



# Focus

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**Special Issue**  
**Defining and Measuring the Underclass**

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## Overview

by Sheldon Danziger

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The economic recovery that began in 1983 has been unusual in both its length and its modest antipoverty impact. The

official poverty rate, which peaked at 15.2 percent in 1983, had by 1987 fallen only to 13.5 percent. Poverty in 1987 was well above the 11.7 percent rate of 1979, even though median family income in 1987 was about the same as in 1979. The recovery has been marked by a widening gap between the rich and the poor.<sup>2</sup> This much-publicized gap is often described by contrasting increased stock prices and the growth in the compensation of corporate executives with persistent hardship and deprivation in inner-city ghettos. Indeed, some of the most vivid images of the late 1980s are of the contrasts between the skyscraper boom in many central cities and the deteriorating neighborhoods within their shadows.

Against this background, the term “underclass” has been increasingly used in the 1980s to describe a subset of the official poor whose situation seems mostly immune to aggregate economic conditions and compensatory social

programs. William Julius Wilson defines the underclass as

that heterogeneous grouping of families and individuals who are outside the mainstream of the American occupational system. Included . . . are individuals who lack training and skills and either experience long-term unemployment or are not members of the labor force, individuals who are engaged in street crime and other forms of aberrant behavior, and families that experience long-term spells of poverty and/or welfare dependency.<sup>3</sup>

Wilson's definition and those of other analysts are now widely discussed. Yet there is little consensus on the appropriate definition or measurement of the underclass. The authors of the essays that follow were asked to address some specific aspect of the debate on the nature and meaning of the term.

Current academic and policy discourse about the definition and measurement of the underclass is reminiscent of discussions in the early 1960s about the definition and measurement of poverty. In the case of poverty, concern with the problem arose after a period of neglect following World War II. Poverty amidst plenty, when it came to public attention, was viewed as a paradox, given the prosperous state of the economy. Much of the research initiated by the War on Poverty was devoted to defining and measuring the concept. Henry Aaron wrote in 1978:

In retrospect, discussions of poverty in the sixties seem remarkably vague and imprecise for at least three reasons. The first was a lack of data. Good statistics on the number of poor at any particular time were unavailable until 1965. Good data on the long-term experiences of people who are poor at any particular time are only beginning to become available now. Second, precise questions about the causes of poverty had not been formulated, much less answered. Third, many ambiguities about the real nature of the problem were left unresolved. Was the problem absolute poverty, relative poverty, or overall inequality? And what was the relative importance of the purely economic factors?<sup>4</sup>

One can paraphrase Aaron and say that discussions of the underclass today seem vague and imprecise for many of the same reasons: lack of adequate statistics, disagreement over the causes of the problem, and ambiguities about its nature.

Popular discussion about and academic research on the underclass lay dormant for more than a decade following the acrimonious controversy surrounding Daniel Patrick Moynihan's *The Negro Family: The Case for National Action*.<sup>5</sup> According to William Julius Wilson:

The controversy surrounding the Moynihan report had the effect of curtailing serious research on minority problems in the inner city for over a decade, as liberal scholars shied away from researching behavior construed as unflattering or stigmatizing to particular racial minorities. Thus, when liberal scholars returned to study these

problems in the early 1980s, they were dumbfounded by the magnitude of the changes that had taken place and expressed little optimism about finding an adequate explanation. Indeed, it had become quite clear that there was little consensus on the description of the problem, the explanations advanced, or the policy recommendations proposed. There was even little agreement on a definition of the term *underclass*.<sup>6</sup>

The emergence of an American underclass is viewed—as was poverty—as a paradox, given the expansion of social welfare programs and the civil rights victories of the War on Poverty and Great Society era, the growth of a black middle class, and the long economic recovery of the mid-1980s. Policy discussions of the causes and consequences of the underclass proceed on much the same terms as those on the causes and consequences of poverty in the 1960s: Is the problem one of economic structure? Or is it one of behavioral pathology?

Academic discussions also sound familiar. The several interchanges on the meaning of male joblessness—a central feature of the underclass debate—between Lawrence Mead and Wilson have much the same tone as earlier arguments over whether poverty causes behavioral maladies or is caused by them.<sup>7</sup> Mead and Wilson agree on the facts—that an increasing percentage of young black men are not employed in the regular economy. Mead argues that these men will not take available jobs because they are unwilling to work for low wages at entry-level jobs that provide a bridge to better jobs. If these men would change their attitudes and behaviors, they could escape poverty. Wilson argues that changes in the economic and social organization of inner-city ghettos have cut these young men off from job networks. Their “ghetto-specific norms and behaviors” are attributable to chronic joblessness and poverty. If the structural conditions were changed, they could escape poverty.

To date, little research has been completed (but much is in progress) to sort out the complex causal links among economic conditions, family structure, and individual attitudes and behaviors in the inner city. As in the period following the rediscovery of poverty, much of the initial research on the underclass has focused on defining and measuring the concept.

As the articles in this issue indicate, what various analysts mean when they refer to the underclass may not be what can be measured with available data. All agree that the underclass comprises only a small percentage of the poverty population, as defined by the Census Bureau. This official measure of money income over a calendar year does not address several elements that appear to be crucial to the definition of the underclass. These include poverty over relatively long periods; poverty that is geographically concentrated; poverty that is associated with “dysfunctional” behavior; and poverty that is transmitted through its effects on the attitudes and behaviors of the next generation.

The underclass carries with it some notion of permanence, another concept for which there is no simple definition. If one considers the persistently poor to be those whose incomes remain below the poverty line for many years, only one-third to one-half of the official poverty population is in this category. Yet the underclass is an even smaller group than the persistently poor, as many of the long-term poor—elderly widows, for example—neither live in areas with high concentrations of poverty nor engage in behaviors that deviate from mainstream norms.

Because Census data are available on the spatial concentration of poverty, whereas data on deviant behaviors are not readily available, researchers have produced a variety of Census-based estimates of the size of the underclass. Several studies count as members of the underclass poor persons who live in areas where a great proportion of the population is poor.<sup>8</sup> Others count persons, poor and nonpoor, living in areas where a large proportion of men do not work, a large proportion of young people have not graduated from high school, and a large proportion of persons live in families headed by women and in families that receive welfare.<sup>9</sup> The inclusion of all persons in these areas reflects the view (endorsed in some of the articles that follow) that neighborhood effects are important—that regardless of current poverty status, all residents of these areas, especially children, are at risk of being negatively influenced by the surrounding economic and social dislocations.

A very narrow definition of the underclass would include the intersection of these various concepts—the able-bodied persistently poor who themselves are weakly attached to the labor force and live in areas characterized by high rates of male joblessness, crime, out-of-wedlock births, high school dropout, and welfare dependency. Such requirements are very strict and would yield a very small count. On the other hand, one could define the underclass more broadly as “those among the poor whose needs cannot be addressed by increased cash transfers alone.” This rather subjective definition would exclude the elderly and disabled, who are not expected to work, and the poor who are already working full time. It would include those who were expected, on the basis of their demographic characteristics, to work, but who did not assume responsibility for support of their families.

The arguments over the definition and measurement of the underclass are not merely academic. To the extent that they influence popular thinking and social policy, they may have enormous impact on the lives of individuals at the bottom of the socioeconomic ladder. Should the government provide public jobs for the underclass? Or should a jobless male or a teen mother or a high school dropout be required to participate in a work and/or training program such as Workfare or Learnfare or to take any available job? The answers to such questions depend on how the current debate shapes future research, policy initiatives, and program developments.

This issue of *Focus* is organized as follows. David Ellwood reviews a number of social science models that attempt to explain and predict long-term welfare dependency—a

behavior inextricably tied to the underclass and one that has generated widespread concern. He examines three types of models: rational choice models, which emphasize individual choices and incentives; expectancy models, which focus on self-confidence and the sense that one can control one's own life; and cultural models, which seek explanations in values and culture.

The rational choice model assumes that individuals rationally examine the options they face and select the one that gives them the greatest satisfaction. This model effectively explains why so many poor single mothers choose to stay on welfare—given available options, welfare makes sense. Full-time work at modest wage rates makes them only slightly better off than does welfare in many states. Those with high earning potential do earn their way off of welfare. Others escape long-term dependency only through marriage.

Ellwood finds only weak evidence supporting expectancy and culture as explanations of long-term dependency. The expectancy model suggests that welfare becomes a trap, aggravating passivity and isolation. Yet, although it is generally agreed that welfare can intimidate, isolate, and stigmatize, these effects do not seem to get worse the longer one stays on welfare. The cultural model suggests that living in a culture of poverty changes one's values, and in such circumstances welfare becomes a legitimate option to marriage or work. But since 90 percent of long-term welfare recipients do not live in big-city ghettos, where the culture of poverty is presumed to exist, most dependency cannot be attributed to the demoralizing effects of living in these communities, disastrous though the effects must be on ghetto residents.

One would assume that expectancy and culture would work better than rational choice in explaining such behavior as births to unmarried teenagers, a course of action that makes little sense from an economic point of view. And Ellwood finds that there is ample evidence to support almost any model of teenage behavior except one of pure rational choice. The rational choice model fails to offer a satisfactory explanation of behaviors that increase the likelihood of welfare dependency, such as births to unwed mothers and teenagers and the decline in marriages.

Whatever model is used, there is little evidence that the sort of policy changes that are politically feasible will make much difference in family structure or long-term welfare dependency.

In concluding, Ellwood makes the point that although expectancy and cultural models are hard to test and interpret, this does not mean that they should not be pursued. He stresses the need for systematic modeling that integrates the insights of several disciplines.

Christopher Jencks makes an important contribution to the debate over whether or not the underclass is growing. Rather than restrict himself to the evaluation of a single measure, he defines a number of different underclasses and examines them separately. Jencks views “the term underclass as an

antonym to the terms middle class and working class.” This leads him to define the underclass using the same criteria that are used to define these classes.

His first variant is the “economic underclass,” which consists of people who cannot get or hold a steady job. Next he looks at the “moral underclass,” those who treat as impractical or irrelevant such middle-class virtues as obeying the law, getting married before having children, and going to work every day. Finally he looks at the “educational underclass,” those lacking the information and skills needed for even the lowest-level jobs.

Jencks furnishes evidence that the economic underclass is growing: Unemployment among both mature men and teenagers has climbed since 1970, whether because there is a declining demand for unskilled and semiskilled workers or because workers have gotten choosier about the jobs they will take.

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Evidence for a moral underclass is mixed. The criminal underclass is shrinking; violent crime is dropping—especially among blacks. Those who have children they cannot care for adequately—the reproductive underclass—are harder to assess. Teenagers are less likely than they were in 1960 to have babies. Unwed motherhood, however, has increased over the past generation, and this increase took place at a time when preventing unwanted births was becoming easier. Whether the increase in births to unmarried women (and the drop in births to married women) indicates a growing underclass or a change in social norms is unclear.

Jencks concludes that the educational underclass is shrinking. A comparison of blacks and whites indicates that blacks have steadily narrowed the gap in high school graduation and in reading skills.

In conclusion, Jencks urges that the unmodified term “underclass” must be used by social scientists only with extreme care. His distinctions are designed to make the discussion more precise, even though they still remain ambiguous. He does believe that the term underclass contributes to public discourse by calling attention to a diverse group of social problems that have been ignored for over a decade.

Martha Van Haitsma concurs that the manner in which the term “underclass” is defined will have a bearing on research findings and policy prescriptions. She states that whereas chronic poverty, intergenerational transmission of poverty, spatial concentration, and distinctive patterns of generating income and forming families suggest that an underclass may exist, no one of these factors alone is sufficient to define it. Her definition of the underclass is therefore “those persons who are weakly connected to the formal labor force and whose social context tends to maintain or further weaken this attachment.” In measuring labor force attachment, she takes into account both the legitimacy of the source of income and the variability of its flow. And she defines the “social context” as the specific social structures in which an individual is embedded—household, neighborhood, and social network. She finds that this overall web of social relations has important effects on labor force attachment which are not fully captured by such commonly measured variables as age, education, language ability, and experience.

Van Haitsma’s conceptualization stresses underlying socioeconomic structural problems. Yet it incorporates the social and behavioral factors that contribute to long-term poverty. Van Haitsma plans to implement her conceptualization with data now becoming available from the University of Chicago’s Urban Family Life Project (directed by William Julius Wilson).

Erol Ricketts addresses one aspect of the underclass phenomenon: the enormous growth in black female-headed families. Using Census data, he concludes that black family-formation problems are of recent origin, and not, as Moyni-

han and others have argued, a legacy of slavery and racial oppression. Ricketts shows that from 1890 to 1950 black and white marriage patterns were substantially the same.

He suggests the possibility of a connection between problems in family formation and the mass migration of blacks to urban areas. In their new location blacks were increasingly vulnerable to postindustrial changes in the economy that transformed the opportunity structure of the inner city. Non-marriage and female-headed households may well be the result of the high rates of joblessness faced by lower-class black men.

Ricketts speculates further that the upward mobility experienced by upper-class blacks as a result of the civil rights revolution and affirmative action may have produced similar effects. The economic uncertainty inherent in rapid advancement makes it difficult to plan for the future. As a result, black upper-class men postpone marriage, confident that when they are ready for it, there will be plenty of women available among whom they can select a partner.

Gary Sandefur suggests that Indians living on many reservations may be a part of the underclass and that their experience may contribute to an understanding of underclass behavior. The reservation system was designed to isolate the Indian population and was largely successful in settling Indians in areas with few natural resources, far from contact with the developing U.S. economy and society. As a result, Indians on some reservations have been living in poverty for generations.

Residents of a number of reservations appear to fit one of the frequently used descriptions of an underclass: they live in communities in which over 40 percent have incomes below the poverty line; high proportions of their youth do not graduate from high school; many of the men lack full-time jobs; and many households receive public assistance and are headed by women. The residents manifest as well high rates of alcoholism and/or drug abuse, and crime and suicide.

Ironically, though Indians are free to leave the reservations, they frequently stay on, despite wretched economic conditions, because they value their traditional way of life. Often the reservation is the only place in the world where their native language is spoken.

Sandefur concludes that economic, social, and physical isolation from the majority society has an impact so powerful that it more than offsets some of the benefits of reservation life—close kinship ties and a strong sense of community.

The articles in this special issue take the reader to the frontier of academic thinking about the nature and meaning of the term “underclass.” As is evident, much additional research must be completed before a consensus can be reached on the processes that generate an underclass or a set of policies can be devised to reverse those processes. The articles, however, leave the underclass debate less vague and less imprecise than before. ■

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<sup>1</sup>Greg Acs, Paul Courant, Sandra Danziger, and Elizabeth Uhr provided valuable comments on a prior draft.

<sup>2</sup>Sheldon Danziger, Peter Gottschalk, and Eugene Smolensky, “How the Rich Have Fared, 1973–1987,” *American Economic Review*, 79 (May 1989), 310–314. Available as IRP Reprint no. 597.

<sup>3</sup>*The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987), p. 8.

<sup>4</sup>*Politics and the Professors: The Great Society in Perspective* (Washington, D.C.: Brookings Institution, 1978), p. 23.

<sup>5</sup>Washington, D.C.: Office of Policy Planning and Research, U.S. Department of Labor, 1965.

<sup>6</sup>*The Truly Disadvantaged*, p. 4.

<sup>7</sup>See, for example, the debate between Wilson and Mead in *Focus*, 10 (Summer 1987), 11–19; and, in the special issue of the *Annals of the American Academy of Political and Social Science* dealing with the ghetto underclass, Mead, “The Logic of Workfare: The Underclass and Work Policy,” *Annals*, 501 (January 1989), 156–169; and Wilson, “The Underclass: Issues, Perspectives, and Public Policy,” *Annals*, 501 (January 1989), 182–192.

<sup>8</sup>Sheldon Danziger and Peter Gottschalk, “Earnings Inequality, the Spatial Concentration of Poverty, and the Underclass,” *American Economic Review*, 77 (May 1987), 211–215 (available as IRP Reprint no. 559); Mary Jo Bane and Paul Jargowsky, “Urban Poverty Areas: Basic Questions Concerning Prevalence, Growth, and Dynamics,” in Michael McGahey and Laurence Lynn, eds., *Concentrated Urban Poverty in America* (Washington, D.C.: National Academy Press, forthcoming).

<sup>9</sup>Erol Ricketts and Ronald Mincy, “Growth of the Underclass: 1970–1980,” Urban Institute, Washington, D.C., February 1988.

# The origins of “dependency”: Choices, confidence, or culture?

by David T. Ellwood

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David T. Ellwood is a professor of public policy at the John F. Kennedy School of Government, Harvard University. This paper is a summary of *Understanding Dependency: Choices, Confidence, or Culture?* a report prepared under contract no. HHS-OS-100-86-0021 for the Division of Income Security Policy (ISP), U.S. Department of Health and Human Services, David T. Ellwood and Robert Lerman, principal investigators. Copies of the full report and individual papers on particular topics can be obtained from ISP, Room 404E, Hubert Humphrey Building, 200 Independence Avenue, Washington, D.C. 20201.<sup>1</sup>

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It is hard to miss the profound shift in emphasis and tone that has occurred in poverty discussions over the past ten to fifteen years. A decade or two ago, the academic debate and to a large degree the popular debate often focused on matters of adequacy, labor supply responses, tax rates, and opportunity. “Dependency” is the current preoccupation. The American Enterprise Institute (AEI) Working Seminar on the Family and American Welfare Policy boldly claims a “new consensus on family and welfare” and focuses its report almost entirely on the problem of “behavioral dependency.”<sup>2</sup>

The transformation of the debate is extraordinary, for a focus on dependency represents more than a change of terms. It represents an implicit shift in behavioral models. In earlier debates, economists seemed to dominate, with their emphasis on static choice models: Behavior could be understood by examining the choices people faced at any point in time, and changes in behavior could be made by altering the available choices. Now the talk is often about lost confidence or distorted values that leave the poor with little sense of what their choices really are and little desire to take control of their lives. But the consensus claimed by the AEI Working Seminar is actually much thinner than it first appears. Considerable confusion and debate remain over whether welfare use and poverty are best understood by examining the choices people face or the values they possess.

This paper is drawn from an extensive review of academic literature in many disciplines. In it I attempted to find models most applicable to dependency and to compare with existing academic research the predictions that come from such models. Here I summarize a few key findings.

## Models of dependency

Three types of models seemed particularly helpful in attempting to interpret dependency: rational choice models, expectancy models, and cultural models. Each emphasizes different factors and a different conception of behavior. In simple terms, they respectively emphasize choices and incentives, confidence and control, and values and culture. They loosely correspond to the disciplines of economics, social psychology, and anthropology, respectively. Unfortunately, models which emphasize major differences by class and the large societal forces that create and shape such classes could not be included because they cannot be as easily subjected to traditional tests, which focus on individual behavior. The reader should realize that such models suggest that a preoccupation with the attitudes and behavior of the “dependent” is myopic, and that judgments about values cannot be made without understanding larger social forces.

My review compared the predictions of the models and the empirical findings in four areas: (1) static work, welfare, and poverty patterns; (2) the duration and dynamics of welfare; (3) family structure patterns and correlates; and (4) policy influences on work and welfare. The predictions of the models in the four areas are summarized in Table 1.

## Choice models

The dominant paradigm in economics and policy analysis is the rational choice model. According to such models, long-term welfare use would be seen as a series of reasoned choices in light of the available options. Naturally both the characteristics of the welfare system and the nature of outside opportunities will influence such use.

Rational choice models suggest that individuals examine the options they face, evaluate them according to their “tastes and preferences,” and then select the option which brings them the greatest utility or satisfaction. Thus to understand behavior, both choices and preferences must be understood. But in actual practice, the emphasis in rational choice models is on understanding the choices people face and the ways these choices change. Preferences are treated as exogenous and unchangeable.

Yet one of the most striking ironies in the current debate is that the term “dependency” has almost no currency in a rational choice framework. Many who worry about depen-

**Table 1**  
**Different Predictions of Choice, Expectancy, and Cultural Models**

	Choice Models	Expectancy Models	Cultural Models
Static work, welfare, and poverty patterns	Closely linked to factors influencing potential earnings	Noneconomic factors such as marital status also important	Concentrated deprivation and neighborhood characteristics closely linked to poverty and welfare
	Mixing work and welfare uncommon	Perceived control critical	Intergenerational transmission of poverty and welfare  Attitudes and values different among the poor, especially in areas of concentrated poverty
Welfare duration and dynamics	Earnings exits rare	Welfare relatively dynamic with earnings exits more common	Welfare short-lived for those with positive attitudes
	Earnings exits closely tied to economic variables	Earnings exits also linked to noneconomic variables such as marital status and perceived control	Welfare durations linked to neighborhood characteristics
	Difficulty of leaving welfare changes little with time on the program	Welfare can "trap," making it harder to leave the program as time goes by	
Family structure patterns and correlates	Economic variables such as welfare benefits, earnings of men, and earnings of women important	Confidence, perception of control, and evidence of past failure influence births to unmarried women  Less clear predictions on divorce and separation patterns	Attitudes and neighborhood attributes quite critical  Family history in welfare important
Policy influences on work and welfare	Benefit levels and other incentives are critical	Human side of welfare more important than incentives	Conservative thinkers call for greater obligations and expectations
	Training or other methods to raise earning potential helpful	Policies which increase confidence and control most helpful	Some liberals call for more choices and control
		Supplemental supports such as day care and medical care more important than pure financial benefit in helping people leave welfare	

dependency speak of perverse values and irresponsible behavior. In the popular mind, those on welfare are failing in their duties to self and society. Or the inhumane structure of the welfare system robs people of their dignity and self-esteem, reducing their ability and willingness to gain control over their own lives. Dependency thus often implies a change in values (preferences) as people acquire the "welfare habit" and/or limited motivation in the first place. Traditional choice theories usually don't consider either possibility.

