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The purpose of this bulletin is to briefly review relationships of employment, income, and family structure to civil rights of the American Negro population in recent years, and to stimulate the design of new and more effective policies and of more penetrating research activities regarding these relationships. Economic, sociological, and psychological dimensions of the problem of assuring civil rights for the Negro minority are sketched. The observations and factual content of the bulletin are based on a broad background of research and action-program experience in the fields of manpower and community development. Frequent use is made of tables to present data which is discussed fully. The information and discussion is used to form specific conclusions having policy, program, and research implications for governmental agencies. General research needs, such as better surveys of Negro social and economic characteristics, and a permanent clearinghouse for research results, are discussed. In addition, 19 specific areas in which sociological, psychological, and economic research is necessary are presented with suggestions regarding the nature of the needed research. Although the report focuses on Negroes, many of the points and recommendations are equally applicable to other minorities as well as other groups of disadvantaged individuals. (ET)

Studies in
Employment
and
Unemployment

Civil Rights, Employment, and the Social Status of American Negroes

Harold L. Sheppard
and
Herbert E. Striner

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By
HAROLD L. SHEPPARD
and
HERBERT E. STRINER

Based on a Report for the U.S Commission on Civil Rights
(Contract Number CCR-66-5)

June 1966

The W. E. Upjohn Institute for Employment Research
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Preface

The purpose of this bulletin is twofold (1) to review briefly relationships of employment, income, and family structure to civil rights of the American Negro population in recent years; and (2) to stimulate the design of new and more effective policies and of more penetrating research activities regarding these relationships.

This bulletin emerges from work done earlier under contract with the U.S. Commission on Civil Rights. The views expressed by the authors do not necessarily reflect policies or positions of the Commission or of the W. E. Upjohn Institute for Employment Research.

Harold L. Sheppard
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Washington, D.C.
May 1966

The W. E. Upjohn Institute for Employment Research

THE INSTITUTE, a privately sponsored nonprofit research organization, was established on July 1, 1945. It is an activity of the W. E. Upjohn Unemployment Trustee Corporation, which was formed in 1932 to administer a fund set aside by the late Dr. W. E. Upjohn for the purpose of carrying on "research into the causes and effects of unemployment and measures for the alleviation of unemployment."

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I. Introduction

The objective of this bulletin is to sketch the economic, sociological, and psychological dimensions of the problem of assuring civil rights for the Negro minority in the United States. The observations and factual content of this bulletin are based on a broad background of research and action-program experience in the fields of manpower and community development. Historically, the cause of civil rights on behalf of Negroes in the United States has been viewed within a legal context. Accordingly, constitutional rights were immediately seen to be involved. The right to have a job, the right to purchase a home in any location, and the right of access to public facilities were all viewed in terms of civil rights. During recent years, legal steps have been taken to secure these types of rights as privileges of American citizenship to all individuals regardless of race, creed, or ethnic background. Aside from flagrant illegal evasion, however, there is a real question as to whether the moral intent of our Constitution and our laws can be realized unless steps unrelated to jurisprudence are also recognized as pertinent to meaningful attainment and exercise of civil rights by all minorities.

The purpose of this bulletin is to illustrate dramatically that, unless explicit attention is directed toward economic, sociological, and psychological factors influencing the mental stereotypes and images of Negro and white citizens concerning themselves and each other as employee, employer, neighbor, or coreligionist, there can be no real hope for functional utilization of the civil rights now guaranteed legally for all citizens of the United States.

When one begins to think of jobs, urban and rural changes of population, and neighbors, he comes to the domain of the social sciences. This means, in part, that exclusive concentration on legal and economic problems, to the neglect or minimization of the sociological and psychological factors involved, may meet with failures. It also means that improvements in the general economy can still occur without corresponding improvements in the economic status of a large proportion of Negroes. Civil rights can have little meaning to those with little motivation because of the economic, psychological, and sociological factors underlying their view of the place and role of Negroes and whites in a community. Civil rights that guarantee equal employment opportunities have little meaning for the Negro who knows nothing of potential labor market shortages of jobs for which he could be trained. These rights also have little meaning to the white employer who has not been alerted to the potential for training Negroes to fill the jobs

vacant in his establishment. Such agencies as the Civil Rights Commission and the Equal Employment Opportunity Commission must increasingly become aware of seemingly peripheral factors that impinge on the legal questions of civil rights if the civil rights laws are to be made vital and practical forces in any community.

This bulletin examines some of these pertinent factors and also some broader trends which may be of program and policy importance to such agencies. It also indicates areas of continuing research that promise significant support for programs and policies pertaining to job opportunities and civil rights. Guesswork or ill-founded impressions can often be replaced by solid evidence growing out of rational research efforts. In particular, the social scientist may contribute usefully to the understanding and development of civil rights programs which take proper account of fundamental social and economic forces affecting the status of minorities. A legalistic approach to the problem of civil rights must increasingly be enriched by the infusions of knowledge from the social sciences if practical scope and application are to be given to law. A concise statement of the position taken in this bulletin was given long ago by Roscoe Pound: "If the traditional element of the law will not hear of new ethical ideas, or will not hear of the usages of the mercantile community, or will not hear of new economics or of the tenets of the modern social sciences, legislation will long beat its ineffectual wings in vain."[1]

This bulletin does not purport to be all-inclusive in discussing the social science aspects of the nation's civil rights commitment. It focuses, as already stated, on some of the various economic, psychological, and sociological factors that have to be considered if fuller utilization of the human resources of this nation is to be achieved without regard to artificial barriers of race, religion, or ethnic background. In so doing, this bulletin may help to break new ground for the use of social science information and research in the attainment of the ultimate objectives of civil rights and related legislation. Indeed, civil rights laws cannot constructively be considered apart from the new Great Society legislation pertaining to education, manpower training, mobility, and the upward movement, both socially and economically, of the less advantaged groups in our society.

The second section of this bulletin concerns some selected facets of the changing manpower and employment situation in the United States. The third section deals with the urban physical and social environment

[1]"Social Problems and the Courts," *The American Journal of Sociology*, Volume XVIII (1912-1913), pp. 334-338.

in which many Negroes find themselves. Some policy and program conclusions are presented in the fourth section. The fifth section outlines minimum research needs for the establishment of a firm, factual basis for civil rights policies and programs.

Although the focus of this report is on Negroes, many of the points and recommendations are equally applicable to other minorities as well as other groups of disadvantaged individuals. For example, the underemployment of Negroes is pinpointed in various types of jobs, but this kind of wastefulness of human resources is discernible too among native whites or recent arrivals from Puerto Rico. Similarly, Project Head Start is equally meaningful to a Harlem Negro child and to a poor white child in Hattiesburg, Mississippi. This report concentrates on the Negro because civil rights agencies are necessarily and primarily concerned with the predominant minority in this nation. Furthermore, for many reasons growing out of the history of Negroes, their problems are unusually complicated and thus call for special, intensive analysis. The emphasis does not preclude equal concern for poor, unskilled, or uneducated whites.

II. Manpower and Employment in a Broader Context

In discussions of manpower and employment, it is obvious that the challenge of achieving better use of our human resources and of developing a more skilled labor force in general cannot be separated from the current intensive efforts to combat poverty. For this reason, throughout this section, the complementary relationship between the various manpower programs and the new Office of Economic Opportunity programs will be stressed.

At the outset of this report, the emphasis on the employment question and on its relevance to civil rights reflects the fact that an unduly high proportion of Negroes are in the ranks of the unemployed as well as in the ranks of the poverty-stricken. A basic hypothesis of the authors is that one—but certainly not the only one—of the major means for improving the status of Negroes under the civil rights and equal opportunity programs is the development of their job skills. Unless Negroes are placed on an equal footing with whites regarding access to employment, there is little hope that the civil rights accorded to all citizens will acquire the fullest significance for them. Such equality of opportunity cannot be gained without truly equal education and skill training.

Today, because of notable provisions in the Civil Rights Act on fair employment practices (these became effective only in mid-1965), many employers are in a position to overcome historical social constraints sustaining job discrimination. For some employers, personal preference for fair employment policies is genuine and did not result from demonstrations. For other employers who are not in favor of the new legislation, careful compliance surveys and the filing of complaints by the new Equal Employment Opportunity Commission may prove necessary.

Both kinds of employers, however, face the prospect of an inadequate supply of workers, especially if the strong demand for professional and technical personnel (and skilled craftsmen) continues. Crash programs aimed at breaking this manpower bottleneck are therefore required, including on-the-job training and internships, perhaps for periods longer than customary under existing practices and programs.

At this point, it is desirable to review some statistical indications of the changing economic and social status of Negroes, especially in relation to whites. Some of these statements do not deal with economic facts, but they affect, and are affected by, the economic status of Negroes.

1. In 1964, the rate at which unemployed Negroes had involuntarily lost their jobs (as distinct from the rate of unemployment for all reasons) was at least two and one-half times that of unemployed whites. While slightly more than three-fifths of all the unemployed white males 20 years old or more involuntarily lost their jobs, the proportion for Negro males was closer to four-fifths.[1] This type of statistic belies any stereotype of high Negro unemployment as being due to an unusual degree of unwillingness to work.

2. In 1964, nonwhites made up 11 percent of the labor force but 21 percent of the unemployed. Their unemployment rate was at least twice that of whites. While they made up only 11 percent of the labor force, they constituted one-fourth of all long-term unemployed (six months or longer). During the same year, 29 percent of Negro males were unemployed at one time or another; the annual average monthly rate of 9 percent for that year tends to obscure this fact.

3. In 1948, teenage Negro males actually had a slightly lower rate of joblessness than did teenage white males (7.6 percent versus 8.3 percent). By 1964, however, the rate for white male teenagers doubled, while the rate for Negro male teenagers quadrupled.

4. During the 1960-1965 period of high economic growth in this country, the economic status of Negroes in the labor market did not improve to the same degree as that of whites. In some ways it actually worsened. The disparity is partly related to the concentration of Negroes in occupations and industries which are not expanding in a long-run sense.

5. Much of the unemployment problem is hidden since many Negroes, especially the long-term unemployed who have simply given up the search for jobs and the teenagers who have hardly entered the labor market, are not counted officially as unemployed. From 1958 to 1963, the number of nonwhite males 25-54 years old who were not employed and outside the labor force rose steadily from 43 per thousand in 1958 to 62 per thousand in 1963. In 1964 there was a slight decline to 60 per thousand. In the eight years, 1957 through 1964, the rate for nonworking white males outside

[1]Curtis L. Smith, Jr., "The Unemployed: Why They Started Looking for Work," *Monthly Labor Review*, October 1965, p. 1199.

the labor force varied between 27 and 29 per thousand. Yearly figures are shown in the accompanying table.[2]

A careful analysis of the accompanying table reveals a number of significant things. First, during the period 1957-1964, labor force nonparticipants constituted a lower percentage of all not-employed males among nonwhites than among whites. This finding may appear paradoxical in light of the facts cited in the preceding paragraph, but this is due to the fact that, in any given year, there is a greater proportion of nonwhites than whites who are involuntarily unemployed. In other words, involuntary unemployment hits nonwhites more adversely. Second, ever since the 1957-1958 recession, labor force nonparticipants as a percentage of all not-employed males have been steadily increasing among nonwhites and at a rate far greater than among whites. Indeed, the percentage of labor force nonparticipants among all white males not employed increased only slightly from 1957 to 1964. Among nonwhite males, however, it increased considerably—from 40 percent to 49 percent. These data indicate that after the recessions of 1957-1958 and 961 the number of nonwhite males 25-54 years old who ceased to search actively for employment continued to increase. Even after economic recovery for the general economy, the number of such persons continued to rise.

Just before the 1961 recession, 937 out of every 1,000 white males 25-54 years old were working, and it took two more years for that figure to rise above the prerecession rate. Nonwhites fared much worse. The prerecession employment rate for nonwhites was 861, and not until four years later did it rise above that rate. Nonwhite males thus experience greater losses in employment during a recession, and they take longer to recoup such losses, as compared to whites of the same age group. Besides, they start from a lower base, a lower employment percentage.

6. The nonwhite labor force increased by over 19 percent during 1954-1964, and it is expected to increase by 20 percent in the six years 1964-1970. The 1954-1964 increase of whites in the labor force was less than that of nonwhites; the 1964-1970 projection calls for a *decline* from the 1954-1964 rate of increase.[3] Other

[2]While the "not in labor force" category includes males in school, the number of 25-54-year-olds in school is so negligible that the basic differences and trends would still prevail if this in-school group were omitted.

[3]*Manpower Report of the President, 1965*, p. 50; and Bureau of Labor Statistics, U.S. Department of Labor, *The Negro Family*, 1965, p. 26.

Table 1

Labor Force Status for White and Nonwhite Males
25-54 Years Old
Annual Averages, 1957-1964

(Rate per 1,000 in civilian noninstitutional population)

Year	White				Nonwhite			
	Employed	Not employed			Employed	Not employed		
		Total	Unemployed	Not in labor force		Total	Unemployed	Not in labor force
1964 . . .	944	56	27	29	879	122	62	60
1963 . . .	939	61	33	28	860	140	78	62
1962 . . .	938	62	33	29	854	146	87	59
1961 . . .	929	71	43	28	837	163	107	56
1960 . . .	937	63	36	27	861	139	87	52
1959 . . .	938	62	35	27	857	143	94	49
1958 . . .	925	75	48	27	839	161	117	43
1957 . . .	947	53	26	27	887	113	67	45

Source: Monthly Labor Review, April 1965, p. 394.

data indicate that the increased rate of labor force growth among nonwhites will come chiefly from families with low income and inadequate education.

7. Three-fourths of the nonwhite young men who were unable to pass the Selective Service education test in 1963 came from families with four or more children. One-half came from families with six or more children. Since about 33 percent of all nonwhite families have four or more children under age 18, family structure is an important factor that must be considered in efforts to enhance educational achievement and occupational success among Negroes.[4]

[4]See *One-Third of a Nation: A Report on Young Men Found Unqualified,* by the President's Task Force on Manpower Conservation, 1964, p. A-23. For all education test rejectees, including whites and nonwhites, slightly less than three-fifths came from families with four or more children. See also

Continued

8. It appears that, as Negro youths go through the so-called process of education, their measured IQ's *decline*. This finding suggests the inferior quality of the teaching process and also points to the detrimental nonschool experiences (including those in the family) that dwarf the intellectual and emotional potentials in the developmental years. Correspondingly, motivation and aspiration also suffer stunting and deterioration.[5] It may even be argued that the decline in motivation, part of which must be traced to children's roles and experiences within the family structure, is one of the factors contributing to lower performance in schooling and in IQ tests. Lower motivation and decreased IQ's attributable to social-psychological factors—rather than to biological or racial ones— operate as real barriers to the occupational preparation and upgrading of such individuals. In this way, as in many others, the sociological and psychological dimensions join to affect the economic dimension. Thus the employment problems of a large number of Negroes will not be mitigated merely through general economic and legal measures, unless these are supplemented by tailormade programs aimed at changing the social and psychological elements involved.

9. The problems associated with the job status of Negroes are greater than the observation of simple statistics might lead us to believe. One expert has estimated that roughly 50 percent of all Negro workers require upgrading of one sort or another.[6] This high estimate is based on the inclusion of Negroes who have given up any active search for employment, as well as those who do not work full time or on year-round jobs. (A disproportionate number of Negroes are in occupations and industries which do not employ them full time or the year around.) The estimate also includes

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Mollie Orshansky, "Children of the Poor," *Social Security Bulletin*, July 1963. The proportion of white families with four or more children was only about 17 percent in 1962, in contrast to the above-mentioned 33 percent for nonwhites.

[5] "Motivation" is a difficult term to define unambiguously. Among psychologists there is frequent disagreement about the specific processes involved. Generally it refers to a "process governing choices made by persons . . . among alternative forms of voluntary activity." (Victor Vroom, *Work and Motivation*, New York, John Wiley & Sons, 1964, p. 6.) The authors interpret it to involve, among other aspects, a confidence in a social situation and in one's own abilities to attain desired goals. In other contexts of this bulletin, it is associated with the specific concept of "achievement motivation," as used by David McClelland and his associates (see, for example, his recent article, "Achievement Motivation Can Be Developed," *Harvard Business Review*, November-December 1965). In this sense, it refers to a tendency to succeed and excel—to overcome obstacles. No racial or inborn trait is implied.

[6] W. E. Chalmers, *A More Productive Role for the Negro in the South's Economy* (mimeographed), 1964.

low-income workers. The problem is further aggravated by the fact that fewer Negroes, proportionately, are eligible for unemployment insurance when they do become unemployed, since many of the occupations in which they are employed (farm labor and service-type jobs, for example) are not covered by unemployment insurance legislation. Finally, when they become disemployed from regular, long-held jobs, they experience longer periods of unemployment than do whites. In 1964, 23 percent of workers unemployed 15 weeks or longer were nonwhite.[7]

10. Another commonly disregarded fact is that disemployed Negroes more frequently than whites find new jobs at levels below those formerly occupied. Such "skidding" is one more adverse factor in the job situation of Negroes today.[8]

11. The 1960 occupational structure of Negro males was similar to that for white males of 60 years ago—a fact of little comfort to those groups and individuals concerned about the status of the American Negro. We should not expect that sitting back and waiting for six decades would result in a "catch up." Surely, the situation of the Irish and Italians in 1900, for example, was much less critical than the present position of American Negroes.

The importance of emphasizing occupational shifts among Negroes, and not merely changes in unemployment rates, can be seen in the following projections made by the National Commission on Technology, Automation, and Economic Progress:

> If nonwhites continue to hold the same proportion of jobs in each occupation as in 1964, the nonwhite unemployment rate in 1975 will be more than five times that for the labor force as a whole. In 1964, the unemployment rate of nonwhites was 9.8 percent, about twice that for whites. If trends in upgrading the jobs of nonwhites continue at the same rate as in recent years, the nonwhite unemployment rate in 1975 would still be about 2½ times that for the labor force as a whole. Thus nonwhites must gain access to the rapidly growing higher skilled and white-collar occupations at a faster rate than in the past 8 years if their unemployment rate is to be brought down to the common level.[9]

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[7]Susan S. Holland and J. Ross Wetzel, Special Labor Force Report: "Labor Force and Employment in 1964," *Monthly Labor Review*, April 1965, p. 394.

[8]See, for example, H. L. Sheppard and L. Ferman, *Too Old to Work—Too Young to Retire*, Committee print, U.S. Senate, Special Committee on Unemployment Problems, 1960.

[9]*Technology and the American Economy*, Vol. 1, February 1966 (Government Printing Office), p. 31.

