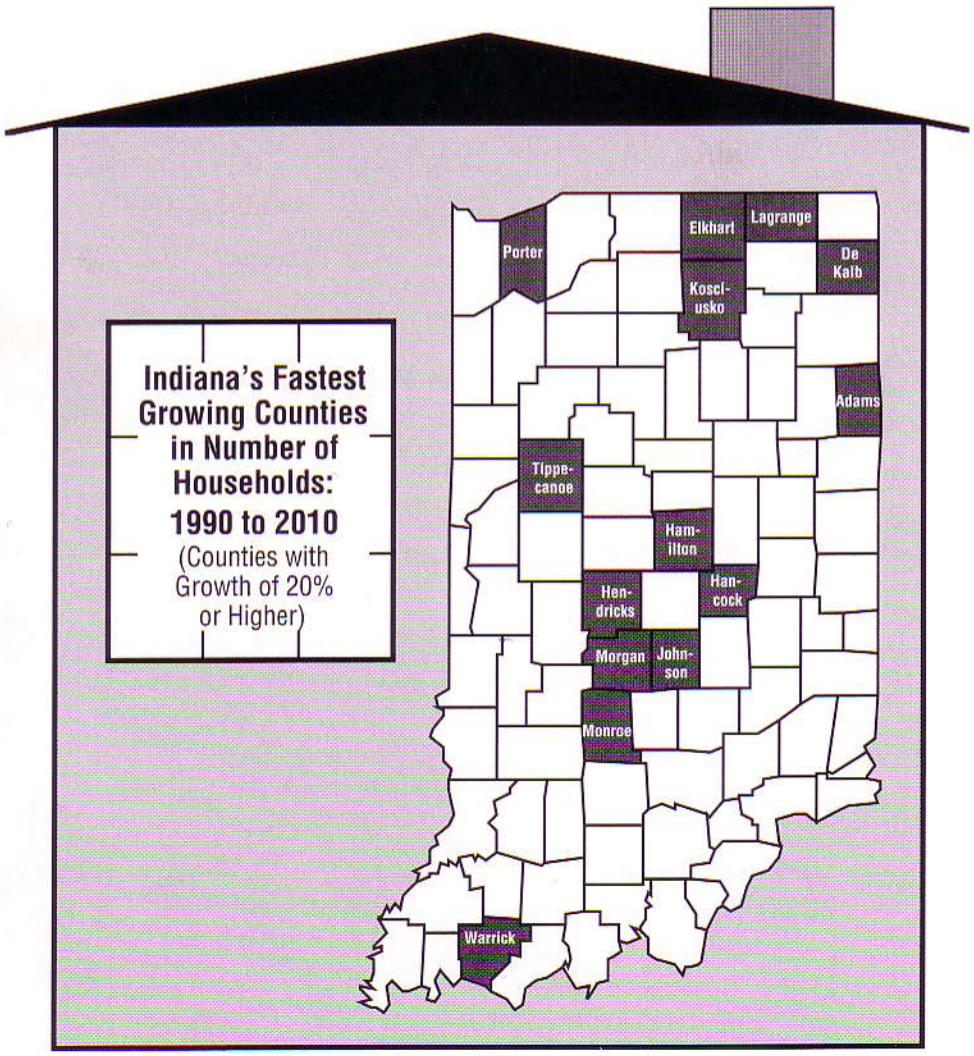
# Indiana Business Review

October 1995




*Plus . . .*

## Information Watch

Will we lose our data?

Indiana School of Business

IBRC

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**Indiana Business Review**
Volume 70, Number 2
October 1995

Published by the Indiana University School of Business, Indiana Business Research Center




The *Indiana Business Review* is a monthly publication of the Indiana University School of Business, Indiana Business Research Center. Its purpose is to share the results of research and analysis focusing on the economy and people of Indiana, sometimes in a national and global context. Ideas and articles for consideration are welcome. The *Indiana Update* insert provides a timely overview of economic conditions in Indiana, and will appear in all months—sometimes alone—except in December, which will be the month of publication for the Outlook edition of the *IBR*.

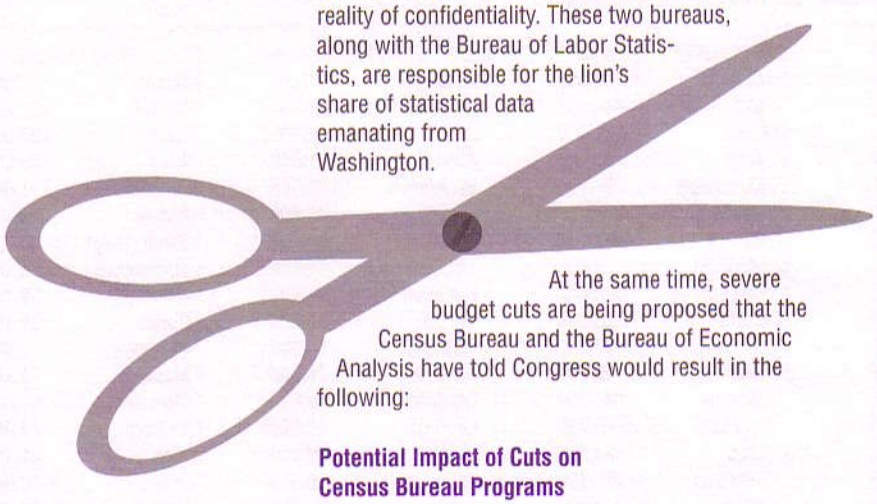
# Information Watch

**Carol O. Rogers**

*Public Information Manager, Indiana Business Research Center, Indiana University School of Business*

News that won't shake the earth, but may have a devastating effect on economic and demographic statistics, reached us via a Town Hall meeting held in Chicago in late August with Dr. Everett Ehrlich, Undersecretary for Economic Affairs at the U.S. Department of Commerce, and Dr. Martha Farnsworth Riche, director of the Bureau of the Census. They were in Chicago to discuss the 2000 Census and other statistical events with people from Indiana, Illinois, and Wisconsin.

The major item discussed by the audience was the proposal in Congress to dismantle the U.S. Department of Commerce, called the "Department of Commerce Dismantling Act." Under this bill, the Bureau of Economic Analysis would be part of the Federal Reserve, and the Bureau of the Census would end up in Treasury—an ominous choice, in light of the census's need for a strong perception to back up the reality of confidentiality. These two bureaus, along with the Bureau of Labor Statistics, are responsible for the lion's share of statistical data emanating from Washington.



At the same time, severe budget cuts are being proposed that the Census Bureau and the Bureau of Economic Analysis have told Congress would result in the following:

### Potential Impact of Cuts on Census Bureau Programs

- Drastically reduced 2000 decennial census. FY95 was a "trough" year for the Census budget, since the decennial is the big ticket item and most of the work for that was completed by 1993. Mid-decade is the time the Bureau typically "ramps" up, planning and testing for the upcoming decennial. To cut a "trough" year budget and then expect a census is cutting into the bone rather than eliminating the fat. It also makes it nearly impossible to move forward with the "continuous measurement" plan.

- Eliminate the economic, governmental, and agricultural 5-year censuses.

- Kill the Economic Information Infrastructure Initiative (so-called EI3), the modernization of federal statistics programs. According to Dr. Ehrlich, "A cut of this magnitude will result in a reduction to the core of the U.S. statistical base—a reduction equivalent to about 40% of current economic statistics programs or about 66% of current demographic programs."

### Potential Impacts of the Cuts on Bureau of Economic Analysis Programs

- The regional economic statistics program would be eliminated. This is the program that provides us with county and metro area data on personal income, per capita income, earnings and employment by industry estimates and projections, and gross state product. Gone, too, would be quarterly state data.

- We would also lose Foreign Direct Investment Data, which provides establishment-level information by state and industry on foreign direct investment in the United States.

What would Indiana lose if these cuts go through? We would lose the ability to track the progress of our people and our businesses. These data are the foundation of much of the decision making that goes on in determining capital investments, creating new businesses, finding new markets, and making policy decisions about the quality of life in our state. Businesses would be much more uncertain about local market conditions.

*What would Indiana lose if these cuts go through? We would lose the ability to track the progress of our people and our businesses.*

Would Indiana survive? Certainly these are not life or death matters. But it seems ill-advised to cut $25–50 million from these combined budgets, when the result would be costs several times that large when state and local governments are forced to develop local measures. It is also ironic that slashing such important information as that produced by the Census Bureau and the Bureau of Economic Analysis is being proposed at a time when technology is allowing millions of people access to that information.

# Projected Household Trends for Counties, 1995 to 2030

**Susan Brudvig**

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Last month's *Indiana Business Review* reported a projected increase of nearly one-quarter of a million households for Indiana between 1990 and 2010. Where in the state is this change in the number of households projected to take place? This month's issue is devoted solely to county-level results of the household projections for Indiana—the first set of IBRC projections produced for type of household and householder characteristics. The set of projections presented here, however, does not imply certainty about the future course of events. Those concerns will be discussed in a future issue of the *IBR*.