Of course one could use the choice model while suggesting that dependency is the result of "bad" preferences rather than "bad" choices, but economists almost never question

the legitimacy of particular preferences. And the power of these models seems much greater in evaluating choices than in understanding the nature or appropriateness of particular preferences. Thus to distinguish between "choices" and "culture" as explanations for dependency, I stipulate that the choice model seems to work best when reasonable people face unreasonable choices. When people face reasonable choices, but behave unreasonably, then there is support for the cultural models.

The Committee on Ways and Means of the U.S. House of Representatives recently provided a table showing what the work-welfare options would look like for a woman with two

children living in Pennsylvania under current law. That table is reproduced here (Table 2). It shows that a woman earning \$10,000 per year (roughly \$5.00 per hour and over 50 percent above the national minimum wage at this writing) is only slightly better off than one who does not work at all. Her disposable income will have risen only about \$1,500. She will have lost her Medicaid protection<sup>3</sup> and her \$5.00 per hour job may not offer much protection to replace it. Even if she finds a job paying \$15,000 per year (\$7.50 per hour), her disposable income will be only about \$2,500 higher than that of a woman who does no work and collects welfare. With a job paying the minimum wage (\$3.35 per hour), her disposable income will be roughly the same if she works or doesn't work.

Table 2 suggests rather strongly that, at least under current law, work often makes little financial sense unless (1) the woman works full time; (2) she commands a wage well above the minimum; (3) day care costs are low; (4) available

welfare benefits are low. In general one would expect these conditions to be true for women who were well educated, had previous work experience, had older children, had relatively few children (since the number of children affects both benefits and day care costs), and who lived in low-benefit states. Thus the rational choice model predicts that these factors ought to play a major role in determining the level of work.

One of the more interesting and striking results of the choice model is that, absent opportunities to leave welfare through marriage or other nonemployment routes, people ought to stay on welfare a long time. The model suggests that it is hard to earn one's way off welfare. Thus it predicts that earnings exits would be rare, and that they ought to be particularly rare for those with low earning potential, high work expenses, or high welfare benefits.

Of course, even though earnings exits would be relatively uncommon in this model, other reasons for leaving welfare

Table 2

**Earnings and Benefits for a Mother with Two Children with Day Care Expenses, after Four Months on Job (January 1989; Pennsylvania)**

Earnings	EITC	AFDC <sup>a</sup>	Food Stamps <sup>b</sup>	Medicaid	Taxes			Work Expenses <sup>d</sup>	"Disposable" Income
					Social Security	Federal Income <sup>c</sup>	State Income		
0	0	\$4,824	\$1,766	Yes	0	0	0	0	\$ 6,590 <sup>e</sup>
\$ 2,000	\$280	4,204	1,525	Yes	\$ 150	0	0	\$ 600	7,259 <sup>e</sup>
4,000	560	2,324	1,662	Yes	300	0	0	1,200	7,046 <sup>e</sup>
5,000	700	1,384	1,730	Yes	376	0	0	1,500	6,938 <sup>e</sup>
6,000	840	444	1,799	Yes	451	0	0	1,800	6,832 <sup>e</sup>
7,000	910	0	1,735	Yes	526	0	0	2,100	7,019 <sup>e</sup>
8,000	910	0	1,555	Yes <sup>f</sup>	601	0	\$ 168	2,400	7,296 <sup>e</sup>
9,000	910	0	1,375	Yes <sup>f</sup>	676	0	189	2,700	7,720 <sup>e</sup>
10,000	910	0	1,195	No <sup>g</sup>	751	0	210	3,000	8,144
15,000	434	0	0	No	1,127	\$ 668	315	4,200	9,124
20,000	0	0	0	No	1,502	1,418	420	5,040	11,620
30,000	0	0	0	No	2,253	2,918	630	5,040	19,159
50,000	0	0	0	No	3,605	7,816	1,050	5,040	32,489

**Source:** Committee on Ways and Means, U.S. House of Representatives, *Background Material and Data on Programs within the Jurisdiction of the Committee on Ways and Means* (Washington, D.C.: U.S. Government Printing Office, 1989), pp. 536-537.

**Note:** Under IRS rules, unless earnings at least equal AFDC (Aid to Families with Dependent Children), the mother generally is not a "head of household" eligible for EITC (Earned Income Tax Credit); but it appears that this rule is rarely applied. Example assumes the rule is not applied.

<sup>a</sup>Assumes these deductions: \$105 monthly standard allowance (which would drop to \$75 after one year on the job) and child care costs equal to 20 percent of earnings, up to maximum of \$320 for two children.

<sup>b</sup>Assumes these deductions: 20 percent of earnings (including EITC as earnings), \$102 monthly standard deduction and child care costs equal to 20 percent of wages, up to maximum of \$320 for two children.

<sup>c</sup>Head-of-household rates in effect for 1989.

<sup>d</sup>Assumed to equal 10 percent of earnings up to maximum of \$100 monthly, plus child care costs equal to 20 percent of earnings up to the maximum allowed by AFDC, and food stamps (\$320 for two children).

<sup>e</sup>In addition, the benefits from Medicaid could be added, but are not. Medicaid in fiscal year 1986 cost about \$1,994 for a three-person AFDC family (national average). In Pennsylvania, the cost of Medicaid for a three-person family in fiscal year 1986 was \$1,775.

<sup>f</sup>Family would qualify for Medicaid for nine additional months under 1984 federal law, which requires state to continue Medicaid that long for a family whose earnings removed them from AFDC, provided the family would have retained AFDC eligibility if \$30 monthly and one-third of residual earnings had been disregarded beyond four months.

<sup>g</sup>To regain Medicaid eligibility, family must spend down on medical expenses to state's medically needy limit (\$5,100, as of July 1987).



(notably marriage) might be high. Welfare benefits themselves are quite low, so on a purely financial basis, women who could find attractive marriage partners should be inclined to marry.

Given its predictions that earnings exits will be rare, that earnings exits will be closely related to factors influencing the relative attractiveness of work, and that people who do not find non-earnings-based ways off welfare will stay on welfare a long time, the choice model would be quite suspect if the welfare population were highly dynamic owing to earnings exits, and if many people stayed on welfare for a few years and then earned their way off.

One would also expect to see some response to changed incentives. If welfare benefits fell or economic conditions improved, one would expect to see fewer people on welfare and more people working. Choice models do not, however, necessarily predict that changed incentives will have large effects unless the available choices are changed rather dramatically. Even then, change may be modest if attitudes about work or child rearing are strongly held. Note that a choice-based model does not deny the role of culture and values in influencing decisions. What distinguishes the models in this discussion is an assumption (imposed by me) that values and preferences are not deviant. The claim is that reasonable people would choose welfare given the available choices.

There is some literature on the economics of marriage and divorce, pioneered by Gary S. Becker,<sup>4</sup> and the area has become more popular in recent years. This work often emphasizes potential gains to marriage created by “joint production,” specialization (with one person in home activities, the other in market activities), and returns to scale (arising from the fact that two can live more cheaply as part of a couple than separately). Generally such models suggest that increased earning potential of men will improve the appeal of marriage, increased earning potential of women may diminish it, and increased potential nonwage income outside of marriage (such as welfare) will diminish the gains to marriage.

But if one takes seriously the notion that, to use these models properly, choices ought to be carefully examined, one quickly discovers that the theoretical niceties vanish in complexity. Decisions to marry are contingent on expectations regarding childbearing, market work, and divorce, each of which is extremely complex as well. Thus determining what the relevant choices are and modeling them accurately is an almost impossible task. Nonetheless, certain economic factors seem likely to influence behavior. Welfare benefits ought to reduce the attractiveness of marriage and may encourage the formation of single-parent families. Low earnings or high unemployment of men would have a similar impact. The effect of increased earnings by women is ambiguous, but many believe the increase could have destabilizing effects in some contexts.

And if one believes that at least one economic factor ought to have an influence, then it seems illogical to argue that others will not also have an effect, unless we can show that they have vastly smaller economic consequences. Generally if financial choices played a key role in family structure decisions, then high earnings of men and low welfare benefits would both seem to be factors which create increased incentives for traditional families. The relative impact of these factors depends critically on the odds that a woman will marry or remarry or be on welfare and how much time the person will stay in a given position.

### **Expectancy models**

Expectancy theories typically posit a two-way relationship between confidence and sense of control on the one hand and what actually happens to people on the other. Those who succeed gain confidence; those who fail, lose it. Persons suffering repeated failure may lose “motivation.” People begin to fear failure so much that they cease to try for success.

According to these expectancy theories, dependency may result when people lose a sense of control over their lives—when they cease to believe that they can realistically get off welfare. People who are frustrated by their lack of control may be observed to exhibit two almost opposite kinds of responses: either an aggressive and potentially antagonistic response or a very passive and sedate one. People become overwhelmed by their situation and lose the capacity to seek out and use the opportunities available.

The expectancy models generally require thinking about much more than current choices. Past successes and failures as well as current perceptions are critical in models that emphasize confidence and control. And it makes less sense to model just one type of behavior (such as long-term welfare use) independent of the event which led the person onto welfare in the first place. Thus the picture of dependency is more encompassing and comprehensive, but inevitably the models are less well defined and harder to test.

Dependency could arise in several ways according to these scenarios. A married couple might divorce or separate for any of a myriad of reasons: unhappiness in the home, an extramarital love, abuse, economic problems, or whatever. But in contrast to the choice-based models, expectancy models emphasize that the divorce itself may profoundly affect the woman and her ability to cope with her environment. In some cases, the divorce may be evidence of the woman’s taking control of her life, a sign of increased confidence. In others, she might have feelings of failure and guilt. She may see herself as lost and isolated, without real options. How she feels about herself, how she perceives the world, and how she fares in her new situation will critically influence her behavior.

Generally we can assume that if the woman goes on welfare, she encounters additional forces that tend to diminish her sense of control and self-esteem. The welfare system, it is

argued, immediately pries into her private life. Administrators want to know her income and assets. They want to know where the father is. The newly single parent may be asked to return for numerous appointments, to return with new documentation (rent checks or earnings statements). She may be required to register for a variety of programs supposedly designed to help her, but which often seem more concerned about ensuring that she obey rules and regulations.

The system may even seem designed to thwart the efforts of those who seek to escape through their own work. If a woman has never worked before, she may have little idea of what to expect or how to get a job. She will be worried about possible effects of her absence on her children or the stress of work. If she finds part-time work, she not only gets no net increase in income (as the choice model emphasizes), she is faced with a welfare system which now identifies her as an error-prone case because her income will likely fluctuate month to month, so the welfare department may send out a check in the wrong amount. The system thus wants even more documentation and consultation with her to be certain she is not cheating. Finally, even if she does get off welfare, she quickly loses her medical benefits. This may be important not only because of the financial value of such coverage (the choice model would consider that), but also because of the psychological effect such a loss could have on women who fear that by working they are putting their children at medical risk.

Some women might react with anger and frustration to such a system and seek to escape it quickly. In common with the choice model, the expectancy models suggest that those in the best position to leave would do so. Others may try to gain control of their lives by "gaming" the system, that is, doing the minimum necessary to keep the checks coming. But many may lose what little confidence they had and feel more isolated from the rest of society. It is these women who lose the sense that they can control their destiny. The assumption is that the longer one stays in the system, observing the rules, getting paid by welfare rather than providing for oneself, the harder it becomes to break out.

The situation might be even more difficult for an unmarried woman. A young woman who is just starting to experiment with sex may not stop to consider the consequences. Once pregnant, she may feel frightened and helpless. If she decides to have the child, at a time when her life is particularly out of control, and must enter the welfare system, her sense of failure is heightened.

If the woman lives in a ghetto, her demoralization is even greater, according to advocates of the expectancy model. She may have done badly in school. The young men around her are often unemployed. Crime and drugs may heighten her sense of physical insecurity. She may have few ties of affection. She too may have become sexually active with little thought to the consequences, or she may knowingly have allowed herself to become pregnant. To a girl with little chance of escaping poverty or controlling her rather hostile

environment, having a baby may seem one of the few ways to gain some control and significance. Therefore she may decide to keep her child. But once the child arrives, there are new difficulties. She enters the welfare system and becomes embroiled in the same set of problems just discussed. The expectancy model applied to the ghetto has much in common with the cultural model, since it emphasizes problems in a setting of concentrated poverty. But it differs from the cultural model in its focus on control and sense of self-worth rather than on distorted values and antisocial attitudes.

In sum, expectancy models suggest that variables linked to control and confidence will influence dependency. They suggest that noneconomic factors such as marital status may play a key role. They imply that for some, welfare does become a trap, aggravating passivity and isolation. And they suggest that lack of control and isolation may play a critical role in family structure patterns.

### Cultural models

The last category is actually a rather uneasy collection of theories which typically emphasize that groups differ widely in values, orientations, and expectations. The most extreme version of these is the culture-of-poverty hypothesis. According to culture-of-poverty characterizations, those trapped by such culture are said to exhibit antisocial and counterproductive behavior. Ken Auletta defines the underclass as a group that "feels excluded from society, rejects commonly accepted values, suffers from *behavioral* as well as *income* deficiencies. [Italics in the original.] They don't just tend to be poor; to most Americans their behavior seems aberrant."<sup>5</sup>

The notion that culture or norms or preferences are critical influences on behavior is uncontested. All theories incorporate such a perspective. What distinguishes the cultural literature on dependency is its claims that values, attitudes, and expectations of certain subgroups are well outside the mainstream. For such adverse values to develop and persist, groups of people must be isolated geographically and socially from the rest of society. These people live in geographic areas of concentrated deprivation, where an "underclass" can be maintained.

The more conservative among those who espouse the cultural model acknowledge that persons living in ghettos do suffer disadvantages. Schools are not very effective. The jobs that such persons are qualified for pay poorly and don't offer an immediate future. Thus mainstream routes to success don't look very promising or attractive. Still, ghetto residents seem no worse off than immigrants. Indeed ghetto residents at least know the language. Unfortunately there are several obvious ways to avoid striving for traditional success. One can drop out altogether, using drugs to escape the reality. One can turn to criminal activity, such as theft, prostitution, and selling drugs. Or one can turn to the government for aid. And the aid will come in the form of welfare or some other program that will be offered mostly to

those who are not working or succeeding. Not surprisingly, a large number of people turn to one of these options.

So far this conception has much in common with the choice model: choices like welfare and criminal activity look better than working. But the cultural model goes further in assuming that, with so many people adopting nontraditional modes of behavior, mores begin to change. People living in a world where the most visible successes are criminals and where government benefits seem to come to those who have eschewed traditional work or family patterns begin to believe that only chumps work long hours at low pay. He who can game the system becomes a hero. The community increasingly condones such behavior. As a result, women feel less shame if they bear children out of wedlock. Welfare is accepted as a natural and legitimate option to marriage or work. Men often feel little responsibility to support a family.

The more liberal version of the cultural model—e.g., that offered by William Julius Wilson<sup>6</sup>—offers similar outcomes but a different diagnosis. A significant drop in employment opportunities owing to the changing industrial mix and the outmigration of jobs from the city makes traditional market opportunities scarce. Simultaneously, the outmigration of black professionals has left a community that consists mainly of people with weak links to mainstream success. Gone are many of the role models and community leaders who emerged in a day when the minority community was more integrated economically. Moreover, as those with reasonably good jobs have left the ghetto, they have taken with them the critical contacts that help young people enter the labor market. What is left is a community with few examples of mainstream success. Young men have no jobs. Many are in jail. They make very unattractive marriage partners. And thus married-couple families do not form. Welfare and criminal activity help to sustain the community. People lose sight of and lose the capacity to pursue mainstream options. They often become a kind of “underclass.”

The liberal version tends to emphasize the loss of jobs and the restraints on mobility of low-income minority residents, while the conservative scenario worries about welfare and government benefits. But some elements are common. Critical in both scenarios is geographic concentration. Disadvantaged and relatively unsuccessful people live together with little contact with the rest of society. In the extreme, dependency is related to both concentration and isolation. It is only in areas of high poverty that these models really make sense.

A second feature, which is perhaps more prominent in the conservative version than in the liberal one, is that poverty and welfare use have a heavy intergenerational component. Families with distorted values, or children raised in homes where welfare was a primary source of income, find welfare, out-of-wedlock births, and lack of work a normal and largely acceptable fact of life. As a result a bad pattern in one generation is passed to the next.

Finally, the versions of the cultural models that emphasize

values as a major problem suggest that underclass values really are different from those of middle-class Americans. This particular view is not strongly embraced by some more liberal thinkers such as Wilson. But in the popular treatments of the culture of poverty it is clearly very important.

## What the evidence shows

I will not try to review the large amount of evidence included in the report. Instead let me focus on the main conclusions. The interested reader can find the justification in *Understanding Dependency*.

### Long-term welfare use

I was generally struck by how well the choice model explained the major patterns in the data. The choice model suggested that it ought to be difficult and uncommon for people to earn their way off welfare. Earnings exits were indeed rather rare, accounting for only one-fifth of the observed exits. When earnings exits did occur, they were closely linked to characteristics that influenced the relative attractiveness of work, such as education, previous work experience, older children, and lower welfare benefits. Indeed the only major unexplained finding in the research on long-term welfare reciprocity was the significance of marital status (i.e., never-married mothers were less likely to earn their way off). Even here the effect of marital status seemed much larger in explaining non-earnings-related exits than earnings-related departures from welfare.

Looking at the options available to many single mothers, it ought not to be surprising to find that an important minority of those who ever use welfare use it for an extended period. Most single mothers face a difficult choice: work all the time or be on welfare. Moreover, even if they choose to work full time, they often will be only slightly better off than if they stayed on welfare. As a result many women use welfare. And when they escape welfare, it is far more likely to be because they marry than because they find a job. Women who do earn their way off welfare typically have a high earning potential. Thus the literature seems to show that women with mainstream attitudes faced with the choices available could reasonably choose welfare, and that for those with limited economic or marital options, welfare could last a very long time.

Evidence for the expectancy and cultural models of dependency was surprisingly weak. It has not been demonstrated that attitudes or expectations play a major role overall. While there is considerable affirmation that welfare can intimidate, isolate, and stigmatize, existing statistical evidence so far does not point strongly toward a welfare trap in the sense that the longer one stays on welfare the harder it is to get off. For most people it is always hard to escape welfare through their own earnings. Moreover, less than 10 percent of welfare recipients live in big-city ghettos, so the bulk of the welfare problem cannot be attributed to the demoralizing effects of these communities.

Some evidence suggests that the poor in ghettos, though they are only a small proportion of the poverty population, are different in important ways. Ghettos are disastrous places to live. The worst problems of the society are found in very disproportionate numbers there. The ethnographic literature leaves no doubt about the desperation one finds there. Therefore the ghetto, while not a huge part of the welfare problem, is nonetheless a major social problem, and one about which information is sporadic and somewhat inconsistent. Whether the problem is that choices are much more limited there because quality education and well-paying jobs are lacking, or whether the problem is more the result of isolation and distorted values, is not really known. And if isolation has distorted the attitudes and expectations of ghetto residents, one doesn't really know what forces shaped these attitudes. Certainly a major concern of future research ought to be to understand much more systematically what the forces are.

Although the evidence linking dependence primarily to confidence or culture is weak, the real problem may be that research methods are poorly developed. It seems ludicrous to argue that motivation and self-worth are not linked closely to behavior, especially behavior on welfare. Certainly welfare can leave women feeling powerless and passive. The expectancy models suggest that people can become "helpless" and unable to take advantage of available opportunities if they are subject to repeated failures and stigmatization. Considerable case-study materials and anecdotal evidence support the existence of such effects. A growing literature shows as well that in some circumstances when poor persons are given more control over their housing or other features of their life, they often respond by taking on new responsibilities and gaining the confidence to move into other areas of self-advancement.

### **Family structure changes**

Choice-based models appear to be least successful in explaining family-structure patterns. While theories about welfare benefit levels or the role of male earnings are argued forcefully, existing evidence on how they relate to the decline in marriage and the increase in births to unwed mothers and teenagers is limited. In the case of welfare, most studies have shown only small effects. In the case of other economic variables, the research findings are highly divergent. This area ought to be pursued quite actively, but I am not optimistic that a pure choice framework will ultimately prove as powerful here as it seemed to be in explaining work and welfare decisions.