12. According to a recent study, the role of discrimination as a factor in nonwhite unemployment has declined significantly relative to the importance of education since 1950: "In 1960, because technological change demanded more education on the part of the average worker, *equality of educational attainment for nonwhites would have meant a substantial reduction in their unemployment rate.*"[10]

Since a major focus of this report is on the younger urban male Negro, it is necessary to examine the occupational structure of this group in particular (actually nonwhites). This structure will be compared with the occupational patterns of (a) older nonwhite males in the nonfarm sector and (b) all young males (see Table 2). Both comparisons are obviously of interest.

Table 2 suggests (though it does not prove) that, as of 1960, nonwhite males in the urban world of work were still tending toward the lower end of the occupational hierarchy. The job profile of the young nonwhite males was not as good as that of their older relatives and friends. A higher percentage of them were in the service and laborer categories, 47.5 percent versus 40.6 percent for older nonwhites. Fewer young nonwhite males, moreover, were craftsmen; only in clerical and sales jobs did they tend to be better represented in the white-collar category than the older employed nonwhites. Unfortunately, the authors were unable to obtain more recent data on this subject to determine any new developments.

In none of the white-collar positions is the percentage of young nonwhites (14-24) similar to that of all young males. The ratio is a generally favorable one for whites. For professional and managerial occupations, the ratio of whites to nonwhites of the same age group exceeds 3.2 to 1. In clerical and sales, the ratio is 2 to 1. In the service and laborer occupations, there is a much greater concentration of young nonwhites, as compared to young whites—a ratio greater than 2 to 1.

This type of statistical comparison indicates once again the special problems concerning employment for young nonwhite males in the urban environment. When compared to older nonwhites, they do not appear to be making any progress, although it could properly be argued that younger people enter the job market at job levels lower than those of "veterans" and, over time, move up. This progress is not inevitable: the first job is a crucial variable in the future occupational career of individuals and their life chances in general. When compared to that of all young males, the nonwhites' job profiles are disappointingly different (with the possible exception of the operatives category, but, here again, more detailed occupational information is needed).

[10]John Feild and Melvin Mister, "Civil Rights Employment Opportunity and Economic Growth," *University of Detroit Law Journal,* Fall 1965.

Table 2

Occupational Distribution of Employed Males in Nonfarm Jobs

1960

Occupation	All males 14-24 (percent)	Nonwhite 14-24 (percent)	Nonwhite 25+ (percent)
All	100.0	100.0	100.0
Professional, technical .	8.1	2.8	5.2
Managers, officials, and proprietors . .	3.1	0.7	3.2
Clerical	11.6	7.7	6.2
Sales	11.2	3.9	1.6
Craftsmen, foremen . .	14.3	8.3	13.5
Operatives	28.8	29.1	29.7
Service (except private households)	8.5	21.4	16.7
Laborers (nonfarm) . .	14.4	26.1	23.9

Source: U.S. Bureau of the Census.

Since 1960, the available evidence indicates that the proportion of nonwhite males in the "lower rung" occupations (services, farm and nonfarm laborers) has improved slightly. In 1960, 47 percent of all male nonwhites 14 years or older were in these occupations, which are characterized by frequent spells of unemployment and/or low income. By 1965, the figure was 43 percent. The percentages for the three occupational groupings for each of the two years[11] are as follows:

Occupation	*1960 (percent)*	*1965 (percent)*
Services (except private households) . . .	14.8	15.1
Laborers (except farm and mine) . . .	22.6	21.1
Farm laborers (including some foremen). .	9.5	7.2

[11]1960 data from "Labor Force and Employment in 1960," *Monthly Labor Review,* April 1961, p. A-25; 1965 data from *Employment and Earnings,* January 1966, p. 77.

In 1960 the two nonfarm groups in the above table constituted 44 percent of nonfarm jobs held by all nonwhite males. Five years later 40 percent of nonfarm jobs held by nonwhite males were in these two bottom-of-the-ladder occupations. For whites the corresponding figures remained relatively unchanged, about 13 percent in both years.

It is possible that service jobs for whites are not identical to service jobs for nonwhites. For example, while more than 11 out of every 1,000 nonwhite males were in the service occupation of bootblack, less than 4 out of every 1,000 whites were in this lowly service occupation as of 1960. In that year nearly 70 percent of all bootblacks were nonwhites. Furthermore, the *aggregate* data indicate that in 1960 the proportion of nonwhite males who were cooks, bartenders, and waiters in the service category was almost identical to the proportion for all males; but the *disaggregated* data reveal something else. While 7.8 percent of all males in the service occupations were cooks, more than 10 percent of nonwhite males in this category were cooks; waiters were also more heavily represented among nonwhites than among all males. In the category of bartenders, on the other hand, the percentage of all males was 5.9, but the corresponding percentage for nonwhite males was only 1.6. Moreover, the median income for white bartenders in 1959 was more than 31 percent greater than that for nonwhite bartenders. (Incidentally, white bootblacks had higher incomes than nonwhites in the same occupation.)

Much of the "relative deprivation" discussion among sociologists concentrates only on the relative rates of change as between Negroes and whites. But there is another type of pertinent comparison, namely, between different groupings within the Negro population itself. This would include male-female differences in occupation, educational and income changes, and the comparative performance of unskilled labor and higher skilled workers. For example, in 1949, the median income of undereducated (1-4 years of schooling) male nonwhites was 31 percent of the median for nonwhite college graduates; but 10 years later it was down to 24 percent.[12]

Negroes at the bottom of the social ladder have not shared in the general postwar economic progress to the degree that other Negroes have. *The significant point to bear in mind here is that lower income Negroes are increasing both in number and as a proportion of the total Negro population in the United States.* This fact reflects the above-average birth rate for low-income Negro families and the below-average rate for upper

[12]Alan B. Batchelder, "Decline in the Relative Income of Negro Men," *Quarterly Journal of Economics,* November 1964, pp. 525-548.

income Negro families. Furthermore, the birth rate among upper income Negroes is below that of upper income whites, while the birth rate of low-income Negroes is above that of whites in the same income brackets. Thus, those Negro families with the least ability to hold out economic opportunities for their offspring are reproducing at a much higher rate relative to other Negro families and to society as a whole.[13]

Civil rights groups should pay special attention to these figures. The greater birth rate among lower income urban Negroes as compared to other Negroes and to lower income whites means that a disproportionate number of young Negroes—especially the males—are entering the labor market with dysfunctional qualifications for the better jobs. Higher unemployment and a greater disposition to enter the less desirable jobs seem to be an inevitable consequence.

The differences in Negro-white income and job status show up very clearly among the lesser educated, poorly skilled. While it is true that many college-educated Negroes are not employed or paid at levels corresponding to those for college-educated whites, the disparity can be expected to continue and worsen for those with less than a high school education. The lesser educated Negro male population deserves a high priority in any comprehensive program to upgrade Negro employment and income.

This report concentrates primarily on urban Negroes. Since Negroes born and reared in the rural South and migrating to the urban North are heavily represented in the lower income groups of northern cities, the importance of their farm origins should not be overlooked. More than two-fifths of metropolitan-area Negro family heads once lived on farms, and most of these farms were in the South. In many respects, employment problems of Negroes today may largely be conceptualized as involving rural social types transplanted to industrial-commercial urban centers. It is in the urban setting that unemployment is high for Negroes; and here more fatherless families are found and higher birth rates prevail, thus aggravating the income and employment problem.

In the nonfarm areas, as of spring 1965, there were more than nine million *poor* nonwhites, according to the Office of Economic Opportunity (OEO) criteria, which were based on Mollie Orshansky's methodology.[14] While Negroes constitute about 11 percent of the total population of the United States, they make up more than 30 percent of all

[13]While the 1958-1963 average net reproduction rate for all Americans was 1,682, for nonwhites it was 2,096. The rate of increase for all Americans since 1930-1935 was 71 percent; for nonwhites, 92 percent.

[14]"Who's Who Among the Poor," *Social Security Bulletin,* July 1965.

the country's poor. In nonfarm areas, nearly two-thirds of the persons in poor Negro families are young (21 years old or less) while the young make up only slightly more than one-half of the persons in poor white families. *Nearly 25 percent of all the poor nonfarm Negroes are under the age of six,* in contrast to 18 percent of the poor nonfarm whites. Among the nation's nonfarm poor under the age of 16, 40 percent are nonwhite. Thus, young Negroes in urban areas constitute a disproportionately large segment of the poverty population, and they may even increase as a proportion of our nation's poor. They are concentrated in large families with unstable structures, and they are poorly equipped with social-psychological and material wherewithal for the improvement of their employment prospects.

In 1964, white males with 12 or more years of schooling had an unemployment rate of 3.2 percent, while the unemployment rate for the corresponding group of nonwhite males was more than twice as large—7.6 percent. Fortunately, the evidence suggests that for the *younger* Negroes with high school diplomas the discrepancy tends to disappear. Among those male Negroes aged 18 to 24 with 12 or more years of schooling, the unemployment rate was identical to that of white males in the same category—8.8 percent. This was still higher than the unemployment rate for the total male population, of course. *The critical problem is the high unemployment rate for male Negroes with less than a high school diploma.* While young white males with 9 to 11 years of schooling had an unemployment rate in 1964 of 11.3 percent, the rate for young nonwhite males with the same amount of schooling was 22.0 percent.[15] An all-out effort is evidently needed to keep Negroes in school until they achieve at least a high school diploma. In order to make such an effort successful, however, new techniques and incentives must be discovered for encouraging them to complete the high school course.

The implications of this information are clear. Young Negroes dropping out of school and encountering the employment difficulties that have been described may, of course, see themselves as victims of outright discrimination practiced by employer groups. While they may be justified in part, there is an urgent need for an effective educational program to convince would-be dropouts and actual dropouts that persons, white as well as Negro, who leave school before graduating suffer discrimination arising from lack of qualifications—a form of discrimination which is completely understandable and certainly within the rights of employers. Young Negroes must be helped to understand that persons

[15]Denis F. Johnston, Special Labor Force Report: "Educational Attainment of Workers, March 1964," *Monthly Labor Review,* May 1965, p. 521.

who remain in school and complete the educational process are relieved of part of the burden of discrimination, for they can then compete on a far more equal footing for jobs available to those with needed skills. Thus, the Civil Rights Commission and the Equal Employment Opportunity Commission might increasingly assume the role of educational organizations by giving young Negroes information to assist them in their preparation for a wider range of gainful employment and more fruitful and satisfying lives.

Reducing the crude unemployment rate for Negroes, in and of itself, is not enough. One essential solution to the employment problem of Negroes resides in the improvement of their occupational structure—bringing it closer to the occupational structure of the white segment of the population. Another improvement would involve bringing the income of Negroes in each occupation in line with that of whites in the same occupation.

A comprehensive approach to the problem of Negro job status involves sensitivity to distinctions between conditions and causes. The obvious causes involve patterns of prejudice and discrimination in the labor market that are based on color alone. But the second category of causes, involving limited education and training qualifications, is less directly related to prejudice and discrimination. Indeed, *it is possible for race prejudice and discrimination to be abating at the same time that the relative socioeconomic status of Negroes is standing still, or even declining.* The popular notion equates a decline in prejudice and discrimination with a rise in socioeconomic equality. Unfortunately, such an equation is not always correct. It is possible for great legal progress to be made, and pro-Negro public opinion to register a marked advance, without a corresponding improvement in the socioeconomic status of American Negroes. Similarly, aggregate economic data for the nation as a whole may show significant progress as particular demographic and geographic components lag.

How is such a paradox possible? For one thing, a great many economic factors intervene. If the demand for certain types of unskilled or semi-skilled labor is not sufficient, workers—white and Negro—are laid off. Furthermore, new jobseekers cannot readily find work. The general economy's growth rate and the rising need for different or higher skills can thus adversely affect the socioeconomic status of poorly educated or unskilled Negroes, even if prejudice and discrimination are absent. The problem is no different among whites with the same educational and skill characteristics. Changing opportunities in the labor market, if not seen in the proper perspective, can be interpreted mistakenly as a conventional civil rights problem.

Economic phenomena which may adversely affect the job status of Negroes, despite reduced prejudice and discrimination, transform the difficulty into a classical structural employment problem. It has already been noted that employers—even those with no prejudice or discriminatory policies—will be in great need of more workers. They will nevertheless refuse to hire many who are looking for work because, by any objective criterion, such workers may not have been trained to perform the jobs available. Furthermore, the category of structural causes may encompass some geographic mismatches of job supply and demand. Even in times of high demand, those workers who are seeking employment and have appropriate skills are not necessarily in the areas in which the jobs are available. Although the low labor demand areas (those with high unemployment) contain about 20 percent of the nation's labor force, they have about 30 percent of the nation's total unemployed. A large number of these 1.1 million unemployed men and women are Negroes; *one* of the reasons for their unemployment status is that they are not where the jobs are.

Thus, in addition to, and frequently instead of, prejudice and discrimination, many Negroes are unemployed (or underemployed) because of: (1) lack of demand in the general economy; (2) lack of proper skill qualifications; and (3) not being where the job openings are.

But it appears that in the other labor market areas of our country—those with the roughly 2.8 million unemployed—Negroes may be overrepresented among the unemployed. If this is correct, our current national policy aimed at providing economic redevelopment opportunities only to designated areas with persistently high unemployment rates has unintentionally bypassed the very urban areas where Negroes have extremely high jobless rates and little income.

This is so because rates of unemployment are calculated for "labor market areas," and this concept as currently defined and measured tends to hide the actual rates of Negroes because they are typically concentrated in only a *part* of the "area." For example, the Detroit labor market area encompasses the geography and labor force of three counties. The total unemployment rate in these three counties combined may be quite low. But the rate within the city of Detroit's boundaries—especially within the confines of the central part of that city—may be as high as 10 percent, a rate that would otherwise qualify the conventionally accepted labor market or a municipality area for financial assistance through the Economic Development Administration. To some extent, this agency (and its predecessor, the Area Redevelopment Administration) has recognized the dilemma, but it needs greater support from other agencies—

and from Congress—to direct more resources, know-how, and financial assistance toward the problem, and at the same time avoid the criticism that the agency is spreading itself too thin.

In one sense, the unemployment problem of Negroes in vast, sprawling urban centers is like the general problem in depressed areas, i.e., people do not live where the jobs exist. For many Negroes, living in the core city separates them from jobs available in the outer fringes of the metropolitan area. This joblessness is part of the price paid for urban residential segregation. It is also the price paid for not redeveloping economically the core cities of our nation. On this issue, the new Department of Housing and Urban Development, the Economic Development Administration, the Office of Economic Opportunity, and the Department of Labor have much to offer—jointly.

Government as the Employer

In an effort to affect the skill level and employment situation of Negroes, one of the most interesting entry areas in the economy would be that of the federal government. The federal government is a major source of employment. In addition, it is a major source of employment in the services sector, which generally is the most rapidly increasing employment sector in our economy. For some years now there have been more people employed in jobs providing services than there have been employed in work producing things, or in the manufacturing sector of the economy.[16] The government, then, as a part of the services sector, which is most concerned—by philosophy as well as by law—with equal employment opportunities, deserves very special attention with regard to employment opportunities and training programs that are capable of upgrading the economic status of Negroes. In addition, federal agencies are subject to the power of the various commissions and representatives of the President who have been entrusted with the task of providing more ample employment opportunities and training programs dedicated to moving Negroes more rapidly into the basic economic and social fabric of our society. Training for government jobs and holding government jobs could thereby become the highly important step in the direction of a larger scale movement of skilled individuals into the non-governmental economy. Individuals who are trained for and obtain experience in the broad range of activities which the government agencies can provide may then move more effectively than ever into jobs which call for the same skills in the regular private sector of our society.

[16]See Appendix A.

Out of approximately 300,000 Negro employees in the federal government as of June 1964, about one-half of them were employed in just three departments or agencies: Defense, Post Office, and the Veterans Administration. Those agencies with percentages of Negro employees above the average percentage for all the federal government were:

Agency	*Negroes as percent of all employees*
All agencies	13.2
Post Office Department	15.4
Veterans Administration	24.2
Department of Health, Education, and Welfare	19.7
General Services Administration	35.7
Department of Labor	19.8
Government Printing Office	39.8

The total number of Negroes in these six agencies comprise more than half of all Negroes in the federal government.

Agencies with percentages of Negro employees at least 6 percentage points below the total average of 13.2 percent were:

Agency	*Negroes as percent of all employees*
Department of Agriculture	3.3
Department of the Interior	3.6
Federal Aviation Agency	2.9
Department of Justice	4.7
Tennessee Valley Authority	6.6
Atomic Energy Commission	2.9
Selective Service System	4.9

Negro employment in these seven agencies constituted less than 7 percent of all Negro government employees. Clearly some of these agencies have less excuse than many others for this type of employment pattern, notably the Department of Agriculture (previously highlighted by the Civil Rights Commission), the Tennessee Valley Authority (located in a part of the country where many Negroes reside), and the Department of Justice (which presumably has a major responsibility in the field of civil rights).

In evaluating these and other related data, it should be kept in mind that a disproportionately lower percentage of these Negro government employees are in white-collar jobs covered by the Classification Act. The opposite is true for blue-collar jobs and for postal field-service jobs. In effect, this also means that there are few Negroes in the higher wage and salary categories. Even within the white-collar jobs, more than 60 percent were in the four lowest salary grades. This figure contrasts with about 27 percent of whites in the same lower grades.[17]

In most of the Civil Service regions of the country, the proportion of federal employees who were Negro was equal to or higher than the proportion of Negroes in the nonfarm labor force of each region. There are two major exceptions in the South. The Atlanta region, whose labor force is about 22 percent Negro, has a federal employee force that is only 11 percent Negro. In the Dallas region, whose nonfarm labor force is about 14 percent Negro, less than 9 percent of the federal employees are Negroes. The greatest discrepancy, therefore, is in the southeastern part of the country (the Atlanta region).

On the basis of the information presented, it is difficult to determine precisely the reasons for the differences in the proportions of Negroes in the labor force of the various agencies. In the research and policy sections that follow there are some suggestions of the types of programs and projects that should be undertaken in order to determine (1) the reasons for differences in Negro employment patterns among federal agencies, and (2) actions aimed at the use of federal agencies as points of entry for higher skilled employment among Negroes.

Job Market Information

Any series of policies or program having to do with manpower and training assumes certain levels of information concerning the labor market. In the case of the Negro, there is no more important area regarding employment than the acquisition of job information and information concerning the potentials for placement after training. Generally, economists tend to assume certain minimally adequate levels of information that bring together the forces of supply and demand in such a way that people who are looking for work will be matched with job vacancies. However, in recent years the paucity of information and the development of information programs concerned with the problem of job matching reflect a serious fault within our labor market mechanism, and

[17]These and other data are from Bernard E. Anderson, "Employment of Negroes in the Federal Government," *Monthly Labor Review*, October 1965, pp. 1222-1227.

have required a basic reformulation of the economists' perspectives regarding the actual performance of such a mechanism.

