

RACE, ECONOMIC ATTITUDES, AND BEHAVIOR

By James Morgan, Survey Research Center,
University of Michigan and Martin David,
SSRI, University of Wisconsin

All of us have made casual observations on the differences between white and Negro families. Some have gone further and have scientifically described differences in some detail, partly because skin color is such an obvious and easily identified demographic characteristic, partly because the history of the Negro population and its economic advances have directly and indirectly shaped some of the major social issues of this generation, and partly because prejudice against non-whites has been one of the principal areas of myopia in the democratic process in this country. In this paper we add a few recent observations on white non-white differences to the many observations that have been made in the past. Our primary effort, however, is to examine those differences to determine to what extent observed differences are correlated with factors other than race. In the process we gain some insight into the mechanisms whereby social and economic differences between white and non-white groups are sustained. The study thus lends some perspective on the extent to which dynamic changes in our economy in the next decade or so will be translated into social change and economic improvement for non-white groups.

The problem we are concerned with, then, is disclosing the chain of causation that leads to racial differences. Causation is a complex process, and the direction of influence is sometimes difficult to untangle. Such factors as parental background and race, perhaps religion, come earlier in the life history of an individual than other factors such as the amount of education completed, the kind of occupation and place of residence selected, and the individual's current attitudes and behavior.

We can think of a sequence of causation, starting with race as a determinant of the life history of a man, a determinant which is inextricably fixed at birth. Race may have already affected other parental conditions such as the father's religion, place of residence, income, family size, and attitudes. These family background factors in turn, along with the individual's race, affect his own educational achievement, occupation, mobility, level of achievement motivation, and family planning. The individual's achievements and past decisions along with everything else already determined can be thought of as affecting the individual's present attitudes and behavior -- his belief that hard work pays off, his attitude toward education of his children, his attitudes toward responsibility for relatives and toward living with relatives and toward government responsibilities for the unemployed, students, and the aged.

Finally, all these aspects of attitudes and behavior affect the individual's present

condition: hourly earnings, hours of work, accumulation of savings, insurance coverage, education of his children, and the extent of his planning for the future.

It is the present condition in which we are generally interested. Yet from the above argument it is obvious that while we could attribute it all to race, as the only thing that has been fixed and immutable from the beginning, it is more important to see the mechanisms through which race affects behavior, particularly if one wants to ask the question whether racial differences can be reduced or eliminated.

With this framework as background, let us turn now to some descriptive statistics,

- first, to relate race to other parental background factors
- second, to relate race to past decisions and actions which can no longer be changed
- third, to relate race to present attitudes and behavior
- and finally, to relate race to the present situation of individuals and their plans for the future.

Thus we examine a set of statistics that follow the life history of an individual from the time he is born, either white or non-white, through the time he is educated, enters the labor market, starts a family of his own, down to the present time, his life situation, and his planning for the future.

In any cross section, we have representation from several generations, and in a changing world, it may be important to distinguish one generation from the next. For this reason, we sometimes analyze separately those under 45 years of age, those 45 - 64 and those 65 and older.

In examining these statistics we have sometimes estimated the net effect of racial differences on behavior by explaining the dependent variable in a multi-variate regression that includes race and a relatively comprehensive set of other relevant independent variables. The net effect represents a standardized difference between the two groups, assuming other relevant influences on behavior are the same for the two groups. It is a factor which tells us how to make the best estimates of economic behavior from data available in the single cross-section of the U. S. on which we based this study. Estimates of the net effect are not presented as absolute measures of racial differences.

There are important influences on behavior which were not included in the analyses that represent a more basic cause of differences between the groups. Nevertheless the difference between the actual observed values of dependent variables for white and non-white groups and the values that are

predicted by using the net effect, gives an idea of the extent to which racial differences can be assigned to other factors. For example, it is quite revealing that educational aspirations of non-whites for their boys are fundamentally the same as whites at the same socio-economic level. The actual expectations of non-whites are lower than whites primarily, we would infer from our multi-variate analyses, because of factors other than skin color.

Insofar as white, non-white differences are larger than the standardized net effects, the analyses suggest that one may reduce actual differences between the two groups by creating an environment in which non-whites can achieve the same education, occupation, and geographic location as whites. The net effect represents a difference between the two groups that is as yet unanalyzed -- some part may be the consequence of discrimination, some part the result of personality differences, and some part may be associated tastes and cultural differences. We make no attempt to evaluate the origins of the net effects which must be further analyzed to determine basic causes.