One reason for my pessimism is that the choices individuals make involve variables that are very hard to observe, such as the way people treat one another, the presence of suitors, extramarital relationships, and the like. And part of the problem is that it makes far less sense to assume uniform tastes and preferences, as choice models assume, when it comes to marriage and fertility decisions. Attitudes toward these events will be shaped by family history, which will in turn be influenced by economic factors.

But saying that variations in attitudes and expectations are likely to be quite large does not necessarily push one to accept either expectancy or cultural models as they have been used in this article. In the versions I have discussed, those models assume that people lack confidence or that they have *adverse* values. Of course people with confidence and mainstream values form single-parent households. Indeed current research suggests that the typical child born in America today will spend some time in a single-parent home. But some behavior—such as births to unmarried teenagers—is harder to understand and justify using a choice model, especially when the mothers are in no position to provide for themselves, much less their babies.

In exploring teenage pregnancy, therefore, psychological and anthropological models, with their emphasis on expectations, information, attitudes, culture, and values, are logical candidates. And these models seem to have been more successful in explaining this type of behavior. This may reflect the fact that more social psychological research has been done in this area. But exactly what one is to conclude from this much larger but very diffuse literature is problematic. Ample evidence supports almost any model of teenage behavior except a model of pure rational choice. One wonders whether a more complete framework for thinking about behavior might be developed that would encompass teen pregnancy and sexual behavior. This seems another area in which research that looks at additional factors such as spatial concentration and the effects of various policies would be more enlightening than looking for more evidence of attitudinal or motivational differences.

### **The effect of policy**

One of the most discouraging features of my research was the discovery that neither for long-term welfare use nor for changes in family structure was there much evidence that moderate changes in policy make very large differences, no matter what paradigm is used. Even large changes in benefit levels and tax rates are found to create only limited changes in behavior. Employment and training programs have modest effects. Programs designed to provide peer support help somewhat. Programs with aggressive rules about participation make some difference. Still, so long as the programs look roughly like they do now, there is little evidence that welfare rolls would be sharply reduced or increased if the most liberal or conservative plans were adopted (other than eliminating welfare altogether).

In part, the policy dilemma is a function of the fact that behavior as complex and consequential as child rearing, welfare use, work, marriage, and fertility cannot be easily influenced by the kind of modest policy changes the body politic is prone to adopt. Still, clear evidence exists that policy changes can make some difference and that the different paradigms for behavior offer some clear ideas for testing potential policies.

## Concluding thoughts

As an economist, I am most comfortable with the rational choice model, and my conclusions must be read with that fact in mind. Other models are thoughtful and intriguing; they provoke a far richer interpretation of welfare and deprivation. They are, however, quite frustrating as behavioral constructs to be used in research. Such models seem at times capable of making widely divergent predictions with only modest variations in assumptions. They are therefore very hard to test and evaluate.

The ambiguity of expectancy models and cultural models is particularly obvious when they are used for policy predictions. Expectancy models have been used to argue for far greater flexibility, autonomy, and choice for welfare recipients. They have also been used to push for greater obligations and expectations from recipients of welfare. Variations on cultural theories are used to justify everything from massive government intervention including affirmative action, desegregation, jobs programs and training to income support and the like. Culture-of-poverty theories are also used to call for the virtual elimination of such support.

But saying that alternatives to the rational choice theories are hard to test and interpret is not a legitimate basis for ignoring them in empirical work or policy discussion. The way welfare recipients are treated, the way they perceive the world, and the way the world interacts with them must have profound influences. Welfare is much more than a set of short-term incentives. And choice models have a very poor record in explaining family changes and in pointing the way to powerful policy levers.

I would argue that no one theory holds many key insights of immediate use in the current round of welfare reforms. In recent years, thoughtful experiments and reduced-form empirical work, which sought to incorporate both choice and nonchoice factors, have been more important in shaping policy than have theoretical constructions. That is a direction which continues to hold fruitful opportunities. But agnostic empirical work and controlled experiments are not legitimate substitutes for systematic modeling, which effectively integrates insights of several disciplines and provides a far richer but still rigorous framework for analysis. We shall never be able to fully understand “dependency” until such integration takes place. ■

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<sup>1</sup>The author is grateful to Robert Lerman, Lawrence Bailis, Thomas Kane, Mary Jo Bane, and Daniel Weinberg for invaluable comments and support.

<sup>2</sup>Working Seminar on the Family and American Welfare Policy, *The New Consensus on Family and Welfare: A Community of Self-Reliance* (Washington, D.C.: American Enterprise Institute, 1987). See, for example, p. 5.

<sup>3</sup>If she spends down her “excess income” on medical care costs, she becomes eligible for Medicaid in this state.

<sup>4</sup>“A Theory of Marriage, Part I,” *Journal of Political Economy*, 81 (July/August 1973), 813–846; and *A Treatise on the Family* (Cambridge, Mass.: Harvard University Press, 1981).

<sup>5</sup>Ken Auletta, *The Underclass* (New York: Random House, 1982), p. xiii.

<sup>6</sup>See “Cycles of Deprivation and the Underclass Debate,” *Social Service Review*, 59 (December 1985), 541–559, available as IRP Reprint no. 535; and *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987).

# What is the underclass—and is it growing?

by Christopher Jencks

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Late in 1981 Ken Auletta published three articles in the *New Yorker* about the American underclass.<sup>1</sup> Auletta was not the first to use the term underclass, but he was largely responsible for making it part of middle-class America's working vocabulary.<sup>2</sup> As the Reagan years progressed and panhandlers multiplied amid the bond salesmen, a number of social critics, journalists, policy analysts, and foundation executives became convinced that this underclass was growing. The idea that the *black* underclass was growing became especially common.

If there were consensus about what the term "underclass" meant, it would be relatively easy to decide whether it was getting bigger or smaller. Since no such consensus has developed, there has been no agreement even on the size of the underclass, much less on how its size has changed over time. Our inability to agree on a definition of the underclass need not paralyze us, however. Instead, we can simply recognize that there are many different underclasses and ask whether each is growing or shrinking. I will consider three variants of the underclass, which I will call the economic underclass, the moral underclass, in which I include both a criminal and a reproductive underclass, and the educational underclass. The economic underclass seems to be growing. The moral underclass may be growing or shrinking depending on what you measure—there are fewer criminals but more unmarried mothers. The educational underclass is shrinking, at least among blacks. The absence of consensus about whether the underclass as a whole is growing or shrinking is therefore easy to understand.

## Defining the underclass

The absence of general agreement about who is a member of the underclass is no accident. The term came into widespread use precisely because it was ambiguous. Auletta, for example, was a New York journalist who wanted to write about chronically jobless men, perennial welfare mothers, alcoholics, drug dealers, street criminals, deinstitutionalized schizophrenics, and all the other walking wounded who crowded New York City's sidewalks in the late 1970s.

No widely used term seemed capable of conjuring up this Dickensian range of characters. The term "underclass" served Auletta's purpose because it was both sufficiently evocative to grab the reader's attention and sufficiently vague to subsume the entire range of problems that interested him.

The word appeals to others for the same reasons that it appealed to Auletta. It focuses attention on the basement of the American social system (those who are "under" the rest of us), without specifying what the inhabitants of this dark region have in common. Once the term entered the vernacular, however, journalists and policymakers inevitably began asking social scientists how large it was and why it was growing. Since neither journalists nor policy analysts had a clear idea what they meant by the underclass, social scientists had to make up their own definitions. We now have nearly a dozen of these definitions, each yielding a different picture of how big the underclass is and who its members are.

Initially, several social scientists tried to equate the underclass with the persistently poor.<sup>3</sup> Since the poverty rate was somewhat higher in the 1980s than in the 1970s or late 1960s, and since the annual rate of movement in and out of poverty has not changed much over the past twenty years, this definition implies that the underclass is probably growing.<sup>4</sup>

It soon became clear, however, that those who talked about the underclass had something more in mind than just persistent poverty. The term underclass, with its echoes of the underworld, conjures up sin, or at least unorthodox behavior. Low income may be a necessary condition for membership in such a class, but it is not sufficient. No one thinks elderly widows are members of the underclass, no matter how poor they are. Nor are farm families with six children part of the underclass, even if their income almost always falls below the poverty line.

Once it became clear that we couldn't equate the underclass with the persistently poor, several scholars tried to link membership in the underclass with living in a bad neighborhood.<sup>5</sup> William Julius Wilson and others have argued that living in a very poor inner-city neighborhood isolates an individual from "mainstream" institutions and role models and thus increases the likelihood of engaging in underclass behavior.<sup>6</sup> Such neighborhoods certainly have more than their share of all the social ills that the term underclass connotes. It is therefore tempting to treat living in such a neighborhood as a necessary or perhaps even sufficient condition for membership in the underclass.

Defining the underclass geographically does, however, raise several major problems. First, neighborhoods are very het-

erogeneous. American cities are highly segregated along racial lines, but except for a few large housing projects they are not highly segregated along economic or social lines.<sup>7</sup> Neighborhoods in which most of the residents have incomes below the poverty line are very unusual in America. The Census Bureau, for example, divides every American city into tracts, which typically have about 4,000 residents. Less than 3 percent of these Census tracts had poverty rates above 40 percent in 1980. Visually, most of these very poor tracts looked like disaster areas. Most also had high crime rates, high rates of joblessness, and high rates of welfare dependency. Yet even in these dismal places only about half of all families reported incomes below the poverty line, and some reported incomes two, three, or four times the poverty line.

Not only are there some relatively prosperous families in poor neighborhoods, but perhaps even more important, there are a lot of very poor families in more prosperous neighborhoods. In 1980, the poverty rate in America's one hundred largest cities averaged 17 percent. The typical poor family in these cities lived in a Census tract with a poverty rate of only 25 percent—hardly a large difference. As a result, most poor families probably had next-door neighbors who were not poor.<sup>8</sup>

Neighborhoods look equally heterogeneous when you ask whether men have steady jobs, children live in families with male breadwinners, households depend on public assistance, or teenagers finish high school. Using these four criteria, Erol Ricketts and Isabel Sawhill identified the worst 880 Census tracts in the United States in 1980—tracts that accounted for only 1 percent of the total population. Yet even in these tracts, more than half of all working-age adults had regular jobs and only a third of all households received public assistance.<sup>9</sup>

A second difficulty with defining the underclass geographically is that most of us think of class as a relatively stable characteristic. We know, of course, that children born into one class often end up in another. We also know that working-class adults occasionally move up into the middle class and that middle-class adults occasionally slip into the working class, but we think of such changes as both slow and unusual. Changing your address, in contrast, is both easy and frequent. If we were to assume that a family changed its class every time it moved to a better or worse neighborhood, we would have to rethink the meaning of class itself.<sup>10</sup>

Moving to a better or worse address does, of course, play some part in movement up and down the social ladder. But a family's neighborhood, like its income, is only one factor among many in determining how we classify it. No one would try to measure the size of the middle class or the working class by counting the number of people in middle-class or working-class neighborhoods. Nor would many people measure the size of the middle class or the working class by asking how many people fell in a given income bracket. Since we invented the term underclass as an anto-

nym to the terms middle class and working class, we need to define the underclass using the same criteria we use to define these classes. Neither a family's income nor its address meets that test.

The term "middle class" has a number of distinct meanings in the United States, each of which implies a mirror-image meaning for the term underclass.

- Sometimes we use the terms middle class and working class to refer to people's occupations. In this usage the middle class is usually composed of white-collar workers and the working class of blue-collar workers. If we define the middle class and the working class this way, we should define the underclass as including all working-age men and women who cannot get or cannot keep a steady job. I will label this group the "economic underclass."
- Sometimes we use the term middle class to describe people who are committed to certain norms of behavior, such as obeying the law, getting married before they have children, and going to work every day. If we define the middle class this way, we should define the underclass as a group whose members treat these ideals as impractical or irrelevant. I will call these people the "moral underclass."
- Sometimes we use the term middle class to describe people who have certain cultural and social skills. In this usage the middle class is composed of people who talk, think, and act like professional and managerial workers, regardless of whether they actually have professional or managerial jobs. The working class is composed of people who talk, think, and act like blue-collar workers. The underclass is composed of people who lack the information and skills they would need to pass as members of the working class. For lack of a better term I will call this group the "educational underclass."

Any effort at defining the underclass must also recognize that people often use the term as an antonym not just for "middle class" but for "white." When William Julius Wilson discussed the growth of the underclass in *The Truly Disadvantaged*, for example, he explicitly focused on the black underclass.<sup>11</sup> Wilson's most compelling explanations for the growth of the underclass were, moreover, based on an analysis of how living in central-city ghettos affected poor blacks' life chances. If spatial isolation has in fact played a crucial role in the growth of the underclass, this underclass should be largely black, since no other group is anything like as geographically segregated as blacks.

Many writers also think of Puerto Ricans and Mexicans as potential members of the underclass, but this only underscores the racial dimension of our thinking about the issue. Most Puerto Ricans have both European and African ancestors, while most Mexicans have both European and Native American ancestors. It is true that more than half the Hispanics living in the United States described themselves as

“white” in the 1980 Census, but this tells us only that the Census Bureau’s question about race does not offer Mexicans or Puerto Ricans alternatives that fit their traditional ways of classifying themselves. It does not suggest that most Puerto Ricans or Mexicans think themselves racially indistinguishable from Europeans.<sup>12</sup>

In what follows I will define the underclass by contrast with the middle class, using the three definitions sketched above. In each case I will also ask whether the underclass is primarily nonwhite, and whether the nonwhite underclass has been growing faster than the white underclass.

### Is the economic underclass growing?

America has never had a generally accepted term for individuals who could not get (or could not keep) a steady job. Marx assigned such individuals to the lumpen proletariat, and American sociologists used to call them the lower class, but neither term has ever gained wide currency. One simple way of defining the underclass is to say that it includes everyone you think ought to work regularly but who is unwilling or unable to do so.<sup>13</sup> Because there is no national consensus about who ought to work, this definition inevitably has some ambiguities. Are the physically and mentally disabled part of the economic underclass? What about a 55-year-old man who “retires” when he loses his job and has trouble finding another one? What about single mothers who would rather depend on welfare than leave their two-year-old with someone else? Despite the existence of these and other ambiguous cases, however, almost all Americans agree that certain people ought to work. Most now agree that working-age women should get jobs unless they can find a man willing to support them or have very young children who need full-time care. And almost everyone agrees that working-age men should get jobs unless they are in school full time.

Despite the existence of these norms, men without regular jobs have always been part of the American landscape, both rural and urban. They haunt the edges of nineteenth-century fiction and biographies. Elliot Liebow’s ethnographic description of Washington, D.C., during the early 1960s is full of them.<sup>14</sup> So is Elijah Anderson’s description of South Side Chicago during the early 1970s.<sup>15</sup> The question is not whether such men are a new phenomenon but whether they have become more common.

The best way to answer this question would be to count the proportion of men who worked less than some specified number of weeks in various years. In an ideal accounting system the threshold for counting men as part of the economic underclass would also vary with the business cycle. A 40-year-old man who worked less than 26 weeks in 1988, when unemployment averaged 5.5 percent, was usually incapable of getting a steady job. A 40-year-old man who worked less than 26 weeks in 1983, when unemployment averaged 9.5 percent, was often just a member of the work-

ing class whose plant had closed and who would find another steady job once the economy recovered.

The Current Population Survey collects data every March on the number of weeks adults worked during the previous year, but neither the Census Bureau nor the Bureau of Labor Statistics publishes the results by age, race, and sex. I have therefore adopted a less satisfactory but serviceable approximation. Figure 1 shows the percentage of all civilian males between the ages of 25 and 54 who were not working in a typical month. This group includes both men who were looking for work and men who were not.

Not every jobless man is a member of the underclass. Some joblessness is due to frictional unemployment of the kind that arises when people lose their jobs unexpectedly and have to look for other ones. How long it takes to find another job (or a first job) is related to the business cycle. But Figure 1 shows that there has been a steady increase in the average rate of joblessness, independent of the business cycle.

One way to assess the magnitude of the change is to compare three unusually good years: 1956, 1973, and 1988. In both 1956 and 1973, the official unemployment rate for married men averaged 2.3 percent. In 1988 it averaged 3.3 percent. In 1956, the overall rate of joblessness among men 25 to 54 years old averaged 5 percent for whites and 11 percent for nonwhites. By 1973, just before the first oil shock, the rate

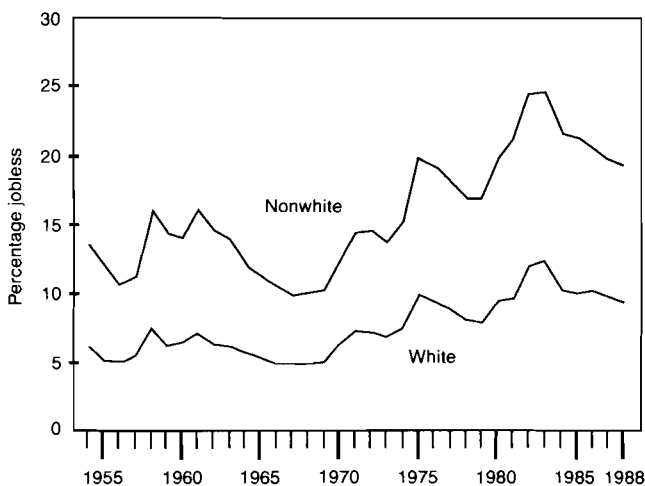


Figure 1. Percentage Jobless among Men Aged 25–54, 1954–1988.

Source: U.S. Bureau of Labor Statistics, *Handbook of Labor Statistics* (Washington, D.C.: U.S. Government Printing Office, 1985); and *Employment and Earnings*, various years.



was up to 7 percent for whites and 14 percent for nonwhites. By 1988, after six years of uninterrupted economic expansion, it was 9 percent for whites and 19 percent for nonwhites.

This increase is almost certainly attributable to changes in chronic joblessness rather than changes in frictional unemployment. The percentage increase was the same for whites and nonwhites, which meant that the absolute increase was almost twice as large for nonwhites as for whites. Data not shown here indicate that the percentage increase was also about the same for men aged 25–34, 35–44, and 45–54.

Figure 1 describes the experience of mature men, whereas many descriptions of the underclass focus on teenagers and young adults. Conventional statistics on unemployment and labor force participation can be quite misleading for men under 25, partly because such statistics include a lot of students looking for part-time jobs and partly because they exclude a lot of men in the armed forces. Since both school enrollment and the size of the armed forces have changed substantially over the past generation, these omissions can be quite serious.

Robert Mare and Christopher Winship have argued that what we really care about is the percentage of young men who were not in school, not in the armed forces, and not at work in a typical week.<sup>16</sup> I will label these men “idle.” Mare

and Winship have compiled data on the extent of such idleness from 1964 through 1985. As Figures 2 and 3 show, the trend in idleness among men under 25 is strikingly similar to the trend in joblessness among men over 25.<sup>17</sup> Idleness was relatively low from 1964 to 1969, climbed sharply in 1970, and then kept climbing. Idleness peaked in 1982–83, but it was still considerably higher in 1985 than it had been two to three years into previous recoveries (e.g., 1963–64 or 1977–78). Another way to make the same point is to say that if we compare the peaks or troughs of successive business cycles, idleness rises over time.

Liberals usually blame rising idleness on the fact that there are not enough jobs. More specifically, they argue that there are not enough jobs for unskilled and semiskilled workers. When pressed, however, most liberals concede that when the economy is near the peak of a business cycle, as it is now, almost all workers willing to accept a minimum-wage job without fringe benefits can get one. The real problem, they say, is the shortage of “good” jobs.

One way to assess the validity of the claim that good jobs are harder to find is to ask whether the jobs men do find are worse than they used to be. This poses a problem, however, because many jobs exist episodically rather than continuously. As a result, official agencies collect data on the annual earnings of individuals, not the annual pay of jobs.

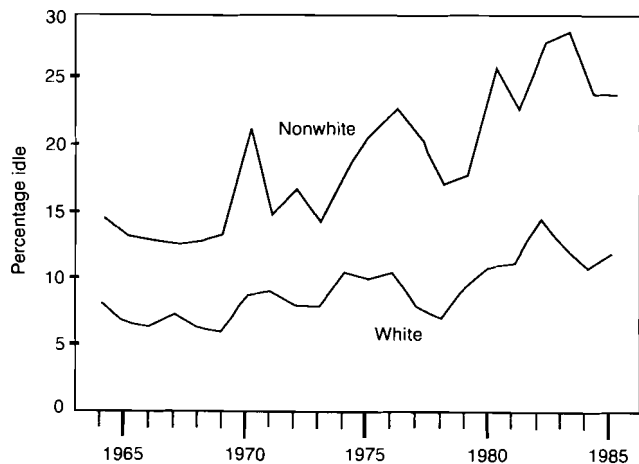


Figure 2. Percentage of Men Aged 18–19 Not Employed, Enrolled, or in Military, 1964–1985.

Source: Constructed from data supplied by Christopher Winship.