Job information is a critical need among Negroes. While labor economists and other social scientists may be the first to know—after employers, perhaps—that unemployment rates are going down and job opportunities (in certain occupations and industries) are going up, unskilled Negro workers may be the last to know, or may never know. "It takes a long time for information about new opportunities to reach the Negro community," writes Robert B. McKersie of the University of Chicago.[18] It is even possible that higher skilled Negroes "may by habit of tradition, apathy, fear or ignorance remain in the traditional tracks."

In a recent study by the Institute, it was found that unemployed Negroes—more than whites—tended to restrict their jobseeking to just those companies that they had heard beforehand were looking for workers, instead of making the rounds from company to company in quest of employment. This is not to be interpreted as meaning that they were "lazier" than the unemployed whites. in fact, once unemployed, they started their jobhunt sooner than did the whites. It was also found, to confirm further the point about their job-information problem, that they tended—more than whites—to rely on friends and relatives for job-vacancy information. The paradox is that the network of job information through such informal, casual contacts is pitifully uninformed. To quote McKersie: "The problem is that the network has little or no information about jobs and consequently the people in this culture remain isolated from the mainstream of economic activity. This is one of the factors involved in the lessened labor market participation of Negro men . . ."[19] Furthermore, since friends and relatives of Negroes are more likely to be unemployed than friends and relatives of whites, such informal sources of job information are less valuable.

The problem thus points to the need to improve the network of communication about available jobs. The local community action programs through neighborhood workers could serve to improve the effectiveness of the informal network. Local offices of the United States Employment Service (USES) could provide jobseekers—unemployed and underemployed—with lists of all companies that have workers on their payrolls in the types of occupations the jobseekers are qualified for (or could be made qualified for, through training). Currently the policy of the USES is merely to refer jobseekers only to those companies which have registered their job vacancies with the service.

[18] *Proceedings of the 1965 Spring Meeting of the Industrial Relations Research Association* (Madison, Wisconsin: The Association).
[19] *Ibid.*

There still remains the possibility that, even with respect to this practice, some local USES offices practice a subtle type of discrimination by withholding certain types of job-vacancy information from Negroes, and by referring only whites to companies with registered vacancies—despite the stated policy of the United States Employment Service in Washington. This is a possibility often mentioned by those involved in labor market analysis, and it calls for a systematic, empirical study to determine the degree to which it is a fact in different local offices around the country. Since local offices are actually run by the states, and not by the federal government, though federally funded, there may be interregional variations as well as differences within regions.

The major point is that, unless a more effective information system is developed which provides better information concerning job possibilities and training possibilities for these jobs, disadvantaged and poorly educated Negroes will tend not to expose themselves to the fullest possibilities of employment or training. The Civil Rights Commission and the Equal Employment Opportunity Commission should recognize that, because Negroes may lack this information, they may become convinced that jobs (or better ones) are available only to the whites in the community and that a system of unspoken discrimination precludes suitable employment opportunities for nonwhites. There is a need to assess the degree to which present information is available—also the lines of communication for such information. It would be presumably of little significance to the uneducated, poorly trained, and disadvantaged low-income Negroes if information were made available through newspapers which they either cannot or do not read, through employment service activities which may not be located in their neighborhood (as was apparently the case in Watts); or through other media of communication which they do not tend to utilize. What is needed here is the development of completely new types of communication channels—for example: churches, bars in disadvantaged Negro neighborhoods, or other meeting places such as poolrooms. These are ordinarily not thought of as contact points for information concerning employment opportunities. Moreover, it might be more effective if Negro "natural leaders" were directly involved in such a job-information communication process.

Education and Job Progress

The keystone of any attempt to broaden the employment possibilities for Negroes is obviously education—not only the formal programs of kindergarten through high school but also education that is now available in the form of training programs financed by various federal agencies.

The low job status for large numbers of Negroes can be attributed to their lack of education. A large part of the Negro population still resides in the predominantly rural South, with little prospect for basic progress in their socioeconomic status as long as the South remains principally agricultural. Economic redevelopment in the South would require a higher degree of education and training for many Negroes.

It makes a difference whether a nonwhite youngster graduates or drops out of school. Among 16-24-year-olds in 1964, nearly 29 percent of nonfarm, nonwhite employed high school graduates were working in white-collar occupations, in sharp contrast to only 5 percent of nonwhite dropouts. Less than 8 percent of the urban nonwhite employed high school graduates were laborers, as contrasted to 27 percent of the dropouts. Moreover, the occupational profile of the nonwhite graduates in this age group, as of 1964, was, generally speaking, better than that for nonwhite graduates of all ages, which suggests again the value of education for urban nonwhite youth. This is further confirmed by the fact that among young nonwhites the favorable ratio of white-collar, nonfarm jobs for graduates over dropouts was 5.2 to 1, while among young whites the ratio was only 4.1 to 1. In other words, staying on through high school resulted in a greater upward mobility (as measured by differences in percentages in white-collar jobs) for nonwhites than it did for whites.

Dropout rates are obviously related to family income. In 1964, among out-of-school youths aged 16 to 21 in the nonwhite population, 70 percent of the high school graduates were from families with $3,000 or more income, but only 46 percent of the dropouts were from families in the same income category. The percentage of dropouts from families with more than $3,000 income was much less among males than among females—43 versus 52.

To the extent that the education gap can be closed—especially among those with less than a high school education—a large part of the generally low job status of Negroes can be eliminated. The alternative—and not a realistic one—is to wait for a severely critical manpower shortage to "solve" the problem.

Negroes of today are experiencing improvements in income, education, and occupational status, relative to Negroes of, say, 1935. But, relative to whites, the improvements have not been at the same rate. "This is the perfect situation to create feelings of relative deprivation leading to rebellion."[20]

[20]James A. Geschwender, "Social Structure and the Negro Revolt: An Examination of Some Hypotheses," *Social Forces*, December 1964, p. 254.

It has been said that Negroes are currently improving their level of education at a rate more rapid than that of whites,[21] and yet no corresponding improvement is taking place in the occupational sphere. More specifically, "nonwhites (and presumably Negroes) are improving their educational qualifications for professional and technical jobs more rapidly than they are receiving these jobs, thus causing an increased disparity between educational qualifications for jobs and level of occupational achievement."[22]

Negroes are not rewarded for educational improvement through increased incomes to the same degree as whites. Nonwhites receive a lower median income at each level of education—and the discrepancy between income medians increases as the level of education increases. For example, using 1961 data, the dollar gap in annual income between whites and nonwhites with 8 years of schooling was $1,112; with a high school diploma, $1,774; with some college, $2,133.[23]

The significance of this discrepancy, or relative deprivation, has been spelled out by Geschwender, a sociologist already quoted:

> The Negro in the United States . . . is handicapped by blockages in the circulation of the elite, especially in the area of the professions. He is acquiring the education which is normally the key to occupational mobility to which he feels he is entitled. He is not receiving the economic rewards which he feels he has earned. As a result, he is becoming increasingly status inconsistent and he sees himself falling further and further behind the white. He feels relatively deprived and unjustly so. Therefore, he revolts in order to correct the situation.[24]

Thus, the United States is moving into a new period of paradoxical changes in the status of Negroes in society and in the economy: Large numbers of Negroes are acquiring the ostensibly necessary qualifications for upward mobility in the socioeconomic structure without actually succeeding in obtaining the status presumably commensurate with such qualifications. At the same time, it is also true that large numbers of Negroes are failing to obtain the necessary qualifications for the types of occupations required and opening up in our economy.

The numbers (although not the proportion) in this second group of Negroes may be increasing in our urban areas. Their frustrations may

[21]Forrest A. Bogan, Special Labor Force Report: "Employment of High School Graduates and Drop-Outs in 1964," *Monthly Labor Review*, June 1965, pp. 637-643.
[22]Geschwender, *op. cit.*, p. 254.
[23]*Current Population Survey*, No. 39, p. 4.
[24]Geschwender, *op. cit.*, p. 256.

grow out of the gap between the stated promises and intentions of new civil rights legislation and their actual economic progress.

While the job problem of the entire Negro population is serious, special attention should be focused on the young males. Between 1947 and 1959 the illiteracy rate among nonwhites (aged 14 and over) declined 31 percent for males compared to 34 percent for females. There is still a high rate of school dropouts among nonwhites; if it is not checked, employment problems of Negroes will continue to plague this country.

What are the occupations in which the median age for males is significantly below the national median? Knowing these, one could pinpoint occupations which young Negro males might be counseled to enter. Young males already in occupations could be given a sabbatical with decent pay during which time they could be trained for these new types of occupations.

There are many jobs available which are going begging for lack of qualified workers. This is the fault of a system of education, particularly vocational education, that has given inadequate attention to apprenticeship and on-the-job training—that has failed to gear its curriculum to the real world of work. Call this gap structural, if you will.

Job opportunities currently exist, but the details on their nature and locale are not being transmitted to the institutions charged with training and skill development. Curricula are designed on the basis of inadequate, incomplete information about the production techniques of the industries offering job opportunities. Job-vacancy information is not the same as job-order information on record with the United States Employment Service. In one community the Employment Service may have a handful of job orders for an industry that actually has many job vacancies; but, because historically that particular industry has not used the Employment Service, there is a distorted picture of its employment situation. Since the schools turn to the Employment Service for help in determining the characteristics and needs of the labor market, they too frequently fail to appreciate the skill needs of the community. Furthermore, because industry officials are not involved in school program planning, the youngsters may be trained in an outmoded technology and equipped with obsolete skills. When they graduate, their proffered services may be useless to the modern business firm. The consequences are particularly unfortunate when, for example, lower income disadvantaged children realize that their older friends and relatives have been trained inappropriately for existing jobs. It is difficult to argue with these youngsters because they are convinced that it is pointless to remain in school. This blighting attitude only adds to their bitter, frustrated existence.

Another important lack is a truly effective clearinghouse for information between the demand side and the supply side—again a structural defect. Historically, economists have spent much more time analyzing the factors affecting demand *per se* or supply *per se*. Relatively little attention has been devoted to acquiring an understanding of the information transfer mechanism itself, which in the final analysis must bridge the gap between employers (the demand side) and jobseekers (the supply side). The larger and more complex our economy becomes the more critical this bridging becomes.[25]

In this era of rapid mobility, both workers and employers are faced with decisions concerning relocation possibilities. Both may need help.

[25]See a more detailed discussion of this problem in Appendix A.

III. Urban Economy and Society

The migration of Negroes out of the rural South is evidence of a high degree of aspiration and motivation for improvement in employment and education, as well as in human dignity *per se*. The period of 1940-1950 in particular witnessed one of the greatest relocation efforts on the part of a single group in our nation's history.[1] There are some signs now that the bulk of Negro migration has already taken place, and that the migration rate for Negroes may decline below that for whites. Today, about 35 percent of both Negro and white family heads live in the same labor market area in which they were born. It is primarily among southern-born Negroes that we find the highest lifetime mobility rates: nearly 75 percent of this group no longer live in the area of their birthplace. In 1957-1962, the percentage of Negroes moving from one area to another was only about one-third the percentage of whites; and the number of their moves was less than that of whites. The crucial point is that northern-born Negroes now appear to be an especially immobile population: therefore, geographical mobility is not an easy solution to their current employment problems. In this connection, Negroes—when asked—appear to show greater preference to remain in the community in which they now live than do whites.

While a large part of the explanation for such differences can be found in education-occupation discrepancies between whites and Negroes (higher educated, higher occupation individuals tend to be the most mobile, and Negroes are underrepresented among them), this is not the complete story: "Even if we compare Negro and white adults having the same education or occupation, the Negro groups still appear considerably less mobile than the corresponding white groups. . . . such geographic moves that do occur, particularly among unskilled workers, in many instances seem to be guided by the location of relatives as much as by job opportunities. The role which relatives play in determining Negro moves may help to solve the difficult problems of adjustment to a new environment which the Negro migrant faces. But this system hardly provides an effective mechanism for guiding Negroes into areas of new opportunities or expanding employment."[2] Uneasiness about new and strange environments (with no relatives or friends) is a natural reaction for minority groups with a history of discrimination.

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[1]Dorothy K. Newman, "The Negro's Journey to the City," in two parts, *Monthly Labor Review*, May 1965, pp. 502-507, and June 1965, pp. 644-649; and Area Redevelopment Administration, *Negro-White Differences in Geographic Mobility*, 1964.

[2]Area Redevelopment Administration, *op. cit.*, p. 14.

Although discrimination is a fundamental factor in the employment problem among Negroes, this problem is compounded by the problem of adjustment to an urban industrial setting. Typically, rural migrants—regardless of race—rarely enter the urban occupational ladder at its middle or upper rungs.

> Aside from their language advantages, and except for the limited availability of jobs, especially laboring and factory jobs, the situation of today's urban Negro is much like that of the immigrant of 60 to 75 years ago. Both usually left a rural agrarian environment, and both have tended to stay, for at least one or two generations, in the area of first urban settlement. Both have tended to get the least desirable jobs, to live in the slum or an ethnic ghetto, and—under the burden of low earning power and limited conversance with the large society—to struggle to conform to or become part of the "American way."[3]

This observation does not mean that time alone provides a solution. In the first place, historical periods differ from each other with respect to structures of opportunity and economic and social change. Second, one ethnic rural migrant group cannot be equated with another on a one-to-one basis regarding their respective life chances, their family structures and traditions, birth rates, and acceptability by other urban residents, schools, employers, real estate interests, and local governments—to cite only a few dimensions. Third, the rate at which different ethnic groups enter into the urban way of life cannot be ignored.

Finally, partly as a result of the history of slavery, the caste status of Negroes in America's social system is a unique one and cannot be equated with the economic history of other rural people migrating to urban centers. If there were not this unique caste system in our social order, Negroes with several generations of urban ancestry should be found in social positions equal to those of whites with similar urban ancestry. The authors do not have any empirical data to confirm or contradict this proposition, but it should be possible to carry out research designed to test it. If current knowledge means anything at all, such research would probably indicate that truly urbanized Negroes do not occupy social positions equal to those of whites with similar urban backgrounds.

For significant segments of the Negro population in urban centers, the aspirations and motivations are high; they need only the opportunities for effective social and economic progress as measured by low unemployment rates, higher incomes, and better jobs. But, in our laud-

[3]Newman, *op. cit.*, June 1965, p. 644.

able efforts to combat harmful stereotypes, we must not blind ourselves to those other parts of the Negro urban population where—even under conditions of potential opportunities, growing demand for various types of higher skilled workers, etc.—the past history of discrimination and prejudice has resulted in a level of aspiration and motivation not adequate to the needs of our changing, more open society. There is a pressing need to design policies and programs that would affect family structure, birth rates, schooling, vocational guidance and training, employment services, etc., in order to combat conditions that lead to or sustain inadequate aspiration and motivation.

For those whose sensitivities are such that they read "white paternalism" into this observation, the authors submit the reminder that large amounts of research time and money have gone into the problems of aspirations and motivations among whites in the unemployed, welfare, and prison populations. In the final analysis, our aim must be to bring such people into the producing, socially viable mainstream of America. If the past has harmfully affected the level of motivation, we must now determine how to redress the imbalance and create a healthy level of motivation if and where it is lacking.

In the 10 cities outside the South with the largest nonwhite populations, the following percentages of native nonwhites were born in the state or region of their 1960 residence:

City	*Percent (rounded)*
Los Angeles	39
Chicago	42
Washington	44
Cleveland	45
Detroit	45
Newark	46
New York	49
Cincinnati	52
St. Louis	52
Philadelphia	53

In none of the above cities (which contained about 4.4 million Negroes in 1960) was the percentage of southern-born Negroes less than 39 percent (New York); the highest percentage of southern-born Negroes was 48 percent (Cleveland). Finally, it should be noted that, in 1960, the city with the lowest percentage of nonwhites born in its area was Los Angeles.

Negroes in the Urban Area: A Case Study

In 1963—two years before the first Watts riot—the Area Redevelopment Administration approved plans for a detailed study of hard-core unemployment and poverty in Los Angeles because of its concern about the inadequacy of existing programs to cope with what it believed to be a growing problem of increasing desperation and danger. Such concern was perhaps even greater among those Congressmen whose constituents lived in certain districts of that labor market area, and who were disturbed that congressional authority did not allow ARA to provide financial assistance to a part of a so-called labor market area if that part was less than a municipality. Thousands of its residents were underemployed or unemployed, and their unemployment rate was far above the average rate for the total area. Using only the misleading statistics and percentages pertaining to what is erroneously looked upon as one homogeneous area, the undiscerning labor market analyst may understandably be led to conclude that Los Angeles so defined has a prosperous and expanding urban economy.

Of the 22 adults who founded Los Angeles in 1781, it is ironic that 10 were Negroes. The actual location of the first settlement is now in the center of the hard-core unemployment area of that sprawling megalopolis. "Poverty and unemployment characterize much of the central, south central, and east Los Angeles areas which constitute the core of the broad area under study."[4]

Many of the neighborhoods in the area include Mexican-Americans, as well as Negroes. Certain sections of it are nearly 100 percent Negro. As the UCLA staff puts it, "...the central part of Los Angeles has become, in effect, a convenient 'dumping ground' for the problems which the community has failed to solve and which the comfortable suburbanites would rather ignore." The other large cities of our prospering national economy are not too different in this respect.

The section in which Watts is located (it was called "Mudtown" about the time of World War I, and was described by a novelist as being "like a tiny section of the deep south literally transplanted") is a ghetto into which migrants from the South have steadily settled, "often unfamiliar with the complexities of living in a large and impersonal metropolitan area." Unemployment among males in 1960 was as high as 30 percent

[4]All references in this section, unless otherwise indicated, are to *Hard-Core Unemployment and Poverty in Los Angeles*, prepared for the Area Redevelopment Administration by the staff of the Institute of Industrial Relations of the University of California at Los Angeles, 1965, under the supervision of Paul Bullock.

in some of the tracts. The high birth rate is evidenced by the fact that the median age for all males in one of the tracts was 9.5 in 1960. More typical were male unemployment rates around 13 percent and a median age closer to 22 years.

In short, the central part of Los Angeles under study here is afflicted by the "industrial decentralization within the Los Angeles area and the denial or disappearance of job opportunities for many of its residents." Personal characteristics, as well as discrimination in education and employment, are also related to much of the problem of lack of job opportunities.

For the purposes of meeting and coping with the problems of unemployment and occupational status among urban nonwhites, and Negroes in particular, the concept of "labor market area" as presently defined and used for other purposes contains fundamental defects, in which the UCLA staff strongly concurs. The present concept "does not presume to relate to a realistic and explicitly defined labor market area, but, rather to a geographic unit which is traditional, adminstratively convenient, and commonly accepted." The policy implications of such a concept are conducive to the neglect of such concrete facts as distances to be traveled in looking for, finding, and keeping a job; the high cost (relative to income) of commuting to and from the job; discrimination; and ethnic ghettoization. In addition, a labor market area (ostensibly in the singular) of the size of Los Angeles typically encompasses several adjoining (and overlapping) government entities, the separate autonomies of which can operate against the intent of equal employment (and housing) measures.

