

The obligation to work and the availability of jobs: A dialogue between Lawrence M. Mead and William Julius Wilson

The comment of Lawrence M. Mead on William Julius Wilson's paper, "Social Policy and Minority Groups: What Might Have Been and What Might We See in the Future?" is presented in full below. A response from Professor Wilson is then presented. Postscripts by each author follow.

Dr. Mead is an associate professor of politics at New York University. He is a Visiting Distinguished Professor of Public Policy at the La Follette Institute of Public Affairs, University of Wisconsin-Madison, spring semester, 1987. His book *Beyond Entitlement: The Social Obligations of Citizenship* (New York: The Free Press, 1986) elaborates his position.

Dr. Wilson is Lucy Flower Distinguished Service Professor of Sociology and Public Policy at the University of Chicago. His study *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* will be published by the University of Chicago Press this year.

Professor Mead:

It is perhaps no accident that Professor Wilson and I find ourselves in disagreement. He is a sociologist; I am a political scientist. Compared to economics, these disciplines have had less to say about poverty until recently. Out of ignorance, or naïveté, we may be surer of our theories and readier to defend them than the practitioners of the dismal science. Perhaps in another twenty years, we will be just as doubtful about the answers to poverty as I sense economists are today.

I strongly support the main theme of Wilson's paper, that past approaches to poverty have been too narrow, too focused on racial discrimination or the limitations of the poor, too loathe to consider broader questions of social organization. But Wilson says the main barriers facing the inner-city poor today are their social isolation from the better-off and the decline of low-skilled jobs available to them. I say the main impediment is the permissive nature of welfare and employment programs, which have seldom seriously expected the employable to work as a condition of benefits.

Wilson says he finds my position more persuasive than Charles Murray's,¹ according to which welfare *per se* is demoralizing and ought to be abolished. But he questions my assumption that jobs are available to the poor. Accordingly, he supports an employment strategy but opposes efforts, such as workfare, to enforce work in the existing economy. He believes government must first provide greater opportunity by radically restructuring the urban labor market, for instance by creating jobs.

The main empirical basis of his argument is a recent paper on economic trends and migration in the United States by John D. Kasarda.² The study, based largely on data from the census and Current Population Surveys (CPS), shows that low-skilled manufacturing jobs have shifted sharply away from the Northeast and Midwest since 1970, either to the South or overseas. And while white residents have left the Northeast and Midwest in droves, black and Hispanic populations there are growing. These regions have recently seen a growth in service and information-based industries, but the new jobs usually require more education than minorities have. There is apparently a "mismatch" between the jobs offered by the labor market and the skills possessed by urban job seekers. This, the author concludes, largely explains the catastrophic levels of unemployment now found in the inner city.

The Kasarda study is important. The trends it cites are undeniable. They clearly have reduced the number of better-paying jobs available to the low-skilled. This surely is one reason for growing joblessness in the ghetto. But the reason is that available jobs have become *less attractive*. It is seldom true, as Kasarda and Wilson suggest, that jobs are entirely lacking. Each passes over a lot of other evidence that much of today's joblessness is voluntary in the sense that job seekers, both rich and poor, often pass up jobs that fall below middle-class norms.³ Many would rather live off benefit programs or the earnings of other family members than accept work that is "dirty" or low-paid. The presence of measured unemployment does not contradict this. For the jobless rate measures not the share of job seekers that cannot find jobs, but the share who have not found *and accepted* jobs.

Kasarda's main evidence for a mismatch in the northern cities is that the industries now growing there require higher education on average than the manufacturing industries they replace. However, his data seem to measure the *actual* education of jobholders in these industries. He has no information, strictly speaking, on education *requirements*. Furthermore, his figures for the industries are averages, concealing the

many low-skilled jobs that are known to exist even in “high-tech” industries.⁴

And to show the shifting job mix (Table 10, which Wilson cites [Table 1 in Wilson’s paper]), Kasarda compares industries averaging less than high school education with those averaging at least one year of college. He omits industries with mean educations in between, around the high school level. But a comparison of Tables 9 and 10 shows that these industries comprised an average of 28 percent of all jobs in 1984 in the nine cities covered. Table 10 as it stands shows that jobs requiring higher education now outnumber those requiring less than high school in five of the nine cities. But if the excluded jobs are added to the low-skilled group, positions averaging high school education or less still outnumber the higher-skilled jobs in every city but Boston.

A different study of New York, the largest city, concluded that the share of jobs that were low-skilled there declined hardly at all, from 58 to 57 percent, between 1972 and 1981. Admittedly, the nature of low-skilled work has changed. The requirement is more often for literacy, less often for manual dexterity, than in the manufacturing jobs of the past.⁵ But unless we regard literacy as an advanced skill, we cannot say the urban labor market is very much more demanding today than it ever was.

The employment problem minorities face in cities seems due not so much to the labor market as to the usual difficulty they have getting through school compared to earlier urban ethnic groups. Kasarda documents that blacks typically have less education than whites, especially in the Northeast and Midwest. In one sense, his figures overstate the difference because they do not control for the fact that blacks on average are younger, so proportionally fewer of them have completed their schooling. But in another sense he understates the gap, since unemployment is startlingly high in center cities even for black high school graduates, something he finds “troublesome and difficult to interpret” (p. 29). The probable explanation is that standards have collapsed in many urban schools. Many of those who graduate from inner-city high schools today are functionally illiterate.

Another problem is that Kasarda describes migration from the northern cities but does not allow for it sufficiently in appraising the “mismatch.” Presumably, the exit of large numbers of people from these areas partly compensates for the decline in some kinds of jobs. Kasarda is unsure why, at the same time, minorities continue to migrate to these cities, though at a reduced rate. We know they do not come primarily to go on welfare, though many end up there. Presumably, they come for jobs that escape Kasarda’s analysis; some of them, he suggests, in the underground economy.

