

Social Indicators: What We Need To Make Them Count

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A democratic society must continually seek ways to understand its progress. This is essential if the general public and the makers of policy are to have a clear picture of the state of the nation and its people. The official portrait of America's progress, presented in the media and in the speeches of our national leaders, tends to focus almost exclusively on the "economy" and on the traditional economic indicators. These include the Gross Domestic Product, the stock market, the Index of Leading Economic Indicators, the balance of trade, the inflation rate, and other similar measures. The view created by these measures offers a well-defined, accessible, and timely answer to the question: "How are we doing?"

But these familiar economic gauges do not provide us with a sufficiently comprehensive assessment of our progress as a society. In order to widen and deepen our national dialogue, bring it closer to our daily concerns, and create more effective public policy, we need to carefully monitor other aspects of our national life and acknowledge that they too require our serious attention. These elements include the accessibility of health care, the quality of education, the adequacy of housing, the compensation and satisfaction of work, and the nation's sense of security, community, citizenship, and diversity. These conditions must be as clearly visible as is the rest of the picture.

The Dominance of the "Economy"

What we do well in the United States, perhaps better than any other country in the world, is monitor our economy. We ask hundreds of precise questions to assess its strength. To answer these questions, we have developed an array of well-recognized and frequently reported economic indicators and indexes.

The Gross Domestic Product, for example, tracks the size and growth of the economic sector. The monthly Index of Leading Economic Indicators combines eleven critical indicators to forecast the coming business cycle. The Index of Consumer Confidence gives a broad picture of public sentiment and people's willingness to purchase costly goods and services. The Dow Jones Industrial Average assesses the strength of blue-chip stocks and is reported to the nation on a minute-by-minute basis. These closely observed measures provide a timely and widely accessible portrait of our economic life. Each sector of the economy has a gauge or meter to tell us precisely where we stand.

If exports are strong, dividends high, interest rates low, inflation stable, the stock market bullish, and the GDP rising, we have come to believe we are doing well. If these indicators worsen, we quickly become concerned. The various parts of the economy that we monitor are viewed as

interdependent, affecting each other and affecting the whole. The economy is about “us,” and its precise measurement provides vital information. Reporting a “2.5 percent gain over the last quarter” implies vigilance and rationality. When the Federal Reserve Board increases the interest rate by a quarter of one percent, there is a sense of surgical precision about it.

To interpret this continuous flow of information, economists, politicians, and business leaders convene on a regular basis to assess the economic life of the nation. Every year, the publication of the *Economic Report of the President*, prepared by the Council of Economic Advisors, provides an overview of the economy, presenting in-depth analyses of the various sectors, detailed documentation of the previous year’s events, and information about trends over time, some dating back as far as 1929. Every six weeks, the nation focuses on another important set of economic indicators, when the Federal Reserve Board issues its Beige Book, a systematic survey of economic activity. Every night, network and other national news programs report economic data. Every day, most newspapers carry a section devoted to business and economic news which includes regular updates of stocks, business activity, consumption patterns, and other related activity. A number of newspapers and magazines, including the *Wall Street Journal*, *Business Week*, and *Fortune Magazine*, take the economy as their primary focus.

A Cloudier Picture

In contrast to the tools, structures, and mechanisms of the economic sphere, the richness and variety of its indicators, and the regularity with which they are reported, our vision of the social sphere is far more obscure. Social data are collected once a year at best, rather than daily, weekly, monthly, or quarterly, as in economics. Moreover, they are often two to three years out of date by the time they are released, making the information they convey far less compelling and diminishing our ability to deliberate or to respond constructively. Even the occasional front-page story on a social problem, such as teenage suicide, may present data that are more than two years old, and the common caveat, “the last year for which data are available,” is an all too familiar aside. In fact, there may be as many as twelve or more regular monthly reports to the nation about the availability of durable goods or the size of factory inventories for each single out-of-date accounting of how many teenagers were sufficiently depressed to take their own lives. (See Chart 1.1)

Most significantly, social data are not generally thought of, collected, or released as *indicators* that chart the performance of a larger condition like the “social state of the nation,” nor are they combined into accessible indexes or barometers designed to keep track on a regular basis of what is considered important. Furthermore, there are no official bodies to review the processes of data conception, collection, and release, to issue statements of interpretation and analysis, to relate the various results to each other, or to provide a perspective on their implications for the condition of society as a whole.

The child abuse rate, for example, may be reported once a year, but not in the context of other related data such as poverty, suicide, drugs, or crime, that would give it context and enlarge our understanding of the total picture. Health insurance coverage is another critical issue, but it is generally published separately from reports on related issues such as infant mortality or life expectancy. Some important issues have no reliable data at all; problems such as hunger, homelessness, and illiteracy are still not consistently measured or tracked.