Moreover, since the Watts area did not constitute a reality in the minds of those administrators and analysts who think in terms of their traditional, statistical, and administrative concepts of the labor market area, it did not have a state employment service office. It should not require a major riot to make one's reality known, but it did. Still worse, it is understood that various local offices of the employment service around the Los Angeles region have not exchanged information with each other concerning job vacancies and jobseekers.

For policy as well as for immediate research purposes, the civil rights agencies and organizations should encourage modifications in the definition and component data of the labor market area so that needs and their tailormade solutions can be more effectively specified and implemented.

It is interesting to note in passing that the only statistical series to which civil rights groups in the past have paid much attention were those which separated individuals by racial classifications. In the past it

was felt that any series which labeled nonwhite as opposed to white was discriminatory. Now, because of our revised approach to employment and training and genuine efforts to provide far more substantial opportunities for Negroes, once again we are moving toward statistics that provide detailed racial information. It should also be pointed out, however, that statistics which are not meaningfully classified on a geographical basis (including parts of a city's area) prevent the analyst from doing meaningful work on employment issues of minority groups. If statistics minimize or obscure the details of Negro employment, training, or education status, they should also be revised. Only by revision can they provide the basis for research and program development aimed at improving the employment and social status of the nonwhites in the United States. This means, first of all, that in large urban areas updated information concerning subareas must be constantly collected and disseminated. Information must also be adequately cross-tabulated with regard to unemployment (including "hidden" unemployment), underemployment, income, and such sociological characteristics as family structure and size, rural-urban origins, school attainment, etc.

The primary goal of such a recommendation is to direct public and private programs to the urban subareas of poverty and unemployment that are typified by the Negro-populated central core of metropolitan areas. A frequent objection to such a recommendation is that it could lead to a dilution of existing funds and manpower resources provided by legislation. The obvious answer to this objection is that the problem is urgent and great enough to warrant an expansion of funds and resources.

In the area under study in Los Angeles, nearly 14 percent of the population over 25 had less than 5 years of education. This statistic tells only part of the story since many Negroes schooled in the South could also be classified as functional illiterates. Indeed, "... through this area Los Angeles is inheriting from elsewhere in the United States a very large number of persons who cannot function as literate persons in this industrialized city."[5] Moreover, the dropout rate of students in this section of Los Angeles is significantly above that for the total area.

[5]Sixty-seven percent of a sample of unemployed persons in Los Angeles, as of May 1964, were born in southern states. In a study of the same year in Erie, Pennsylvania, the Upjohn Institute found that 80 percent of the Negroes listed as having been unemployed (or still unemployed) were southern-born.

Since the writing of this report, a more up-to-date special study has been conducted by the Census Bureau on Watts and other sections of Los Angeles. It revealed, for example, that the male unemployment rate in 1965 had declined only one percentage point since 1960. Nationally, the rate dropped from 12

Continued

A massive program of adult education is urgently required to eradicate the disadvantages that southern-born Negroes bring with them to urban centers. Some type of national program may be warranted in the South itself, aside from the question of migration. The Los Angeles study only serves to highlight the penalty of illiteracy as it is imposed upon rural migrants who come to the more sophisticated urban centers.

Family Structure and Employment Problems

This report places strong emphasis upon the relationship of family structure and size to the problems of employment and job status for many Negroes. At the outset, it should be stressed that there is no such thing as *the* Negro family and that there is nothing intrinsically pathological about different family structures or sizes. Because of the great lack of research and data concerning the relationship of family structure and size to employment and economic opportunity, much of what follows is necessarily inferential. There is great need for gathering data explicitly for the purpose of more systematic research on this subject. Recent discussions of this topic have tended to engender acrimonious debate instead of needed research. Unless a calmer, more empirical analysis is undertaken, a solution to the employment problems of Negroes will not be found.

The large-scale migration of Negroes during the forties and fifties has had a profound effect on their families. This impact on the families is heaped upon repercussions from the plantation and slavery system. In any evaluation of differences between the Negro family and the white family, it is quickly apparent that the former is much more frequently identified with the poverty population. But an even closer look is required. Nonwhite poverty families have, on the average, more children than white poverty families. There is a direct relationship between a large number of children in a family and frustrating experience; and this correlation provides a pessimism base, an unconscious or conscious disposition to believe that "we just can't beat the game." The problem of planning family size, unfortunately, is being faced very late. But it is being faced at last; and the issue of employment and economic security cannot be divorced from the outcome of present and future family planning programs.

percent to 6 percent. Purchasing power of families has declined $400 "during a period [1960-1965] in which the typical American family's income rose 14 percent and the typical nonwhite family's income jumped 24 percent." Furthermore, the proportion of children living in families with both parents present had dropped from 68 percent to 62 percent during this period. (See press release from the Office of the Secretary of Commerce, March 8, 1966, entitled "Economic Status of Non-Whites in Los Angeles.")

The following table presents the comparative distribution of large size families among whites and Negroes, and the relationship of size to poverty:

Distribution of Negro and White Families
in Poverty, by Number of Children Under 18, 1963*

All families with children under 18 (percent)	*Families with 1 child (percent)*		*Families with 6 or more children (percent)*	
	Negro	*White*	*Negro*	*White*
22	33	10	77	35

*Based on the less rigorous "economy" level criteria established by the Social Security Administration (Mollie Orshansky, "Counting the Poor: Another Look at the Poverty Profile," *Social Security Bulletin*, January 1965).

Such comparisons show that the larger the family the greater the poverty. Furthermore, there is a greater proportion of larger families among Negroes than among whites. *Given the continuing differential in birth rates between poor whites and Negroes, it is possible for the problem to become even more acute among Negroes.* As Philip Hauser has pointed out, "The Negro, like the inhabitant of the developing regions in Asia, Latin America, and Africa, in his new exposure to amenities of twentieth-century living, is experiencing rapidly declining mortality while fertility rates either remain high or, as in urban areas, actually increase."[6]

Furthermore, for every 100 Negroes between the ages of 20 and 64 in 1960, there were 94 under 20, while the corresponding ratio for whites in the same year was only 75. In other words, Negroes of working ages carry a greater burden of dependency than whites. As of 1965, there were 103 Negroes under 20 for every 100 aged 20-64.

In 1960, one-third of all nonwhite children under the age of 14—as contrasted to only one-twelfth of white children in the same age group —were living and being reared in the absence of one or both parents, usually the absence of the father. About 20 percent of all nonwhite children were living with mothers only, as contrasted with less than 6 percent of white children. There are no data on how many Negroes have lived in fatherless families during all of their childhood. Living in a fatherless family is especially difficult for boys in their developmental years. The emergence of this type of pattern as an urban phenomenon is suggested by the fact that, in 1965, 25.5 percent of nonfarm Negro

[6]"Demographic Factors in the Integration of the Negro," *Daedalus*, Fall 1965, p. 864.

families were headed by females, in contrast to only 15.3 percent among farm families, according to the Bureau of the Census.

With one-third of Negro children under 14 being reared in families with one or both parents absent, economic equality with whites for large numbers of Negroes (perhaps growing numbers) can only be a pious wish. There is nothing intrinsically immoral about fatherless or motherless family structures—unless we view as immoral in our type of society and economy high unemployment rates, low income, and exhausting occupations. Nor is there anything intrinsically immoral about matriarchal families if there is an adequate role for the husband and son to perform in such families and in the general society.

As long as there are large families in low-income, low-skilled, poorly schooled populations—white or Negro—we must strive to design more effective means of attaining progress in income and occupational status. Low-income rural-origin families with large numbers of children have a high rate of dropouts. And dropouts have a higher unemployment rate than high school graduates. Thus, there seems to be a definite correlation between birth in a large low-income, rural-origin family and low job status and high unemployment. In other words, the nature and size of the family can become a condition for poor jobs and unemployment. Generally speaking, birth rates actually have declined in periods of unemployment in our history; that is, extended unemployment has tended to be followed by declines in birth rates. It would be interesting, incidentally, to trace historically white-Negro differences, if any, in birth rate "adjustments" to changes in nonfarm unemployment rates.

The fact that in urban centers Negroes currently have a higher proportion of low-income recent migrant persons and larger families than whites creates the impression of a "Negro problem." Many Negroes become sensitive to such a description. Many whites use the description as a defense against any action that would change such a fact, thus indulging in a self-fulfilling prophecy. It may also be possible that some Negro leaders, by refusing to cope with these facts, are also participating in self-fulfilling of the prophecy.

In years past, we witnessed the reluctance on the part of whites and Negroes alike to accept the proposition that education is a crucial variable in the life chances of Negroes. Prejudiced whites insisted that biology was the sole underlying cause of Negro inequality, while many Negroes insisted that discrimination was the sole cause. Biology certainly was not and is not the explanation, but discrimination on the basis of skin color alone is no longer as crucial as it was in the past (although it is far from

being eradicated). The main point, however, is that Negroes and whites now accept the importance of educational improvements as one of the means or conditions for equality.

Since education and training are recognized today as making a difference between success and failure in the world of work, it has become almost trite and platitudinous to state that Negroes must be given better and more education and training. What has not been recognized sufficiently is that one—and *only one*—of the obstacles to rapid progress toward this goal for more Negroes is the nature of the family structure in a significant minority of the Negro population in urban areas. This minority has a greater birth rate, and it may thus be on the way to becoming a larger minority than before—*the result of which can be a perpetuation of the very crisis we are trying to prevent or mitigate.* One statistical aspect of this differential birth rate is that 64 percent of all the nonfarm, nonwhite poor population living in families are 21 years of age or younger—a proportion 21 percent higher than that among white poor persons living in nonfarm families. Among the nonwhites who were not poor, about one-half were 21 or younger.

The modern American urban world encompasses a caste system that has emerged out of the migrations of the descendants of 19th century slavery. As St. Clair Drake has pointed out:

> . . . the character of the Black Ghetto is not set by the newer "gilded," not-yet run down portions of it, but by the older sections where unemployment rates are high and the masses of people work with their hands—where the median level of education is just above graduation from grade school and many of the people are likely to be recent migrants from rural areas.
>
> The "ghettoization" of the Negro has resulted in the emergence of a ghetto subculture with a distinctive ethos, most pronounced, perhaps, in Harlem, but recognizable in all Negro neighborhoods. . . . The spontaneous vigor of the children who crowd streets and playgrounds . . . and the cheerful rushing about of adults, free from the occupational pressures of the "white world" in which they work, create an atmosphere of warmth and superficial intimacy which obscures the unpleasant facts of life in the overcrowded rooms behind the doors, the lack of adequate maintenance standards, and the too prevalent vermin and rats.[7]

About 60 percent of Negro families in the United States earn less than $4,000 per year, while 60 percent of white families earn more than

[7] "The Social and Economic Status of the Negro in the United States," *Daedalus*, Fall 1965, pp. 771-772.

that amount. Within the Negro low-income segment there is naturally a heterogeneity of social strata and styles of life. Many low-income Negroes behave within a system of what has come to be called "middle class" values, including a stress on respectability and decorum; getting an education (if not for themselves, at least for their children); family stability; and a reasonable family size. To quote Drake, "For both men and women, owning a home and going into business are highly desired goals, the former often being a realistic one, the latter a mere fantasy."[8]

But within this same income category there are other types of families and individuals. This part of the urban Negro population and its style of life provide the flesh-and-blood world from which spring the statistics of the "Moynihan" Report:

> . . . an "unorganized" lower class exists whose members tend always to become disorganized—functioning in an anomic situation where gambling, excessive drinking, the use of narcotics, and sexual promiscuity are prevalent forms of behavior, and violent interpersonal relations reflect an ethos of suspicion and resentment which suffuses this deviant subculture. It is within this milieu that criminal and semi-criminal activities burgeon.[9]

The maintenance of a middle class style of life requires more than sheer perseverance and will power. It also calls for a certain level of income (more precisely, a certain level of purchasing power) and perhaps even a certain kind of family structure. Purchasing power is not distributed and occupational and family structure are not organized among Negroes to the same degree as they are among whites. The issue is, can one be changed without changing the others?

In this respect, a vicious circle continues to pervade the social world of many Negroes in which the number of families without fathers and a lower prestige of males among their female associates and their children are dominant features. The pattern of Negro male insecurity, sustained by other current conditions, continues to be a major obstacle to effectuating a distinct break from the disadvantaged position of a large part of the Negro population today. For one thing, "An impressive body of evidence indicates that rather serious personality distortions result from the female dominance so prevalent in the Negro subculture. . . ."[10] What is not sufficiently recognized is the link between the nature of the social status of many Negro males today and their problems of employment and occupational status. Indeed, this link is often vehemently denied.

[8] *Ibid.*, p. 779.
[9] *Loc. cit.*
[10] *Ibid.*, p. 787.

The low esteem of the Negro male, especially in the lower income strata, must be given prime attention in any serious effort to change the social structure of American Negro society which is much more like a pyramid than the white social structure. Negro occupational structure, for example, consists of a miniscule capstone of upper class families, a larger stratum of middle class families under that, and the largest class at the bottom. Conversely, white social structure is shaped more like a diamond, with a large middle class bulge.

This situation of a large number of Negro males warrants further comment. For example, Negro boys in lower income families receive less and even inferior education compared to Negro girls. Smaller proportions enroll in college-preparatory and commercial classes in the high schools. Even if the girls in such classes do not actually enter college, they at least become more qualified for white-collar jobs—the occupational sector which is expanding at a greater rate than manual jobs. As one study has pointed out:

> When more white-collar occupations open up for Negroes, the girls will be better prepared and more motivated to fill them than the boys. This is true for clerical and sales positions, but also for semi-professional and professional ones. Under these conditions Negro girls, especially those of a working class background, can be expected to achieve higher occupational status than the boys from their socio-economic category. This kind of development would tend to perpetuate the high prestige position of Negro women with the Negro group.[11]

The author of that study also confirms one of the major theses of this bulletin, namely, that the disadvantaged position of Negroes can persist even when discrimination itself declines or is actually eliminated, especially in the case of Negro males. If this is so, the civil rights movement and the drive for equal job status face some severe frustrations. Unless major changes can be brought about in the demography, sociology, and psychology of lower income Negro families, and of males in particular, civil rights legislation for fair employment practices will not soon achieve its goal. At best, the only kinds of jobs available for unskilled Negro males born and reared in such family settings are actually declining, and the large numbers involved cannot possibly be absorbed.

The adverse character of families in substantial parts of the Negro population is certainly due in large part to (1) the heritage of past decades and (2) the nature of their present environmental setting. In

[11]Jetse Sprey, "Sex Differences in Occupational Choice Patterns among Negro Adolescents," *Social Problems,* Summer 1962, p. 22.

other words, it may be looked upon as an effect, a result. But effects can assume a causative role in human affairs.[12] Illegitimacy, many children in a family, and unstable parental relations have their effects, too; they should not be looked upon merely as results of other factors if we intend to deal with the problem and not just continue to look for someone or something to blame.

A large number of children is obviously an insuperable burden for a low-income family, regardless of racial background. In this particular instance, just on the aggregate level, the average income of Negro families is about 50 percent of the average income of white families, but the average number of children in Negro families is 30 percent more than in white families. Putting it even more dramatically, while the average number of children in upper income nonwhite families has fallen below that of whites with comparable economic characteristics, the average number of children for lower income nonwhites is above that for comparable whites. According to the 1960 Census, for every 1,000 nonwhite females aged 15-19 who had ever been married, 1,247 children had been born unto them. For comparable white females, the corresponding figure was 725.

The basic point is that the growth in the Negro population is concentrated among those with low income, inadequate education, employment insecurity, and unstable family structure.

If we are sincere in our statements about the crisis nature of Negro income, employment, and occupational status, it is not enough to be comforted by long-run predictions that, like others before them, Negroes will decrease their rural exodus to urban areas and thus eventually produce a population "increasingly similar to others in the areas to which they have come."[13] For one thing, there is nothing inevitable about such a prediction. Even if it were inevitable, the current rate of change is actually so slow that it could take more than 100 years to reach "parity." Certainly, recent trends in income and occupational status do not point to any optimistic conclusion about the future.

Hauser points to the impact of the higher birth rate among Negroes on their socioeconomic status:

[12]The family problem does exist and also does affect efforts to move the Negro into the economy and the society on a comparable footing with the white. But to be really effective, one must see the family factor not as the sole or major focus of our efforts, but as one of many crucial focuses. We are faced with a social simultaneous equation where the solution can only result if all factors are dealt with in the solving process.

[13]Hauser, *Daedalus,* Fall 1965, p. 865.

High fertility with its consequent large family size handicaps the Negro by limiting the investment the family can make in human resources—that is, in the education and training of the child. Under economic pressure the Negro child, on the one hand, has little incentive to remain in school and, on the other, is often forced to leave even when he desires to obtain an education. Thus, the Negro child tends to be the high school drop-out rather than the high school graduate. Even if much more is done to remove the Negro family from the bitter consequences of raw poverty, large numbers of children will tend to set limits on the education each child in the Negro community will receive. Certainly, the family with two or three children will, for some time to come, be in a better position to support its children through high school than the family with six or more children.

The poverty of the Negro family must rank as the single most important factor preventing the Negro from developing those abilities which could help him to assume both the rights and obligations of being a first-class American citizen. . . . the large proportion of Negro children now under eighteen cannot possibly be expected to participate fully in the mainstream of American life so long as they are steeped in the morass of poverty.[14]

Since education is becoming a much more important requirement for eliminating Negro-white economic differentials and for increasing job opportunities, and since "large numbers of children will tend to set limits on the education each child in the Negro community will receive," we must come face to face with the subject of family structure and size. This matter is more than a spurious factor in the issue of Negro progress in employment and occupational status. To put it more directly by quoting Hauser, "As a result of a high birth rate, the Negro population retains characteristics such as inferior occupations, low income, and a style of life precluding association and social interaction with the dominant white society—all of which retard assimilation."[15] This statement underscores the authors' view that a high birth rate among low-income families can itself serve to perpetuate inferior occupations and high unemployment rates.

The vicious circle of poverty, large family size, poor education and skills, and high unemployment rates must be broken. It *can* be broken. And a vicious circle can be entered and broken at many points of its circumference. One of these points of entry relates to family size. We need a massive effective program aimed at helping "the relatively unedu-

[14] *Ibid.*, pp. 865-866.
[15] *Ibid.*, p. 866.

cated and impoverished Negro family to restrict its size." If all Negroes were in the upper 5 percent of the income distribution, concern about family size would, of course, be irrelevant (or indicative of fears of Negro dominance). Millionaires—Negro or white—can afford to have families of six or more children. The only adverse effect would be smaller inheritances for each child. Low-income persons—Negro or white—cannot afford large families, at least in the current stage of human history.

