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FOCUS

The monthly magazine of the Joint Center for Political Studies®

A Voice for the Rural Poor

Black Congressman Calls for National Focus on Poverty in the Lower Mississippi Valley

Falling Behind Despite Employment Gains

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They Made Little Advancement Compared to White Workers

The Charitable Appeals Fact Book

New Joint Center Publication Details the Giving Patterns of Black and White Americans and the Fundraising Techniques to Which They Are Most Responsive

POLITICAL TRENDLETTER®

Perspective

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Needed: Black Initiative and Government Activism

Two years ago, the Joint Center's Committee on Policy for Racial Justice published an essay on the need for new approaches to problems confronting the black community. The 29 distinguished experts on that committee argued that the government must meet its responsibility to help make available to all Americans jobs paying living wages. They agreed that the government must shore up the deteriorating infrastructures and services needed to keep the nation's towns and cities running. They also stated that the government must not be permitted to shirk its duty to improve public education, reform the welfare system, provide retraining for the unemployed, and construct affordable housing for those most in need.

In the same essay, these eminent scholars and policy analysts argued that the black community, drawing upon its long tradition of self help, must expand its efforts to tackle a new variety of unusually resistant social and economic problems.

The ideas expressed in that essay are relevant to today's problems, and the articles in this issue of *Focus* touch on several of them. Mississippi congressman Mike Espy describes the desperate living conditions of the rural poor in the lower Mississippi valley, many of them his own constituents. This seven-state region generally ranks at the bottom nationally in literacy, employment, and health care. Espy believes the federal government must adopt new approaches to deal with the plight of America's rural population, particularly in the areas of housing and economic development.

This issue also includes our annual employment update, in which economist Margaret Simms reviews employment and poverty data for 1988. Her report shows that while black employment rates rose last year, the standard of living for many black workers remains at or below the poverty line. Simms notes that the recently passed Family Security Act and the minimum wage bills now before Congress will have little effect on lifting low-wage workers and their families out of poverty. Here too, greater governmental efforts are required if poverty is to be successfully combatted.

Finally, a review of a forthcoming Joint Center publication, *The Charitable Appeals Fact Book,* contradicts the cynical portrayal of the black middle-class as self-interested and ungenerous. The *Fact Book* sheds new light on the black community's willingness to help itself and others. The Center's ground-breaking study of philanthropic behavior allows us to compare, for the first time, the charitable causes and the fundraising techniques to which black and white Americans are most likely to respond.

The articles in this issue of *Focus* reaffirm what the JCPS Committee on Policy for Racial Justice wrote two years ago: that even with increased black initiative, the desperation of poor and low-income Americans—rural and urban, employed and jobless—will not be relieved until the government finds new approaches and, yes, becomes more active in dealing with national social problems. ■

Eddie N. Williams

PRESIDENT

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A Voice for the Rural Poor

Black Congressman Calls for National Focus on Poverty in the Lower Mississippi Valley

by Rep. Mike Espy

Last year, Cormiller Andrews, a poor, black grandmother, spent her 87th birthday in a run-down shed on a rural back road of Flora, Mississippi, a small town in the central part of the state. The shed, which had been her home for 30 years, had no heat, no indoor plumbing, and no electricity. For five years before she came to live there, her only shelter had been two doorless refrigerators pulled together and covered with a piece of board. Somehow she survived.

Cormiller's life is not very different from that of the 40 to 50 people who reside in the rural community of Blue Hill, about 100 miles from Flora. While their homes provide better shelter than Cormiller's, most of the residents of Blue Hill have gone all their lives without clean drinking water. They catch rain water for drinking and many use a polluted creek nearby for washing clothes, bathing, and cooking.

The living conditions of the poor in Flora and Blue Hill are not uncommon in the state's mostly rural 2nd congressional district, which I represent. Indeed, these conditions are not uncommon for many poor people living in rural areas throughout the nation. While poverty is most often thought of as an urban problem, in fact it is growing at a faster rate in rural America than in the nation's inner cities (see "The Forgotten Poor: Blacks in Rural Areas," *Focus*, July 1988). Few places in the country are more depressed or less developed than the seven-state region of the lower Mississippi valley, which ranks at or near the bottom in practically every social and economic indicator. Three states in the region—Mississippi, Louisiana, and Arkansas—have among the five highest rates of poverty in America.

Concern for the poor in this region of the country prompted me to introduce the Lower Mississippi Delta Development Act, enacted by Congress last year as a part of the Rural Development and Agriculture Appropriations bill. The measure created a nine-member commission assigned to an 18-month study of conditions in the region, which includes Arkansas, southern Illinois, western Kentucky, Louisiana, Mississippi, southeastern Missouri, and western Tennessee. The commission consists of one member from each state appointed by the respective governor, as well as one member appointed by the president and one appointed by the Small Business Administration. The commission will present its findings and recommendations to the Congress, the President, and the governors of the concerned states roughly one year from now.