It is worth noting that some of the Hispanics detected in the census figures are illegal aliens, who must be working since few of them can get welfare. Their overwhelming concentration in urban areas is proof that jobs of some kind must exist

there. In addition, the job market is tightening at all skill levels because of the aging of the baby-boom generation.

Kasarda’s case, moreover, is confined to the center city. He admits that low-skilled jobs are growing in adjacent areas. As the youth labor market tightens, merchants in the suburbs are already having trouble hiring help. There, even unskilled youths working at McDonald’s now command well above the minimum wage in many areas. Even assuming jobs are lacking in the cities, minorities could apparently find many positions outside, if they could commute or move there. Urban unemployment may really be a problem of transportation and housing, of providing better access to existing jobs. To do that would not be easy, but neither does it require the massive economic restructuring Wilson calls for.

However, suburbanization does not in fact explain most joblessness among the inner-city poor, according to studies of Chicago and Los Angeles. Blacks in these cities do commute longer distances to their jobs than whites, but this explains very little of their higher unemployment. Race and educational differences between blacks and other groups are much more important. Even when blacks live right next to whites and Hispanics, so commuting differences are minimized, they manifest higher joblessness and a much lower proportion of adults at work.⁶

Most fundamentally, the Kasarda study is entirely based on aggregate trends. One cannot assume that they explain unemployment at the individual level without showing the linkages. Studies based on individual-level data suggest even more strongly that unemployment is often voluntary. Analyses of the CPS show that most joblessness is due to turnover, not lack of jobs, especially for the groups with the highest unemployment, including blacks. Within these groups, the long-term unemployed account for most measured joblessness; many more people move frequently in and out of the labor force because they work or look for work sporadically.⁷

Studies based on the Panel Study of Income Dynamics (PSID) question the notion that minorities or the low-skilled are walled off from employment. Demographic characteristics rarely keep people from working, though they affect how good a job they can get. Most poverty is short-term, and earnings are the main way poor families escape poverty, even those with female heads.⁸ Welfare mothers who are older, black, or unwed are just as likely to work their way off welfare as those who are younger, white, or married.⁹ While blacks do earn lower incomes than whites, their economic mobility over time is comparable. And though black youth have very high unemployment, black male family heads are under, not over, represented among the long-term unemployed.¹⁰

When asked, poor and black people usually say they can find jobs; they complain, rather, about the quality of the jobs. For instance, according to the poverty statistics, only 40 percent of poor people working less than full-time give inability to find work as the main reason, and only 11 percent of those not working at all do so. These figures rise to 45 and 16 percent,

respectively, for the black poor, and 59 and 23 percent for poor black men,¹¹ the group on whom Wilson focuses. These respondents may also be exaggerating the role of lack of jobs, since inability to find work is one of the more acceptable reasons for being jobless. According to a separate study of inner-city black youth, a group with 40 percent measured unemployment, 71 percent said it was fairly easy to find work at the minimum wage. The main reason they were jobless was not that jobs were lacking but that they resisted taking positions that paid them less than white youth usually received.¹²

The experience of work programs, finally, does not suggest that the labor market is a serious barrier to the poor finding work. In the Work Incentive (WIN) program, which is supposed to put adult recipients of Aid to Families with Dependent Children (AFDC) to work, the major determinant of whether clients enter jobs, at least at current work levels, is simply whether the program expects them to; the labor market and the skills of the clients are secondary.¹³ In recent AFDC workfare programs, lack of jobs has been a constraint only in rural areas, not in the urban areas stressed by Wilson.¹⁴ A general job shortage might emerge only if work levels among the poor and dependent rose well above current levels.

I think the important limitation of today's labor market is the *quality*, not the *quantity*, of jobs. The economy is creating a great many jobs in the service sector that low-skilled people can do, but they typically pay less than the skilled and manufacturing positions that are declining or growing more slowly. That is what Kasarda's trends really show, as does other research.¹⁵ Job quality is also the limitation of workfare. Enforcement programs can require more welfare recipients to work, but cannot ensure them "good" jobs. If they work steadily, they will probably escape poverty and dependency, but will seldom achieve mainstream incomes.

Professor Wilson framed the problem this way himself in an earlier publication. The difficulty, he wrote, is "not one of a declining number of available jobs but a decrease in the opportunity to obtain stable higher-paying jobs"; and, "blacks do not experience employment barriers in low-paid, menial, and casual jobs but rather in the more desirable, higher-paying jobs."¹⁶ In the current paper as well, he suggests that blacks show poor work discipline in part because the jobs they can get are degrading. Ghetto residents want to work but can seldom find jobs that satisfy mainstream expectations. So they often in practice reject legal work in favor of dependency or the underground economy.

This is the correct characterization. It is quite different from saying there are no jobs. Job quality, not quantity, is the real issue in work enforcement. Many of those, including Wilson, who oppose workfare on grounds that jobs are *unavailable* really seem to mean that they are *unacceptable*. The second assertion is much more plausible than the first. But it is a statement about social standards, not economic facts. It contests whether available jobs are good enough to be mandatory, not whether they exist.