Poverty, poor education, punitive welfare policies (such as the "man-in-the-house" rule), and even pathological discrimination, have all contributed to the economic and social-psychological frustrations of our Negro citizens. Such frustrations are a result of these and other patterns created and sustained by dominant white beliefs and practices. But again, results can, in turn, become causes. Today, the inferior role and status of low-income Negro males contribute to the perpetuation of Negro inequality in general. "There is a great need for special efforts to enhance the role of the Negro male in the family, to concentrate on providing him with the capabilities of taking on his expected functions, responsibilities, and obligations as husband, father, and provider."[10] These capabilities also depend on the less understood, but nevertheless real, psychological phenomena such as self-identity, ego strength, etc. These factors are among the causes, as well as among the effects, of the employment problem.

The psychological literature is replete with findings about the unique personality problems of Negro males from lower income families. Department of Labor and Bureau of the Census data on economic and demographic characteristics offer only partial—and hence inadequate—information and "explanations" about the employment problem of Negroes. Furthermore, the data too frequently understate the problem by being reported in the category of nonwhites instead of Negroes specifically and exclusively.

The research findings on Negro males in particular, as well as on the impact of fatherless situations on basic behavior patterns and motivations, have been summarized by Thomas Pettigrew. One of his passages supports the authors' position that the employment problems of Negroes (males in particular) cannot be separated from family structure

> . . . eight-and-nine-year-old children whose fathers are absent seek immediate gratification far more than children whose fathers are present in the home. For example, when offered their choice of receiving a tiny candy bar immediately or a large bar a week later,

[10] *Ibid.*, p. 867.

fatherless children typically take the small bar while other children prefer to wait for the larger bar. This hunger for immediate gratification among fatherless children seems to have serious implications. Regardless of race, children manifesting this trait also tend to be less accurate in judging time, less "socially responsible," less oriented toward achievement and more prone to delinquency. Indeed, two psychologists maintain that the inability to delay gratification is a critical factor in immature, criminal, and neurotic behavior.

. . . Various studies have demonstrated the crucial importance of the father in the socialization of boys. Mothers raising their children in homes without fathers are frequently overprotective, sometimes even smothering, in their compensatory attempts to be a combined father and mother. . . . boys whose fathers are not present have initially identified with their mothers and must later, in America's relatively patrifocal society, develop a conflicting, secondary identification with males. . . .

Several studies point to the applicability of this sex-identity problem to lower class Negro males.[17]

Lower income Negroes have experienced difficulty in the learning process, as Martin Deutsch pointed out.[18] He also described how the economic and social experiences of the low-income Negro male have influenced his "concept of himself and his general motivation to succeed in competitive areas of society where the rewards are the greatest. . . . the lower-class Negro child entering school often has had no experience with a 'successful' male model or thereby with a psychological framework in which effort can result in at least the possibility of achievement. . . . A child from any circumstance who has been deprived of a substantial portion of the variety of stimuli which he is maturationally capable of responding to is likely to be deficient in the equipment required for learning." Deutsch and Brown have also shown that even when income is held constant, the IQ's of Negro pupils from families without a father present are lower than the IQ's of those from families with a father.[19]

The large urban areas of the United States are fostering and are subject to a set of adverse social conditions affecting young Negroes—especially the males. These boys are too frequently in fatherless and/or

[17] *A Profile of the Negro American* (Princeton: Van Nostrand, 1964), pp. 17-19.

[18] "The Disadvantaged Child and the Learning Process," *in* A. H. Passow, ed., *Education in Depressed Areas* (New York: Teachers College, Columbia University, 1963), pp. 163-179.

[19] Martin Deutsch and Bert Brown, "Social Influences in Negro-White Intelligence Differences," *Social Issues*, April 1964, p. 27.

unemployed families· they lack adequate stimulation for achievement, adequate occupational guidance (often nonexistent) in the families and the schools and sufficient occupational training; and they obtain only blind-end jobs, if any. The "choice" of a first job is itself a vital variable: an unskilled (or nonskilled) worker typically takes the only job he knows about when entering the labor market, and this job is stigmatized by a low wage and/or frequent spells of layoffs. If young Negroes are not poorly motivated to begin with, they inevitably lower their aspirations and efforts at self-improvement as a result of the syndrome of environmental insults. Even the pernicious system of easy credit and exorbitant interest operates to discourage their active jobseeking once unemployed, since their income from jobs would only be garnisheed by their creditors. The unemployed have their own version of cost-benefit analysis too.

David McClelland, of Harvard University, who has studied extensively the role of motivation in economic behavior, has pointed out that the conditions of slavery influenced the nature of American Negro adjustment conducive to obedience but not to achievement and self-betterment, and that it should not be surprising to find that many of the descendants of slavery—even though "free"—still show the effects of such adjustment. It is significant that for those few Negroes who have become middle and upper class, their achievement motivation (as measured by McClelland's projective test approach) is conspicuously high—"reflecting once again the fact that individuals who have managed to move out of a low . . . achievement [motivation] group tend to have exceptionally high motivation."[20]

The relevance of the family structure to the individual's motivations to succeed—to aspire to and obtain better jobs, more education, and training—should be made clear to persons concerned with the job and income status of Negroes. A number of studies have indicated that people whose fathers were absent during their childhood tend not to develop such motivations.[21] Neither Negroes nor the nation as a whole will benefit if we create the conditions for greater opportunities in employment without preparing Negroes to take actual advantage of these conditions and opportunities. Part of this preparation must include a full-scale program of restructuring the motivational conditions of Negroes, again especially Negro males. This attack must enlist the active leader-

[20] *The Achieving Society* (Princeton: Van Nostrand, 1961), p. 377.

[21] For example, W. Mischel, "Father-Absence and Delay of Gratification," *Journal of Abnormal and Social Psychology*, Vol. 63 (1961), pp. 116-124; R. L. Nuttall, "Some Correlates of High Need for Achievement among Urban Northern Negroes," *Journal of Abnormal and Social Psychology*, Vol. 68 (1964), pp. 593-600.

ship of Negroes themselves, with the financial and organizational support from public and private sources. Some Negro leaders have already taken the initiative in the formulation of part of the issue in these terms, notably Whitney Young, Jr., of the Urban League. Since he has professional background in the field of social work and community organization, this is to be expected. We must, however, persuade others that these considerations are involved in the economic problems of Negroes, not merely as effects but as causes.

In a 1963 study, in Philadelphia,[22] it was found that lower status Negro mothers had lower educational and job aspirations for their sons than did higher status Negro mothers; they were less certain about aspirations for their sons than for their daughters (which was not true of higher status mothers). Compared to higher status mothers, a much higher percentage of these mothers said that 21 years of age or under is the best age for their sons to marry and 19 years of age for their daughters. This finding is crucial because "if a mother holds high educational and occupational aspirations for her children and at the same time thinks they should marry young and have a large family, there is often, by implication, a contradiction in her aspirations." And the younger the age at marriage, the greater the chances for bearing more children. If one keeps in mind the high percentage of mother-dominated families (even in families where the father is present) in Negro urban lower income groups, these findings have a significant bearing on the occupational and employment progress of Negro males. Given the importance of the mother in Negro lower income urban families, her aspirations can adversely influence the future of her offspring—even in the face of rising job opportunities as a result of economic growth and fair employment legislation:

> . . . the relative positions of Negro mothers in the lower class may be related to different aspirational values transmitted to their children, and may also contribute to a way of life which makes any alternative aspirational levels difficult for their children to internalize and possibly achieve.[23]

If such lower aspirations operate at the lower end of the lower income group's values system, the greater is the need for agencies and institutions to exercise a positive role in reshaping the goals of Negro youths who lack such motivation. The schools, training programs, the employment service, OEO, and other agencies in the community have much to do. If they fail, the less likely will it be that values conducive to occupational

[22]Robert R. Bell, "Lower Class Negro Mothers' Aspirations for their Children," *Social Forces*, May 1965, pp. 493-500.
[23]*Ibid.*, p. 500.

upgrading can be injected into the thinking and behavior of these groups of Negroes, especially the males. Negro adults must not be excluded from such attention, either.

Much of this reshaping must be carried out by the larger society, too. Once opportunities are available, the larger society and the government in general cannot simply stand aside and watch. What whites do in addition will also play a role in the motivational environment of Negroes. What motivation is there for a young Negro to graduate from high school when he sees that whites with high school diplomas earn one-third more than Negroes with similar schooling? How can a young Negro aspire to enter an apprenticeship program when he might be required to serve for four to seven years before he enjoys the fruits of such training? How can a young Negro adult with a family to support enter a training program, instead of taking a job as a laborer, for 16 to 52 weeks if the training allowance is less than the immediate income as a common laborer, and if the job for which he may be trained seems to be a dead-end one?

The responsibility for helping low-motivated Negroes to improve themselves lies partly in community institutions such as the schools. But the teachers are not yet equipped with the appropriate techniques to perform this task. Any program aimed at raising the motivations and aspirations of those Negro youths who are frustrated, and who often have ample reason for frustration, will in and of itself be a motivating factor in their lives. If someone pays attention to them and is sincerely concerned about their future, a large number of them will respond favorably. There is a great urgency for a vast program to train large numbers of Negro male "motivators" to serve in this role.[24]

[24]In this connection, David McClelland now believes that he and his associates at Harvard (Sterling Livingston, George Litwin, and others) have techniques for increasing the achievement motivation of individuals. His proposals deserve serious consideration by public and private agencies concerned with the issue of employment progress among Negroes. See "Achievement Motivation Can Be Developed," *Harvard Business Review*, November-December 1965.

IV. Policy and Program Implications

The information and the discussion in this bulletin lead to a number of conclusions having policy, program, and research implications for governmental agencies.[1] First and foremost is the proposition that the problems of employment and occupational status among Negroes will not be solved merely by improvements in the general economic growth rate. It may also be argued that innovation and changes in programs aimed at reducing or removing some of the structural obstacles to employment and occupational upgrading may not prove completely adequate.

Second, if present patterns continue, action is needed to deal with the following noneconomic and nondiscrimination factors that obstruct the employment progress of such individuals: (1) inadequate parental guidance; (2) early-life discouragement about the value of education; (3) high dropout rates; (4) insufficient occupational skills and poor work habits, (5) decreasing opportunities in the labor market for persons with inadequate qualifications, (6) the low-income-large-family complex.

Third, any programs aimed at basic improvement in the status of Negroes must be designed to change their occupational profile and perhaps to give assistance in obtaining managerial and proprietorship positions.

Primary in any consideration of civil rights law enforcement is the fact that the Civil Rights Act can be viable only if it is viewed within the context of social and economic parameters. Civil rights, to be truly effective, must be concerned with tilling the ground in which the seed must grow as well as with protecting the growing plant. Civil rights measures are both an end and a means: those who are most sensitive to the implications for themselves and their families must be able to distinguish between a real civil rights infringement and the failure to acquire qualifications to exercise one's guaranteed right to a fair chance at employment and training.

With respect to qualifications, Negroes obviously have hurdles to overcome that are unlike those of earlier minority groups that have made good. The Jews, Irish, Italians, Poles, or Scandinavians who see no difference between their former plight and that of Negroes today are either grossly uninformed or are enjoying an unforgivable false pride. A background of slavery and a family relationship deliberately animalized by whites is different from the history of voluntary migration

[1]Many of these implications are not spelled out in this section, but they may be gleaned from a reading of the preceding sections.

to a new world with family, fortune, philosophy, and Bible all intact—with all the forces favoring continuity of close and loving relationships. A background of emancipation, mocked for a hundred years with the aid of legal loopholes, is different from a history free from the need for emancipation—free from the need to appear humble and meek merely because one is in the same room with a person of a different color. And finally, the color of the skin is not only different but unchangeable.

In any effort to provide and enforce civil rights, then, there should be a concomitant effort to move Negroes into a more effective position to claim and use their civil rights. All government agencies must see themselves as instruments for achieving this goal. They must guard, but they must also goad. They must watch, but they must also stimulate.

Much has been done recently on the positive side to put Negroes into a better position to use civil rights guarantees for fairer employment, training, and housing opportunities. The new federal acts pertaining to training, retraining, education, and antipoverty are all highly important. It would be a tragedy at this juncture to reduce the resources now being devoted to them. The job situation for the total society is changing dramatically. Skills are in short supply for local job vacancies, yet the unemployment rate among Negroes is high. A normal reaction by Negroes and sympathetic whites in such a situation would be to call this racial discrimination. The history of the Negro in the United States would tend to support this conclusion.

There is increasing evidence, however, that many industries are opening up positions for Negroes who have the proper skills. Many of these positions are near the bottom of the skill ladder, but many are also among the higher rungs. Nonetheless, because many Negroes lack appropriate skills—and in some cases adequate self-confidence and motivation—job openings may remain unfilled and Negroes may not be hired.

With regard to the vacancy-skill matching problem, as well as other types of employment problems, a number of steps can and should be taken at once:

1. Development of an improved communication mechanism linking industry, the Employment Service, and the school system. Training programs that relate directly to the needs of industry must be designed. Businessmen themselves must become involved in such planning, even providing some facilities which will eventually produce the skills that they badly need. To the businessmen, this is a simple matter of dollars and cents. Judging from our past experience in a number of communities, when businessmen are approached, they will frequently cooperate

quite extensively in the development of such programs. Businessmen should have an interest in improving the local school system so that vocational training will be better related to the world of work. Such training provides needed skills to residents of the inner city, most of whom usually are Negroes. The result would be the transformation of unskilled, unemployable Negroes into skilled workers for whom there are available jobs.

There is a special burden on governmental agencies particularly concerned with minority problems to be more involved in manpower, vocational education, and placement policies. As far as Negroes of today are concerned, there is frequently no clear distinction between racial discrimination and a lack of appropriate skills as the explanation for failure to get jobs.

2. In a number of situations Negroes already possess the skills for jobs that are available. Unfortunately, because of the history of limited opportunities, a number of skilled Negroes have taken jobs for which they were overqualified but which offered them job security. The Post Office Department may be a prime example. At present, in many communities a large number of well-trained Negroes with college background are working at government jobs far beneath their skills and potentials. The irony here is that many government agencies are trying to fill higher grade vacant jobs that might well be taken by Negroes now underemployed in the Post Office Department. Current regulations regarding interdepartmental changes may need revaluation for this purpose.

The United States government itself could play a major role in changing the image of Negroes (among both whites and Negroes) by helping them move into management positions. Throughout the United States, most federal agencies are experiencing a shortage in personnel for lower management and middle management positions. These positions, ranging over a wide continuum of administrative posts, could be filled by Negroes now occupying inferior positions in various agencies. The Civil Service Commission should immediately undertake an analysis and evaluation of all jobs being held by Negroes in all agencies, relating the job descriptions and the demands of these jobs to the educational attainment of the jobholders. In cases where the educational level of employees is clearly beyond that required for their jobs, the Civil Service Commission should undertake to determine vacancies in the government for which the individuals might qualify. In cases where some retraining for upgrading is necessary, the opportunity for retraining should be provided In recent years, many persons in the manpower field concerned with the proper use of government manpower have recommended that the Civil

Service Commission evaluate all federal government jobholders in the light of their training, education, and experience relative to their positions. This has special significance with respect to the case of Negroes, for whom past and present discriminatory practices in placement and promotion must be changed.

A necessary component of such a program is an in-house training program in every federal agency along the lines of programs now conducted by the Armed Forces. Through effective retraining methods they are able to move people up the job ladder into increasingly more responsible positions. In localities where the vocational and other education programs are failing to serve the needs of the expanding activities of federal agencies, there is no reason why in-house training programs cannot be undertaken. Large federal agencies which are located in or near a central city, and which obtain much of their manpower from Negroes in the core area, can conduct upgrading programs internally. Such programs can be successfully worked out jointly with local educators. By means of such joint programs, new life could be infused into the training programs of local schools.

Finally, it may not be enough to have only one individual designated as the civil rights staff member in each of the key federal agencies. Such positions very often are mere window dressing, or at best result in an individual's stretching himself too thin. Agencies and programs such as manpower training, vocational education, the Office of Economic Opportunity (OEO), the new elementary and secondary education programs, the Economic Development Administration, and the new Department of Housing and Urban Development, to name a few, need larger and more effective staffs in order to concentrate their efforts on effectuating significant improvements in the occupational structure of minority groups in the urban areas.

3. Self-help programs for Negroes should be actively encouraged. In Philadelphia, a most notable self-help program has been conducted by the Reverend Leon Sullivan. He has succeeded far beyond the initial vision of the support from the Ford Foundation and other sponsoring organizations. At present his Opportunities Industrialization Center (OIC) is being supported by sizable funds from OEO and the Department of Labor. Currently, the possibility of support on a much broader base is being developed. Similar efforts have been started in Watts and in Washington. What emerges from the Philadelphia experience is not only the training and placement of large numbers of Negroes (many of them school dropouts), but also an image of Negroes as capable of conceiving, establishing, and administering a complicated educational and

placement program.[2] In our effort to move Negroes into job situations we must also be concerned with the establishment of programs conceived by Negroes and developed by Negroes. This is one way to change motivational patterns. By this means, hard-core unemployed and underemployed Negroes who tend to reject the assurances and the blandishments of the white community could be more effectively reached. The development of self-help programs can serve to bring Negroes into the general community and economy for training and acquisition of skills that can mean new and better jobs.

But such a self-help program is interdependent with other programs and groups. For example, one of the key reasons for involving businessmen in the training and placement programs is that businessmen often have a poor image of Negroes. Even though they respond affirmatively to civil rights urgings, they may nevertheless have very real reservations: their responses are too frequently reflections of good intentions rather than firm commitments based on a positive image of Negroes. Since many white businessmen have had numerous disappointing experiences with poorly trained Negroes, their operational attitudes are still biased, even though their intentions may reflect high moral principles. Unless they become truly involved in helping to develop new kinds of training programs, there will be no real chance for changing their negative attitudes If they do become personally involved, they will tend to identify with the problems of motivated Negroes.