This study commission may prove to be vital in bringing national attention to an area whose influence has faded in recent years. As more of our young people leave family farms and small family businesses for educational and career opportunities in urban centers, the voice of rural America grows ever fainter on Capitol Hill, where the loss of population has resulted in a loss of congressional seats. And although more than 70 million citizens still live in America's rural communities, only a handful of congressmen, including myself, represent predominantly rural districts.

The new commission can be a persuasive voice in Washington for those living in the blighted delta region. By developing policies that could improve the region's economic and social conditions, it could also help President George Bush keep his promise of a kinder, gentler nation. The need is urgent, because the states in the region not only rank at the bottom in per capita income but rank at the top in illiteracy, infant mortality, youth unemployment, and the percentage of families receiving public assistance.

I recently submitted a report to the commission recommending an approach to regional development. The following is a summary of that report, focusing on what is needed in the areas of economic and business development and housing.

Economic and Business Development

Growth in small business can stimulate the region's overall economic growth. Across the country, small businesses, those with 500 employees or fewer, are shouldering much of the burden of job creation and innovation, creating more than 60 percent of the new jobs and generating nearly 40 percent of the gross national product. Moreover, they provide employment for 56 percent of nonmetropolitan workers.

(Continued on page 4)

Rep. Espy (D-Miss.) is on the Budget, Agriculture, and Select Hunger committees of the U.S. House of Representatives.

A Voice for the Rural Poor

(Continued from page 3)

Recommendations

- The federal government should establish a set-aside program for small, rural business owners which would target a certain percentage of all federal procurement for goods and services to the areas designated under the commission. This type of set-aside program would be an efficient way to use existing federal programs to stimulate economic growth without contributing significantly to the federal deficit.

Additionally, and perhaps most importantly, this type of target program would ensure economic diversity and provide an essential partnership between the federal government and the region's rural businesses. If the lower Mississippi valley's rural areas are to survive, they must become economically diversified and less dependent on agriculture.

- A rural development bank should be created to guarantee business loans to small and rural business owners and become a secondary market for the loan portfolios of local banks. Federally created finance banks are needed to deal in secondary markets to assist local banks to finance projects, start up businesses, and support infrastructure development.
- The U.S. Department of Agriculture (USDA) should be authorized to provide a credit support program to subsidize interest payments for either existing or new businesses with bank-loan interest rates of as low as eight percent. These loans must be made available to those rural business owners who could generate a high proportion of jobs for the local area.
- Rural enterprise zones should be created to attract new businesses and to provide tax breaks to industries that hire additional labor in rural communities.
- Existing rural-development loan funds should be expanded through the USDA, making loan capital and technical assistance available to small business owners through nonprofit agencies dedicated to rural development. Mississippi Action for Community Education, which is in my district, is one example of such a development agency.
- A complementary grant program to bolster a rural development loan fund administered through the USDA should be established. It could provide grants for business capital to rural business owners, as well as grants for public improvements such as water and sewer systems and road construction.

Housing

A housing crisis threatens the lower Mississippi valley. The housing stock in many smaller, poorer communities is not decent, sanitary, or safe—falling well below the minimum standards most Americans take for granted. Hundreds of thousands of lower-income rural families are living in physically inadequate and often overcrowded housing or are carrying an unaffordable burden in housing costs. Furthermore, construction of adequate housing is often hampered by the lack of a community infrastructure, which normally includes central water and sewer facilities. Federal agencies, such as the Farmers Home Administration (FmHA), have provided little in the way of housing financing.

Since home-ownership offers manifold benefits for development, the opportunity for home-ownership should be extended to more lower-income families in the region. In addition to improving basic housing standards, home-ownership provides an education in budget and household management, incentives to save, and an opportunity to gain equity. Furthermore, it nurtures pride of ownership.

But every year, housing costs are consuming more of the typical low-income rural family's budget, having increased by 64 percent from 1975 to 1983 (compared to 54 percent for poor urban families).

Recommendations

- A variation of the current Section 502 FmHA program should be adopted to defer the repayment of house loans for lower-income families unable to afford a Section 502 loan at one percent. Research has shown that the history of repayments in the current Section 502 program has been excellent, particularly among poverty-level households, and that the subsidies required declined steadily for most borrowers.
- A federal demonstration project should be established to determine the willingness of rural banks and other private-sector investors, such as insurance companies, to participate in the construction of low-income housing when federal subsidies, including grants and tax credits, are available. One approach would be to authorize $20 million for grants to nonprofit organizations which would use these funds to develop partnerships with the private sector for low-income rental housing. Under this approach, federal grants from FmHA could be made available to finance portions of rental housing developments.
- An outreach program should be launched to provide technical assistance and housing counseling in underserved areas where there are high concentrations of poverty and substandard housing. The purpose of this program would be to assist mayors and community leaders in small, isolated communities (of less than 2,500) not currently served by FmHA housing programs.
- A program should be established to target FmHA Section 502 and 515 resources, along with grant funds for housing construction in underserved communities.