Liberals should stop taking the presence of measured unemployment as proof that jobs are lacking. They should accept that jobs usually do exist, and instead discuss *on what terms* they should be obligatory. Perhaps the quality of available jobs must be raised, for example, through raising the minimum wage or providing universal health insurance, before we can mandate them. Job enrichment measures may have to join with enforcement in a new "social contract" before the inner-city work problem can be solved. However, any new benefits must go to all workers. To create more attractive jobs just for marginal workers would be inequitable and would not lead to integration, as the CETA experience proved.¹⁷

The point of workfare is to embody both the obligations and the rights that surround employment. Workfare should not be viewed, as it is by Wilson, as a one-sided, individualist policy that levies all the obligation to work on the dependent. At the very least, enforcement programs must provide child care and other support services to welfare recipients who are training or looking for work. Programs that require work must also guarantee it, if necessary through government jobs. In areas where jobs proved insufficient, that could require just the "restructuring" Wilson wants.

Yet what is most structural about workfare is precisely the work obligation. Wilson's argument that the ghetto is *socially* isolated is truer than to say it is barred from employment. For various reasons, many ghetto adults have fallen out of the pattern of steady work in regular jobs that they shared with the larger society before 1960. They cannot be integrated until that pattern is restored. Experience has shown that merely to offer them new benefits, including jobs, does not achieve this. If work is only a benefit, too few of the seriously poor and dependent accept that it is also an obligation. Hence, they never come to terms with the demands made by jobs in the private sector. They need to hear more clearly that certain minimal competences are the price of equality in this society. Just as society is obligated to help them, so they must be obligated to help themselves.¹⁸

Furthermore, obligation is politically essential to justify the generous aspects of workfare. Liberal rhetoric tends to treat lack of jobs and lack of *good* jobs as equally valid reasons for nonwork. But to the public the two are fundamentally different. The first would justify nonwork, but the second does not. As long as the economy permits, all able-bodied family heads and single adults are supposed to work in some legal job, however menial it is, in preference to crime or dependency. There might be a constituency for raising the quality of low-paid jobs, but only after nonworkers accept the jobs that exist. Only functioning citizens can claim new economic rights.

By emphasizing lack of jobs, Wilson's current paper moves the debate backward. It seeks explanations for poverty only in impersonal barriers outside the poor, a search that has reached diminishing returns. His earlier position was less liberal but more radical. It raised the real issues more sharply—job quality and the work discipline of the chroni-

cally poor. How to resolve those questions hinges much more on social values than economics. It is only by facing them—together—that we can achieve fundamental change in the inner city.

Professor Wilson:

The central arguments of my paper "Social Policy and Minority Groups" are that (1) the vulnerability of poor urban minorities to changes in the economy since 1970 has resulted in sharp increases in joblessness, poverty, female-headed families, and welfare dependency despite the creation of Great Society programs, and despite antidiscrimination and affirmative action programs; (2) the War on Poverty and civil rights visions failed to relate the fate of poor minorities to the functionings of the modern American economy and therefore could not explain the worsening conditions of inner-city minorities in the post-Great Society and post-civil rights periods; (3) liberals whose views embody these visions have not only been puzzled by the rise of inner-city social dislocations, they have also lacked a convincing rebuttal to the forceful arguments by conservative scholars who attribute these problems to the social values of poor minorities; (4) the most persuasive conservative challenge is not the laissez-faire social policy argument articulated by Charles Murray, but the elaborate rationale for mandatory workfare developed by Lawrence Mead; and (5) the growing emphasis on workfare, buttressed by rationales for the social obligations of citizenship, deflects attention from the major source of the rise in social dislocations among poor minorities since 1970—changes in the nation's economy.

My paper discusses two types of economic changes that have adversely affected poor minorities in recent years: (a) decreases in real wages and increases in unemployment that accompanied the recessions of the 1970s, and (b) structural changes in the urban economy. Before considering Lawrence Mead's thoughtful response to my paper, I would like to take this opportunity to elaborate briefly on the effects of changes in wages and unemployment on poor urban minorities and follow with a summary of the major points I raised in "Social Policy and Minority Groups" on the structural changes in the urban economy.

As pointed out by Frank Levy, an economist at the University of Maryland, the 1973 OPEC oil price increase resulted in both a recession and a rise in inflation which, in turn, decreased real wages by 5 percent in two years. Levy points out that the OPEC oil increase marked the beginning of a period of a decrease in worker productivity, which had been the basis of a growth in real wages of between 2.5 and 3.5 percent a year from the end of World War II to 1973. From 1973 to 1982, however, worker productivity grew less than 0.8 percent each year. Although real wages had regained their 1973 levels by 1979, the fall of the Shah of Iran and the subsequent second OPEC oil price increase repeated the cycle, resulting in a decade of wage stagnation. Levy carefully notes that it was only because the proportion of the entire population in the labor force increased from 41 to 50 percent between 1970 and today (owing in large measure to the increased labor force participation of women and the coming of age of the large baby-boom cohorts), that "GNP per capita (i.e., per man, woman and child) could continue to rise even though GNP per worker (wages) was not doing

¹ Editor's note: See a discussion of Charles Murray's book *Losing Ground: American Social Policy: 1950-1980* (New York: Basic Books, 1984) in *Focus* 8:3 (Fall and Winter), 1985.

² "The Regional and Urban Redistribution of People and Jobs in the U.S.," paper prepared for the Committee on National Urban Policy, National Research Council, October 1986.

³ I can give only a few citations here. For a fuller review, see Lawrence M. Mead, "Work and Dependency, Part I: The Problem and Its Causes," paper written for the Welfare Dependency Project of the Hudson Institute, September 1986.

⁴ Robert J. Samuelson, "The Old Labor Force and the New Job Market," *National Journal*, February 26, 1983, pp. 426-431.

⁵ Thomas Bailey and Roger Waldinger, "A Skills Mismatch in New York's Labor Market?" *New York Affairs*, 8 (Fall 1984), 3-18.

