

**Our Changing Economy**

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# Statistics, Plentiful, Basically Useless

By Phillip Stoddard Brown

WASHINGTON 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 dollars. 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-of-town visitors are only conjectures.

Even the statistics we have are deceptive, in the sense that they lead us to think that we know more than we do. Employment figures, for example, omit large sectors of our economy and are crude approximations of the number of people at work in some others, as indicated by the magnitude of periodic revisions necessitated by census tabulations. Unemployment figures are mere guesses, except for those who are drawing unemployment benefits.

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 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.



Brown

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

	1959	Per Cent Change 1958 to 1959
<b>Employment (Metropolitan Area):</b>		
Government (civilian)..... average	283,000	+ 2
Government (military)..... "	59,000	- 1
Private* .....	400,800	+ 3
Federal civilian payroll.....\$ millions	1,416	+ 4
Manufacturing payrolls..... "	210**	†
<b>Construction authorized:</b>		
Value of all building .....	538‡	-11
Number of dwelling units .....	25,597	+14
<b>Retail trade:</b>		
New-car registrations.....	23,839	+23
Department store sales.....\$ millions	268	+ 7
Electric appliance sales..... "	89‡	+13
<b>Public utility services:</b>		
<b>Electric power (Pepee area)</b>		
Commercial .....	million kwh 1,856	+14
Residential .....	" 1,079	+13
<b>Gas sales (Wash. Gas Light)</b>		
Business .....	Million Therms 70	+ 8
Residential .....	" 361	- 1
<b>Telephone service</b>		
Local Calls.....	millions 916	+ 6
Out-of-town calls.....	" 19	+ 7
D. C. Transit passengers.....	" 179	- 1
<b>Commercial banking (D. C. only):</b>		
Value of checks written.....\$ millions	22,651	+23
Loans outstanding***.....	428	†
Newspaper advertising.....	million lines 100	+11
<b>Passenger arrivals and departures</b>		
at National Airport.....	thousands 5,051	+11
Consumer-Price Index (1947-49=100).....	122‡	+ 1

\*Except proprietors, nonsalaried doctors and lawyers, domestics and other self-employed persons for which there is no 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 experience, 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 analyze 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?