Association of Race with other Background Factors

We need not present much data to document what is well known: that most non-whites come from large families in the rural South where the parents had little education and unskilled occupations. Table 1 shows that more non-whites come from families where they had many brothers and sisters.¹ More people than one might think come from large families because the larger the family, the more siblings there are who can fall into a sample of the children. In any case the limited economic resources of the unskilled Negro had to provide for more children so that investment in the education of children was more difficult for the non-white family.

The trend in the proportion of younger heads who come from large families indicates that the family size of whites has declined more rapidly than non-whites.²

¹ All the data in this paper come from a national probability sample, oversampled among lower income units of earning age, and weighted. The main analysis of the study appears in Morgan, David, Cohen, and Brazier, Income and Welfare in the United States (New York: McGraw-Hill Book Company, 1962). There is a slight upward bias in parental family size for non-whites because our base is spending unit heads, not all adults, and more non-white females are spending unit heads.

² As the length of a generation is shorter among non-whites than among whites, the finding understates the differential rate of propagation of the two groups.

A substantial fraction of both groups come from farm backgrounds, but a much larger proportion of non-whites report that their father was an unskilled laborer or service worker (39 per cent non-whites versus 11 per cent white). And, of course, more of the non-whites grew up in the South. The proportions of each group who grew up on a farm in the Deep South and had two or more siblings are 13 per cent for whites and 41 per cent for non-whites.

Table 1 also provides a measure of achievement motivation, which is thought to be a stable personality disposition resulting from early childhood training experiences. It can be thought of as a crude substitute for direct measures of parental attitudes and training. Non-whites scored consistently less than whites on the achievement index. However, the particular measure used may lead to spuriously low non-white scores, because it is based on the extent to which individuals differentiate between occupations requiring greater and lesser degrees of skill and education; non-whites have less experience with some of the occupations rated than whites.

Past Decisions and Experience of Spending Unit Heads

Non-whites generally complete less formal education than whites. Twenty-three per cent of non-whites not only did not go to college, but were three or more years behind their usual grade in school when they left school, as compared with 10 per cent of whites. While this finding appears unusual, it confirms a pattern of erratic school attendance of Negro children demonstrated in Census data.³

When one takes account of the lower education of non-white fathers and other depressing background factors, the difference in educational achievement is reduced to less than one fourth of its unadjusted size. Even the net difference, however, is significant and hence not completely explained by the parental factors we were able to measure, including the achievement motivation inculcated by early training.

The first three lines of Table 2 indicate that educational differences are narrowing. The measures of performance and achievements are crude, and take no account of the quality of education. As there is reason to believe that quality differentials are also narrowing, younger non-whites probably received far more adequate education than their parents to an extent greater

³ E. Bernert, America's Children (New York: John Wiley & Sons, Inc., p. 76).

than the table suggests.

The next four lines of Table 2 indicate that non-whites have less occupational mobility but more geographic mobility off the farm and out of the Deep South. The restricted occupational mobility has many causes, including the lower level of education of non-whites. The differences are more dramatic when one remembers that many whites start in high-status occupations and do not need to move up. Mobility in a more general sense as measured by whether the person has lived in three or more states since his first job is, if anything, lower for non-whites.

Another crucial aspect of past behavior is the family planning decisions that are made. Non-whites tend to start their families earlier and to have more children, both of which reduce their ability to stay in control of their own finances and to provide for their children. The last two lines of Table 2 indicate that these differences may be increasing in importance.⁴

One result of this and the other background influences, is that present day non-white spending units have provided less education for their children than have the whites, by more than 2 complete grades. However, in a multivariate analysis which simultaneously takes account of a number of other factors (the father's education, the difference in education between father and mother, difference in education between father and grandfather, number of living children, father's occupation, achievement motivation, religion, attitude toward hard work, age at time of birth of eldest child, age, and several mobility factors), the net difference is reduced to slightly more than one half a grade. The difference is significant, but small in comparison with variation in educational achievement associated with the other factors studied.

