

Population Changes and Consumption

A Forecast for Our Industrial Future

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THAT we are living in a period of falling birth rate is a familiar fact. Probably few realize, however, how rapid the decline has been. The birth rate today is only about one-half of what it was sixty years ago, and the last ten years has seen a drop of over 20 per cent, from about twenty-three per thousand to less than eighteen per thousand. Even this last figure fails to give adequate expression to the true situation, for it is bolstered up by the effect of a certain peculiarity of the prevailing age distribution. The population of the United States today is favored with a relatively high proportion of men and women in the reproductive period of life, a state of affairs which temporarily gives us an advantage, and even our low present birth rate of eighteen per thousand could not be maintained without this temporary advantage. The present abundance of persons in the reproductive period of life is due to two causes; namely, first, the higher birth rate twenty or thirty years ago which has supplied our present contingent of persons twenty or thirty years old; and secondly, the great volume of immigration which in the past brought to this country many young persons either at or approaching the reproductive period. Both of these influences have had the effect of swelling the proportion of those in the middle registers of life, and this in turn results in more births than we are entitled to on the score of the present fecundity of the population, that is, the average number of children born to a marriage.

The excess of births over deaths which we now enjoy—amounting to 900,000 a year—would be practically wiped out were it not for the effect of this artificial age distribution, which will, in the course of time, give way to a normal state of affairs with a diminished contingent of persons in the reproductive period. With four immigrant aliens leaving our shores for every one that comes in, it can be said that immigration in this country, has ceased today; in fact the stream has been reversed. This fact, together with a falling birth rate, will eliminate the concentration of life at the young child-bearing ages.

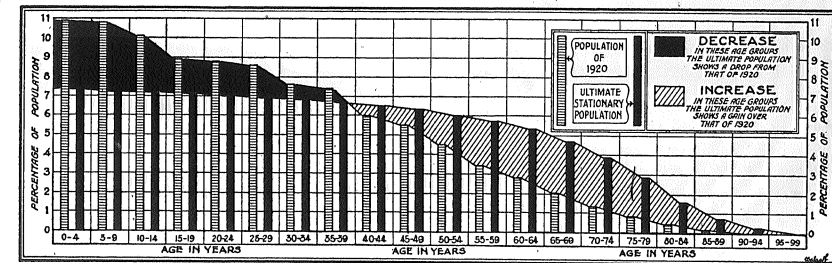
If the present rate of decline should continue, it would result in an unprecedented state of affairs amounting to race suicide. We can hardly believe that this will happen; a more plausible supposition is that the birth and death rates will balance each other by the time the mean length of life has risen from the present figure of about sixty to an ultimate seventy years. This means that the birth rate will have dropped to a level of about fourteen births per thousand. On the assumption that this balance of birth rate and death rate will be reached in the year 1950, we have computed that the population of the United States will touch its maximum of 154,000,000 in 1990 and will thereafter decline slowly. On a more radical assumption that the birth rate will decline to ten per thousand, the population will reach its maximum of somewhat less than 150,000,000 about 1975, and will go into a rapid decline thereafter. I believe that the latter prognostication is more apt to be realized if present tendencies toward small families continue to prevail.

The accompanying Chart I shows the changes which will have occurred in the age composition of the nation by the time the population becomes stationary. The most significant change is occurring among those over fifty years of age. In 1850 the proportion was only 8.9 per cent; by 1920 it had risen to 15.4 per cent, and we estimate on a conservative basis¹ that the 1950 figure will be 23.6 per cent. The age distribution in the United States at successive epochs may be indicated in percentages as follows:

Age Group	1850	1920	1950	Ultimate Stationary Population
Under 20 years	52.5	40.7	32.7	29
20 to 50 years	38.6	43.9	43.7	40
Over 50 years	8.9	15.4	23.6	31
Total	100.0	100.0	100.0	100

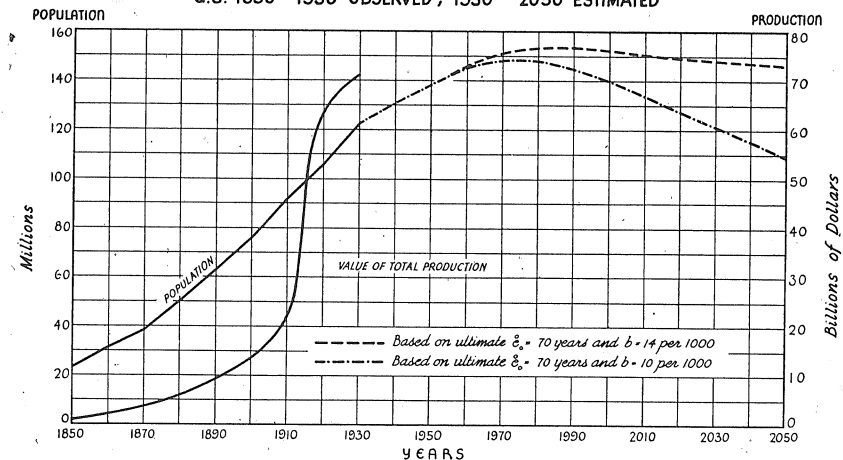
The outstanding feature in the changes that lie before us in the next generation will be a marked reduction in the number of young and a corresponding

¹New Zealand life table for females, which exhibits a mean length of life of 65.4 years.



SHOWING THAT WE ARE BECOMING A MUCH OLDER PEOPLE.
The Chart Shows the Contrast Between the Population Figures, by Age Groups, for 1920 and for the Period Two Generations Hence When, It Is Estimated, We Shall Have Arrived at a Virtually Stationary Population. It Shows That We Are Moving Toward a Marked Reduction in the Percentage of Young People and a Corresponding Increase in the Percentage of Old Ones, the Line of Ultimate Population Showing a Decided Drop in Age Groups Under Forty Years and a Decided Rise in Age Groups Above Forty Years, as Compared With the Figures for 1920. In the Ultimate Stationary Population It Is Estimated That 29 Per Cent Will Be Under Twenty Years, 40 Per Cent Between Twenty and Fifty Years, and 31 Per Cent Over 50 Years.

POPULATION AND PRODUCTION U.S. 1850 - 1930 OBSERVED; 1930 - 2050 ESTIMATED



Note: The value-of-total-production curve is added for suggestive purposes only. The absolute dollar values, because containing duplications, are not significant; a curve of "value added by manufacture," plotted on a proper scale, would have the same shape.

Chart II

increase in the number of old persons. If we carry these estimates farther into the following generation, when we shall have arrived at a stationary condition, the differences will be even more marked. The proportion of persons under twenty will be ap-

proximately 29 per cent and those over fifty 31 per cent. We shall then be a much older people.

It is an encouraging sign of our times that the results of scientific researches such as we have just described quickly filter into the current channels of