Although much social data exists on many important aspects of daily life, it is usually not made available in a form that is accessible to the public, to the makers of policy, or to the media. Studies with numerous tables of raw statistics are often distributed with little interpretation or text. The results of whole surveys are sometimes published with few references to past trends or larger meanings. In some social problem areas, data are published by several different agencies, each report using a different definition of the problem, each released at a different time of year. Reports are often technical documents meant for experts, and contribute little to the public dialogue unless a special effort is made by a journalist or scholar to make them accessible.

In effect, the data available from the literally thousands of studies and surveys conducted by the government are not narrated the way we narrate traditional business and economic indicators. This lack of coherence frames the way in which social conditions are covered in the national news media and it shapes the public's understanding of them. Social data, when they are covered, are presented as unrelated pieces of information rather than as part of a larger monitoring system that tracks and updates important on-going conditions. A subject may be reported once, but there is often little or no follow-up. There is nothing that resembles the constant reporting of the Dow Jones average or the monthly tracking of the GDP.

American Initiatives in Social Reporting

The need to find new ways of thinking about, collecting, and reporting America's social information has been recognized in the past, and recently this tradition of social reporting has undergone a renewal.

Periodically, throughout this century, individuals have taken it upon themselves to inform the nation by investigating a particular social issue or condition. Upton Sinclair did this in writing *The Jungle*, exposing the dangerous and often deadly conditions of the meat-packing industry. John Steinbeck, in *The Grapes of Wrath*, conveyed the desperation and destitution of migrant laborers during the 1930s. Michael Harrington, during the 1960s, similarly jarred the country with his descriptions of poverty and hunger in his book, *The Other America*.

But a nation cannot rely solely upon the motivations of individual authors. Rational social policy and sustained public awareness can be attained only when there is a regular, predictable, and non-partisan basis for our understanding of social conditions. At various times in our history there have been efforts to provide this broader picture in a more consistent fashion. Like the novelists and muckrakers mentioned above, these have emerged during the periodic crises of our nation: the rapid changes of the Progressive Era, the poverty of the Depression, and the social movements of the 1960s and early 70s. The social reporting endeavors of the past have helped to shape the developments that are underway today.

Early in the twentieth century, during the Progressive Era, problems of increasing crime, poverty, child labor, and the rapid spread of infectious diseases led many people to believe that the nation needed to chart its social state. Of particular concern was the situation of children. In 1913, Julia Lathrop, the first director of the newly created U.S. Children's Bureau, became

concerned at the absence of a consistent monitoring system for the conditions of children and youth. The information, she observed, was “scattered through numerous volumes of official reports and has never been brought together and correlated.” To address this problem, Lathrop directed the Children’s Bureau to compile a *Handbook of Federal Statistics on Children*, a compendium of data on infant mortality, birth rates, poverty, and other child indicators. This publication represented the first effort by the federal government to bring together social information from a variety of sources throughout the country. The *Handbook*, an official public document of children’s well-being, became an early model for social reporting in America.

As the 1920s drew to a close, an ad hoc committee was established by President Herbert Hoover to consider the critical social changes of the time. Economist Wesley Mitchell was appointed chair; sociologist William Ogburn served as director of research. The Committee’s 1,500 page report, entitled *Recent Social Trends in the United States*, addressed a wide range of social issues, including the environment, health, recreation, religion, urban and rural life, the family, labor, crime, and the arts. *Recent Social Trends* sought to weave together the various threads of American life. In the preamble, the authors wrote: “The meaning of the present study of social change is to be found not merely in the analysis of the separate trends . . . but in their interrelation—in the effort to look at America as a whole, as a national union, the parts of which are too often isolated.” Only by looking at diverse conditions in relation to each other, the authors argued, could one understand the status and future prospects of American society. Though never reissued, the document still stands as America’s first and only comprehensive national social report.

During the 1930s, as the Depression deepened, federal mechanisms were established to improve the gathering of social data and the monitoring of social conditions. New Deal agencies began to coordinate data which had previously been collected by the states. These agencies initiated and refined comprehensive national surveys in areas such as labor and health, and developed photographic documentation of the nation’s social problems.

Most forms of social monitoring lapsed during the 1940s and the early 1950s, when the nation was concerned with the war effort and recovery. During the 1960s, however, the idea once again emerged. The impetus this time was the U.S. space program. NASA, the nation’s newly created space agency, commissioned the American Academy of Arts and Sciences in 1962 to explore the potential side effects of space exploration on American society. Would the space program threaten or disturb the social fabric? Would new social problems arise?

The Commission discovered that little of the critical information needed to assess American life was available. Raymond Bauer, the project director, wrote that “for many of the important topics on which social critics blithely pass judgment, and on which policies are made, there are no yardsticks to know if things are getting better or worse.” Bauer proposed the term “social indicators” to serve as an analog to the widely used concept of economic indicators. A central focus of his work soon became the need for social indicators as a basis for rational policy-making.