The commission has already begun its work, and I hope the Congress and the President will make the commission's report the basis for rural development legislation. If the federal government can move forward in partnership with state and local governments and the region's business community, the poor of Flora and Blue Hill may have a chance to do better than just survive. ■

Editor's note: Through the efforts of Rep. Espy's office, Cormiller Andrews was recently relocated to a trailer home and has been allocated a Section 8 rent subsidy. A $150,000 grant/loan has been secured to extend water and sewer lines to the community of Blue Hill.

April 1989

JCPS

POLITICAL TRENDLETTER®

Inside This Issue

- **A JCPS National Policy Institute Steering Committee delegation of black Americans attends inaugural ceremonies for the Parliamentary Black Caucus in London and learns that racial problems in Britain are similar to those in the U.S.**
- **TL previews reapportionment coming after the 1990 census and looks at how it may affect legislative representation in selected states.**
- **TL lists more black federal officials appointed and nominated by President Bush.**

American Delegation Attends Inauguration of Parliamentary Black Caucus

Over 700 people attended the inaugural ceremonies for the Parliamentary Black Caucus in London including a national conference on issues and strategies. Actively involved in the convocation was a National Policy Institute (NPI) delegation from the U.S., headed by Rep. Ronald Dellums, which included the heads of the national organizations of black elected officials:

- New York State Supreme Court Justice **HOWARD BELL**, chair of the Judicial Council of the National Bar Association
- Prince George's County, Maryland, Council Member **HILDA PEMBERTON,** president of the National Association of Black County Officials
- Pennsylvania State Representative **DAVID P. RICHARDSON, JR.,** president of the National Black Caucus of State Legislators
- Muskegon Heights, Michigan, Councilwoman **RILLASTINE WILKINS,** president of the National Black Caucus of Local Elected Officials
- Atlantic City Mayor **JAMES USRY,** president of the National Conference of Black Mayors

President of the Joint Center for Political Studies EDDIE N. WILLIAMS, as well as RUSSELL OWENS, director of the Joint Center's National Policy Institute, also attended, as did Congressmen CHARLES RANGEL (D- N.Y.) and GEORGE CROCKETT (D-Mich.) and board members of the Congressional Black Caucus Foundation. The centerpiece of the conference, held during the last week of March, was a full day of seminars on education, religion, economic problems, international affairs, and political development. Much of the discussion concerned the parallels between the experiences of British and American blacks.

In many ways the Parliamentary Black Caucus, like the CBC, was born out of a recognition that the problems confronting blacks required a strong and unified black political voice to serve as the conscience of the nation. The Parliamentary Black Caucus consists of four members, including **LORD PITT OF HAMPSTEAD**, appointed to the House of Lords in 1975, and three members of parliament elected to the House of Commons in 1987: **DIANE ABBOT, KEITH VAZ,** and **BERNIE GRANT.**

Over the past 30 years, blacks and other nonwhites have migrated to Britain from former colonies seeking greater social and economic opportunity. According to recent estimates, there are four million nonwhite Britons living in the United Kingdom, seven percent of the country's 56 million people. And while these blacks, ethnic Indians, and Pakistanis have become a real presence in the British population, many of them remain on its social, political, and economic fringes.

Nonwhite communities in Britain are often plagued by the same social ills that confront America's inner cities and black communities, including disproportionately high unemployment and inferior state-run schools. Likewise, the number of single-parent households is growing, substance abuse and associated violence are on the rise, and the number of school dropouts is increasing. And, as in America, blacks in Britain are less likely to enter universities than whites.

One major difference between the two countries lies in the fact that, over time, American blacks have been able to create their own institutions as a way of dealing with the many barriers to economic, social, and political equality. These include historically black colleges and universities, political and civil rights groups, fraternal organizations, and businesses and research institutions. The long and arduous struggle for equality in America has also brought about constitutional and legal protections against discrimination and racism—including civil rights, equal opportunity, and affirmative action measures—which have no substantial counterpart in British law. Neither do black Britons have such strong independent advocacy and service institutions as are present in black American communities.

One outcome of the conference was a commitment by those in attendance to help resolve the problems of black Britain by holding similar meetings in the future, with the aim of developing new strategies for international cooperation. The members of the American delegation, for their part, promised to help forge links between the social, political, economic, and educational institutions of black America and those emerging among blacks in a rapidly changing Britain.

High Stakes in the Coming Battle Over Redistricting

Northeastern and Midwestern states are projected to lose 16 congressional seats through reapportionment after the completion of the 1990 Census. This forecast by Election Data Services, a Washington-based political consulting firm that specializes in redistricting, anticipates that the lost seats will be gained by Southern and Western states. According to the Southern Regional Council (SRC), an Atlanta based research organization focused on democracy and opportunity in the South, population changes will distribute political power away from urban and rural areas to suburbs, away from the Democrats to the Republicans, and away from some predominantly black districts to white-controlled districts. SRC also noted that the Congressional districts losing population have elected members of Congress whose voting records evidence a strong, consistent representation of urban America, the poor, civil rights, civil liberties, labor, women, the environment, and nuclear disarmament.

