

Births Falling Even as Economy Improves

Births for 20-something Women Keep Falling Driven by Decline in Relationships

CHARLOTTESVILLE, VA. November 20, 2017—Even though the economy is growing and young adult employment is rising, births are down markedly in 2017, according to the November edition of the <u>U.S. Fertility Forecast</u> from Demographic Intelligence. Driven by continued declines in teenage and 20-something births, births will fall about 2.8% in 2017 to 3.84 million from 3.95 million in 2016. The Total Fertility Rate (TFR) in the U.S. is also predicted to fall to a 30-year low of 1.77 children per woman in 2017. Declines in births to younger women are driving the fall in births.

"Younger women are having fewer children," said Sam Sturgeon, Ph.D., president of Demographic Intelligence (DI). "This is true not just for teenagers but also for women in their twenties. This decline in births is especially striking because most observers, including the U.S. Census, anticipated that a growing population of young people and a stronger economy would lead to a rise in births; but we are seeing just the opposite: a big decline in births."

"This continued decline in births coincides with a decline in sex among young adults as a whole—not just teenagers," noted Sturgeon. "We think that declines in sex among young adults, driven perhaps in part by the rising popularity of smartphones and social media as well as a <u>reluctance</u> to enter into a committed relationship, help explain marked falls in young women's childbearing in a period when a growing economy should have led to more births, not fewer births."

Drawing on an extensive analysis of demographic, economic, and cultural trends, the new report from DI provides detailed projections of U.S. birth trends in 2017, 2018, and 2019. Among the trends highlighted by DI are the connections between falling births for women under 25, less sexual activity, and increases in smartphone usage.

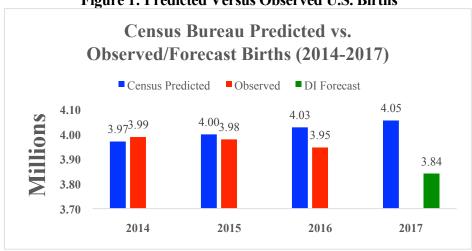


Figure 1: Predicted Versus Observed U.S. Births

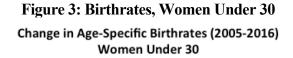
Source: U.S. Census/Demographic Intelligence.

• Based on current economic and demographic trends—especially the size of the childbearing-aged population women—the U.S. Census predicted 4.03 million births in 2016 (see Figure 1); instead, the United States saw 3.95 million in 2016. The gap between expected and observed births will grow to 210,000 in 2017, according to DI estimates. More generally, from 2015 to 2017, the United States will have witnessed about 310,000 fewer births than traditional demographic models would predict. More generally, in recent years, contrary to standard demographic theory, births have *not* been rising even though unemployment has been falling, as Figure 2 indicates.

U6 Unemployment Rate and Total Fertility Rate 20.0 2.20 18.0 2.15 16.0 2.10 14.0 2.05 12.0 U6 10.0 2.00 unemployment 8.0 rate 1.95 6.0 1.90 Total Fertility 40 Rate 1.85 2.0 0.0 1.80 1994 1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016

Figure 2: Unemployment and Fertility

Source: U.S. Department of Labor/Demographic Intelligence.

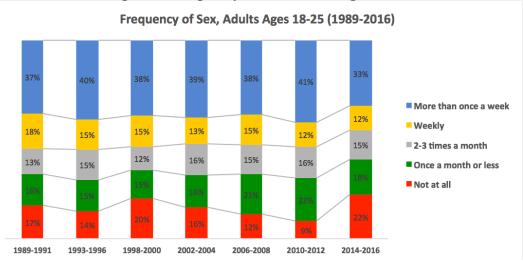




Source: NCHS/Demographic Intelligence.

• The birthrate for U.S. women 20-24 has fallen by more than 8% since 2013, even though labor force participation has risen by almost 2% for this age group over the same time period.

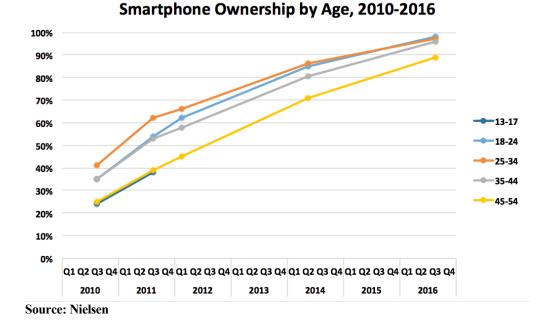
Figure 4: Frequency of Sex, Adults Ages 18-25



Source: General Social Survey/Demographic Intelligence.

• The share of adults 18-25 having sex has fallen markedly in recent years. In 2010-2012, 91% of young adults reported having sex in the last year; by 2014-2016, that fell to 78%. Over the same period, the share of 18-25 year-olds who reported having sex more than once a week fell from 41% to 33%.

Figure 5: Smartphone Ownership, by Age



• Since 2012, the share of young adults (18-24) with smartphones has risen from about two-thirds to about 98%.

"It's striking that births in America continue to fall, as new <u>CDC numbers</u> indicate, even though the economy continues to improve," Dr. Sturgeon said. "Declines in births seem to be

driven partly by <u>declines</u> in sexual activity among young adults. In turn, new <u>research</u> suggests this decline in sexual activity may be fueled in part by the ways in which smartphones and social media are discouraging actual human contact, including sex, among young adults today."

Sturgeon concluded by saying this: "We need more research on the relationship between technology usage, sex, relationships, and fertility in America. Something important is happening."

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About Demographic Intelligence

Demographic Intelligence (DI) is the premier provider of U.S. birth forecasts and fertility analytics for businesses with an interest in birth trends in the United States. DI provides reports and consulting services to companies in the following sectors: juvenile products, healthcare, media, financial services, and consumer food. Demographic Intelligence is advised by: Princeton economist Alicia Adsera, University of Pennsylvania demographer Hans-Peter Kohler, University of North Carolina demographer Philip Morgan, and University of Virginia sociologist W. Bradford Wilcox.

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