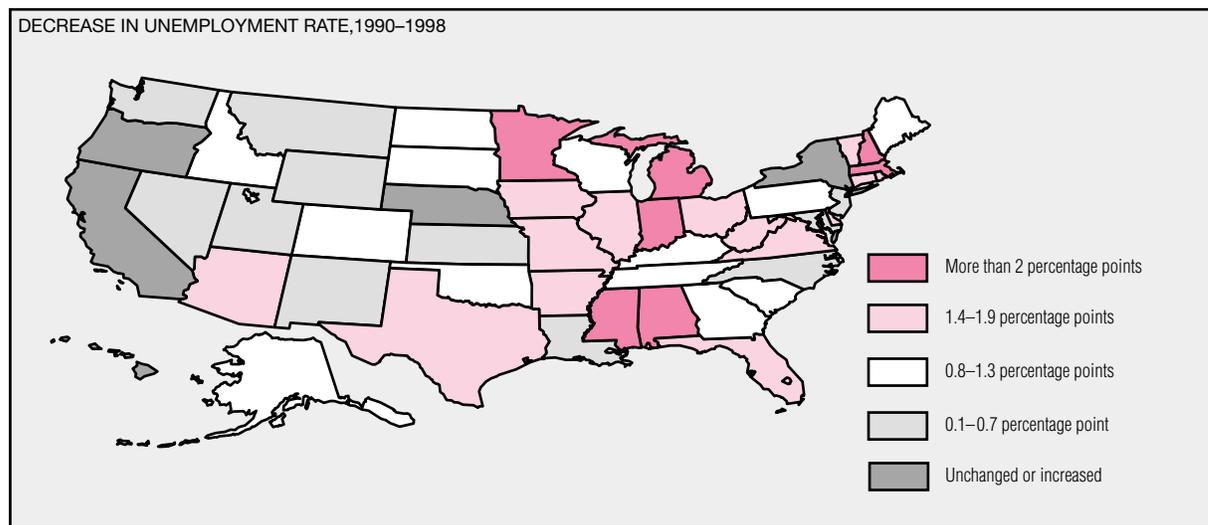
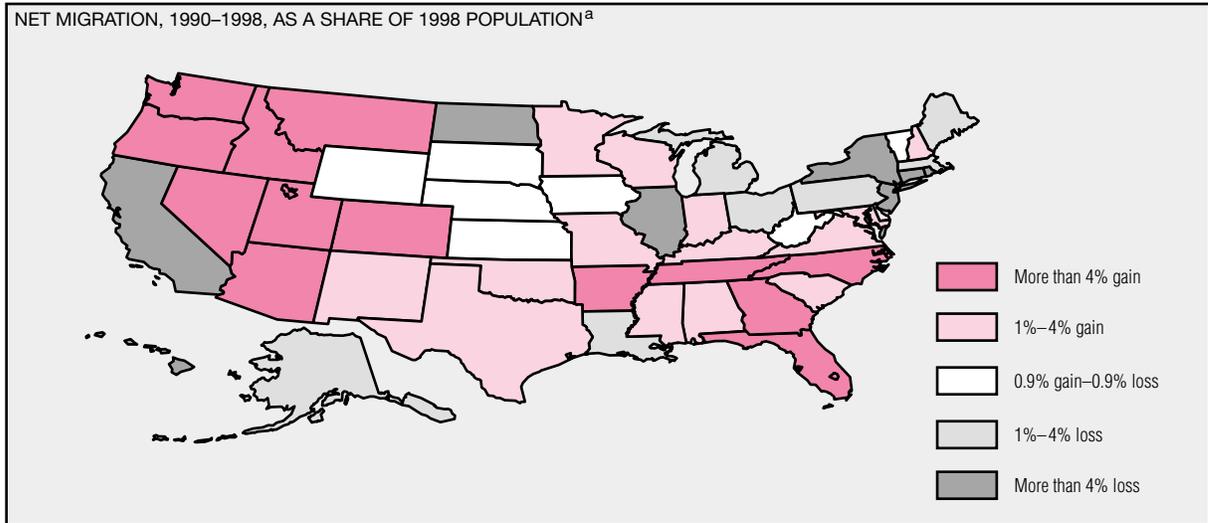


Migration and Occupational Change



a. Net migration is calculated as in-migration minus out-migration.

SOURCES: U.S. Department of Commerce, Bureau of the Census; and U.S. Department of Labor, Bureau of Labor Statistics.

Shifting economic conditions often lead to occupational and geographical mobility. As the share of total employment devoted to manufacturing in the U.S. has declined, so too has the share of the population living in areas where reliance on manufacturing is—or was—high. Reviewing the 1990s, we find that the states that experienced population loss as a result of out-migration were concentrated in the Northeast,