Present Attitudes

Parental background, and the individual's own past history affect his present situation partly through their effects on his attitudes. Table 3 presents some differences in attitudes. Non-whites are somewhat more likely to believe that luck or help from friends determine a man's success, though the majority still feel that it is hard work that matters most. The differential pre-

⁴ However the increase in early births among non-whites is not supported by Current Population Report Statistics which indicate no trend in the first births per 1000 women occurring before age 20 (Bureau of the Census, Current Population Reports, P-20, #108, July 1961, Table 8). The trend shown in Table 2 persists when data are tabulated for spending units headed by a male. Census data from the same report indicate significantly earlier births among non-white women in all cohorts than among white women.

disposition to attribute success to luck may partly explain, or be explained by, the significant difference in the number of hours worked by white and non-white heads, a difference that persists even after adjustments have been made for occupation, education, and so forth.

Planning ahead is crucial to economic success and stability. Non-whites reported that they felt less able to plan ahead, and out of six possible places in the questionnaire where they could have indicated actual plans, were less likely to have any explicit plans. (Table 3, lines 2, 3, and 4.) While low income groups generally had less plans than others because of unstable employment and other factors somewhat beyond their control, lack of the particular characteristics taken as evidences of planning indicates that the family has few or no resources to meet emergencies such as sickness or death of the breadwinner. Hence planning becomes an important mechanism through which race creates economic differentials.

Non-whites are much more in favor of having the government, rather than relatives support the aged. (Table 3, last line). Actually a multivariate analysis which takes account of income and other factors makes the racial differences even greater.

On the other hand, non-whites have the most favorable attitudes of any subgroups examined toward older people living with their children or relatives. One fourth favor it without qualification, whereas the overwhelming majority of other groups are opposed. However, non-whites are no more likely than whites actually to live with relatives once we allow for low income and other pressures on them to do so. These attitudes may determine the actual living arrangements of non-whites. Non-whites are more likely to live with relatives, in fact, yet may have less of a desire to do so, ceteris paribus. The attitude that government should support the aged is consistent with unwillingness to live or move in with relatives, while children's acceptance of extending their family to include dependent parents may explain why as many non-whites as whites support relatives according to our standardized estimates. (See the section on living arrangements that follows below.)

Non-whites are also more in favor of government action on two other fronts. They were much more likely to say that there should be more tax support for colleges, 75 per cent as against 49 per cent of whites. And they were more likely to favor such support for all students, or those with need, rather than those with ability. Twenty-nine per cent of whites mentioned ability, alone or in combination with need, but only 15 per cent of the non-whites mentioned it.

The third area of government studied was the

level of unemployment compensation payments. When asked "Do you think unemployment compensation payments should be higher, lower, or the same as they are now?", non-whites were significantly more likely to say "higher" even after adjusting in a multivariate analysis for a number of other factors such as religion, unemployment in the state and in the family, labor union membership, family composition, income, unemployment experience, and so forth.

Present Situation, Behavior and Future Plans, and the Extent to Which They Result from Measured Intervening Variables

We have seen that non-whites are less likely to plan ahead. Perhaps the most crucial planning, from a long-range point of view, is the planning of the education of children. Here, race is associated with differential expectations in the case of girls, but not of boys. The reason is that the depressing effects of low father's education, low income, etc., operate about as expected in the case of plans for non-white boys, but do not appear to depress expectations for the non-white girls. While the differences in expectations among whites hinge largely on whether a college education is expected, among non-whites they hinge on whether finishing high school is expected. The high expectations among non-whites for their girls reflect an insistence that the girls finish high school. Given the increased occupational opportunity for secretarial work rather than housework that a high school diploma makes possible for non-white girls, the attitude seems reasonable.

Housing and Living Arrangements

We have seen that non-whites have larger families. Table 4 indicates that non-whites are less likely to be married, and those that have children are less likely to be living with their spouses.

On the average, non-whites are 6 per cent more likely to live with relatives, or 7 per cent more likely to provide housing for relatives. Adjustment for other factors such as income, age, stage of the family life cycle, and number of children makes the first relationship significantly reversed, and the second non-significant. In other words, after accounting for other influences, non-whites are actually less likely to live with relatives. More non-whites are without a spouse. (Table 4) However, this condition is less likely to cause them to double up than it is among the whites. This finding contradicts the common notion that non-white families have a greater propensity than white families to support dependents, such as uncles, parents, and cousins, by doubling up.

Non-whites are less likely to own their own home than whites. A multivariate analysis which incorporated age, spending unit income, number of persons in the unit, whether income last year was unusual, number of major earners, and education of the head of the unit, showed that much of the

18 per cent difference in ownership by race was attributable to the other factors, but a significant 8 per cent difference remained. Presumably discrimination, income uncertainty, and FHA regulations which frequently do not allow credit for the wife's income all help create this difference.