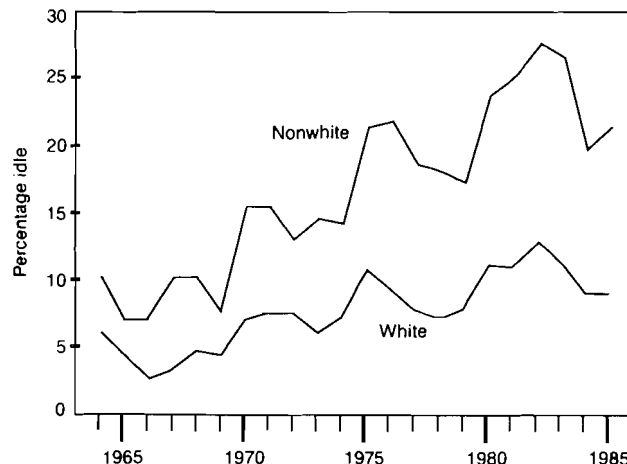


Figure 3. Percentage of Men Aged 20–24 Not Employed, Enrolled, or in Military, 1964–1985.

Source: Constructed from data supplied by Christopher Winship.

One way to estimate how good jobs are is to look at what workers with various sorts of qualifications could make if they worked full time, year round. Table 1, for example, shows the incomes of men 25 to 34 years old who worked full time, year round in 1967 and 1986.<sup>18</sup> College graduates' real earnings rose 13 percent. Among the handful of men who had no high school education at all, real earnings fell 9 percent.<sup>19</sup> Among men with 9 to 15 years of schooling—the vast majority of the labor force—real earnings hardly changed.

But while the earnings of full-time, year-round workers have not changed, Table 1 also shows that the proportion of men who actually work full time, year round has dropped for everyone, even, to some extent, for college graduates. This decline was largest among high school dropouts. This means that once we include men who did not work regularly in our income statistics, real income fell dramatically among all but the best educated. Among high school dropouts, for example, real income fell 23 percent.<sup>20</sup>

Liberals usually blame the decline in full-time, year-round employment on the fact that firms have come to rely more heavily on part-time and short-term workers, making it harder to find steady work. Conservatives often blame supply-side factors. According to this view young workers are less inclined to stick with a job, even when they could do so. During the 1970s conservatives often argued that the

growth of public assistance, unemployment compensation, and disability benefits had made spells of idleness more attractive. This argument became less plausible during the 1980s, as public assistance benefits lagged further and further behind inflation and the proportion of jobless workers getting unemployment compensation fell. Most thoughtful conservatives have therefore stopped blaming the welfare state for rising joblessness and have begun to talk about the decline of the work ethic and reduced commitment to supporting a family.<sup>21</sup> I know no evidence suitable for settling this debate.

Figures 1, 2, and 3 all show that joblessness and idleness were twice as common among nonwhites as among whites. This relationship has not changed since the 1950s, despite massive movement of blacks out of agriculture in the 1950s and 1960s and strong governmental pressure on private employers to hire more blacks during the late 1960s and 1970s. As we shall see, the educational gap between whites and nonwhites has also narrowed dramatically over the past generation. Nonwhites still enter the labor force with fewer academic skills than whites, but this disparity has also been narrowing. And while crime statistics suggest that nonwhites are less likely than whites to follow rules laid down by those in authority, the gap between black and white crime rates has been narrowing. Taken together, these considerations would lead us to expect a change in the historic rela-

**Table 1**  
**Income and Percentage Working Regularly among Men Aged 25 to 34**  
**in 1967 and 1986, by Education**

	Years of Schooling					All
	0-8	9-11	12	13-15	16 or more	
Income of full-time, year-round workers (in 1986 dollars)						
1967	15,027	18,235	21,747	24,514	29,657	22,397
1986	13,678	17,920	21,806	25,274	33,540	25,351
Percentage change	-9.0	-1.7	+0.3	+5.3	+13.1	+13.2
Percentage employed full time, year round						
1967	49.3	69.6	79.9	80.4	82.6	69.2
1986	28.4	46.9	62.3	68.4	76.5	60.7
Income of all men (in 1986 dollars)						
1967	13,246	17,026	20,401	22,368	26,971	20,535
1986	9,560	13,108	18,391	21,532	29,552	20,928
Percentage change	-27.8	-23.0	-9.9	-3.7	+9.6	+1.9

**Sources:** U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 60, *Income in 1967 of Persons in the United States* (Washington, D.C.: U.S. Government Printing Office, 1967), Table 4, and Series P-60, No. 159, *Money Income of Households, Families, and Persons in the United States: 1986* (Washington, D.C.: U.S. Government Printing Office, 1988), Table 35. Estimates for all men include those without income. Price changes were estimated using the fixed-weight price index for Personal Consumption Expenditure from the National Income and Product Accounts (see *Economic Report of the President* [Washington, D.C.: U.S. Government Printing Office, 1989], Table 4).

tionship between nonwhite and white joblessness, but no such change has occurred.

In an effort to resolve this puzzle, William Julius Wilson and John Kasarda have recently revived the old “spatial mismatch” hypothesis, according to which joblessness remains higher among blacks than among whites partly because blacks remain in the central city while blue-collar jobs have fled to the suburbs.<sup>22</sup> While there may be some truth to this argument, the evidence is not currently very convincing.<sup>23</sup>

Like many arguments about the underclass, the Wilson-Kasarda argument implies that chronic joblessness has grown faster in poor inner-city neighborhoods than elsewhere. Mark Hughes has used Census data to investigate changes in the geographic concentration of chronic joblessness in eight major American cities, including Chicago, Cleveland, and Detroit. Averaging across all eight cities, the fraction of men over the age of 16 who worked less than half the year rose from 26 percent in 1969 to 39 percent in 1979. Extrapolating from Hughes’s findings, I estimate that the percentage of men working less than half the year rose from 40 to 58 percent in the worst fifth of all Census tracts and from 12 to 19 percent in the best fifth.<sup>24</sup> The absolute increase was thus larger in the worst tracts, but the proportional increase was larger in the best tracts. Such estimates do not suggest that chronic joblessness is becoming more concentrated in bad Census tracts.

If the economic underclass is composed of men who cannot get or keep regular jobs, along with the women and children who would depend on these men for support if the men had regular incomes, this underclass has clearly been growing. Its growth may reflect either changes in demand for relatively unskilled workers or changes in unskilled workers’ willingness to take and keep undesirable jobs. I see no evidence that chronic joblessness is more linked to either race or place today than it was a generation ago.

### **Is the moral underclass growing?**

When social scientists (or college freshmen) speak of “middle-class values,” they mean a commitment to regular work habits, marrying before you have children, staying on the right side of the law, and other “square” ideals. Since blue-collar as well as white-collar families usually subscribe to these ideals, many people just describe them as “mainstream” or “American” rather than “middle class.”

When members of the middle class talk about the underclass (and nobody else does talk about it much), they usually have in mind people who make little effort to achieve these mainstream ideals: men who resort to violence when they cannot get what they want in other ways, men who are not willing to work unless they can find a “good” job, and women who have children out of wedlock if they cannot find a “good” husband. Because those who use the term underclass this way almost always think such behavior not just imprudent

but wrong, I have labeled the objects of their disapproval the “moral underclass.”

The affluent have always assumed that moral deficiencies play a major role in explaining poverty. This view pervaded nineteenth-century writing about the poor. When anthropologists began studying the American poor, however, they often argued that the moral values of the poor, like those of other exotic tribes, were just “different” from those of the American middle class, not “worse.” By the early 1960s ethnographers had accumulated a large body of descriptive material contrasting lower-class, working-class, and middle-class values.

Oscar Lewis’s widely read chronicles of the Puerto Rican and Mexican poor sharpened debate about these issues during the 1960s.<sup>25</sup> Lewis, who was something of a socialist, believed that the poor were enmeshed in what he called a “culture of poverty”—a culture that embodied much of what others had called lower-class values. He saw this culture as an inescapable by-product of competitive capitalism. He also argued that the culture of poverty was passed along from generation to generation and that those who imbibed it at an early age had great difficulty exploiting even those few economic opportunities that came their way.

The “culture question,” like almost everything else, became politicized in the late 1960s. Liberals were “against” the culture of poverty, because it implied that the poor conspired in their own misfortunes. Conservatives were “for” the culture of poverty, because it implied that the poor brought their troubles on themselves and that social reform wouldn’t work. Almost everything written about the issue since the late 1960s has been shaped by this partisan struggle.

When survey researchers ask people whether they want to work, whether they want to have children out of wedlock, or how they feel about violence, the poor give pretty much the same answers as everyone else. For liberals, such answers prove that the poor have the same values as the rest of us. But this hardly follows.

Few teenage girls say, for example, that they want to have a baby out of wedlock. But this does not prove that all teenage girls are equally anxious to avoid single motherhood. Preventing premarital births is costly, at least in the short run, and some teenagers are more willing than others to pay these costs. Some abstain from sexual intercourse when they do not have effective means of contraception available; others take chances. Some use contraception even when it seems unromantic; others hope for the best. Some get abortions or get married when they become pregnant; others do neither. When we talk about the value people assign to not having a baby out of wedlock, all these factors are relevant. The mere fact that almost all single women who contemplate motherhood say they would rather have a husband than depend on welfare or their own earnings does not suffice to prove that everyone assigns the same value to marrying before you have a baby.<sup>26</sup>

Economists summarize this problem by saying that we need to know not only what people want but what they are willing to pay for it. Rather than trying to infer people's values from their ideals, economists prefer inferring values from behavior. The public seems to share this preference. When people say that values about work, extramarital childbearing, and law-abidingness have changed, they usually mean only that behavior has changed.

Inferring changes in values from changes in behavior is risky, however, because it is hard to be sure that the cost of the behavior in question has remained constant. We know, for example, that pregnant teenage girls are less likely to marry the fathers of their children today than in the past. This could mean that today's teenagers assign a lower value to legitimizing their babies. But it could just mean, as Wilson and others have argued, that staying single is less costly today than in the past, because the fathers of today's babies are less likely to be reliable breadwinners.

The behavioral changes that worry middle-class commentators the most are the apparent increases in idleness, drug abuse, crime, teenage births, and out-of-wedlock births. As we have already seen, there is no way to be sure whether the

increase in idleness reflects changes in workers' values, job opportunities, or both. Nor do we have reliable data on trends in drug or alcohol abuse. (Most observers agree that drug use is up, but it is still less common than alcohol, which has been a major problem since the early days of the Republic.) Those who argue that the moral underclass is growing must, therefore, rest their case primarily on trends in crime and reproductive behavior.

### The criminal underclass

If you ask taxi drivers what has happened to the crime rate over the past decade, they will almost all tell you it has skyrocketed, especially in the ghetto. If you ask sociology graduate students the same question, they give you the same answer. Broad as this consensus is, it seems to be wrong.

The most reliable crime statistics are almost certainly those on murder. Table 2 shows that a white male or female had about the same chance of being murdered in 1985 as in 1975. A black male or female's chances of being murdered dropped by a third between 1975 and 1985. The race of murder victims is not, of course, an infallible guide to the race of their assailants, but arrest data indicate that about 90 percent of all murderers are of the same race as their victim.

Table 2

Murder, Robbery, and Aggravated Assault Victimization Rates, by Race, 1950-1985

	1950	1960	1965	1970	1975	1980	1985
Murders (per 100,000 persons)							
White							
Male	3.8	3.6	4.4	6.7	9.1	10.9	8.2
Female	1.4	1.4	1.6	2.1	2.9	3.2	2.9
Nonwhite							
Male	44.2	34.3	40.4	61.4	62.6	57.8	40.5
Female	10.9	9.8	10.0	12.4	13.8	12.1	9.5
	1973	1974-76	1979-81	1984-86			
Robberies (per 100,000 persons over 12) <sup>a</sup>							
White	600	580	580	460			
Black	1,400	1,390	1,440	1,040			
Aggravated assaults with injury (per 100,000 persons over 12) <sup>a</sup>							
White	300	310	290	270			
Black	600	500	550	420			

**Sources:** For murder: U.S. Bureau of the Census, *Statistical Abstract of the United States: 1979* (Washington, D.C.: U.S. Government Printing Office, 1979), p. 181; National Center for Health Statistics, *Vital Statistics of the United States, Vol. II, Mortality, Part A* (Washington, D.C.: U.S. Government Printing Office, 1980, p. 32; 1985, p. 32); for robbery and assault: U.S. Department of Justice, *Criminal Victimization in the United States* (Washington, D.C.: U.S. Government Printing Office, annual).

<sup>a</sup>The 1973 estimates are rounded to the nearest 100 in the original and have larger sampling errors. The 1974-86 estimates are rounded to two significant digits in the source and are averaged over three years here to minimize sampling error. The sampling errors of the three-year averages are roughly  $\pm 70$  for black robbery,  $\pm 50$  for black assault, and  $\pm 15$  for white robbery and assault.

The likelihood that murders will be interracial has increased slightly since 1976, when the FBI first published such data, but not by enough to alter the basic story in Table 2.<sup>27</sup>

Criminal victimization surveys carried out annually since 1973 show that robbery and aggravated assault have also declined since the mid-1970s.<sup>28</sup> Here, too, the decline has been especially marked among blacks (see Table 2). While interracial robbery and assault are relatively more common than interracial murder, their relative frequency has not increased in any consistent way since the victimization surveys began in 1973,<sup>29</sup> so trends in the race of victims provide reasonably reliable evidence regarding trends in the race of their assailants.

It is much harder to estimate trends in criminal violence prior to 1973. The FBI's Uniform Crime Reports are often cited as evidence of long-term trends, but they cover only "crimes known to the police." The number of crimes recorded by the FBI therefore depends on citizens' inclination to report crimes to the local police and on the diligence with which the local police record these reports. The Nixon administration spent large sums helping local police forces make their records more complete. As a result, the FBI recorded large increases in most crimes during the 1970s, even in years when victimization surveys showed no change. This discrepancy suggests that FBI crime statistics are not a very reliable guide to changes in the frequency of violent crime.

Murder statistics are, however, widely viewed as more reliable than other crime statistics. Not all murder victims are identified as such, but those who are identified seem to be counted quite accurately, and the proportion not identified is unlikely to have changed much over the past generation. Changes in the murder rate are therefore likely to provide the best available evidence on how the level of violence changed between 1950 and the mid-1970s.

The murder statistics in Table 2 suggest that violence declined during the 1950s, especially among nonwhite males, and that it increased dramatically between 1960 and 1975. Table 2 also suggests that there was less violence among nonwhites in 1985 than in 1950—a fact that seems hard to reconcile with the widespread perception that crime has gotten much worse in the ghetto.

Some social scientists have attributed trends in violent crime to the postwar baby boom and the subsequent baby bust, but this explanation has been oversold. There is little doubt that men between the ages of 15 and 24 are somewhat more violent than older men. The proportion of men aged 15–24 rose from 14 percent in 1960 to 18 percent in 1970 and 19 percent in 1980. By 1985 it had fallen back to 17 percent. Thus if youth aged 15–24 committed all the violent crimes in America, violent crime rates would have risen by nearly two-fifths between 1960 and 1980 and would have fallen by almost an eighth between 1980 and 1985. But since older men also commit a lot of crimes, changes in the age of the

population would actually have had far less effect than these calculations imply.

Table 2 suggests that victimization rates almost doubled during the 1960s. This increase is many times larger than we would expect if demographic change were the only factor at work. Likewise, victimization rates dropped far more after 1980, especially among nonwhites, than we would expect on the basis of demographic change alone.

The trends in Table 2 suggest that the criminal underclass has probably been shrinking, especially among blacks. We don't have trend data on the educational or economic background of violent criminals, so we cannot be sure that violence has declined as much among poor blacks as among blacks in general. But for many purposes that is irrelevant. What I have labeled the criminal underclass surely includes all repeat offenders, regardless of whether they come from poor homes or live in poor neighborhoods. A significant decline in the proportion of the population that is being murdered, mugged, or assaulted therefore suggests a decline in the size of the criminal underclass, or at least a decline in the fraction of the criminal underclass that is not behind bars. This conclusion seems valid regardless of whether the socioeconomic background of violent criminals has changed.

Table 2 does not tell us how the decline in violence was distributed geographically. The decline may have been smaller in big cities than in the rest of the country. But this view is hard to reconcile with the finding that violence declined more among blacks, who are now heavily concentrated in big cities, than among whites. The most plausible reading of Table 2, therefore, is that despite a lot of highly publicized drug-related mayhem, the criminal underclass is shrinking even in big cities.

### **The reproductive underclass**

Middle-class Americans have always believed that adults should avoid having children until they can care for the children properly. Teenage motherhood seems irresponsible to most middle-class adults because teenagers seldom seem emotionally mature enough to become good parents and because teenagers can seldom provide for their children financially. Unwed motherhood also seems irresponsible in most cases, because single mothers have fewer economic and emotional resources than couples, and parenthood seems to demand all the economic and emotional resources one can possibly muster.

I will call those who have children they cannot care for adequately the "reproductive underclass." I use births to teenagers and to unmarried women as indicators of the size of this underclass. Readers should remember, however, that many children born to such mothers are well cared for, and that many children born in more auspicious circumstances end up economically or emotionally neglected.

Just as everyone knows that violent crime has been increasing, so too everyone knows that teenage parenthood has reached epidemic proportions, especially in the ghetto. Many adults regard this trend as evidence that middle-class values have lost their traditional sway. The epidemic of teenage parenthood that has inspired all this worry is, however, a myth. The likelihood that a girl will have a baby before her twentieth birthday has declined steadily since 1960 (see Table 3). This decline has been apparent among blacks as well as whites. By 1986, a girl's chances of having a baby before her twentieth birthday were only a little over half what they had been in 1960.

The declining proportion of teenagers who have babies does not, of course, necessarily mean that middle-class injunctions against premature motherhood carry more weight today than in the past. The decline may just reflect the fact that the pill and legalized abortion have lowered the cost of avoiding teenage motherhood. Still, there is no evidence that middle-class arguments against teenage parenthood have *less* influence today than in the past.

Table 3 shows that the decline in teenage childbearing has been accompanied by an even more precipitous decline in adult childbearing. The proportion of all children born to teenagers has therefore increased slightly. This change means that the next generation of adults will be somewhat more likely to have had a teenage mother than the present generation of adults. But the fact that older women are having fewer children certainly does not prove that middle-class norms about delaying parenthood have less influence on teenagers today than in the past.

Most middle-class Americans find unwed motherhood even more disturbing than teenage motherhood. Their feelings have many sources, including anger at men who father children for whom they take little responsibility, anger at women who think of public assistance as their God-given right, belief that children need a father at home for psychological reasons, awareness that children born out of wedlock are likely to spend much of their lives in poverty, and religious conviction that having children out of wedlock is sinful.

Unlike teenage motherhood, unwed motherhood really has increased over the past generation. The best (though not the most common) way to estimate the increase is to calculate the number of children a woman is likely to have over her lifetime while she is single. Table 3 shows that in 1960 the typical white woman could expect to have .08 illegitimate births over her lifetime.<sup>30</sup> By 1986 the figure had risen to .27. This is not a large absolute increase, but it is a huge percentage increase. Among blacks, the increase was from 1.05 illegitimate children in 1960 to 1.36 in 1986—a larger absolute increase but a much smaller percentage increase than among whites.

Viewed in isolation, these increases in out-of-wedlock childbearing hardly suggest a dramatic increase in public acceptance of illegitimacy. Read alongside the decline in births to married women, however, the increase in births to unmarried women does suggest a change in attitudes. In 1960, both

Table 3

Expected Fertility per Woman,  
by Race and Marital Status, 1960–1986

	1960	1965	1970	1975	1980	1986
Expected lifetime births						
White	3.53	2.78	2.39	1.69	1.75	1.74
Black	4.54	4.83	3.10	2.24	2.27	2.23
Expected births prior to age 20						
White	.40	.30	.29	.24	.23	.21
Black	.80	.74	.73	.58	.52	.51
Percentage of children born to women under 20						
White	11.3	10.8	12.1	14.2	13.1	12.1
Black	17.6	19.3	23.5	25.9	22.9	22.9
Expected lifetime births while married						
White	3.45	2.67	2.25	1.56	1.57	1.47
Black	3.49	2.75	1.93	1.15	1.01	.86
Expected lifetime births while unmarried						
White	.08	.11	.14	.12	.18	.27
Black	1.05	1.08	1.16	1.09	1.09	1.36
Percentage of children born to unmarried women						
White	2.3	4.0	5.7	7.3	10.2	15.7
Black	23.2	28.2	37.6	48.8	55.5	61.2

Source: National Center for Health Statistics, *Vital Statistics of the United States, 1986, Vol. 1, Natality* (Washington, D.C.: U.S. Government Printing Office, 1988), Tables 1–6 and 1–31.

black and white women could expect to have 3.5 legitimate children before they reached menopause. By 1986 white women could only expect to have 1.5 legitimate children, and black women could only expect to have .9. Because of this precipitous decline in marital births, the proportion of all children born to unmarried mothers rose from 2 to 16 percent among whites and from 23 to 61 percent among blacks.