Mr. Keaton Arnett, past president of the Philadelphia Chamber of Commerce, indicated in a discussion of this subject that, although he had for a number of years opposed the "pushing" of the civil rights leaders in his city, he began to understand the nature of the problem and his own responsibility only after he became involved in an actual training program for Negroes. This experience prompted him to bring in businessmen from several major firms for the purpose of urging them to establish placement channels. It involved him in the development of a system for producing a network of information needed by Negro civil rights leaders who were becoming increasingly concerned with skill development and training programs. Their earlier protests had led to job openings. Now they had to shift from protest to preparation of Negroes for such jobs. In this process, Arnett and other white leaders in the business community gradually changed their image of Negro leadership and the real potential of the Negro community. This did not convince them that untrained, semiliterate Negroes could become candidates for

[2]A grant from the Stern Family Fund was recently made to the OIC to bring Negro leaders from other cities in order to learn from the Philadelphia experience and possibly to emulate it.

jobs in their firms immediately, but it did change their image of what could be done. They came to appreciate that, with proper actions, such Negroes could indeed be motivated and trained sufficiently to fill the skill positions open in their firms. As a result, the quality of the civil rights movement in Philadelphia changed. What had first seemed impossible to white leaders in the community soon became quite possible. A different, far more constructive relationship between Negro and white leaders in Philadelphia is evolving.

4. Another possibility for improving job opportunities for Negroes through federal action is the stipulation of certain conditions on federal mortgage loans to construction enterprises. When FHA or any other federal home loan insurance program is used to purchase a home, the purchaser must be considered without regard to race. A similar qualification could accompany the construction of a house for which the mortgage is federally guaranteed. The house would be constructed by contractors and/or unions committed to hiring practices without discrimination because of race. This stipulation might provide another avenue to jobs for minority group members. Another possible step is the requirement of a certain number of Negro on-the-job trainees, especially in those areas where statistics indicate local inflation (actual or potential) due to shortages of skilled carpenters, electricians, bricklayers, masons, painters, plumbers, etc. In many urban areas, shortages now exist in such occupations.

In addition, encouragement may be given to contractors for increasing the mobility of Negroes from one labor market with a skill surplus into another one with a skill shortage. Governmental agencies would need to reckon with a number of questions related to such a recommendation. For example, to what degree will housing be available if skilled Negroes from one area move into another? To what degree will mobility allowances be necessary to smooth the transition of Negroes from one area to another? How can the image of the skilled or semiskilled Negro workers in the new community be changed?

5. In urban renewal programs, the increasing problems of the downtown core areas tend to create new measures concerned more with business and commuting problems than with local resident interests. Accordingly, a specific and deliberate policy should be considered for developing facilities for Negroes who will have been trained as entrepreneurs as part of the renewal program. Renewal in downtown and central city areas offers the possibility of new shopping centers with large chain stores and smaller, customer-oriented shops, as well as franchise oper-

ations in which people trained in distributive education and entrepreneurial programs could enter the world of business. There would be a major opportunity for training a large number of Negroes for these occupations.[3]

6. Concerning the gap between job vacancies and job-order information, there is a great need for a systematic canvass of employers concerning actual and projected job vacancies in the near future. There should be special emphasis on searching out the types of decent jobs in local economies for which Negroes with varying educational backgrounds could be trained or placed without prior training. The canvass should also determine the numbers of such jobs available in a community to which Negroes could move where, with adequate training, they could become a part of a nonghettoized community.

7. We are in great need of social scientists who can become broader gauged manpower specialists in local labor markets. National projections are often of little help at the local level where decisions are made —and where people live. Knowledge of national trends very often is of no use for implementation of programs in specific, concrete situations. The degree to which this type of expertise is being developed or used at the present time, for example, in local community action programs associated with the Office of Economic Opportunity, is limited. Regional economists in the Department of Commerce tend to neglect, or may treat as spurious, data such as those emphasized in this report. Unfortunately, economic development without consideration of all the relevant information about the populations involved can be abortive. In short, a science of *regional or local* manpower economics is greatly needed. Such local knowledge and analytical expertise are necessary, for example, for bridging the gap between training institutions and employers.

8. Federal agencies should encourage and establish programs not only to produce such regional manpower analysts, but also to standardize concepts and research methods required for closing the gap between local labor supply and demand. The statistical data, national and local are lacking in details on such factors as race, sex, education, and age. There is an increasing need for larger samples of people in each of these subcategories and for more frequent periodic surveys using such samples.

[3]The authors have not meant to neglect the question of promoting and expanding Negro business as another significant effort to realign the Negro occupational profile. This is the subject for another lengthy and much needed paper. The current program under the Small Business Administration, launched by now Assistant Secretary of Commerce Foley (for Economic Development), along with OEO's support, is laudable but needs greater support and planning.

There is also a need for intensive studies based on large samples within selected urban areas, even if such surveys are not made uniformly among all the major urban areas. Furthermore, it should not be necessary to wait as long as five years before a final, polished, sophisticated model is developed for carrying out such new surveys.

9. In addition to other programs designed to change Negro status, it may prove necessary to implement a policy involving the federal government as the employer of last resort. This kind of policy should be developed in time for practical congressional consideration if circumstances warrant action. New streamlined procedures—without complicated entanglements among local, state, and federal levels or among federal agencies—would also be required.

10. No analysis of civil rights and the implications beyond the legal aspects of the question would be complete without some reference to labor union membership requirements and regulations. To examine this subject in any detail, the authors would have to go beyond the intended scope of this bulletin. For further exploration, however, some suggestions are offered here.

The role of unions in affecting the employment opportunities of Negroes is significant. Unions are important, for example, in determining (sometimes in cooperation with employers) who shall obtain apprenticeships and who shall not. This role partly explains the fact that in 1960—according to the census of that year—the percentage of whites under the age of 25 who were apprentices was four and one-half times as great as the percentage of nonwhites of the same age who were apprentices.[4] A few scattered efforts have been made to devise preapprenticeship programs for Negro youths in the building and construction trades—programs that would prepare them for full apprenticeships. A continuing evaluation should make sure that such programs move beyond tokenism and become fairly general.

Some of the practices of unions, at the local level especially, should

[4]In 1960, according to the Census of Occupational Characteristics, there were 5,448,592 employed white males aged 14-24. In this group 53,051 were apprentices; that is, 0.973 percent (less than 1 percent) of white employed males aged 14-24 were in this occupational category. In the same year there were 642,867 employed *nonwhite* males aged 14-24, but only 1,388 of them were apprentices; that is, 0.216 percent (slightly more than one-fifth of 1 percent) were apprentices in 1960. The ratio of 0.973 percent to 0.216 percent is 4.5 to 1. If there were no white-nonwhite differences in occupational profile, there might have been 6,000 or more nonwhite youths serving as apprentices in 1960, instead of the actual 1,388.

be scrutinized more carefully by the National Labor Relations Board. Although the national AFL-CIO leadership has been vigorous in its attempts to lead locals in the direction of nondiscrimination, some locals have not responded favorably. The NLRB may be in a position to help. As Ray Marshall of the University of Texas has pointed out: "The National Labor Relations Board has traditionally been much more cautious than the courts in interpreting and applying its power to prevent discrimination. Before 1964, the Board had declared that 'neither exclusion from membership nor segregated membership per se represents evasion on the part of a labor organization of its statutory duty of equal representation.' "[5] The Board has recently made some rulings that could result in charges against unions which, for example, refuse to process grievances about job discrimination filed by their Negro members. According to Marshall, it remains to be seen whether the federal courts will sustain such rulings.

[5]"Equal Employment Opportunities: Problems and Prospects," *Proceedings of Spring Meeting, 1965, Industrial Relations Research Association* (Madison, Wisconsin), p. 462.

V. Research Recommendations

This bulletin has indicated a broad range of interests that should be relevant to the work of civil rights and other governmental agencies, but it does not follow that any research effort they might wish to undertake (or encourage others to undertake) would be unrealistically varied and costly. Almost any research dealing with the social and economic problems discussed in this report could be regarded as helpful.

There is now, as never before, a major opportunity for the federal government to stimulate the most varied and ambitious economic, sociological, psychological, and legal research activities into the social and economic status of Negroes in the United States since Myrdal's *American Dilemma*—more than 20 years ago.

Many agencies are already doing a good deal of research that can be valuable to the solution of minority problems—research that ordinarily would have been recommended here as a direct agency effort. An immediate, essential need is to design a communications system to channel research results from and to each of the federal agencies and, hopefully, from and to nongovernmental organizations as well. This objective entails establishment of an extensive information-acquisition and -retrieval system.

One of the first needed steps would be to examine and analyze the effectiveness of systems already adopted within the federal establishment—for example, National Aeronautics and Space Administration and the Atomic Energy Commission; and determine to what degree the methodological knowledge gained by these agencies can be used. A permanent clearinghouse of research results that pertain to all the areas discussed here, and many more, is urgently needed. By resort to such a clearinghouse, federal agencies and other organizations could acquire needed information at minimal cost instead of (a) doing the research themselves on the mistaken assumption that it had not previously been done; or (b) undertaking action or operation programs without the benefit of research findings.

This bulletin has stressed the gross inadequacy of racial breakdowns in a number of statistical series for data programs supported by various federal agencies. Evaluation of federal programs dealing with manpower, education, and welfare as they affect Negroes cannot be dealt with adequately without racial breakdowns.

For example, one of the major needs of any program concerned with training Negroes in special skills is a survey of their distribution by age, occupation, and salary level. The Bureau of the Census could easily

enlarge its Current Population Survey to include this information. What is needed is a sizable increase in the Negro subsample in order to enlarge the CPS cells that are now woefully thin.

In addition to the general research needs, specific ones are listed below in very brief form.

1. Research and demonstration into techniques for developing lines of communication with the hard-core "clientele" are critically needed, and should be accorded a high priority in any governmental research program concerned with minority problems.

2. White and Negro labor force dropouts during the 1957-1961 recession—by employment status, age, education, and family characteristics—returning and not returning to active labor force participation by 1964-1965—should be studied in great detail. The dropouts should be studied to determine the factors which motivated their return (or nonreturn), the nature of the job-search pattern, mix of jobs, mobility, and motivation level. The labor force attachment pattern of other members of the family should also be studied.

3. It is important to know more about the composition of the Negro unemployed and underemployed in urban areas. How many of them are poorly educated young males of broken families? How many of them lack skills appropriate to job openings and are heads of families? How many husbandless women with several children (including high-school-age sons and daughters) are being offered little, if any, assistance aimed at breaking the vicious circle of unemployment or underemployment, dependency on public assistance, discouragement, etc., for themselves and their children? How many Negroes undergo, at the hands of bureaucratic agencies, the defeating types of experiences such as those described in Appendix B of this report?

4. A possibly rewarding area of new research would include attention to the life patterns of upwardly mobile Negro males—particularly regarding the ways in which the patterns compare with those of Negroes who have not experienced any "net" rise in mobility. Many lower class Negro males do move out of their inferior socioeconomic status. The question is, why? Are they any different in their family and social-psychological characteristics from those who stay behind? Perhaps something could be learned from their careers which might be utilized in a program for improving the socioeconomic status of other lower class Negro males.

5. What happens to Negro boys who start out, for example, as newsboys or in other lower level service occupations? How many have been affected by recent federal training and education programs, and in what

ways? What means have been used to communicate the nature of these programs to them, and what is their image of the sincerity and practicality of these programs?

6. It is important to plan and conduct longitudinal (over time) studies of the occupational distribution of Negroes by specific age and sex groups. If estimates about the differential birth rate among the lower income Negroes are correct, and nothing or very little is done regarding their training and occupational aspirations and opportunities, they might slip in their occupational levels over time or at best remain constant, while Negroes of the same age from higher income families move upward along with the white population.

7. In this connection, it is important to be able to trace the progress of urban-born Negroes over a period of time. Is it really true that low-income urban Negroes are not progressing occupationally and in terms of unemployment rates relative to other low-income groups in the urban area? Will such a trend continue?

8. In connection with the minimum wage question, it may be fruitful for relevant government agencies to sponsor and encourage a number of studies designed to answer such questions as the following:

a. What are the distribution and actual numbers of persons in those industries that pay low wages (for example, below $1.50 per hour, or less than $3,000 a year—the poverty line)?

b. Is there any way of estimating, industry by industry, the numbers of individuals who might become disemployed as a result of raising the minimum wage to this or that figure? If so, how many persons would it entail?

c. In the event of disemployment as a result of raising the minimum wage, what types of "impact assistance" could be provided to the disemployed and their employers?

In certain industries a significant increase in minimum wages through legislation may result in decreased job opportunities for Negroes and for new jobseekers. But it could be argued that, for at least those who remain employed, a big step would thereby be taken toward improving their economic status. A second argument would be that, for those who would become unemployed as a result of an increase in the legal minimum wage, new and special programs would have to be designed. More persons would have to be trained for new and better paying occupations. This approach may not be any more expensive to the economy and to other individuals than the price we now pay for the direct and indirect

results of low wage rates in those industries. The hidden price includes costs for welfare payments, unemployment insurance, crime prevention, antipoverty programs, lower tax revenues, etc. As long as Negroes continue to be employed disproportionately in such low-wage industries, many of the patterns and forces adversely affecting their employment and occupational status are only reinforced. A system of inadequate wage rates thus helps to perpetuate permanent high-cost low-return programs required to offset the deleterious effects of such rates. The dislocations that may be brought about by a significant rise in minimum wages could be only temporary, provided that we are prepared with programs designed to cushion or to eliminate such dislocations. A study is clearly needed.

9. An immediate research program should determine the factors making for the wide range of percentages of Negro employees in federal agencies. This research should encompass, among other factors, testing and evaluation devices, promotion and information policies, availability of in-house training, and types of recruitment programs.

10. A research effort should be funded to develop indexes for measuring the effectiveness and type of impact of governmental civil rights programs. Changes in hiring patterns, different skill mixes for Negroes, and changes in motivation are among the items that one would expect to be affected. Quite likely it will be difficult to determine which federal program, if any, and in what proportion, deserves credit for any of these changes.

11. Federal as well as local governmental agencies should support research into the development of effective early warning systems to alert relevant governmental and private agencies to *stress situations*. After each race riot, there are claims that early indicators existed but went unheeded. If, indeed, such indicators exist or can be developed, there is great hope for preventive and alleviative measures of direct concern to local as well as nonlocal organizations.

12. One of the basic needs in research about the job problems of Negroes relates to the lack of detailed data from one time period to another concerning occupational and income characteristics by combinations of age, sex, family structure, education, and area. This recommendation is similar to number 6. Currently few, if any, conclusions are drawn on important questions except by inference from the existing inadequate data.

13. It is laudable that nonwhites are actually overrepresented in MDTA training programs designed to improve the skills of unemployed workers, but it is regrettable that no more than 2 percent, at best, of all 750,000 nonwhites unemployed in 1964 had completed any training by June of that year. If training is one of the solutions to the employment problems of Negroes, a stepped-up program is required. New techniques of persuading Negroes to enter training programs will be necessary, and more extended efforts, too. Some of the Department of Labor's experimental and demonstration programs offer promising contributions to help meet this aspect. But further research on these programs and other training programs is necessary for evaluation purposes, at least.

14. Testing techniques are often inadequate or poorly interpreted. There should be increased research and support for the development of new testing techniques (or substitutes for tests) that permit illiterate or semiliterate individuals coming from rural or ghetto backgrounds to display their true potential. The Bureau of Employment Security has already moved a long distance along the way of developing a nonverbal General Aptitude Test Battery (GATB) Additional research funds in other agencies could be used to concentrate in greater depth on the psychological and sociological phenomena which must be taken into consideration when testing individuals from hard-core, poverty-stricken backgrounds. In this connection, the authors advocate consideration of a program of several years' duration—with a research effort built into it at the start—consisting of teaching the individuals to be tested about the contents of the various types of tests (and the effective techniques for taking them). These tests can otherwise serve as barriers to education and job opportunities.

15. Studies of Negroes affected by plant shutdowns or reductions in the work force are warranted to determine to what degree their duration of joblessness is affected by lower qualifications, by discrimination on the part of employers, or by other factors, including any possible differential treatment by a state employment service.

16. Greater research attention must be paid to the jobseeking horizons and jobseeking behavior of Negroes in the labor market—including those employed as well as those not employed As W. C. Chalmers has said, "He (the Negro) is less likely to apply himself diligently to identify his interests and capacities and to develop them. He is less likely to aggressively seek work and more inclined to assume and accept dead-end jobs, just as he is less likely to take advantage of off-the-job educational

and training facilities."[1] The authors urge that more research and program attention be given to this problem as a factor affecting the job status of Negroes.

17. Who are the Negroes whose income and occupational status are in keeping with their educational accomplishments? How do they differ from those whose educational status is the same, but who enjoy a lower income or job status? The answer to these and related questions could provide useful information for programs designed to effect changes in the discrepancy between the qualifications and actual socioeconomic status of Negroes.

18. The greater development of executive and self-employed Negroes, in numbers and quality, is as important as raising the occupational levels of those in the category of employees at the nonexecutive levels. A number of research subjects are suggested by such a policy, including: (a) the types of businesses and industries which show the greatest promise of success; (b) the necessary personal characteristics for successful performance in such roles; (c) how such characteristics may be deliberately developed; (d) types of financing and organization required for shifting numbers of Negroes into entrepreneurial positions (or for expanding existing businesses); (e) types and numbers of training institutions and groups capable of providing Negro executive and business development programs—and an evaluation of the capabilities and experiences of existing institutions already working in this field; (f) how existing governmental and private programs might be more fully utilized to accelerate the growth of Negro businesses and managers.

19. Systematic research is needed on the relationship of the employment status of Negroes to family structure and size and personality development. Much of what has been said in this report regarding this topic is inferential only. There is a need to design research activities—especially longitudinal ones—explicitly and deliberately for the purpose of examining (a) the accuracy of such inferences; (b) the degree to which the relationship obtains; (c) the actual ways in which family structure (and size) affect the employment prospects of young and of adult Negroes, and vice versa; (d) the personal and environmental factors that serve as obstacles to improvements in the status of the family, especially among lower income Negroes in urban areas. Equally important, the trends regarding these matters require research attention.

[1] *A More Productive Role for the Negro in the South's Economy* (mimeographed, 1964), p. 39.

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Such research efforts, and others suggested by them, must consist of more than the examination of already collected statistics, or of statistics collected for other purposes. They must also include data collected through direct interview methods, case studies, and community analyses. In order to provide a fuller explanation of the phenomena to be studied, the types of questions and hypotheses of concern to sociologists and psychologists should also be included in such research projects. While the subjects of employment, unemployment, and occupational distribution of the labor force have usually been in the domain of economics, there is much to be gained in the concerned federal, state, and local agencies from the use of sociology and psychology in seeking solutions to the economic problems of specific groups in American society—in this case, the Negroes.

Appendix A
Job Opportunities[1]

In the introductory materials of this conference the planning committee states that one of the objectives of these meetings is to establish broad outlines of programs geared specifically to meet the goals of long-term economic growth and to remove some major obstacles to the economic welfare of all our citizens. In my discussion of current and future job opportunities, I intend not to focus exclusively on the more narrow questions of (a) exactly what types of jobs exist and remain unfilled at this time, and (b) long-range projections of job needs. I intend also to talk about the extremely important change in the role of economists if they are to meet the demands that will result, I believe, from achievement of the objectives of these sessions. And, as economists move into the outlined new area of activity, I believe they will reach a watershed in their profession. It will not be the first time they have assumed a different function, but it will, I believe, mark a radical departure from the kind of work in which most of the fraternity has normally engaged.