Reapportionment—Gains and Losses

States Projected to Gain Congressional Seats	
Arizona	1
California	6
Florida	3
Georgia	1
North Carolina	1
Texas	3
Virginia	1

States Projected to Lose Congressional Seats	
Illinois	2
Iowa	1
Kansas	1
Massachusetts	1
Michigan	2
Montana	1
New York	3
Ohio	2
Pennsylvania	2
West Virginia	1

Source: Election Data Services, April 1989

The black political base of several black members of Congress could be eroded by redistricting. Several districts currently represented by blacks have experienced population drains over the last decade, which could lead to their boundaries being radically redrawn or to the districts' being eliminated altogether. That is why many minority organizations are pressing for greater accuracy in the Census and are preparing strategies to counterbalance an expected undercount. They are especially worried about districts in New York, Illinois, and Michigan, which have two or more black congressmen and which are projected to lose two or three seats each in the coming reapportionment.

Nevertheless, the horizon is not entirely bleak. Georgia, North Carolina, Texas, Virginia, and other states with large black populations are expected to gain new seats, potentially offering blacks new opportunities for elected office at the state and federal levels.

Although shifts in population, identified by the Census, are a precondition for any realignment of state districts, it is the state legislatures that choose the methods by which the maps are redrawn. These methods vary from state to state, and can depend on which party holds a legislative majority or on the decisions of the governor.

"It all depends on who's at the table when the districts are being carved up," says KIMBALL BRACE, president of Election Data Services. Redrawing district maps is always a contentious process, but it is made even more so when the two legislative houses in a given state are controlled by different parties—as is the case in Michigan, New York, Ohio, and Pennsylvania. Each of those states is expected to lose at least two seats to reapportionment. Another political factor that can strain the process occurs when the governor belongs to a party opposing the one in control of either or both houses of the legislature. Since most of the states that must realign their districts will hold gubernatorial elections next year, the anticipated mix of players makes it likely that there will be a number of tense battles. In the midst of many of these battles will be black state legislators, many of whom are organized into legislative caucuses with redistricting agendas of their own.

Even the U.S Justice Department will become a player in some states. Section 5 of the Voting Rights Act mandates that redistricting plans be submitted to its Civil Rights Division for preclearance to ensure there is no discriminatory impact on the political rights of minorities. Among the 16 states covered by Section 5 are Texas and Virginia, while in other states Section 5 applies only to certain counties, as in California and North Carolina. (These four states are discussed in "Across the Nation.")

In the special "Across the Nation" segment that follows, TL looks at selected states with large black populations that are likely to pick up from one to six congressional seats as a result of redistricting. TL will feature states expected to lose congressional seats in a future issue of *Focus*.

More Bush Administration Appointments and Nominations

Appointed:

KENNETH E. BOLTON, Director, Minority Business Development Agency (MBDA) in the Department of Commerce. Bolton leaves the post of director of the Office of Policy at the U.S. Department of Transportation's Urban Mass Transportation Administration, which he headed since 1982. Previously, Bolton was the executive director of the Transportation Department's Minority Business Resource Center (from 1976 to 1980), and senior project manager of the New Community Development Corporation at the Department of Housing and Urban Development (1973 to 1976). He began his career as a systems analyst with Rockwell International.

CONDOLEEZZA RICE, Director for Soviet and East European Affairs, National Security Council. Dr. Rice is on leave of absence from Stanford University where she is an associate professor of political science at the Center for International Security and Arms Control. As the director of Soviet and East European affairs at the National Security Council in the White House, Rice will participate in the formulation of U.S. policy with respect to arms control and the Eastern bloc.

Nominated, Confirmation Pending:

JERRY MOORE, Ambassador to the Kingdom of Lesotho (in Southern Africa). Rev. Moore is pastor of the 19th Street Baptist Church in Washington, D.C., and chairs the board of the Washington Opportunity Industrialization Center. He was appointed to the Washington, D.C., city council by President Richard Nixon from 1970 to 1974 and won an elected seat on the council in 1974, serving until 1984.

STEPHANIE LEE-MILLER, Director of the Office of Commercial Space Transportation (OCST), Department of Transportation. As head of OCST, Lee- Miller will oversee the licensing of commercial space activities. She was a public affairs officer at the U.S. Department of Commerce from 1981 to 1983, and was appointed assistant secretary for public affairs at the Department of Health and Human Services from 1983 to 1987.

JERRY RALPH CURRY, Administrator of the National Highway Traffic Safety Administration. Curry is a retired major general whose last post was deputy commanding general of the army's V Corps headquartered in Frankfurt, West Germany. He also commanded the Army Test and Evaluation Command at the Aberdeen Proving Ground in Maryland and commanded the U.S. Army Military District of Washington, D.C.