The pill and *Roe v. Wade* have clearly reduced the cost of preventing unwanted births. Most births to unmarried women were unwanted in 1960. All else equal, therefore, we would have expected illegitimate births to have fallen even more than legitimate births since 1960. Since no reduction occurred, we must infer that illegitimate births are not as unwanted as they used to be. This change could reflect either a change in the subjective value parents assign to legitimating their children or a change in the objective costs and benefits of doing so.

William Julius Wilson and Kathryn Neckerman have argued, for example, that as black fathers' chances of having a regular job declined, black mothers had less reason to marry the fathers of their children.<sup>31</sup> This argument appears to be correct, but it explains only a small fraction of the overall decline in black marriage rates.

The easiest way to illustrate this point is to look at changes in black men's marital status. For simplicity, let us concentrate on men aged 35 to 44. The facts are as follows:

- Not working is a strong predictor of not being married. In 1960, for example, 84 percent of black men between the ages of 35 and 44 who had worked throughout the previous year were living with a wife, compared to only 49 percent of men who had not worked.
- Not working is also becoming more common. In 1960, 95 percent of black males aged 35–44 had worked for pay at some time during the previous year. By 1980 the figure was only 88 percent.<sup>32</sup>

The increase in black male joblessness must have contributed to the declining proportion of black men who were married. But the increase in joblessness was nothing like large enough to account for the overall decline in black marriage rates. This becomes clear when we look at trends in marriage among black men in general and among black men who worked regularly:

- Between 1960 and 1980 the percentage of black males aged 35–44 who were married and living with their wives fell from 80 to 66 percent.
- During this same period the percentage of black male year-round, full-time workers who were married and living with their wives fell from 84 to 71 percent.

The decline in marriage among black male year-round workers was, in other words, almost as large as the decline among black men in general.<sup>33</sup> This pattern persists when we control for real earnings. It also persists among younger blacks and among whites.<sup>34</sup>

The declining rate of marriage among regularly employed men may mean, as Barbara Ehrenreich has argued, that males have become more reluctant to take on family responsibilities even when they can afford to do so.<sup>35</sup> It may also reflect the fact that as women earn more they become less willing to marry and more willing to divorce men who are hard to live with.

The increase in out-of-wedlock childbearing may or may not mean that people are more willing to have babies they cannot care for properly. Not all illegitimate babies end up poor or neglected, and having such babies is not confined to the underclass. The practice has been spreading at all levels of American society. We may, in other words, be seeing a change in the content of middle-class morality rather than the growth of an underclass that repudiates or ignores that morality.

If we consider the evidence on childbearing and crime together, it is hard to make a strong case that middle-class values are losing their sway. The criminal underclass seems to have grown between 1960 and 1975, but it seems to have shrunk somewhat since 1980. Teenage births have declined. Out-of-wedlock births are increasing, but this increase seems to reflect a change in attitudes towards illegitimacy among the middle class as well as among the underclass.

It is also hard to make a strong case for lumping together the criminal underclass and the reproductive underclass. Both violate traditional middle-class norms of behavior, but that does not give them much in common. The criminal underclass is largely composed of violent men and their dependents. The reproductive underclass is composed of parents who have children they cannot support economically or emotionally. While there is surely some overlap between these two groups, I know of no evidence that the overlap is substantial.

### **Is the educational underclass growing?**

A third common approach to defining the middle class emphasizes education rather than occupation or income. We often say that someone is middle class simply because he or she talks and acts in a certain way. Such judgments are especially common when we deal with women and children. Despite the widespread belief that class accents do not matter much in America, at least as compared to Britain, college freshmen can identify people's class background with extraordinary accuracy simply by hearing them talk.<sup>36</sup>

If you talk like someone who has been to college and know a lot of the things college graduates typically know, others will usually call you middle class no matter what you do for a living. If you do not talk as if you were well educated but you are white, the white middle class will usually think of you as "working class." If you are black, the white middle class may see you as part of the underclass.

While I have labeled this group the "educational underclass," few people identify its members on the basis of educational credentials alone. Members of the underclass lack the social and cultural skills that middle-class employers take for granted in designing most blue-collar jobs, that middle-class civil servants take for granted in dealing with citizens, and that most firms take for granted in dealing with customers. Some of these skills are cognitive, some social. When employers say that job applicants lack "basic skills," for example, they may mean that the applicants cannot read instructions, spell correctly, or make change, but they may just mean that the applicants cannot understand oral instructions given in middle-class English, cannot figure out what middle-class customers want, or do not know how to project good will toward their fellow workers.

Some workers don't do these things because they don't want to. But some don't know how to do these things even when

they do want to do them. People who lack such skills are culturally and socially handicapped in the same sense that people who lack an arm are physically handicapped.<sup>37</sup> They cannot participate effectively in a society that takes such skills for granted. Such incapacities, when sufficiently extreme, make people dependent on the state for survival. Auletta's underclass was filled with such people.

In trying to decide whether the educational underclass is growing, we need to bear in mind that there is no absolute standard dictating what people need to know in order to get along in society. There is, however, an absolute rule that you get along better if you know what the elite knows than if you do not. The magnitude of the cultural gap between the top and the bottom of a society determines whether that society has something that can plausibly be labeled an educational underclass.

Unfortunately, we have no data on the distribution of social skills or on people's ability to communicate verbally with members of the professional and managerial elite. In the absence of such data we must settle for measures of educational attainment and academic skill to assess trends in the size of the educational underclass. These measures suggest that the white educational underclass has remained roughly constant in size since 1970, while the black educational underclass has shrunk dramatically.

Among whites, high school graduation rates leveled off in the late 1960s. As a result, the percentage of whites aged 25–29 without high school diplomas stopped its century-long decline in the late 1970s (see Table 4). One young white adult in seven has neither completed high school nor earned a high school equivalency certificate. This fraction shows no sign of declining in the near future. The proportion of young whites completing college has also leveled off at around 24 percent, so the gap between the best- and worst-educated whites appears to be roughly constant.

High school graduation does not, of course, require a fixed level of cultural or social competence. In trying to assess trends in the size of the educational underclass, we must also ask how much young people know and what they can do when they finish school. Table 4 also shows the proportion of 17-year-old high school students who could read at various levels in various years. The data come from the National Assessment of Educational Progress (NAEP). For simplicity, I will refer to these 17-year-olds as graduating seniors, although a few are in fact in lower grades.

White seniors read marginally better in 1985 than in 1970, but the change was modest. Thus if we use a combination of cognitive skills and educational credentials to measure the size of the white underclass, Table 4 suggests that its size has been relatively constant in recent years.

The table tells us only about the young. Whites now reaching retirement age got far less education than the baby-boom generation. As these elderly whites die off, the percentage of

white adults without high school diplomas will keep falling. This process will continue well into the twenty-first century even if whites born this year get no more schooling than those born forty years ago.

The passing of these elderly dropouts does not mean, however, that the educational underclass is getting smaller. Elderly white dropouts grew up at a time when only half their generation finished high school and only a tenth finished college. The educated elite of their time therefore made fewer assumptions about what people could be expected to know and what they could do. As a result, elderly dropouts were not forced to pay the same social price for their limited knowledge and skills that today's dropouts

Table 4

High School Dropout Rates, College Graduation Rates, and Reading Scores of 17-Year-Olds Who Were Enrolled in School, by Race and Age, 1960–1985

	1960	1965	1970	1975	1980	1985
Percentage of persons who had not completed high school						
Aged 25–29						
White	43.7	36.3	22.2	15.6	13.1	13.2
Nonwhite	76.4	61.4	41.6	26.2	23.0	17.6
Aged 20–24						
White	—	—	19.2	14.1	14.9	14.0
Black	—	—	38.2	29.5	25.7	19.2
Percentage of persons who had completed college						
Aged 25–29						
White	8.2	11.8	17.3	22.8	23.7	23.2
Black	2.8	5.4	10.0	15.4	15.2	16.7
Percentage of 17-year-old students who read at or above specified level						
“Basic”						
White	—	—	98.4	99.1	99.3	99.2
Black	—	—	83.6	86.0	88.8	96.5
“Intermediate”						
White	—	—	85.4	87.5	88.9	88.9
Black	—	—	41.1	45.0	45.8	65.8
“Adept”						
White	—	—	41.4	40.6	39.9	45.1
Black	—	—	6.9	7.1	6.1	15.5

Sources: Rows 1–2, 5–6: National Center for Education Statistics, *Digest of Education Statistics: 1988* (Washington, D.C.: U.S. Government Printing Office, 1988), Table 8; rows 3–4: National Center for Education Statistics, *The Condition of Education* (Washington, D.C.: U.S. Government Printing Office, 1986), p. 42, and U.S. Bureau of the Census, *Census of Population: 1970, United States Summary, Detailed Characteristics, PC(1)-DI* (Washington, D.C.: U.S. Government Printing Office, 1973), Table 199; rows 7–12: National Center for Education Statistics, *Digest of Education Statistics: 1988*, Table 88 (data cover 1970–71, 1974–75, 1979–80, and 1983–84).



must pay. This means that elderly dropouts should probably not be considered part of the educational underclass.

When we turn to nonwhites the story is very different and much more encouraging than the story for whites. High school graduation rates were much lower among nonwhites than among whites in 1970, but the nonwhite graduation rate has risen steadily since 1970. By 1985 young nonwhite adults were almost as likely as their white counterparts to have completed high school or earned an equivalency certificate.

Black high school seniors also did far better on reading tests in 1985 than in 1970. Since the proportion of blacks who were still in school was also higher in 1985 than in 1970, the overall increase in reading skill among all 17-year-old blacks was presumably even greater than Table 4 implies. The table suggests, therefore, that the black educational underclass is shrinking, not growing.

The improvement in black high school graduation rates and test scores chronicled in Table 4 is, no doubt, partly due to the desegregation of black schools in the rural South, which had barely begun in 1970. But the improvement is too large for rural blacks to account for it all. The improvement among urban blacks may have been less than that shown in Table 4, but it must still have been substantial.

The improvement in young blacks' high school graduation rates and test performance also reflects the fact that today's black teenagers have better-educated parents than black teenagers had in 1970. But this explanation does not in any way vitiate the conclusion that the black educational underclass has gotten smaller. It just helps explain why that has happened.

## Can we generalize about the underclass?

The moral of this complex chronicle should by now be obvious. Whether the underclass is growing depends on what you mean by the underclass.

What I have called the economic underclass, defined by chronic joblessness, is probably growing. The big question is why. There is good reason to suspect that demand for unskilled workers has declined, but native-born workers may also have grown choosier about the jobs at which they are willing to work steadily.

The moral underclass, defined by its lack of commitment to traditional middle-class values, is composed of diverse groups that have little in common. The criminal underclass seems to be shrinking, especially among blacks. The reproductive underclass is shrinking by one measure (teenage motherhood) but growing by another (unwed motherhood).

The educational underclass, defined by its ignorance and its dearth of social skills, is not growing. Among whites, its size seems to be roughly constant. Among blacks, it is shrinking.

The second moral of my story is that the term underclass, like the term middle class, combines so many different meanings that social scientists must use it with extreme care. Indeed, they should probably avoid the word altogether unless they are prepared to make clear which of its many meanings they have in mind. My distinctions between the economic, criminal, reproductive, and educational underclasses were meant to give such discussions a bit more precision, but even with these adjectival modifiers the term remains full of ambiguities.

While the underclass requires adjectival modifiers if it is to be useful to social scientists, its unmodified variant is likely to remain useful in public discourse. By merging social problems as diverse as poverty, idleness, illiteracy, crime, illegitimacy, and drug abuse into a single "meta-problem," the term underclass encourages us to think about "meta-solutions." The search for meta-solutions appeals to many conservatives, liberals, and radicals who have little else in common but who all agree that we should stop treating social problems "piecemeal" and attack their "underlying causes."

Lumping diverse problems together and assuming that they have common causes is seldom a formula for making sound public policy. It does, however, seem to be a good formula for drawing attention to problems that American society has largely ignored since the mid-1970s. If the term underclass helps put the problems of America's have-nots back on the political agenda, it will have served an extraordinarily useful purpose. ■

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<sup>1</sup>The original articles were published November 16–30, 1981. They are available in book form: *The Underclass* (New York: Random House, 1982).

<sup>2</sup>For a history of the term see Robert Aponte, "Conceptualizing the Underclass: An Alternative Perspective," Urban Poverty Project, University of Chicago, 5811 S. Kenwood Ave., Chicago, Ill., offset, 1988.

<sup>3</sup>The first such study, which predated Auletta's popularization of the term, was Frank Levy, "How Big Is the American Underclass?" Urban Institute Working Paper 0090–I, Washington, D.C., 1977. For a more recent count that focuses on income, see Patricia Ruggles and William Marton, "Measuring the Size and Characteristics of the Underclass: How Much Do We Know?" Urban Institute, Washington, D.C., 1986.

<sup>4</sup>My conclusion that annual rates of movement in and out of poverty have been roughly stable over time is based on unpublished tabulations by Greg Duncan, using data from the Panel Study of Income Dynamics.

<sup>5</sup>Richard Nathan, "The Underclass—Will It Always Be with Us?" Woodrow Wilson School, Princeton University, 1986; Peter Gottschalk and Sheldon Danziger, "Poverty and the Underclass," testimony before the Select Committee on Hunger, U.S. Congress, August 1986.

<sup>6</sup>For an assessment of the evidence for and against this assumption, see Christopher Jencks and Susan Mayer, "The Social Consequences of Growing Up in a Poor Neighborhood: A Review," Center for Urban Affairs and Policy Research, Northwestern University, Evanston, Ill. (forthcoming in Michael McGeary and Laurence Lynn, eds., *Concentrated Urban Poverty in America* [Washington, D.C.: National Academy Press]).

<sup>7</sup>For evidence on the extent of economic segregation see Douglas Massey and Mitchell Eggers, "The Ecology of Inequality: Minorities and the Concentration of Poverty, 1970-1980," *American Journal of Sociology*, forthcoming.

<sup>8</sup>I estimated the poverty rate of the median poor family's Census tract from data presented in Mary Jo Bane and Paul Jargowsky, "Urban Poverty Areas: Basic Questions Concerning Prevalence, Growth, and Dynamics," in McGeary and Lynn, eds., *Concentrated Urban Poverty*. The likelihood that a poor family has poor neighbors is, of course, dependent on block-level rather than tract-level segregation.

<sup>9</sup>Ricketts and Sawhill, "Defining and Measuring the Underclass," *Journal of Policy Analysis and Management*, 7 (Winter 1988), 316-325.

<sup>10</sup>Every year, one American family in five moves. We do not currently know how many of these moves lead to major changes in the demographic characteristics of the migrant's neighbors. We will be able to say more about this once the Panel Study of Income Dynamics makes available data on the characteristics of the Census tracts in which its respondents have lived.

<sup>11</sup>Wilson, *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987). Douglas Glasgow's *The Black Underclass: Poverty, Unemployment, and Entrapment of Ghetto Youth* (San Francisco: Jossey-Bass, 1980) also concentrates on blacks. The only statistical study of the white underclass is Ronald Mincy's "Is There a White Underclass?" Urban Institute, Washington, D.C., 1988. But Auletta spent time in West Virginia, where he found what he regarded as a white underclass.

<sup>12</sup>Most Hispanics who did not classify themselves as "white" classified themselves as "other."

<sup>13</sup>Van Haitsma discusses a variant of this definition in this issue of *Focus*.

<sup>14</sup>Liebow, *Tally's Corner* (Boston: Little, Brown, 1967).

<sup>15</sup>Anderson, *A Place on the Corner* (Chicago: University of Chicago Press, 1976).

<sup>16</sup>See Mare and Winship, "The Paradox of Lessening Racial Inequality and Joblessness among Black Youth: Enrollment, Enlistment, and Employment, 1964-1981," *American Sociological Review*, 49 (February 1984), 39-55.

<sup>17</sup>Readers should not overinterpret the year-to-year fluctuations in idleness among nonwhites, since the sampling errors of the estimates are quite large, especially for those aged 18-19.

<sup>18</sup>I have focused on 1967 and 1986 because they are the first and last years for which the Census Bureau has published the relevant data, and because they appear to represent roughly comparable points in the business cycle.

<sup>19</sup>These men constituted 11.6 percent of all men aged 25-34 in 1967 and 4.4 percent in 1986.

<sup>20</sup>The changes among 25-34-year-old men shown in Table 1 recur when we look at all men over the age of 25, but the magnitude of the change is generally smaller.

<sup>21</sup>See Lawrence Mead, "The Hidden Jobs Debate," *The Public Interest*, No. 91 (Spring 1988), pp. 40-58.

<sup>22</sup>See Wilson's *The Truly Disadvantaged* and Kasarda, "Urban Industrial Transition and the Underclass," *The Annals*, 501 (January 1989), 26-47.

<sup>23</sup>For a review of the evidence on the "spatial mismatch" hypothesis, see Christopher Jencks and Susan Mayer, "Residential Segregation, Job Proximity, and Black Job Opportunities: The Empirical Status of the Spatial Mismatch Hypothesis," Center for Urban Affairs and Policy Research, Northwestern University, Evanston, Ill. (forthcoming in McGeary and Lynn, eds., *Concentrated Urban Poverty*).

<sup>24</sup>All the percentages in the text are unweighted means for all eight cities. My estimates for the best and worst fifth of all Census tracts assume that these tracts average 1.4 standard deviations above and below the citywide mean.

<sup>25</sup>See especially *The Children of Sanchez* (New York: Random House, 1961) and *La Vida* (New York: Random House, 1965).

<sup>26</sup>David Ellwood discusses this issue in more detail in this issue of *Focus*.

<sup>27</sup>Federal Bureau of Investigation, *Crime in the United States* (Washington, D.C.: U.S. Government Printing Office, 1976 and 1986).

<sup>28</sup>Estimates of violent crime should also cover rape, but trends in reported rape reflect trends in willingness to report having been raped as well as trends in actual victimization. The small number of rape reports in victimization surveys also leads to a lot of random year-to-year fluctuation in the estimated frequency of rape.

<sup>29</sup>Victims' reports of their assailant's race are available annually in U.S. Department of Justice, *Criminal Victimization in the United States* (Washington, D.C.: U.S. Government Printing Office).

<sup>30</sup>Expected lifetime fertility for any given year was estimated by asking what would have happened if the age-specific birthrates for that year had applied throughout a woman's lifetime. I then estimated marital and non-marital fertility by assuming that lifetime fertility would be divided between marital and nonmarital births in the same way that actual births were divided in the relevant year.

<sup>31</sup>See Wilson and Neckerman, "Poverty and Family Structure: The Widening Gap between Evidence and Public Policy Issues," in Sheldon H. Danziger and Daniel H. Weinberg, eds., *Fighting Poverty: What Works and What Doesn't* (Cambridge, Mass.: Harvard University Press, 1986), pp. 232-259, or Wilson's *The Truly Disadvantaged*.

<sup>32</sup>While the proportion of blacks aged 35-44 who did not work at all rose, the proportion working more than 50 weeks also rose slightly (from 57 percent in 1960 to 61 percent in 1980). The same pattern recurs among blacks aged 25-34. Thus, one cannot argue that marriage rates fell because those who worked were working less regularly.

<sup>33</sup>Erol Ricketts discusses this decline in this issue of *Focus*.

<sup>34</sup>All the estimates of marital and employment status in the text are based on 1/1000 samples of 1960 and 1980 Census records. Gary McClelland did the tabulations.

<sup>35</sup>Ehrenreich, *The Hearts of Men* (New York: Doubleday, 1983). See also the critique in Irwin Garfinkel and Sara S. McLanahan, *Single Mothers and Their Children* (Washington, D.C.: Urban Institute Press, 1986).

<sup>36</sup>Dean Ellis, "Speech and Social Status in America," *Social Forces*, 45 (1967), 431-437.

<sup>37</sup>Because the handicaps I am discussing are cultural and social, I initially labeled this group the "cultural underclass." Unfortunately, this term conjures up the "culture of poverty" and leads to confusion between this group and what I have called the moral underclass.

# A contextual definition of the underclass

by Martha Van Haitsma

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Assessing whether or not an underclass exists, how it came to be, and what policies are likely to affect it all turn on how the term “underclass” is defined. The underclass has been variously defined by any or all of four characteristics: chronic poverty; nonnormative behavior with respect to income generation and family formation; spatial concentration of such poverty and/or behavior; and intergenerational transmission of such poverty and/or behavior.<sup>2</sup> The manner in which the underclass is defined will affect research findings and policy prescriptions. A useful definition should at a minimum distinguish the underclass from the poverty population in general and establish the manner in which this group is a class—a category of persons with structurally similar socioeconomic positions.

Long-term poverty is clearly central to the concept of an underclass. Both humanitarian and policy concerns point to those suffering chronic rather than temporary poverty, as they are most in need and most costly to the system. Defining the underclass by duration of poverty alone, however, is unsatisfactory. How are we to know in advance who among the poor will remain poor for long periods of time and who will escape poverty relatively quickly? Some criteria are needed to distinguish between the structural positions of the underclass and other poor persons at any given time.