In 1966, building on Bauer’s work, the federal government took a first step in the direction of systematic reporting of social conditions. President Lyndon Johnson directed the Department of

Health, Education, and Welfare to explore “ways to improve the nation’s ability to chart its social progress.” The resulting study, *Toward a Social Report*, was viewed as a “preliminary step toward the evolution of a regular system of social reporting.” The study considered the types of indicators necessary for regular reporting, including measures of health and illness, social mobility, the environment, income and poverty, public order and safety, learning, science, and art. The report became an important milestone and stimulated both political and academic initiatives in the field.

In 1967, the *Annals of the American Academy of Political and Social Science* published two volumes of essays on social indicators. In the same year, then Senator Walter Mondale proposed *The Full Opportunity and Social Accounting Act*, calling for a Council of Social Advisors, a national system of social accounting, and an Annual Social Report, all parallel to the existing federal apparatus for economic reporting. The proposal was based on the 1946 Employment Act, which had helped to structure the system of economic reporting. Extensive hearings were held on the bill. Senator Fred Harris, who presided, brought together a wide range of experts testifying to the urgent need for regular social reporting and portraying the complexities of the task. Despite strong support, the bill failed to pass. A less ambitious statistical report, entitled *Social Indicators*, was subsequently published by the Bureau of the Census. Followup reports appeared in 1973, 1976, and 1980 but the series was discontinued by the Reagan Administration.

There have been no further efforts at comprehensive, regular social reporting by the federal government on the scale of *Recent Social Trends* or as envisioned in *Toward a Social Report*. However, reports on specific issue areas are published regularly, including such vital references as the *Uniform Crime Reports*, *Health United States*, and *The Condition of Education*.

During the 1990s, recognition of the need for a system of social reporting has emerged once again, focused, as in the Progressive Era, on the worsening situation of children. The federal government has produced several new on-going reports, including *Trends in the Well-Being of America’s Children and Youth* by the Department of Health and Human Services and *American Children: Key National Indicators of Well-Being*, produced by the Federal Interagency Forum on Child and Family Statistics. It is yet to be seen whether these reports will serve as the foundation for new public-policy initiatives and whether they will be continued on a regular basis in the future.

Because of the troubling status of children in America, numerous reports on youth also have been generated outside of government, including the widely known *Kids Count*, developed by the Annie E. Casey Foundation. These reports, like the government publications, have sought to draw attention to the social problems of children and families and highlight urgent social issues such as poverty, suicide, child abuse, and drug use.

The past decade has seen other advances as well. There has been an attempt to fashion new tools that reach beyond the state of individual sectors or groups and provide a sense of the nation’s overall condition. One such effort is the *Social Report: Assessing the Progress of the Nation by Monitoring the Well-Being of its People*, published by the Fordham Institute for Innovation in Social Policy. This document contains a yearly Index of Social Health, a ranking of the social performance of the fifty states, and the results of a National Social Survey that probes areas such as health, education, safety, and work. Another highly influential tool is The Human

Development Index, published by the United Nations Development Program, which ranks the nations of the world on various measures of well-being.

The Current Challenge

Despite a long and significant history in the United States, social indicators lag far behind economic indicators in impact and influence, and as a result, much remains missing from America's portrait of progress. If social indicators and the vital aspects of life that they represent are to play a role in assessing our nation's progress, we need to develop a monitoring system of agreed upon indicators that are regularly and frequently reported, that employ recognized indexes and composite measures, and that are interpreted and legitimized by organizations both inside and outside of government.

The following initiatives should be considered.

- * Timely reporting by the federal government of a series of officially recognized indicators of social health that systematically monitor important areas of society, such as work, income, health, safety, and education, as well as the status of groups such as children, women, the aging, and minorities.

- * The development and wide recognition of positive and negative standards against which the performance of key indicators can be judged, so that their consequences for society can be more clearly understood and communicated

- * The creation of new barometers similar in their utility and clarity to those used to anticipate major changes in the economy; for example, an Index of Leading Social Indicators might be designed that could predict the coming of "social recessions."

- * The evolution of a more coherent system of social information that would narrate, interpret, and communicate the results of government and private surveys. These surveys currently generate the majority of the nation's social data on income, education, youth, aging, women, work, and other areas of social concern. Their key findings must be made far more accessible to the media, to the makers of policy, and to the general public.

- * The initiation of a process both inside and outside of government that would bring together experts from relevant fields to make a periodic assessment of national social trends and social performance, with their findings regularly communicated to the government, the media, and the general public. The structures that process, interpret, and report economic indicators, such as the Conference Board, the Business Roundtable, and the National Bureau of Economic Research, should serve as important models.

The objective of these and similar initiatives is to broaden our idea of progress and create a new and informed dialogue, a dialogue that would reflect changes in the quality of our national life and achieve a deeper and broader view of social conditions. What is most important is that this

dialogue rest on a foundation of data and analysis that is as strong, durable, rational, and precise as that which supports our discourse about the economy.