

THE STATE OF THE REGION REPORT

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University Center for Social and Urban Research
University of Pittsburgh
121 University Place
Pittsburgh, PA 15260
412 624-5442

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EXECUTIVE SUMMARY

This is the sixth *State of the Region Report* published by the University Center for Social and Urban Research at the University of Pittsburgh. Previous reports were released in 1984, 1988, 1989, 1990, and 1992.

Each of the chapters of this report documents social and economic conditions and trends in the Pittsburgh region. Some of the chapters also put an emphasis on assessing and recommending policies for improving local conditions. The main findings of the report are:

Chapter 1. Population and Employment Trends in the Pittsburgh Region

by Christopher Briem

- The estimated rate of population decline in the region in the 1990s of 0.20% per year was much less than the rate of decline in the 1970s (0.42%) and in the 1980s (0.74%).
- The outmigration of the working-age population and the retention of many elderly people in recent decades has left the region with a high percentage of elderly (e.g., 18.1% in Allegheny County in 1997, which was the third highest rate among large counties).
- Growth in the region's population in the future will be restrained by the low percentage of adults of child-bearing age, lack of immigration into the region, and continuing outmigration.
- Regional job growth occurred through most of the 1990s, but at a lower rate than in the US.

Chapter 2. Industrial Change in Pittsburgh

by Sabina Deitrick

- Private sector employment in the Pittsburgh region increased by 11.6% from 1986 to 1990, which was about equal to US growth of 12.1%.
- Private sector employment growth was much less in the region than in the US from 1990 to 1995. Growth in the region was 3.3%, while US growth was 7.3%.
- Slow relative growth is occurring in the region in the 1990s because the region had developed during the prior century a highly specialized manufacturing economy, the region had more decline in the 1970s and 1980s in its specialized industries than did most other regions of the country, and no new agglomerations of export-oriented industries have formed sufficiently to accelerate the region's growth while such growth agglomerations still exist or have formed in many other regions.
- Among export industries that are sources of regional growth and agglomeration in the US, the Pittsburgh region currently specializes in *intellectual capital industries*, i.e., those with a high proportion of high wage, nonproduction occupations.
- While the region's rate of job growth in *intellectual capital industries* equaled the national rate from 1986 to 1990, the region's rate fell substantially below the national rate for 1990 to 1995.
- Four *intellectual capital industries* are specialized in the region and had job growth from 1986 to 1990 and from 1990 to 1995: measuring and controlling devices, financial holding offices, management and public relations, and colleges and universities.

- Shift-share analysis of major industry categories showed that finance, insurance, and real estate (FIRE) was the only sector to increase employment share in the region relative to employment share in the nation from 1990 to 1995.

Chapter 3. Welfare Program Trends in Allegheny County

by Rafael Engel, Helen Petracchi, and Kevin Brown

- Medicaid has the most total expenditures of any welfare program in the county. In 1997 this program spent \$632 million with about 173,000 persons participating. The number of participants and amount of expenditures began to decrease in the county after 1995.
- The Earned Income Tax Credit (EITC) is the second largest welfare program in the county in terms of expenditures (\$94 million in 1995). About 111,000 tax returns in the county included the EITC in 1995. Expenditures in the county in 1995 were nearly three times those of 1990, while the number of tax returns with the EITC increased by 30% from 1990 to 1995.
- Food Stamps is the third largest welfare program in the county, with more than \$86 million in expenditures and 102,000 persons participating in 1997. The number of households and persons participating in Food Stamps in the county began to decline after 1992 while expenditures began to decline after 1994.
- TANF (formerly AFDC) is now the fourth largest welfare program in the county, with about \$68 million in spending and 15,000 households and 42,000 persons participating in 1997. Spending and participation began to decline in the county after 1993.
- Other welfare programs in the county spend much less than the above programs. In 1997 these other programs and their expenditures in Allegheny County were: General Assistance, \$13.7 m; SSI, \$11.6; WIC, \$10.9 m; Public Housing, \$8.5 m; LIHEAP, \$7.5 m; and State Blind Benefits, \$200,000.

Chapter 4. The Status of Women in the Pittsburgh Region: Economy, Politics, and Violence

by Susan Hansen, Audrey Murrell and Laurel Weldon

Economy

- Men receive a higher rate of return on education than women. For example, among full time workers with a professional degree, women earned only 49% of men's earnings in 1989.
- A smaller percentage of employed women than employed men (12.7% vs. 18.9%) were employed as executives, administrators, and managers in the region in 1996.
- About 25% of employed women in the region in 1996 were administrative support workers compared to only 6.3% of employed men.
- Although women receive bachelor degrees at about the same rate as men, women are still segregated by field of study. For example, only 11% of students receiving engineering-related bachelor degrees in 1996 in the state were women while 75% of the psychology and education bachelor degrees went to women.
- A smaller percentage of firms are owned by women in Allegheny County (30.3%) than in the state (31.2%) or US (34.1%).
- A smaller percentage of working age women (11%) than working age men (14.5%) in the region during 1994-1996 were uninsured.
- African American women have much poorer economic conditions and much lower education levels than white women in the county.

- The recommendations include training more women for high-wage jobs, reducing race and sex discrimination in employment, greater emphasis on contracting with women-owned businesses, increased income support for female-headed families, developing family-friendly workplaces, and increased access to higher education for poor African American women.

Politics

- In the history of the city and county governments, only one woman has ever been elected mayor and only one woman was ever elected county commissioner.
- In 1997 the City of Pittsburgh had more women on its police force than any other large US city, but only 44 (8%) of the 538 police officers hired by the City since 1991 were women.
- As of 1998 none of the CEOs of the eight Fortune 500 corporations in Pittsburgh were headed by women.
- In early 1999 about half of the foundations in western Pennsylvania as well as in the nation were headed by women.
- The recommendations include recruiting more qualified women for leadership and public safety positions, campaign finance reform, and greater community input in economic development projects.

Violence

- About 11.6% of working age women in the nation are a victim of domestic violence each year. At this rate, an estimated 19,000 working age women in the city and 68,000 working age women in the county experience domestic violence each year. Only about 10% of the incidents are reported to police.
- Based on national studies, the number of women sexually assaulted each year is 1,200 in the city, 4,600 in the county, and 8,200 in the Pittsburgh MSA. Only 10-30% of all sexual assaults are reported to police.
- The recommendations include: 1) expand shelters, counseling, peer support groups, legal advocacy, and outreach for victims of domestic violence; 2) expand public education programs to prevent domestic violence; 3) legal reforms and expanded prosecution efforts to address domestic violence; and 4) better training for professionals who assist female victims of violence.

Chapter 5. The State of the Child in Allegheny County

by Christina J. Groark and Beth Osborne Daponte

- From 1990 to 1996 the number of births decreased in the city of Pittsburgh by 15% and in Allegheny County by 18%.
- From 1990 to 1997 the number of children enrolled in public and private schools in the county increased by 4% from 202,300 to 210,900.
- 60% of the children under age 18 in the city were white in 1990 and 91% were white in the remainder of the county.
- Infant mortality rates declined in the city and county from 1990 to 1996, but the black rate of 19.5 in the city in 1996 was 3.4 times the white rate of 5.7 and the black rate of 19.6 in the county in 1996 was 3.6 times the white rate of 5.4.
- The percent of babies born with low birth weight declined in the city and county from 1990 to 1996.

- 56.9% of African American children and 16.6% of white children in the city in 1989 were living in poverty. 50.0% of the African American children and 10.7% of the white children in the county were in poverty in 1989.
- The high school dropout rate declined while juvenile delinquency increased in the county in the 1990s.
- Many local needs assessments and innovative program initiatives have occurred in the county in recent years.
- The authors recommend: 1) convene a county-wide leadership group to design a conceptual framework and results-based accountability system for children and family policies and programs; 2) provide support services and training to local agencies; 3) increase early childhood and after-school services; and 4) increase the training of parents.

Chapter 6. Economic Impact of the Elderly in Allegheny County

by Christopher Briem and Richard Schulz

This paper is based on a REMI model simulation to determine the economic impact of the region's large elderly population. Specifically, the simulation estimates the impact of the 152,000 elderly people who would not live here if the share of elderly (17.5%) in the region's population were the same as the share of elderly (12%) in the national population. The economic impact of the elderly is:

- One job is created by the presence of every two elderly residents in the region.
- Of all the jobs due to spending by elderly residents of the region, 42% occurs in service industries and 30% in retail and wholesale trade.
- One health care job is created for every nine elderly residents in the region.
- The contribution of the elderly to the region's gross regional product is equivalent to the share of elderly in the population (i.e., about 17.5%).

The paper also reports on a simulation which estimates the county impacts if federal medical programs, such as Medicare and Medicaid, were cut. The expected effect is the loss of about 10,000 jobs for every \$200 million decline in federal spending. About \$2.35 billion is spent by federal medical programs in the county each year now.

Since 1995 the elderly population in Allegheny County has been declining in number and as a percent of total population. From 1995 to the year 2012 the county will lose about 15% of its elderly population, about 35,000 people. The loss of 35,000 elderly is expected to reduce jobs by more than 17,000, which could cause about 10,000 people to leave the region. The health care industry alone is expected to lose 4,000 jobs.

Chapter 7. Policies to Improve African American Economic Conditions in Pittsburgh and Allegheny County

by Leon L. Haley and Ralph L. Bangs

Most African Americans in the city and county continue to be at the margins of the local economy due to a variety of barriers, such as housing and employment discrimination, mortgage and business lending discrimination, housing segregation, and the poor quality schools for low-income kids. The unusually severe economic conditions among African Americans means that

local institutions will need to do more to alleviate these problems than would be necessary in most urban areas. Further, local institutions will need to make this extra effort even though the local economy is improving because many African Americans have received little benefit from regional economic growth.

In this chapter policy options were identified through a review of national literature on how to improve conditions for African Americans and other low-income populations. Policy options are recommended for adoption if they address factors that are believed to contribute to poor African American conditions in the city and county and if formal studies have shown that the policy options can lead to a substantial improvement in conditions in urban areas of the US.

The recommendations include:

- City, County, and State leaders should require government agencies to greatly expand their minority business contracting and subcontracting
- Use testing, enforcement, and public education to reduce all types of discrimination in the region
- Public schools which are failing to teach basic skills to their low-income children should adopt either of two successful national model programs: Ohio State University's "Early Learning Literacy Initiative" or John Hopkins University's "Success for All".
- Local organizations should help low-income, employed African Americans to take greater advantage of the Earned Income Tax Credit
- Jobs supported directly or indirectly by government agencies, authorities, or school districts in Allegheny County should pay at least the local living wage (about \$8.50 in 1999) for the smallest household unit, one person living alone
- A Regional Fund should be created by public, private, and nonprofit organizations to increase social services to low-income people
- Site-based job training for African Americans should be increased
- Neighborhood-based family support services should be increased.

Chapter 8. Transforming the Governance of Western Pennsylvania from Town to Region by David Y. Miller, Graduate School of Public and International Affairs

Two of the greatest weaknesses of the town form of government are:

- The hundreds of local governments in the Pittsburgh region are often unable to respond to regional issues
- Towns seek homogeneity while society is becoming increasingly diversified.

A regional form of government has the following advantages:

- Regional approaches to housing, land use, education, and tax policies serve citizens more fairly and equitably
- Regional government agencies can provide some services more efficiently
- Regions are the unit of economic competitiveness and responsiveness in the global marketplace

- Public resources, such as for highway development, can be used more strategically to create greater total benefits.

The important characteristics of a region form of government are believed to be:

- A fiscally and managerially sound central city and county
- Formal and informal mechanisms for bringing leaders together to take unified actions
- A regional agency has the legal authority to make and enforce policy on housing, land use, education, and taxes.
- Intra-regional competition for businesses and jobs is minimized.

The Pittsburgh region generally lacks the above characteristics of a region form of government.

Many of the municipalities in Allegheny County have been fiscally stressed in the 1980s and 1990s. Further, the degree of fiscal stress worsened for many of these during this period. Finally, disparities in conditions among communities in the county increased as the resources of the rich communities expanded while the resources of the poor communities contracted.

In recent years the foundation for a region form of government in western Pennsylvania may have been laid as:

- County governments in the region are becoming more important since they have been assigned increasing shares of federal/state mandates and new programs and they have had substantial increases in real local tax revenues while municipalities have not.
- The Allegheny County Regional Asset District provides a broader funding base for assets that used to be supported only by the City of Pittsburgh and reduced reliance on the property tax and other taxes.
- Economic development programs of the City of Pittsburgh and Allegheny County have been combined.
- Efforts are underway to secure a more solid funding base for councils of governments.
- The Southwest Planning Commission will be responsible for allocating federal transportation spending in the region.

To move more towards regional governance, the author recommends:

- Reduce the disparity between rich and poor communities by turning over more functions in poor communities to COGs and by additional revenue and tax-base sharing
- Reduce duplication between city and county services, such as in bomb and homicide squads and in delinquent real estate tax collection
- Increase the geographic and demographic representativeness of the Southwest Planning Commission
- Increase cooperation between the City of Pittsburgh and the 38 adjacent communities.

Chapter 9. Crime Patterns in the Pittsburgh Region

by Phyllis Coontz and Jim Nesbitt

- Index (serious violent and property) crime rates, which do not include drug crimes, have been declining in the 1990s in the US but increasing in the Pittsburgh region.
- In 1997 index crime rates were much lower in the Pittsburgh region than in the US (2,783 vs. 4,923 per 100,000 residents).
- Part 2 offenses, which include drug crimes and other less serious crimes, steadily declined in the city of Pittsburgh and remained fairly stable in the rest of the region from 1993-1997.
- Arrest rates for serious crimes have greatly declined in the US in the 1990s while incarceration rates for all crimes have greatly increased. Incarceration rates for all crimes also greatly increased in the Pittsburgh region in the 1990s.
- Expenditures on corrections by all levels of government in the US increased 248% from 1982 to 1992.
- 60% of federal prisoners and 25% of state prisoners are in prison for drug offenses.

CHAPTER 1. POPULATION AND EMPLOYMENT TRENDS IN THE PITTSBURGH REGION

Christopher Briem, Research Assistant
University Center for Social and Urban Research
University of Pittsburgh

Introduction

The Pittsburgh Region is an area generally defined by the federal government's definition of the Pittsburgh Metropolitan Statistical Area (MSA), which is composed of Allegheny County and its five closest neighbors: Beaver, Butler, Fayette, Washington and Westmoreland counties. This grouping is meant to define a common labor market area and an integrated regional economy. Because of these linkages, economic and demographic forces have common effects across the region. The past and future of individual counties and municipalities in the region can not be separated from the trends that are affecting the region as a whole.

The Pittsburgh region has a long history that is defined by the growth and transition of the US heavy manufacturing industry and, in particular, the steel industry. This was the driving force for a long period of economic growth beginning in the 19th century and continuing through World War II. The challenge since then has been to deal with the continuing decline in manufacturing firms and jobs in the region. In many aspects the challenges of the 1990's are the same as those of the 1970's and 1980's when this decline was acute. Loss of jobs meant then and now a loss of population as workers left the region in search of jobs and the accompanying loss of income and earnings that they produce. Many aspects of the region have changed since 1990 as are seen by changes in the regional population and employment picture. Population loss has slowed dramatically and employment is far more diversified in the 1990's than in previous decades. How the region is changing in the 1990's may define the future trends that will continue into the next century.

Population Trends

The 1990's have seen a continuing decline in the population of the Pittsburgh region. The latest census estimates show that the overall population in the region declined by 1.4% between 1990 and 1997. This represents a net decline of over 34,000 people. Population decline is a major concern for regional policy makers. However, it must be noted that the rate of decline in the 1990's, approximately 0.20% per year, is far less than the rate of population decline experienced in the preceding decades. Over the 1970's and 1980's the annual population decline was 0.42 and 0.74% respectively. Thus, the current rate of decline in the population in the 1990's is less than 1/3 of what was experienced in the previous decade. Also, it should be noted that population decline is not uniform throughout the region. Table 1 breaks down the change in regional population by county from 1990 to 1997. Half of the counties in region (Butler, Washington and Westmoreland) have experienced population growth in the 1990's. Butler County in particular has increased in size by almost 11% since 1990. Allegheny County is primarily responsible for the overall decline in regional population, losing over 55,000 people over the same time-span.

Table 1. Estimated Population Change by County, 1990-1997

County	1990 Population	1997 Estimated Population	Change in Population	Percent Change
Allegheny	1,335,855	1,280,624	-55,231	-4.1
Beaver	186,264	185,682	-582	-0.3
Butler	152,624	169,197	16,573	10.9
Fayette	145,331	145,036	-295	-0.2
Westmoreland	370,396	374,673	4,277	1.2
Washington	204,617	205,807	1,190	0.6
Total	2,395,087	2,361,019	-34,068	-1.4

Source: US Bureau of the Census, PE-62 Population Estimates

Population decline in the region has several causes. The 1970's and 1980's saw a large amount of net migration out of the region, mostly of workers seeking jobs elsewhere. This economic induced migration came from younger working age groups of the population. Those already retired tend to be less mobile and did not move out the region at the same rate as the working-age population. The result of this migration is that the Pittsburgh region now has one of the highest concentrations of elderly in the county. Allegheny County in particular, and to a slightly lesser degree the Pittsburgh region as a whole, has a disproportionate concentration of elderly compared to the rest of the US. The elderly in Allegheny County constitute over 18% of the total population, compared to 12% in the total US population. Table 2 ranks all large counties in the US by the percentage of their populations composed of those aged 65 and older. The only counties with a higher concentration of the elderly are in regions such as Florida, which receive a large amount of elderly in-migration. For the region as a whole the percentage composed of the elderly was 17.4% in 1997.

In the Pittsburgh region the size of the elderly population is relatively larger than the pre-elderly population who will be turning 65 over the next decade. As the population ages the size of the elderly population will decline. This is unlike the national trend, which will see the elderly population grow as the large baby boom generation begins to reach age 65. The peak of the elderly population in the Pittsburgh region is estimated to have passed in the middle of the 1990's and will continue to decline for at least the next decade. This is a major factor inhibiting population growth over that time period.

Another major cause of stagnant population growth in the region is the historically low rate of international migrants that settle here. Table 3 highlights the counties in the country with the fewest international migrants per capita in the 1990's. Allegheny County ranks 6th overall. International migration is a major source of the overall population increase in the United States. A secondary impact on the regional population comes from the fact that immigrant families generally have more children than the native population. The lack of immigration here will contribute to lower birth rates for the region into the future.

Table 2. Large Counties (>500,000 population) Ranked by Percent Elderly, 1997

Rank	County	Population	Population 65 and older	Percentage 65 and older
1	Palm Beach County, FL	1,018,524	252,415	24.8
2	Pinellas County, FL	871,766	209,228	24.0
3	Allegheny County, PA	1,280,624	231,928	18.1
4	Broward County, FL	1,470,758	265,151	18.0
5	Montgomery County, PA	712,466	116,821	16.4
6	Providence County,	574,429	93,431	16.3
7	Delaware County, PA	543,010	87,294	16.1
8	Cuyahoga County, OH	1,386,803	221,279	16.0
9	Erie County, NY	944,472	150,313	15.9
10	Bergen County, NJ	851,344	135,238	15.9

Source: US Bureau of the Census, PE-62 Population Estimates

Table 3. Counties (>500,000 pop.) with Low International Migration, 1990-1997

	County	Intl Migrants 1990-1997	As a % of 1990 Population
1	Jefferson County, AL	1,942	0.30
2	Summit County, OH	1,700	0.33
3	Montgomery County, OH	2,147	0.37
4	Hamilton County, OH (Cincinnati)	3,798	0.44
5	Macomb County, MI	3,332	0.46
6	Allegheny County, PA	6,211	0.46
7	Jefferson County, KY	3,474	0.52
8	Shelby County, TN	4,694	0.57
9	Marion, IN (Indianapolis)	4,624	0.58

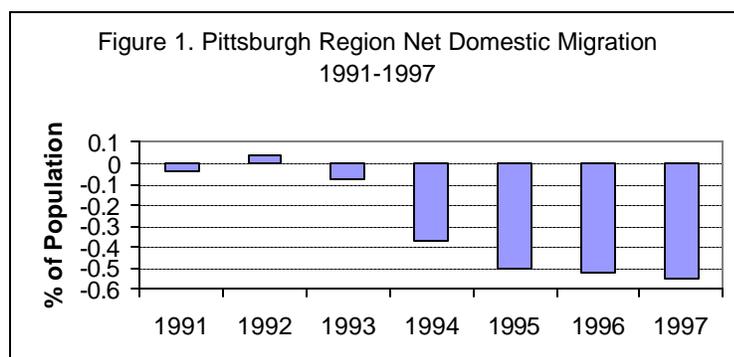
International Migrants Per Capita for Nearby Cities

	County	Intl Migrants 1990-1997	As a % of 1990 Population
1	Philadelphia, PA	29,976	1.90
2	Cuyahoga County, OH (Cleveland)	11,016	0.78
3	Baltimore, MD	8,563	1.23

Source: US Bureau of the Census, PE-62 Population Estimates

A third reason for population decline often receives the most public attention: the continuing migration of people out of the region. Public attention is focused here because, unlike the other primary reasons for population decline, it is believed that public policy can affect how people view the region and make them choose to stay. The rate of domestic net migration (the difference between those coming to and those leaving the region other than international migrants) has been negative for most of the 1990's and has appeared to increase in recent years (see Figure 1). The last three years for which census estimates are available (1995-1997) show

that over ½ of 1% of the total population chose to leave the region each year. This may seem like a small number but compounded over time this can result in large population declines if it continues into the future.