Across the Nation

The states below are projected to gain congressional seats as a result of reapportionment after the 1990 census.

CALIFORNIA: This state expects to send as many as six new representatives to Congress after redistricting in 1992. The Democrats hold solid majorities in both houses of the state legislature, and if they are victorious in next year's elections, they will have the right to redraw the state's legislative district lines. That may not be the end of it, however. The winner of the gubernatorial race could turn out to be a Republican, causing a stalemate between the legislature and a governor who can veto legislation. The stalemate could throw the whole matter into the courts, as happened in 1974. That year, governor **RONALD REAGAN** vetoed the state legislature's plan—and when neither party was willing to compromise, the district lines were redrawn by the courts.

Next year, Republican U.S. senator PETE WILSON will be running to replace retiring governor GEORGE DEUKMEJIAN, also a Republican, with the aim of counterbalancing the Democrats' control over the legislature. His opponent in that contest could be state attorney general JOHN VAN DE KAMP, former San Francisco mayor DIANE FEINSTEIN, or state controller GRAY DAVIS. If Wilson is elected, he will undoubtedly butt heads with WILLIE BROWN, the powerful black speaker of the assembly who was instrumental in putting together the last redistricting plan after the 1980 census. Republicans so opposed that plan they unsuccessfully sued to have it overturned.

Even before the 1990 campaign begins, the Republicans may hedge their bets by placing on the ballot a reapportionment initiative that would take the redistricting process away from the legislature and give it to the courts. However the process shakes out, political insiders do not expect any losses in the four seats currently held by blacks. They forecast that with the creation of more seats, Asians and Hispanics, the state's two fastest growing minority groups, would stand a better chance of getting elected. It is feared, nevertheless, that a census undercount in the Los Angeles area could jeopardize the prospects for minority gains.

NORTH CAROLINA: North Carolina will probably gain an additional congressional district. The North Carolina Legislative Black Caucus, led by Democratic state representative HENRY "Mickey" MICHAUX, JR., will attempt to have the general assembly realign the 2nd Congressional District, which encompasses Durham County, to include more black voters, thereby improving the chances for a black candidate to win in a newly configured district.

The Black Caucus, which is entirely Democratic, could face formidable obstacles in this effort. For one thing, Caucus members may have to contend with a House Democratic leadership that is beholden to the GOP. Although both houses are firmly in Democratic hands, this past January a coalition of 20 dissident Democrats teamed up with 47 Republicans to elect **JOSEPHUS MAVRETIC,** a conservative Democrat, as house speaker. As a *quid pro quo,* Mavretic promised Republican house members greater involvement in the redistricting process. This conservative legislative leadership, combined with the threat of a veto by GOP governor **JIM MARTIN,** may constrict the Black Caucus's chances of success.

Nevertheless, the Caucus has something in its favor. Several of its members hold senior rank in the house, including majority whip **MILTON FITCH,** who ranks fourth among Democratic leaders.

TEXAS: The Lone Star State is expected to gain three more congressional seats. Local analysts expect one new district to be drawn in the Dallas-Fort Worth area with a majority or near-majority black constituency.

The big question is who the players will be when the new map is drawn. One man who will hold the answer to that question is **GIBSON "GIB" LEWIS,** speaker of the state House of Representatives, who has the power to appoint the majority of the members to the special House committee which will be formed to handle redistricting.

Lewis's counterpart in the state Senate is the lieutenant governor, who serves as the Senate president and has similar powers of appointment as the speaker. But incumbent Democratic lieutenant governor **BILL HOBBY,** in office since 1972, has decided not to run for reelection next year, leaving that post open.

Republican governor **BILL CLEMENTS** has also chosen not to seek another term. Whoever succeeds him will be another powerful force in the redistricting process. Two Democrats are already running hard for the governor's mansion—state treasurer **ANN RICHARDS,** the colorful keynote speaker at last year's Democratic National Convention, and state attorney general **JIM MATTOX.** Their primary race is already heating up. Richards has raised one million dollars for her campaign, while Mattox has collected four times that amount. Secretary of state **JACK RAINS** is expected to be a Republican contender.

The bottom line for state representative LARRY EVANS, chair of the Texas Legislative Black Caucus, speaking on behalf of his 14 colleagues in the House and Senate, is that "no plan will be tolerated that diminishes the present number of black legislators."

VIRGINIA: As in other states, three major segments of government will play a role in adding a new congressional seat in Virginia: the state Senate, the House of Delegates, and the governor. Since Democrats dominate both houses of the legislature the race for the governor's mansion will be crucial. "The governor's election will determine how the arithmetic of the redistricting process will be applied, since his veto would only need a third, plus one vote, from either house to be sustained," says black state senator BOBBY SCOTT from Newport News.