I think that our concern over the difficulties of measuring structural factors, as opposed to aggregate demand factors, that impinge on economic growth and job opportunities arises only partly out of our dissatisfaction with the available numbers and methodology. I do not deny that, in order to inquire intelligently into those factors affecting economic growth, we must know far more than we do about unaggregated socioeconomic characteristics. We do have too little current information on this subject. I am also certain that, even after we have the data, the methodology itself would have to be considerably improved

But I also suspect that there is another reason for the sense of urgency felt by economists and for the pressure applied to us to come to grips with the problems of job development and unemployment. Considering the general question of unemployment, it is difficult really—unless we look beyond the average figures—to determine the cause of alarm. Unemployment has been hovering most recently between 4.5 percent and 5 percent. The current anxiety therefore would not appear to be motivated by the same pressures of the past when our society was faced with a similar rate of unemployment. I refer here to the period prior to the Great Depression of the 1930's. During that period there was

[1]A paper by Herbert E. Striner, director of program development, the W. E. Upjohn Institute for Employment Research, presented at the 7th Annual Conference of the National Planning Association, Washington, D.C., October 15, 1965.

vague official concern when unemployment rose, but it was hardly so marked as the public concern manifested during the past decade over our inability to return to the "normal" rate of unemployment—something like 3 percent. I suspect that, since the end of the Second World War, there has probably been a gradual forward and upward movement of our expectations. We as a nation have come to expect far more from those who are, or claim to be, in a position to do something about these matters, and we are far less willing than at any previous time in our history to accept the vagaries of the economic system without question.

Last year, during a seminar on manpower policy, Solomon Fabricant of the National Bureau of Economic Research spoke about the measurement of technological change as follows:

> Much of our worry about the difficulties of adjustment to mechanization, automation, and so on may reflect less an acceleration in technological change than it does a rise in our standards. I think the urgency of the general problem of poverty is influenced by that kind of development. We worry more about it.[2]

I believe that economists as a group have become the official national worriers, perhaps because of such declarations of policy as have been written into the Employment Act; we are the economic conscience that goads the body politic into developing new and more effective means of increasing production and employment opportunities. The change that has affected the role of the economist, especially in high places in the federal government, has also begun to create a completely new role for us and for others in our society—the change in general is necessary if our institutions are to be improved with a view toward the effective solution of problems in unemployment and economic growth; and economists are citizens as well as professionals, and even as professionals they may want to make more use of their expertise.

Lest you think that I am preaching a strange doctrine for an economist, I would like to quote from Alfred Marshall's *Principles of Economics*. The last sentence of the third chapter states: "Though economic analyses and general reasoning are of wide application, yet every age and every country has its own problems; and every change in social conditions is likely to require a new development of economic doctrine." Obviously, Marshall would not be content to be a "neoclassicist" today. I would also point with considerable pride to the "welfare" economics of Pigou and note his grave concern for improving the general economic well-

[2] *Measurement of Technological Change*, U.S. Department of Labor Seminar on Manpower Policy and Program, Washington, D.C., July 1965 (transcript of seminar of October 23, 1964), p. 22.

being. Numerous other famous economists in our not-so-distant past, while enjoying great respectability, likewise did not hesitate to show that they cared about the national economic well-being; and they even felt that economic theory should be dedicated to that end.

A major hypothesis of my paper is that, unless we as a nation are willing to undertake substantial changes in our existing institutions and to develop new institutions, we shall not be able to provide adequate employment for an important segment of our population. Economists, as I have said, may play a constructive role as both citizens and experts.

The national rate of unemployment hovers between 4.5 percent and 5 percent; but, for teenagers, the rate is about double that and, for Negro teenagers, it is double again. At the other end of the spectrum, the rate of unemployment for the elderly is also roughly double the average figure, so we cannot assume that the "average" carries a comfortable meaning. One of the simple memories of the Depression of the 1930's is that it was a very democratic depression: nearly all families stood, or felt that they stood, approximately the same chance of being represented on the rolls of the unemployed. This is no longer the case, economically or psychologically. Out of the current situation springs a grave danger to the moral and social fabric of our society. Many of our unemployed have become known as "unemployables." This is a new concept, more appropriate to the grimmer earlier Marxian evaluation of our prospects. When a large number of people in a society such as ours are unemployable, it can mean only a constant drain on our social investment and very little chance of a constructive return on the investment. Alienation of a sizable group can only erode the common value system that holds us all together in a viable state. Correctional institutions, welfare programs, emergency centers for unwed mothers, and juvenile courts rarely yield the kind of returns that society can be proud of, nor do they add to the overall performance and well-being of the nation. They are stops or holding-actions at best, not steps of positive progress.

If we are to give serious thought to the question of job opportunities, we must view it not only from the demand side but also with regard to the nature of the supply and how people may best be prepared for filling jobs that become available. One major problem is the rapid obsolescence of many jobs we have known in the past. In 1960 there were more American white-collar workers than blue-collar workers. Having outgrown agriculture and manufacturing as dominant sectors for employment, we have—for the first time in history—rid ourselves of manual labor as the single major source of wage-earning. Manufacturing as a

whole has receded in importance relative to the services sector in general. Just a few months ago, however, we were told that the absolute number of jobs in manufacturing was beginning to rise, and that all our anguish over the diminishing importance of this source of employment was completely misunderstood by the structuralists. I think this is unfortunate because, first, it is a misreading, if not a misleading opinion; and, second, this opinion tends to retain a fictional enclave in the larger area of valid disagreement between the structuralists and the aggregate-demand theorists. I say "fictional" because the signs are clear—for those who know that a sustained increase in gross national product is ultimately the chief and essential means of providing sufficient continuing employment for the impoverished, disadvantaged, and unskilled—that the case for recovery of the earlier role of manufacturing in our economy has not been proved. Actually there is serious reason for believing that the case has been disproved. I will indicate why, in a moment.

But let me say first why I think the recent increase in the absolute number of manufacturing jobs is not a sign that we are again moving toward an economy that can depend on manufacturing to provide ample employment opportunity. Between 1954 and 1964 there was a 6.1 percent increase in the total number of manufacturing jobs in the United States. Unhappily, the economist who looks at only the change in absolute numbers will miss the relevant relationship to job opportunities. The ratio between increasing opportunities for employment and the increasing number of people seeking jobs is vital, and this ratio discloses a significant gap. For example, we find that, although manufacturing jobs increased by 6.1 percent in the last decade, there was an increase of 9.1 percent in the population aged 20 through 64. The difference between the two percentages is indeed significant. If we assume that jobseekers are generally in that age category (and the cutoff at age 20 is probably on the conservative side), we would find the number of available jobs falling far short of the number of jobseekers.

I hasten to add, however, that between 1963 and 1964 we found, although the rate of population growth was 1.2 percent, a gain of 1.8 percent in the number of employees in manufacturing. This reversal of the relationship indicated earlier should be carefully watched to determine whether the current rate of increase in manufacturing job possibilities exceeds the rate of increase in the labor force. From preliminary statistics filtering out of federal agencies, we may be led to believe that this encouraging picture has prevailed through 1965. Even if the signs of improvement persist, it would be risky to assume that a meaningful long-term reversal has taken place or is in the making. We should still suspect that the recent data indicate a decrease in available manufacturing

jobs relative to the increasing number of manufacturing jobseekers. While the data do indicate some mitigation, it is still reasonable to believe that the services sector holds the most reliable hope for substantially more job opportunities.

In discussions on the differential in growth between service jobs and so-called "production" jobs there have been some differences of opinion. In the table appended to this paper I have selected a number of manufacturing and service sectors, and I have computed the number of full-time-equivalent employees and the average annual earnings per full-time employee for the period 1953-1963. I have also compared 1962 with 1963. The number of full-time-equivalent employees is a preferred indicator of changes in job opportunities, given the goods or the services demanded by the market. The nonservice sectors I use include bituminous and other soft coal mining; all manufacturing; primary metal industries; fabricated metal products, including ordnance; machinery, except electrical; electrical machinery; and automobiles and automotive equipment. The service sectors include: finance, insurance, and real estate; hotels and other lodging places; personal services; medical and other health services; federal government-civilian, except work relief; state and local-general government; business services, not elsewhere classified; and engineering and other professional services, not elsewhere classified. This table makes it very clear that for the manufacturing sectors shown there has been, for the period 1953-1963, a radical decline in the number of full-time-equivalent employees. The example of coal, of course, is well known, and for this period there was a decline of approximately 53 percent. In all manufacturing the decline was about 4 percent. The decline for the primary metal industries was about 16 percent; for fabricated metal products, 2.2 percent; machinery, except electrical, 3 percent; electrical machinery, 18 percent; and automobiles and automotive equipment, about 18 percent.

Regarding those sectors which I have chosen to examine in the services, we see the direct opposite of the conditions observed in manufacturing for the period 1953-1963. In finance, insurance, and real estate, there was an increase of approximately 44 percent in full-time-equivalent employment. In hotels and other lodging places, the increase was about 24 percent. For personal services the increase was about 11 percent, while in medical and other health services it was approximately 73 percent. In state and local government, the increase was about 77 percent, while in business services, not elsewhere classified, it was over 131 percent. Engineering and other professional services have increased over the decade by about 67 percent. Interestingly, only in the case of

the federal government do we see an actual decline in the number of full-time-equivalent employees during the decade 1953 1963, but the drop is only about 1 percent. Supporting a point made earlier in this discussion, however, if we compare 1963 with 1962, we find that the number of full-time-equivalent employees in manufacturing increased as well. With the exception of electrical machinery, for which there was a decline of 1 percent in 1963 over 1962, each of the other manufacturing sectors ended 1963 with a slight increase in the number of full-time-equivalent employees, ranging from 1/10 of 1 percent for primary metals to nearly 6 percent for automobiles and automotive equipment. In the case of bituminous and other soft coal mining, however, that historic trend continued downward with a decline in the labor force of 2.1 percent in 1963 over 1962.

When we examine the figures for average annual earnings per full-time employee, the picture becomes even more interesting. Given the dwindling demand for production workers, one would expect a leveling-off or a decrease in such payments. But this was hardly so. Average annual earnings increased for all the sectors shown. Undoubtedly, collective bargaining contracts and the strength of the unions have contributed heavily to this behavior in wages. We tend to hold the price line in the labor market as effectively as in any well-organized market selling products and professional services.

What is surprising, however, is the behavior of the wage curve in the services sector. It very closely matches the rate of increase for the industrial sector except for two important differences. First, it is clear that collective bargaining and union power in the services are not so influential as they are in manufacturing; the service wage rate increases more nearly represent the classical behavior expected of an increasing demand for labor. Also I must add a reminder that wages in manufacturing play a role in supporting prices elsewhere. Second, the range of increase in wage rates in the services is much greater than it is for industry.

On the basis of this information and on information from federal and state agencies concerned with employment, I think it is clear that the bulk of new job opportunities may be found in the services sector. I think there are indications that opportunities are opening up in the manufacturing sector as well. But I do not contemplate that manufacturing in the near future will offer nearly so many job opportunities as will be found in the services.

The paradox that confronts us as a profession is that, despite the increasing gross national product and the evidence of a rapid increase

in the number of available service jobs, we still have a rate of unemployment that shows something wrong with the manner in which the mechanism is not operating in the "classical" expected manner. All things considered, it seems difficult to understand why unemployment in this country is still at the 4.5 percent level. According to statements from the Council of Economic Advisers, unemployment should now be about 2.5 percent or 3 percent had it been behaving properly in relation to the expansion of gross national product. Notwithstanding the joy that attends each 1/10 of 1 percent drop in the unemployment level, the facts of the current situation do not square with the predictions of leaders in our profession. In January 1963 the President's Economic Advisers stated:

> . . . our postwar experience indicates that a reduction of one percentage point in the global unemployment rate at any moment of time is associated, on the average, with an increase in real GNP of slightly more than 3 percent. Put the other way around, if GNP were 3 percent higher than it is now, the unemployment rate would be approximately 1 percentage point lower.[3]

Consistent with the foregoing quotation, it was stated on page 66 of the *Economic Report of the President* in 1962 that the achievement of 4 percent in unemployment by 1963 would require a gain of about 11 percent in gross national product in constant prices over the coming 18 months.

As we know, the gross national product did indeed increase by that amount, but the unemployment level did not change. For each 3 percent increase in GNP in real prices there has obviously not been a reduction of 1 percentage point in the rate of unemployment. In all honesty we must admit that the gross relationship obtaining in the past between an increase in aggregate demand and a decrease in unemployment has simply not persisted. We must look beyond the global figures to find the guides for meaningful corrective policies.

Specifically, what are the implications for job opportunities—the subject of this paper. For those economists involved in area redevelopment work or antipoverty programs, for example, we might mention the disconcerting observation made by many that there are many available jobs going begging for lack of qualified workers. This is the fault of a system of education, particularly vocational education, that has given inadequate attention to apprenticeship and on-the-job training—that has failed to gear its curriculum to the real world of work. Call this structural if you will. An important factor missing here is a truly effective clearinghouse for information between the demand side and the supply

[3] *Economic Report of the President*, p. 26.

side—again a structural defect or an institutional one. This, I believe, is an area calling for an entirely new and critical role for economists.

Job opportunities currently exist, but the details on their nature and locale are not being transmitted to the institutions charged with training and skill development. Curricula are designed on the basis of inadequate, incomplete information about the production techniques of the industries offering job opportunities. We find that too frequently job-vacancy information is confused with job-order information on record with the U.S. Employment Service. In some communities the employment service may have a handful of job orders for an industry that actually has many job vacancies; but, because historically that particular industry does not use the employment service, we have a distorted impression of the true employment situation in that community at that time for that industry. Unfortunately, the schools turn to the employment service for help in determining the characteristics and needs of the labor market, and we often find that school programs present the most inaccurate picture of skill needs in the community. Because industry officials are not involved in school program planning, the youngsters are trained in an outmoded technology and equipped with obsolete skills. When they graduate, their proffered services are useless to the modern business firm. The consequences are particularly unfortunate when, for example, lower income disadvantaged children realize that their older friends and relatives have been trained inappropriately for the existing jobs. In these circumstances, it is difficult to argue with youngsters who become convinced that it is pointless to remain in school. This blighting experience only adds to their bitter, frustrated existence.

We badly need economists who are manpower specialists in local labor market analysis. It does no good to transmit to a school system information on global or national requirements, an on-the-job training program, or an apprenticeship program. Instead we must try to establish better communications to link the supply and the demand sides. We need economists to function at the local level; there already are plenty devoting themselves almost completely to analyzing national trends, hoping that, somehow, someone will translate national trends into the detailed local needs. At present this translation is not being done, and I see small hope that it will be unless manpower specialists can become interested enough to get involved in the actual operation of a local labor market.

I believe that the challenge to our profession is an exciting one that should eagerly be grasped. I also believe that we have ample precedent for becoming involved in the question of welfare and for devising

economic policies that will help us attain national economic sufficiency, with special emphasis on the 20 percent or so of our population classified as poor. Economics has a proud tradition of concern over the harmful side effects from the operation of the market mechanism. Now many new possibilities are developing to stimulate and to challenge the abilities of economists. Universities are joining forces with municipal and state governments in an effort to develop rational programs for economic growth in their areas. Sound and versatile economists for these programs are in very short supply. At both the federal and local levels, the Office of Economic Opportunity has catalyzed community action programs which also must lean heavily on economists for information on labor market problems and for projection of skill needs. Again, we encounter a supply bottleneck in the search for economists who are already familiar with the problems, who are interested in this kind of work, and who can see in the new format a worthwhile creative career. Opportunities for pioneering are available at every hand.

Most of you are aware that, during the past year, the Bureau of Employment Security, specifically the Employment Service, undertook to test the feasibility of developing job-vacancy statistics. In the cities where the Employment Service has been operating, there is a noticeable scarcity of economists to provide professional help. This lack is indeed regrettable to those who believe that the greatest return today on the investment of sound economic theory may be found at the local level. A new chapter in regional economics, in the theory as well as the practice, remains to be written. It will be, too, by some of the unknowns of today and greats of tomorrow who do not object to "getting their hands dirty" with real problems.

In terms of economic theory we are now witnessing the failure of communications in the market mechanism. In our profession we have long been especially concerned with an analysis of supply and demand and their interrelationships, *assuming* an imperfect (but not too imperfect) functioning of the market mechanism. If we were to search these days for a long and meaningful study of the market mechanism—how the market itself can impede the interaction between supply and demand —we would likely look in vain. The factors affecting the analysis and transfer of information concerning supply and demand are as important as the supply and demand themselves. For many years we have accepted highly aggregated statistics and then, on the basis of allocators which we knew were faulty, proceeded to build our house of cards for local needs. Many organizations with the charter and the responsibility for undertaking local manpower analysis are, unhappily at present, very short-handed. The employment service has been called on to conduct

numerous surveys on area skills which should provide us with an up-to-date insight into local job opportunities and the relationship between the supply of skills and the demand for them. The implications for education and training are obvious. However, in only a handful of cities can we find an employment service with the professional and technical staff needed to undertake such projects.

I believe therefore that in order to provide the necessary analysis of local job opportunities—if there is to be any meaning to the score of educational, training, and manpower programs recently authorized by Congress—the challenge to our profession should be made clear. As a profession we must exert pressure on the relevant agencies to produce the kind of local socioeconomic data that is absolutely vital to a worthwhile analysis. It will always be contended, of course, that such highly unaggregated data are very expensive to compute; but, compared to the expenses we have undertaken in many other federal programs, these costs shrink in magnitude. I suspect that essentially it will require an increased dedication on the part of the involved agencies to make the case properly and to fight for the necessary budget. Leadership at the Cabinet level will be needed in such an effort.

We should also look to the Office of Statistical Standards to help produce the data needed for planning local employment and training programs. Since the antipoverty program has enlisted most of the country's communities in gathering all kinds of data pertaining to long-range plans, more decisive leadership is required at the federal level in providing the definitions, the bases for comparison, and the guidelines for the uniformity that would permit understandable aggregation and rearrangement of the eventual store of data, to allow use for anything but separate local analyses. In our statistical programs as in our manpower programs, we must consider articulation and diversity so that national and local information and policy requirements are jointly satisfied.