⁶ David T. Ellwood, "The Spatial Mismatch Hypothesis: Are There Teenage Jobs Missing in the Ghetto?" in Richard B. Freeman and Harry J. Holzer, eds., *The Black Youth Employment Crisis* (Chicago: University of Chicago Press, 1986), Chap. 4; Jonathan S. Leonard, "Space, Time and Unemployment: Los Angeles, 1980," unpublished paper, September 1986.

⁷ Kim B. Clark and Lawrence H. Summers, "Labor Market Dynamics and Unemployment: A Reconsideration," *Brookings Papers on Economic Activity*, 1 (1979), 13-72.

⁸ Mary Jo Bane and David T. Ellwood, "Slipping Into and Out of Poverty: The Dynamics of Spells," *Journal of Human Resources*, 21, no. 1 (Winter 1986), 18-21. See also Ellwood, "Working Off of Welfare: Prospects and Policies for Self-Sufficiency of Women Heading Families," IRP Discussion Paper no. 803-86, 1986.

⁹ Bane and Ellwood, "The Dynamics of Dependence: The Routes to Self-Sufficiency," study prepared for the Department of Health and Human Services (Cambridge, Mass.: Urban Systems Research and Engineering, June 1983), pp. 33-35. Such differences have much more effect on the chance of leaving welfare through remarriage.

¹⁰ Greg J. Duncan et al., *Years of Poverty, Years of Plenty: The Changing Fortunes of American Workers and Families* (Ann Arbor: Institute for Social Research, University of Michigan, 1984), chap. 4.

¹¹ Calculated from U.S. Department of Commerce, Bureau of the Census, *Characteristics of the Population below the Poverty Level: 1984*, Series P-60, No. 152 (Washington, D.C.: U.S. GPO), Table 10, pp. 37, 46-47.

¹² Richard B. Freeman and Harry J. Holzer, "Young Blacks and Jobs—What We Now Know," *The Public Interest*, no. 78 (Winter 1985), pp. 27, 30.

¹³ Mead, "Expectations and Welfare Work: WIN in New York State," *Policy*, 18, no. 2 (Winter 1985), 224-252, and "The Potential for Work Enforcement: A Study of WIN," unpublished paper.

¹⁴ Judith M. Gueron, "Reforming Welfare with Work," *Manpower Demonstration Research Corporation*, New York, December 1986, p. 23.

¹⁵ Barry Bluestone and Bennett Harrison, "The Grim Truth about the Job 'Miracle': A Low-Wage Explosion," *New York Times*, February 1, 1987, p. F3. For an opposed view, see Janet L. Norwood, "The Job Machine Has Not Broken Down," *New York Times*, February 22, 1987, p. F3.

¹⁶ *The Declining Significance of Race: Blacks and Changing American Institutions*, 2nd ed. (Chicago: University of Chicago Press, 1980), pp. 96-109, 165-166.

¹⁷ Comprehensive Employment and Training Act of 1973. For a study of the effectiveness of this program, see Laurie J. Bassi and Orley Ashenfelter, "The Effect of Direct Job Creation and Training Programs on Low-Skilled Workers," in Sheldon H. Danziger and Daniel H. Weinberg, eds., *Fighting Poverty: What Works and What Doesn't* (Cambridge, Mass.: Harvard University Press, 1986), Chap. 6.

¹⁸ For a review of employment policy that supports this conclusion, see Mead, "Work and Dependency, Part II: Past Policies and Proposals," paper written for the Welfare Dependency Project of the Hudson Institute, September 1986.

well.”¹ In a period of slow growth in worker productivity, efforts to increase money wages only produced more inflation. And policymakers allowed unemployment to rise in an attempt to reduce inflation.

Levy points out that manufacturing industries, a major source of black employment in recent years, are particularly sensitive to a slack economy and therefore have suffered many recent job losses, especially in the older, central-city plants. Moreover, low-wage workers and newly hired workers (disproportionately represented by blacks) are most adversely affected by a slack economy. One of the consequences of increasing unemployment, states Levy, is “a growing polarization in the income distribution of black men. . . . Compared to 1969, the proportions of black men with income below \$5,000 and above \$25,000 have both grown. Thus black men at the top of the distribution were doing progressively better while blacks at the bottom—between a fifth and a quarter of all black men ages 25–55—were doing progressively worse.”²

Finally, the economic problems of low-income blacks have been reinforced by recent demographic factors resulting in a “labor surplus environment.” As Levy put it:

During the decade, women of all ages sharply increased their labor force participation and the large baby-boom cohorts of the 1950s came of age. Between 1960 and 1970, the labor force (nationwide) had grown by 13 million persons. But between 1970 and 1980, the labor force grew by 24 million persons. Because of this growth, we can assume that employers could be particularly choosy about whom they hired. In 1983, more than half of all black household heads in central-city poverty areas had not finished high school, a particular disadvantage in this kind of job market.³

Levy’s analysis of the effects of the general weakness of the national economy in recent years can be related to two central points in Kasarda’s paper on the structural changes in the urban economy; namely, that substantial job losses have occurred in the very industries in which urban minorities are heavily concentrated and that these losses have been most severe in the northeast and midwest regions of the country (regions that have also had the sharpest increases in black joblessness and female-headed families).⁴ Kasarda also points out that substantial employment gains have occurred in the industries requiring higher education that have relatively fewer minority workers, and that the current growth in entry-level jobs, particularly in the service establishments, is occurring almost exclusively outside the central cities where poor minorities are concentrated. In Mead’s response to my paper he devotes a good deal of attention to a critique of the Kasarda study, which is not surprising, since I stated in the paper that this study raises serious questions not only about Mead’s assumptions regarding poor minorities’ work experience and jobs, but also about the appropriateness of his policy recommendations.