Source: US Bureau of the Census, PE-62 Population Estimates

Pittsburgh Regional Employment

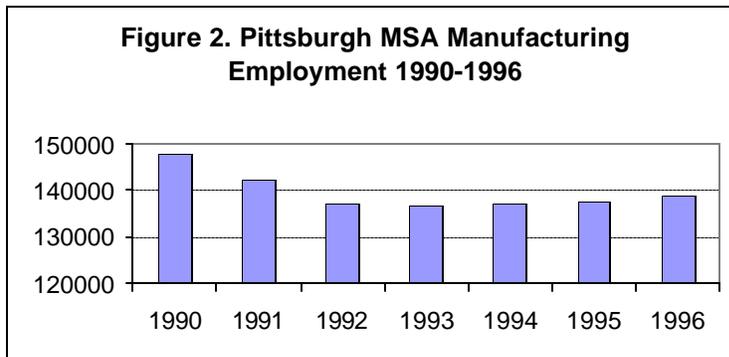
Employment in the Pittsburgh region is far more diverse in the 1990's than it was in previous decades. The decline in the steel industry had resulted in large-scale decline in manufacturing and total employment throughout the region. Manufacturing now represents just under 11% of total private employment (see Table 4). The comparable number for 1970 was over 32%. In 1970 there were over 300,000 manufacturing jobs in the region. That number declined to just over 147 thousand manufacturing jobs in 1990. This long run decline in manufacturing employment has remarkably leveled off in the 1990's and has even seen some increase since 1993 (see Figure 2).

With the exception of 1991 there has been job growth in the regional economy every year since 1990. However, the local and state job growth rates have trailed the US in percentage terms since 1993. There has also been significant job growth in other industrial sectors including Finance, Insurance and Real Estate (FIRE), Transportation and other services (see Table 5).

Table 4: Pittsburgh Region Employment by Industry, 1996

	Employment	% of Total
Construction	72,951	5.7
Manufacturing	139,072	10.8
Transportation & Utilities	74,419	5.8
Trade	298,916	23.2
FIRE	100,846	7.8
Services	458,533	35.5
Government	131,679	10.2
Total	1,290,989	

Source: Regional Economic Information System, Bureau of Labor Statistics



Source: *Regional Economic Information System, Bureau of Labor Statistics*

Table 5. Employment Change by Industry in the Pittsburgh MSA, 1990-1996

Sector	Employment Change
Mining	-1,710
Construction	3,360
Manufacturing	-8,733
Transportation and Public Utilities	4,467
Trade	12,270
Finance, Insurance, And Real Estate	11,604
Services	37,738

Source: *Regional Economic Information System, Bureau of Labor Statistics*

The overall unemployment rate in the region is a key indicator of the region's economic health. The regional unemployment rate measures the percentage of the current labor force that is actively seeking employment. Job creation is a major factor affecting the unemployment rate. At the same time the overall size of the labor force is affected by other factors, including the net migration rate in or out of the region and the regional labor force participation rate. Even moderate new job creation coupled with the continuing outmigration of population have created the lowest unemployment rates in a generation. The regional unemployment rate has been decreasing continuously since 1992 reaching 3.9% for the region and 3.3% for Allegheny County in December 1998 (see Figure 3). Both represent the lowest figures in decades. In some highly skilled fields the lack of workers to fill existing needs has created 'negative' unemployment. This is the result of a strong economy and the rapid change of skills needed by the workforce exemplified by the expansion of telecommunications and high-technology industries. This can be a major impediment to economic expansion both locally and nationally.

These low unemployment numbers do not give a complete account of employment conditions here. The US steel industry has been negatively affected by the reduction in output prices caused by international financial crises in Asia and elsewhere. Temporary and permanent layoffs will

continue to cause job insecurity in the steel industry until price stability is achieved in domestic and international markets.

The tight labor market has not benefited all workers equally. In particular there continues to be a large disparity in the unemployment rates between black and white workers. Unemployment rates among African-Americans are almost four times that for the white population in the Pittsburgh Region (18.1 vs. 4.7% in 1996). Racial differences in employment have historically been higher in the region than the nation as a whole. This disparity is even harder to explain considering the shrinking unemployment rate in recent years.



Source: Bureau of Labor Statistics

Looking Toward the Future

One of the most important and difficult questions to be asked is what will future economic and population growth look like in the Pittsburgh region. Looking at the snapshot of the present gives conflicting evidence about what the future will be. The apparent turnaround in manufacturing employment is encouraging news for workers here and the diversification of overall employment should make the regional economy more resilient to national business cycle downturns in the future. Regional population growth is closely linked to the future of the regional economy. Jobs are needed to encourage workers to move here and keep those who are already here from leaving. The size and quality of the local labor force itself is an important factor driving growth and is essential to encourage new firms to locate here vs. other regions. The fact that migration out of the region does not compare to that of preceding decades may prevent some of the most pessimistic of forecasts for the region from coming true. A troubling statistic is that the most recent years of census information imply that this trend is not continuing to improve. Whichever way the future leads, the 1990's will clearly be seen as a transition decade between the years when steel was dominant and the future regional economy that is taking shape now.

CHAPTER 2. INDUSTRIAL CHANGE IN PITTSBURGH

Sabina Deitrick, Ph.D.
Graduate School of Public and International Affairs
University of Pittsburgh

Introduction

Pittsburgh has undergone a profound change in its regional economy that continues as what may be termed the Pittsburgh transition. Pittsburgh's long standing specialization in the steel industry left the region devastated when the mills closed in the 1980's. Growth in services-related employment buoyed the region against these losses in the late 1980's, but they were not enough to propel the region's growth in the first half of the 1990's. The region contained few concentrations of late 20th century growth industries to counter losses in the metals-related complex. For the past decade or so, the region's growth has lagged the nation's as a whole, and though new firm formation and firm expansion exists in select industries, no new core agglomerations of export-related industries have emerged to accelerate the region's growth into the 21st century.

What have been the sources of Pittsburgh's growth over the past decade? How has the region performed? What are the possible explanations for the more recent slowdown of the regional economy in the 1990's? This chapter will review the trends in the Pittsburgh region's industrial employment. It will examine these changes at broad industrial levels and at more detailed sectoral levels. We find that the Pittsburgh regional economy continues its industrial transition, but via no one clear path.

Theoretical Views

Regional analysts have long sought to explain changing regional dynamics and differential regional growth through the examination of a region's economic base. What are the industries that constitute the dynamic sectors of growth? How and why did they develop and expand in a particular region? And what are the institutional and technological networks that are forged? In sum, how do we understand the current transition?

The Service Economy and Post Industrialism

By the 1980's, manufacturing losses were being understood as a transition to a postindustrial or service economy. Here, as the reasoning went, just as U.S. employment moved up and out of agriculture by the early part of the 20th century, so too would employment shift from manufacturing to services. The term postindustrial society entered academic and contemporary society in the late 1960's and 1970's, as Daniel Bell (1973) in *The Coming of Post-Industrial Society* explored the nature of transitions in social development from an industrial base to a "post-industrial" or service base. Manufacturing and service dichotomies were established, deriving from the distinctions drawn earlier in the century by British economists Fisher (1935) and Clark (1940). The term service economy, whatever Bell's original

formulations of post industrialism, subsequently came to refer to the growth in employment in services in advanced capitalistic economies over primary and secondary sectors' growth.

Countering this notion was Cohen and Zysman (1987) in *Manufacturing Matters: The Myth of Post-Industrial Economy*. Arguing that the U.S. employment moved from agriculture through automation and rising productivity, they drew parallels to the manufacturing sector with its rising productivity and output and the direct linkages between services and manufacturing. Growth and rising incomes will not come from a transition to services, argued Cohen and Zysman, but to more productive and competitive manufacturing. Sayer and Walker (1992) took up this theme by investigating the deepening of the social division of labor between goods-producing work and linked service activity. Others pointed out that the growth in services in the 1980's was largely in domestic services -- those "insulated from international competition" (Block, 1990, p. 19), such as housing, health, and transportation.

Nonetheless, international cities flourished under growing deregulation as complexes of advanced producer services were linked to the ever-emerging global economy (Sassen, 1991). Castells (1989) synthesized these trends in the informational city, which by the 1990's expanded to what he termed the network society (1996), where information itself becomes the product and process of economic growth. These shifts increased inequalities in some places, however. Intra-metropolitan divisions were analyzed under the "dual city" and the "divided city" nomenclatures (Fainstein et al, 1992; Mollenkopf and Castells, 1991), as social divisions continued and expanded in the new postindustrial economy.

Though the Cohen-Zysman thesis became a bellwether among those advocating for manufacturing-based policies at all governmental levels in the U.S., cities in the 1980's heralded their expanding services base. Cities and regions rocking from plant closures and the dismantling of hundred year old industrial complexes planned their futures, at least in part, on the postindustrial thesis. Much of the planning work conducted in Pittsburgh in the 1980's, most often under the directorship of the Allegheny Conference on Community Development (ACCD), reflected this view (ACCD, 1984; Mitchell-Weaver, 1992; Pittsburgh, 1982), as the region sought to transform itself through services and advanced technology growth. The bricks and mortar project resulting from this effort was the Pittsburgh Technology Center, where university and private sector research rose on the former J&L steel mill site, putting the transition from steel to a post-steel era in the starkest of spatial terms.

Post-Fordism

Piore and Sabel (1984) argued in the early 1980's that regional economies were crossing an "industrial divide," in a transformation from "Fordist," mass production to production based on batch runs, economies of scope and greater flexibility in both outputs and the organization of production. Researchers focused on case studies in different countries, and analyzed networks of production -- industrial districts -- in traditional manufacturing regions such as the Third Italy and Baden-Württemberg in Germany (Triglia, 1992; Schmitz, 1992). In the US, older industrial regions benefited from flexible specialization in traditional industries, such as machine tools, electronics and even large-scale manufacturing, such as automobiles and steel (Storper and Walker, 1989; Florida, 1996; Brown et al, 1996).

Though the application of flexibility extended to high technology regions as well, such as Silicon Valley (Saxenian, 1994), some of the post-Fordism work examined industrial sectors that lay outside durable goods manufacturing and capital good industries, what Pollard and Storper (1996, p. 4) called "variety-based manufacturing" -- sectors with "high product differentiation, short production runs, and lower levels of mechanization than mass-production sectors." The prime example of this trend was the Third Italy, known for traditional production in textiles, footwear, ceramics, machine tools, and the like, which grew as an innovative and exporting region in the late 1970's and early 1980's (Brusco, 1986; Triglia, 1992). Emblematic of these changes were both process and organizational flexibility through subcontracting arrangements, familial and network-based production in small shops, interfirm cooperation, and craft or batch production hinging on implementation of flexible machinery. Baden-Württemberg also became a model of the industrial district and successful post Fordist manufacturing in the capital goods sector, through collective efficiency of agglomeration and the role of local and regional institutions (Schmitz, 1992). The extent and success of the regions extended well beyond individual firms, to networking arrangements of producers, trade promotion associations, and education and training afforded by regional and local governments.

In Pennsylvania, policies developed from these post-Fordist views and from the Northern Italian industrial district model informed programs at the state level through manufacturing modernization and industrial extension service, particularly the Industrial Resource Centers (IRCs) (Sabel, 1992). The Southwestern Pennsylvania IRC (SPIRC), one of nine across the state, promotes manufacturing extension, quality improvement and international standards training and upgrading through its Manufacturing Training Network and Manufacturing Extension Partnership. SPIRC's work is certainly not limited to the variety-based industries, but extends to smaller producers in capital goods industries as well. Upgrading the region's manufacturing capabilities extends to workforce development, another area that SPIRC is engaged in with regional manufacturing firms and workers. Likewise, the Pittsburgh High Technology Council sponsors an Advanced Manufacturing Network, linked to SPIRC and promoting networking relations among manufacturing firms in the region.

Innovative Milieu

Linked to a long line of understanding the dynamics of regional economies is the *innovative milieu* (Aydalot, 1986). Through multiplier effects and agglomeration economies, dynamic regions benefit from what regional economists call urbanization and locationalization economies (Hoover, 1971). Urbanization economies are the external economies generated by the presence of different industries and firms and the built up infrastructure and service activities that support them in a place. Localization economies result from the presence of firms in the same sector located in one place, often thought of as a regional cluster of similar producers which realize economies of scale through, for example, shared inputs or diffusion of technology (Harrison, Kelley and Gant, 1996). An *innovative local milieu*, on the other hand, benefits from the constant innovation of information industries. The innovative milieu is not static, in the sense of external economies, but dynamic, and stemming from the agglomeration itself. Here local institutional networks and technological innovation become the basis for regional growth (Rigoupoulou and Mitchell-Weaver, 1996; Rigoupoulou, 1998).

The Pittsburgh region has seen a number of institutional and policy developments to foster the local innovative milieu. Parts of the network stem from work at the University of Pittsburgh and Carnegie Mellon University, with their expertise in biotechnology, medical services, computer sciences and software, and robotics (Mitchell-Weaver, 1992). The Pittsburgh Regional Alliance was formed to foster networks between existing public-private partnerships and the organizations and firms they serve. The Ben Franklin Partnership, likewise, forms part of this network to provide naissance funding to research and development projects in advanced technologies. As discussed above in reference to manufacturing, the Pittsburgh High Technology Council specifically targets innovative clusters information technology, biomedical/biotechnology, environmental technology, advanced manufacturing and advanced materials, through its networking and business associations. Despite efforts, the regionalness of the milieu organizations largely remains mired in "core/periphery antagonisms .. and redistributive pork-barrel politics," rather than radical regional institution-building (Mitchell-Weaver, Deitrick and Rigopoulou, 1999, 17).

The Pittsburgh Transition

Can we understand regional economic growth through these views? First of all, they can help us to understand that the Pittsburgh transition is more complicated than a shift from an industrial economy to a service or post industrial economy. Regional economies are complex entities, built up over time through by what Michael Storper has called the "holy trinity" of regional economics: technology and technological change, organizations, and territories (Storper, 1997, p. 26). This in turn creates "the evolution of regional specificities," where a region's assets become specific to a place and relational to one another within that space. Put another way, Pittsburgh built up a regional economy *and* regional geography based on metals and manufacturing that created unique transportation, communications, and coordination patterns and likewise unique social, institutional, and labor relations (Deitrick and Mitchell-Weaver, 1998). The loss of the region's manufacturing base must be understood as a loss of an economic and geographic process that was built up over nearly a century. Pittsburgh's growth was tied to this economic base, through what is called export-led development -- specialization in industries which sell outside the local market. Though these industries experienced a secular decline over the post World War II period, when they collapsed in the late 1970's and early 1980's, the process of the region's growth, not only its industrial structure, but its technological and managerial organization and spatial networks, was upended.

In the broadest view, Pittsburgh's transition is not unique. As reviewed above, scholars have examined theoretical reasons for the post-industrial transition. Across the country, particularly in the industrial heartland, the loss of traditional industries in the 1970's and 1980's was transforming regions over space and time (Bluestone and Harrison, 1982). At the same time, new agglomerations were propelling growth in what was labeled the "sunbelt" region (Sawers and Tabb, 1984). As we saw, some were tied to advances in microelectronics and computers (Saxenian, 1994); some to what became known as "producer services," those business and financial services which expanded by volumes during the era of deregulation of national and global markets (Sassen, 1991), and some to expansion of military

procurement in high technology defense sectors during the latter years of the Cold War (Markusen et al, 1991).

The ongoing transition in other parts of the industrial heartland today is different, however. Much of the industrial Midwest made a dramatic turnaround from the losses of the late 1970's and early 1980's to a high performing economy by the mid 1990's (Testa, et al, 1997).¹ In the 1990's, the Midwest region exceeded the U.S. average in indicators such as employment growth, median household income, and labor force participation, as it increased its share of total U.S. manufacturing over the late 1980's and 1990's. The Federal Reserve Bank of Chicago interprets this resurgence to a number of factors, both internal to the region and external to it. Among the external factors, the Bank cites: Re-agglomeration of the automobile industry in the Midwest, both auto firms and supplier companies; Post Cold War federal spending shifts which hurt defense-dependent regions in the West and New England; Decline in energy prices, which have helped manufacturing; and Growth of exports, both from the Midwest in absolute terms and relatively, as a portion of the total U.S. economy. Internal changes in the region include: Reorganization of business practices and the implementation of advanced manufacturing technologies in production; Lowered business costs, especially labor costs; State and local government fiscal health, coupled with continued public infrastructure investment; and Sustained "institutional capital" from the nonprofit development sector.

The Pittsburgh region has largely not shared in this "industrial post-industrial" transition. The Midwest today reveals the complexity of regional change and the limitations of understanding regional growth in service-manufacturing dichotomy. It shows the importance of agglomeration in particular places and the linked institutional networks that enhance regional growth. Though manufacturing declined in the late 1970's and early 1980's in the Midwest, the region's resilience *and* flexibility shows that the adaptation of new technologies and new organizational forms is not limited to new growth regions (Brown et al, 1996; Florida, 1996). Nonetheless, while much of the former "rustbelt" region rebounds, through, in part, manufacturing-led growth, Pittsburgh's economy has not followed this trend. What has been the performance of the region's economy over the past decade?

General Sector Trends

While the tale is well told of Pittsburgh's manufacturing collapse, the emphasis in this section will be its performance over the past decade, 1986-1995.² In terms of private sector employment, the region grew by 15.2% between 1986 and 1995, reversing its previous half decade of decline, but trailing national employment expansion of 20.3% (Table 1).

Breaking down the data into four intervals, we see the transition take root. With its heavy manufacturing employment losses, the region did not benefit from the Reagan economic expansion. In the latter half of

¹ The Federal Reserve Bank of Chicago includes in its definition of the Midwest Illinois, Indiana, Iowa, Michigan, and Wisconsin.

² The Pittsburgh region is defined here as the six county metropolitan area: Allegheny, Beaver, Butler, Fayette, Washington, and Westmoreland counties. The data used are County Business Patterns, except where noted.

the 1980's, the 1986-1990 period, the region's employment expansion kept pace with national trends, as it had not suffered from the real estate bust and post Cold War contraction that other places were experiencing. In the 1990's, however, the region again fell behind the national expansion, and employment growth contracted. What were the sources of these changes? Table 2 provides some answers.

Manufacturing continued its secular decline, decreasing by about 6% in each half decade interval and dropping to just over 14% of the region's private sector employment. Continued losses in manufacturing have hampered the region's employment growth. Nonetheless, other sectors of the region's economy have not kept pace. From the mid 1980's forward, employment in construction, transportation and public utilities, and wholesale trade grew over the late 1980's, but declined thereafter. Only agricultural services (albeit from a low base), retail trade, the FIRE category (finance, insurance and real estate), and services expanded over both 1986-90 and 1990-95 periods. Despite increases, these sectors largely lagged national trends. *Though most sectors of the regional economy, excluding manufacturing and mining, performed at or near national trends in the late 1980's, their growth rates slowed in the first half of the 1990's.*

These general trends are not, however, even across the metropolitan region (see Table 3). Beaver and Butler counties registered double digit employment growth between 1990 and 1995. By the early 1990's, Beaver County reversed its 1980's decline in manufacturing, as manufacturing employment grew by 25% in the first half of the decade. Butler County, the region's fastest growing, enjoyed employment growth across all sectors, except FIRE. Allegheny County represented the slowest growing county in the region, in terms of employment growth 1990 to 1995. Some of these shifts are attributable to a regional deconcentration of both population and economic activity from the core county. Growth in the retail trade sector in Butler and Fayette counties, for instance, resulted from this deconcentration. Both counties registered impressive gains in retail employment in the first half of the 1990's, 18.5% and 13.2% respectively, over a period where retail employment grew by barely 1% region wide.

Establishment data paint a somewhat more optimistic picture. Despite employment losses, the number of manufacturing establishments increased between 1986 and 1995 and grew in both subperiods, though only slightly between 1990 and 1995 (see Table 4). The number of manufacturing establishments for the years shown was greater than the total number in 1980 (4,301). Though the number of establishments of most sectors increased over both the late 1980's and first half of the 1990's, only the number of FIRE establishments increased faster in the first half of the 1990's, compared to the 1986-1990 period. Again, as with the employment figures, the creation of new establishments has slowed in the 1990's from the latter half of the 1980's.

Testing theoretical relationships

Given the broad sectoral view above, what do we know about the Pittsburgh transition? Does the increase in the number of manufacturing establishments in the region suggest a shift toward smaller firms with more flexible production? Does the continued growth in financial and other services portend a

post-industrial transition and agglomeration in information-intensive industries? We need to examine these changes at more detailed sectoral levels. To do so, the information below follows a typology established by Pollard and Storper (1996).

Pollard and Storper (1996) identified three key groups of industries that link to the above explanations of regional growth and agglomeration: *intellectual capital industries*, *innovative- or science-based industries*, and *variety-based industries*. Each group is comprised of a set of export-based industries that we might think of as dynamic industries in regional growth.³ Each set of industries corresponds with a major theoretical explanation of regional growth and change which understands dynamic industries to be a region's main economic driver. The selection is linked to more common typologies of high technology sectors, but encompasses different, though related, theoretical views of regional growth.⁴ (A complete list of each group is included in the Appendix).

Pollard and Storper analyzed their data for 12 metropolitan regions in the U.S. Using data from 1977-1987, they found that the Pittsburgh region fell into the low-growth, single specialization category, with specialization in the intellectual capital sector. The data below update their analysis to examine changes over the decade to the mid 1990's. The information is presented in three different forms: percent of total employment, employment indexed to changes from 1986, and a location quotient.⁵ Thus we can examine growth relative to the region's employment, growth over time, and specialization against the US economy (see Table 5).

The first group, *intellectual capital industries*, includes those with high proportions of high-wage (greater than 150% of the mean wage for all occupations), nonproduction occupations (e.g., managerial, professional, technical, sales, support and service). Intellectual capital industries comprise part of high technology manufacturing sectors, but a larger proportion of the intellectual capital industries are finance and service sectors that we might think of as information industries. Some of these are part of targeted clusters or are themselves a local innovative milieu. These industries are key to the postindustrial, information economy thesis. The economy's transition is not to a service economy in general terms, but to specialization in nonroutine, exportable, high wage service activities (Pollard and Storper, 1996). This shift, in turn, reflects not only a shift in output, but a reorganization of production where information itself is part of that reorganization. Thus, the intellectual capital industries can be viewed as part of the shift to information-based regional growth.

³ Three digit SIC industries were used. The Standard Industrial Classification (SIC) system was established by the U.S. government to classify firms by industrial grouping. Though the system is largely based on an industrial economy and its application to new informational industries is being addressed, it remains the classification scheme in place.