A similar analysis of house values for home owners revealed that adjusting for other factors than race reduced the difference in house value from \$5,700 to an insignificant minus \$1,500. This finding does not offer any clues to quality of housing or its adequacy, but merely indicates that the market value of homes owned by whites is \$1,500 less than the market value of houses owned by Negroes in similar circumstances.

Property taxes for home owners averaged \$106 for non-whites and \$183 for whites. On the other hand, if one imputes a property tax payment to renters, non-white renters appear to pay more taxes (and more rent) at each level of income or welfare, than white renters. The combined effects of the lower incomes, and the other differences, leaves all non-whites paying an average property tax of \$67 as compared with an average of \$130 for whites.

The difference between owners and renters may be the result of discrimination. If non-whites by being excluded from many areas, pay higher prices for equivalent houses, and assessors do not revise assessments upwards in non-white areas because of this, then non-whites will be buying smaller houses than whites at the same income level and will be paying lower property taxes relative to their incomes (not relative to house values). At the same time, non-white renters will be forced to pay higher rents (implying a higher estimated property tax by virtue of our imputation procedure) for our equivalent housing.

Finally, since non-whites have more children, non-whites get more public school benefits than whites, \$310 per family compared with \$200 for whites. However, non-white families tend to live in counties where average expenditures per pupil on primary and secondary education are slightly less than expenditures in counties more predominately white (\$320 for whites, \$301 for non-whites).

Other Aspects of the Present Situation

Table 5 shows that the concentration of non-whites in the South is greater among the older generation, that unemployment is more serious among non-whites, and that non-whites, particularly the younger ones, are more likely to live in large cities.

Employment and Earnings

Differences in economic position as between whites and non-whites are a complex result of differences in the earning rate and hours of work of the heads of units, and of wives, combined with the fact that significantly fewer

non-white units contain a wife. Over-all, non-white units have annual earnings 40 per cent lower than white units. Non-whites receive less per hour and work fewer hours. Their wives are much more likely to work, but earn less per hour and work fewer hours than white working wives. Indeed, the increased proportion of non-white wives working is almost offset by the fact that fewer units have wives. Thirty-five per cent of all non-white spending units have a working wife compared with thirty-one per cent of all white spending units.

To what extent can these differences be attributed to differences in education, occupation, age, place of residence, and other intermediate variables more subject to public policy influences than race itself? The adjusted differences in Table 6 indicate that if whites and non-whites were alike in other respects (things we could measure like education, age, occupation) the differences in both wages and hours of men, and wages of women would be a great deal smaller.

The difference in earnings of white and non-white spending unit heads averages \$1,750. The differential is attenuated to \$840 by the multivariate adjustment. Similarly, in spending units where both the head and wife are present the difference in actual average earnings of head and wife is attenuated from \$2,048 to \$981. While the reduction in both differentials is substantial, a highly significant differential remains. It remains for some future study to determine what part of this net difference in earnings can be explained by overt discrimination against non-whites and what part can be explained by other dimensions not studied here.⁵

Interestingly enough, the analysis indicates that labor force participation of the wife and her hours would continue to differ between whites and non-whites even if they were similar as to formal education, age, family status, and so forth.⁶ This difference is corroborated by a difference in labor force experience of the wife. The average non-white wife has worked more than ten years altogether (10.2) and the average white only seven (7.3), including work before marriage. If one takes account of other factors, such as age, education, attitude of the head about wives working, etc., the difference is increased to nearly three and one-half years, a highly significant difference.⁷

⁵ Some of the differential in earnings which remains may be explained by factors not included in the multivariate analysis or more precise measures of the characteristics studied.

⁶ Among those with school-age children, 61 per cent of non-white wives worked as compared with 40 per cent of white wives.

⁷ The question was: "How many years has she worked (did she work) altogether (including years that she worked before she got married)?"

Another insight into the differential earnings of whites and non-whites comes from an analysis of those who reported some disability. We found no differences between the extent to which white and non-whites reported that the disability limited their ability to work. One might have anticipated that disabled non-whites would find it more difficult to get a job they could handle or would use physical incapacity as a crutch to excuse limited work effort; yet the data give no support to either hypothesis.