According to Mead, the Kasarda paper is important because it uncovers trends that “clearly have reduced the number of better-paying jobs available to the low-skilled. This surely is one reason for growing joblessness in the ghetto. But the reason is that available jobs have become *less attractive*. It is seldom true, as Kasarda and Wilson suggest, that jobs are entirely lacking.” It should be emphasized that neither I nor Kasarda ever suggested that jobs are *entirely lacking* in central-city areas; rather, we argued that there has been a significant decrease in the central-city jobs requiring little education, in which minorities are presently concentrated. Lawrence Mead is certainly correct in pointing out that Kasarda’s data only measure “the *actual* education of jobholders” and that he has “no information, strictly speaking, on education *requirements*.” Indeed, many positions identified as “higher education” jobs because of the average level of education of the work force may not really require “higher educational” training. For example, a number of people have observed that the new high technology is “user friendly” and can be operated in most cases by people who have mastered the “3Rs.”⁵ Nonetheless, if jobs in the high-growth industries depend on a mastery of the “3Rs,” and if employers tend to associate such skills with higher levels of formal education, then they will tend to favor those with more, not less, formal education, thereby institutionalizing “job requirements.”

Moreover, many inner-city minorities face an additional problem when access to jobs is increasingly based on educational criteria. Samuel Bowles and Herbert Gintis, in a provocative study of the history of education in the United States, have argued that consignment to inner-city schools helps guarantee the future economic subordination of minority students.⁶ More specifically, inner-city schools train minority youth so that they feel and appear capable of performing jobs only in the low-wage sector. Citing a study of disadvantaged workers which indicated that appearance was between two and three times as important to potential employees as previous work experience, high school diplomas, or test scores, Bowles and Gintis contend that students in ghetto schools are not encouraged to develop the levels of self-esteem or the styles of presentation which employers perceive as evidence of capacity or ability. Also, schools adopt patterns of socialization which reflect the background and/or future social position of their students. Those schools with a high concentration of poor and minorities have radically different internal environments, methods of teaching, and attitudes toward students from predominantly white, upper middle-class suburban schools. Bowles and Gintis state:

Blacks and minorities are concentrated in schools whose repressive, arbitrary, generally chaotic internal order, coercive authority structures and minimal possibilities for advancement mirror the characteristics of inferior job situations. Similarly, predominantly working-class schools tend to emphasize behavioral control and rule following, while schools in well-to-do suburbs employ

relatively open systems that favor greater student participation, less direct supervision, more electives and in general a value system stressing internalized standards of control.⁷

If the characteristics of inferior job situations are mirrored in the internal order of ghetto schools, then the transformation of the urban economy from jobs perceived to require lower education to those perceived to require higher education, or the mastery of the "3Rs," is even more problematic for inner-city residents.

Nonetheless, this argument does not directly address Mead's claim that jobs, at least rudimentary ones, are generally available to poor inner-city minorities. In this connection, he prefers, unlike Kasarda, to include in the low-skilled group not simply jobs that average less than a high school education but jobs that average a high school education or less. But this more inclusive designation obscures the fact that high school dropouts do not have access to the same jobs broadly defined as "low skilled" as do the more educated workers. On this point Kasarda states:

My purpose in focusing on job changes in industries where average employee education levels are less than high school degree is to show what has happened to job prospects in those urban industries that typically employ people who did not complete high school and the implications of these changes for today's high school dropouts and older unemployed city residents without high school degrees. That jobs in these traditionally low education requisite industries are declining in central cities while minority dropout rates in many cities continue to exceed 50 percent, I find extremely worrisome. The sharp absolute rise in inner-city unemployment rates since 1970 for both black and white residents without a high school degree manifests this problem.⁸

Mead's reliance on a broad definition of the low-skilled category to support his arguments is also seen in his reference to a New York study that "concluded that the share of jobs that were low-skilled there declined hardly at all, from 58 to 57 percent between 1972 and 1981." However, what he neglects to mention is that the study divided all occupations in New York into two categories, "those that required more and those that required less than eighteen months of pre-employment training specific to that job."⁹ If Mead does not see a problem with using a study which defines a low-skilled job as one that required *less than eighteen months of pre-employment training specific to that job* to support his claim that jobs are readily available to the inner-city poor, I am sure the reader does.

Mead also argues that continued black migration to the central cities, albeit at a reduced rate, raises questions about the decline of jobs available to inner-city workers. However, between 1970 and 1977 there was a net outmigration of 653,000 blacks from the central cities. In most large cities the number of blacks either declined or increased only mod-

erately. Increases in the urban black population during the 1970s were mainly due to births.¹⁰ It is true that the urban Hispanic population has increased, but since comparable data on their type of residence in 1970 are not available, we can only speculate about the extent to which this increase is due to migration as opposed to births, particularly in the midwestern and northeastern central cities that have recorded the sharpest drop in the lower-education-requisite industries.

