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Introduction

Most social analysts and policymakers agree that a prerequisite for developing sound social policies and programs is the systematic collection and analysis of social and economic data. But many national, state and local programs are still being developed on the basis of inadequate or minimal pre-program research, misuse of statistical data, and, sometimes, conscious rejection of known facts which contradict the conventional wisdom.

For example, despite the large amount of data revealing a strong work orientation among the poor, most income maintenance programs today contain provisions that coerce poor people to work. Such misconceptions are crucial in the failure of many statistical and social programs to function effectively.

Since the mid-1960's, when a number of works on minority populations were published, such as the useful compendium on the social and economic status of blacks by the Bureau of Labor Statistics in 1966; and the poverty index was developed by the Social Security Administration, the movement toward developing social indicators for policy and programs has accelerated. Unfortunately, the pressure to derive key social indicators for major policymakers in the way that key economic indicators are being used, has often led to misinterpretation and misapplication of social statistics. Sometimes, indicators are the synthesis of a network of unproved assumptions or stereotypes. The effort to derive key social indicators of trends in the society was never intended to be a substitute for careful, systematic analysis of the social and economic circumstances relating to the summary data being used.

In this paper, we attempt to illustrate briefly some of the problems encountered when using social statistics for social policy in such fields as occupations, housing, income and family structure and class patterns. We also try to suggest some ways by which the statistical data can be used more effectively for developing social policies and programs.

Income

A recurrent, but difficult, question for social analysts and policymakers is, "How do we properly assess the extent to which minority groups are achieving income parity with the majority?" A basic issue is the need to redefine or to better measure income.

Income alone, however, does not measure "wealth" or the capacity to consume and prosper. It does not take account of assets, fixed taxes on wages or sales, tax benefits (sometimes called "loopholes"), deferred investment income, lines of credit from which blacks are often barred, and pension and welfare benefits to which only persons in particular industries, occupations or

unions are entitled. While black workers are much less likely than whites to have assets, they tend to pay a higher percentage of their income in taxes. They also can afford less for health care and thus have shorter life spans. If all assets were taken into account--both the tangibles and the as yet unmeasured intangibles--that contribute to a more accurate concept of total "wealth," there is little doubt that white families, even at similar levels of income, would be much more well-off than black families.

The problem of assessing income parity between minority and majority groups is compounded when the differential impact of multiple earners is not taken into account. Most analyses of income differences between black and white families, for example, are in fact comparing many one-earner white families with multiple-earner black families. This is primarily because black wives are much more likely than white wives to be in the paid labor force. In 1970, it took 2 earners among black families to achieve an (median) income (of \$8,430) almost as high as 1-earner white families (with a median income of \$8,713). Black families with 3 or more earners had less income than 2-earner white families.

Thus, a more accurate way of assessing the extent of income parity is to compare the incomes of those black and white families having similar numbers of earners. When the Census Bureau takes account of multiple earners among husband-wife families, it finds, contrary to the usual analysis, that the income gap between black and white families with only one earner (i.e., the male head of household) has not significantly closed over the past decade.

Occupation

Many analysts of occupational mobility continue to equate "white collar" with "high" status and earnings. But the fact is that each group contains a heterogeneous mix of jobs. Many "blue collar" occupations, particularly in the crafts, pay substantially more than many white collar positions such as cashiers, bank tellers, dispatchers and office machine operators. But the services, also a low status, "blue collar" group, includes such disparate occupations as policemen, firemen, barbers, hair dressers, dishwashers, night watchmen, waiters, cooks and attendants.

So-called "women's jobs," such as secretaries and sales persons in retail stores average less pay than those jobs which men tend to occupy almost exclusively in heavy industry. For example, full-time, year-round women workers in sales and clerical jobs averaged (at the median) less than \$5,500 in 1970, whereas men in manufacturing and even so-called "unskilled" laborers earned substantially more than that. Craftsmen averaged well over \$9,000.

It is clear that occupational status and the entire classification scheme of occupations

require substantial analysis and reassessment. Some work in this area is already going on within the government. It should be accelerated and more attention paid to behavioral science resources outside the government. Empathy and insight into people's perceptions are needed. Required also is a careful analysis of many kinds of data that disaggregate totals and relate details to industry earnings, wage rates, the nature and extent of collective bargaining agreements, location and economic base and indicators of social and economic mobility.

Current data are being collected by the Bureau of the Census, the Bureau of Labor Statistics and the Equal Employment Opportunity Commission and should not be ignored. They should be used, however, with a basic understanding of the society they reflect.

A related policy issue that is generating much discussion is, "What proportion of any job category should be occupied by a particular ethnic minority (or by women) in order for them to achieve equal employment opportunity." Many economists and statisticians advocate using the participation rate of that group in the labor force as the yardstick.

The ratios in each broad occupation among Polish, Italian and Irish-origin men correspond roughly to the distribution of all American men --about 14 percent in professional or technical work, 14 percent managerial, and 20 percent craftsmen or operatives. Each of these white ethnic groups constitutes less than ten percent of the male labor force; therefore, according to the conventional rule of thumb, they are heavily overrepresented in manual compared to professional work. On the other hand, Chinese and Japanese Americans, a minute fraction of the labor force, are much more heavily represented in the professions than any of the white ethnic groups mentioned, and underrepresented in the industrial occupations.