⁴ High technology industry categories have been mainly focused on manufacturing industries as dynamic sectors of regional economies (Markusen et al, 1986), with more recent additions of newer technologies in the information-based industries (Castells, 1996). The categories used here are a more nuanced theoretically variation on "high technology" industries.

⁵ A location quotient (LQ) measures relative specialization of an industry in a region (by employment here) to a reference area, in this instance the nation. If the LQ is less than 1, the region is said to be underspecialized in that particular industry; if it's greater than 1, it is specialized in that industry. The LQ is a static measure and rests on a number of assumptions. The usual caveats apply here.

The intellectual capital industries grew along our three measures over the period shown. Compared to the nation, the region remains a single specialization region in the intellectual capital industries category with a location quotient of 1.3 and increasing specialization over the decade. The intellectual capital industries grew along our other two measures: increasing employment over time and increasing its relative share to total regional employment. Nonetheless, its growth rate, which equaled the US between 1986 and 1990, fell below the national average in the 1990's.

The second group, what the authors term *innovation-based industries*, or referred to here as *science-based industries*, were industries with high proportions of highly skilled, technical (scientific, engineering and research) workers.⁶ This group includes the more usual high technology industries that make advanced technology goods -- aerospace, missiles, electronics, computers, and so on.⁷ As research on high tech has shown, the location of high technology manufacturing and defense production activities was highly correlated (Markusen, et al, 1986). Pollard and Storper (1986) found that the regions with the highest overall growth rates in the 1980's were also specialized in these science-based industries, suggesting a dynamic importance to regional growth far greater than actual employment numbers might suggest. We cannot be sure what this relationship has become in the 1990's, however. We do find that since the end of the Cold War, as the defense sector contracted, this group of industries declined in relative importance to total employment.

Science-based industries make up less than 1% of the Pittsburgh region's economy. Because of the relative decline nationally of this group following the end of the Cold War, Pittsburgh's specialization in science-based industries rose between 1990 and 1995, as employment rebounded to nearer its 1986 level. In 1995, employment in science-based industries totaled less than 6,000 jobs region wide, with over 40% classified in electronic components and accessories (SIC 367).

The final group, *variety-based industries*, was distinguished by product diversification and increasing product diversification over time. The variety-based industries would be those with greater flexibility in production and organization, as suggested by the post-Fordist thesis. Additionally, this group of industries has higher than average productivity, since it contributes more to national value added than its share of total employment would suggest.⁸ The remaining industries in the economy that did not fall within one of the three groups above were classified as routine manufacturing (for all remaining manufacturing industries), resources, and other services.

⁶ Pollard and Storper used at least 14% of employees that were in scientific, engineering or research occupations.

⁷ Of the high technology manufacturing definition employed in Harrison and Kluver (1989), this group includes 9 of 16 three digit industries. Of the remaining seven, two were classified in variety-based industries and the rest in the intellectual capital group.

⁸ For industries that fell into more than one category, Pollard and Storper (1996, p. 7) assigned them to the category in which they ranked the highest. For instance, guided missiles fell into both science-based and variety-based industries. Since missiles had the highest proportion of scientific and engineering workers for all manufacturers and a lower ranking on product diversification, it was placed in the science-based industries.

Pittsburgh exhibits average (LQ=1) specialization in the variety-based industries. Over the period shown, employment in variety-based industries remained relatively flat in the US. In Pittsburgh, employment in variety-based industries grew slightly between 1986 and 1990, but has fallen since then. The importance of the variety-based industries is somewhat overstated by looking at these figures, however. Though variety-based industries appear to have stemmed the severe shift between 1980 and 1986, nearly 50% of variety-based employment in the Pittsburgh region 1995 was in blast furnace and basic steel products and unclassified primary metal products. Despite the region's loss of employment in the metals complex, the steel industry remains the most important component of the region's variety-based manufacturing mix.

Employment in the rest of the regional economy follows general trends outlined above. Reflecting more pervasive deindustrialization trends in the region, routine manufacturing declined on all three measures over both periods. It seems, though, that rather than reflecting a shifting of the region's economy to higher productivity, higher value added activities, this decline reflects general regional trends. Concurrently, resource employment in the region, less than 1% of all employment in 1995, has also declined on all three measures. All remaining sectors were then totaled in the other services category.⁹ Dominated by services and trade, this category showed employment growth over the past decade. Despite employment increases, the region appears to be just keeping pace with national trends, as the location quotient remained at 1.0 over the past decade.

Clearly, the biggest force of growth for the region from 1986 and 1995 was in the intellectual capital industries. Overall, eight industries within this category were specialized in the region (see Table 6), with four -- measuring and controlling devices, holding offices, management and public relations, and colleges and universities -- growing over both subperiods (1986-1990 and 1990-1995) for all three measures. Measuring and controlling devices was the only manufacturer in this group. Though it accounts for less than one-half percent of the region's total employment, its growth and specialization is important to the economy as a supplier of precision industrial instruments. Holding offices and management and public relations represent newly specialized industries in the region, as the location quotient for both was less than 1 until the 1990's. Colleges and universities represented the largest employer in this grouping, with 3.3% of the region's total private employment in 1995. As shown, its importance, both in absolute and relative terms, has continued in the 1990's.

Four other intellectual capital industries were specialized and growing, but not with the same pace as the other four. The importance of the financial sector to the region's growth is underscored here, despite the national recession that began in 1989, as well as the health area and laboratory work, despite ongoing changes in health care. Interestingly to note, though the region is specialized in hospital employment compared to the nation (LQ=1.4 in 1995), its specialization decreased over both subperiods, even as it gained in its share of employment from 1986 to 1990. The continued restructuring of the health care sector, both locally and nationally, is already affecting the region's

⁹ This represents all other activities, including those normally thought of as local serving (distribution, utilities, construction, retail, etc.). Included here is also administrative and auxiliary and unclassified establishments from County Business Patterns, thus the totals are nearer to 100% than in Table 2.

hospital sector, which employs 7% of total private sector employment. With the current financial problems at Allegheny Health and Education Research Foundation (AHERF), we might expect a further decrease in this sector's specialization in the region.

Nine other intellectual capital industries realized sustained employment growth over the periods, but none of these had a location quotient greater than 1.0. Though growing, the region is not specialized compared to the nation in these nine. Storper and Pollard (1996) note that the intellectual capital sectors in their analysis between 1977 to 1987 increased in all their study regions, even in those with no specialization in the sectors. Is the increase in intellectual capital industries indicative of a shift to an information-based economy locally or nationally or both? We cannot answer this question with these data, but in lines of the innovative milieu thesis and the institutional factors affecting milieu, we must note that computer and data processing services (SIC 737), a key informational sector, showed no specialization to the US over the period. Its location quotient did rise between 1986 and 1990, from 0.7 to 0.9, but remained flat to 1995. Furthermore, within the nine subcategories in computer and data processing services, only two -- computer programming services and computer rental and leasing -- were specialized compared to the nation in 1995 (see Table 7).¹⁰ At least by 1995, the region's specialization in the intellectual capital industries rested more on other industries' strength, such as the financial and educational sectors, rather than on computer and data processing services.

As mentioned above, the region was not specialized in science-based industries. Only two industries here grew over the 1986-1995 period -- process control instruments (related to measuring devices) and electronic components. Firms such as Madrad, Respironics, and Fore Systems represent the future of the region's engineering and science-based growth.

Finally, as we discussed, in contrast to much of the writings on post-Fordism, variety-based manufacturing has not expanded nationally. Five industries here were specialized compared to the nation and grew over the period, with only manifold business forms growing along all three of our measures, and two of the other variety-based specialization in metals-related manufacturing. Four other industries grew over the period, but were underspecialized compared to the nation, including motion picture production. Variety-based manufacturing employed just 4% of the region's private sector employment in 1995, suggesting a trend more in line with the US economy trend perhaps, rather than anything specific to Pittsburgh regarding post-Fordist production.

A View of the 1990's

Our final view of the region is to examine sectoral growth via shift-share analysis. Shift-share analysis is a static view of the region's economy -- it does not allow us to examine inter-sectoral relations and growth that would be important for understanding the role of linkages and networks in the regional

¹⁰ This is not to say that the region is not specialized in the technology. Table 7 reports on employment only as it pertains to firms classified in SIC 737. That is why using larger categories, such as intellectual capital industries, more accurately includes "information-based" industries than one SIC category does alone.

economy. Nonetheless, it gives us an indication of how a sector in the region is faring against the nation and how the region is faring in a sector.

Shift-share analysis examines sectoral change in a region by breaking change into three components: how sectors would grow in a region if they had grown as the national average employment growth rate (N), how much growth is attributable to an industry's growth rate minus national average change (I), and the regional share component -- the growth in the region's industry that is not accounted for by either national average growth or industrial change.

First of all, as shown above, the region's addition of 30,367 net new jobs between 1990 and 1995 represented a 3.3% increase, below the national employment change of 7.3%. *The shift-share analysis reveals that the region needed to add an additional 38,000 jobs between 1990 and 1995 to keep pace with national growth* (see Table 8). At the broad sectoral categories, the shift-share analysis reiterates the trends stressed above. The finance, insurance and real estate category was the only major sector where the region's employment share increased compared to the nation.

Between 1990 and 1995, manufacturing employment in the US declined. Even so, manufacturing in the region declined even further, as the negative employment figure for the regional share shows. Unlike the 1980's, manufacturing losses in the 1990's are not accounted for by the disproportionate impact of the steel and metals complex -- losses occurred across many two digit industries. Despite this, six manufacturing sectors increased in both absolute employment and in the regional component: lumber and wood products (SIC 24), paper and allied products (SIC 26), rubber products (SIC 30), leather products (SIC 31), electronic and other electrical products (SIC 36), and instruments (SIC 38). Of these, instruments and rubber products were the most important components of growth.

Largely local-serving sectors, transportation, wholesale and retail trade, declined, both nationally compared to average employment growth, and in the region. Losses in the transportation category were dominated by the air transportation sector (SIC 45). This important industry, serving both local and national markets, saw both absolute employment and its regional share decline between 1990 and 1995. This reflects a number of factors, including the failure of the new Greater Pittsburgh International Air terminal to realize projected levels of activity by 1995. Few airlines have expanded at the airport, other than USAirways, and other air-related services had not generated substantial employment gains in the first half of the 1990's.

As suggested by the analysis in the previous section, an important component of the region's growth through 1995 has been generated by the financial sector. Depository institutions, including commercial banks, expanded both in absolute employment and in the region's share of the industry. Continued consolidation nationally of banking meant that Pittsburgh not only held on relative to the rest of the country, but increased its share of the industry up through 1995. Both PNC and Mellon banks' importance to this growth -- and the region's -- cannot be overstated. Nevertheless, these figures, from County Business Patterns, predate the Cleveland-based National City Bank's takeover of Integra in 1995. Other components of growth within the larger financial sector include insurance agents and

brokers (SIC 66) and holding and other investment offices (SIC 67). Both of them added well over 1,000 jobs between 1990 and 1995 and outpaced national growth by substantial margins, as well.

Finally, we examine the broad services category for understanding regional employment change. Overall, the region lost in its share of service employment to the nation, growing only 15% between 1990 and 1995, compared to the national rate of 20.5%. Of more interest is how industries within this category performed over the period. We see expansion, both in absolute employment levels and vis a vis national industry growth in the following sectors: hotels (SIC 70), personal services (SIC 72), miscellaneous repair services (SIC 76), motion pictures (SIC 78), educational services (SIC 82), social services (SIC 83), and museums (SIC 84). Of these, hotels, motion pictures, education, and museums offer the most in terms of export-related and tourism development. Despite regional employment growth between 1990 and 1995, the two largest components of the services sector, business services (SIC 73) and health services (SIC 80), grew slower than the national industry growth rate for each sector. Both are vital to the region's economic health: together these sectors employ nearly 50% of the region's service category employment and 18.7% of total private sector employment in the region. That their employment growth has not kept pace with national trends in the first half of the 1990's should be of concern to regional leaders.

Making Sense of the Pittsburgh Transition

Several clear conclusions emerge from the above presentation. These conclusions point to the need to understand the Pittsburgh transition as a complex process of economic restructuring resulting in varied outcomes, dictated by no one theory or another.

- *Losing ground:* Pittsburgh's growth has fallen off in the first half of the 1990's, compared to the nation. This has occurred for total employment, broad sector categories, and key subcomponents of the regional economy, including health and business services. The weakness of the regional economy is also evidenced by locally-serving sectors -- wholesale trade, retail trade, and transportation and public utilities -- lagging national industry growth rates. This stagnation should cause concern for the region, since prospective dynamic sectors of a post-industrial transition have not shown growth rates, as of yet, that one might expect from a region's economic driver.
- *Continued restructuring of the manufacturing base:* The deindustrialization of the region continues with regard to overall manufacturing employment. While much of the industrial Midwest has grown over the 1990's through an industrial post-industrial transition, and has done so through the re-agglomeration of traditional industries and re-organization of its manufacturing production, the continued relative and absolute decline of manufacturing employment in the Pittsburgh region means the trend of the late 1970's and 1980's has not yet been abated. Nevertheless, broad sectoral trends cannot account for changes in all manufacturing industries. Even within the continued secular decline of manufacturing in Pittsburgh, sectors within the industrial complex have expanded. Likewise, regional deconcentration of manufacturing continues outward from the central county to growing areas in other parts of the region.

- *Single specialization rather than diversified growth:* The region remains a single-specialized place, using the Pollard and Storper (1996) typology laid out in this chapter. The intellectual capital industries continue to grow here and grow in importance, both to the overall regional economy and in terms of absolute employment growth. This group of industries remains specialized compared to the US, but their degree of specialization has not increased from the mid 1980's. Educational and financial sectors show the greatest contribution to the region's specialization in this group.

Of the theories of regional change reviewed here, clearly none alone cannot account for the understanding the ongoing transition of the Pittsburgh regional economy. While much public policy has been dedicated to forging growth through advanced technology and service sectors, we find mixed evidence. Clearly, these areas have gained in importance in the region, but during a period when the region itself has not gained with respect to national growth. The transition, therefore, is more complicated than a simple shift to a post industrial economy. Within the regional economy, we find a deconcentration of manufacturing activities outside the core county to counties where manufacturing remains an important component of the economic base. Furthermore, parts of the region's manufacturing base have expanded, suggesting that the industrial economy of the region is more diverse than a simple shift to services. Support for the transition is evidenced by the region's specialization in intellectual capital industries, a specialization that dates back to before the losses in the steel and metals complex in the 1980's and which endures in the 1990's.

While the research presented here has not involved a study of how manufacturing is organized in the region, the post-Fordism theory may offer some explanation for some of the changes taking place. The region's growth in its relative share of nondurable manufacturing and other types of durable manufacturing, outside the traditional metals complex, may suggest a basis of regeneration of manufacturing in the region. Recent work on Canadian direct investment in the Pittsburgh region suggests that most of the Canadian manufacturing firms located here are producing the sort of variety-based, light manufacturing suggested by the post Fordist model (Deitrick and Mitchell-Weaver, 1998). Research is needed to assess the effectiveness of the region's manufacturers to improve their processes and organization and compete in national and global markets. Evaluation of existing public policies, such as the networking activities of SPIRC and the Advanced Manufacturing Network, would aid in understanding how these networks are helping manufacturers and what additional policies, if any, would be of further assistance.

The forces and effects of *innovative milieux* in the regional economy are another area where further research is needed. As shown above, one of the key milieux and components of regeneration of the regional economy, the computer and data processing services (SIC 737) lags, in part, behind national trends. Computer programming and software (SIC 7371) and computer integrated systems (SIC 7373) both grew absolutely and relatively over the 1990-1995 period, but their location quotients in 1995 (1.2 and 0.8 respectively) suggest a specialization somewhat lower than what might have been expected. The region has a solid base of research and employment in the information industries sector, and it is a key cluster in the region's policy agenda. By the mid 1990's, however, this sector's role as the generator of a regional growth network is unclear. Recent research on Pittsburgh's software

industry has found a weak network both among software firms and also between software firms and the milieu organizations; Pittsburgh software firms were more likely to view each other as competitors (Rigoupoulou, 1998), rather than as a milieu of "competition and community," as found in cases such as Silicon Valley (Saxenian, 1994, ch. 2).

The Pittsburgh region shows that our understanding of regional growth and change must involve multi-layered understanding of the make up of its industrial structure and potential future growth. No one explanation, of those laid out in the beginning of this article, can fully complement what we've seen happening here. Linda Lobao (1998), in an analysis of the Ohio River Valley, of which southwestern Pennsylvania represents the eastern end, observed: "the case of the Ohio River Valley suggests no clear break in economic change that would herald the arrival of post-Fordism. Rather, there appears continual layering of economic structure, social relationships, and built environment of past periods with the present."

The layering can be clearly viewed. Heinz, the pioneer of processed foods, still maintains headquarters and processing operations in the city. The embeddedness of the firm in the region derives from its historical *and* social relations rather than economic locational logic alone. Likewise, Westinghouse was similarly embedded in the region's fabric until its merger with New York-based CBS and the dismantling of its Pittsburgh-based operations. Fore Systems, a leader in asynchronous transfer devices, has grown as a regional presence and international firm from its founding by Carnegie Mellon University-based entrepreneurs. On the other hand, Lycos, the high flying Internet search engine firm also with CMU roots, left Pittsburgh and relocated to Boston.

These examples point to the need to understand the Pittsburgh transition as "the evolution of regional specificities" (Storper, 1997, p. 26), rather than the wholesale subscribing to one explanation or another. Recent research on old industrial regions points to one general conclusion: no one means of understanding regional restructuring can explain changes that these regions are undergoing (Brown et al, 1996; Florida, 1996). Theoretical understanding of regional growth and change must be multilayered and explained within the historical and institutional context of the region. The 1990's version of the Pittsburgh transition reveals the multifaceted nature of change, reflecting forces both inside and outside the regional economy, both domestic and global. The information presented here suggests that the Pittsburgh post-industrial transition has been an uneven one. The ongoing restructuring of the Pittsburgh regional economy reveals both the enduring limitations of growth and change in old industrial regions and the many challenges that lie ahead.

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Table 1. Private Sector Employment Change in the U.S. and Pittsburgh Region, 1980-1995¹

	1980-1986	1986-1995	1986-1990	1990-1995
United States	11.4	20.3	12.1	7.3
Pittsburgh region	-6.8	15.2	11.6	3.3

Source: County Business Patterns

Table 2. Private Sector Employment, by Sector, Pittsburgh Region, 1980-1996

Sector	Number of employees			Percent change		
	1986	1990	1995	1986-95	1986-90	1990-95
Total	835,302	932,164	962,531	15.2	11.6	3.3
Agriculture ¹	1,819	2,830	3,430	88.6	55.6	21.2
Mining	7,999	7,310	3,823	-52.2	-8.6	-47.7
Construction	49,297	57,432	50,015	1.5	16.5	-12.9
Manufacturing	155,417	145,458	136,225	-12.3	-6.4	-6.3
TCU ²	53,023	65,808	65,415	23.4	24.1	-0.6
Wholesale trade	53,926	59,422	56,536	4.8	10.2	-4.9
Retail trade	180,948	200,376	202,758	12.1	10.7	1.2
FIRE ³	58,820	63,396	64,775	10.1	7.8	2.2
Services	266,834	327,779	376,859	41.2	22.8	15.0

1. Includes agricultural services, forestry and fisheries.

2. Transportation, communications and public utilities

3. Finance, insurance and real estate.

Source: County Business Patterns.

¹ Employment includes nongovernmental employment only. 1986 is used as the transition year of the 1980's, when the region's growth rate accelerated to near national average rates.

Table 3. Private Sector Employment, Pittsburgh Region by County, 1995

Sector	Allegh.	Beaver	Butler	Fayette	Wash.	West.
Total employment	654,009	47,150	52,124	35,088	60,471	113,686
Agricultural services	1,984	155	204	165	329	593
Mining	1,397	143	318	499	1,031	435
Construction	33,116	2,242	2,816	1,737	4,341	5,763
Manufacturing	70,820	11,133	12,423	4,680	12,015	25,154
TCU	44,274	4,438	3,132	373	3,846	9,352
Wholesale trade	37,077	1,741	4,949	1,986	3,523	7,260
Retail trade	126,083	11,506	12,987	11,410	13,330	27,442
FIRE	53,654	1,686	1,797	1,188	2,090	4,360
Services	285,184	14,087	13,441	11,000	19,924	33,223

Percent Change in Employment, 1990-1995

	Allegheny	Beaver	Butler	Fayette	Wash.	West.
Total employment	1.0	11.3	16.7	5.6	3.0	7.9
Agricultural services	20.7	13.1	16.6	81.3	26.1	13.6
Mining	-55.2	-39.1	-54.4	31.7	-53.2	-35.6
Construction	-13.0	7.6	6.8	30.8	-34.2	-14.1
Manufacturing	-14.2	25.3	0.9	-13.9	-0.6	3.9
TCU	-4.6	-3.7	4.5	-84.7	21.9	50.8
Wholesale trade	-11.3	34.2	30.3	-20.8	7.6	7.5
Retail trade	-1.7	0.4	18.5	13.2	3.2	2.8
FIRE	2.1	-3.2	-3.6	-17.9	5.6	14.4
Services	13.2	19.2	48.3	17.4	24.0	12.5

Source: County Business Patterns.

Table 4. Establishments by Sector, Pittsburgh Region, 1980-1996

	<u>Number of establishments</u>			<u>Percent change</u>		
	<u>1986</u>	<u>1990</u>	<u>1995</u>	<u>1986-95</u>	<u>1986-90</u>	<u>1990-96</u>
Total ¹	54,920	56,788	57,654	5.0	3.4	1.5
Agriculture ²	330	482	603	57.9	25.1	26.2
Mining	269	281	262	-27.8	-6.8	-22.5
Construction	4,612	5,573	5,702	23.6	20.8	2.3
Manufacturing	2,757	3,039	3,058	10.9	10.2	0.6
TCU ³	1,843	1,992	2,052	11.3	8.1	3.0
Wholesale trade	3,975	4,297	4,315	8.6	8.1	0.4
Retail trade	14,179	14,622	14,158	-0.1	3.1	-3.2
FIRE ⁴	4,490	4,748	5,129	14.2	5.7	8.0
Services	17,892	19,860	21,816	21.9	11.0	9.8

1. Totals will be less than the sum of the sectors owing to unclassified and administrative and auxiliary establishments, which are not assigned to an industrial classification.

