

DISCUSSION

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In view of the fact that it was impossible for Mr. Haber to present his paper, I should like to make a few general remarks about problems in dealing with statistics on the older population and then comment briefly on the papers by Mrs. Merriam and by Mr. Bryant.

Lenore Epstein¹ has pointed out that any study of economic and social characteristics of the older population should deal adequately with five problems; skewed distributions, the proper unit of analysis, inadequate measures of income and resources, differing family sizes and structure, and non-current resources such as assets, insurance, and potential help from relatives.

Averages can be quite deceptive, since distributions of variables collected from members of the older population are often skewed. The Gini index, as a measure of inequality based on the Lorenz curve, is a useful measure of the inequalities in the income, or any other distribution. It has the value 0.0 if every unit has the same income; it rises to 1.0 if one unit has all the income. For a recent national cross section of spending units the index is .48 for the whole population (considering wage income) and .86 for units headed by someone aged 65 or over.²

The unit of analysis also constitutes a problem in dealing with the characteristics of the aged. There are obvious problems in using families (a group of persons related by blood, marriage or adoption and living together in the same household). The poverty of the parents may be hidden in the combined family income unless detailed income figures for each adult in the family are obtained. Moreover families combine and separate over time. This tends to make estimates on a family basis unstable and inadequate. Since the vast bulk of aid to elderly people takes on the form of housing provided by younger family members, there is a strong argument for separating out related adults and couples into more basic units. Why not use individuals? Husbands and wives form a close economic and psychological unit. The data on income, for example would be misleading because many wives, would show up with no income.

Measures of the income and resources of the aged are subject to criticism. Perhaps one that has not yet been made (perhaps Mr. Haber would have) is related to the selection of the family in many studies as the basic unit of analysis. The respondent in the interview may be a younger family member. If the respondent is not the person who gets the income serious reporting errors may occur as to both the amount and sources of the income accruing to elderly family members. Insofar as there exist concentrations

of elderly people living in low-cost housing areas in the large metropolitan areas, the low response rates in such areas now being noted by research organizations may bias aggregate figures downward.

But these are probably not the most serious of the problems associated with the development of adequate measures of income and resources. Economic resources are not only cash income. They include paid-for homes lived in rent-free, smaller families and lower food and clothing requirements, home grown food, making repairs on one's own home, and even variations in the climate requiring lower heating bills.

Perhaps the most central problem in assessing the income and resources of the aged has to do with the income value of housing either owned outright by the aged or provided "free" in the homes of younger family members. Data obtained in the 1962 Survey of Consumer Finances² showed that among spending units where the head was aged 65 or over 58 percent owned their own home and almost half owned it mortgage free. Almost 30 percent had \$10,000 or more equity in their house. About one fourth paid rent and 12 percent lived with relatives. Spending units headed by an elderly person tended to have more rooms per person and their houses tended to be somewhat more run down than among younger families.

After developing really adequate units of analysis and a more comprehensive measure of level of living that takes account of non-money income to some standard of needs, three additional factors need to be considered.

Housing is a source of difficulty and rigidity as well as income. Do older people want all those rooms? Or is there no alternative form of housing meeting their needs? What maintains this disproportion in the consumption patterns of the aged?

Methods need to be developed for providing answers to the question of the adequacy of current income (after providing for housing) with respect to needs other than housing.

Additional attention needs to be given to the problems of emergencies (of which sickness is, to be sure, the most important, but nevertheless only one of many types) and the resources (assets which are perceived as useable, and insurance) to meet these needs. The real need is to study consumption patterns together with money income and other goods and services received.

But the collection of statistics on the objective situation of the aged is not enough.

Health and income are only means to a complex and interrelated series of personal goals. The consumption of durable and non-durable goods and services are goals, but are also means toward the living of a satisfying life as a member of family, community and society. Therefore it is not enough to collect data on hard "facts," such as health status and income. These need to be related to data on attitudes and values with respect to present and past income and to the perceived needs and desires of the aged themselves. Economic statistics need to be coupled with measures of the aged person's integration into his family, his participation in primary groups other than the family and in formal organizations, and his contacts with other persons his age and with those younger.

I have two comments to make on the papers by Mrs. Merriam and Mr. Bryant. Inadequate statistics on the race of those now covered by the Social Security program can be improved by putting an appropriate box on the medical service utilization form filled out by the doctor. Since the social security number is also on the form, master files can be up-dated. I would hope that the data-collection program of the Social Security Administration will include attitude data as well as data on utilization of services. This would have to be done by the SSA, since the files will be confidential.

Mr. Bryant's paper represents a significant contribution in an area about which all too little has been known. He is to be complimented especially for presenting distributions rather than means. I have only one question to raise, which concerns possible biases in his respondents, the employees of the nursing homes. In many institutions the lower level staff are somewhat underpaid and tend to view their job as one of running their ward or section with as little "trouble" for themselves as possible. This is particularly true in State-operated institutions. In many cases the informally established rules for patients are excessively oppressive. Consequently there is a tendency for patients who have a certain amount of self-respect and independence to be classified as "disturbed" or "senile" when in fact they are just the opposite. The extent to which this biases Mr. Bryant's statistics is difficult to ascertain. But I would predict that there is a negative correlation between the income of the informant and the proportion of disturbed or senile patients he reports.

1. Lenore Epstein, paper delivered at the 5th Congress of the International Association of Gerontology, San Francisco, 1960. See also Janet Fisher in Aging and the Economy, by Orbach and Tibbetts, University of Michigan Press, 1963.
2. Data reported by J. N. Morgan, Measuring the Economic Status of the Aged, International Economic Review, January, 1965. See also The 1962 Survey of Consumer Finances, Katona, Lininger and Kosobud, University of Michigan, 1963.