Actually, the economy's employment requirements dictate an occupational distribution which changes with the demands of industry, trade and the professions. Therefore we should really be considering first, what talents the economy needs and how those needs are changing, and second, whether preferences and group customs affect occupational distribution when discrimination is not present.

Among black American men, who are 11 percent of the total male labor force, 8 percent were in professional or technical types of jobs in 1971, 5 percent were managers, 13 percent were craftsmen, and 26 percent were operatives. This picture suggests that substantial numbers of black men have not yet been permitted to contribute their talents to facets of the American economy requiring professional, technical, and managerial competence or craftsmanship in the skilled trades.

Housing

Housing policies and programs require much more intensive analysis using social statistics. One policy issue often debated today relates to housing subsidies--that is how much of their income should the poor pay for shelter if they

live in subsidized housing.

At present, most proposals are designed to insure that the poor (and families) pay a higher proportion of their income for shelter than the non-poor (or the elderly). A recent analysis of consumer expenditures, BLS normative family budgets, and the criteria used by mortgage lenders and the FHA for loans to middle-income families, do not support as high a ratio as the one assigned to the poor under present and proposed law.

What is more, in every case of a subsidy or supplement to the poor for housing, income and the elements included in housing costs are itemized in such a way as to maximize the cost to the poor, but provide a cushion for the more well-off. Maintenance, insurance, and utility costs are often excluded in estimating the shelter-to-income ratio for poor families, and income is established as gross income from all sources from all adult members before taxes and withholding.

Higher income renters or buyers, however, are considered on the basis of dependable income over a span of years, after federal taxes; shelter includes an estimate for the normal repair, utilities, maintenance, and insurance costs.

A more effective and equitable housing policy would assess family shelter costs and income alike for the poor and the well-to-do. Shelter costs and family income should be related to the sex and age of the family head and by family size. The data should be assembled by income class and family size from consumer expenditure studies, family budget analyses and area and local transaction records.

Family Structure

Policy issues relating to family patterns are hotly debated today. As indicated earlier, many national policies and programs are based upon stereotypes or conventional wisdom about family instability, disorganization or pathology among minority and low-income groups. This orientation is best exemplified in the widespread practice of equating family structure with family functioning.

Many social scientists, like the man on the street, continue to treat the statistics relating to the proportion of families headed by women as if it were a valid measure of the functioning of those families. One-parent families are morally prejudged to be unstable and disorganized, while two-parent families are prejudged to be stable and organized--without any empirical investigation of the actual functioning patterns of these families.

In fact, some analyses of family functioning have revealed that two-parent families are not necessarily "intact" and one-parent families are not necessarily "broken." Moreover, some of these investigations have indicated that many one-parent families function more effectively than many two-parent families. A serious deficiency in the literature on low-income and black families has been the lack of systematic investigation of the many strengths and resources existing in both two-parent and one-parent families.

Social Class

Among the most misleading of all social sta-

tistics are the correlates of social class. Earlier, we discussed the ambiguity in using "income" as a measure of "wealth." But an equally serious problem is posed by the widespread practice of equating income groups with class categories, values and life-styles.

For example, many analysts continue to equate "middle-income" with "middle-class" and "low-income" with "lower-class." They forget that many "middle-income" families can have "lower-class" values and life-styles while many (if not most) "low-income" families have "middle-class" values, and live according to that model.

Moreover, as a recent analysis of middle-income black families revealed, it is not clear whether "middle-income" black families should be compared with "middle-income" white families at the white "norm" (or median) or at the black norm (or median). For this analysis revealed some striking differences in life-styles between black and white families at similar income levels.

Although income is a strong correlate of socio-economic status, it is not as valid a measure of class life-styles and values. For income only describes how much money a family has, but class determines how that money is spent--or saved.

More systematic research is needed about the variety of class values and life-styles exhibited by persons and families at similar and different economic levels. A number of studies have already revealed that there is more homogeneity in goals, values and aspirations between persons or families at different economic levels than is commonly believed.

Methodological Biases

Finally, we feel it is necessary to indicate that our own methodological biases may in fact impede the effective use of social statistics for policy and program development.

One of these biases is the widespread practice among social scientists of making generalizations about groups based on unrepresentative proportions. For example, in most discussions about black families, greatest attention is usually given to the 30 percent of black families headed by women. The fact that husband-wife families represent the overwhelming majority of black families has usually not deterred many references to a "matriarchy" as being the "typical" pattern of black families.

In fact, data from the recent Census Employment Surveys in 60 low-income (or "poverty") areas in 51 cities, reveal that many of the patterns that are said to be "typical" of ghetto residents are not. For example, only 1 out of 4 residents of urban "poverty areas" are below the official poverty level. More than 3 of 5 black families in the low-income areas are husband-wife families, and fewer than 3 out of 10 of the black families in urban "poverty areas" receive public assistance. Thus, the major thrust of the nation's policies and programs for low-income areas are directed toward a distinct minority, for which the majority of ghetto residents are often not eligible. Clearly, a more varied approach is needed in order for social policies and programs to be of substantial benefit to all of the fam-

ilies in need--both poor and non-poor.

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