2. Includes agricultural services, forestry and fisheries.

3. Transportation, communications and public utilities

4. Finance, insurance and real estate.

Source: County Business Patterns.

Table 5. Specialization, Pittsburgh Region and United States, 1980-1995

	<u>Percent of Total</u>				<u>Employment Index</u>				<u>Location Quotient</u>			
	1980	1986	1990	1995	1980	1986	1990	1995	1980	1986	1990	1995
Pittsburgh Region												
Intellectual capital	15.6	19.8	20.8	22.2	84.8	100.0	117.2	129.0	1.16	1.20	1.31	1.31
Science-based	1.2	0.7	0.5	0.6	175.0	100.0	74.7	96.9	0.35	0.23	0.19	0.32
Variety-based	11.7	4.5	4.4	4.0	280.4	100.0	111.0	102.2	1.91	0.96	1.05	1.04
Total	28.5	25.0	25.7	26.8	122.4	100.0	114.9	123.3	1.25	1.08	1.13	1.19
Routine manufacturing	15.5	12.1	9.6	8.8	137.6	100.0	88.5	83.3	0.91	0.89	0.77	0.73
Other	53.5	60.9	63.4	63.6	94.3	100.0	116.2	120.4	0.93	1.00	1.01	0.99
Resources	1.9	1.2	1.1	0.8	177.3	100.0	103.3	73.9	1.13	0.78	0.81	0.60
Total employment	99.5	99.1	99.8	99.8	107.3	100.0	111.6	115.2				
United States												
Intellectual capital	13.4	15.2	15.9	16.9	79.1	100.0	116.8	133.2				
Science-based	3.3	3.1	2.6	1.8	93.6	100.0	91.6	70.7				
Variety-based	6.1	4.6	4.2	3.8	118.6	100.0	102.1	98.5				
Total	22.8	23.0	22.7	22.5	89.06	100.0	112.1	120.3				
Routine man'g	17.1	13.7	12.5	12.0	112.1	100.0	102.0	105.4				
Other	57.7	60.8	62.6	64.2	85.2	100.0	115.5	127.2				
Resources	1.7	1.5	1.3	1.3	102.1	100.0	99.6	99.9				
Total employment	99.3	99.0	99.1	99.9	89.8	100.0	112.1	120.3				

Table 6. Specialization and Growth Among Pittsburgh Intellectual-Capital, Innovation-Based, and Variety-Based Industries, 1986-1995

		Intellectual capital industries	Science-based industries	Variety-based industries
SPECIALIZED INDUSTRIES (LQs > 1)	SUSTAINED GROWTH	Measuring and controlling devices Holding offices Management & public relations*		Manifold business forms
	GENERAL GROWTH	Colleges & universities Central reserve depository banks Testing laboratories Offices & clinics of medical facilities*	Process control instruments	Industrial inorganic chemicals* Paints & allied products Blast furnace & basic steel Primary metal products, nec
UNSPECIALIZED INDUSTRIES (LQ < 1)	SUSTAINED GROWTH	Electric lighting & wiring Miscellaneous investing Offices of osteopath physicians Legal services**	Electronic components	Dairy products Periodicals Refrigeration & service machinery Motion picture production & allied services
	GENERAL GROWTH	Misc. chemical products Savings institutions** Investment offices Computer & data processing Noncommercial research		

*LQ=1.1

**LQ=1.0

Sustained growth: Growth on all three measures over both 1986-1990 and 1990-1995 periods.

General growth: Growth on all three measures though not over both periods for all three measures.

Table 7. Pittsburgh Regional Employment in Computer & Data Processing (SIC 737) and Subsectors, 1990-1995

SIC	Industry	1990	1995	% change	Location Quotient	
					1990	1995
737	Comp. & data processing	7,251*	9,196	26.8	0.94	0.86
7371	Comp. programming	2,538	3,734	47.1	1.17	1.25
7372	Prepackaged software	520	928	78.5	0.68	0.60
7373	Comp. integrated systems	296	821	177.4	0.36	0.77
7374	Data processing	1,790	2,051	14.6	0.78	0.79
7375	Information retrieval	175	55	-68.6	1.05	0.15
7376	Comp. facilities mgt.	175	195	11.4	0.72	0.66
7377	Comp. rental & leasing	0	195	na	0.00	1.99
7378	Computer maintenance	186	309	66.1	0.35	0.51
7379	Computer related services	668	905	35.5	1.31	0.82

* Subcategories do not add to total owing to data suppression.

Table 8. Shift-Share Analysis of Pittsburgh Region Private Sector Employment Versus the US, 1990-1995

Sector	Pittsburgh emp. change 1990-95	US sectoral growth (%)	National share	Total shift	Industry mix	Regional shift
Total	30,367	7.3	68,396	38,029	11,863	-49,892
Agriculture	600	18.7	208	392	321	72
Mining	-3,487	-13.2	536	-4,024	-1,504	-2,520
Construction	-7,417	-3.8	4,214	-11,631	-6,409	-5,222
Manufacturing	-9,233	-2.9	10,673	-19,906	-14,927	-4,979
Primary metals	1,916	-5.2	1,876	-3,792	-3,217	-575
TPU	-393	5.9	4,829	-5,222	-917	-4,305
Trans. by air	-3,559	6.1	1,298	-4,857	-220	-4,637
Wholesale trade	-2,886	4.4	4,360	-7,246	-1,744	-5,502
Retail trade	2,382	6.4	14,702	-12,320	-1,864	-10,456
FIRE	1,379	0.6	4,652	-3,273	-4,272	999
Services	49,080	20.5	24,050	25,030	43,179	-18,150
Business services	4,629	33.3	3,591	1,038	12,724	-11,686
Health services	17,285	23.2	8,005	9,280	17,259	-7,979
Educational services	6,389	17.7	2,447	3,942	3,468	474

Totals may not add because of administrative and auxiliary category and unclassified establishments.

Appendix A. Intellectual Capital, Innovation-Based and Variety-Based Industries

INTELLECTUAL CAPITAL INDUSTRIES

286	Industrial organic chemicals
289	Miscellaneous chemical products
348	Ordnance and accessories, n.e.c.
361	Electric distribution equipment
362	Electrical industrial apparatus
364	Electric lighting & wiring equipment
365	Household audio & video equipment
369	Misc. electrical equipment
375	Motorcycles, bicycles & parts
382	Measuring and controlling devices
386	Photographic equipment & supplies
601	Central reserve depository
602	Commercial banks
603	Savings institutions
608	Foreign bank branches & agencies
609	Functions closely related to banking
621	Security brokers and dealers
622	Commodity brokers, dealers
623	Security and commodity exchange
628	Security and commodity services
671	Holding offices
672	Investment offices
673	Trusts
679	Miscellaneous investing
737	Computer & data porch. services
871	Engineering & architectural service
873	Research and testing services
8731	Commercial physical research
8732	Commercial nonphysical research
8733	Noncommercial research org.
8734	Testing laboratories
874	Management and public relations
801	Offices and clinics of medical doctor
803	Offices of osteopathic physicians
806	Hospitals
810	Legal services
8220	Colleges and universities

INNOVATION-BASED INDUSTRIES

2836	Biological products
3510	Engines and turbines
357	Computer and office equipment
366	Communications equipment
367	Electronic components & accessories

372	Aircraft and parts
376	Guided missiles and space
381	Search and navigation equipment
3823	Process control instruments

VARIETY-BASED INDUSTRIES

202	Dairy products
2032	Canned specialties
2033	Canned fruits and vegetables
2035	Pickles, sauces, and salad dressings
205	Bakery products
207	Fats and oils
221	Broadwoven fabric mills, cotton
222	Broadwoven fabric mills, manmade
226	Textile finishing, except wool
231	Men's and boys' suits and coats
253	Public building and related furniture
261	Pulp mills
262	Paper mills, except building
266	Building paper and board mills
271	Newspapers
272	Periodicals
275	Commercial printing
276	Manifold business forms
277	Greeting cards
281	Industrial inorganic chemicals
282	Plastics materials and synthetics
2833	Medicinals and botanicals
2834	Pharmaceutical preparations
284	Soap, cleaners, and toilet goods
285	Paints and allied products
287	Agricultural chemicals
291	Petroleum refining
314	Footwear, except rubber
331	Blast furnace and basic steel product
3399	Primary metal products, n.e.c.
352	Farm and garden machinery
353	Construction and related machinery
358	Refrigeration and service machinery
3592	Carburetors, pistons, rings, valves
374	Railroad equipment
385	Ophthalmic goods
3965	Needles, pins and similar notions
781	Motion picture production & service

CHAPTER 3. WELFARE PROGRAM TRENDS IN ALLEGHENY COUNTY

Rafael J. Engel, Ph.D. and Helen E. Petracchi, Ph.D.
School of Social Work
University of Pittsburgh

Kevin Brown
Graduate School of Public and International Affairs
University of Pittsburgh

Introduction

The federal government is in the process of devolution, giving states greater authority in the design of social programs and discretion about the use of federal block grant monies. The process of devolution began more than 25 years ago but was most recently underscored by the end of the Aid to Families with Dependent Children program and its replacement by the Temporary Assistance to Needy Families program. As responsibility for spending on social programs shifts to state and local communities, it is important to monitor trends in expenditures and citizen participation.

In this chapter we: (1) describe a variety of cash programs and goods and services provided by the government in lieu of cash (in-kind programs) that are of benefit to working age adults in Allegheny County; and (2) trace programmatic changes from 1989 through 1997. Specifically, we describe the programs as well as trends in programmatic spending, the number of recipients, and the number of participating households.

We describe the following programs: (1) Earned Income Tax Credit (EITC); (2) Aid to Families with Dependent Children/Temporary Assistance to Needy Families (AFDC/TANF); (3) General Assistance (GA); (4) Supplemental Security Income for the Blind and Disabled (SSI); (5) State Blind Program (SBP); (6) Food Stamps (FS); (7) Women, Infants, and Children (WIC); (8) Medicaid; (9) Children's Health Insurance Program (CHIP); (10) Low Income Heating and Energy Assistance Program (LIHEAP); (11) Public Housing (PH) and Section 8 Housing Vouchers. Descriptions and eligibility criteria for these programs are provided in Table 1. The state and county also provide assistance in other areas crucial to the low-income working age population, such as child care and transportation subsidies. However, data were not available about these programs.

Earned Income Tax Credit

The EITC, a federal program, is operated through the U. S. Treasury Department. Through the program, low-income working families receive a tax refund exceeding taxes paid during a given year. The EITC is a means-tested program; eligibility depends on the number of children and the taxpayer's earnings from job or self-employment. For example, to be eligible for EITC in 1996, an individual with no dependent minors had to be between ages 25 and 65 and could earn no more than \$9,500; a family with one child could earn no more than \$25,078; and a family with two or more children was limited to

earnings of \$28,495. The benefit amount also depends on the number of children and employment earnings. There is a maximum benefit with the credit beginning to phase-out when a family's earnings exceed \$11,600 (or an individual's earnings exceed \$5,280). Pennsylvania also has a parallel program, an income tax forgiveness program that is based on the EITC.

Between 1989 and 1997, there was one major legislative change in the EITC. Beginning in January 1993, benefit levels were increased for families with more than one child. People without children who were also low income became eligible to receive EITC. The EITC has recently been questioned and proposals have been made to reduce the size of the program, though these have been defeated.

Between 1989 and 1996, the number of households receiving EITC (budgets) and the total amounts of benefits they have received have increased for residents of Allegheny County (see Figure 1). While there was steady growth in the program benefits and the number of households prior to 1993, subsequent growth became more dramatic. It is likely this is the result of aforementioned broadened eligibility criteria and increased benefit levels as well as an expanding economy in which the unemployment rate declined and the number of people employed grew (particularly in low wage occupations).

It is difficult to identify a participation rate for Allegheny County. The EITC has been criticized for excluding some low-income working families not earning enough money to be required to file income-tax returns. A 1990 national study estimates that only 80 to 86% of those eligible for EITC actually file for the credit (Scholz, 1994).

Aid to Families with Dependent Children/Temporary Assistance to Needy Families

The most notable change to affect spending and eligibility occurred in the AFDC program. AFDC was repealed in August 1996 and replaced by the TANF program. In Pennsylvania, TANF became law in March 1997. AFDC was a federal-state grant-in-aid program providing financial aid for needy children and families deprived of parental support because of death, incapacity or absence. Most AFDC families lived in single-parent headed households, though two-parent families with children meeting eligibility criteria were eligible if one parent was unemployed. While there were various work (and miscellaneous) requirements, the program was identified as an *attachment* program since participation was open-ended, that is, recipients could participate in the program as long as they met the eligibility criteria.

AFDC had been widely criticized in recent years. By the time of its repeal, many states had already received waivers to alter the nature of their program. TANF is a state-administered program funded by a federal block-grant. The federal legislation mandating TANF imposes few limits or requirements on the states other than targets for the percentage of the recipient population to be employed and time limits on benefits. Unlike AFDC, adult TANF participants must be employed within two years of their initial receipt of TANF funds. Unlike AFDC, participation in TANF is not open-ended; rather, there is a life time limit of five years for receipt of cash benefits. Pennsylvania has taken the *rapid-attachment* approach, that is, moving recipients into the work force as quickly as possible rather than job training. Changes in the number of people covered by AFDC/TANF, the number of households participating in

AFDC/TANF and the amount of expenditures are presented on Figure 2. Between 1989 and 1993, levels of participation and expenditures grew slightly. During this time, the number of participating households increased 6%, the number of participants increased 6.9%, and expenditures increased 12.5%. Since 1993, there have been large declines in these figures. Specifically, between 1993 and 1997, the number of recipient households declined by 38.4%, the number of participants declined by 40.2%, and the amount of expenditures declined by 40.9%. It is noteworthy that these declines began prior to the implementation of TANF in Pennsylvania, though TANF may have accelerated the decline in both expenditures and participants.

Based on a national study, the participation rate in AFDC was about 62% in 1994 (1996 Greenbook, 1997), though an Urban Institute estimate suggests it might have been as high as 83%. As yet, it is difficult to assess TANF participation rates. However, given disincentives to participation (such as the 5-year life time limit on program participation or the various work requirements) it is likely participation rates will be further reduced.

General Assistance

General Assistance (GA) is a state program that provides cash benefits to low-income people who are ineligible for other cash assistance programs. General Assistance is typically the program of last resort.⁶ Some states have no GA program while other states permit each county to decide whether to provide cash assistance.

In Pennsylvania, GA is funded by the state but administered by the county. Eligible people can only receive GA for three months in a given year. Eligibility is based on the applicant's monthly income and available resources. For example, in 1989, a family of three was only eligible if their monthly household income did not exceed \$384 and their available resources did not exceed \$1,000. In 1995 the state eliminated benefits for working age, employable people with no children.

The changes in GA program participation and spending are displayed in Figure 3. Between 1989 and 1993, participation and spending remained fairly constant; the number of households covered declined by less than 1%, the number of people covered declined by 4.6%, and total spending increased by 3.2%. However, since 1993, there has been a rapid decline in the number of budgets dropping by 66.9%, the program participants declined by 68%, and spending fell by 65.7%.

Supplemental Security Income

The Supplemental Security Income program (SSI) provides cash assistance to low-income elderly, disabled and blind persons. SSI is a federal-state program, for which the federal government provides money and establishes eligibility criteria and states may choose to supplement benefits. The program is administered by the Social Security Administration.

Pennsylvania chooses to supplement SSI benefits so that in 1998, the maximum benefit for an individual is \$521.40 with the maximum benefit for a couple being \$784.70. While the benefit level provided by the federal government increases annually, the state has not increased its supplement between 1989 and

1997. Further, in Pennsylvania, a person eligible for SSI is generally also eligible for Medicaid (medical assistance). Pennsylvania has tried to simplify the application procedures by allowing the federal government to include the state supplement in one check and by eliminating a separate medical assistance application.

SSI eligibility criteria are based on demonstrated vision impairment or permanent disability that preclude employment. In addition, children are eligible if their impairment results in marked and severe functional limitations expected to last 12 months or result in death.⁶ There are also limits on income and assets. Beginning in 1998, the limit on countable income for a single adult or child is \$494 and the limit on countable income for a couple is \$741. The asset limits are respectively, \$2,000 and \$3,000. There are income disregards permitting some work without concomitant loss of benefits as well as income disregards for some unearned income such as Social Security Benefits. Further, not all assets are included in determining eligibility.

There have been two major changes in SSI during the 1989 to 1997 period. The first change regards the eligibility of noncitizens. Beginning in August 1996, SSI eligibility was restricted to citizens of the United States and to a limited category of noncitizens. This change in the law applied to both new SSI applications and to those already receiving benefits. The second major change greatly expanded the number of potential participants. In 1990, the U.S. Supreme Court decided in *Sullivan v. Zeble* that disabled children who did not meet the initial test of disability were entitled to the same functional tests administered to adults. The Court held that the Social Security Administration had to locate and reassess children denied benefits. This order was retroactive to eligibility decisions made since 1980.

SSI participation and spending data in Allegheny County are reported in Figure 4. The data are about elderly households. Since 1991, the trends in participation and spending show a gradual increase. Since 1993, however, the rate of the increase has slowed. We do not know the rate of growth for each of the covered subgroups. Extrapolating from national trends, the bulk of the increase in the number of participants are disabled persons, specifically children.

Historically, participation rates in SSI have been a problem. For example, The Urban Institute estimates that about 75% of eligible, single, disabled people participate in SSI and only 52% of eligible married couples participate. Participation rates for the elderly have been estimated as ranging from 40 to 70%. One barrier to disability assistance is the long and complex process involved in establishing eligibility.

Another factor that may impact on SSI is the recent court decision to classify people with AIDS/HIV as disabled⁷ and eligible for protection under the *Americans for Disability Act*. This decision could expand both the size of the population eligible for SSI as well as expenditures.

State Blind Program

The State Blind Program is a modest program financed and administered and by the State. The program provides cash benefits to persons who are visually impaired but who do not meet the SSI income and asset limits. In general, benefits are fairly minimal with the maximum benefit level set at \$100 a month in 1989.

Trend data are presented in Figure 5. The number of participants and the annual amount of spending on the State Blind Program have followed parallel paths of decline between 1989 and 1997. The number of participants has declined by 44% with a corresponding 43% decline in spending.

Food Stamp Program

The Food Stamp program (FS) provides coupons to low-income individuals and families for the purchase of food. Food Stamp benefits are generally available to all low-income persons.

The federal government establishes guidelines and pays for most of the program while states administer the program. The Food Stamp program has income, asset, work, and citizenship eligibility criteria. To be eligible for Food Stamps, a household's gross income must not exceed 130% of the poverty line and net income must be no more than 100% of the poverty line (with exceptions for the elderly and disabled). Countable assets cannot exceed \$2,000. People between the ages of 16 and 60 must be employed, register for work, or registered in a job training program. Recipients must be citizens, except for certain designated groups of non-citizens.

Major changes in the Food Stamp program were introduced in 1996, particularly under the Personal Responsibility and Work Opportunity Reconciliation Act. Specific changes included: (1) the work requirement described above; (2) a limit to assistance of three months in a three year period for unemployed people between the ages of 18 and 50 who are not raising children; (3) ineligibility of most non-citizens including legal immigrants; and (4) a reduction in the total amount of money budgeted for the program.

In Pennsylvania, in 1996, the average number of households participating in the Food Stamp program in a given month was nearly 500,000. The number of participants was 1,123,541 (of which nearly half were children). The average monthly benefit per person was \$72.76.

The data for Allegheny County are presented in Figure 6. Between 1989 and 1992 there was a slow increase in the number of participants and participating households. Between 1992 and 1995, the number of participants declined by an average of 3.2%, while the number of participating households declined by an average of 4%. The pace of decline in the number of participants and participating households accelerated in 1996 and 1997. Specifically, the number of participants declined by 9.3% between 1995 and 1996 and 10.6% between 1996 and 1997. The number of participating households declined by 9.9% and 11.3% during the same period.

The decline in expenditures did not begin until 1994. From 1989 to 1994, expenditures increased, though more gradually over time. Since 1994, expenditures have dropped at an increasing rate. The annual expenditure declines since 1994 are: (1) 1994 to 1995, 4.1%; (2) 1995 to 1996, 10.3%; and (3) 1996 to 1997, 13.1%.

Nationwide data indicate that in 1994, about 71% of all eligible persons participated in the food stamp program with nearly the same percentage of eligible households participating (69%). For specific subgroups of the population during this period, FS served 93% of eligible children under the age of five

and 80% of the eligible children under 18. The participation rate of unemployed persons still in the labor force was only 59%, but even fewer, 39%, of eligible employed people participated. As yet, there are no national or local data available which describe participation rates since the imposition of the 1996 program changes.

Special Supplemental Nutrition Program for Women, Infants and Children (WIC)

WIC is a federal program funded through the Department of Agriculture. This program provides vouchers for the purchase of certain categories of food, nutrition counseling, and health care referrals. In Pennsylvania, WIC is administered by the Department of Health and also provides immunization screening for participants 24 months of age and younger. WIC targets pregnant women, breast-feeding women up to 12 months postpartum, nonbreastfeeding women up to six months postpartum, infants and children five years of age and under. Potential recipients must reside in the state, have a gross income below 185% of the poverty line, and be certified by a health professional to be at medical or nutritional risk.

WIC data were only available for Allegheny County for a three-year period, 1995 - 1997. As illustrated in Figure 7, both the number of participants and the amount of spending have declined slightly. During this period, the number of participants declined by 6.8% while expenditures declined by 2%. At the federal level, the budgeted amount for WIC has increased, therefore these declines may not be the result of reduced funding.

The USDA estimates that WIC reaches about 60% of all eligible categories of women, infants, and children. Ninety-eight percent of all eligible infants are served by the program. However, they report **AWIC cannot serve all eligible people, so a system of priorities has been established...@** We can only conjecture that the priority system explains why some eligible people do not participate. This may be due to insufficient funding or inadequate outreach, but again, this is conjecture on our part.

