Our Changing Economy

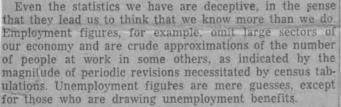
Statistics, Plentiful, Basically Useless

By Phillip Stoddard Brown

ASHINGTON is a community of more than two million persons, of whom perhaps 815,000, on the average, were gainfully employed last year. Their aggregate income may have been about \$6 billion.

Actually we don't know how many people were employed, not within tens of thousands; nor do we know their total income, within hundreds of millions of dolfars. We know even less about the distribution of income, except among Government workers.

We have no comprehensive figures of retail sales, except for census years, and little knowledge of the monthly variations in trade activity. The figures one sees from time to time of expenditures of out-oftown visitors are only conjectures.



Much of what we know about business activity is not significant. We know how many telephone calls were made last month, but not how many people worked only part-time. We have no idea how many persons who were qualified for responsible office and sales jobs were jerking sodas, or how many others who have had a good training in the graphic arts or building trades were employed to sweep floors and mestics and other self-employed persons for which there is no run errands.

We are a big community, bigger than many sovereign countries. We have mammoth electric computers and possibly more statisticians than any other city in the world.

Harold B. Dorsey is on vacation, His column, Economic View, will be resumed upon his return.

These we use mainly for decisions about inconsequential matters. Our big decisions we make by hunch. The statistics we have about people-in contrast to those about gas meters and fireplugs-are inadequate and often of no value.

Thousands of area residents, in business and Government, are engaged in planning the allocation of funds for inventories, new offices, stores, apartments, public buildings and relief needs. On the basis of what? Impressionistic reports of business conditions, population projections, and surveys of income and expenditures that are often a statistical farce.

Curiously, most people have never stopped to reflect that the population of any city, 20 years from now, depends mainly on the number of jobs created in the interim. Washington, Dallas and Los Angeles have grown rapidly not because the people in these cities had larger families than those in Scranton and Lawrence, but because lots of jobs have been created in recent years.

The techniques of projecting and estimating population that are valid for a big country with immigration and emigration restrictions have very limited application to a single city from which and to which people move freely. At what time in the past, would 20-year projections of Washington's

Area Business Indicators

			Change 1958
į	Employment (Motuonalitan Acce)	1959	to 1959
	Employment (Metropolitan Area):	000 000	
	Government (civilian)average	283,000	+ 2
	Government (military)		- 1
	Private*	400,800	+ 3
	Federal civilian payroll\$ millions		+4
	Manufacturing payrolls "	210**	1
	Construction authorized:		
	Value of all building "	538‡	-11
	Number of dwelling units	25,597	+14
	netall made.		-
	New-car registrations	23,889	+23
	Department store sales \$ millions	268	+ 7
	Electric appliance sales "	89±	+13
	Public utility services:		
	Electric power (Pepco area)		3100
	Commercial million kwh	1,856	+14
	Residential "	1,079	+13
	Gas sales (Wash. Gas Light)	2,010	7.10
	Business	70	1 0
i	Residential	361	+ 8
	Telephone service	001	-
	Local Callsmillions	916	+ 6
		19	+ 7
	Out-of-town calls	179	-1
	Commercial banking (D. C. only):	719	300
		22 051	1.00
	Value of checks written \$ millions	46,001	+23
	Loans outstanding****	428	
	Newspaper advertising million lines	100	+11
	Passenger arrivals and departures	-	1.40
	at National Airport thousands	5,051	+11
	Consumer-Price Index (1947-49=100)		
	*Except proprietors, nonsalaried doctors	and lawy	ers, do

current tally.

**Estimated.

***Excluding loans to other financial institutions and loans for carrying securities.

†Figure for 1958 is not available or comparable.

‡Projected.

population, based on vital statistics and past migration ex-

perience, have been a valid basis for planning? Why can't we have somewhere in the local Government structure a qualified statistical group to gather and analyse

figures about people-their employment status, incomes, expenditures and housing needs-and to keep a tally of construction projects, new office space and housing accommodations and all the business and Government changes that involve a substantial addition or loss of jobs?