Defining the underclass by individual behavior alone also has problems. How, for example, does a wealthy celebrity who becomes a single mother share class status with a poor single mother on welfare? Yet both have borne children out of wedlock, a behavioral criterion associated with the underclass. Should teenaged drug pushers from middle-class suburban homes be classified with those from ghetto neighborhoods? Not only is it theoretically implausible to group persons together as a class on the basis of behaviors which arise from and lead to different socioeconomic circumstances, it is nonsensical as a guide to policy formulation. Yet behaviors such as criminal involvement and unwed motherhood, which result from or contribute to extended spells of economic disadvantage, must be dealt with, for they are part of the problem and/or part of the explanation for the phenomenon of the underclass.

Spatial concentration of poverty in and of itself need not constitute a problem distinct from general poverty. The neighborhoods in which people live do alter the mix of opportunities and difficulties they face, but not everyone in an area of concentrated poverty belongs to the same socioeconomic class. Spatial concentration cannot be ignored, however, as it constitutes part of the mechanism that links nonnormative<sup>3</sup> patterns of income generation and family formation to chronic poverty. When an area is largely populated by chronically poor persons, the opportunities for climbing out of poverty are diminished.<sup>4</sup> Residents of such areas have weak links to job networks, and therefore find alternate means of generating income. Higher rates of informal and illegal means of accruing income, as well as welfare use, strengthen networks of information tied to these avenues rather than to formal work. With few visible career prospects and few “marriageable” (i.e., stably employed)<sup>5</sup> men, young women are more likely to opt for single motherhood as a route to adulthood. The spatial concentration of such behavior creates a normative environment conducive to further behavior of the same sort. Spatial concentration—geographical and occupational isolation from “mainstream” Americans—is crucial to conceptions of the underclass that include normative, subcultural components, but concentration alone is not sufficient.

Adding intergenerational transmission does not improve matters if we combine it merely with poverty or behavior. If only those among the poor whose parents were poor or whose children will also remain poor are members of the underclass, how is their position structurally distinct from those poor for whom this is not the case? And if daughters of single mothers are themselves more likely to become single mothers, what does it matter if they are not thereby disadvantaged?

All these indicators—chronic poverty, intergenerational poverty, patterns of generating income and patterns of family formation that differ from those of the middle class, and spatial concentration—offer clues that an underclass may exist, but none alone is sufficient to define it. The thread that ties the various indicators together is weak attachment to the formal labor market.<sup>6</sup> Full-time work does not guarantee freedom from poverty in our society, but nonwork almost certainly does guarantee chronic poverty. Poverty accompanied by weak labor force attachment, as opposed to the poverty of the working poor, is likely to be accompanied by high rates of crime, teen pregnancy and out-of-wedlock childbirth, welfare dependency, and single-parent households—social dislocations writers tend to associate with the underclass. Spatial concentration of poverty, welfare receipt and crime, and intergenerational transmission of culture or structural position all contribute to the social

context in which poverty may occur. When this context reinforces weak labor force attachment, an underclass can be said to exist.

I define the underclass, therefore, as those persons who are weakly connected to the formal labor force and whose social context tends to maintain or further weaken this attachment. This definition requires further elaboration of the terms “labor force attachment” and “social context.”

### Defining labor force attachment

Like the concept of the underclass itself, labor force attachment has both normative and structural dimensions. The normative dimension concerns the legitimacy of the income.<sup>7</sup> The structural dimension of labor force attachment is a measure of its stability: the variability in income flow, including probability of layoff or business failure. The less stable the flow, the more probable it is that a person will have to turn to other income sources over time. The lower the score on these dimensions, the more marginal the labor force attachment (see Table 1).

Marginal self-employment refers to such activities as selling television-repair services or car-repair services outside of formal business channels or selling things one has made or collected such as food, handicrafts, or scrap metal. Informal wage labor refers to day labor and informal contracts where the worker is paid cash. Both these activities are more legitimate than criminal activity, since they are illegal only in the sense that no taxes are paid. Also there is work input, often at very high levels. However, work of this kind is generally highly unstable. Seasonal work and part-time employment, because they occur in the regular economy, are more legitimate than informal wage labor or marginal self-

employment, but still have lower stability and legitimacy than year-round, full-time work. Formal self-employment may be more or less stable than full-time employment, depending on the nature of the work involved, the size of the firm, and so forth, but it is highly legitimate.

Nonwork sources of income can also be characterized as more or less legitimate, but in a social rather than legal sense. Socially legitimate income is that which has some direct or derivative link to the labor market or work effort. As discussed by McLanahan, Garfinkel, and Watson,<sup>8</sup> direct labor force attachment involves the sale of one’s own labor, whereas derivative attachment involves either the presumed right of minors and spouses to the income of their parents and spouses or the presumed right of persons to collect benefits based on their previous work (e.g., unemployment insurance, social security, disability). Aid from private agencies such as churches and social service organizations is seldom linked to formal work effort, but may involve high levels of “volunteer” work in exchange for goods and/or services received. Similarly, aid from family and friends may involve a return of informal work in the form of child care or other services. Welfare is the nonwork income source least connected to the formal labor market.

Sources of nonwork income can additionally be divided into those which compete with formal employment and those which do not. Means-tested transfer programs compete with earned income and financial capital accumulation, since income and asset levels are used as eligibility criteria. Food pantries and soup kitchens do not usually screen their clients by income or asset levels, allowing persons at low-wage jobs to use such resources as supplements to rather than substitutes for earnings (see Table 2).

People may package together income from different sources and can achieve stronger labor force attachment by combining several weak-attachment types of source (multiple part-time jobs, for example). Diversification of income sources tends to raise the overall reliability of the income flow regardless of the mix.

**Table 1**

**Labor-Force-Attachment Dimensions of Work Income**

Type of Work	Legitimacy	Stability
Crime <sup>a</sup>	Very low	Varies
Marginal self-employment	Low to moderate	Low
Informal wage labor	Low to moderate	Low
Seasonal work	Moderate	Low to moderate
Part-time work	Moderate to high	Moderate to high
Formal self-employment	High	Varies
Full-time work	High	High

<sup>a</sup>Career criminals are excluded from consideration here.

**Table 2**

**Labor-Force-Attachment Dimensions of Nonwork Income**

Sources of Nonwork Income	Legitimacy	Complementarity with Formal Work
Interest/savings	High	Yes
Means-tested government transfers	Low	No
Government entitlements	Moderate to high	Varies
Aid from private agency	Varies	Yes
Aid from family or friends	High	Yes

When legitimate sources of income are unstable or insufficient, people look for ways to supplement or supplant them. To the extent that a person pursues a strategy for obtaining income that is not legitimate, is incompatible with legitimate methods, or is so unstable that less legitimate supplementary sources of income must be found, that person can be said to be weakly attached to the formal labor force.<sup>9</sup>

## Defining the social context

By social context I mean the specific social structures in which an individual is embedded: household, neighborhood, and social network.<sup>10</sup> The social contexts in which an underclass can arise are those which reinforce weak labor force attachment and impede movement toward stronger attachment. They are environments with few opportunities for stable and legitimate employment and many opportunities for other types of income-generating activities, particularly those which are incompatible with regular employment.

Access to regular employment includes knowledge about existing job opportunities, transportation to areas where jobs can be found—or affordable housing closer to the jobs—and whatever levels of schooling and training are needed to obtain the jobs. Contexts which reinforce strong rather than weak labor force attachment are those in which access to information about available jobs is high, access to formal or on-the-job-training is high, and either available jobs pay enough to support workers and their families above the poverty level or supplementary income is available which is compatible with regular work. Contexts which reinforce or encourage weak labor force attachment are those in which knowledge about and access to income strategies other than formal work are high, the predominant strategies are incompatible with regular work, and the most readily available work does not pay enough to support workers and their families above the poverty level and is unreliable and therefore likely to be augmented by nonwork strategies.

### The household

An individual's household is the most immediate level of his or her social context. Household composition affects labor force attachment in two ways: First, household members can provide links to employment; they are the first-line social network. Second, the division of labor in a household influences the number of adults free to enter the paid labor force. Persons in households where others are employed stand a better chance of getting employment than persons in households with no employed members. Persons in households with more than one adult are more able to divide child-care and housekeeping duties so that at least one adult can seek outside employment.

The financial resources of the household also affect labor force attachment. If the household has no phone, prospective employers have no easy way to contact job applicants they wish to hire. If there is not access to a car, jobs not

located along reasonably safe public transportation routes may simply be out of reach. Home ownership can provide the equity needed to begin or expand a small business. And homeowners can rent out rooms as a source of income, a strategy fully compatible with formal employment.

### The social network

Beyond the household, the next level of social context is the social network of exchange. Relevant network characteristics include its overall size, its quality, and the nature of the links. All else equal, a larger network is more likely to tap into useful job information than a smaller network. All else is seldom equal, however, so that network composition is crucial. Large or small, a network composed primarily of unemployed persons will not be a good source of job information and recommendations. The character of the ties binding network members is also important. Strong ties, such as those of kinship, typically carry greater obligation for mutual support than do those of friend or neighbor. At the same time, because strongly tied persons are likely to have the same sources of information about available jobs, they may not be as helpful to one another as more casual contacts, who can provide new information, more productive for job search.<sup>11</sup> Also, if a person is strongly tied to a group with few resources, the strength of the ties may have negative effects, since the network represents a set of obligations as well as a pool of resources.<sup>12</sup>

Network ties of kinship and friendship are important not only for obtaining jobs but also for retaining them. Workers are dependent on one another for on-the-job training and cooperation. New workers with prior ties to established workers are more likely than are those who lack such ties to get the kind of initial training and ongoing support they need to perform their jobs well.

Networks of social exchange may also indirectly affect employment by providing informal sources of financial and material support. Unlike welfare, informal aid from kin and friends is easily combined with earnings. Network members may exchange child care services, permitting greater opportunity for employment. Network support may also provide informal insurance, with mutual exchange ensuring that the risk of uneven income flows from unreliable jobs is more widely shared.

### The neighborhood

The third level of social context is the neighborhood in which a person lives. Neighborhood effects include local employment opportunities—especially important for youth—public transportation links to other areas within the urban labor market, access to education and training programs, and the availability of supports such as health care, child care, food and clothing and other in-kind aid, and emergency financial aid from sources that are compatible with formal work. Information about different income strategies is transmitted in the course of daily life by incidental

observation and conversation as well as direct sharing and inquiry. Thus, in neighborhoods where levels of welfare use, informal work, and crime are high, even residents who engage in none of these activities may know quite a lot about how they are conducted. This knowledge broadens the range of options residents may consider when they are financially pressed and also lowers the cost of employing alternate income strategies.

Neighborhoods, households, and social networks can be separated for analytical purposes, but in reality they compose an interconnected whole. People live in households that are part of social networks and are located in neighborhoods. Households break up and recombine, yet members typically remain within the same social networks. Networks span neighborhoods, but may also be heavily shaped in terms of frequency of interaction and exchange by proximity of members.

### **Linking social context and labor force attachment**

This overall web of social relations in which an individual is embedded has important effects on labor force attachment which are not fully captured by commonly measured individual-level variables such as age, education, language ability, and experience. Household and social network contexts may be thought of as portable resources attaching to individuals in a way that neighborhood contexts cannot. These resources bear directly on an individual's chances of success in generating income, just as do financial resources and human capital.

Harley Browning identifies four principal types of individual resource or capital: human capital, financial capital, social capital, and cultural capital.<sup>13</sup> Human capital includes education, training, and experience; financial capital includes all assets such as savings, a home, a car, or a business; social capital includes bonds of obligation and exchange between people and households; and cultural capital includes "knowing the ropes" of a particular system—speaking the language, both literally and figuratively.

Each type of capital is more or less important to obtain income by one strategy or another. Knowing one's rights, where to go, and how to deal with bureaucracies are all important forms of cultural capital for obtaining public aid. Having employed friends who can recommend you for a job, inform you of openings, or even hire you is important social capital for finding formal employment. Financial capital is most important for self-employment. Some forms of capital are detrimental to particular income strategies and vice versa. Owning major assets such as a house makes it more difficult to qualify for public aid. At the same time, once the public aid strategy is in place, it becomes more difficult to accumulate assets.

Different kinds of capital not only influence the ability of a person to pursue one or another strategy to obtain income,

they also influence each other. All forms of capital are subject to depletion as well as accumulation.<sup>14</sup> Money runs out, friends move away or relationships break off; skills become obsolete; the rules of the system change. All forms of capital require input to remain current. Maintenance of the social ties that constitute social capital requires some financial capital and can deplete savings. Financial resources facilitate maintenance and expansion of social ties of obligation and also increase access to education and training that result in expanded human capital. Education and work experience expand and enrich social networks. Knowledge about the private social service arena—where to get free clothes, food, help with utility bills, free or low-cost education and training—may enable a family to increase its financial capital.

In conceptualizing the social context surrounding labor force attachment, then, portable and nonportable aspects must be considered separately. Persons with high levels of social and cultural capital living in areas with poor local opportunities will be more likely to maintain high labor force attachment than persons in similar neighborhoods with low levels of social and cultural capital.

### **Advantages of a contextual definition of the underclass**

I have defined the underclass as those persons with weak labor force attachment living in social contexts which preserve or further weaken this tenuous link to the formal economy. This definition addresses several problems that arise when alternate underclass indicators are used. First, chronic poverty can only be measured retrospectively. Current occupation and labor force status clearly affect a person's life chances, but some measure of probable duration in that status is needed to evaluate underclass membership. By looking at current labor force attachment *and social context*, chronic poverty can be measured prospectively in terms of probabilities. A person who is currently poor but in a social context which encourages strong labor force attachment is less likely to remain poor for long periods of time than a similar person in a context that reinforces weak labor force attachment. Thus, two currently poor persons with similar education and skills have different risks of falling into the underclass depending on their information networks, their likelihood of marriage, remarriage, or cohabitation with a stably employed partner, their neighborhoods, and their families.

Behavioral indicators of underclass membership raise objections on a number of grounds. First, focusing on behaviors shifts attention away from the reasons for those behaviors and can result in policy recommendations that treat symptoms rather than causes. At the same time, the consequences of particular behaviors for future well-being and mobility cannot be ignored. A definition of the underclass that focuses on labor market attachment within specific social contexts gives due attention to the underlying economic structural problems without losing sight of the proximate social and behavioral factors which contribute to long-term

poverty. Thus the social contexts that impede labor force attachment—poor schools, poorly connected job information networks, lack of affordable housing within reasonable distance of potential employers, discriminatory employers and realtors, lack of affordable day care, etc.—must be the primary targets for social policy, but policy initiatives must also take into account the feedback influence of such income strategies as crime, casual jobs, or welfare dependence. The more people rely on such sources of income, which are outside the formal labor market, the more enmeshed they become in networks of information about these sources rather than formal work opportunities, and the less work experience they acquire to bring to the formal labor market.

Attention to social context also allows us to ignore “underclass” behaviors that occur throughout society. Persons from middle-class or working-class homes, with access to good-quality public schools and a social context that encourages strong labor force attachment, may still turn to crime. Such persons are criminals, but they are not part of the underclass as here defined.

Some researchers object to any use of criminal activity as a behavioral indicator of underclass membership.<sup>15</sup> Residents in ghetto areas of high unemployment may, however, turn to criminal or quasi-illegal activities<sup>16</sup> as temporary or supplementary sources of income without committing themselves to a life of crime. Looking at persons as more or less attached to the legal economy and paying attention to the larger social circumstances of their criminal involvement helps to weed out career criminals who are part of the underworld rather than the underclass.

Including certain patterns of family formation as indicators of underclass membership has drawn justifiable criticism because of the implication that unmarried motherhood in and of itself is pathological. Revising the underclass definition to hinge on labor force attachment *and* its social context refocuses the problem in terms of available jobs, women’s low earning power, a dearth of other employed adults within the household, and a lack of adequate day care. Solutions can then be proposed both to enhance labor force attachment (educational, training, and placement programs) *and* to alter the social context (by providing child care and affordable nonsegregated housing, for example).

## Conclusion

In the current debate about the underclass, the concept of a culture of poverty is once again gaining common acceptance. Available definitions of the underclass tend to stress deviant behavior and intergenerational transmission of deviance and dependence among the chronically poor. Such conceptualizations of the underclass result in policies geared toward individual rehabilitation. I argue that a definition of the underclass based on labor force attachment within specific social contexts more accurately defines the underclass as a distinctive socioeconomic class and also leads to more

productive policy implications. A shift of focus from individual deficiencies to social conditions which affect labor force attachment brings social structure into the underclass definition in a very concrete way by drawing attention to the actual mechanisms by which larger social forces are translated into unequal outcomes across groups. ■

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<sup>1</sup>The author wishes to thank Sheldon Danziger, Nancy Denton, Sharon Hicks-Bartlett, Christopher Jencks, Marta Tienda, and William Julius Wilson. This paper has benefited from their thoughtful comments and useful editorial suggestions.

<sup>2</sup>See for example Frank Levy, “How Big Is the American Underclass?” Urban Institute Working Paper 0090-1, Washington, D.C., 1977, for a definition based on persistent poverty; and Douglas G. Glasgow, *The Black Underclass: Poverty, Unemployment, and Entrapment of Ghetto Youth* (San Francisco: Jossey-Bass, 1980), for a definition based on both persistent and intergenerational poverty. See Ken Auletta’s *The Underclass* (New York: Random House, 1982) for a behavioral definition, and Erol R. Ricketts and Isabel Sawhill, “Defining and Measuring the Underclass,” *Journal of Policy Analysis and Management*, 7 (Winter 1988), 316–325, for a definition combining spatial and behavioral criteria. Mary Jo Bane and Paul A. Jargowsky have done descriptive work on the underclass based on a spatial concentration of poverty definition; see “Urban Poverty: Basic Questions Concerning Prevalence, Growth, and Dynamics,” in Michael McGeary and Laurence Lynn, eds., *Concentrated Urban Poverty in America* (Washington, D.C.: National Academy Press, forthcoming).

<sup>3</sup>Here, nonnormative with respect to mainstream, middle-class norms: illegitimate from the dominant point of view.

<sup>4</sup>See William Julius Wilson, *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987).

<sup>5</sup>See William Julius Wilson and Kathryn Neckerman, “Poverty and Family Structure: The Widening Gap between Evidence and Public Policy Issues,” in Sheldon H. Danziger and Daniel H. Weinberg, eds., *Fighting Poverty: What Works and What Doesn’t* (Cambridge, Mass.: Harvard University Press, 1986).

<sup>6</sup>See Sara McLanahan, Irwin Garfinkel, and Dorothy Watson, “Family Structure, Poverty and the Underclass,” in Michael McGeary and Laurence Lynn, eds., *Urban Change and Poverty* (Washington, D.C. National Academy Press, 1988).

<sup>7</sup>I use the term “legitimate” rather than “legal” because illegality is only one end of a continuum of legitimacy, which includes a less formal notion of social acceptability. I argue that seasonal work and part-time work, as categories, apart from the specific content of the job, are seen as less “real” work than year-round, full-time work.

<sup>8</sup>“Family Structure, Poverty and the Underclass.”

<sup>9</sup>This concept might be operationalized by constructing a scale from -100 to +100 representing the percentage of a person’s income derived from highly legitimate sources weighted by the relative stability and work compatibility of those sources, less the percentage of a person’s income derived from less legitimate sources weighted by the relative legitimacy of each source. Thus, a person whose total income came from criminal activity would rate a -100, a person whose total income came from public aid or informal work would rate somewhere in the mid-negative range, a person whose total income came from seasonal and part-time work would rate somewhere in the mid-positive range, and a person whose total income came from stable employment would rate +100.

*continued on p. 42*

# The origin of black female-headed families

by Erol Ricketts

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## Introduction

The relationship between family structure and the socioeconomic conditions of blacks has sustained a lengthy and at times bitter debate. In a society in which the nuclear family is commonly assumed to be a prerequisite for social and economic success of children, black patterns of family formation—which are perceived as fundamentally different from those of whites—are often viewed as responsible for a good deal of the social and economic disadvantages experienced by blacks. Between 1960 and 1985, female-headed families grew from 20.6 to 43.7 percent of all black families, compared to growth from 8.4 to 12 percent for white families.<sup>1</sup> Recent estimates suggest that more than half of all black families are headed by women.

The growth of black female-headed families is a matter of grave concern because these families tend to be poorer than other families, and, as their number increases, more children will grow up in poverty and be at risk for perpetuating social problems. Quite apart from the concern about the implications female-headed families have for disadvantages experienced by the black population, family-formation patterns among blacks have taken on added significance because they are thought to emanate from slavery and/or sharecropping and to be a cause of the underclass. This essay contrasts allegations about the origin of female-headed black families with the available historical data and speculates on a theory of the recent problems of black family formation.