That's why Virginians are anxious to see if Democratic lieutenant governor **DOUGLAS WILDER** will succeed in his bid to become the nation's first black elected governor this November. **Local analysts contend there is no concentration of blacks anywhere in the state large enough to form a majority black district. If, however, a district is to be configured in which a black candidate would have a chance of winning, Wilder's active involvement will certainly be the key.**

Virginia is among the 16 states required under Section 5 of the Voting Rights Act to submit its redistricting plan to the Justice Department for preclearance.

Falling Behind Despite Employment Gains

While Blacks Gained Jobs in 1988, They Made Little Advancement Compared to White Workers

by Dr. Margaret C. Simms

Recent reports from the Department of Labor bear good news, at least on the surface: in 1988 black unemployment reached its lowest level since 1974, with black workers gaining jobs at a faster rate than whites. Nevertheless, as in past years, there is a flip-side to these reports. Blacks lagged far behind whites in employment, remaining two-and-a-half times as likely to be unemployed.

Furthermore, the increase in jobs did not bring improvements in the standard of living for many black workers and their families. For even when black Americans worked full-time, a significant proportion were unable to earn enough to keep their families out of poverty. Thus, while some gains were made in 1988, the economic status of black workers and their families remained precarious. And neither newly passed federal legislation, such as the Family Security Act of 1988, nor legislative proposals to raise the minimum wage are likely to make a significant reduction in poverty among lower-income workers.

Falling Behind Despite Gains

During 1988, the nation's sixth year of uninterrupted economic expansion, approximately 2.5 million jobs were added to the U.S. economy. Almost 14 percent of these new jobs (349,000) were filled by black workers. (Hispanics filled an even higher percentage of these jobs—18 percent—although they make up a smaller share of the labor market). The combination of new and preexisting jobs held by blacks resulted in a higher proportion employed in 1988 than in any year since the Bureau of Labor Statistics began tabulating such data separately for blacks in 1972. In spite of this, employment for much of the black community still falls far behind white employment.

The unemployment rate for the nation as a whole fell from 6.2 percent in 1987 to 5.5 percent in 1988. The rate fell further for blacks than for whites—though from a much higher starting point—dropping from 12.7 to 11.7 percent while the white rate dropped from 5.4 to 4.7 percent. (See table 1.)

The unemployment rate is but one measure of labor market position. Since unemployment rates are affected by withdrawal from the labor market, a more useful measure is the percentage of the population that holds jobs. Using this measure, differences are more easily observed. While employment among black women in the prime working years (between the ages of 25 and 54) is similar to that for white women (67.0 percent compared to 69.9 percent), black adult men, by contrast, are significantly less likely to be holding jobs than their white counterparts. Nearly 91 percent of white men in this age group are employed, while the corresponding black rate is 80 percent. Racial disparities in employment among both male and female workers were even more severe for teenagers (between the ages of 16 and 19) and young adults (ages 20 to 24). Black teenagers, in fact, made few labor market gains during 1988 (see "Black Youth Face an Uncertain Jobs Future," *Focus,* April 1988).

Job Quality and Wages

Being employed is not the only factor affecting the well-being of the worker and his or her family. Earnings, benefits, and opportunities for career advancement are also important. Here again, blacks are not as well situated as whites. In 1988, nearly 50 percent of employed blacks were grouped in the occupations of service worker, operator (such as machine operator and truck driver), fabricator (such as welder or assembler), or laborer. These

(Continued on page 6)

Table 1. Unemployment Rates of the U.S. Population by Race, Gender, and Age, 1988

	White			Black		
	Men	Women	All	Men	Women	All
Total Population (age 16 and over)	4.7%	4.7%	4.7%	11.7%	11.7%	11.7%
Ages 16 to 19	13.9	12.3	13.1	32.7	32.0	32.4
Ages 20 to 24	7.4	6.7	7.1	19.4	19.8	19.6
Ages 25 to 54	3.8	3.9	3.9	8.9	9.4	9.2

Source: U.S. Department of Labor, Bureau of Labor Statistics, "Employment and Earnings," January 1989.

Dr. Simms is an economist and is a deputy director of research at the Joint Center for Political Studies.

Black Employment

(Continued from page 5)

occupations tend to pay lower wages and offer less job stability than most others. The next largest segment of black workers is found in the administrative support occupations (such as clerk typist), where wages are also modest. Less than 20 percent of black workers were employed in managerial, professional, and technical occupations, where not only are salaries higher but opportunities for additional training and upward mobility are greater.

Few black workers earned enough in 1988 to raise their families above the poverty line. This was especially true for families with only one adult wage earner. For female-headed families that earned income, the median weekly earnings (including wages from all members) were only $291 a week. Even among those that enjoyed full-year employment, half brought in incomes that fell within 125 percent of the poverty line. Black married couples hardly fared better when they had only one wage earner in the household. Median family earnings for this group were only $281 a week, 65 percent of the corresponding earnings for similar white families. On average, black families moved into the middle-income category only when they had two or more people bringing home an earned income.