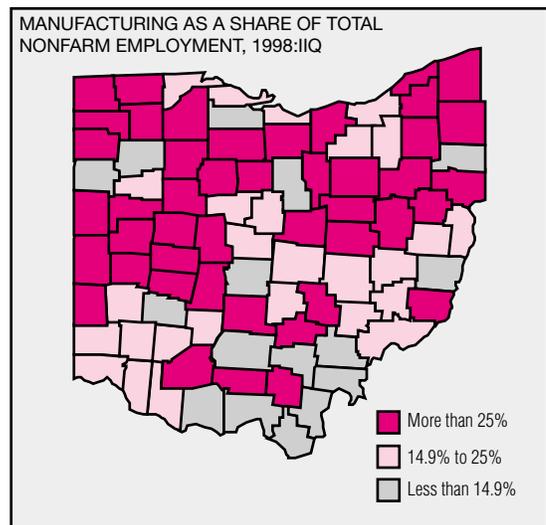
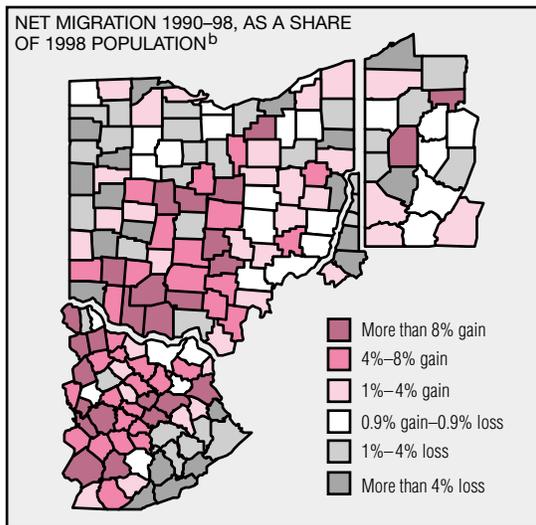
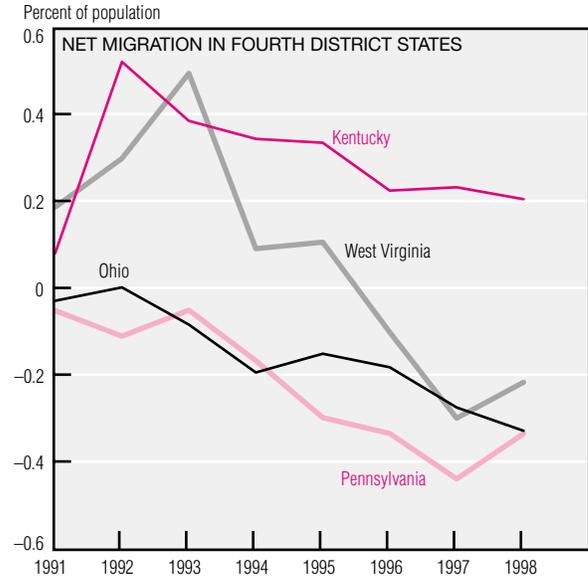
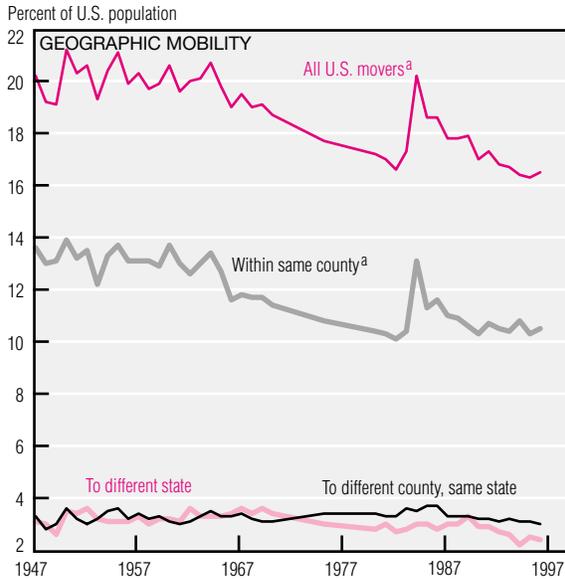
primarily in the traditional Rust Belt states. The West and Southeast regions posted the nation's largest population gains.

Such mobility generally has an ambiguous effect on local unemployment rates. As jobs and people leave one area for another, there are fewer jobs—but also fewer people looking for work—in a region experiencing out-migration. The reverse holds true in a region where jobs

and population are growing. Interestingly, the states that experienced out-migration were the ones with the largest drops in unemployment rates. In the western half of the country, Arizona and Texas are the only states whose unemployment rates fell more than 1.3%.

The past several decades have witnessed an overall drop in the share of people who move from one
(continued on next page)

Migration and Occupational Change (cont.)



a. Increase in 1985 results from changes in the Census Bureau's survey design and data collection.
 b. Net migration is calculated as in-migration minus out-migration.
 SOURCES: U.S. Department of Commerce, Bureau of the Census; and Ohio Bureau of Employment Services.

place to another. For the first 20 years after World War II, about 20% of the population relocated each year. In the late 1960s, however, this percentage began a downward trend; today, only about 16% of the population moves in a given year. The share of people moving from state to state has declined as well.

Over the 1990s, Kentucky was the only state in the Fourth District that experienced positive net migration every year. In the early part of the

decade, Kentucky and West Virginia both had more people moving in than out, with net gains reaching a peak of about 0.5% in 1992 and 1993. After that time, however, West Virginia experienced the District's largest net migration loss.

Neither Ohio nor Pennsylvania saw a comparable population boom in the early 1990s. Those states' net migration rates hovered near zero until 1993, when more people began leaving than entering them;

after 1997, Pennsylvania's population drain accelerated.

Moreover, the largest net gains were concentrated in the southern part of the District, that is, in north-eastern Kentucky and southern Ohio. While the reasons are difficult to pinpoint, these areas seem less reliant on manufacturing jobs than the rest of the District; this is consistent with the national trend of employment loss in the manufacturing sector.