## Background

The current controversy over the reason for high rates of female-headed families among blacks can be traced back to the publication of the *Moynihan Report*<sup>2</sup> on the black family in 1965. In the *Report* it was argued that family patterns among black Americans were fundamentally different from those found among whites and that family instability among

blacks was the root cause of the social and economic problems suffered by blacks. Family patterns of blacks were attributed to slavery and racial oppression, which focused on humbling the black male. The *Report* generated bitter debate because, on the basis of a comparison of 1950 and 1960 Census data, it characterized the black family as “crumbling” and as “a tangle of pathology.” In so doing, the *Report* echoed the message of the classic work of sociologist Franklin Frazier, *The Negro Family in the United States*.<sup>3</sup>

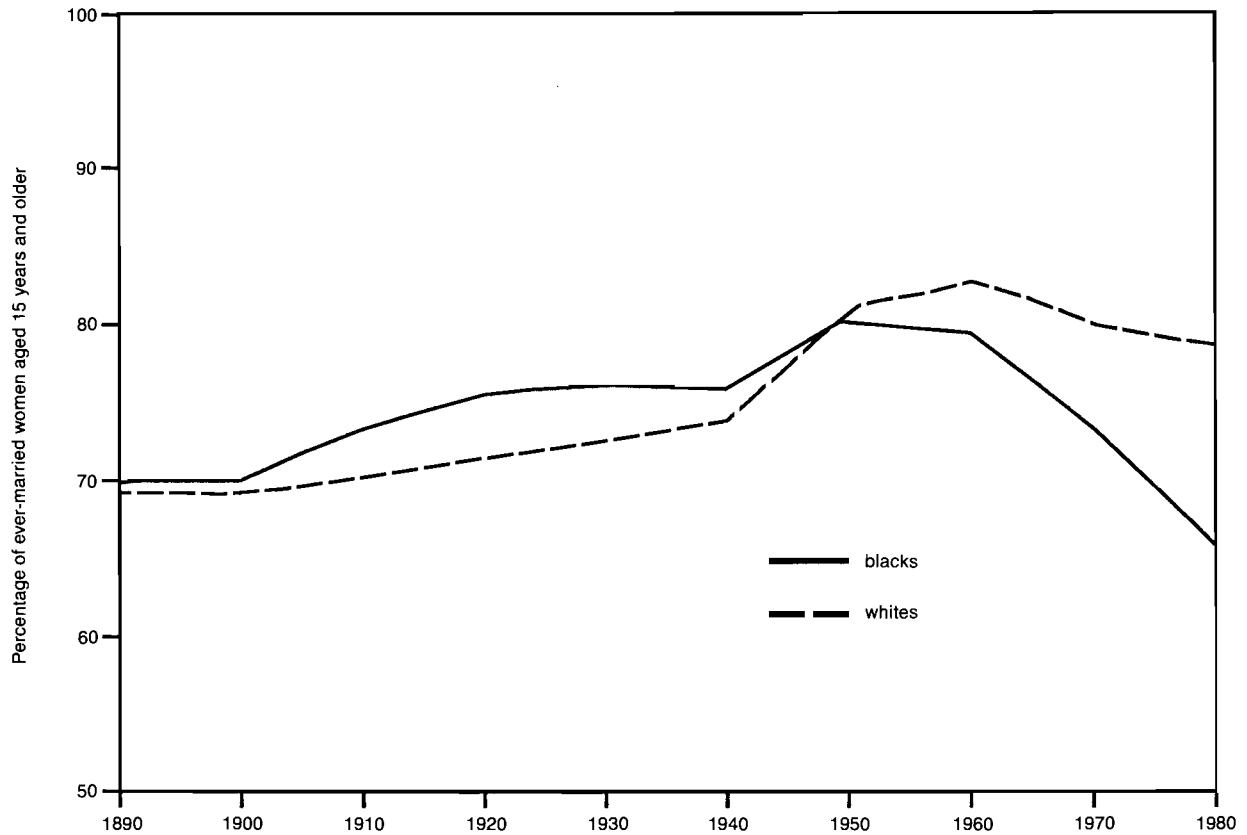
Frazier argued that family instability among blacks resulted from the effects of slavery on black family life. According to Frazier, slavery established a pattern of unstable black families because of lack of marriage among slaves and constant separation of families as males and older children were sold. Slavery, therefore, destroyed all family bonds with the exception of those between mother and child, leading to a pattern of black families centered on mothers.<sup>4</sup> Moreover, Frazier argued, newly freed blacks were rural folks with the typical family patterns of traditional agricultural society—out-of-wedlock childbearing and marital instability. When these simple folks migrated to the North in large numbers, they encountered unfamiliar ways of life in the industrial cities. Because they were unable to cope with the new conditions, their family lives became disorganized, resulting in spiraling rates of crime, juvenile delinquency, and so on.<sup>5</sup>

## What the historical data show

In light of the continued debate about the origins of family-formation problems among blacks, including female-headed families, it is useful to examine the available historical data covering the decennial years from 1890 to 1980, presented in Figure 1. The data show, contrary to widely held beliefs, that through 1960, rates of marriage for both black and white women were lowest at the end of the 1800s and peaked in 1950 for blacks and 1960 for whites. Furthermore it is dramatically clear that black females married at higher rates than white females of native parentage until 1950.

Moreover, national data covering decennial years from 1890 to 1920 show that blacks out-married whites despite a consistent shortage of black males due to their higher rates of mortality. And in three of the four decennial years there was a higher proportion of currently married black men than white men (Table 1). Even in those years, the rate of female-headed families was higher among blacks than among whites, but the cause was high rates of widowhood, not lower rates of marriage.





**Figure 1. Comparison of Marriage Patterns of Blacks and Whites, 1890–1980.**

Source: Data from decennial censuses.

**Table 1**  
**Marital Status of the Population Aged 15 Years and Over, 1890–1920**

	Blacks				Whites—Native Parentage			
	1890	1900	1910	1920	1890	1900	1910	1920
Single								
Male	39.0	39.2	35.4	32.6	41.7	40.2	39.0	35.3
Female	30.0	29.9	26.6	24.1	32.0	31.4	30.1	27.7
Married								
Male	55.5	54.0	57.2	60.4	53.9	54.6	55.7	59.1
Female	54.6	53.7	57.2	59.6	57.0	57.3	59.0	60.7
Widowed								
Male	4.3	5.7	6.2	5.9	3.9	4.5	4.4	4.6
Female	14.4	15.4	14.8	14.8	10.5	10.7	10.1	10.7
Sex ratio	99.5	98.6	98.9	99.2	105.4	104.9	106.6	104.4
% urban	—	23.0	27.0	34.0	—	42.0	48.0	53.0

Source: Data from the decennial censuses.

Furthermore, the decennial series on female-headed families covering the years 1930 to 1980 (presented in Table 2) show that the rate of female-headed families among blacks in 1980 was the highest in the series. Interestingly, the data show that rates of black female-headed families declined to their lowest level in 1950, only to rise sharply thereafter.

### Interpreting the data

These facts stand in stark contrast to the characterization in the *Moynihan Report* of the black family as maintaining family-formation patterns that emanate directly from slavery and are fundamentally different from those of whites. To be sure, the *Report* turned out to be an accurate piece of social forecasting in that it predicted rapidly increasing rates of female-headed families among blacks. It left a lot to be desired, however, in its interpretation of the historical context.

What the *Moynihan Report* did not show in highlighting the increase in the number of black female-headed families between 1950 and 1960 was that the proportion of black women who were ever married in 1960 stood at its second highest level since 1890, and it was considerably higher in 1960 than it had been in 1940 (Figure 1). The proportion of black female-headed families was also lower in 1960 than in 1940, and the proportion of urban black female-headed families in 1960 was lower than it had been in both 1930 and 1940.

Although the increase in the proportion of black female-headed families between 1950 and 1960 contrasts with the decline in the proportion of white female-headed families between 1950 and 1960, after 1960 there was a rise in female-

headed white families (see Table 2). Moreover, as Andrew Cherlin has pointed out, it is hazardous to draw inferences from the conditions of American families in the 1950s, because the 1950s were probably the most unusual decade for family life in this century.<sup>6</sup>

In sum, the argument that current levels of female-headed families among blacks are due directly to the cultural legacy of slavery and that black family-formation patterns are fundamentally different from those of whites are not supported by the data.

It is clear from the data that 1950 is a watershed year for black families; thereafter black female-headed families grow rapidly and blacks become more urbanized than whites. Between 1930 and 1950 the rates of black female-headed families, in the United States as a whole and in urban areas, are parallel to the corresponding rates for whites. The black rates are higher than the rates for whites, as one would expect given the black socioeconomic differential and higher rates of widowhood among blacks. It is after 1950 that the rate of female-headed families for blacks diverges significantly from the rate for whites, although the rate of white female-headed families begins to converge with the rate for blacks in about 1970.

What is strikingly different in 1950 is that blacks overtake whites in their level of urbanization. After 1950, blacks become more urbanized than whites, and they continue to urbanize. Whites de-urbanized after 1970. Blacks moved to the cities after World War II, en masse. And it is after this move that severe family-formation problems began to emerge. The data suggest that the clues to recent family-

Table 2  
Female-Headed Families, 1930–1980

	White Female Heads as % of White Families				% White Population That Is Urban <sup>a</sup>	Black Female Heads as % of Black Families				% Black Population That Is Urban <sup>a</sup>
	All	Urban	Rural- Nonfarm	Rural- Farm		All	Urban	Rural- Nonfarm	Rural- Farm	
1930	12.0	14.4	12.0	5.0	59.4	19.3	25.2	20.6	10.5	47.4
1940 <sup>b</sup>	14.5	17.3	13.1	7.2	65.2	22.6	29.5	21.7	11.5	52.3
1950 <sup>b</sup>	8.5	9.7	7.2	4.3	65.9	17.6	19.8	18.1	9.2	66.2
1960	8.1	9.0	6.5	4.2	70.2	21.7	23.1	19.5	11.1	76.5
1970	9.0	10.0	6.3	n.a.	72.1	27.8	29.3	20.1	n.a.	83.3
1980	11.2	12.8	7.6	n.a.	70.2	37.8	39.6	26.8	n.a.	86.1

Source: Data from the decennial censuses.

<sup>a</sup>Percentage of total population, not merely female-headed families.

<sup>b</sup>Figures for blacks are for nonwhites.

n.a. = not available.

formation problems among blacks are to be found in the circumstances of black urbanization after 1950.

### **Explaining recent family-formation problems among black Americans**

William Julius Wilson has argued convincingly that increasing levels of nonmarriage and female-headed households are a manifestation of the high levels of economic dislocation experienced by lower-class black men in recent decades.<sup>7</sup> He asserts that when joblessness is combined with high rates of incarceration and premature mortality among black men, it becomes clearer that there are fewer marriageable black men relative to black women, men who are able to provide the economic support needed to sustain a family. While joblessness is a reasonable explanation for the growth of female-headed families among lower-class blacks, it does not explain why upper-class blacks, for whom joblessness is not a problem, also have high rates of family-formation problems and female-headed households.<sup>8</sup>

The post-World War II mass migration of blacks to inner-city areas, particularly in the North, presaged their family-formation problems because it both facilitated the civil rights mobilization and made the inner-city residents vulnerable to postindustrial changes in the economy that transformed the opportunity structure of the inner city. While urbanization and economic change have created adverse job-market conditions for lower-class blacks, the civil rights revolution and affirmative action programs have opened up opportunities for upper-class blacks. Ironically, it may be that the economic uncertainty inherent in the rapid upward mobility experienced by upper-class blacks has generated high levels of marital instability and female-headed families among that group. Hence perhaps the unprecedented levels of economic uncertainty in the postwar era are a major cause of family-formation problems for both upper- and lower-class blacks.

How does economic uncertainty affect family-formation behavior? In general, uncertainty affects the sense of predictability of life decisions—the sense of being able to predict and plan the future. Without the ability to predict the future it becomes difficult to make long-term plans. Under such circumstances it becomes desirable to be open-ended—to be noncommittal—in order to respond flexibly to changing circumstances. Demographers have long documented the negative association between economic downturn, or uncertainty brought on by war, and marriage.

The increasing vulnerability of disadvantaged black males to the vicissitudes of the economy seems to explain their avoidance of marriage and their increasing involvement in loose consensual unions. Being involved in such unions and parenting children out of wedlock are ways of simultaneously keeping one's options open and affirming one's self.<sup>9</sup>

At the same time upper-class blacks seem to have maintained flexibility to respond to economic uncertainties, mostly due to increased opportunities, by relying on divorce and separation and nonmarriage. Although the level of family nonformation and breakup among upper-class blacks may be higher than that experienced by other upwardly mobile groups, these problems are probably driven by the same factors. Upwardly mobile marital partners separate and divorce primarily because of the uncertainties they face as they negotiate careers and occupational change.

In their seminal work on the growth of families headed by women, Heather Ross and Isabel Sawhill argue that marital stability is directly related to the husband's relative socio-economic standing and the size of the earnings difference between men and women.<sup>10</sup> The general thrust of Ross and Sawhill's argument is that as the economic situation of women improves relative to men, we should expect more nonmarriage and more family breakup. The income difference between black women, who have traditionally had higher rates of labor force participation than white women, and black men is smaller than the difference in income between white women and men, and as black male labor force participation and employment have declined since World War II, the employment position of black women has remained relatively stable.

Gary Becker characterizes the family-formation process as being governed by a continuous search in which men and women evaluate their relative contribution and gain.<sup>11</sup> Men and women form and maintain families to the extent they are satisfied with their net gain. In a period when individual fortunes are changing rapidly, the search is more perilous. It is my contention that the changing economic opportunities confronting upper-class blacks in the last few decades have rapidly changed individual fortunes and hence severely distorted the search process. And the uncertainties that this engenders for the search process have played a pivotal role in generating high rates of nonmarriage, family breakup, and female-headed families among upper-class blacks.

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Although the uncertainty experienced by upper- and lower-class blacks has different causes, both groups function in the same marriage market. Hence the decreasing rate of marriageable lower-class men has resulted in a marriage market for all blacks in which there is an abundance of marriageable women relative to men. Quite contrary to the prediction of marriage market theorists such as Becker (that when there is a shortage of men relative to women, all men will marry),<sup>12</sup> economic uncertainty and a surplus of black women available for marriage means that black men increasingly will not marry or will delay marriage as they hedge their bets in response to uncertain economic prospects and the certainty that there will be a spouse available should they decide to marry. Black women, faced with the uncertainty of spousal support and an increasing ability to support themselves, may also opt for parenting outside of marriage, divorce, or loose consensual unions as a means of coping with increasingly uncertain prospects.<sup>13</sup> A general consequence of these calculi is an exponential growth of family-formation problems among blacks, as both males and females respond to uncertainties of economic change and the dynamics of the black marriage market.

If increasing levels of nonmarriage and female-headed families are due to increasing levels of uncertainty experienced by blacks in the postwar era, then increasing family instability should be observable for all groups experiencing increased levels of economic uncertainty. It is clear that the rate of female-headed families has increased significantly for whites and more sharply for other disadvantaged minorities. The incidence of female-headed families among Puerto Ricans, for example—a group whose socioeconomic conditions are similar to those of blacks—increased dramatically from 15.8 to 43.9 percent between 1960 and 1985, compared to the previously mentioned increase of from 20.6 to 43.7 percent for blacks.<sup>14</sup> Nonetheless, the above explanation of family-formation problems of upper- and lower-class blacks must be taken as little more than informed speculation, as research is needed to affirm the relationship between economic change, economic uncertainty, and black family formation.

## Conclusion

Despite research findings to the contrary, some conservatives and liberals continue to find slavery and sharecropping compelling explanations for black family-formation problems. Perhaps it is because slavery and sharecropping are sufficiently distant that they can be used to buttress conservative views that what has been happening to black families is a consequence of an immutable history and is therefore beyond policy intervention. At the same time, liberals use the argument to tie the present problems of blacks to historical injustices, painting blacks as innocent victims. Both arguments detract from a search for the root causes of recent black family-formation problems. The danger is that by blaming black family-formation patterns on slavery and

sharecropping, society is blamed for the problems in lieu of taking action to ameliorate them.

To restate the main points of this article: Significant family-formation problems among the black population are of recent origin, for there is no evidence suggesting that family-formation patterns of blacks have historically been fundamentally different from those of whites. If anything, the evidence shows that blacks married at higher rates during most of the period studied. Serious family-formation problems among blacks began to emerge after World War II, when black urbanization surpassed that of whites. I have speculated that the unprecedented economic uncertainty experienced by both upper-class and lower-class blacks over the last few decades is at the core of the family-formation problems of both groups. And because both groups function in the same marriage market, I believe the shortage of marriageable men relative to women and the hedging of bets by both men and women will likely contribute to a spiraling of family-formation problems over the near future. It is unlikely that these problems can be easily reversed, and they are likely to get worse without significant changes in economic circumstances. ■

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<sup>1</sup>See Gary D. Sandefur and Marta Tienda, eds., *Divided Opportunities: Minorities, Poverty, and Social Policy* (New York: Plenum Press, 1988), p. 10.

<sup>2</sup>Although the official title of the document is *The Negro Family: The Case for National Action* (Washington, D.C.: Office of Policy Planning and Research, U.S. Department of Labor, 1965), it is known by the name of its principal author, Daniel Patrick Moynihan.

<sup>3</sup>Chicago: University of Chicago Press, 1939.

<sup>4</sup>Summarized in Andrew J. Cherlin, *Marriage, Divorce, Remarriage* (Cambridge, Mass.: Harvard University Press, 1981).

<sup>5</sup>For recent incarnations of this argument, see Nicholas Lemann, "The Origins of the Underclass," *Atlantic*, June 1986, pp. 31–35, and July 1986, pp. 54–68; and Leon Dash, *When Children Want Children* (New York: William Morrow, 1989).

<sup>6</sup>See *Marriage, Divorce, Remarriage*.

<sup>7</sup>See *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987).

<sup>8</sup>See Robert I. Lerman, "Employment Opportunities of Young Men and Family Formation," *American Economic Review*, 79 (May 1989), 62–66.

<sup>9</sup>See Dash, *When Children Want Children*.

<sup>10</sup>Ross and Sawhill, *Time of Transition: The Growth of Families Headed by Women* (Washington, D.C.: Urban Institute Press, 1975).

<sup>11</sup>Becker, "A Theory of Marriage," in T.W. Schultz, ed., *Economics of the Family: Marriage, Children, and Human Capital* (Chicago: University of Chicago Press, 1975).

<sup>12</sup>See Lerman, "Employment Opportunities."

<sup>13</sup>See Henry A. Walker, "Black-White Differences in Marriage and Family Patterns," in S. M. Dornbush and M. H. Strober, eds., *Feminism, Children, and the New Families* (New York: Guilford Press, 1988).

<sup>14</sup>See Sandefur and Tienda, eds., *Divided Opportunities*, p. 10.

# American Indian reservations: The first underclass areas?

by Gary D. Sandefur

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To date most of the discussion of the “underclass” has focused on the central cities of the major metropolitan areas in the Northeast and Midwest. There are a number of reasons for this emphasis. First, the largest concentrations of poor are to be found in urban ghettos. Second, it is in these areas that the problems associated with an underclass are most visible. The major news media—themselves located in these cities—see firsthand the poverty, deteriorating housing, and criminal activity. Their reports to the nonpoor urban majority about the problem areas in their midst bring home the plight of the underclass as both a threat and a responsibility. Third, most major research universities are located in or near the same areas, and it is to be expected therefore that these pockets of extreme poverty attract the interest of social scientists.

Yet the fact that the media and scholars have concentrated on the central cities does not mean that the problems of the underclass are unique to these areas. In fact, in a number of rural areas, high rates of poverty, large proportions of out-of-wedlock and teen births, high school dropout, and illegal activities are to be found. In 1980 a quarter of the population of American Indians lived on reservations. Most of these reservation Indians lived in what could, by one definition or another, be described as underclass communities.

One criterion used to define an underclass area is that over 40 percent of the households have incomes below the poverty line. By this criterion alone, 18 of the 36 Indian reservations which had populations of over 2,000 in 1980 were underclass areas. The largest American Indian reservation, the Navajo reservation, had a poverty rate of over 50 percent in 1980. In the Santo Domingo Pueblo, a fairly concentrated group of 2,140 Indians, approximately two-thirds of the households had incomes that placed them below the poverty line.

The prevalence of high poverty rates on reservations suggests that we should look more closely at the extent to which other features of reservation life reflect the problems that are associated with an underclass. If there are parallels between

the reservation and central-city settings, this would suggest that the sources of underclass problems lie not so much in the special features of the central city, but in other factors, such as economic isolation, which may occur in a number of locales.

## A brief history of the reservation system

How American Indians came to be concentrated on reservations is a complicated story that most Americans know only very little about from their courses in American history in high school and college.<sup>2</sup> The isolation and concentration of American Indians began very early, but it received its first legal justification in the Indian Removal Act of 1830. Subsequent to the passage of this legislation, most of the Indians who were located east of the Mississippi were relocated to areas west of the river. This relocation included groups such as the Seneca, who were forced to leave the state of New York and eventually ended up in a small area in what is now northeastern Oklahoma; the Sauk Indians, who were forced to leave the Midwest and now live in a small area in north-central Oklahoma; and the Cherokee, who were forced to leave the Southeast for eastern Oklahoma. Those Indians who did not move west of the Mississippi were compelled to give up large portions of land over which they had previously had control and were concentrated on increasingly small and geographically isolated areas. The Chippewa in Wisconsin, for example, gave up control of the northern third of the state and retained only a very small amount of land for their own use.