Mead rejects the idea that a good deal of the black unemployment could be accounted for by the suburbanization of blue-collar jobs. The research on this problem is very limited, but the most influential study supports Mead's conclusion.¹¹ This study focuses only, however, on the conditions affecting black teenage unemployment, and the study is based on 1970 census data for Chicago. "Since 1970, Chicago has lost over one-half of its blue-collar jobs, black school dropout rates have remained high, and inner-city black unemployment has skyrocketed."¹² It would be interesting to see if the same results would be found if a new study were conducted in Chicago today that included not only black teenagers, but adult inner-city blacks as well. We should consider, in this connection, a very important point recently raised by Kasarda, namely that

the dispersed nature of job growth sites makes public transportation from inner city neighborhoods impractical, requiring virtually all city residents who work in peripheral areas to commute by personally owned automobiles. The combined costs of maintaining, operating, and insuring an automobile in major cities are substantially higher than elsewhere. This is particularly the case in older, larger, densely settled cities. In fact, automobile ownership in the core areas of these cities is so expensive relative to the actual or potential incomes of their disadvantaged residents that most cannot afford this increasingly essential means of securing and maintaining blue-collar employment.¹³

It strains credulity to believe that the suburbanization of blue-collar jobs has not had devastating consequences for the work experiences of inner-city minorities.

In Mead's attempt to support his speculation that jobs are generally available in most areas and that one must turn to behavioral or cultural explanations for the high and increasing joblessness among inner-city residents, he draws upon an important study by Kim Clark and Lawrence Summers and states: "Analyses of the CPS show that most joblessness is due to turnover, not lack of jobs, especially for the groups with the highest unemployment, including blacks. Within these groups, the long-term unemployed account for most measured joblessness; many more people move frequently in and out of work or are looking for work." This is a rather confusing interpretation of Clark and Summers' article because the authors actually state that current theories emphasizing "the importance of high turnover of the unemployed population are relevant to only a small portion of all unemployment and a smaller portion of joblessness."¹⁴ One

of the central themes of the Clark and Summers article is that studies of the labor market have overemphasized turnover and not given sufficient attention to the problem of long duration of joblessness. Clark and Summers state that “because of the pervasiveness of multiple spells [of unemployment], a large fraction of all unemployment is attributable to persons out of work for more than six months in a year. The concentration of joblessness is far greater than we would expect from normal turnover.”¹⁵ It is hardly the case that their article shows that “most joblessness is due to turnover, not lack of jobs,” as Mead asserts.

To reinforce his argument that it is not the lack of jobs but the unwillingness of inner-city workers to accept the more menial jobs, Mead refers to a study which states that 71 percent of inner-city black youths reported that finding a minimum wage job was “very or somewhat easy.”¹⁶ The main reason they were jobless,” states Mead “was not that jobs were lacking but that they resisted taking positions that paid them less than white youth usually received.” This interpretation is quite different from that provided by the authors of the article. Indeed they point out that the statements of the inner-city black youth on finding minimum wage employment “hardly means that there is no shortage of jobs in the inner city. . . . If all of these youths sought such jobs simultaneously and were willing to hold them for longer periods, these jobs would not be as easy to find.”¹⁷ Furthermore, the authors, in a sophisticated analysis, examine a number of demand and supply-side factors as possible contributors, and they do not identify unfavorable attitudes toward menial employment as the *main* explanatory factor.

Moreover, there is additional research that is not cited in Mead’s paper but that questions assumptions about the unwillingness of black youth to accept certain kinds of employment. For example, a study by Michael Borus, based on the National Longitudinal Survey of Youth Labor Market Experience, reports that black youth—even after controlling for community factors, family background, and differences in human capital—are more willing to accept jobs at given wage levels than their white counterparts.¹⁸ As Andrew Hahn and Robert Lerman pointed out in an exhaustive review of the effectiveness of strategies for assisting disadvantaged youths, which is the group that is most often said to lack a work ethic:

Employment and training programs have perhaps placed too much emphasis on changing attitudes and have miscalculated the work-readiness of young clients coming into the programs. The actions of the youth themselves speak louder than words; no battery of social psychological testing has refuted the fact that youth, in general, and disadvantaged minority youth, in particular, generally take jobs when they are available. Perhaps the best testimony to the strong work ethic of our nation’s youth is the vast flow of teenagers into the labor force every summer and into training programs when slots are made available throughout the year.¹⁹

In raising questions about Mead’s emphasis on social values as an explanation of poor minority joblessness, I am not suggesting that negative attitudes toward menial work should be totally dismissed as a contributing factor. The growing social isolation and concentration of poverty, which have made ghetto communities increasingly vulnerable to fluctuation in the economy, undoubtedly influence attitudes, values, and aspirations.²⁰ And Mead is correct in pointing out that in an earlier publication I stated that the “problem is not one of a declining number of available jobs but a decrease in the opportunity to obtain stable higher-paying jobs.” But that statement appeared in a study originally published in 1978, and I was drawing conclusions from research conducted in 1970, when inner-city black unemployment was much lower than it is now.²¹ The issue is whether attitudes toward menial employment account in major measure for the sharp rise in joblessness and related forms of social dislocation since 1970. And despite Mead’s eloquent defense of this thesis, the empirical support for his claims that the rise in inner-city social dislocations is due to the behavioral and value problems of the poor is incredibly weak.

I question the appropriateness of social policies such as mandatory workfare, advocated by Mead, that are based mainly on the assumption that it is necessary to create programs of work obligation because the poor, particularly the minority poor, suffer from a weak work ethic. However, this does not mean that I categorically reject what Richard Nathan calls “new style workfare,” that is, “obligational state programs that involve an array of employment and training services and activities—job search, job training, education programs, and also community work experience.”²² New-style workfare is better than having no strategy at all to enhance employment experiences. Nonetheless, the effectiveness of such programs depends upon the availability of jobs in a given area. For example, as Kasarda has appropriately noted, on the basis of an interpretation of descriptive statistics on the national Work Incentive (WIN) program, “of those who participated in WIN, only 18 percent, on average, actually entered jobs. If WIN’s main function . . . is to require welfare recipients to look for jobs in the private sector, an 18 percent actual job entry success rate is not very encouraging and is suggestive of a job vacancy pool problem.”²³