Other Work

The effects of race on consumption and saving behavior has been carefully studied, particularly by Klein and Mooney.⁸

The effects of discrimination through occupational restriction have been documented and discussed by Gary Becker.⁹ The greater impact of unemployment and the failure to share in income gains since 1950 are shown in U. S. Department of Labor, The Economic Situation of Negroes in the United States, Bulletin S3, October, 1960.

Summary

Clearly, the relatively deprived background of non-whites has created obstacles which have made it difficult for the non-white family to advance economically and socially in our advanced industrial society. Lack of education on the part of parents has perpetuated itself in lack of education of children, and this in turn has limited employment and has made it more difficult for non-whites to protect themselves against contingencies of illness and other economic catastrophes. Lack of the same degree of family planning prevalent among white families has also contributed to their economic difficulties.

At the same time the non-white family has developed some interesting traits which may serve to reduce the situational poverty that surrounds them. Their aspirations for educating girls are relatively higher than the aspirations of whites. The non-white wife tends to remain in the labor force for a longer period than the wife in a white spending unit, although she works fewer hours.

Insofar as the economic disadvantages of the non-whites operate through lower levels of

⁸ L. R. Klein and H. W. Mooney, "Negro-White Savings Differentials and the Consumption Function Problem," Econometrica, 21 (July, 1953), 435-456; see also Marcus Alexis, "Some Negro-White Differences in Consumption," American Journal of Economics and Sociology, 21 (January, 1962), 11-28.

⁹ Gary S. Becker, The Economics of Discrimination, Chicago, 1957; see also comment by Alton Rayack in May, 1961 Review of Economics and Statistics, and rejoinder by Becker in May, 1962 of that journal.

education and restricted job opportunities, public policy directed toward more equal opportunity can focus directly on opportunities for education and employment. Insofar as the racial differences are perpetuated by differences in attitude and belief about the world, it will

be difficult to change them until we change the situations which justify those attitudes and beliefs. But the clearer it becomes that hard work may pay off, that planning ahead is important and possible, the more likely attitudes are to change too.

Table 1
Background Measures for Three Generations of Whites and Non-Whites
(per cent of each age-race group)

Per cent of heads of each group who:	Age					
	18 - 44		45 - 64		65 or older	
	White	Non-White	White	Non-White	White	Non-White
Have four or more siblings	45	< 63	58	63	69	88
Have high index of need for achievement ¹	33	26	31	> 18	27	19
Number of cases	1300	222	931	147	349	48
Per cent of sample	46	5	31	3	13	2

Source: Survey Research Center, Study 678

Differences marked by inequality signs are statistically significant at the 5 per cent level by a conservative estimate allowing for sample clustering.

¹It should be kept in mind that the data refer only to heads of adult units (adult individuals or couples), hence are mostly men. There are difficulties in assuring comparability of measures as between men and women. However, it is interesting that a national probability sample of adults using a TAT measure of need-achievement found much greater differences between Negro and white women than between Negro and white men. It was the Negro women who had the smallest proportion with high need-achievement scores.

See Joseph Veroff, John W. Atkinson, Sheila C. Feld, and Gerald Gurin, "The Use of Thematic Apperception to Assess Motivation in a Nationwide Interview Study," Psychological Monographs, 74, No. 499, 1960.

Table 2
Past Decisions and Experience of Three Generations of Whites and Non-Whites
(per cent of each age-race group)¹

Per cent of heads of each group who:		Age					
		18 - 44		45 - 64		65 and older	
		White	Non-White	White	Non-White	White	Non-White
Education	Report grades in school were above average	30	> 20	27	20	25	15
	Report grades not above average and were a year or more behind age group when dropped out of school	11	< 24	21	< 38	26	26
	Report grades not above average, and three or more years behind when dropped out	2	< 8	5	< 20	13	17
Mobility	Started in a middle or low status job and moved up to a higher status job	30	22	34	> 20	22	20
	Grew up in a rural area but now live in a city ²	41	< 65	45	60	43	< 75
	Grew up in the Deep South but now live entirely outside the South ³	15	< 34	13	< 33	7	< 39
	Have lived in three or more states since first job	10	8	19	16	20	15
Family planning	Report that head was under 20 when first child was born	6	< 20	4	8	6	8
	Have five or more children	6	< 19	10	< 24	17	28

¹See Table 1 for number of cases; differences marked by inequality signs are statistically significant.