Medicaid

Medicaid provides payments for medical and hospital services to low-income individuals and families. The program is jointly designed and funded by the federal government and the states. Medicaid is administered at the state level. The federal government mandates coverage of some population groups and requires coverage of certain health services. States have discretion to add additional services or additional population groups to the program. For example, in Pennsylvania this includes the **Ammedically needy@** or persons with high medical expenses but with incomes too high to be eligible. States also decide reimbursement rates.

In Pennsylvania, individuals and families who meet AFDC and SSI eligibility criteria are eligible. After TANF, Medicaid requirements include: (a) family income and resources must meet the pre-reform AFDC standards and (b) the pre-reform AFDC deprivation requirement. If a family loses eligibility because of employment, they may receive extended benefits. In addition, Pennsylvania covers pregnant women and infants up to 185% of the poverty line.

The major change in Medicaid policy has been the recent move to place recipients in managed care programs. In Pennsylvania, as of 1996, 53% of beneficiaries (including those over age 65) were enrolled in managed care. Also, Pennsylvania reduced its coverage of those deemed **A**medically needy.®

The Medicaid trend data come from two sources: the Health Care Finance Administration office in Philadelphia (HCFA) (Figure 8a) and the State Bureau of Evaluation, Department of Welfare (Figure 8b). Though the data differ slightly in the total number of participants, the changes over time are similar. Both data sources are necessary in that the HCFA data also provide expenditures while the State data provide breakdowns by recipient category.

Allegheny County changes in the number of Medicaid participants, households and spending as reported by HCFA are provided in Figure 8a. The number of Medicaid participants increased yearly from 1989 to 1995 with a slight decline (8.3%) in 1996-1997. The number of participant households followed a similar pattern, though the decline began in 1994. Medicaid spending grew rapidly between 1990 and 1993, averaging annual increases of 19.3%. Between 1993 and 1995, spending increases slowed to 8.2% per year. Since 1995, there has been a very small decline in spending, dropping on average 1.5% for 1996 and 1997.

Figure 8b provides the number of Medicaid participants and recipient categories for Allegheny County provided by the State. According to the Department of Welfare, medical assistance participants fall into six categories. These categories are: (1) TANF cash recipient; (2) General Assistance recipient; (3) Supplemental Security Income recipient; (4) State Blind Program recipient; (5) Categorically Needy or those who are eligible for (but do not receive) cash assistance under TANF, GA, or SSI; and (6) Medically Needy or those who are not eligible for cash assistance but qualify for medical assistance.

One change seen in the Department of Welfare data between 1989 and 1997 has been a shift in the composition of those on Medicaid. In 1989, AFDC recipients comprised 44.4% of the Medicaid rolls while in 1997, TANF recipients represented only 29.1%. Similarly, the number of recipients on Medicaid who were also receiving General Assistance declined as a percentage of the Medicaid recipient population, from 14% in 1989 to 4.6% in 1997. The percentage of the Medically Needy dipped from 13.7% in 1989 to 8.5% in 1997. On the other hand, the proportion of the Categorically Needy increased from 13.4% in 1989 to 37.1% in 1997 while the proportion of SSI recipients increased from 14.5% to 20.6% during these same years.

It appears that the composition of the Medicaid rolls was changing each year, but that the major shift in the composition probably occurred after 1993. From 1989 to 1993 the number of AFDC recipients receiving Medicaid increased annually (7% overall), while from 1993 to 1997, the number of participants declined each year (40% overall). For GA recipients, between 1989 and 1993, there was a slight drop (4.6%) in the number of persons receiving Medicaid, followed by a rapid decline (66%) between 1993 and 1997. The decline in the number of Medically Needy participants did not begin until 1995-1996. On the other hand, the number of Categorically Needy participants increased yearly. From 1989 to 1993, the number increased by 77% and from 1993 to 1997 the number increased an additional 52.8%. Similarly, the number of SSI Medicaid recipients increased by 36.3% between 1989 and 1997.

Children's Health Insurance Program (CHIP)

The Children's Health Insurance Program (CHIP) is a new program in Pennsylvania started in 1993. Through CHIP, the state initially provided medical insurance to children between the ages of one and 16 living in families whose income and assets exceeded the Medicaid eligibility criteria but whose income did not exceed 185% of the poverty line. Coverage for recipient children is free and enrollment in CHIP is guaranteed for 12 months.

Pennsylvania has slowly expanded the eligible pool of recipients. The state recently expanded CHIP coverage to include children's ages one to 18 with family incomes up to 200% of the poverty line; these children will receive free coverage. Children age birth to 18 with family incomes between 200 and 235% of the poverty line receive subsidized coverage.

The only county-level data available for CHIP is the number of participants; these data are provided in Figure 9. The Allegheny County trend reflects the incremental expansion of eligibility criteria. In the four years of data, the number of participants has increased 62%. The recent changes expanding the eligible pool suggests this number will continue to grow.

Low Income Heating and Energy Assistance Program

The Low Income Heating and Energy Assistance Program (LIHEAP) provides cash grants to low-income households to pay for home heating or cooling and weatherization and crisis grants for energy-related emergencies. The federal government provides block grants to the states with states, then, administering the program. In Allegheny County, cash grants range from \$50 to \$800 and are typically paid to the provider. Crisis grants are limited to no more than \$300 in a year.

LIHEAP eligibility is contingent upon household income, family size, heating source and region of the state. Eligible households are those in which at least one person is receiving government assistance such as food stamps or SSI are eligible. Further, households with incomes not exceeding 150% of the poverty level or having an income equal to 60% of the state median income are also eligible. For crisis grants, the household must be in imminent danger of being without an energy source.

The LIHEAP program has survived proposals that would abolish it (such as in 1995). On the other hand, federal appropriations for the program have fluctuated. While data for Pennsylvania were not available, the total federal appropriations for LIHEAP fluctuated between 1989 and 1994 and then dropped from 1994 to 1996. Only in 1997 did the block grant increase. In 1994, the total federal appropriation was \$1.7 billion and in 1997 it was \$1.2 billion. In 1998, only \$1.0 billion were allocated.

Household participation and expenditures for Allegheny County are displayed in Figure 10. Expenditures declined between 1989 and 1997, falling from \$15.9 million to \$7.5 million, (nearly 53%). More specifically, expenditures actually increased from 1989 to 1990 by 6%. Then between 1990 and

1992 expenditures fell an average of 3%. Between 1992 and 1994, the rate of decline accelerated dropping an average of 15.8%. The greatest yearly drop was from 1995 to 1996, when spending fell by 46.6%. Subsequently, spending increased by 25.8% in 1997. While spending is influenced by weather conditions, the overall drop in spending appears to mirror trends in federal allocations.

The number of households participating also declined. Between 1989 and 1992 there was little change, but since 1992 the number of participating households has fallen by 45.3%.

Public Housing and Section 8 Housing Vouchers

Two primary forms of housing assistance are Public Housing and Section 8 housing vouchers. Public Housing generally refers to project-based housing with construction financed by the federal government. This housing is administered and operated by local communities. Section 8 vouchers are rent vouchers which recipients use to find housing in the private market. In both programs, the recipient pays up to 30% of their monthly adjusted income or 10% of their gross income (whichever is higher) in rent.

Eligibility for both programs is based on family size and income limits that depend on the median income for the metropolitan area. For public housing, **A very low income** is defined as 50% of the median income (for Pittsburgh in 1998, the median income for a single person household was \$14,300 and for two person households, \$16,350). **A low income** is 80% of the median income.

Between 1989 and 1997, housing programs came under review. With efforts to eliminate the Department of Housing and Urban Development in 1993, federal housing budgets were cut. Federal policy shifted, encouraging home ownership. This shift was reflected in legislation in 1990 which established programs such as the Home Ownership and Opportunity for People Everywhere (HOPE) program, that encouraged the sale of public housing to low-income residents.

Data for the two programs are quite limited, with no participant data. Expenditures for the two programs are provided in Figure 11. The limited data show that between 1991 and 1993, while spending on Public Housing was declining, spending on Section 8 was increasing. From 1995 to 1997, Public Housing spending fluctuated but at higher levels than in previous years.

Conclusion

With control of and directions for social welfare programs increasingly returning to the states, it is paramount that state and local trends be monitored. To this end, we have gathered available data for Allegheny County relative to 12 social welfare programs. Overall, fewer people are receiving benefits from these programs and with a concomitant decline in spending.

We speculate about various explanations for these trends. Between 1989 and 1997, the general trend in the economy has been growth with lower unemployment rates. Under these conditions, a program directly tied to work, such as the EITC, should experience growth, while programs whose eligibility is tied to very low income levels, such as TANF/AFDC, will experience declines in the number of recipients.

A second explanation links these trends to legislative policy changes. Between 1989 and 1997, the eligibility criteria for many of these programs were narrowed so that previously eligible people could no longer avail themselves of program benefits. For example, such changes likely impacted on General Assistance and Food Stamps.

A third explanation reflects the policy changes legislating the amount of funding available for particular programs. For example, the funding for WIC is insufficient to cover all potential participants as evidenced by the service priority list. LIHEAP grants have been likely limited by the cuts in federal appropriations also.

The trends between 1989 and 1997 point to an increasing distinction between the working poor (and their children) and able-bodied people who are not working. Eligibility criteria as well as benefit levels for EITC were expanded to assist more working poor people. Medicaid was made available to labor force participants moving from reliance on TANF cash assistance to the workplace. CHIP has been expanded to cover the children of the working poor who are ineligible for Medicaid. At the same time, General Assistance is now denied to most single working age people and the goal of TANF is to eliminate the dependency of single parent households on cash assistance.

That more people are working, has not translated into the ability of many Allegheny County residents to meet their basic needs (Bangs, Kerchis, & Weldon, 1997). A recent New York Times article (November 22, 1998) noted that some states are trying to **increase** participation in the Food Stamps program because the jobs ex-TANF recipients are finding do not pay a sufficient income to achieve self-sufficiency. We suspect that Allegheny County is similar and efforts will be needed to expand participation in the various in-kind programs, CHIP, Food Stamps, housing and child care, to ensure that basic needs are met and people are able to remain in the workforce.

Similarly, the increasing number of Categorically Needy recipients of Medicaid suggests that there is a large pool of participants eligible for cash assistance who are not receiving benefits. Outreach efforts to enroll these people are needed.

The multiple sources of information and limits to the availability of data for these programs, as well as missing data from other important programs such as child care subsidies, suggest the need for better collection, aggregation, and access to data. As more responsibilities fall to the state and county, better information is necessary to enable policy makers and researchers to monitor the delivery of services to our citizens.

Table 1. Program Summaries

Program	Description
<p><u>Cash Programs</u></p>	
<p>Earned Income Credit (EITC)</p>	<p>The Earned Income Credit (EITC) is a federal income -tax credit for working families with low incomes. EITC is available to married couples with children, single parents, or caregivers. Individuals and families without children may also receive the EITC if their incomes are sufficiently low. Workers with children can receive part of their EITC with each paycheck by filing a W-5 with their employer. Pennsylvania has an income tax forgiveness program that is based on the IRS EITC.</p> <p>Income must be earned from a job or self-employment. In 1996, income must be less than \$25,078 with one child or \$28,495 with two or more children. At least one qualifying child living must live with the adult for more than half the year (1 year for a foster child). Qualifying children include a biological son or daughter, adopted child, grandchild, stepchild, or foster child. Children do not have to be dependents. In divorced households, children can be claimed for the EITC on only one tax return - person with higher adjusted gross income has the right to claim the EITC. Persons without qualifying children can claim EITC if their income is less than \$9,500, they are between ages 25 and 65, and are not claimed as a dependent by another person.</p>
<p>Temporary Assistance for Needy Families (TANF)</p>	<p>TANF replaced AFDC on 7-1-97. TANF ended the federal guarantee of cash assistance, leaving each state to develop its own plan using block grant. A written Agreement of Mutual Responsibility (AMR) is developed cooperatively between the recipient and the Department of Public Welfare caseworker; there are sanctions for failure to comply with the AMR. There is a mandatory up-front 8 week job search.</p> <p>TANF is described in PA ACT 35. Eligible participants are low income parents with children who meet income and assets tests. There is a two year limit on receipt of cash benefits without work involvement. Five year lifetime limit. State can exempt up to 20% of participants from work requirements.</p>
<p>General Assistance (GA)</p>	<p>GA provides cash assistance to help people with disabilities or families with dependent children who do not meet criteria for other programs.</p> <p>Net monthly income must be less than a certain amount, based on family size. The maximum benefit is equivalent to the prescribed income limit. For example, for a family of three persons the applicant's net monthly income must be less than \$384 (1989). There is a resource limit of \$1,000 for all family sizes greater than one, a single person is limited to \$250. Since July 1995 all able-bodied employable persons (age 18 to 45) have been generally ineligible for GA (PA Act 20).</p>

<p>Supplemental Security Income (SSI) - Blind and disabled</p>	<p>SSI is a federal/state program to provide cash assistance to low-income elderly, blind and disabled people. The monthly SSI payment consists of a federal benefit and a potential state supplement. The federal benefit rate increases each January but the PA supplement has remained constant during the 1989 to 1997 period. Persons living in a personal care home and meeting financial requirements are eligible for a state supplement provided the personal care home is licensed by the state.</p> <p>SSI eligibility is determined by income and assets limits. In 1998, a single person was limited to no more than \$494 in monthly income and no more than \$2,000 in countable assets; couples limited to \$741/month in income and \$3,000 assets. SSI includes work and other income disregards. Children are eligible if their impairment results in marked and severe functional limitations expected to last at least 12 months or result in death.</p>
<p>State Blind Pensions (SBP)</p>	<p>SBP provides cash assistance to help legally blind persons whose income is high enough to exclude them from SSI.</p> <p>Person must be legally blind, with annual net income below \$4,260 (1989) with resources below \$7,500. Maximum benefit is \$100.</p>
<p><u>In-Kind Programs</u></p>	
<p>Food Stamps</p>	<p>The Food Stamp program provides coupons to purchase food for individuals and families who are eligible for income maintenance programs or who have limited incomes. The program is administered by the federal government through the State Department of Welfare.</p> <p>Eligibility for the FSP is based on financial and non-financial factors. Households, except those with elderly or disabled members, must have gross incomes below 130% of the poverty line. All households must have net incomes no higher than 100% of the poverty line to be eligible. Most households may have up to \$2,000 in countable resources. Households with at least one member age 60 or older may have up to \$3,000 in resources. Since 1997 there have been limits on undocumented immigrants (ineligible) and legal immigrants. Also, time limits have been placed on many able-bodied, childless unemployed adults.</p>
<p>Women, Infants, and Children (WIC)</p>	<p>WIC is a federally funded health program for high-risk, low-income, pregnant or breast feeding women, postpartum mothers and children under the age of five. It provides nutrition counseling, education, referrals, and immunization screening. The WIC program issues vouchers redeemable at participating grocery stores for infant formula, cheese, milk, eggs, cereal, juices, and other selected nutritional foods.</p> <p>Income limits are set at 185% of the federal poverty income guidelines but participants must also meet medical guidelines. Because of limited funding, there is a priority list for WIC services.</p>

<p>Medicaid</p>	<p>Medicaid is a means-tested public assistance program that provides payments for hospital and medical services to people who meet income criteria. Funded jointly by federal and state governments, it includes coverage for services such as inpatient hospital care, prescription drugs, home health care, nursing home care, outpatient psychiatric care, drug and alcohol clinic visits, physician, dental and other medical services.</p> <p>Families who met AFDC and SSI eligibility criteria were eligible. Now: (a) the family income and resources must meet the pre-reform AFDC standards and (b) meet the pre-reform AFDC deprivation requirement. If a family loses eligibility because of employment or receipt of support payments and received Medicaid in three of the six preceding months, the family may receive extended benefits. States may deny benefits to those who lose TANF benefits because of refusal to work. Exempted are poverty-related pregnant women and children.</p>
<p>Children=Health Insurance Program (CHIP)</p>	<p>CHIP began operating in May 1993 and expanded in PA in 1997. CHIP provides health insurance to children not covered under Medicaid.</p> <p>Targeted children (up to age 19) who (a) are not eligible for Medicaid, covered under a group health plan or other health insurance, in prisons or who have parents who are state employees and (b) meet the eligibility standards as determined by the state. These are either (a) 200% of the federal poverty line or (b) 50 percentage points above the state's Medicaid eligibility level.</p>
<p>Low Income Home Energy Assistance Program (LIHEAP)</p>	<p>LIHEAP is a federal block grant program that assists eligible low income households in meeting their energy needs. The federal government does not provide energy assistance benefits directly to individuals but through LIHEAP grants to the states. LIHEAP funds can be used for: heating assistance, cooling assistance, energy crisis intervention, low-cost weatherization, and other energy-related home repair. In PA, DPW divides the program into two components: cash grants (\$50 to \$800) based on household income eligibility and crisis grants (up to \$300) for households in imminent danger of being without an energy source.</p> <p>Benefits are based on household income, family size, heating source and region of the state. Eligibility is based on (1) households in which 1 or more individuals are receiving (a) assistance under the State program funded under Title I, Part A, of the Social Security Act, (b) SSI, (c) food stamps, or (d) other designated payments; or (2) households with incomes which are not greater than (a) an amount equal to 150% of the poverty level for PA or (b) an amount equal to 60% of the state median income. In 1998, pre-tax income could not exceed \$738 for a single person household and \$995 for a two-person household. Crisis grants are available to households that are without heat and cover the cost of resolving the crisis.</p>
<p>Public Housing</p>	<p>The Public Housing Program provides decent, affordable housing to very low income individuals.</p>

	<p>Income limits vary depending on the number of family members and based on the median income for the metro area. A Very low income@ is 50% of the median income (Pgh 1998 limits are \$14,300 for one-person households, \$16,350 for two-person households, and \$18,400 for three person households.). A Low income@ is 80% of the median</p>
<p>Section 8 Housing Vouchers</p>	<p>The Section 8 program provides rental subsidies and vouchers to low-income persons living in privately owned housing. The program supplies assistance to eligible families who seek housing in the private market and sign a conventional lease with a property owner.</p> <p>Different criteria for different groups. Income limits, family size and location.</p>

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Maiden, Jon. Statistical Information Services. SIS@IRS.

Majewski, Dan. Public Affairs Specialist. SSA@HHS.

Mancuso, Joe. Analyst. PA Department of Welfare.

Morrison, Claire. Allegheny County Director. PA Department of Welfare.

Nemoytin, Richard. Pittsburgh Office. U. S. Department of Housing and Urban Development.

O=Neal, Pat. CHIP Program Information. PA Department of Insurance.

Pischke, Fran. Treasurer=s Office. City of Pittsburgh.

Poindexter, Nancy. Acting LIHEAP Director. PA Department of Welfare.

Putze, Dennis. Data Supervisor. PA Department of Welfare.

Reinhard, Bob. State Data Center. Penn State University.

Rosen, Joyce. Public Information Officer (Philadelphia). HCFA@HHS.

Shepherd, Diane S. Associate Community Builder. U. S. Department of Housing and Urban Development.

Williams, Christopher. Public Information Officer, (Phila.). SSA@HHS.

Web Sites Providing Information

LIHEAP: <http://www.acf.dhhs.gov/programs/liheap>
<http://www.info.co.allegheny.pa.us/services/fedprogs/>

SSI: <http://www.ssa.gov/>

FS: <http://www.usda.gov/fcs/stamps/>
<http://www.frac.org/>

GA: <http://www.urban.org/>

CHIP: <http://medicaid.apwa.org/Pennsylvania.html/>
http://www.kff.org/state_health/states/pa.html/
<http://medicaid.apwa.org/chipupdate6-15-98.html>

Medicaid <http://www.hcfa.gov/medicaid/>
http://www.kff.org/state_health/factsheets/
http://www.kff.org/state_health/states/pa

WIC: <http://www.usda.gov/fcs/ogapi/wicunf~1.html>
<http://www.health.state.pa.us/PHP/WIC/wicfact.html>

Greenbook Online at several sites including: <http://www.welfare-reform-academy.org/research/greenbook/mcontent.html>

Other

Bangs, R., Kerchis, C. & Weldon, L. (1997). *Basic living costs for working age adults and families in the City of Pittsburgh and Allegheny County*. Pittsburgh, PA: UCSUR and the University of Pittsburgh.

Scholz, J. K. (1994). The Earned Income Tax Credit: Participation, compliance, and antipoverty effectiveness. *National Tax Journal*, 47, 63-88.