## Household Growth

Marion is projected to be the county with the most households over the next 35 years (see **Table 1**). Lake, Allen, and St. Joseph counties should remain in second, third, and fourth places, respectively. Positioning in the next six ranks should change. By 2000, the list of the ten most populous counties will probably include Hamilton, as Delaware County falls out of the top ten. Between 2000 and 2010, Elkhart County's pace of household growth is expected to land it in fifth place, pushing Vanderburgh into the sixth rank.

Projected to head the list of counties containing the fewest households are Ohio, Union, Switzerland,

*(continued on p. 5)*

**Table 1**
**Indiana Counties Ranked by Number of Households: 1990, 2000, 2010, and 2030**

| | *1990 Census* | | *2000 Projection* | | *2010 Projection* | | *2030 Projection* | |
|---|---|---|---|---|---|---|---|---|
| *Rank* | *County* | *Total* | *County* | *Total* | *County* | *Total* | *County* | *Total* |
| 1 | Marion | 319,471 | Marion | 338,300 | Marion | 362,400 | Marion | 401,700 |
| 2 | Lake | 170,748 | Lake | 171,600 | Lake | 179,400 | Lake | 193,000 |
| 3 | Allen | 113,333 | Allen | 121,100 | Allen | 131,600 | Allen | 146,600 |
| 4 | St. Joseph | 92,365 | St. Joseph | 97,100 | St. Joseph | 103,000 | St. Joseph | 111,000 |
| 5 | Vanderburgh | 66,780 | Vanderburgh | 67,300 | Elkhart | 70,700 | Elkhart | 79,400 |
| 6 | Elkhart | 56,713 | Elkhart | 63,900 | Vanderburgh | 68,700 | Vanderburgh | 70,200 |
| 7 | Madison | 49,804 | Madison | 50,400 | Tippecanoe | 54,900 | Tippecanoe | 60,400 |
| 8 | Tippecanoe | 45,618 | Tippecanoe | 50,000 | Hamilton | 54,400 | Hamilton | 59,400 |
| 9 | Delaware | 45,177 | Porter | 49,800 | Porter | 54,200 | Porter | 55,100 |
| 10 | Porter | 45,159 | Hamilton | 47,400 | Madison | 51,800 | Delaware | 52,800 |
| 11 | Vigo | 39,804 | Delaware | 46,300 | Monroe | 48,600 | Madison | 52,200 |
| 12 | Monroe | 39,351 | Monroe | 44,300 | Delaware | 48,600 | Monroe | 51,000 |
| 13 | Hamilton | 38,834 | La Porte | 40,200 | La Porte | 42,200 | La Porte | 44,900 |
| 14 | La Porte | 38,488 | Vigo | 39,800 | Vigo | 40,800 | Vigo | 41,700 |
| 15 | Clark | 33,292 | Johnson | 35,300 | Johnson | 38,600 | Johnson | 40,600 |
| 16 | Howard | 31,523 | Clark | 34,200 | Clark | 35,700 | Clark | 35,800 |
| 17 | Johnson | 31,354 | Howard | 32,200 | Howard | 33,900 | Howard | 35,200 |
| 18 | Grant | 27,701 | Hendricks | 29,200 | Hendricks | 32,100 | Hendricks | 33,400 |
| 19 | Wayne | 27,587 | Wayne | 27,500 | Kosciusko | 28,200 | Kosciusko | 32,100 |
| 20 | Hendricks | 26,109 | Grant | 27,400 | Wayne | 28,200 | Wayne | 28,700 |
| 21 | Bartholomew | 24,192 | Kosciusko | 25,700 | Grant | 27,400 | Floyd | 28,700 |
| 22 | Floyd | 24,085 | Floyd | 25,500 | Floyd | 27,200 | Bartholomew | 28,000 |
| 23 | Kosciusko | 23,449 | Bartholomew | 25,400 | Bartholomew | 26,900 | Grant | 25,900 |
| 24 | Morgan | 19,600 | Morgan | 21,700 | Morgan | 23,700 | Morgan | 25,300 |
| 25 | Henry | 18,642 | Henry | 18,500 | Hancock | 19,200 | Hancock | 20,000 |
| 26 | Lawrence | 16,235 | Hancock | 17,500 | Warrick | 19,100 | Warrick | 20,000 |
| 27 | Hancock | 15,959 | Warrick | 17,400 | Henry | 18,800 | Marshall | 19,600 |
| 28 | Warrick | 15,817 | Lawrence | 16,800 | Marshall | 17,800 | Henry | 18,400 |
| 29 | Marshall | 15,146 | Marshall | 16,300 | Lawrence | 17,400 | Noble | 18,100 |
| 30 | Knox | 15,145 | Shelby | 15,500 | Dearborn | 16,700 | Dearborn | 17,900 |
| 31 | Shelby | 14,761 | Knox | 15,400 | Shelby | 16,500 | Lawrence | 17,400 |
| 32 | Cass | 14,659 | Dearborn | 15,100 | Noble | 16,000 | Boone | 17,200 |
| 33 | Jackson | 14,032 | Jackson | 14,800 | Boone | 15,900 | Shelby | 17,200 |
| 34 | Boone | 13,922 | Cass | 14,700 | Knox | 15,700 | De Kalb | 16,900 |
| 35 | Dearborn | 13,642 | Boone | 14,600 | Jackson | 15,700 | Dubois | 16,900 |
| 36 | Miami | 13,484 | Noble | 14,600 | Dubois | 15,300 | Jackson | 16,500 |
| 37 | Noble | 13,418 | Dubois | 14,100 | Cass | 15,100 | Lagrange | 16,500 |

*(continued)*

**Table 1** *(cont'd.)*

| | 1990 Census | | 2000 Projection | | 2010 Projection | | 2030 Projection | |
|---|---|---|---|---|---|---|---|---|
| *Rank* | *County* | *Total* | *County* | *Total* | *County* | *Total* | *County* | *Total* |
| 38 | Montgomery | 13,235 | De Kalb | 13,800 | De Kalb | 15,100 | Adams | 16,000 |
| 39 | Dubois | 13,023 | Montgomery | 13,600 | Huntington | 14,400 | Huntington | 15,900 |
| 40 | Huntington | 12,830 | Huntington | 13,400 | Montgomery | 14,200 | Knox | 15,800 |
| 41 | De Kalb | 12,725 | Wabash | 12,600 | Miami | 13,200 | Cass | 15,800 |
| 42 | Wabash | 12,630 | Gibson | 12,200 | Wabash | 13,100 | Miami | 15,100 |
| 43 | Gibson | 12,299 | Greene | 12,200 | Adams | 12,900 | Montgomery | 15,000 |
| 44 | Greene | 11,910 | Miami | 12,000 | Harrison | 12,700 | Clinton | 13,500 |
| 45 | Clinton | 11,450 | Harrison | 11,600 | Lagrange | 12,700 | Wabash | 13,300 |
| 46 | Jefferson | 10,897 | Clinton | 11,600 | Gibson | 12,700 | Harrison | 13,300 |
| 47 | Harrison | 10,618 | Adams | 11,400 | Greene | 12,500 | Gibson | 13,100 |
| 48 | Adams | 10,470 | Jefferson | 11,100 | Clinton | 12,300 | Whitley | 12,900 |
| 49 | Randolph | 10,451 | Steuben | 11,000 | Whitley | 11,700 | Greene | 12,600 |
| 50 | Steuben | 10,194 | Putnam | 10,800 | Steuben | 11,600 | Wells | 12,200 |
| 51 | Daviess | 10,012 | Lagrange | 10,800 | Putnam | 11,500 | Steuben | 12,000 |
| 52 | Whitley | 10,010 | Whitley | 10,700 | Jefferson | 11,500 | Daviess | 12,000 |
| 53 | Putnam | 9,996 | Randolph | 10,300 | Wells | 10,900 | Putnam | 11,900 |
| 54 | Fayette | 9,945 | Fayette | 10,200 | Posey | 10,700 | Jefferson | 11,400 |
| 55 | Posey | 9,508 | Daviess | 10,100 | Daviess | 10,700 | Posey | 11,400 |
| 56 | Wells | 9,438 | Wells | 10,000 | Fayette | 10,600 | Ripley | 11,100 |
| 57 | Clay | 9,382 | Posey | 9,900 | Randolph | 10,600 | Fayette | 10,900 |
| 58 | Lagrange | 9,209 | Washington | 9,500 | Washington | 10,300 | Jasper | 10,800 |
| 59 | White | 8,926 | Clay | 9,400 | Jasper | 10,000 | Randolph | 10,800 |
| 60 | Ripley | 8,778 | Jasper | 9,200 | Ripley | 9,900 | Washington | 10,700 |
| 61 | Washington | 8,664 | Ripley | 9,200 | Clay | 9,700 | Decatur | 10,400 |
| 62 | Jasper | 8,527 | Jennings | 9,000 | Jennings | 9,700 | Clay | 10,200 |
| 63 | Decatur | 8,427 | White | 8,900 | Decatur | 9,600 | Jennings | 9,900 |
| 64 | Jennings | 8,351 | Decatur | 8,800 | White | 9,300 | White | 9,800 |
| 65 | Jay | 8,161 | Starke | 8,600 | Starke | 9,000 | Starke | 9,700 |
| 66 | Starke | 8,141 | Jay | 8,100 | Scott | 8,600 | Scott | 9,100 |
| 67 | Scott | 7,593 | Scott | 8,100 | Jay | 8,400 | Jay | 9,000 |
| 68 | Sullivan | 7,364 | Fulton | 7,400 | Franklin | 7,900 | Franklin | 8,800 |
| 69 | Fulton | 7,345 | Carroll | 7,200 | Fulton | 7,600 | Fulton | 8,000 |
| 70 | Carroll | 7,067 | Franklin | 7,200 | Carroll | 7,600 | Carroll | 8,000 |
| 71 | Spencer | 6,962 | Spencer | 7,100 | Spencer | 7,500 | Owen | 7,900 |
| 72 | Orange | 6,950 | Orange | 7,100 | Owen | 7,400 | Spencer | 7,800 |
| 73 | Fountain | 6,858 | Perry | 7,100 | Perry | 7,400 | Orange | 7,600 |
| 74 | Perry | 6,845 | Sullivan | 7,000 | Orange | 7,300 | Perry | 7,500 |
| 75 | Vermillion | 6,638 | Owen | 6,900 | Sullivan | 7,000 | Rush | 7,400 |
| 76 | Franklin | 6,636 | Fountain | 6,800 | Rush | 6,900 | Sullivan | 7,100 |
| 77 | Rush | 6,504 | Rush | 6,600 | Fountain | 6,800 | Fountain | 6,900 |
| 78 | Owen | 6,394 | Vermillion | 6,300 | Tipton | 6,400 | Tipton | 6,600 |
| 79 | Tipton | 6,026 | Tipton | 6,100 | Brown | 6,400 | Vermillion | 6,200 |
| 80 | Parke | 5,845 | Brown | 6,000 | Vermillion | 6,300 | Brown | 6,100 |
| 81 | Blackford | 5,436 | Parke | 5,800 | Parke | 5,900 | Parke | 5,800 |
| 82 | Brown | 5,370 | Blackford | 5,300 | Blackford | 5,400 | Newton | 5,600 |
| 83 | Pike | 4,925 | Newton | 4,900 | Newton | 5,200 | Blackford | 5,500 |
| 84 | Newton | 4,839 | Pike | 4,900 | Pike | 4,900 | Pulaski | 5,400 |
| 85 | Pulaski | 4,722 | Pulaski | 4,700 | Pulaski | 4,900 | Pike | 4,900 |
| 86 | Martin | 3,836 | Martin | 3,900 | Martin | 4,200 | Martin | 4,400 |
| 87 | Crawford | 3,660 | Crawford | 3,800 | Crawford | 4,000 | Crawford | 4,400 |
| 88 | Benton | 3,524 | Benton | 3,400 | Benton | 3,600 | Benton | 4,100 |
| 89 | Warren | 3,015 | Switzerland | 3,000 | Switzerland | 3,200 | Switzerland | 3,200 |
| 90 | Switzerland | 2,839 | Warren | 3,000 | Warren | 3,100 | Union | 3,100 |
| 91 | Union | 2,576 | Union | 2,700 | Union | 2,900 | Warren | 3,000 |
| 92 | Ohio | 1,980 | Ohio | 2,100 | Ohio | 2,300 | Ohio | 2,400 |