Perhaps Robert D. Reischauer of the Brookings Institution put it best when he stated that “as long as the unemployment rate remains high in many regions of the country, members of the underclass are going to have a very difficult time competing successfully for the jobs that are available. No amount of remedial education, training, wage subsidy, or other embellishment will make them more attractive to prospective employers than experienced unemployed workers.”²⁴ Reischauer also appropriately points out that given a weak economy, “even if the workfare program seems to be placing its clients successfully, these participants may simply be taking jobs away from others who are nearly as disadvantaged. A game of musical underclass will ensue as

one group is temporarily helped, while another is pushed down into the underclass.”²⁵

Mead says that I oppose workfare and instead call for a “radical restructuring of the urban economy.” These are his words, not mine. I am simply suggesting the need to rely on employment-oriented macroeconomic policies to build a strong, inclusive economy and to build a productive work force through, as suggested in Governor Cuomo’s task force report on poverty and welfare, “reforms in education, investments in pre-school education, support for training in the private sector, and compensatory training for those who lack the skills and abilities to compete in the labor market.”²⁶ New-style workfare could then be a part of, not a substitute for, this fundamental program of reform.

¹ Frank Levy, “Poverty and Economic Growth,” unpublished manuscript, School of Public Affairs, University of Maryland, College Park, Md., 1986, p. 9.

² Ibid., pp. 19–20.

³ Ibid., p. 19.

⁴ John D. Kasarda, “The Regional and Urban Redistribution of People and Jobs in the U.S.,” paper prepared for the Committee on National Urban Policy, National Research Council, October 1986.

⁵ I would like to thank Sar Levitan for bringing this point to my attention.

⁶ Samuel Bowles and Herbert Gintis, *Schooling in Capitalist America: Education and the Contradictions of Economic Life* (New York: Basic Books, 1976).

⁷ Ibid., p. 132.

⁸ Kasarda, personal communication, March 24, 1987.

⁹ Thomas Bailey and Roger Waldinger, “A Skills Mismatch in New York’s Labor Market?” *New York Affairs*, 8 (Fall 1984), 9. The study referred to, “Promising Occupations and Industries,” was conducted by Eileen Sullivan for the New York City Department of Employment.

¹⁰ Philip M. Hauser, “The Census of 1980,” *Scientific American*, 245 (November 1981), 53–61.

¹¹ David T. Ellwood, “The Spatial Mismatch Hypothesis: Are There Teen-age Jobs Missing in the Ghetto?” in Richard B. Freeman and Harry J. Holzer, eds., *The Black Youth Employment Crisis* (Chicago: University of Chicago Press, 1986).

¹² Kasarda, personal communication, March 24, 1987.

¹³ Kasarda, “Urban Change and Minority Opportunities,” in Paul E. Peterson, ed., *The New Urban Reality* (Washington, D.C.: The Brookings Institution, 1985), p. 55.

¹⁴ Kim B. Clark and Lawrence H. Summers, “Labor Market Dynamics and Unemployment: A Reconsideration,” *Brookings Papers on Economic Activity*, 1 (1979), 60.

¹⁵ Ibid., p. 16.

¹⁶ Richard B. Freeman and Harry J. Holzer, “Young Blacks and Jobs—What We Now Know,” *The Public Interest*, No. 78 (Winter 1985), p. 27.

¹⁷ Ibid.

¹⁸ Michael Borus, “Willingness to Work among Youth,” *Journal of Human Resources*, 17 (Fall 1982), 581–593. See also Stanley P. Stephenson, Jr., “The Economics of Youth Job Search Behavior,” *The Review of Economics and Statistics*, 58 (February 1976), 104–111.

¹⁹ Andrew Hahn and Robert Lerman, *The CETA Youth Employment Record*, final report submitted to U.S. Department of Labor pursuant to contract #99–8–1879–33–41, 1983.

²⁰ For a discussion of this point, see William Julius Wilson, *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987), in press.

²¹ Wilson, *The Declining Significance of Race: Blacks and Changing American Institutions*, 2nd ed. (Chicago: University of Chicago Press, 1980), pp. 95–96.

²² Richard Nathan, “The Underclass—Will It Always Be with Us?” paper prepared for a symposium at the New School for Social Research, November 14, 1986, p. 18.

²³ Kasarda, personal communication, March 24, 1987.

²⁴ Robert D. Reischauer, “America’s Underclass: Four Unanswered Questions,” paper presented at the City Club, Portland, Oreg., January 30, 1987.

²⁵ Reischauer, “Policy Responses to the Underclass Problem,” paper prepared for a symposium at the New School for Social Research, November 14, 1986. A similar point was recently made by Isabel Sawhill, who stated that “even with a new social contract in effect and with a set of redesigned policies to go with it, there will be many people who remain poor through no fault of their own. The historically high unemployment rates of recent years, the failure of the minimum wage and personal tax exemptions to keep pace with inflation, and serious trade dislocations have all swelled the poverty population for reasons that are entirely beyond people’s control and, indeed, are outside the purview of social welfare as conventionally defined. These problems need to be addressed directly” (“Anti-Poverty Strategies for the 1980s,” Working Paper, Urban Institute, December 1986, p. 2).

²⁶ *A New Social Contract: Rethinking the Nature and Purpose of Public Assistance*, Report of the Task Force on Poverty and Welfare, submitted to Governor Mario M. Cuomo, State of New York, December 1986, p. 12.

Professor Mead (Postscript):

I think my comment and Bill Wilson’s rejoinder capture the issue between us quite well. Here I want only to clarify several technical points he raises, some of them arising from my own ambiguity.