Figure 1: Earned Income Tax Credit and PA Tax Forgiveness in Allegheny County

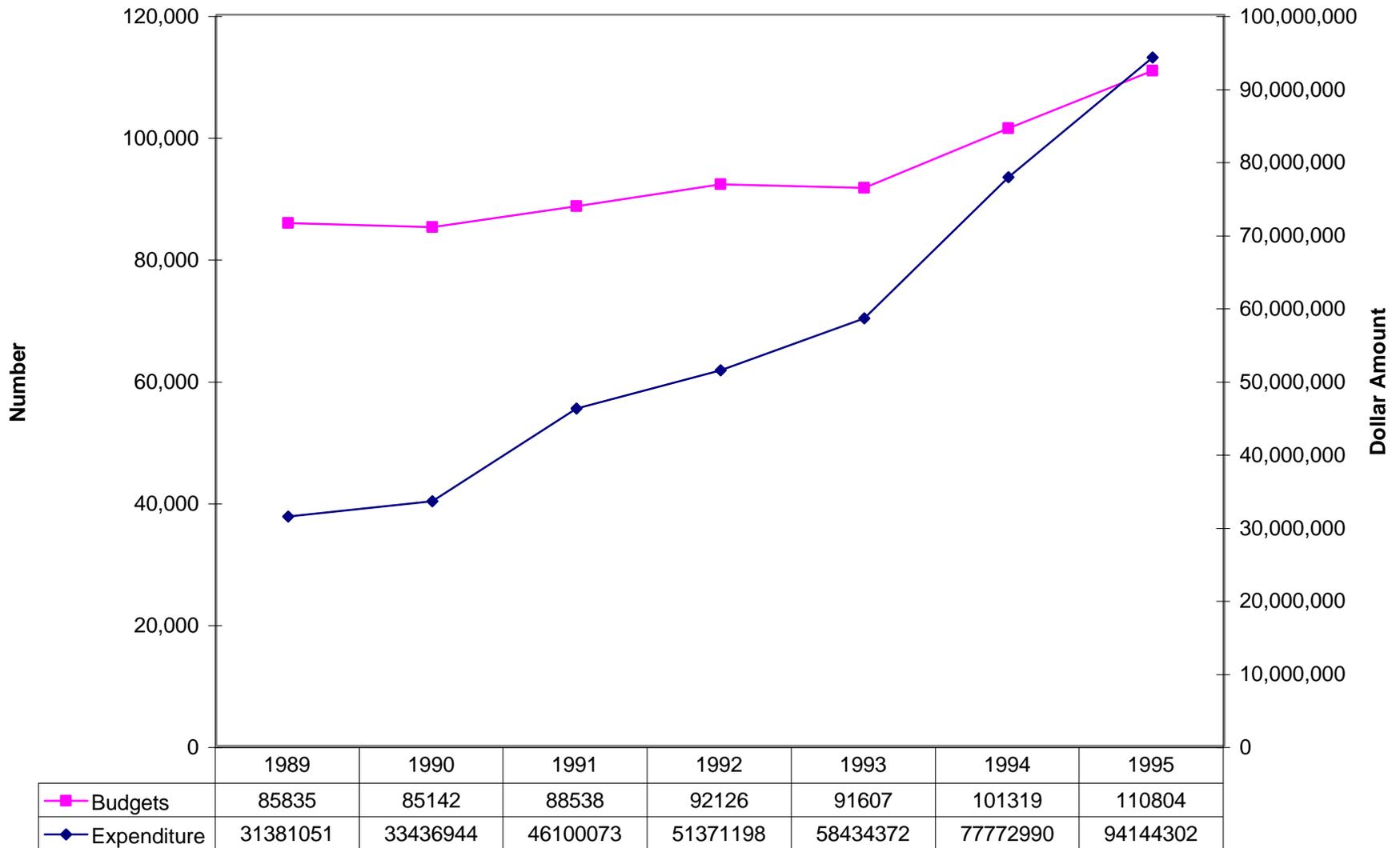


Figure 2: AFDC/TANF in Allegheny County

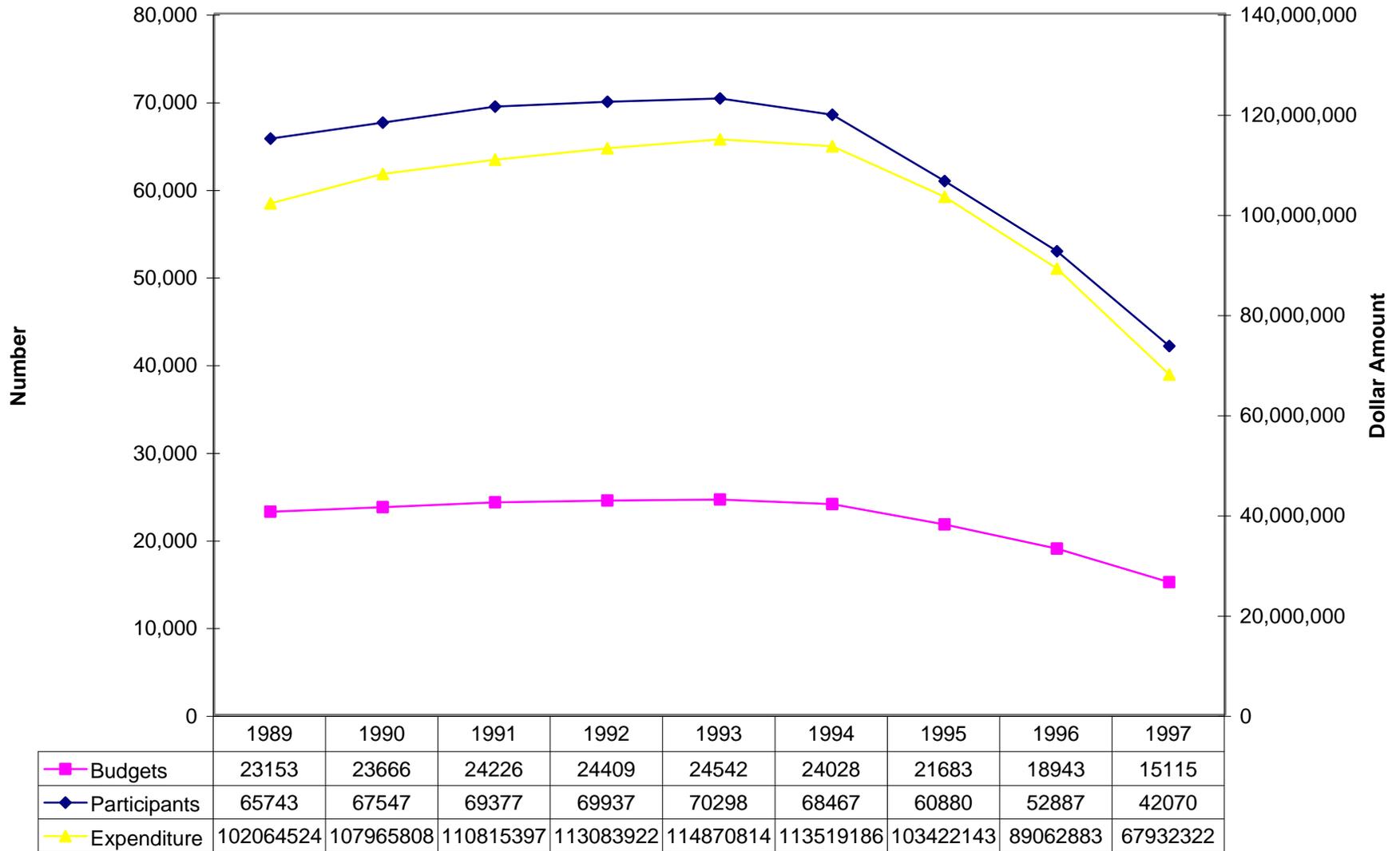


Figure 3: General Assistance in Allegheny County

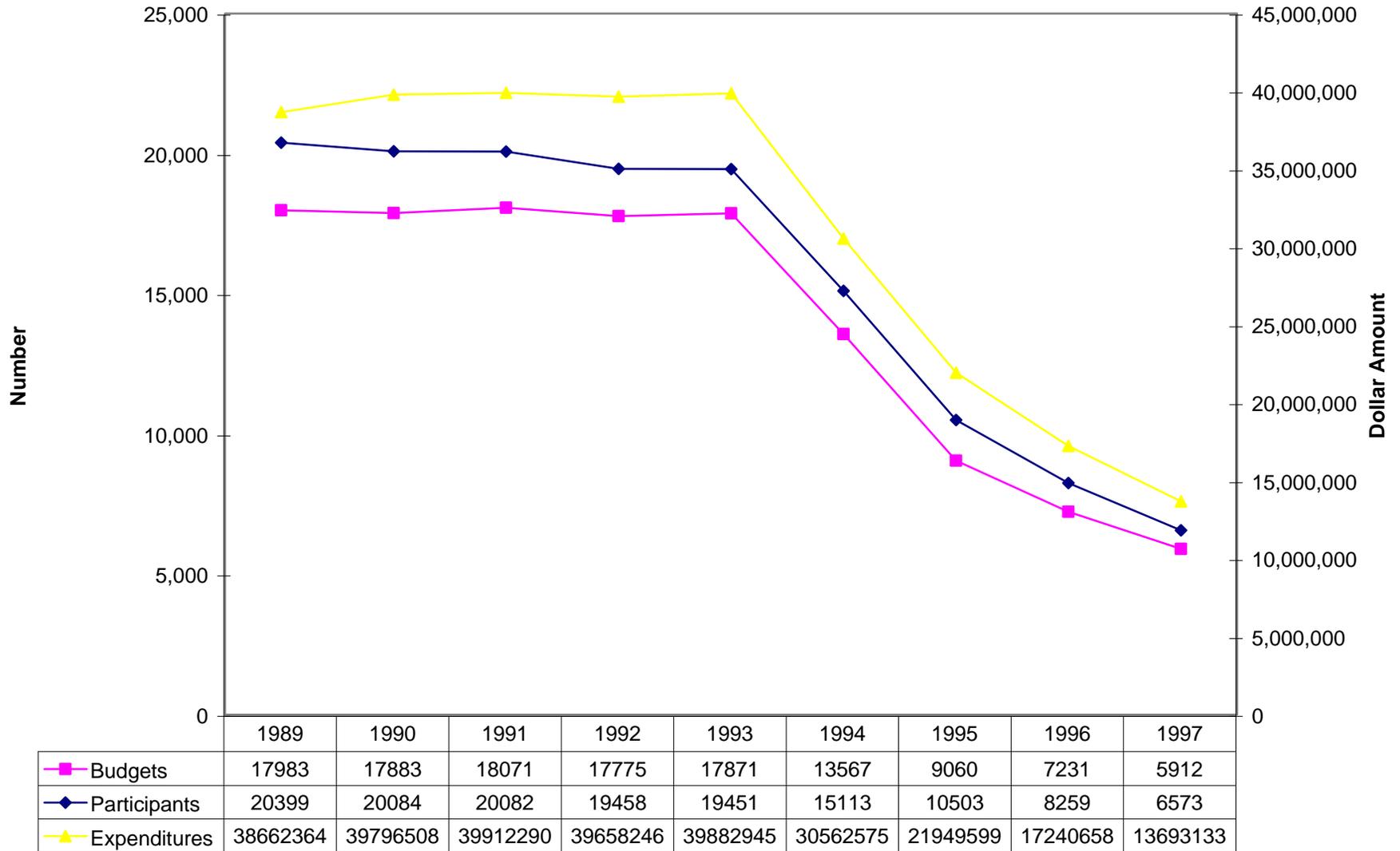


Figure 4: Supplemental Security Income in Allegheny County

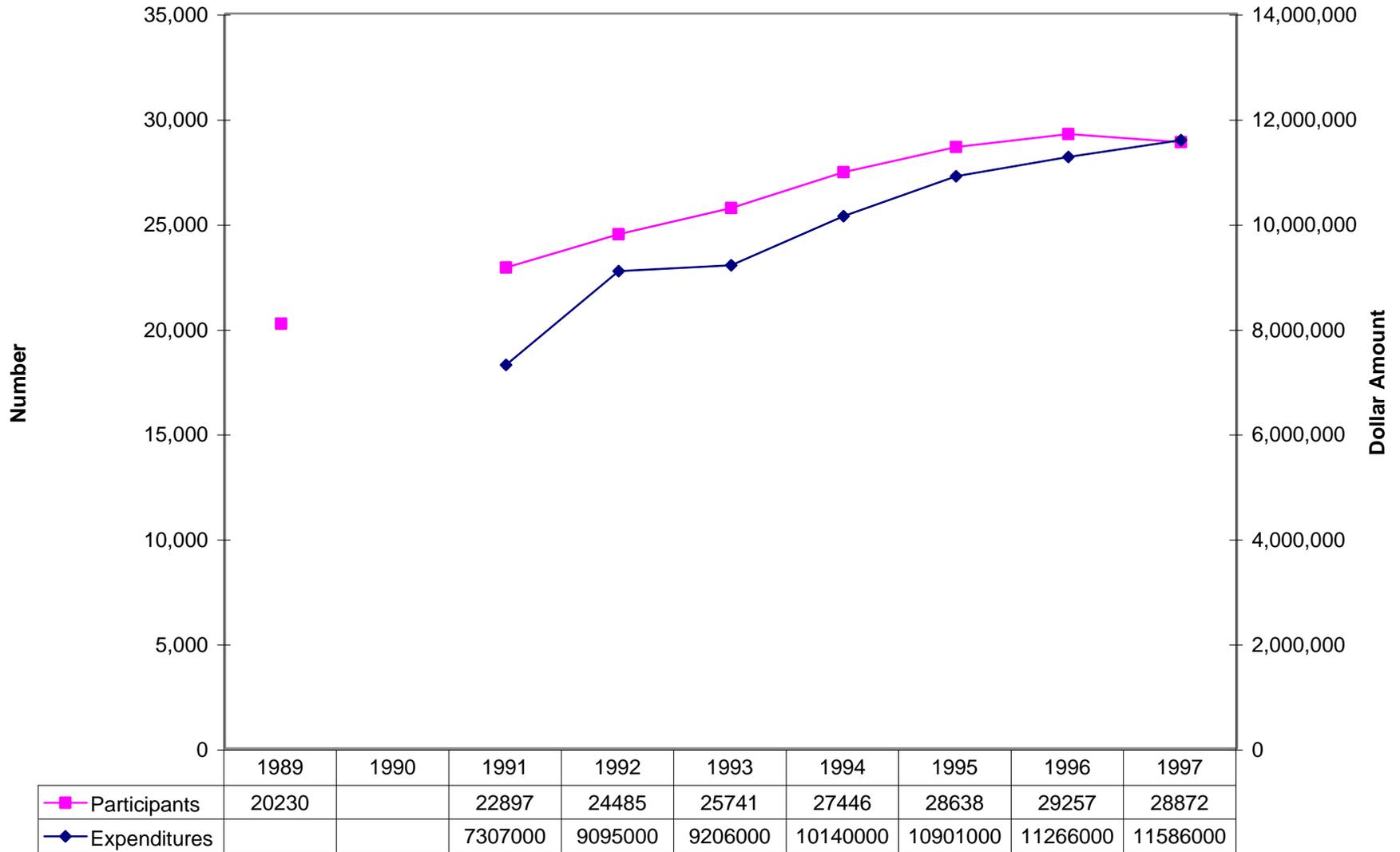


Figure 5: State Blind Program in Allegheny County

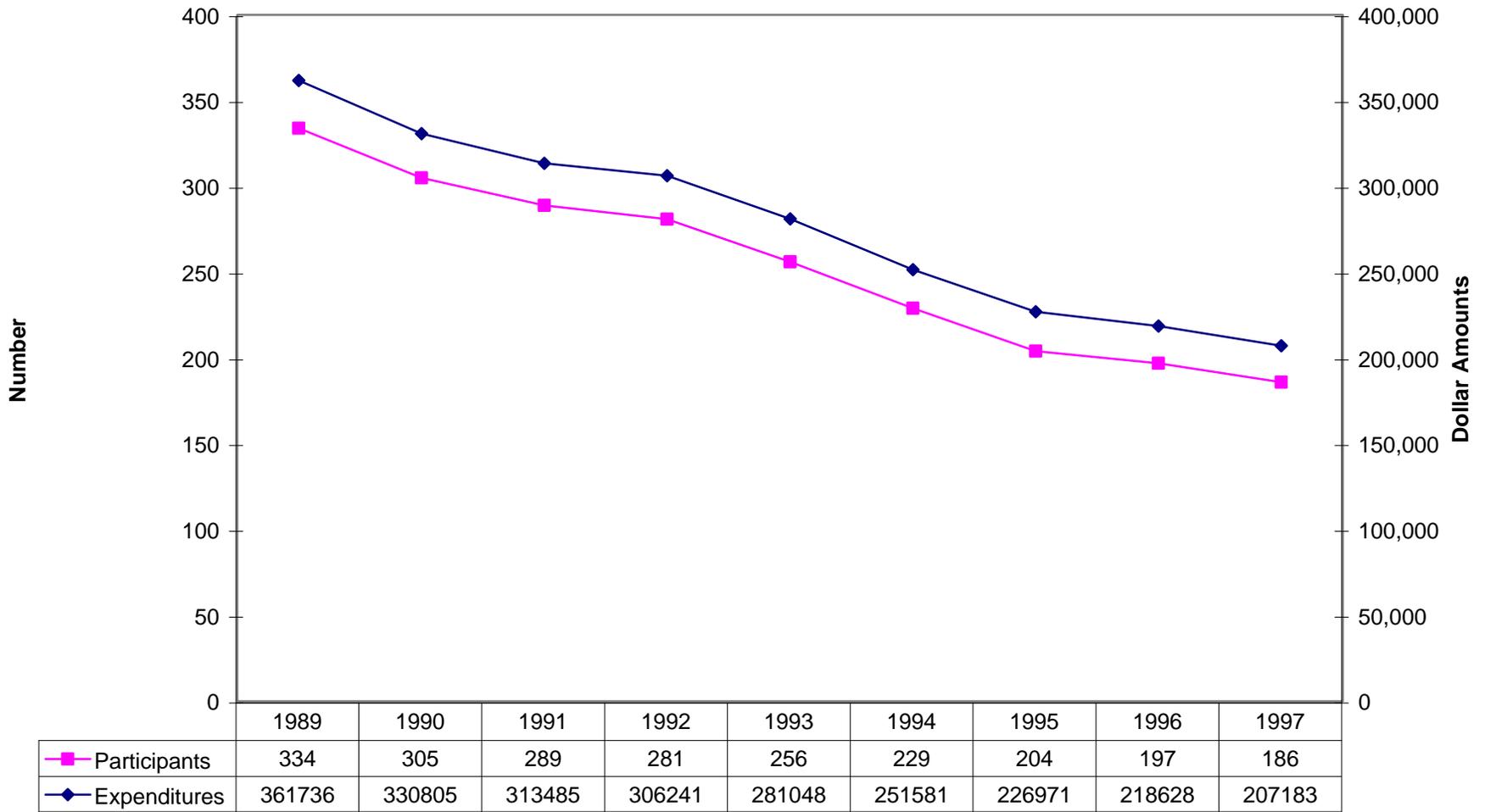


Figure 6: Food Stamps in Allegheny County

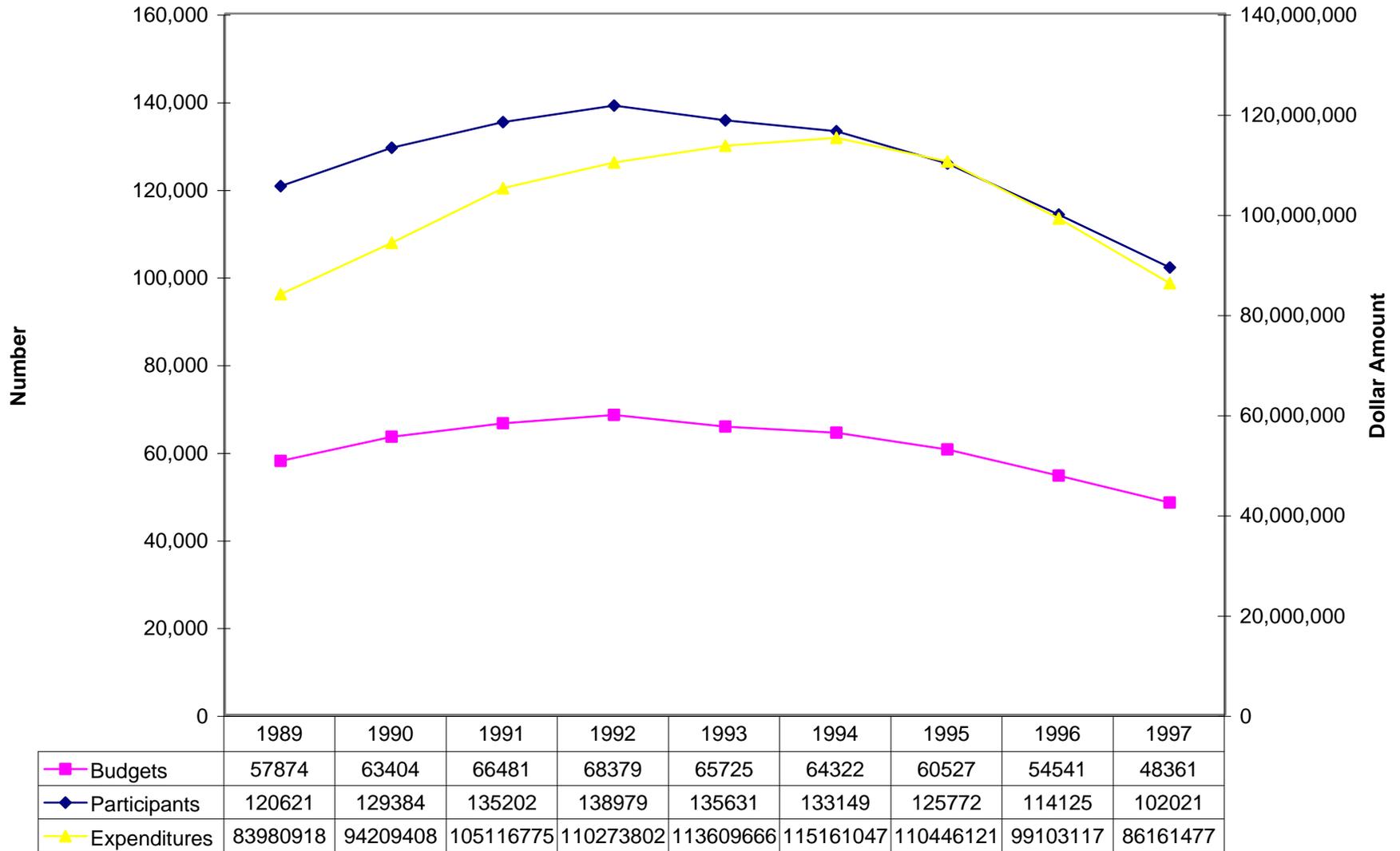


Figure 7: WIC in Allegheny County

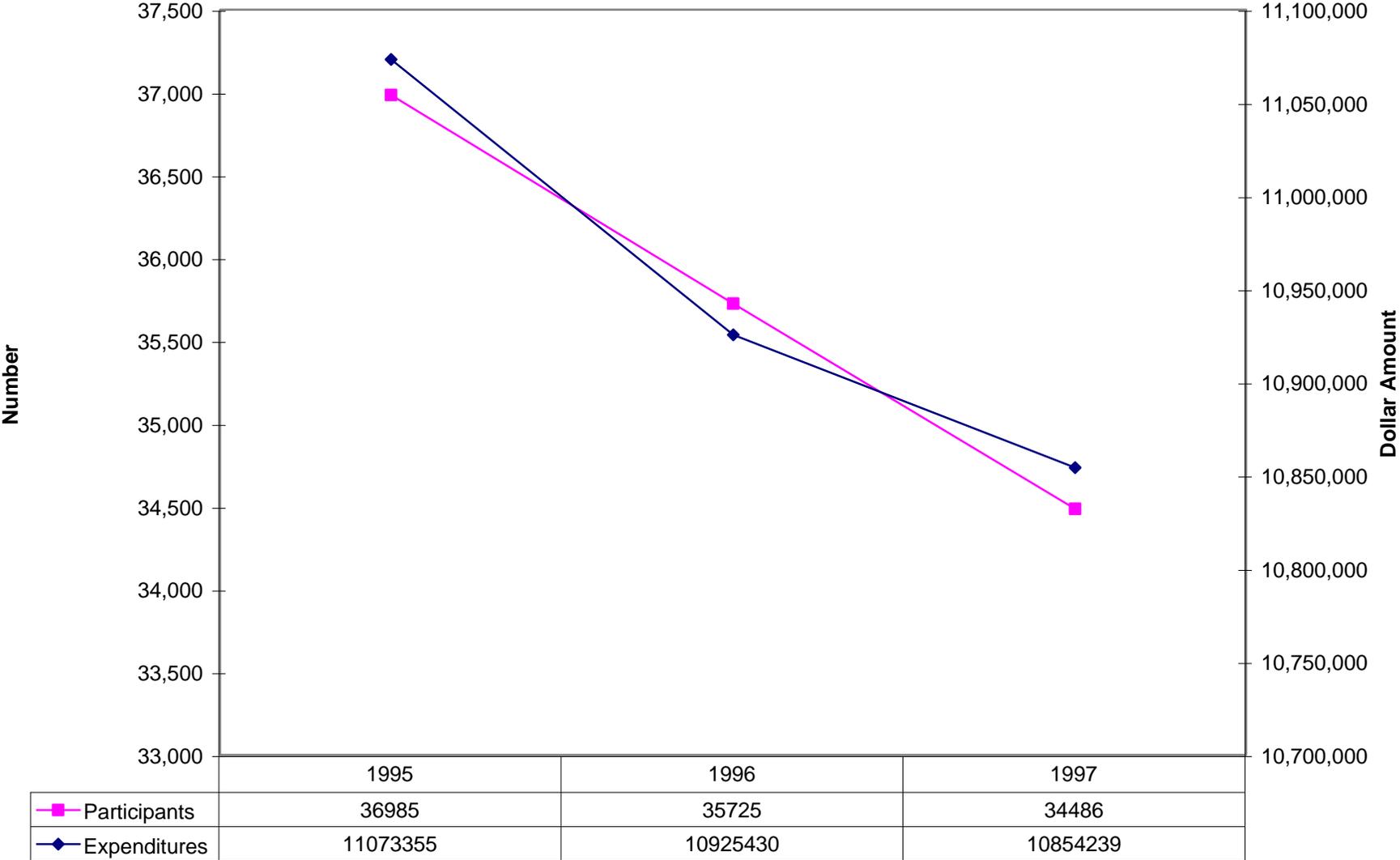


Figure 8a: Medicaid in Allegheny County

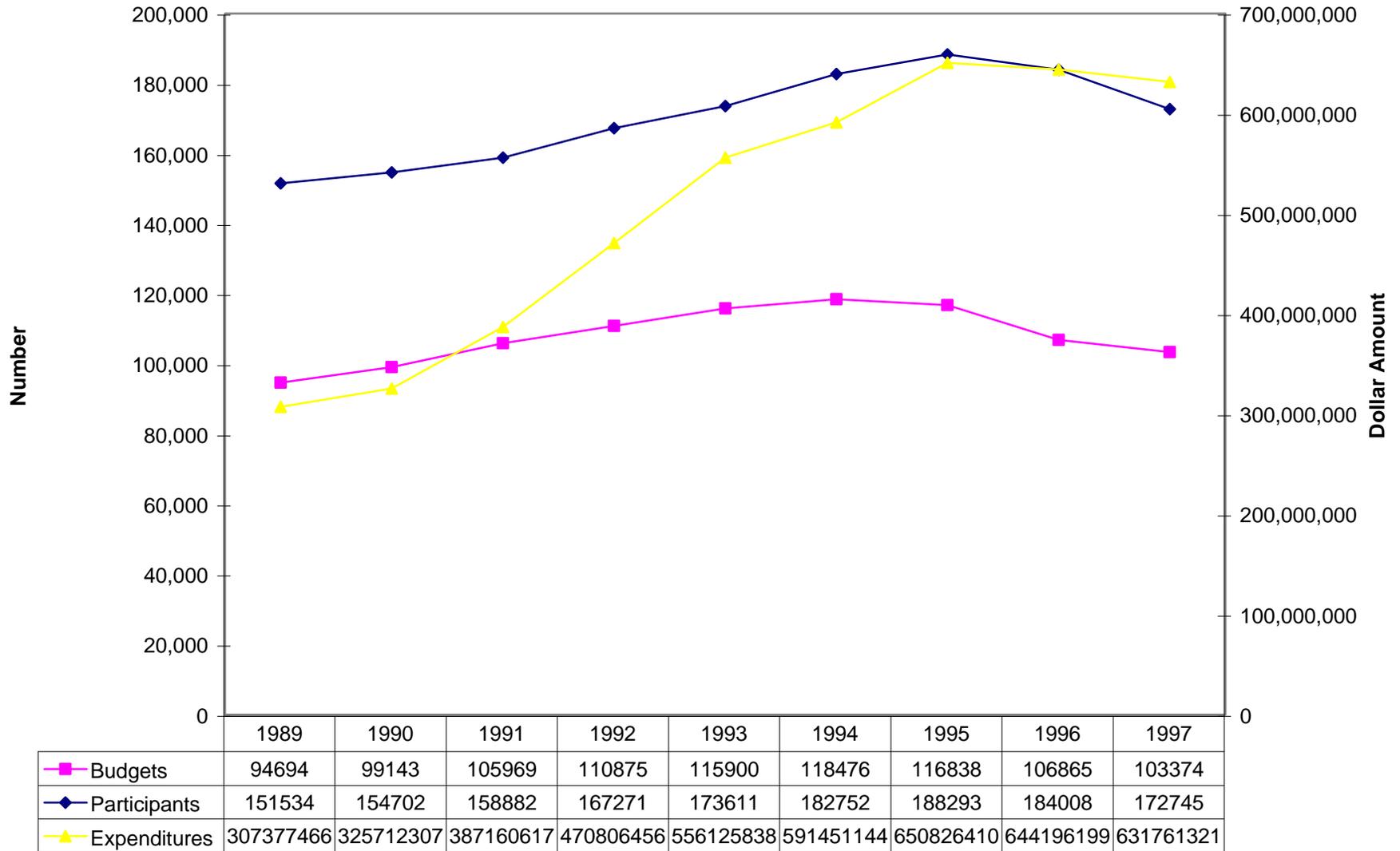
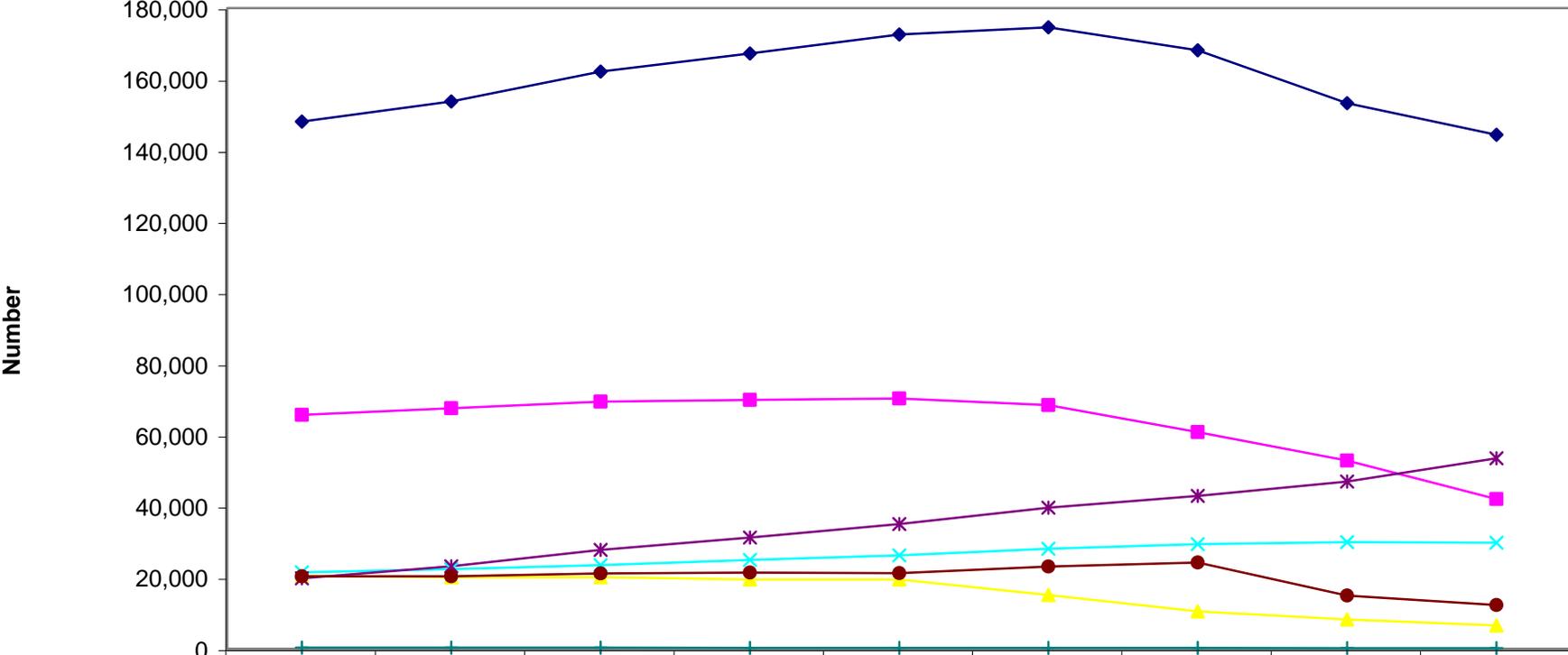


Figure 8b: Medicaid Participants Total and by Category in Allegheny County



	1989	1990	1991	1992	1993	1994	1995	1996	1997
◆ Total	148122	153780	162168	167248	172545	174555	168163	153250	144384
■ TANF	65743	67547	69377	69937	70298	68467	60880	52887	42070
▲ GA	20399	20084	20082	19458	19451	15113	10503	8259	6573
✕ SSI All	21511	22366	23518	24929	26267	28062	29393	29985	29752
* CatNeedy	19802	23157	27729	31258	35019	39617	42950	46978	53513
● Med Needy	20333	20321	21173	21383	21254	23067	24233	14944	12290
+ SBP	334	305	289	281	256	229	204	197	186

Figure 9: Children's Health Insurance Program in Allegheny County

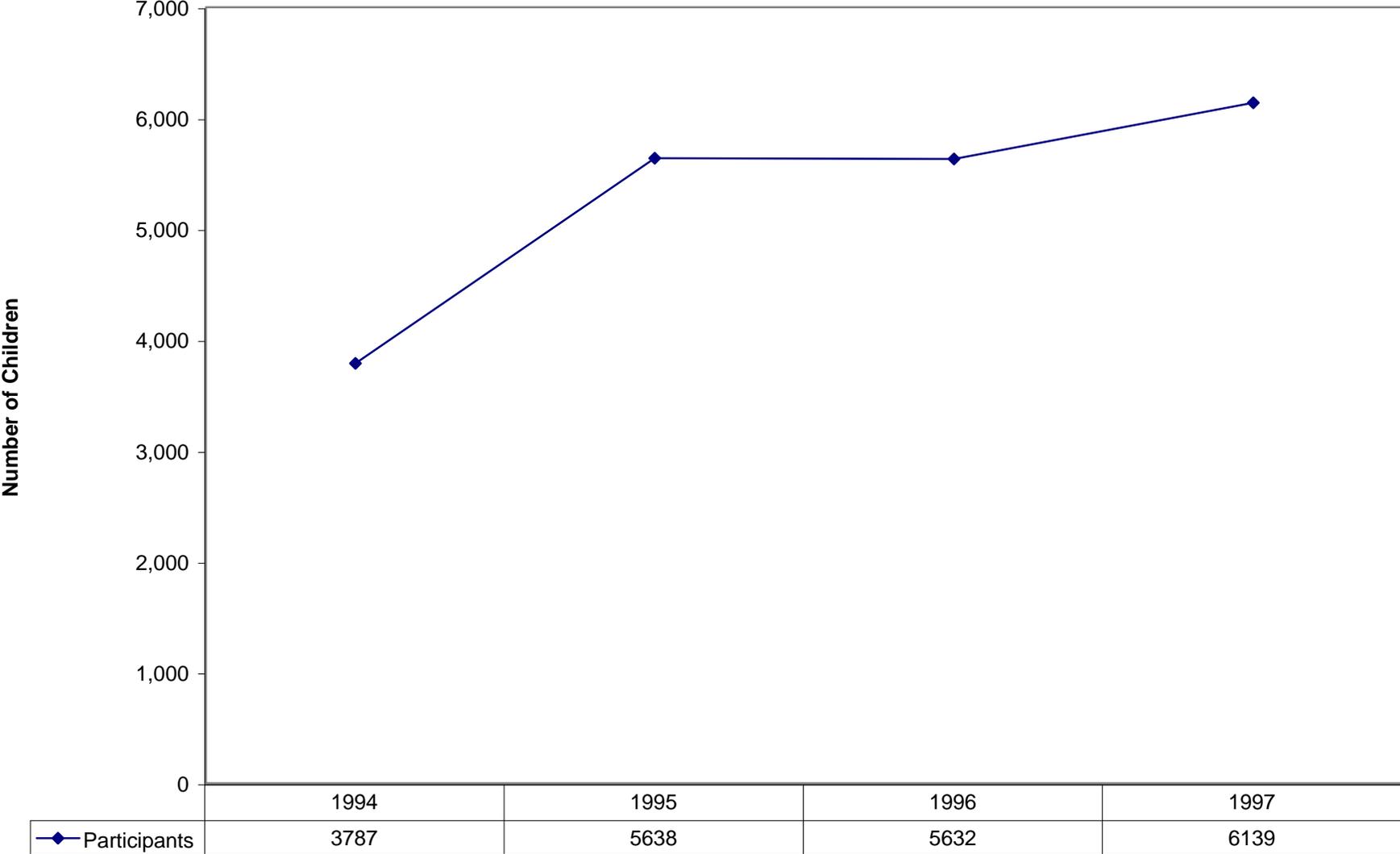


Figure 10: Low Income Heating and Energy Assistance Program in Allegheny County

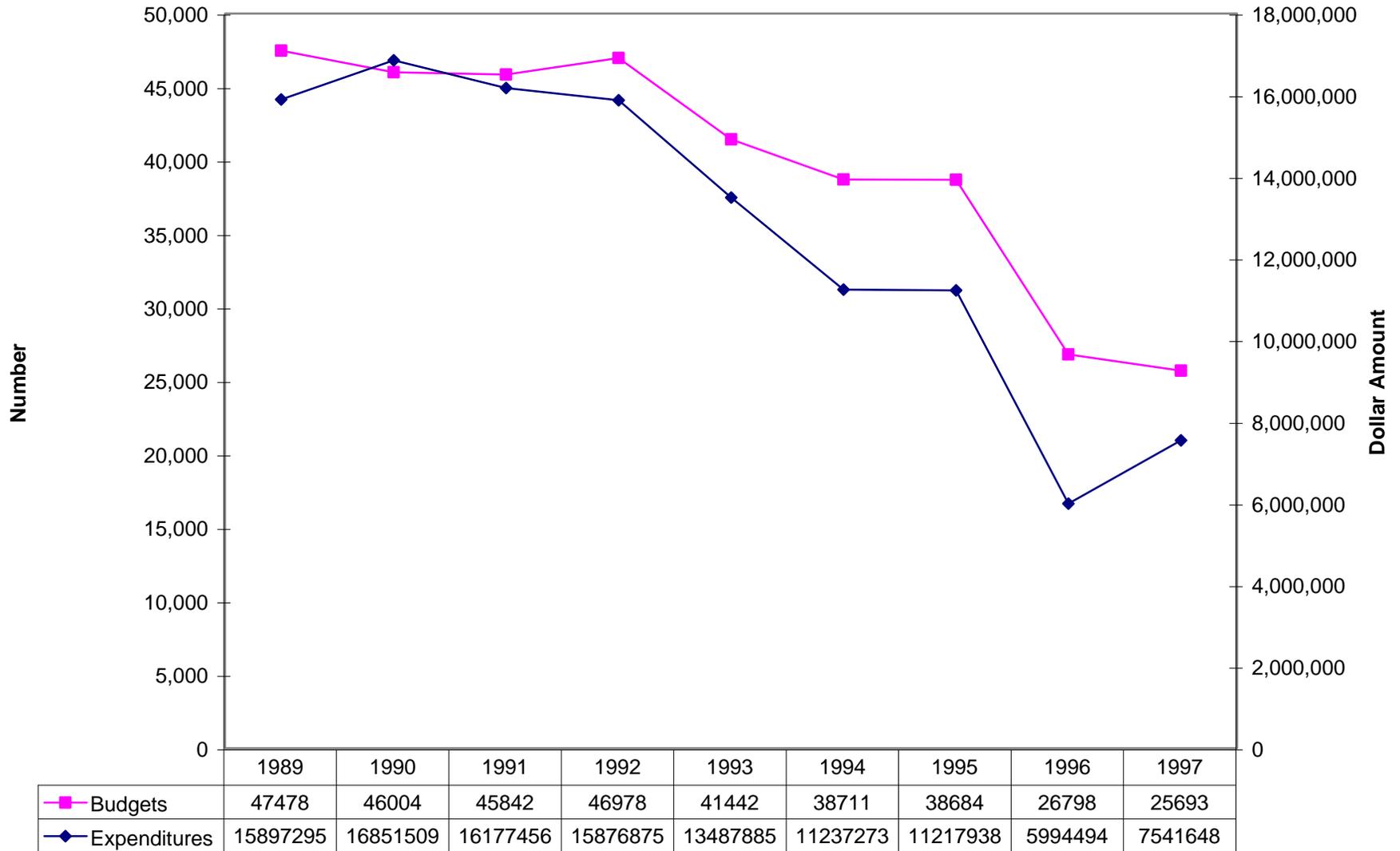
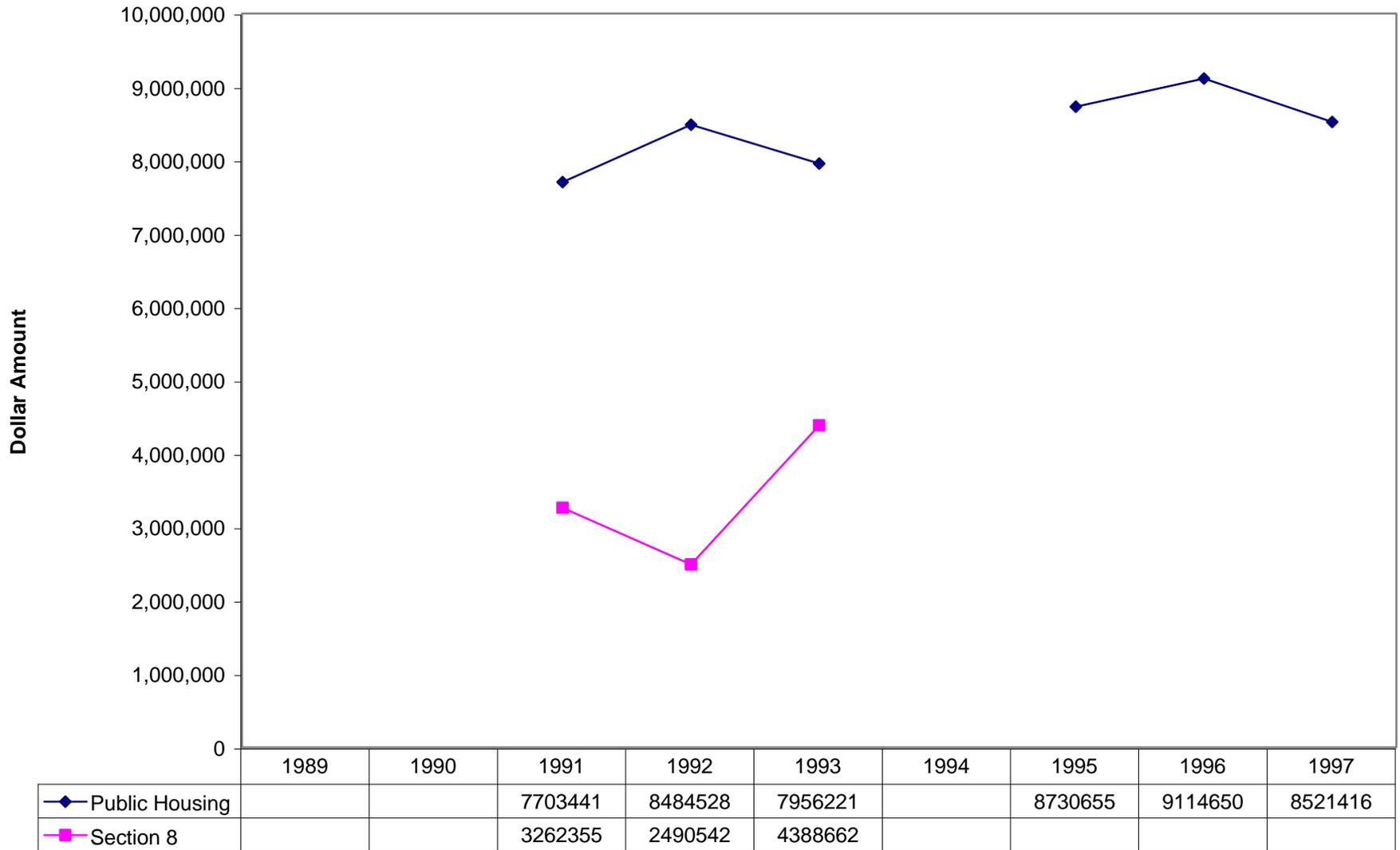