*Note: Ranks based on unrounded numbers.*

## Change in the Number of Households Early or Late in the Period 1990 to 2030

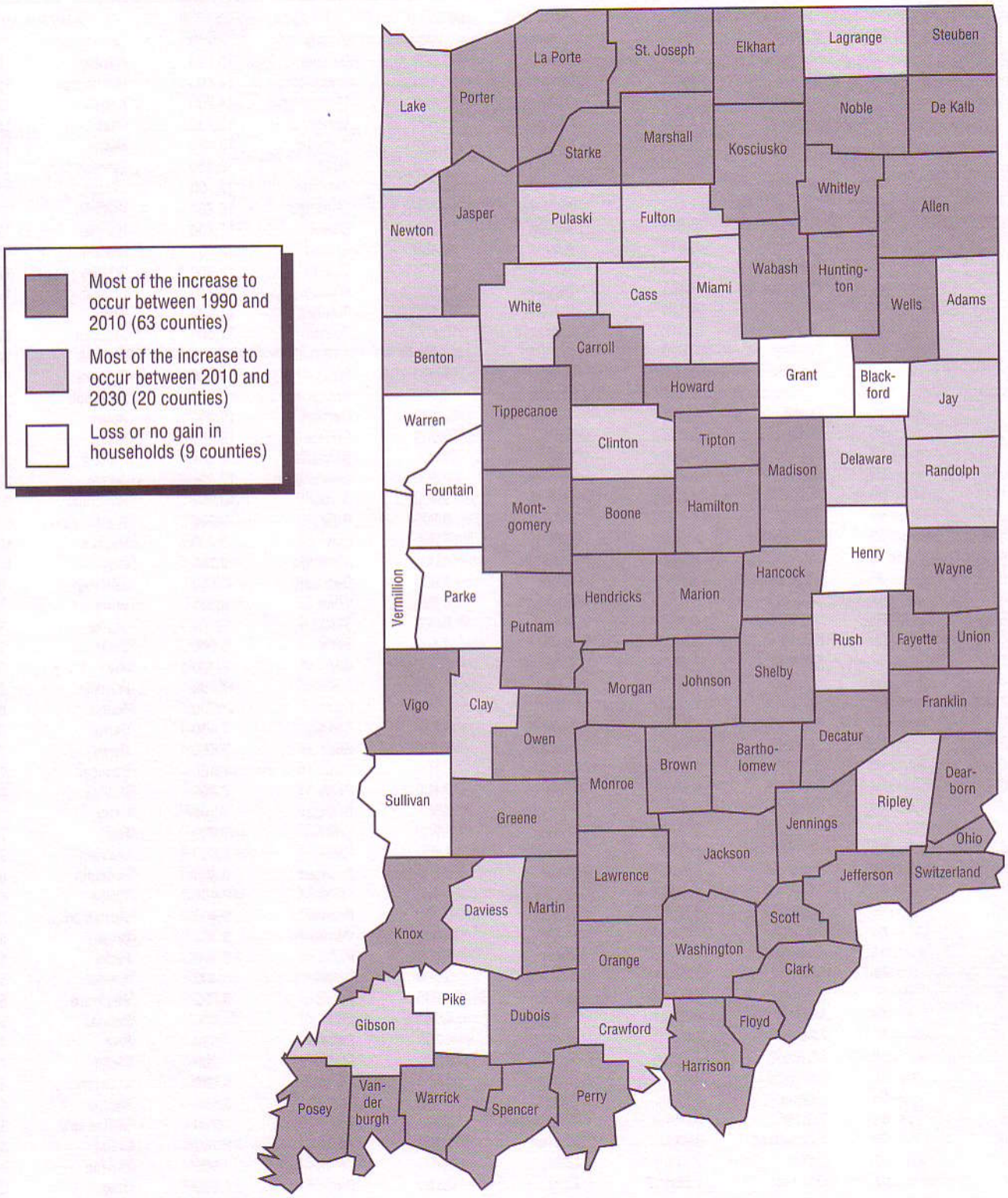
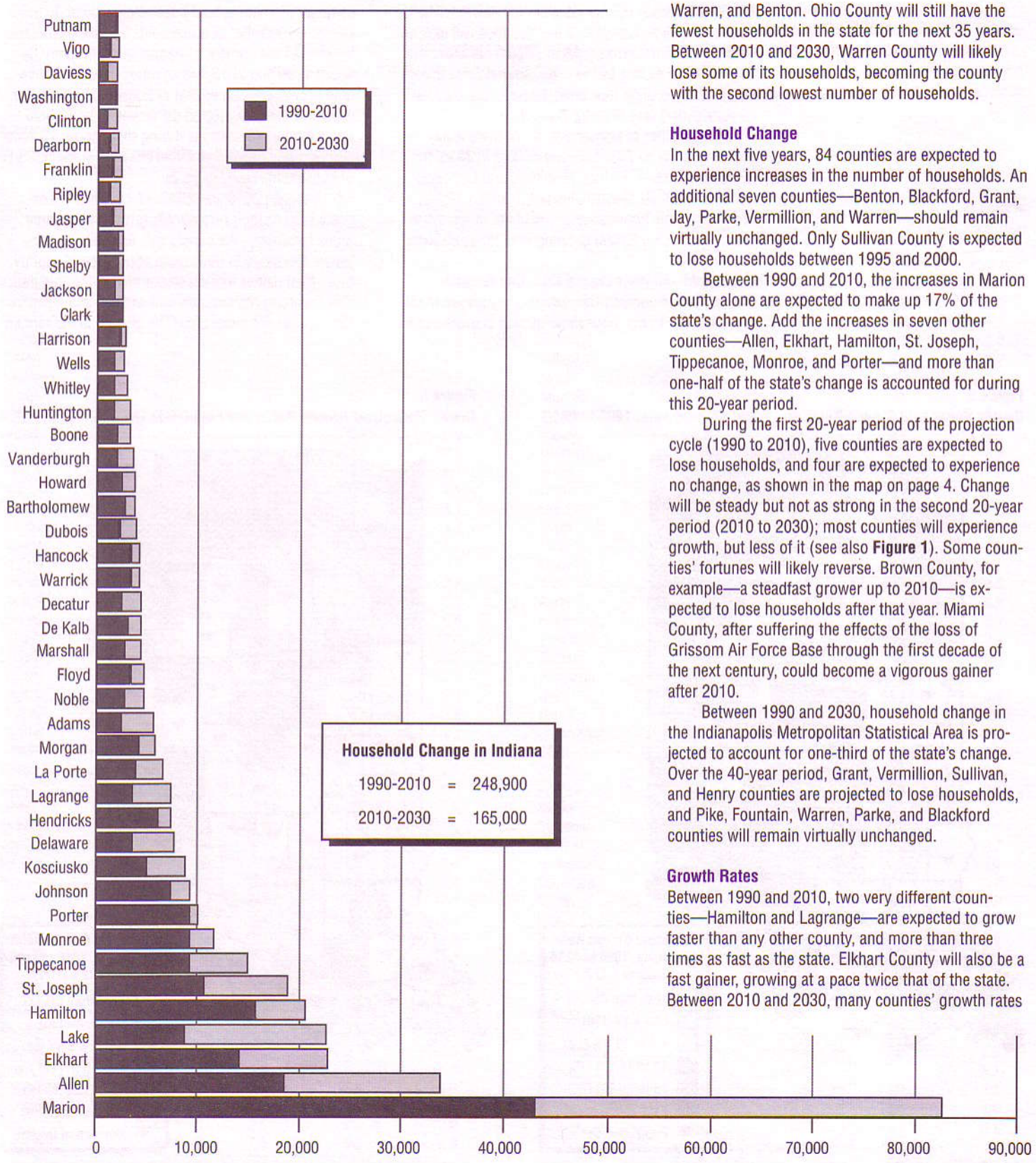