Bill questions the study cited by Bailey and Waldinger stating that the proportion of employment in New York City that is low-skilled dropped only from 58 to 57 percent between 1972 and 1981. The author, Eileen Sullivan, classified as “low-skilled” any job requiring “less than eighteen months of pre-employment training specific to that job.” This suggests that she defined “low-skilled” very broadly, to include many jobs that are quite demanding. Even if she did, of course, the definition was the same for both 1972 and 1981, so the slight decline between these years would still hold.

And actually her definition was conservative. Bailey and Waldinger are misleading. Sullivan told me on the phone that she relied mainly on education requirements. She defined as “high-skilled” all jobs requiring more than high school education, even if they demanded no other preemployment training. Jobs requiring high school or below were presumptively “low-skilled.” She used the 18-month-training criterion only to *exclude* from the low-skilled class jobs that, despite low education requirements, demanded substantial vocational preparation. And this exclusion was broader than appears. The training could be required by the *job classification* even if not by an employee’s specific job.

I was unclear in summarizing Clark and Summers on unemployment. In saying “most joblessness is due to turnover” I meant that the joblessness of *most unemployed* is short-term and consistent with the turnover theory. Clark and Summers concur but show that most joblessness in the sense of *mea-*

sured unemployment is attributable to the long-term cases. Like poverty or welfare dependency, unemployment has two faces. Over time, it is a transient experience for most people, but at any point in time most of the jobless are long-term.

I cite Freeman and Holzer that much unemployment among black youth is due to high reservation wages, not lack of jobs. Wilson counters with a study by Michael Borus showing that black youth are more willing than whites to accept jobs at low wages. To be precise, blacks were more willing to take such jobs in the private sector, but less willing to take them in the public sector, than whites or Hispanics. The difference in findings probably reflects different data. The Borus study draws on the 1979 National Longitudinal Survey of Youth Labor Market Experience, which covered youth in general. It is not surprising to find that black youth as a group are as willing to work as whites; they are typically lower-income and need the money. The Freeman and Holzer study, however, is based on a special survey by the National Bureau of Economic Research of *inner-city* black youth in 1979–80. That group is much more alienated from available jobs than other blacks, and much more central to the poverty problem.

John Kasarda suggests that a lack of jobs is the reason why the Work Incentive (WIN) program, which serves employable welfare recipients, places only 18 percent of its clients in jobs. But according to my studies, the main reason for low entries in WIN, at least at current work levels, is not the labor market or the low skills of the clients. It is the fact that WIN typically requires only about a quarter of its clients to make any effort to work. Recent welfare employment programs have raised that proportion, and this is the main reason, I think, why their performance looks better than WIN's.

I have occasionally overstated Wilson's position, as he has mine. He and Kasarda do not say there are no jobs for the unskilled in cities. I do not say there would necessarily be enough jobs if the turnover stopped and all the jobless tried to work steadily at the same time. The real dispute is whether jobs at a legal wage are ordinarily available in urban areas *at the margin*, that is, to those seeking them at a given time. Essentially, I think they are and Wilson does not.

One reason for our difference is ignorance; the information we have about available jobs is incomplete, though I think it favors my position. Another reason is divergent social philosophies. How easy must working be for the poor before we say jobs are truly "available?" Bill thinks it is tough enough so that government must first break down "barriers" to employment. I think it is easy enough so that the employable poor must be expected to work, as other Americans are.

Professor Wilson (Postscript):

A person reading Larry Mead's comment on my paper, prior to reading his "postscript," would not be aware that the Bailey and Waldinger article, cited to support his thesis, actually presented findings from another study on the New York labor market. I am therefore pleased to learn that Larry phoned the original author to seek clarification of her definition of "low-skilled" occupations. Nonetheless, the revised definition includes jobs that require a high school education and therefore, to repeat a point I made in my comments above, "obscures the fact that high school dropouts do not have access to the same jobs broadly defined as 'low skilled' as do the more educated workers."

I am also pleased that Larry clarified his interpretation of the Clark and Summers article with the statement that "the joblessness of *most unemployed* is short-term and consistent with the turnover theory." However, this clarification enables the reader to see clearly that Larry takes findings from the *total unemployed population*, which includes many educated workers in the process of moving from one job to another and not facing a job shortage, to explain inner-city unemployment. A reasonable conclusion from the Clark and Summers article is that the long-term joblessness of many inner-city workers suggests that they face a substantially different labor market situation.

Freeman and Holzer point out that even though their data reveal similarity in the reservation wage of ghetto black youth and white youth, this "hardly means there is no shortage of jobs in the inner city." They furthermore state that jobs would not be easy to find if all the jobless black youth sought work simultaneously. Mead feels that I used these remarks to overstate his position. On the contrary, they were included to show that Freeman and Holzer's major conclusions differ substantially from those that Mead attributes to them. Indeed, I believe that the Freeman and Holzer study is important and I agree with most of their arguments. Accordingly, I referred to the Borus study not to "counter" the Freeman and Holzer article, as Mead asserts, but instead to show that Larry neglected to cite a major study that clearly contradicts his thesis.

In addition to the problem of interpretation and coverage of the literature that bears on Larry's thesis, it should also be emphasized that he relies mainly on cross-sectional, not longitudinal, studies of labor market experiences to explain changes in inner-city joblessness and welfare receipt since the launching of the Great Society programs. It is therefore difficult for me to understand his claim that the *available* information lends greater support to his position. Nonetheless, when one considers the categorical assertions in *Beyond Entitlement* about the work ethic of the poor and their access to low-wage employment, it is admirable that Larry is now willing to acknowledge that "the information we have about available jobs is incomplete."■