²Per cent of heads who grew up in rural areas

³Per cent of heads who grew up in the Deep South

Table 3
Present Attitudes of Three Generations of Whites and Non-Whites
(for all heads of spending units)

Per cent of heads of each group who:		Age					
		18 - 44		45 - 64		65 and older	
		White	Non-White	White	Non-White	White	Non-White
Believe that hard work is more important than luck or help from friends in getting ahead		84	> 65	80	> 67	83	74
Feel able to plan ahead ¹		63	> 50	54	> 33	39	28
Give some evidence of planning, in any of six possible places ¹		93	> 85	94	> 75	81	> 41
Give 2 or more indications of planning out of a possible six ¹		80	> 61	82	> 50	55	> 28
Believe that government rather than relatives should have primary responsibility for the aged		23	< 41	27	< 43	34	47
Number of cases		1300	222	931	147	349	48

Differences indicated by inequality signs are statistically significant

¹There may be some tendency for the planning index to be biased downward for low income people including non-whites since it counts such things as having savings of \$500 or more and have a pension other than social security.

Table 4
Stage in Life Cycle within Race
(for all adult units)

<u>Stage in life cycle</u>	<u>All</u>	<u>White</u>	<u>Non-White</u>
Under 45, no spouse, no children	14	14	17
Wife under 45, married, no children	7	7	6
Wife under 45, married, children under 6	21	22	20
Wife under 45, married, children 6 or older	11	11	6
Wife 45 or older, married, children under 6	1	0	2
Wife 45 or older, married, children 6 or older	6	6	5
Wife 45 or older, married, no children	17	18	9
Head 45 or older, no spouse, no children	18	18	22
No spouse, children	<u>5</u>	<u>4</u>	<u>13</u>
Total	100	100	100
Per cent with no spouse		36	52
Number of cases		2887	509

Table 5
Present Situation for Three Generations of Whites and Non-Whites
(for all spending unit heads)

	<u>Age</u>					
	<u>18 - 44</u>		<u>45 - 64</u>		<u>65 or older</u>	
	<u>White</u>	<u>Non-White</u>	<u>White</u>	<u>Non-White</u>	<u>White</u>	<u>Non-White</u>
<u>Per cent of each group who:</u>						
Live in the South	21 < 42	25 < 52	14 < 64			
Are unemployed usually or occasionally	7 12	6 11	1 5			
Live in a city of 50,000 or more	30 < 65	31 < 54	33 41			

Differences indicated by inequality signs are statistically significant.

Table 6

White Non-White Differences in Labor Force Participation and Earnings,
Absolute and Standardized as if the Two Populations were Identical on
Many Other Characteristics such as Education, Occupation, Age, etc.

	<u>Unadjusted estimates</u>		<u>Difference (White minus non-white)</u>	<u>Adjusted (standardized) Difference¹</u>
	<u>Whites</u>	<u>Non-whites</u>		<u>(White minus non-white)</u>
1. Whether head of spending unit worked in 1959	.86	.84	.02	-.01
2. Hourly earnings of head if worked	\$2.37	\$1.60	\$.77	\$.31
3. Hours worked by head if worked	2114	1894	220	116
4. Annual earnings of head if worked	\$5000	\$3040	\$1960	\$1010
5. Annual earnings, average including nonworkers	\$4300	\$2550	\$1750	\$ 840
6. Whether a wife ²	.825	.696	.129	?
7. If wife, whether worked in 1959	.37	.50	-.13	-.10
8. Hourly earnings of wife if worked	\$1.77	\$1.16	\$.61	\$.11
9. Hours wife worked if worked	1375	1097	278	278
10. Annual earnings of wife if worked	\$2434	\$1272	\$1162	\$ 520
11. Annual earnings of wife, if a wife	\$ 898	\$ 636	\$ 262	\$ 62
12. Annual earnings of wife, averaged over all spending units	\$ 741	\$ 443	\$ 298	\$ 141
13. Annual earnings per spending unit of head and wife	\$5041	\$2993	\$2048	\$ 981

Row 4 equals the product of rows 2 and 3

Row 5 equals the product of rows 1, 2, and 3

Row 10 equals the product of rows 8 and 9

Row 11 equals the product of rows 7, 8, and 9

¹Adjusted differences in rows 1, 2, 3, 7, 8, and 9 are based on multivariate analyses

²Having no multivariate analysis of "whether there is a wife," we used the unadjusted proportions from row 6 also in deriving the "adjusted" estimates.