**Figure 1**
**Household Change from 1990 to 2030: Counties With the Highest Net Change**




Warren, and Benton. Ohio County will still have the fewest households in the state for the next 35 years. Between 2010 and 2030, Warren County will likely lose some of its households, becoming the county with the second lowest number of households.

### Household Change

In the next five years, 84 counties are expected to experience increases in the number of households. An additional seven counties—Benton, Blackford, Grant, Jay, Parke, Vermillion, and Warren—should remain virtually unchanged. Only Sullivan County is expected to lose households between 1995 and 2000.

Between 1990 and 2010, the increases in Marion County alone are expected to make up 17% of the state's change. Add the increases in seven other counties—Allen, Elkhart, Hamilton, St. Joseph, Tippecanoe, Monroe, and Porter—and more than one-half of the state's change is accounted for during this 20-year period.

During the first 20-year period of the projection cycle (1990 to 2010), five counties are expected to lose households, and four are expected to experience no change, as shown in the map on page 4. Change will be steady but not as strong in the second 20-year period (2010 to 2030); most counties will experience growth, but less of it (see also **Figure 1**). Some counties' fortunes will likely reverse. Brown County, for example—a steadfast grower up to 2010—is expected to lose households after that year. Miami County, after suffering the effects of the loss of Grissom Air Force Base through the first decade of the next century, could become a vigorous gainer after 2010.

Between 1990 and 2030, household change in the Indianapolis Metropolitan Statistical Area is projected to account for one-third of the state's change. Over the 40-year period, Grant, Vermillion, Sullivan, and Henry counties are projected to lose households, and Pike, Fountain, Warren, Parke, and Blackford counties will remain virtually unchanged.

### Growth Rates

Between 1990 and 2010, two very different counties—Hamilton and Lagrange—are expected to grow faster than any other county, and more than three times as fast as the state. Elkhart County will also be a fast gainer, growing at a pace twice that of the state. Between 2010 and 2030, many counties' growth rates

will fall as average county rates are cut almost in half, from 11% to 6%. However, a few counties will pick up momentum. Most notably, Miami County is expected to grow twice as fast as the state, Adams three times faster, and Lagrange four times faster in the second 20-year period (see **Figures 2** and **3**).

The number of households in the state is expected to grow by 20% between 1990 and 2030. In addition to Adams, Elkhart, Hamilton, and Lagrange counties, De Kalb, Decatur, Elkhart, Franklin, Noble, Kosciusko, and Tippecanoe counties are projected to round out the ten fastest growing over those 40 years.

### Household and Household Population Growth

Due to the age compositional factors discussed in the previous *IBR* article, household growth is projected to be faster than household population growth. In other words, the number of households will likely increase faster than the number of people living in them. Between 1990 and 2010, ten counties may see household growth four times that of household population growth. Despite projected decreases in household population in 25 counties during this period, 17 counties are likely to experience an increase in the number of households (see Figure 2).

Between 2010 and 2030, 17 counties are expected to see their households grow at least three times faster than the population. And despite projected decreases in household population in slightly more than half of Indiana's counties during this period (see Figure 3), 85 counties will witness increases in the number of households. The change in the remain-

**Figure 2**
**County Household Growth Rates and Population Decline: 1990 to 2010**

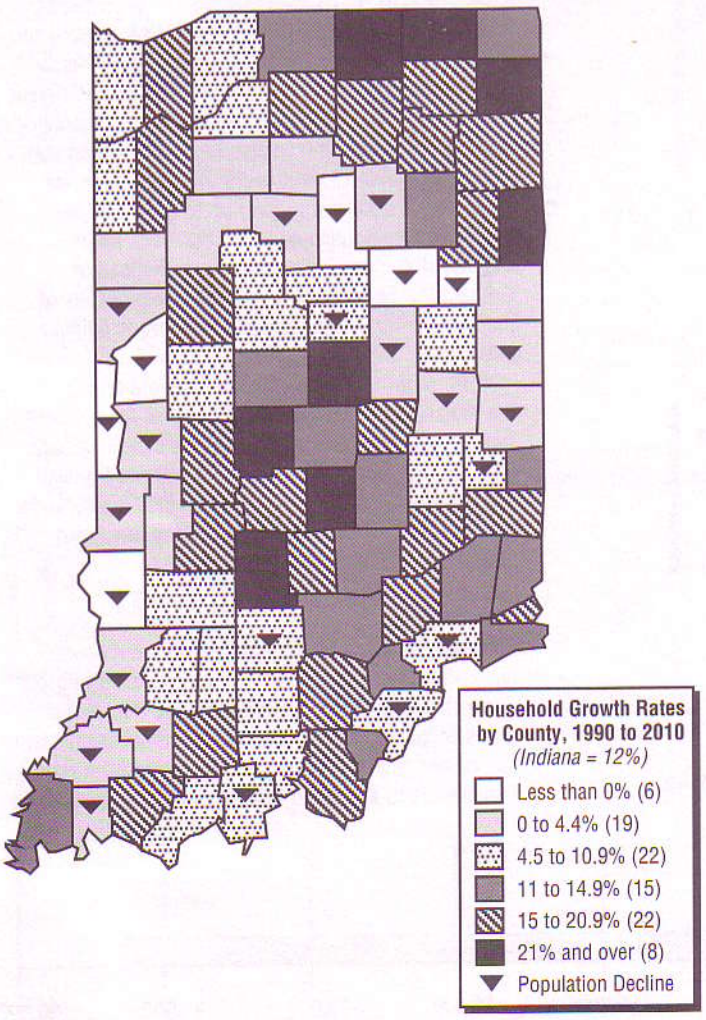
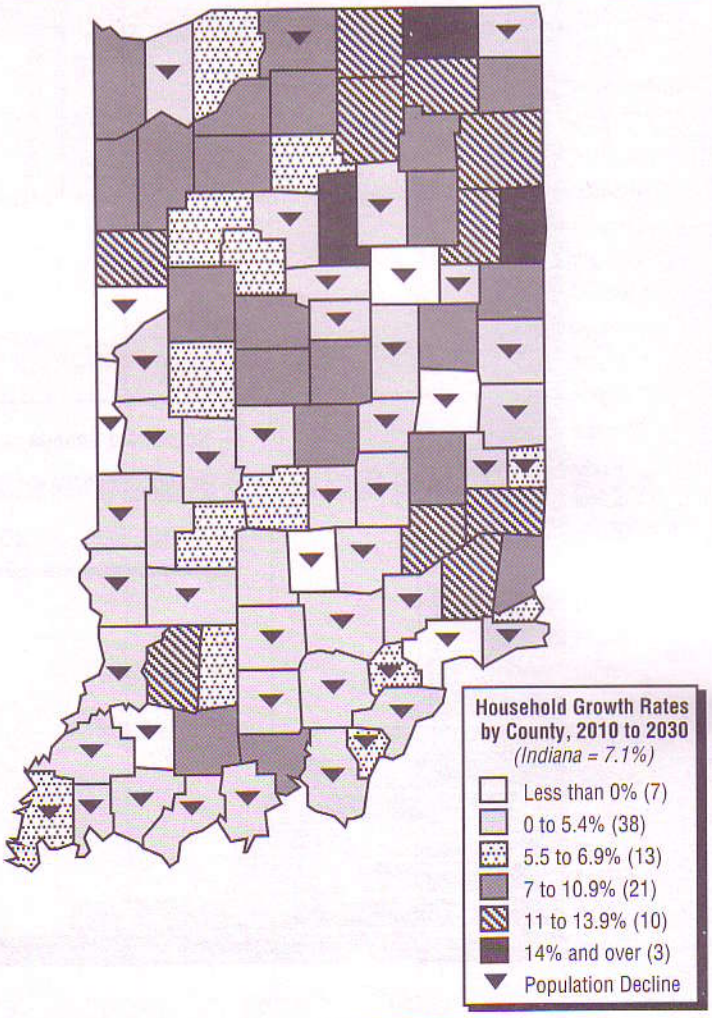



**Figure 3**
**County Household Growth Rates and Population Decline: 2010 to 2030**



ing seven counties is so minuscule that they are best characterized as remaining stable in the total number of households during this period, despite much heavier losses projected in the household population (see the maps and **Table 2**).