(Continued on page 8)

Low-Wage Earners and Poverty

It is sometimes argued that working at a low-wage job does not necessarily mean a low living standard, since many low-wage workers are in families where others also work. Though this is true in principle, it is far more likely to be the case in white families headed by men than in families of other types. Among black families, both income and the likelihood of employment are lower. And among all families with employment income, black families have lower earnings than white families. Data from the Bureau of Labor Statistics show that in 1988, one-earner families were more likely than others to be dependent on poverty or near-poverty weekly earnings.

Many black workers earn poverty-level wages even in the high-wage industries, according to a study by the Institute for Women's Policy Research (IWPR), a Washington-D.C. based organization devoted to research on issues of special concern to women. In an ongoing study with the Displaced Homemakers Network conducted for the U.S. Department of Labor (DOL) and using data from the Census Bureau's 1984 "Survey of Income and Program Participation" (the most recently available), the Institute identified how close workers' earnings came to the poverty level ($10,600 in 1984) for a family of four even when they worked full-time, year-round. The researchers divided employment into four wage categories: ***poverty wage*** ($5.30/hour, which equaled the poverty income in 1984 if the worker was employed full-time, full-year); ***above-poverty low-wage*** ($5.31-7.95/hour, which would put the worker between 100 and 150 percent of poverty); ***low-moderate wage*** ($7.96-10.59/hour, which was 150-200 percent of poverty); and ***moderate-and-above wage*** ($10.60/hour and above).

The extent to which black workers, both men and women, are crowded into low-wage jobs is striking. Sixty-five percent of black men were employed in the two lowest wage categories in 1984, while over 80 percent of working black women held jobs in these categories, placing them all at or just above poverty wages. Even in manufacturing, which is commonly thought of as a high-wage industry, similar percentages hold true. And in some industries—those with generally low wage structures—the vast majority of black workers held jobs earning poverty or near-poverty wages.

These wage levels suggest an especially serious threat to the welfare of children. For all workers, regardless of race, those earning poverty-level wages are the most likely to live in households with children. The study shows that black children were especially likely to be in such families. The majority of black heads of household earned wages at or just above the poverty level in 1984. Seventy-six percent of black married men with nonworking wives earned $7.95 or less an hour, while 86 percent of single black men with children had similar earnings. Among black women the proportions were even higher: more than 66 percent of those with children and no other earner in the household had wages of $5.30 or less, while another 20 percent earned near-poverty wages.

Table 2. Employment by Wage Level for Black Workers in Households With Children Present, 1984 (numbers in thousands)

	Number in Labor Force	Below Poverty Low Wage		Above Poverty Low Wage		Low Moderate Wage		Moderate & Above Wage	
		No.	%	No.	%	No.	%	No.	%
BLACK MALES									
Married With Children									
Dual Earners	1,179	303	(25.7)	348	(29.5)	221	(18.7)	307	(26.0)
One Earner	822	409	(49.8)	217	(26.4)	107	(13.0)	89	(10.8)
Single With Children	498	315	(63.3)	111	(22.3)	28	(5.6)	45	(9.0)
Total With Children	2,499	1,026	(41.1)	676	(27.1)	356	(14.2)	441	(17.6)
BLACK FEMALES									
Married With Children									
Dual Earners	1,144	528	(46.2)	362	(31.6)	138	(12.1)	116	(10.1)
One Earner	489	375	(76.7)	87	(17.8)	19	(3.9)	8	(1.6)
Single With Children	1,653	1,064	(64.4)	395	(23.9)	111	(6.7)	83	(5.0)
Total With Children	3,286	1,967	(59.9)	844	(25.7)	268	(8.2)	206	(6.3)

Source: Institute for Women's Policy Research, based on tabulations from the Census Bureau's 1984 Survey of Income and Program Participation.

The Charitable Appeals Fact Book

New Joint Center Publication Details the Giving Patterns of Black and White Americans and the Fundraising Techniques to Which They Are Most Responsive

Black Americans are far more likely than whites to decide where to donate their money based on the advice and direction of their clergy, according to a study of philanthropic behavior recently completed at the Joint Center. "Our findings confirm what many suspected but could not demonstrate, namely that the church pulpit remains the prime resource broker in the black community," says Dr. Emmett Carson, the author of the study and a research associate at the Center. "What is remarkable is that even when you look beyond religious giving, blacks continue to place tremendous weight on the authority of their ministers and church officials."

These study results are amply illustrated in a forthcoming Joint Center publication, *The Charitable Appeals Fact Book*, which for the first time makes possible reliable, direct comparisons between the giving behavior and attitudes of whites and blacks. Based on extensive, face-to-face surveys conducted by the Gallup organization, the findings offered in the *Fact Book* allow fundraisers and scholars to examine how blacks prefer to be approached in fundraising appeals, which types of charitable causes they are most likely to support, and related facts, all broken down according to social, economic, and demographic indicators.