Figure 11: Housing Program Expenditures in Allegheny County



CHAPTER 4. THE STATUS OF WOMEN IN THE PITTSBURGH REGION: ECONOMY, POLITICS, AND VIOLENCE

Susan Hansen, Ph.D., Department of Political Science
Audrey Murrell, Ph.D., Katz Graduate School of Business
S. Laurel Weldon, Ph.D., Graduate School of Public and International Affairs
University of Pittsburgh

Introduction

Women constitute more than half the population of the Pittsburgh region but the concerns and contributions of women are often overlooked in general assessments of the state of the region, rendering these assessments incomplete. This chapter examines three key aspects of women's experience in the Pittsburgh region: 1) economic status, 2) power and decision making, and 3) violence against women. These three categories are standard categories for assessments of women's status and have been identified as important by international experts on measuring women's status (see, for example, United Nations, 1995).¹ These different aspects of women's status are interrelated. For example, economic inequality between men and women has been shown to be a strong predictor of high levels of violence against women (Sanday, 1981; Levinson, 1988). For analytic purposes, however, we examine each of these three categories in turn.² Most of the discussion focuses on the city of Pittsburgh and Allegheny County. Data at the regional (MSA), state and national level are included where available. We also provide some recommendations as to how local actors who aim to promote the status of women can best direct their efforts.