### Average Household Size

In nearly every county, the average number of people per household is expected to decline over the course of the projection period (see **Table 3**). As a result of its Amish population, Lagrange County is projected to

**Table 2**
**Growth Rates in Households and Household Population by County: 1990 to 2030**

| | 1990 to 2010 | | 2010 to 2030 | |
|---|---|---|---|---|
| | Household Growth Rate (%) | Household Population Growth Rate (%) | Household Growth Rate (%) | Household Population Growth Rate (%) |
| **INDIANA** | **12.0** | **5.5** | **7.1** | **0.7** |
| Adams | 22.8 | 18.5 | 24.7 | 19.4 |
| Allen | 16.1 | 9.0 | 11.5 | 4.1 |
| Bartholomew | 11.1 | 2.9 | 4.0 | -2.6 |
| Benton | 3.2 | 3.1 | 12.0 | 7.8 |
| Blackford | -1.2 | -5.1 | 1.6 | -3.0 |
| Boone | 14.0 | 7.9 | 8.7 | 2.2 |
| Brown | 18.9 | 6.1 | -4.3 | -9.4 |
| Carroll | 6.9 | 2.2 | 5.9 | 0.9 |
| Cass | 3.3 | -0.7 | 4.0 | -0.5 |
| Clark | 7.2 | -1.4 | 0.4 | -6.7 |
| Clay | 3.3 | 0.3 | 5.1 | 1.6 |
| Clinton | 7.2 | 3.2 | 9.7 | 3.1 |
| Crawford | 9.3 | 6.5 | 9.1 | 4.4 |
| Daviess | 6.7 | 5.2 | 12.3 | 7.8 |
| De Kalb | 22.1 | 12.4 | 7.5 | 2.1 |
| Dearborn | 13.3 | 4.9 | 9.4 | 2.7 |
| Decatur | 19.0 | 10.5 | 11.8 | 5.2 |
| Delaware | 7.5 | 4.8 | 8.7 | 5.8 |
| Dubois | 17.4 | 8.8 | 10.5 | 3.4 |
| Elkhart | 24.7 | 14.5 | 12.2 | 4.7 |
| Fayette | 6.4 | -1.8 | 2.7 | -2.1 |
| Floyd | 12.9 | 5.8 | 5.6 | -2.0 |
| Fountain | -0.4 | -4.8 | 0.3 | -3.8 |
| Franklin | 19.1 | 8.8 | 11.5 | 4.3 |
| Fulton | 3.5 | 2.8 | 5.6 | 2.7 |
| Gibson | 2.9 | -1.5 | 3.3 | -1.6 |
| Grant | -1.2 | -6.5 | -5.3 | -9.9 |
| Greene | 4.9 | 0.1 | 0.9 | -2.9 |
| Hamilton | 40.1 | 25.9 | 9.3 | 1.1 |
| Hancock | 20.2 | 7.5 | 4.2 | -2.6 |
| Harrison | 19.3 | 8.8 | 4.8 | -0.8 |
| Hendricks | 23.1 | 9.5 | 4.0 | -2.4 |
| Henry | 0.6 | -5.6 | -1.7 | -7.1 |
| Howard | 7.5 | 0.4 | 4.0 | -1.8 |
| Huntington | 12.2 | 5.7 | 10.7 | 4.6 |
| Jackson | 12.2 | 4.2 | 5.0 | -1.3 |
| Jasper | 17.0 | 6.8 | 8.6 | 2.7 |
| Jay | 2.3 | 0.6 | 7.2 | 3.5 |
| Jefferson | 5.7 | -2.8 | -0.8 | -8.5 |
| Jennings | 15.6 | 4.4 | 2.8 | -4.3 |
| Johnson | 23.2 | 10.1 | 5.1 | -3.3 |
| Knox | 4.0 | -3.8 | 0.6 | -6.3 |
| Kosciusko | 20.3 | 14.5 | 13.8 | 8.6 |
| Lagrange | 37.4 | 30.6 | 30.4 | 26.9 |
| Lake | 5.1 | 0.6 | 7.6 | 2.6 |
| La Porte | 9.7 | 2.5 | 6.3 | 0.8 |
| Lawrence | 7.2 | -0.8 | 0.0 | -6.1 |
| Madison | 4.0 | -3.2 | 0.9 | -5.2 |
| Marion | 13.4 | 8.7 | 10.8 | 2.1 |
| Marshall | 17.5 | 10.1 | 9.9 | 5.3 |
| Martin | 8.6 | 0.7 | 6.1 | 0.7 |
| Miami | -2.5 | -6.3 | 14.7 | 8.1 |
| Monroe | 23.5 | 19.1 | 5.0 | 0.6 |
| Montgomery | 7.5 | 1.9 | 5.5 | 0.2 |
| Morgan | 20.7 | 10.5 | 6.8 | 0.6 |
| Newton | 7.1 | 2.6 | 7.9 | 3.6 |
| Noble | 19.4 | 12.0 | 12.9 | 6.8 |
| Ohio | 15.6 | 8.1 | 6.7 | 2.7 |
| Orange | 5.7 | 0.2 | 3.8 | -1.5 |
| Owen | 15.7 | 11.5 | 6.1 | 1.5 |
| Parke | 0.1 | -3.2 | 0.0 | -4.9 |
| Perry | 7.6 | -0.5 | 1.5 | -3.7 |
| Pike | 0.3 | -4.4 | -0.6 | -4.5 |
| Porter | 20.1 | 5.1 | 1.7 | -6.2 |
| Posey | 12.5 | 2.9 | 6.3 | -0.9 |
| Pulaski | 4.1 | 4.5 | 9.9 | 9.9 |
| Putnam | 15.5 | 5.3 | 3.2 | -5.9 |
| Randolph | 1.0 | -4.1 | 2.1 | -3.1 |
| Ripley | 12.8 | 8.0 | 11.8 | 6.4 |
| Rush | 6.4 | 0.8 | 7.6 | 0.7 |
| St. Joseph | 11.5 | 4.8 | 7.8 | -0.6 |
| Scott | 13.1 | 5.8 | 5.9 | -0.3 |
| Shelby | 12.0 | 2.6 | 4.1 | -3.0 |
| Spencer | 7.7 | 2.7 | 3.4 | -0.4 |
| Starke | 10.4 | 5.6 | 7.5 | 3.3 |
| Steuben | 14.1 | 7.3 | 3.2 | -2.6 |
| Sullivan | -4.6 | -6.9 | 1.3 | -2.2 |
| Switzerland | 11.2 | 3.8 | 0.2 | -4.1 |
| Tippecanoe | 20.3 | 15.6 | 10.1 | 4.7 |
| Tipton | 6.5 | -0.6 | 3.0 | -2.8 |
| Union | 13.6 | 4.2 | 6.2 | -1.8 |
| Vanderburgh | 2.9 | -1.6 | 2.2 | -4.0 |
| Vermillion | -5.0 | -7.9 | -2.0 | -6.7 |
| Vigo | 2.6 | -3.3 | 2.2 | -4.2 |
| Wabash | 4.0 | -3.6 | 1.6 | -4.2 |
| Warren | 1.3 | -6.6 | -1.4 | -8.9 |
| Warrick | 20.5 | 8.6 | 4.7 | -1.7 |
| Washington | 18.9 | 5.8 | 3.6 | -2.8 |
| Wayne | 2.1 | -3.3 | 2.0 | -3.2 |
| Wells | 15.8 | 7.5 | 12.0 | 4.5 |
| White | 3.8 | 2.2 | 5.6 | 2.2 |
| Whitley | 16.9 | 9.2 | 10.1 | 4.1 |

*(Note: Percentages were calculated using unrounded figures.)*

have the highest average in the state, with three people per household in 2010 and 2.92 in 2030. Some rural counties, such as Benton, Fulton, and Pulaski, may experience temporary increases in the average size of their households. Suburban counties such as Hamilton, Hancock, Hendricks, Johnson, and Porter will experience the greatest declines in population per household.

