The Great Recession of 2007 in the United States and the male: female ratio at birth

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Introduction

Male live births slightly exceed female live births by a difference of approximately 3% (1). The ratio of male to total live births is conventionally represented as M/F. Many factors have been shown to affect M/F, mainly privation, toxins, and stress, all of which reduce M/F. Population stress may be engendered by natural phenomena such as earthquakes and man-made events such as short wars, terrorist attacks, and contracting economies. This study was conducted to ascertain whether the onset of the “Great Recession” (2007) was associated with changes in M/F in the United States (US).

Material and Methods

Annual monthly live births by gender for January 2006 to December 2008 were obtained from United States Centres for Disease Control and Prevention.

Results:

In 2007, there were 4316233 live births [M/F: 0.51157; 95% confidence intervals: 0.51110–0.51205]. M/F rose between January and June, and then fell sharply between August and December. M/F was statistically significantly lower in the second half of 2007 (p=0.007). The dip in M/F from June to July was also significant (p=0.02). These findings were not replicated in the amalgamated data for 2006 and 2008.

Conclusion: The United States housing boom of the mid-2000s was fueled by rising house prices and cheap mortgages given to credit-poor buyers. A halt in rising house prices resulted in defaults and foreclosures, triggering the worst financial crisis since the Great Depression. The associated stress appears to have decreased M/F in the US. (J Turk Ger Gynecol Assoc 2015; 16: 70-3)

Keywords: United States, economic recession, birth rate/trends, infant, newborn, sex ratio

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Abstract

Objective: Male live births slightly exceed female live births by approximately 3%. The ratio of male to total live births is conventionally represented as M/F. Many factors have been shown to affect M/F, mainly privation, toxins, and stress, all of which reduce M/F. Population stress may be engendered by natural phenomena such as earthquakes and man-made events such as short wars, terrorist attacks, and contracting economies. This study was conducted to ascertain whether the onset of the “Great Recession” (2007) was associated with changes in M/F in the United States (US).

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The quadratic equations of Fleiss were used for exact calculation of 95% confidence intervals for ratios (19). Chi tests and chi tests for trends for annual male and female births were used throughout using the Bio-Med-Stat Excel add-in for contingency tables (20). A p-value ≤0.05 was taken to represent a statistically significant result. The analysis was of a large and anonymous dataset. Ethical approval was therefore not required. Informed consent was also not required for the same reason.

**Results**

This study analyzed 12829482 live births (6257104 males and 6572378 females) between 2006 and 2008. There was no statistically significant change in M/F between 2007 and the previous and following years (Table 1).

In 2007, there were a total of 4316233 live births with 2208071 males and 2108162 females (M/F 0.51157; 95% confidence intervals: 0.51110–0.51205). Monthly M/Fs are shown in figure 1. M/F rose from January to June and then fell sharply from August to December. M/F was statistically significantly lower in the second half of 2007 when compared with that in the first half (p=0.007; Table 1). The dip in M/F from July to August was also statistically significant (p=0.02). The percentage changes in M/F in 2007 are shown in Table 1, with a 0.13% decrease in male births from the first to the second halves of the year, and a 0.27 reduction between July and August; this occurred despite a rise in total births. For the amalgamation of 2006 and 2008 data, the declines were 0.04 and 0.10%, respectively, and these declines were not statistically significant (Table 1).
M/F was statistically significantly lower in the second half of 2007 when compared with that of the following year and was almost significantly lower when compared with that of the previous year (Figure 1).

Discussion

The United States housing boom of the mid-2000s was fueled by several factors. These were low mortgage interest rates, low short-term interest rates, relaxed standards for mortgage loans, and “irrational exuberance” (21). These factors prompted lenders to recklessly offer home loans to individuals with poor credit ratings, with the argument being that because house prices had not decreased nationwide since the Great Depression, then this trend would inevitably continue. Government regulators felt no need to attempt to control escalating home prices, not recognizing this as a bubble in the making (21).

In fact, the situation was such that mortgages would only continue to have interest rates if house prices kept rising, which was an unwarranted assumption. Furthermore, these mortgages were used to back securities, which would only continue to perform well if house prices continued to ascend. Furthermore, credit rating agencies continued to give AAA ratings to securities backed by subprime, but potentially adjustable, mortgage rates. This also encouraged foreign investors to heavily invest in these unreliable securities. All these factors made the housing bubble more extreme and fragile and the ensuing credit crisis more severe (21). When the real estate bubble burst, many borrowers were unable to make payments on their subprime mortgages and were unable to refinance them, resulting in defaults and foreclosures. This initiated the eventual cascade that continued as the “Great Recession,” the worst financial crisis since the Great Depression (13, 14).

As a result of these influences, housing prices peaked in early 2006 and started to decline in late 2006 and 2007. The result was profound and affected not only the US economy but also international banks and the global economy. Warning signs commenced early in 2007. In February, the Hongkong and Shanghai Banking Corporation issued a warning of substantial losses in its mortgage arm because of subprime losses (13, 14).

The Federal Home Loan Mortgage Corporation (Freddie Mac, Fairfax County, Virginia), a public government-sponsored enterprise started tightening standards in February after a surge in subprime mortgage defaults publicly stating that it would stop entering into risky home loans (13, 14). In April, the subprime lender New Century Financial filed for bankruptcy with billions of dollars worth of bad loans, making over 3000 employees redundant and piling pressure on other US mortgages banks (13, 14).

In June 2007, Standard and Poor’s and Moody’s Investor Services downgraded over a 100 bonds backed by subprime mortgages. In the following month, Standard and Poor’s placed 612 securities (backed by subprime mortgages) on a credit watch, and Countrywide Financial Corporation warned of upcoming difficult conditions. Bear Stearns also liquidated two hedge funds that invested in various mortgage-backed securities. Credit markets completely seized up in August when Banque Nationale de Paris, a large international bank, announced that two of its hedge funds were frozen (13, 14). All this was associated with significant stress (22), leading to even suicides, not only in the US but also globally (23-25). Warning signs of the looming disaster emerged in February 2007, before spiraling out of control in August. This occurred four months after April, the midpoint between February and August.

While some studies failed to show a diminution in M/F in response to parental stress (11), many other studies have shown that M/F is acutely affected 3–4 months after such events, as evidenced in the United States after the September 11 attacks (4, 8) with an excess of male fetal losses (9). The disagreement between findings in different papers and peoples may stem from the fact that different populations may require not only different stimuli but also stimuli of different strengths to manifest statistically significant changes in M/F.

This accords with the Trivers–Willard hypothesis of parental investment, which proposes that natural selection has favored parents who bias M/F toward sons when in good condition and toward daughters when in poor condition (26). In this case, economic depression as a result of a contracting economy was the cause of substantial stress (22-26).

Contracting economies have also been shown to result in a drop in M/F, putatively for the same reasons. This was seen in East Germany after the region’s reunification with West Germany. The ensuing economic turmoil in the first year after reunification was associated with a drop in M/F in East Germany (10) where workers experienced the full effect of market forces and free competition, resulting in a 20% unemployment rate and another 20% reduced working days (27), factors that were attributed to have caused the decline (10). Further evidence that stress reduces M/F also comes from the observation that extrauterine pregnancies also result in a reduction in M/F probably because of the hostile gestational environment (28).

The Great Recession induced significant stress worldwide; stress is known to reduce M/F. These factors may have been the cause of the M/F drop witnessed in the second half of 2007 in the United States.
**Ethics Committee Approval:** N/A

**Informed Consent:** N/A

**Peer-review:** Externally peer-reviewed.

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