


INDIANA BUSINESS REVIEW

UPDATE



 A MONTHLY OVERVIEW
 OF ECONOMIC TRENDS
 INDIANA BUSINESS RESEARCH CENTER
 INDIANA UNIVERSITY SCHOOL OF BUSINESS

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In a few weeks, the Bureau of Economic Analysis will release income data for 1996 for states. The analysis of these data will have everyone pointing to trends. Perhaps it is well to look at the trends to which just one data point will be added.

The following graphs show the share of U.S. earnings (wages, salaries, and proprietors' income) Indiana has enjoyed since 1969. For example, figure 1 shows that Indiana's declining share of total earnings bottomed out in 1988 and the trend has been mostly upward since then. Figure 2 demonstrates the erratic nature of farm earnings and the great stability in our share of agricultural services, forestry, and fisheries.

Figure 3 indicates Indiana's rising share of construction earnings since 1984 has not regained the heights of 1969 and '70. In manufacturing (figure 4), Indiana has regained its 1979 share, while transportation and public utilities have been declining slowly.

Wholesale and retail trade (figure 5) have had comparable experiences — declining into the mid-80s and then regaining some, but not all, of that lost ground. Finance, insurance and real estate had a marked decline (figure 6) with an upward movement begun in 1988. Personal and business services have shown less of a rebound.

Government (figure 7a) shows an erratic pattern, but the reader should note the very small range of values (1.62% to 1.76%) on the vertical axis—graphs can be deceptive. Indiana's share of government earning looks quite stable when the axis is expanded (see figure 7b).

We hope to have the 1996 data available for the September issue of the *Update*. Then we can see whether the positive aspects of the past few years have continued.

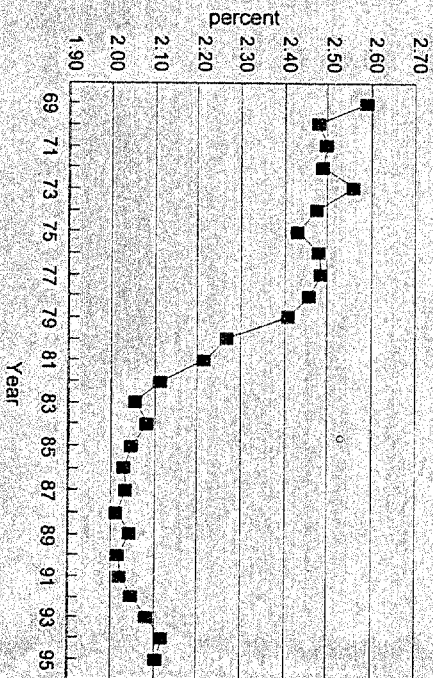


Fig. 1 Total Earnings (Indiana as a Percent of U.S.)

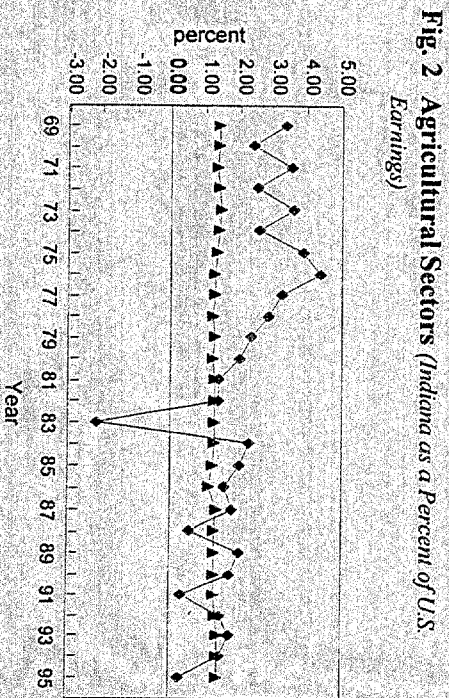


Fig. 2 Agricultural Sectors (Indiana as a Percent of U.S. Earnings)