*County household projections are available on EDIN, the online Economic Development Information Network. Write to the IBRC for information.*

**Table 3**
**Average Number of People per Household by County: 1990, 2000, 2010, 2030**

| | *1990 Census* | *2000 Projection* | *2010 Projection* | *2030 Projection* |
|---|---|---|---|---|
| **INDIANA** | **2.61** | **2.55** | **2.45** | **2.31** |
| Adams | 2.92 | 2.90 | 2.82 | 2.70 |
| Allen | 2.61 | 2.56 | 2.45 | 2.29 |
| Bartholomew | 2.60 | 2.52 | 2.41 | 2.26 |
| Benton | 2.65 | 2.71 | 2.64 | 2.55 |
| Blackford | 2.56 | 2.53 | 2.46 | 2.35 |
| Boone | 2.69 | 2.67 | 2.55 | 2.39 |
| Brown | 2.61 | 2.46 | 2.33 | 2.20 |
| Carroll | 2.63 | 2.59 | 2.52 | 2.40 |
| Cass | 2.55 | 2.52 | 2.45 | 2.35 |
| Clark | 2.59 | 2.50 | 2.39 | 2.22 |
| Clay | 2.60 | 2.58 | 2.52 | 2.44 |
| Clinton | 2.65 | 2.65 | 2.55 | 2.40 |
| Crawford | 2.69 | 2.68 | 2.62 | 2.51 |
| Daviess | 2.70 | 2.72 | 2.66 | 2.55 |
| De Kalb | 2.81 | 2.73 | 2.59 | 2.46 |
| Dearborn | 2.77 | 2.68 | 2.56 | 2.40 |
| Decatur | 2.75 | 2.66 | 2.55 | 2.40 |
| Delaware | 2.47 | 2.45 | 2.41 | 2.34 |
| Dubois | 2.75 | 2.66 | 2.55 | 2.38 |
| Elkhart | 2.71 | 2.61 | 2.48 | 2.32 |
| Fayette | 2.58 | 2.47 | 2.38 | 2.27 |
| Floyd | 2.63 | 2.58 | 2.47 | 2.29 |
| Fountain | 2.57 | 2.52 | 2.46 | 2.35 |
| Franklin | 2.90 | 2.78 | 2.65 | 2.48 |
| Fulton | 2.54 | 2.55 | 2.52 | 2.45 |
| Gibson | 2.56 | 2.52 | 2.45 | 2.33 |
| Grant | 2.56 | 2.50 | 2.42 | 2.30 |
| Greene | 2.52 | 2.47 | 2.40 | 2.31 |
| Hamilton | 2.78 | 2.68 | 2.50 | 2.31 |
| Hancock | 2.82 | 2.69 | 2.52 | 2.35 |
| Harrison | 2.79 | 2.68 | 2.54 | 2.41 |
| Hendricks | 2.81 | 2.66 | 2.50 | 2.35 |
| Henry | 2.55 | 2.48 | 2.39 | 2.26 |
| Howard | 2.54 | 2.47 | 2.37 | 2.24 |
| Huntington | 2.68 | 2.62 | 2.52 | 2.38 |
| Jackson | 2.66 | 2.57 | 2.47 | 2.32 |
| Jasper | 2.80 | 2.68 | 2.56 | 2.42 |
| Jay | 2.61 | 2.61 | 2.56 | 2.47 |
| Jefferson | 2.57 | 2.48 | 2.36 | 2.18 |
| Jennings | 2.75 | 2.61 | 2.48 | 2.31 |
| Johnson | 2.71 | 2.58 | 2.42 | 2.23 |
| Knox | 2.45 | 2.35 | 2.27 | 2.11 |
| Kosciusko | 2.74 | 2.69 | 2.60 | 2.48 |
| Lagrange | 3.15 | 3.08 | 3.00 | 2.92 |
| Lake | 2.76 | 2.71 | 2.64 | 2.52 |
| La Porte | 2.63 | 2.54 | 2.45 | 2.33 |
| Lawrence | 2.60 | 2.51 | 2.40 | 2.26 |
| Madison | 2.52 | 2.44 | 2.35 | 2.20 |
| Marion | 2.45 | 2.44 | 2.35 | 2.16 |
| Marshall | 2.74 | 2.67 | 2.57 | 2.46 |
| Martin | 2.64 | 2.55 | 2.44 | 2.32 |
| Miami | 2.68 | 2.67 | 2.57 | 2.42 |
| Monroe | 2.39 | 2.34 | 2.30 | 2.20 |
| Montgomery | 2.51 | 2.46 | 2.38 | 2.26 |
| Morgan | 2.83 | 2.72 | 2.59 | 2.44 |
| Newton | 2.77 | 2.74 | 2.65 | 2.54 |
| Noble | 2.78 | 2.71 | 2.60 | 2.46 |
| Ohio | 2.66 | 2.60 | 2.48 | 2.39 |
| Orange | 2.61 | 2.55 | 2.48 | 2.35 |
| Owen | 2.68 | 2.66 | 2.58 | 2.47 |
| Parke | 2.55 | 2.53 | 2.46 | 2.34 |
| Perry | 2.66 | 2.56 | 2.46 | 2.33 |
| Pike | 2.52 | 2.48 | 2.40 | 2.31 |
| Porter | 2.77 | 2.60 | 2.43 | 2.24 |
| Posey | 2.71 | 2.63 | 2.48 | 2.31 |
| Pulaski | 2.65 | 2.68 | 2.66 | 2.66 |
| Putnam | 2.62 | 2.52 | 2.39 | 2.18 |
| Randolph | 2.57 | 2.52 | 2.44 | 2.32 |
| Ripley | 2.76 | 2.75 | 2.65 | 2.52 |
| Rush | 2.71 | 2.67 | 2.57 | 2.40 |
| St. Joseph | 2.54 | 2.50 | 2.39 | 2.20 |
| Scott | 2.73 | 2.66 | 2.55 | 2.41 |
| Shelby | 2.70 | 2.59 | 2.47 | 2.30 |
| Spencer | 2.72 | 2.67 | 2.59 | 2.50 |
| Starke | 2.75 | 2.70 | 2.63 | 2.53 |
| Steuben | 2.62 | 2.56 | 2.46 | 2.32 |
| Sullivan | 2.54 | 2.52 | 2.48 | 2.40 |
| Switzerland | 2.69 | 2.62 | 2.51 | 2.40 |
| Tippecanoe | 2.50 | 2.48 | 2.40 | 2.29 |
| Tipton | 2.64 | 2.57 | 2.47 | 2.33 |
| Union | 2.67 | 2.58 | 2.45 | 2.26 |
| Vanderburgh | 2.40 | 2.37 | 2.30 | 2.16 |
| Vermillion | 2.49 | 2.48 | 2.41 | 2.30 |
| Vigo | 2.45 | 2.39 | 2.31 | 2.16 |
| Wabash | 2.62 | 2.55 | 2.43 | 2.29 |
| Warren | 2.68 | 2.59 | 2.47 | 2.28 |
| Warrick | 2.80 | 2.68 | 2.53 | 2.37 |
| Washington | 2.70 | 2.55 | 2.41 | 2.26 |
| Wayne | 2.52 | 2.46 | 2.38 | 2.26 |
| Wells | 2.70 | 2.64 | 2.51 | 2.34 |
| White | 2.58 | 2.59 | 2.54 | 2.46 |
| Whitley | 2.72 | 2.66 | 2.54 | 2.40 |

**Indiana Business Review**
October 1995

Indiana Business Research Center
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Indiana University
Bloomington, IN 47405

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# Indiana Update

**A Monthly Overview of Indiana's Economic Trends**

*Indiana University School of Business*

*Indiana Business Research Center*

**October 1995**


## Growth and Turbulence in the U.S. Economy

The U.S. economy from 1969 to 1995 enjoyed continuing growth with a few periods of recessions and hesitations. Figure 1 depicts the earnings of Americans. After adjustment for inflation, real earnings (what people make as a result of working for themselves or for someone else) have advanced by 81%, from $1.8 trillion to $3.2 trillion (in constant 1987 dollars). This was an average annual real growth rate of 2.3%.

But there are many variations in that record when we look at individual sectors. For example, services earnings (see figure 2) have risen to a level more than three times as great as in 1969. Finance, insurance and real estate in 1995 were nearly 2.4 times as high as in 1969. But manufacturing has shown very modest gains of less than 20%.

The private sector and the public sector have been growing at about the same rate over this long period (see figure 3). Earnings in government, including state and local agencies as well as the federal civilian and military sectors, did advance more rapidly than the private sector until 1976. Since then, however, total private sector earnings have grown faster than government earnings.

Each sector has its own pattern of instability or turbulence. When we look at the quarterly growth rates, federal military earnings show the greatest turbulence, as measured by the coefficient of variation (see figure 4).

Indiana is strongly represented in three sectors which show very high turbulence: durable goods manufacturing, mining, and farming. The fast growing service sector has had the least turbulence in its growth.

Indiana's strong response to changes in the national economy is linked to these three sectors. Diversification could reduce that roller coaster ride, but the level of income might suffer. There may be a payoff for the turbulence we endure.