As the population of European origin in the United States began to surge west of the Mississippi in the late 1800s, there was increasing pressure on the recently removed groups such as the Cherokee to give up some of their new land, and on the groups indigenous to the West, such as the Sioux, to give up large amounts of land traditionally under their control. Some of this further expulsion was accomplished in a relatively peaceful manner through treaties, and some was accomplished through violent military confrontation. The lands reserved for Indian use were generally regarded as the least desirable by whites and were almost always located far from major population centers, trails, and transportation routes that later became part of the modern system of metropolitan areas, highways, and railroads. In sum, for most of the nineteenth century the policy of the U.S. government was to isolate and concentrate Indians in places with few natural resources, far from contact with the developing U.S. economy and society.

Toward the end of the nineteenth century, the federal government revised its principal approach to the "Indian problem" to one of forced assimilation rather than forced isolation. This change in policy was in part motivated by awareness that the quality of life on the isolated reservations was very, very low. The concerns about the reservations resembled in many respects the current analyses of problems in the central city. The Eastern media and intellectuals viewed the conditions on the reservations as unacceptable and in need of immediate and drastic action.

This assimilation was to be accomplished through allotment policy, and the first allotment legislation (the Dawes Act) was passed in 1887. The basic idea was to divide into smaller parcels (often 160 acres) the small areas of land that were at that time controlled by the various groups of Indians, and to allot one of these parcels to each Indian in the particular tribe. The goal of this policy was to enable Indians to become farmers or ranchers, the major occupations in the areas where Indians were located, and full members of American society. A side benefit was that "surplus" land was purchased from Indian groups at low prices and opened up for white settlement.

Allotment did not have the desired healthy consequences for American Indians. The conclusion of most observers was that the Indian groups who experienced allotment were no better off, and in some cases worse off, than before. The enthusiasm for allotment as a solution to the Indian problem gradually subsided, and many reservations remained intact.

The next major attack on the reservation system occurred in the early 1950s. Public opinion and political leaders were distressed by the miserable living conditions on Indian reservations, on the one hand, and the special legal relationship between American Indian groups and the federal government, on the other hand. In 1953, termination legislation was passed and signed into law. The intent of this legislation was to end the special relationship between Indian tribes and the federal government. Reservations would cease to exist as independent political entities. To accompany this program, the federal government also instituted an employment and relocation program which provided financial assistance and social services to Indians who wanted to leave reservations and isolated rural areas for urban areas with supposedly better employment prospects. Only a few tribes were terminated before this approach was abandoned, but a very limited relocation and employment assistance program is still in place.

Since the 1950s the proportion of the American Indian population living on reservations has declined from over 50 percent to approximately 25 percent in 1980. This decline has been due to the migration of American Indians away from these impoverished, isolated areas. In 1980, 336,384 American Indians lived on reservations. Although some of these

reservations are quite small, 250,379 Indians lived on 36 reservations with populations of 2,000 or more. Three-quarters of these Indians lived on the 18 reservations that had poverty rates of 40 percent or higher. In other words, approximately 14 percent of all American Indians in 1980 lived on large reservations with poverty rates of 40 percent or higher.<sup>3</sup>

### **Are some reservations underclass areas?**

Various definitions of the underclass have been reviewed and analyzed in detail by a number of observers. The definitions vary in the degree to which they can be quantified. Some analysts attempt to identify underclass individuals, whereas others identify underclass areas. Published census data describing the populations of Indian reservations do not allow one to characterize individuals as "street hustlers," or long-term welfare recipients, or persons who lack an attachment to the labor force over the long term. Consequently, for the purposes of this essay, I focus on those definitions that identify underclass areas. One, as previously mentioned, is a high concentration of poverty (over 40 percent). Although most reservations are considerably larger than the usual census tract in urban areas to which the 40 percent measure is applied, it is not stretching the definition too much to apply it to "large" reservations, i.e., those with populations of 2,000 or more.

Another major definition of underclass areas is that of Ricketts and Sawhill.<sup>4</sup> To be an underclass area by this definition, census tracts must be at least one standard deviation above the national average on the following characteristics: (1) the percentage of individuals aged 16–19 who were not enrolled in school and not high school graduates (national average=13 percent); (2) the percentage of males aged 16–64 who were without a full-time or part-time job for more than 26 weeks during 1979 (national average=14 percent); (3) the percentage of households receiving public assistance (national average=3 percent); and (4) the percentage of households with children that were headed by women (national average=17 percent).

The Ricketts and Sawhill definition does not use the poverty rate, and the choice of one standard deviation as the cut-off point is an arbitrary decision. The working definition of underclass areas in this essay uses the 40 percent poverty rate as the principal criterion, but I also present data on the four characteristics of underclass areas specified by Ricketts and Sawhill.

Published statistics on American Indian reservations allow use of the Ricketts and Sawhill definition for criteria (1) and (3); for criterion (2), I use the percentage of men aged 16 and over (including those 65 and over) without a full-time or part-time job for more than 26 weeks during 1979; and for criterion (4) I use the percentage of all Indian households headed by women.

Table 1 contains data on two sets of reservations that have poverty rates of 40 percent or higher. The reservations in Panel A also have female headship rates that are at least 30 percent. There are ten reservations in this category, located in four states: Arizona, Minnesota, North Dakota, and South Dakota. Most of these reservations have values on the Ricketts and Sawhill criteria far above the U.S. average. For example, the percentage of households receiving at least one form of public assistance ranged from 12 percent at Salt River to 33 percent on the Red Lake reservation.

The reservations in Panel B have household poverty rates of 40 percent or higher, but less than 30 percent of the households on these reservations are headed by women. Their underclass characteristics are apparent from the statistics presented in the table. In addition to these problems, many reservations are also afflicted by other forms of social disorganization. Accidents, some of which are related to alcohol abuse, are the first or second leading causes of death on most reservations. The prevalence of alcohol-related dis-

eases is much higher on Indian reservations than among other populations in the country. The rate of suicide is very high on many reservations.

### Reservation life: A mixed blessing

As I mentioned earlier, the problems on American Indian reservations have drawn the attention of concerned citizens many times in the past. Critics of conditions in the United States often point to American Indian reservations as examples of the hypocrisy of a system that purports to provide liberty and justice for all. Many Americans would prefer that reservations did not exist, and many American Indians leave the reservations to seek a higher quality of life elsewhere. Consequently, people are often surprised that everyone does not leave the reservation, and that most Indians strongly oppose any attempt to dismantle the reservation system. In focusing on the negative aspects of reservation life, these people ignore the positive features, of which there are many.

Table 1

#### American Indian Reservations with Populations of 2,000 or More That Are Underclass Areas

	American Indian Population	% of Households in Poverty	% Dropouts	% Working Little	% with Public Assistance	% of Households with Female Heads
<b>A. 40% poverty rates and female headship rates of 30% or higher</b>						
Fort Totten, N. Dak.	2,217	54%	26%	55%	26%	37%
Gila River, Ariz.	6,906	53	40	47	17a	33
Leech Lake, Minn.	2,734	43	33	57	29	30
Papago, Ariz.	6,772	58	24	50	19a	32
Pine Ridge, S. Dak.	11,868	56	30	52	23	32
Red Lake, Minn.	2,826	43	45	48	33	35
Rosebud, S. Dak.	5,643	49	33	45	23	34
Salt River, Ariz.	2,604	44	44	41	12a	34
Sisseton, N. Dak., S. Dak.	2,589	54	39	56	26a	36
Standing Rock, N. Dak., S. Dak.	4,587	51	29	53	24a	34
<b>B. 40% poverty rates but female headship rates of less than 30%</b>						
Fort Apache, Ariz.	6,870	50	29	41	10	24
Hopi, Ariz.	6,592	54	15	61	14a	22
Navajo, Ariz., N. Mex., Utah	104,517	53	24	56	15a	24
N. Cheyenne, Mont.	3,069	43	24	53	16	27
San Carlos, Ariz.	5,795	56	31	51	10	28
Santo Domingo Pueblo, N. Mex.	2,140	66	24	42	18b	26
Turtle Mountain, N. Dak.	4,011	44	36	59	24	29
Zuni Pueblo, N. Mex.	5,973	46	30	42	11b	27

**Source:** U.S. Bureau of the Census, *American Indians, Eskimos, and Aleuts on Identified Reservations and in the Historic Areas of Oklahoma* (Excluding Urbanized Areas), PC80-2-ID (Washington, D.C.: U.S. Government Printing Office, 1986).

**Notes:** The population figures do not include non-Indians living on the reservations. The numbers in the "percentage dropouts" column refers to the percentages of persons 16-19 who are not enrolled in school and are not high school graduates. "Percentage working little" refers to the fraction of men aged 16 and over who worked fewer than 27 weeks in 1979. "Percentage with public assistance" refers to the fraction receiving AFDC, unless followed by an a or b. An a indicates the figure is the fraction receiving general assistance; b refers to the fraction receiving SSI. For each of the reservations, the largest of these three fractions is recorded.

First, the reservation is a cultural base. Indians in the United States do not share a native language as do the different Hispanic groups. There are hundreds of different Indian languages and traditional cultures. And very few groups have settled in large enough numbers in particular urban areas to maintain their tribal language and culture off the reservation. For most Indians, then, the reservation is the only place where one can speak to others in one's own native language and share in a traditional way of life.

Second, life on the reservation is characterized by a strong sense of family and community. The kinship structures on many reservations are elaborate and complex. They add to daily existence a meaning and context that are missing when one leaves the reservation.

Third, social services and assistance programs on reservations are usually administered through the tribal government and special federal agencies such as the Bureau of Indian Affairs and the Indian Health Service. Indians who "grow up" in this political and social service setting find it quite difficult to understand and negotiate the political and social service systems off the reservation. Furthermore, those who leave the reservation often lose access to services that were free while they lived on the reservation but for which they are ineligible unless they return. The Indian Health Service, or tribally run health clinics, for example, provide free health care to Indians living on reservations. Once a reservation resident moves to an urban area, he or she usually has to arrange to obtain health care from providers that serve non-Indians as well.

In spite of these positive features of life on the reservation that to some extent counterbalance the "underclass" nature of life there, neither Indians nor non-Indians familiar with reservations are satisfied with reservation conditions. This dissatisfaction and desire to improve life for the reservation Indian population have led to two major types of efforts to assist reservation residents. One type of program, alluded to above, has provided the opportunity for individuals, especially young people, to leave the reservations to seek better opportunities elsewhere. In addition to employment assistance programs, special vocational and higher educational assistance programs have been established for American Indians. The second, and currently major, effort involves the development of the economies of American Indian reservations. Economic development has proved difficult because of the success of the policy which created American Indian reservations to begin with: the removal and isolation of the Indian population away from the major growth and development in American society.

The most successful economic efforts to date have taken advantage of natural resources. Some tribes have benefited from the discovery of oil and the harvesting of timber on reservation lands. Others have taken advantage of their location near tourist attractions such as ski areas. Most reservations, however, have no marketable natural resources to make use of.

Many tribes have attempted to develop their own businesses or attract private business to the reservation. Tribal businesses have sometimes failed because of a lack of business experience or because of the difficulties in marketing goods produced on the reservation. Efforts to attract private business are hampered by the isolation of most reservations and by the special legal status of American Indian tribal governments. These governments are akin in many respects to state governments. Many private businesses which try to locate on reservations find that they are not protected by state laws. This increases the risks that must be taken to do business on reservations.

The special legal status of American Indian governments has also provided the opportunity for tribes to engage in business activities that are illegal in other parts of the states where the tribes are located. Many tribes use bingo and other gambling activities as a source of revenue. Tribally owned and operated bingo halls have become increasingly common throughout Indian country.

Although economic development has met with only limited success, the federal and tribal governments have been more successful in improving other aspects of life on reservations. The Indian Health Service, for example, has dramatically improved access to medical care for the reservation population during the past thirty years. The quality of housing, the water, and the sanitation facilities on reservations have also improved. But economic development and, with it, job creation continue to be lacking.

## Policy suggestions

Valuable and important in and of themselves, Indian reservations should be accepted as permanent features of American life. The reservation system preserves traditional ways of life and languages that might otherwise disappear. Those who choose to live on reservations, even though from an economic point of view it would be more sensible to leave, enable this historic culture to persist.

Having made that choice, however, reservation residents should not be precluded from the opportunities available to other Americans. Individuals who are born and/or attain adulthood on reservations currently must (1) leave for other areas with better economic opportunities; (2) remain on the reservation, which often involves some level of dependence on public assistance; or (3) move back and forth between reservation and nonreservation areas. One way to increase the options available to reservation residents would be to invest more in the employment assistance program. Employment assistance involves more than simply providing financial assistance for moves from reservations to other areas. The program must also include—as it did in the past—extensive employment and social services, so that Indians from reservations can learn to adapt to life on the outside.



For those who wish to remain on the reservations, we need to increase the options for making a living. Although the lack of attachment to the labor force appears to be a feature of life on many reservations, it is not equivalent to not working. Many reservation residents raise livestock and plant and harvest produce—activities often not reported as labor force participation. Taking these activities into account, however, one would still conclude that the lack of job opportunities is a critical problem on reservations. The hope of many observers is that economic development will someday provide jobs for reservation residents who need them, but we cannot afford to wait on the promise of economic development. What is needed is a large-scale public jobs program. This program could be modeled after existing workfare programs in that individuals who receive public assistance would be expected to participate. To provide a sufficient number of jobs, new public service jobs would have to be created.

The most important lesson to be learned from the reservations may be that it is economic, social, and physical isolation from the majority society that produces what we have come to call underclass behavior. This isolation has produced extreme poverty, high unemployment, unstable families, low rates of high school graduation, and high rates of alcoholism and/or drug abuse and crime on reservations and in central cities. These effects occur even, as is the situation on the reservations, where other aspects of social organization, such as kinship and community systems, seem strong. So the key to improving life for members of the underclass may lie in reducing their physical, social, and economic isolation. ■

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<sup>1</sup>The author wishes to thank Becky Sandefur for her research assistance.

<sup>2</sup>There are a number of analyses of the history of American Indian–U.S. relations and federal policy toward American Indians. A recent book by Stephen Cornell, *The Return of the Native: American Indian Political Resurgence* (New York: Cambridge University Press, 1988), examines in a clear and interesting fashion the attempts of American Indian groups to protect and maintain their way of life after being confronted with the overwhelming forces of European migration and military might. Francis Paul Prucha, in *The Great White Father: The U.S. Government and American Indians* (Lincoln, Neb.: University of Nebraska Press, 1984), discusses the changes in federal policy toward American Indians over the entire course of American history.

<sup>3</sup>This and other information on the American Indian population in 1980 are based on computations with published data from the 1980 Census. These published data appear in the volumes titled *General Social and Economic Characteristics and Detailed Characteristics and American Indians, Eskimos, and Aleuts on Identified Reservations and in the Historic Areas of Oklahoma*.

<sup>4</sup>Erol R. Ricketts and Isabel Sawhill, "Defining and Measuring the Underclass," *Journal of Policy Analysis and Management*, 7 (Winter 1988), 316–325.

## Funding opportunities for poverty research

### Small Grants Program: Institute for Research on Poverty

The Institute for Research on Poverty at the University of Wisconsin–Madison and the U.S. Department of Health and Human Services will sponsor the ninth competition under the Small Grants program for research on poverty-related topics during the period July 1990 through June 1991. Two programs are offered: (1) several grants of up to \$12,500 each are available for work during the summer of 1990 and do not require residence in Madison; (2) a smaller number of grants of up to \$25,000 each are available for visitors in residence for a period of up to 4.5 months at either Madison or the Department of Health and Human Services during the 1990–91 academic year. Researchers must hold the Ph.D. If more information is desired, write for guidelines after October 1, 1989, addressing the request to Small Grants Program, Institute for Research on Poverty, 1180 Observatory Drive, Madison, WI 53706. Application deadline is mid-February 1990.

### Poverty, the Underclass, and Public Policy: University of Michigan

A research and training program on poverty, the underclass, and public policy is open to American minority scholars who will have completed their doctorates by August 15, 1990. The program is under the supervision of Sheldon H. Danziger, Professor of Social Work and Public Policy at the University of Michigan. It is funded by the Rockefeller Foundation.

Applications are being accepted for a one-year period, beginning as early as July 1, 1990, but no later than September 1, 1990, and lasting a calendar year. Application deadline is January 10, 1990.

Postdoctoral fellows will conduct their own research, participate in a research seminar led by Danziger and Mary Corcoran, Professor of Political Science and Public Policy, and may collaborate with other University of Michigan faculty members while in residence in Ann Arbor. The type of research that will be funded is described in the Social Science Research Council announcement of research on the urban underclass (see following page).

For further information, contact Program on Poverty, the Underclass, and Public Policy, School of Social Work, 2060F Frieze Building, 105 S. State Street, University of Michigan, Ann Arbor, MI 48109–1285.

*continued on p. 42*

## Fellowships and grants for research on the urban underclass: Social Science Research Council

Three fellowship and grant programs are being offered to encourage research on urban poverty in the United States and to recruit and nurture talented and well-trained students and scholars to continue to work on the problems associated with concentrated and persistent urban poverty: its dynamics, consequences, and what can be done to overcome it.

The fellowships and grants are sponsored by the Social Science Research Council through its Committee for Research on the Urban Underclass. Funds are provided by grants from the Rockefeller Foundation and the Foundation for Child Development. Students and scholars who are members of minority groups are especially encouraged to apply.

The three are designed to reach undergraduates, graduate students, and Ph.D.'s.

- *Undergraduate Research Assistantships* provide support for research conducted by undergraduate students in collaboration with faculty and/or advanced graduate students. Applications may be submitted by faculty members or universities or colleges for projects involving up to five undergraduates. For individual projects, the student must be a member of a minority group; for group research projects, at least half of the students must belong to minority groups.
- *Dissertation Fellowships* provide financial support for full-time research directed toward completion of the doctoral dissertation.
- *Postdoctoral Grants* will provide stipends and resources to cover research expenses for one year of research to applicants with a Ph.D. or comparable research experience.

Information and application materials may be obtained from Social Science Research Council, Research on the Urban Underclass, 605 Third Avenue, New York, NY 10158 (212-661-0280). Application deadline is January 10, 1990.

## Special research focus: The Fund for Research on Dispute Resolution

The Fund for Research on Dispute Resolution announces a special initiative within its competitive grants program to encourage research on disputing and dispute resolution focusing on the underclass, the poor, minorities, and dependent populations. The Fund welcomes submissions addressing important disputing and dispute-processing research issues in these areas and anticipates supporting research addressing these social problems in upcoming rounds of grants.

The Fund encourages studies on disputing and dispute processing in different racial, ethnic, and cultural groups, and, in particular, efforts to study the impact of disputing patterns and processes on these populations. The Fund seeks to begin exploration of these issues and to move beyond program-driven evaluation. It encourages researchers to engage in critical examination of disputing and dispute handling and will support studies that are both theoretically grounded and socially useful.

For a copy of its 1989 program announcement and submission guidelines, contact the Fund for Research on Dispute Resolution, 1901 L St., N.W., Suite 600, Washington, DC 20036 (202-785-4637). The next deadline for submission of concept papers is September 15, 1989. The Fund is an independent research grants program supported by the Ford Foundation and affiliated with the National Institute for Dispute Resolution.

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### A contextual definition of the underclass (continued from p. 31)

<sup>10</sup>Obviously, the larger socioeconomic and political system provides the structure in which the more immediate contextual variables of household, neighborhood, and network are shaped. I focus here on the more proximate levels of social context, which both mediate the larger structural forces and reflect the unequal impact of those forces across social groups. Direct attention to the effects of economic cycles, industrial organization, forms of government, etc. on labor force attachment is needed but is beyond the scope of this article.

<sup>11</sup>See Mark Granovetter, "The Strength of Weak Ties," in Samuel Leinhardt, ed., *Social Networks: An Emerging Paradigm* (New York: Academic Press, 1977). This work has been substantiated by Edwina Uehara, who did a study of an inner-city poverty group (Uehara, "Job Loss and Network Mobilization among Poor Urban Black Women," Ph.D. disserta-

tion, School of Social Service Administration, University of Chicago, 1987).

<sup>12</sup>Uehara, "Job Loss."

<sup>13</sup>See Harley Browning and Nestor Rodriguez, "The Migration of Mexican Indocumentados as a Settlement Process: Implications for Work," in George J. Borjas and Marta Tienda, eds., *Hispanics in the U.S. Economy* (New York: Academic Press, 1985).

<sup>14</sup>Ibid.

<sup>15</sup>See, for example, William Kornblum, "Lumping the Poor: What Is the 'Underclass?'" *Dissent* 31 (Summer 1984), 295-302.

<sup>16</sup>For example, breaking fixtures out of abandoned buildings, removing building materials from vacant lots and open demolition sites, selling government surplus food or other free goods not meant for resale.

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