A national statistical orientation should not prevent valid local analysis, just as local statistical autonomy or permissiveness should not rule out the meaningful combination of data. The danger of preoccupation with gross needs is probably no more evident than in our monthly reports on unemployment, where the word "average" conceals important differences in composition. The unemployment problem is concentrated largely at the extreme ends of the population spectrum (the youngest people and the oldest), and increasing emphasis has to be given in policy formulation to local racial characteristics. Ironically, it is in the statistics on race and age, by local area, that the major gap occurs in our infor-

mation. This gap can be filled only by enlarging our household sample, but the most relevant federal agencies appear unlikely to acknowledge the need for such expansion until external pressures and frustrations build up. Without the missing information, the nation and the communities are inadequately equipped to plan training programs that prepare the maximum proportion of the unemployed for the jobs that we hope will become increasingly available.

In addition, a further need is a change in policy that will release federal and state manpower data to competent scholars who are interested in doing meaningful research. Data supply is important, but the accessibility of the data—a factor likely to be overlooked—is also essential. This should be another area of concern to the Bureau of the Budget.

Just as there is no royal road to knowledge, there is no inexpensive way to obtain information on the characteristics of the unemployed that is adequate for coordinated national and local remedial programs. All too frequently, I fear, the shortage of such information, in the presence of great urgency for answers to burning issues, prompts us to take symbolic actions without the benefit of sophisticated preliminary analysis. Statistically, we are already doing too little at the federal level. Must we also do it too late?

In summary, I suppose what I have been saying is that everything points to an increasing number of job opportunities in the services sector and that this sector will become more important as a source of work for new entrants to the labor market. At the same time I note a slight upturn in the absolute numbers of manufacturing jobs available in our economy. These numbers are unimpressive, however, when they are related to an even larger number making up the labor force. I do not perceive the manufacturing sector—at least in the near future—as the massive sponge sopping up large numbers of new jobseekers as it did in the past.

I have also been saying that a large proportion of our fraternity has a unique opportunity to involve itself constructively in the kind of labor market analysis that is necessary at the local level so that job opportunities may be converted into positions filled. This is a pioneering challenge to combine research with policy.

If there is indeed a growing scientific base for this field called economics, then I think we should take a leaf from the book of the life sciences. They also have a broad scientific base, but the application of knowledge gained from the life sciences is eventually put into the hands of the local practitioners—the physicians! Too many of us, I suspect, do not recognize the need and benefits of fulfilling the practical aspects of our responsibility.

Earlier in this paper I alluded to Alfred Marshall. Let me conclude with the remarks of two other economists. The first, a recent president of the American Economic Association, stated in his 1961 presidential address: "In the long run, the economic scholar works for the only coin worth having—our own applause." I would rather respond to the summons to duty contained in the quotation from the first chapter of *Economics of Welfare* by A. C. Pigou:

> When we elect to watch the play of human motives that are ordinary—that are sometimes mean and dismal and ignoble—our impulse is not the philosopher's impulse, knowledge for the sake of knowledge, but rather the physiologist's knowledge for the healing that knowledge may help to bring.

Table A-1

Item	Year			Difference between (number)		Percent change between	
	1953	1962	1963	1953 and 1963	1962 and 1963	1953 and 1963	1962 and 1963
Bituminous and other soft coal mining							
a. Number of full-time-equivalent employees[a]	289	140	137	- 152	- 3	- 52.6	- 2.1
b. Average annual earnings ($) per full-time employee[b]	4194	5536	5730	+1536	+194	+ 36.6	+3.5
All manufacturing							
a. Number of full-time-equivalent employees	17260	16478	16585	- 675	+107	- 3.9	+0.7
b. Average annual earnings ($) per full-time employee	4049	5715	5911	+1862	+196	+ 46.0	+3.4
Primary metal industries							
a. Number of full-time-equivalent employees	1338	1129	1130	- 208	+ 1	- 15.5	+0.1
b. Average annual earnings ($) per full-time employee	4712	6813	7018	+2306	+205	+ 48.9	+3.0
Fabricated metal products, including ordnance							
a. Number of full-time-equivalent employees	1374	1326	1344	- 30	+ 18	- 2.2	+1.4
b. Average annual earnings ($) per full-time employee	4362	6768	6472	+2110	+204	+ 48.4	+3.3
Machinery, except electrical							
a. Number of full-time-equivalent employees	1730	1639	1677	- 53	+ 38	- 3.1	+2.3
b. Average annual earnings ($) per full-time employee	4692	6456	6646	+1954	+190	+ 41.6	+2.9
Electrical machinery							
a. Number of full-time-equivalent employees	1219	1449	1435	+ 216	- 14	+ 17.9	- 1.0
b. Average annual earnings ($) per full-time employee	4138	6105	6286	+2148	+181	+ 51.9	+3.0
Automobiles and automobile equipment							
a. Number of full-time-equivalent employees	921	710	752	- 169	+ 42	- 18.3	+5.9
b. Average annual earnings ($) per full-time employee	4952	7070	7533	+2581	+463	+ 52.1	+6.5
Finance, insurance, and real estate							
a. Number of full-time-equivalent employees	2040	2886	2945	+ 905	+ 59	+ 44.4	+2.0
b. Average annual earnings ($) per full-time employee	3663	5163	5337	+1674	+174	+ 45.7	+3.4

continued

Table A-1—*Continued*

Item	Year			Difference between (number)		Percent change between	
	1953	1962	1963	1953 and 1963	1962 and 1963	1953 and 1963	1962 and 1963
Hotels and other lodging places							
a. Number of full-time-equivalent employees	472	570	583	+ 111	+ 13	+ 23.5	+2.3
b. Average annual earnings ($) per full-time employee	2405	3082	3152	+ 747	+ 70	+ 31.1	+2.3
Personal services							
a. Number of full-time-equivalent employees	844	923	933	+ 89	+ 10	+ 10.5	+1.1
b. Average annual earnings ($) per full-time employee	2539	3568	3682	+1143	+114	+ 45.0	+3.2
Medical and other health services							
a. Number of full-time-equivalent employees	1081	1762	1867	+ 786	+105	+ 72.7	+6.0
b. Average annual earnings ($) per full-time employee	2365	3331	3470	+1105	+139	+ 46.7	+4.2
Federal government-civilian, except work relief							
a. Number of full-time-equivalent employees	1795	1757	1772	- 23	+ 15	- 1.3	+0.9
b. Average annual earnings ($) per full-time employee	4226	6435	6812	+2586	+377	+ 61.2	+5.9
State and local-general government							
a. Number of full-time-equivalent employees	3811	6473	6753	+2942	+280	+ 77.2	+4.3
b. Average annual earnings ($) per full-time employee	3278	5014	5197	+1919	+183	+ 58.5	+3.6
Business services, NEC[c]							
a. Number of full-time-equivalent employees	463	1012	1070	+ 607	+ 58	+131.1	+5.7
b. Average annual earnings ($) per full-time employee	4149	5678	5795	+1646	+117	+ 39.7	+2.1
Engineering and other professional services, NEC[c]							
a. Number of full-time-equivalent employees	165	268	275	+ 110	+ 7	+ 66.7	+2.6
b. Average annual earnings ($) per full-time employee	5048	7235	7662	+2614	+427	+ 51.8	+5.9

Source: Survey of Current Business, Vol. 44, No. 7 (July 1964), pp. 30-31.

[a]Reported in thousands.
[b]Reported in dollars.
[c]Not elsewhere classified.

Table A-2

Item	Year		
	1961	1962	1963
Bituminous and other soft coal mining			
a. Number of full-time-equivalent employees[a]	247	240	237
b. Average annual earnings ($) per full-time employee[b]	5327	5536	5730
All manufacturing			
a. Number of full-time-equivalent employees	15878	16478	16585
b. Average annual earnings ($) per full-time employee	5509	5735	5911
Primary metal industries			
a. Number of full-time-equivalent employees	1099	1129	1130
b. Average annual earnings ($) per full-time employee	6551	6813	7018
Fabricated metal products, including ordnance			
a. Number of full-time-equivalent employees	1232	1326	1344
b. Average annual earnings ($) per full-time employee	6024	6268	6472
Machinery, except electrical			
a. Number of full-time-equivalent employees	1550	1639	1677
b. Average annual earnings ($) per full-time employee	6194	6456	6646
Electrical machinery			
a. Number of full-time-equivalent employees	1350	1449	1435
b. Average annual earnings ($) per full-time employee	5928	6105	6286
Automobiles and automobile equipment			
a. Number of full-time-equivalent employees	647	710	752
b. Average annual earnings ($) per full-time employee	6507	7070	7533
Finance, insurance and real estate			
a. Number of full-time-equivalent employees	2804	2886	2945
b. Average annual earnings ($) per full-time employee	5035	5163	5337
Hotels and other lodging places			
a. Number of full-time-equivalent employees	556	570	583
b. Average annual earnings ($) per full-time employee	3011	3082	3152
Personal services			
a. Number of full-time-equivalent employees	912	923	933
b. Average annual earnings ($) per full-time employee	3448	3568	3682
Medical and other health services			
a. Number of full-time-equivalent employees	1660	1762	1867
b. Average annual earnings ($) per full-time employee	3223	3331	3470
Federal government-civilian, except work relief			
a. Number of full-time-equivalent employees	1697	1757	1772
b. Average annual earnings ($) per full-time employee	6285	6435	6812
State and local-general government			
a. Number of full-time-equivalent employees	6179	6473	6753
b. Average annual earnings ($) per full-time employee	4777	5014	5197
Business services, NEC[c]			
a. Number of full-time-equivalent employees	924	1012	1070
b. Average annual earnings ($) per full-time employee	5506	5678	5795
Engineering and other professional services, NEC[c]			
a. Number of full-time-equivalent employees	247	268	275
b. Average annual earnings ($) per full-time employee	7049	7235	7662

Source: Survey of Current Business, Vol. 44, No. 7 (July 1964), pp. 30-31.

[a]Reported in thousands.

[b]Reported in dollars.

[c]Not elsewhere classified.

Appendix B
A Case Study in the Employment Problems of an Urban Negro Male*

I have to go back three months ago to the first week on my job, in September. A woman came in—we had known her before in our office. She said that her husband, Mr. S, had been out of work for about three weeks. He had been ill and his father had died and he had taken off another week to bury his father. He had applied for unemployment compensation. He had been working as a truck driver for the ABC Company. He had gone back to work after burying his father and had worked one day. Then when he returned to work the next day the man said, "We don't have any more vacancies."

This is a 59-year-old man who still has a fairly young family. His wife is younger than he and they have three children—the oldest, I think, is a senior in high school.

Naturally we went through the process of what could be done and I asked if he had applied for his unemployment compensation. It would be three weeks before he got it. Maybe he'd find another job and maybe he wouldn't.

At that point the work training center had just started. I wrote out a referral and told her to give it to her husband, and I sent her out to get emergency food stamps and told her that our agency would help with paying for the stamps. She came back a couple of days later and I gave her the money to buy the emergency food stamps. I thought to myself that they would go to the public housing office and tell the manager that Mr. S had applied for his unemployment compensation and in a couple of weeks he would get it and the rent would be lowered accordingly, depending on the amount of his unemployment compensation, and everything would be okay.

About three weeks later she came back and told me her husband had still not received his unemployment compensation. I couldn't understand what the problem was. I asked, "Did he go to the work training program?" She said, "No." They had been going back and forth every week trying to straighten out the unemployment compensation.

The weeks went by and I talked with Mrs. S about once a week. Things were getting worse and worse and their rent was getting behind. When you have no income, public housing authorities apparently charge the maximum! I don't know why that is; you can't live there with no

*Notes of a participant-observer in a neighborhood project.

income, obviously. So with no income they continue to charge you the maximum, or the old rate, instead of putting it down to the minimum. So public housing was continuing to charge them $84 a month rent on no income and the time was coming for the manager to send out the monthly summons for those who were delinquent that month. Then October was upon us. They had paid their September rent. October moved in and there was no unemployment compensation—it hadn't come through. Mr. S was going in every week and signing up but he hadn't heard anything. He and his family were struggling with the food; they were struggling with the rent; and the summons came.

Mrs. S called me regularly. Finally I said, "Look, you've got to get your husband in here to talk to the neighborhood legal service about this unemployment compensation, because he's been signing up for six weeks and still doesn't have it." Now, I know that the local unemployment compensation board is pretty bad, but this is beyond all comprehension. I said, "You'd better get your husband in here and see if the attorney can't find out what's going on, because I suspect that the employer is fighting this claim."

So the husband came in and talked to the lawyer. The lawyer first sent a letter to the claims board and requested a hearing, and they did discover that the employer was fighting the claim. Also, after Mr. S had signed up for four weeks, the man at the UC Board had said to him, "We have to have a letter from your doctor saying that you were actually sick, and a letter from the funeral parlor proving that your father was dead and you had to take that week to bury him and take care of things." So he ran down all that and took it to the Board and still he didn't get anything. It was at that point that I advised the family to get to the legal service.

In the meantime, Mr. S was six weeks behind in the rent and he got a summons. Well, you know we have a new program in this city called the Crisis Assistance Program. And they really mean it when they say "crisis"—I mean you really have to have an eviction notice in your hand. Well, they got the summons and they got the eviction notice, so I sent them up to the Crisis office. They struggled with that—they were there two days solid, waiting in line. And they paid—Crisis Assistance paid the rent. The welfare workers referred the husband to the work training center, as I had done previously.

So Mr. S went to the training center and they declared him eligible. The adjunct to the work training center is a program of temporary assistance to families of unemployed parents. After he was declared eligible for the training center they sent him to this program, which

put the family on their rolls for $46 a week (this is a family of five). That was $2 more a week than he would have received under unemployment compensation. In the meantime the papers and the bureaucracy at public housing are slowly grinding. Mind you, the public welfare emergency assistance program has to pay this accumulated maximum back rent for this family instead of basing it on the $44 a week he would have received from Unemployment Compensation. So there was that bureaucracy to get straightened out—you know, rent reduction, etc.

Also in the meantime, our attorney is working on Mr. S's claim for unemployment compensation. Yesterday about 10 o'clock Mrs. S called to say, "My husband is supposed to have a hearing today with your attorney at the UC Board; you know, he's eligible for work training now and we're getting our check regularly through the temporary assistance program—and he doesn't want to go." [Because he's afraid it's going to jeopardize his position in all these other bureaucratic setups.]

I said, "I can understand how you feel, but it's absolutely not true. They are completely separate and he really has to go."

I went to get our lawyer who was fighting this case. He was in court and probably not coming back until late, and Mr. S's hearing was at 1:30. So I talked with one of the lawyer's assistants and said, "You and I ought to go over there and get Mr. S and talk to him."

We went over to his home. He wasn't in and his wife was looking for him, too; so we took her in the car and went looking for him. We found him in a pool hall, and she brought him over. She sat in the back seat with me, and he sat in front with the assistant attorney. The attorney and I began asking him, "Why do you feel the way you do? Look, it's important to fight this case; these cases haven't been fought legally and they need to be fought; this is a perfect case because you went back to work for one day. And now the guy claims he fired you and obviously he didn't. You were working for him—it's a perfect case."

I wish we had had a tape recorder there because Mr. S sat in the car with us for half an hour and spilled all his feelings:

"Look, I have been beat, and beat, and beat, and nobody ever wins a case with the Unemployment Compensation Board. The men up at the counter tell me that nobody ever wins a case that they fight with the UC Board. And here I am. I've got cancer of the throat and I don't have long to live; and I've got ulcers; and for all these years I've been trying to keep my family together; and now you're telling me that there's this one more rung to the ladder. I can't make it. I'm getting my $46 a week and I'm going into the training program. If you keep pushing me I am going to get out of town so that my wife and children can get

public assistance, because they'll get more from public assistance than I'm getting now—$46 a week."

We tried to tell him that he was going to win this case, that it was not just for him but for all the other people. And to this he replied:

"Don't talk to me about all the other people. I've been living here for eight years and there's not one person in this housing project that would do anything but stick a knife in my back. Now I'm down on the ground and I ain't gonna do anything for them.

"I know what you're trying to do for me. This program that you people represent is the greatest thing that has ever hit this city. I have lived here for 40 years and I have never known people like you. I know that you want to help me. But I can't go one more step. I don't want to be a guinea pig. My family [in Mississippi or Alabama]—part of my family—were killed because they were willing to be guinea pigs and stand up for this civil rights thing and speak out when nobody else would. I am not going to get involved: I am too old and too tired and too sick."

All I could say to him was: "Look, none of us are going to try to make you do anything you don't want to do; we respect your opinion, and I'm glad you can say the things you have said."

I wouldn't have missed it for the world. It was fantastic—this flow of emotion.

We went back and told the chief attorney, who had come back between court sessions. He said he would try to talk to Mr. S and would ask for a postponement.

When the lawyer talked with him, Mr. S put it right on the line. He said: "I'm beat. You people don't know what it's like to be poor. I know you want to help. I respect you, and I know that you are good people and doing the best thing that's ever come here. But you don't know what it's like to be pushed around for 59 years and to get the dirty end of the stick."

Although appearing before the Board seemed to be a relatively simple thing for Mr. S to do as far as we were concerned, since the lawyer would do all the talking, he saw this as another time the "system" would defeat him. He just couldn't see how the "system" would really give him a break—nor could he understand why his old employer wouldn't give him a decent break. He said: "I made $48,000 a year for that bastard who owns the company and he paid me $50 a week. Why is he trying to deprive me of a lousy $44 a week?"

"And on top of everything else," he said, "when the UC Board sent

me back to the doctor that I'd been going to, to get a certificate because I'd been sick, that guy charged me $5 to write up a form."

"What's his name?" I asked.

He said, "Dr. M on Blank Street."

I said, "Well, damn it, we're going to write a letter to the American Medical Association and we're going to tell everybody in town not to go to that guy."

Well, the case was postponed, and the attorney is going to talk to Mr. S. The attorney said the client had to be there.

Mr. S said, "I know you're trying to give us justice. I know this is my right. But there is no justice. You're not gonna beat it [the bureaucracy]."

Oh yes, they have won some compensation cases. But it's just beginning to get around in this city that you can fight the UC Board—nobody ever knew it before.

* * * * *

Six Days Later

Mrs. S contacted me and said that when her husband went to get his check today from the temporary assistance office he was refused because he had an appeal in at the UC Board. I insisted that he come over immediately and talk to the legal service lawyer. My position was that (1) this had to be settled: either the appeal dropped or Mr. Smith persuaded to go ahead; (2) regardless, the welfare department decision was unjust because, until the appeal was settled and he had a UIB check in hand, he and his family still had to eat. The lawyer didn't agree. He felt Mr. S shouldn't be collecting welfare payments when he had refused to go ahead with the appeal—which really isn't the point I was trying to make at all. In any case, Mr. S did see the attorney and was persuaded to go ahead with the UC Board appeal.

I will go ahead and try to talk the Department of Public Welfare into continuing payments until Mr. S has his unemployment compensation checks in his hand.