-mjm

**Figure 1. U.S. Real Total Earnings**

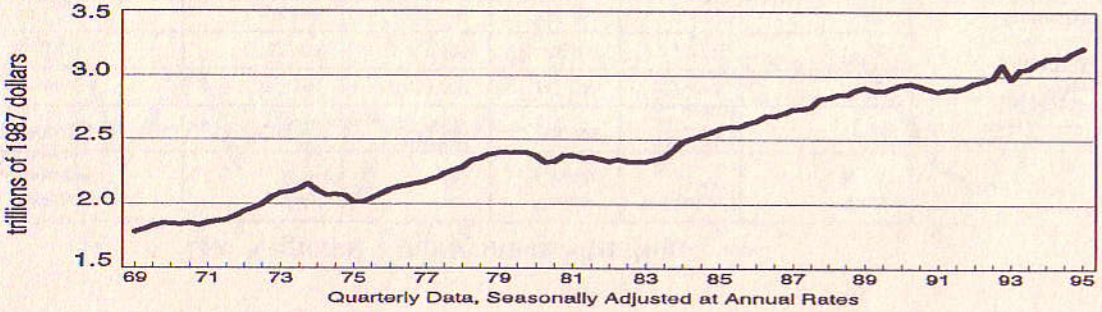



**Figure 2. U.S. Earnings Index - Selected Sectors (Quarterly Data, Seasonally Adjusted)**

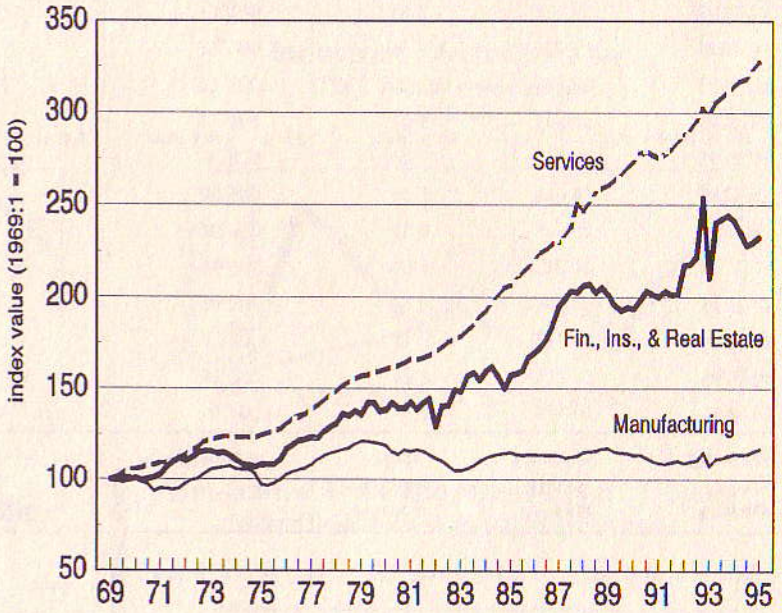
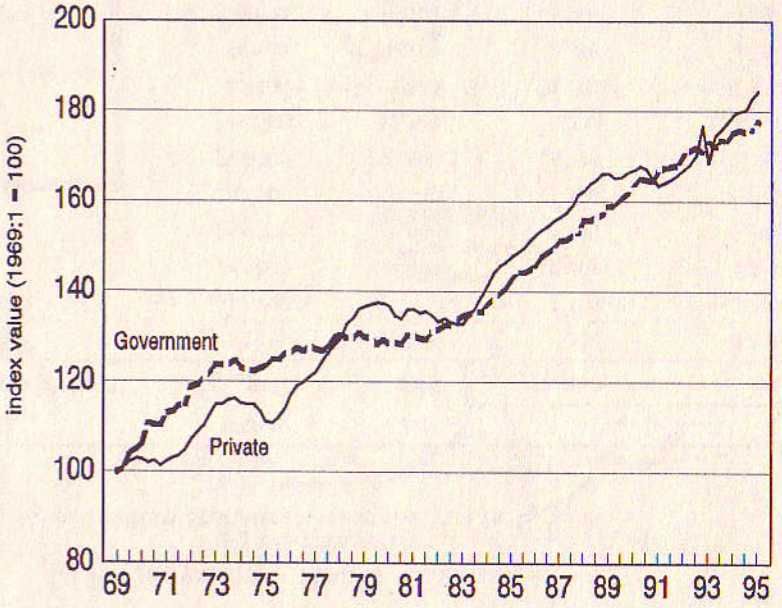
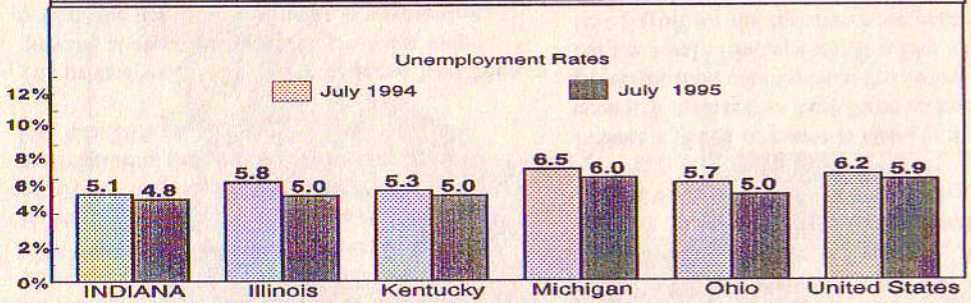



**Figure 3. U.S. Earnings Index - Private & Government Sector (Quarterly Data, Seasonally Adjusted)**



## The Regional Employment Situation

| Total Persons Employed | July 1994 | July 1995 | Number Change | % Change | Rank in US |
|---|---|---|---|---|---|
| INDIANA | 2,936,900 | 3,034,900 | 98,000 | 3.34% | 9 |
| Illinois | 5,712,200 | 5,853,200 | 141,000 | 2.47% | 16 |
| Kentucky | 1,762,700 | 1,811,500 | 48,800 | 2.77% | 12 |
| Michigan | 4,498,900 | 4,517,000 | 18,100 | 0.40% | 39 |
| Ohio | 5,263,600 | 5,368,400 | 104,800 | 1.99% | 26 |
| United States | 124,502,000 | 126,548,000 | 2,046,000 | 1.64% | N/A |




## Employment - Hours - Earnings by Industry

| INDIANA | Establishment Related Employment | | Average Weekly Hours | | Average Weekly (Real) Earnings | |
|---|---|---|---|---|---|---|
| | July 1995 | % Chg. 94/95 | July 1995 | % Chg. 94/95 | July 1995 | % Chg. 94/95 |
| Total Non-Ag | 2,731,600 | 1.4% | NA | NA | NA | NA |
| Mining | 6,600 | -5.7% | 45.9 | -4.8% | $798.66 | 1.6% |
| Construction | 142,200 | 2.6% | 41.7 | 2.2% | $713.49 | 3.1% |
| Manufacturing | 678,200 | 3.0% | 40.7 | -3.8% | $562.07 | -4.1% |
| Durable | 485,500 | 4.0% | 40.9 | -4.2% | $583.23 | -4.0% |
| Non-durable | 192,700 | 0.7% | 40.2 | -2.4% | $505.72 | -4.5% |
| Wholesale | 139,700 | 4.4% | 36.4 | -2.9% | $425.15 | -6.2% |
| Retail | 528,700 | 2.5% | 29.3 | -1.3% | $213.60 | -2.0% |
| Finance, Insurance & Real Estate | 133,300 | -0.6% | 36.7 | 0.8% | $373.61 | -0.3% |
| Services* | 618,500 | 1.0% | 32.8 | 1.9% | $330.95 | 0.0% |

## Employment - Hours - Earnings

*(Not seasonally adjusted)*

### Metropolitan Statistical Areas (MSAs) in Indiana

| NON-AG WAGE & SALARIED EMPLOYMENT | July 1994 | July 1995 | Change Number | Change Percent |
|---|---|---|---|---|
| Bloomington MSA | 60,300 | 59,800 | -500 | -0.8% |
| Elkhart-Goshen MSA | 113,700 | 117,800 | 4,100 | 3.6% |
| Evansville MSA | 147,000 | 144,800 | -2,200 | -1.5% |
| Fort Wayne MSA | 251,200 | 259,900 | 8,700 | 3.5% |
| Gary MSA | 247,900 | 246,400 | -1,500 | -0.6% |
| Indianapolis MSA | 774,700 | 790,800 | 16,100 | 2.1% |
| Kokomo MSA | 49,500 | 51,700 | 2,200 | 4.4% |
| Lafayette MSA | 83,500 | 85,800 | 2,300 | 2.8% |
| Muncie MSA | 56,800 | 59,200 | 2,400 | 4.2% |
| New Albany Area* | 79,000 | 72,700 | -6,300 | -8.0% |
| South Bend MSA | 127,100 | 124,800 | -2,300 | -1.8% |
| Terre Haute MSA | 66,700 | 67,000 | 300 | 0.4% |

| MANUFACTURING July 1995 | Employment | Average Weekly Hours | Average Hourly Earnings | Average Weekly Earnings |
|---|---|---|---|---|
| Bloomington MSA | 9,900 | 36.3 | $11.05 | $401.12 |
| Elkhart-Goshen MSA | 59,200 | 38.0 | $11.23 | $426.74 |
| Evansville MSA | 32,200 | 41.6 | $12.75 | $530.40 |
| Fort Wayne MSA | 74,800 | 39.9 | $12.98 | $517.90 |
| Gary MSA | 52,900 | 40.4 | $18.12 | $732.05 |
| Indianapolis MSA | 126,300 | 41.0 | $15.01 | $615.41 |
| Kokomo MSA | 20,900 | 41.8 | $19.76 | $825.97 |
| Lafayette MSA | 20,800 | 43.5 | $14.36 | $624.66 |
| Muncie MSA | 11,000 | 42.6 | $15.45 | $658.17 |
| New Albany Area* | 17,200 | 40.3 | $11.29 | $454.99 |
| South Bend MSA | 22,900 | 38.7 | $12.77 | $494.20 |
| Terre Haute MSA | 13,100 | 44.8 | $14.08 | $630.78 |

*Employment includes schools; Hours and Earnings excludes schools. *The New Albany Area (Clark, Floyd, Harrison, Scott counties) is part of the larger Louisville MSA.
(Real) indicates dollars adjusted for changes in consumer prices to 1995 level. Employment and earnings data based on preliminary and revised series provided by the Indiana Department of Workforce Development.

