

Kentucky, An Edge State with Numerous Opportunities (Spring, 2007)

Demographic Shifts

The United States is going thru a major demographic revolution but we are too busy talking about Anna Nicole Smith and Paris Hilton to talk about the real issues ahead of us. The recently released 2006 Census population estimates continue to show population movement out of the Northeast and Midwest and into the South and West. Since 2000, migration data indicates 90% of domestic migration is to the South and 10% of domestic migration is to the West. The Census identifies the South as containing states from Kentucky to the South and from Texas to the East. The major factor for growth in the West is international migration.

If current trends continue the Northeast and Midwest will continue to decline, the South will be the new economic engine of the United States and the West will be the new Appalachia, poorly educated, poorly skilled and not prepared for the twenty-first Century.

The Importance of Immigration and Diversity

Kentucky, just as most of the other states, is not “barefoot and pregnant” with 36 states now having a fertility rate below the replacement level of 2.1 children, one for each parent and 0.1 for infant mortality needed for a stable population. Kentucky has a total fertility rate, tfr, of 1.95 and below the replacement rate as do all states East of the Mississippi River with the exception of Georgia with a tfr of 2.12. For Kentucky to have a stable or growing population we will have to have continuing domestic migration from other states, currently mainly from the Northeast and Midwest or have increasing international migration.

The Census Bureau projects that over the next 43 years, world population projections 2000 to 2050 project only 10% of the entire world’s population growth will be under age 25 and 65% of the growth in the worlds population, from 6 billion to 9 billion will be those age 45 and over, meaning they have already been born. The new driving factor of population is longevity not fertility. The developed countries of the world are well below replacement level and developed countries that build walls rather than develop liberal immigration policies will experiencing a declining workforce.

As Kentucky, and the United States age, all growth of the young workforce will be minority or immigrant. Nationally, 80% of all growth is now minority and all growth under age 50 is minority. How will Kentucky do as a predominately Non-HispanicWhite state in a country where growing diversity will be the norm?

The United States may want to tear down walls and build lemonade stands at our Southern border. Mexico, has a significantly declining tfr and may now be at replacement level only. As the Mexican population of young declines, as now projected, and their mature age population grows their economy should create enough economic opportunity for immigration to the United States to STOP! Check out the article at the

Kentucky State Data Center Homepage, <http://ksdc.louisville.edu>, “The New Future of the World”.

An Aging Workforce

Kentucky, along with the United States is aging. Currently, we are experiencing a “middle aging” of our workforce with the majority of growth in the workforce, ages 43 to 61 as the Baby Boomers, born between 1946 and 1964, get older. There is limited growth in our aging population in their 70’s because they were not born 62 to 77 years ago, births in the Great Depression to the end of World War II.

Additionally, many complain of our brain drain as our young people leave. The reality is they were never here in the first place just like they were also not in other states. The Baby Boom of 1946 to 1964 was followed by a Baby Bust with the population in their late 20’s and early 30’s being a significantly smaller age cohort. Kentucky, in the 2000 Census had 42,011 or 6.9% fewer young persons, ages 25 to 34, than in 1990 due to the fact that the largest age cohort, born between 1955 and 1964, ever born in the United States got 10 years older and were ages 35 to 44 in 2000. Kentucky actually gained 6,000 more young adults, ages 25 to 34, than expected when you adjust for age cohorts.

The need to retrain and retool the mature workforce is equally important to educating and training our future workforce. As the Baby Boomers realize they are going to run out of money before they run out of life, the reality that they can not retire as early as they had hoped will be apparent to them.

Does Kentucky understand the new demographic realities it faces? Is Kentucky ready for a new demographic ballgame? Another article at the Kentucky State Data Center Homepage, “Rules for a New Demographic Ballgame” has more of the answers.

Ron Crouch, Director
Kentucky State Data Center
University of Louisville
426 West Bloom Street
Louisville, Kentucky 40208

(502) 852-2435 Office

ron.crouch@louisville.edu