The data show, for example, that high-school educated blacks who donate to political causes are three times as likely to do so in response to appeals from their clergy (32 percent of blacks citing this preference) as they are in response to the advice of acquaintances (10 percent). Political donations are apparently viewed differently by whites of similar background, who are as likely to heed appeals from acquaintances (21 percent) as those from the clergy (19 percent).

The *Fact Book* also reveals differences between the types of causes blacks and whites prefer to support. A notable example is health organizations, which white givers are nearly twice as likely to support directly (42 percent) as blacks (26 percent). "These figures tell us a lot about the priorities people place on issues," Carson notes. Although the survey questions were very broad and therefore do not show how people respond to individual organizations, they do show which areas blacks tend to give money to. It is also worth noting that black churches, especially in cities, tend to reallocate church donations to a variety of community activities. "This may mean," says Carson, "that black charitable dollars wind up serving as diverse an array of purposes, including health causes, as white donations serve, even though the initial recipient among blacks is much more likely to be a church."

Although the study shows strong differences in the method of appeal most often responded to and in the causes preferred, it shows a surprising consistency in the percentage of people who give at all, regardless of race. It also shows that most appeal strategies are equally unsuccessful among both blacks and whites. Magazine and newspaper ads, for example, were cited by one percent of both groups as a method they would respond to, a minute response when set alongside appeals from clergy and acquaintances.

The following sampling of findings from the *Fact Book* is representative of the volume's breadth and precision:

- Religion dominates in the charitable sphere: with equal frequency blacks (60 percent) and whites (58 percent) give to their own churches or other religious organizations.
- Whites are far more likely than blacks to donate to political organizations (20 percent vs. 9 percent).
- For both racial groups, the preferred types of appeal fell out in roughly the same order.

Responsiveness to Different Kinds of Charitable Appeals, for All Types of Organizations, by Race, 1985

Type of Appeal	Percentage Responding	
	Blacks	*Whites*
Clergy	36.9	21.9
Someone you know	14.2	23.4
Asked at work	11.2	10.1
Asked at home	9.4	11.2
Radio/telethon	4.2	4.3
Telephone call	3.7	3.5
TV commercial	3.7	2.1
Letter	3.2	9.0
Magazine/news ad	1.0	1.2

- Among the two most highly preferred appeals, however, blacks placed those by clergy (37 percent) far above those made by "someone you know" (14 percent), whereas whites rated both methods about equally (23 percent and 22 percent, respectively).
- Direct-mail letters were rated likely to draw a response far less often by blacks (3 percent) than by whites (9 percent).
- Southern blacks are nearly twice as likely (46 percent) as those in the West (25 percent) to respond to church appeals when they are made by the clergy. ■

This review was prepared by Marc DeFrancis, senior editor at the Joint Center.

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Black Employment
(Continued from page 6)

Policy Implications

Recently adopted and proposed legislative initiatives aimed at lifting poor families out of poverty will only be of limited value. Bills H.R.2 and S.4, passed separately by both houses of Congress to increase the minimum wage, would still leave families supported by one minimum-wage worker in poverty. Their proposal of $4.55 an hour would result in wages that would still fall 20 percent below the 1988 poverty level for a family of four. (See box entitled "How the Poverty Level Is Determined.") Naturally, any rise in the minimum wage would be beneficial, allowing poor families to narrow the gap between their income and the poverty level. But the proposed increase would not move families out of poverty altogether.

Furthermore, black families on welfare, particularly those headed by women, will be unlikely to work their way out of poverty through the provisions of the Family Security Act passed by Congress last year. This act is designed to remove long-term welfare dependents from the welfare rolls through employment and training programs (see "Welfare: Dependency vs. Reform," *Focus*, July 1988). However, if the jobs that women completing these programs are able to obtain prove to be anything like the jobs that black working women currently occupy, their families will remain mired in poverty for years to come. ■

How the Poverty Level Is Determined

Families and related individuals are classified as being above or below the poverty level using the poverty index, which originated at the Social Security Administration in 1964 and was revised by the Federal Interagency Committee in 1969 and 1980. The poverty index is based solely on money income (earned or otherwise) and therefore does not reflect the receipt of noncash benefits like food stamps. It reflects the different food purchasing requirements of families, based on their size and composition, derived from federal studies of food consumption in 1955 and 1961. Those early studies showed that American families spent about a third of their income on food. (The poverty level for families was therefore set at three times the minimal cost of an adequate food budget.) The index is adjusted annually for changes in the cost of living.

Some analysts have suggested, however, that this method of calculating the threshold is no longer appropriate because of the heavy reliance on an emergency food budget that was not meant to be used indefinitely. The poverty thresholds for recent years are shown below. [Note: An individual working full-time at the current minimum wage would earn approximately $7,000 a year.]

	Family of Three Persons	Family of Four Persons
1986	$8,737	$11,203
1987	9,056	11,611
1988	9,431	12,091

Source: U.S. Bureau of the Census.

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