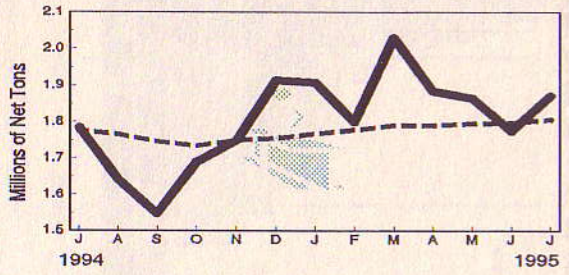
# Indiana Economic Activity

Monthly Data ▬▬ 12 Month Moving Average

## Raw Steel Production

American Iron and Steel Institute
(Millions)

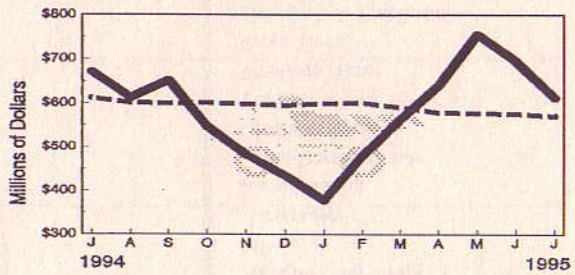
July 1993 — 1.825 July 1994 — 1.785 July 1995 — 1.872




## Total Construction Activity

F. W. Dodge Construction Potentials Bulletin
(Millions)

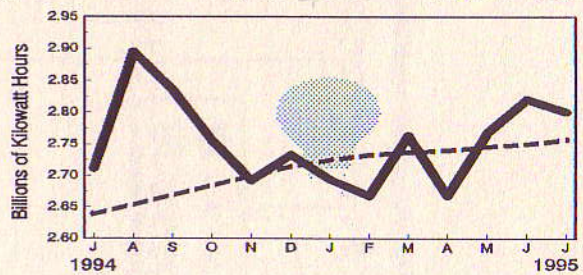
July 1993 - $656.9 July 1994 - $670.8 July 1995 - $612.7




## Industrial Electricity Sales

(The 5 investor owned utilities)
(Billions)

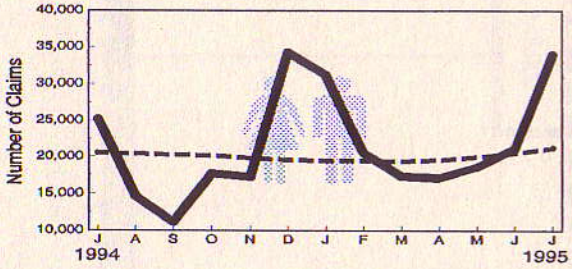
July 1993 — 2.655 July 1994 — 2.712 July 1995 — 2.801




## Initial Unemployment Insurance Claims

Indiana Department of Workforce Development

July 1993 — 28,440 July 1994 — 25,235 July 1995 — 34,006




### *Ups or Downs... Indiana Indicators Year-to-Date*

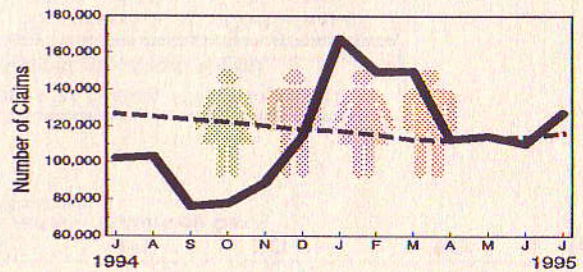
(based on August 1994 through July 1995 and compared to same period the year before, unless otherwise noted)

- Indiana *raw steel* production climbed by 400,000 net tons to a yearly total of 21.7 million tons for the period.
- The sum dollar total of *construction activity* in Indiana was $6.8 billion for the period, a decline of $484.6 million from last year.
- *Electricity sales* to Hoosier industry grew by 1.4 billion kilowatt hours, surging to a total of 33.1 billion hours.
- *New car registrations* seem to be losing acceleration, increasing by only 358 cars, to a total of 160,499 for the year.
- *Housing starts* also grew minimally, by 851 units, for a total of 32,540 homes built during the period.
- *Retail sales* grew by $3.6 billion, with $50.9 billion of goods sold between July 94 and June 95.

## Continued Unemployment Insur. Claims

Indiana Department of Workforce Development

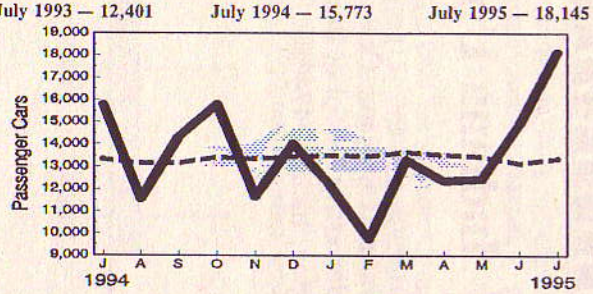
July 1993 — 116,322 July 1994 — 102,163 July 1995 — 127,132




## New Car Registrations

R. L. Polk and Company

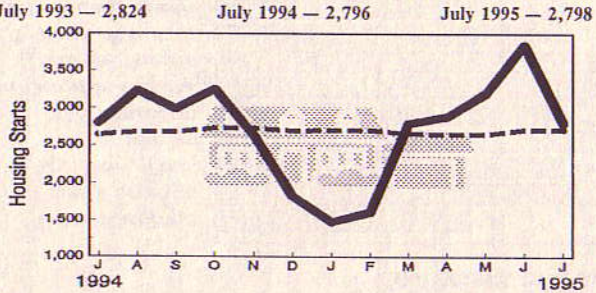
July 1993 — 12,401 July 1994 — 15,773 July 1995 — 18,145




## Housing Starts

F.W. Dodge Construction Potentials Bulletin

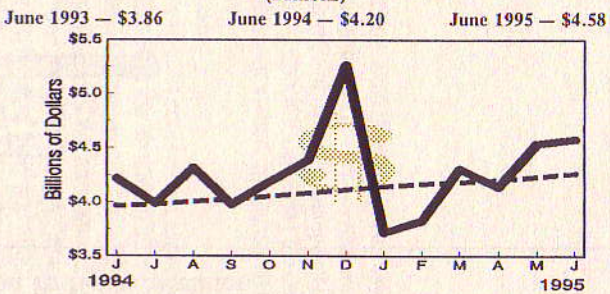
July 1993 — 2,824 July 1994 — 2,796 July 1995 — 2,798




## Retail Sales

Bureau of the Census
(Billions)

June 1993 — $3.86 June 1994 — $4.20 June 1995 — $4.58



## Figure 4. Turbulence in U.S. Real Earnings, 1969 to 1995
### Coefficient of Variation in Growth Rates




**Table 1. Summary of Real Growth Rates by Sector, 1969:1 to 1995:1**
**(Quarterly Data, Seasonally Adjusted at Annual Rates)**

| United States | Mean | Standard Deviation | Coefficient of Variation |
|---|---|---|---|
| Total Earnings | 2.4 | 4.3 | 1.8 |
| Farm Earnings | 168.4 | 890.1 | 5.3 |
| Non-Farm Earnings | 2.4 | 3.8 | 1.6 |
| Private | 2.5 | 4.5 | 1.8 |
| Ag. Serv., For., Fish. | 4.7 | 13.5 | 2.9 |
| Mining | 4.2 | 24.9 | 6.0 |
| Construction | 1.9 | 9.1 | 4.7 |
| Manufacturing | 0.8 | 6.4 | 7.9 |
| Non-Durable Goods | 1.0 | 4.9 | 5.0 |
| Durable Goods | 0.8 | 7.8 | 10.1 |
| Transportation & Public Util. | 2.3 | 5.2 | 2.3 |
| Wholesale Trade | 2.6 | 4.3 | 1.7 |
| Retail Trade | 1.9 | 4.6 | 2.4 |
| Fin., Ins., & Real Estate | 4.3 | 14.8 | 3.4 |
| Services | 4.7 | 3.6 | 0.8 |
| Government | 2.3 | 3.5 | 1.5 |
| Federal Civilian | 1.4 | 6.8 | 4.7 |
| Federal Military | 0.2 | 12.6 | 79.2 |
| State & Local | 3.1 | 2.8 | 0.9 |

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