Economic Status

This section explores the economic status of women in the city of Pittsburgh and Allegheny County. Economic status is reflected not only in the level of earnings and type of work, but also in whether women have the economic means required to ~~fl~~act independently, exercise choice, and control their lives^o (Institute for Women's Policy Research (IWPR), 1996).

Employment and Earnings

In the United States the main source of income for most people is earnings. In addition, the kind of work that one does determines both one's current standard of living and future prospects for economic

¹ Other standard categories of women's status that might be examined include health, education, the media, and institutional mechanisms to promote women's status (United Nations, 1995). We leave analysis of these regional issues for future projects.

² Other assessments of the status of women in the region include McElroy, 1997, who examined economic status and Shoop et. al, 1994.

advancement. So employment and earnings are important in determining the economic status of women. In this section we examine:

- labor force participation and unemployment,
- employment and earnings by educational level, and
- employment by occupation and industry.

Labor Force Participation

The labor force is the number of people of working age (16 years of age and over) available for work at any time and is usually defined to include those people actually employed as well as those who are looking for work but unable to procure it (the unemployed). The labor force does not include discouraged workers who are no longer looking for work or women who are not seeking work because of family responsibilities or other reasons.

Labor force participation for both men and women in the Pittsburgh region is generally believed to be far below national levels.³ However, in the 1980s and 1990s, the low rates of labor force participation in Pittsburgh MSA appear to be more reflective of the large elderly population than of a markedly lower rate of female labor force participation.⁴ In 1996 in Allegheny County, the proportion of the total working age population participating in the labor force caught up to national rates for the first time, with about 78% of the working age population in the labor force (Bangs and Weldon, 1998). A similar trend may have occurred for working age women locally, but reliable data on labor force by age and sex are not available for years after 1990, so we cannot be sure. The most recent data on the local labor force by sex indicate that the proportion of working age women in the labor force in the County increased steadily, and somewhat more quickly than nationally, from 1970 to 1990. In 1990, the County still had a smaller proportion of working age women in the labor market (68%) than did the nation (70%) (Bangs and Weldon, 1998). Thus, labor force participation rates for working age women in the County are likely only slightly lower than or about the same as they are nationally.

The increase in labor market participation has been attributed to several factors including the impact of the women's movement, an increased need for more income in two-earner families, and the worsening employment picture for men (IWPR, 1998). This increase represents a fundamental change for the Pittsburgh region, which has often been portrayed as retaining the culture of domesticity (a cultural association of women with the home and exclusion of women from paid work) associated with the high-wage, male dominated manufacturing sector long after that sector's decline. Pittsburgh has begun to look more like the rest of the nation in terms of the proportion of women who work.

³ In 1996, according to the Current Population Survey, 48.7% of women in the Pittsburgh MSA participated in the labor force, compared to 59.3% of women nationally (Bureau of Labor Statistics, 1998).

⁴ Pittsburgh MSA has a high proportion of elderly, and the elderly have lower rates of labor force participation than do non-elderly, working age people (Schulz and Kerchis, 1996).

Unemployment Rates

There are no current local data of high enough quality to compare unemployment rates for men and women. In 1990, regional unemployment was about 3% higher for men than for women, a larger disparity than was evident nationally in the same year (Table 1). Regional unemployment rates for men were higher than they were nationally, especially in the city and in the region but outside the county. Unemployment rates for women were lower in the county and the Pittsburgh MSA than they were nationally. In the city, however, female unemployment rates were higher than in the county, Pittsburgh MSA or nation (Bureau of the Census).⁵

Since local labor force participation for women has likely increased since 1990 and is now close to national levels, the difference between male and female unemployment rates may have narrowed locally as it did nationally. In 1997, the national unemployment rate for men was 4.9% while for women it was 5.0% (Bureau of Labor Statistics, 1998).

Unemployment rates analyzed by race and sex reveal large racial disparities among women in 1990. The unemployment rate for prime age (25-54) working African American women was three times that for white women in the same age group in the city of Pittsburgh and Allegheny County. In Allegheny County, African American women's unemployment rate was 11.9% compared to only 3.7% for white women, yielding the 15th highest disparity for prime working age women among the 50 largest counties in the United States in 1990. Racial disparities in unemployment were even more acute for young women in this region. Unemployment for African American women aged 16-19 was four times that for white females in the city of Pittsburgh (Bangs and Hong, 1996). Recent evidence suggests that these racial disparities persist in the Pittsburgh region in the late 1990s (Bangs and Weldon, 1998). Thus, it appears African American women have had a harder time than white women accessing employment in the local economy.

Full Time, Full Year Employment by Educational Attainment

Higher levels of education are associated with higher levels of employment and wages for all demographic groups, but men appear to obtain a higher rate of return on investment in education than women. A small percentage of working age (ages 18-64) adults in the County in 1990 who were without a high school diploma have full-time, full-year jobs: Only 39% of working age white men and 25% of working age African American men without a high school degree have full time, full year jobs.⁶ However, even smaller proportions of women without high school degrees were working in full time, full

⁵ Note that unemployment rates reported by the Census tend to be higher than those reported by the Bureau of Labor Statistics.

⁶ In 1990 in Allegheny County, 8.8% of prime working age (25-59) whites and 20.2% of African Americans in the same age group lacked a high school degree (U.S. Bureau of the Census).

year jobs: only 18% of white women and 18% of African American women. In the county the rate of full time employment for white men who have a high school degree or GED was 23 percentage points higher than it is for those without. In comparison, the rate of full time employment for white women with a high school degree or GED was only 17 percentage points higher than it was for those without (Bangs, Kerchis and Weldon, 1997). Although fewer African American men were employed full time than white men, African American men were still more likely to work in full time full year jobs than either African American or white women at every educational level.⁷

Earnings by Educational Attainment

In Allegheny County women earn less than men when working full time, even controlling for educational level. White and African American men with a bachelor's degree or higher earn on average about \$11 and \$10 more per hour respectively than their male counterparts with only a high school degree or GED. White women with a bachelor's degree or higher earn about \$8 more than women with only a high school degree, and African American women earn about \$7 more. Among full-time workers with a bachelor's degree or higher in Allegheny County, women earn 71% of what men earn (Bangs, Kerchis and Weldon, 1997).

In Allegheny County, annual earnings for working age women working full time were quite low compared to their needs. Needs, such as housing, food, childcare, and health care, are largely determined by the number and age of children and adults in the family.⁸ In 1989, two-thirds (68%) of women age 35 to 44 in Allegheny County had between one and three children, and three quarters (75%) had one or more children. About 75% of prime working age women were married or had been married at some point. Most families with children were married couple families, but about one-fifth (20%) of families were single-mother families (Bureau of the Census, 1990). It is estimated that a married couple with two or three children would need about 236% of the 1989 poverty line (\$29,677 for two children and 34, 923 for three children) to meet their basic needs if both worked full time. A single mother with two children under age 18 would similarly need about 235% of the poverty line

⁷ It is unlikely that disparities in full time employment rates can be attributed wholly to women's *voluntary* part time work. In 1992, almost 75% of women part time workers and 60% of male part time workers indicated that they worked part time because they only sought part-time work or because they wanted to (this does not include those who sought part time work because of child care problems or other barriers) (Blank, 1995). Even using these figures, which likely underestimate involuntary part-time work among women, differences in voluntary part-time work only account for about a tenth to a third of the gender disparity in full time employment rates for workers with a high school degree or less, and about half of the gender disparity for those with some college or more.

⁸ We use local basic needs thresholds instead of the official poverty line because it has become widely accepted that the official poverty lines vastly underestimate the cost of basic needs, especially child care (which is not included at all) and therefore are particularly inappropriate for assessing whether single mothers or other families with working women have enough income to meet their basic needs (Citro et. al, 1994). The thresholds employed in this section include seven categories of cost (food, housing, health care, child care, clothing and personal care, transportation, miscellaneous) and taxes. The costs for each category were those judged to be those minimally adequate for families living in Allegheny County. For a more detailed discussion see Bangs, Kerchis and Weldon, 1997, and Weldon, Bangs and Kerchis, 1997.

(\$23,476) per year to make ends meet if she was working full time in 1989 (Bangs, Kerchis and Weldon, 1997). In Allegheny County in 1989, annual earnings for full-time, full-year workers without a high school degree were \$17,030 for white women and \$18,864 for African American women. African American and white women with only a high school degree or GED, but no college, earned around \$21,000 per year on average when they worked full-time. Most women in Allegheny County (as nationally) have no college, and more than 20% lack a high school diploma (Table 4). Thus, many working mothers in Allegheny County will have trouble earning enough to pay for their family's basic needs even when they worked full time. In fact, the majority of African American women in the city (62%) and the County (57%) are low-income, that is, lacked sufficient income to meet their basic needs. About one in three (32%) white women in the City and one in four (24%) white women in the County were low income in 1989 (Bangs, Kerchis and Weldon, 1997).

The Wage Gap

In 1989 in the Pittsburgh region, women earned 66% of what men earned, less than what women earned compared to men in most metropolitan areas (70%) (McCall, 1997). Both nationally and in the Pittsburgh region, women earn less than men even when educational level is taken into account. However, at every level of education, women earn less compared to men in the Pittsburgh region than they do in metropolitan areas nationally (Table 2). This holds even for full time workers, regardless of educational level. For example, in 1989, among full time workers with a professional degree, women earned only 49% of men's earnings (McElroy, 1995). The wage gap has narrowed both state-wide and nationally since 1990, and a similar trend may have taken place locally, but Pennsylvania still lags behind the rest of the nation, and the wage gap remains large in both areas (IWPR, 1998).

These wage inequalities persist in analysis by race. In Allegheny County, depending on educational level, white women working full time full year earned between 62% and 71% of similarly situated white men in 1989. African American women earned 76% to 77% of what similarly situated African American men earned. These higher wage ratios for African American women likely reflect the depressed employment situation of African American men rather than better working conditions for African American women. The within gender differences by race were much less dramatic, although still indicative of racial inequality: African American men working full time full year earned between 85% and 90% of what similarly situated white men earned, and African American women working full time earned as much or more as white women working full time at lower levels of education. African American women with a degree of some kind (associates or college degree) earned between 90 and 93% of what similarly situated white women earned.

Employment by Occupation and Industry

Despite the influx of women into the local labor market, working women are still confined to what has been referred to as the *pink collar ghetto*: low-wage, female-dominated occupations. Indeed, occupational segregation, that is, the division of the labor market into *men's occupations* and *women's occupations*, has dramatic implications for earnings, mobility, and job security (Hartmann

and Treimann, 1981; King, 1992; Wooton, 1997). For example, male dominated jobs tend to pay higher wages than female dominated jobs. One study found that occupational differences alone accounted for between 30 and 45% of the wage gap (Hartmann and Treiman, 1981).

Both locally and nationally, men are most likely to be employed as executives, administrators and managers or as workers in precision production, craft, and repair (Bureau of Labor Statistics, 1998; IWPR, 1998; Wooton, 1997). The 1990 Census showed that the Pittsburgh region has one of the highest disparities between the proportion of men and the proportion of women employed as executives, administrators and managers (Bangs and Weldon, 1998). By 1996, only 12.6% of women were employed in this category (compared to 18.9% of men)(Bureau of Labor Statistics, 1998).⁹ Similarly, in Pittsburgh a much larger proportion of men (17.4%) than women (2.1%) is employed in occupations in precision production, craft and repair (Bureau of Labor Statistics, 1998). This is also true at the state and national level (Bureau of Labor Statistics, 1998; Institute for Women's Policy Research, 1998).

In the Pittsburgh region (as nationally), women are disproportionately represented in lower paying, lower status jobs. The proportion (18%) of working women employed in service occupations is about twice the proportion of working men (8.8%). As of 1996, almost 25% of women in the Pittsburgh region were employed as administrative support workers (compared to 6.3% for men). This represents the largest occupational category for women in this region and includes typists, secretaries, general office clerks, bookkeepers, data entry specialists, and the like. The jobs in these occupational categories are mostly low paying jobs (Table 3).¹⁰

A key factor that impacts the composition and quality of jobs available to women in the Pittsburgh region is the dramatic change in the health care industry both nationally and locally. Between 1994 and 1996, hospital employment in the Pittsburgh region declined by 7% compared to 1% nationally. In fact, a substantial proportion (nearly 90%) of the decline in hospital jobs in the Pittsburgh region occurred in Allegheny County, and a substantial proportion of the jobs lost in the County were within the City of Pittsburgh (80%) (Health Policy Institute, 1997).

A rising proportion of health care jobs is in non-hospital settings. These non-hospital health care jobs (e.g., home health care services, nursing homes and personal care homes) tend to employ a high proportion of women and will likely result in lower wages and reduced access to employee benefits. National data indicate that women held 78% of health care jobs in 1993.

Approximately one-fifth of employed African American women work in health care and are

⁹ Data on occupation by gender for 1996 are from the CPS and are estimated to have an error range of less than +/- 1%.

¹⁰ In 1995 in the Pittsburgh region, service jobs were most likely to produce hourly earnings ranging from \$4.94 for food preparation jobs to \$6.30 for childcare work. In 1995, secretaries in the region started at annual salaries of \$16,902 and experienced secretaries earned \$21,717. Data entry keyers started at \$13,358 and earned around \$16,966 if experienced. General office clerks earned \$14,078 to start and \$16,390 if experienced.

disproportionately represented in the lower paying jobs and settings (e.g., aides, housekeeping, food service) (Health Policy Institute, 1997). Thus, changes in the health care and hospital employment situation within this region will likely have a disproportionately negative impact on women, especially African American women (Health Policy Institute, 1997).

Economic Autonomy

Economic status includes economic autonomy, that is, whether women have the means to act independently and make choices. We examine the following indicators of economic autonomy:

- Educational Attainment
- Women's Business Ownership
- Percent of Women in Poverty
- Percent with Health Insurance

Educational Attainment

Education is an important determinant of economic autonomy because education is closely related to earnings and job mobility. In Allegheny County, a slightly larger proportion of women than men over 25 years of age are high school graduates, and this was true for both African Americans and whites. Among prime working age people (ages 25 to 34), women and men have similar rates of obtaining a bachelor's degree, although a much larger proportion of white men and women (34%) have a bachelor's degree or higher than African American men (10%) and women (11%). The pattern of growing gender equity in educational attainment, and persistent racial disparity, mirrors similar developments statewide and nationally (IWPR, 1997; Bangs and Hong, 1996).

In some subject areas, women are still under represented. In Pennsylvania as a whole in 1996, women comprised only 11% of students receiving bachelor's degrees in engineering related technologies, but almost 75% of students receiving degrees in Psychology and Education (Pennsylvania Department of Education, 1998). Thus, although women's educational attainment has improved, segregation by occupation and subject area continues.

Women-Owned Businesses

In Allegheny County, only 30.3% of firms were owned by women in 1992, a lower proportion than both state (31.2%) and national (34.1%) averages (U.S. Bureau of the Census). In addition, from 1987 to 1992 the number of women-owned businesses increased faster in the State (where it increased by 35.9%) than in the county (27.8%). Most other counties in Pennsylvania and the nation as a whole also had larger increases in the number of women owned businesses between 1987 and 1992 (Pennsylvania State Data Center Homepage, 1998; IWPR, 1997). From 1987-1992 in Allegheny County, women-owned businesses did increase at a faster rate (27.8%) than did the number of firms overall (18.7%), but this was also true in Philadelphia, and most likely reflects the low growth rate of

firms in general rather than a particularly high rate of growth of women-owned businesses (Bureau of the Census, 1999).

Poverty

Women who live in poverty have less economic autonomy than those who have enough money to meet their basic needs because they have fewer choices and their limited means prevent them from doing many things that they might want or need to do. In 1990, women had higher poverty rates than men in both the City and the County. In the City, the disparity between male and female poverty rates (3.8 percentage points) was higher than it was in the nation as a whole (3.5 percentage points). Poverty rates in the city were about 6 percentage points higher than they were in the United States as a whole for both men and women. In the County, the disparity between male and female poverty rates was somewhat less than it was in the state or nationally.

In the City, a large proportion of female-headed families live in poverty. In 1990, a quarter (24.6%) of white female-headed families and more than one half (55.6%) of African American female headed families lived in poverty (Bureau of the Census, 1990). In addition, of the fifty largest cities in the United States, the City of Pittsburgh had the greatest *disparity* (31 percentage points) between African Americans and whites in number of female headed families in poverty in 1990 (Bangs and Weldon, 1998).

Percent with Health Insurance

The percent of women with health insurance is an important indicator of economic autonomy because it reflects the overall quality of health care for women and governs the extent of choice women have in selecting health services (IWPR, p.23). Among non-elderly (age 18-64) women in Pittsburgh MSA, 11% were uninsured over the period 1994-1996. This was less than the percentage of non-elderly men without insurance (14.5%) in the region over the same period. However, it should be noted that a much larger proportion of men (59.5%) than women (39.2%) had insurance in their own name, and a larger proportion of non elderly women (8.4%) than men (5.9%) received their insurance from Medicaid, reflecting higher rates of female poverty.

Women have relatively better rates of coverage locally than in the state or nationwide. This reflects the fact that the non-elderly population in the region has a higher rate of coverage than nationally. Over the years 1994 to 1996, workers in the Pittsburgh MSA had a higher rate of employment-based health insurance coverage, 78.7% compared to the national rate (72.3%) and this was true for both women and men. Full time workers had much higher rates of employment based coverage (85.7%) than part time workers (65.8%) (EBRI, 1998). The rate of private coverage for Pittsburgh MSA's non-elderly population as a whole (81.5%) was higher than the national rate (70.9%). Again, men and women had roughly equal rates of private insurance.

Assessment of Economic Status

Although women have low economic status vis a vis men throughout the nation, and although women have made some progress in terms of education and employment, in some respects women in the Pittsburgh MSA and Allegheny County face even greater barriers than their counterparts in other metropolitan areas and large counties. The gap between male and female participation in the local labor market has steadily narrowed, although the rate of female participation in the county may be slightly lower than the national average. But the disparity between the proportion of women and men who occupy the jobs with the highest economic status (executives, administrators and managers) is one of the largest in the nation. This may indicate that the glass ceiling in the county is much worse than in other large counties. The wage gap for the Pittsburgh metro area is larger than the average for other metropolitan areas at every level of education. There are also large numbers of low-income and poor women in the county, especially African American women. Female poverty is a particular problem in the city, where the female poverty rate appears to be higher than the male poverty rate and much higher than the national female poverty rate.

In terms of economic autonomy, the picture is more mixed. Women in the city and county have made impressive gains in terms of educational attainment, as have women state- and nationwide. Women appear to have better access to health care in the Pittsburgh region than they do nationally, but it appears that more working-age women than men rely on Medicaid and many fewer women than men have health insurance in their own name. The latter factors are likely to limit the economic autonomy women gain from access to health care. The county appears to lag behind the State and the rest of the nation in terms of the proportion of women owned businesses. Importantly, there are great racial disparities between white and African American women in terms of poverty rates. A much greater proportion of African American women than white women are poor or unemployed. Thus, although women have enjoyed increased autonomy in some respects, there are still important areas (such as women owned businesses and poverty among African American women) in which the Pittsburgh region appears to lag behind comparable metropolitan areas or the rest of the nation.

Implications

One factor that will continue to have a dramatic impact on the employment situation for women in this area is the changing composition of jobs within our region. More specifically, the hospital and health care employment picture will have critical importance to the economic well-being for women in the region, particularly African American women.

In addition, the regional economy is heavily dependent on the paid and unpaid labor of women and this dependence is projected to increase in the next decade. The increasing number of women providing the main wage for their families in this region means the economic well-being of families increasingly depends on how well women fare in the labor market. Therefore, growth and advancement for women is a central issue for any economic policy or regional growth strategy that aims to improve the economic well-being of the region's residents.

There should be increased attention to equity-related issues in economic development

planning, including recognition that:

- Policies aimed at increasing access for all women workers to higher wage occupations should improve equity in economic status. Training programs should focus on training women for high wage jobs, rather than jobs in the pink collar ghetto, such as service, secretarial or data entry positions. In addition, measures to raise the wages of women in low wage jobs, such as minimum wage increases could help to decrease the wage gap. Further study of high wage, male-dominated occupations in the Pittsburgh region is needed to ascertain whether there are any structural obstacles (such as lack of child care, odd hours, unusual certification or mobility requirements) to women's participation.
- Policies to address race and sex discrimination in employment should be incorporated into any economic development strategy for the region, in order to minimize the wage gap, occupational segregation and disparities in access to full time employment. These could include monitoring the fairness of hiring practices using testers, as is done in the area of housing discrimination. It could also include making increased hiring of women and minority candidates a basis for the evaluation and promotion of key supervisors in large companies, or as a condition for further public subsidy or support. A top-down strategy, which makes the hiring of minorities an important part of the evaluation of job-performance, was taken by Alcoa with some success. Last, given the larger than average wage gap, the implementation of strong pay equity policies should be considered.
- Measures to ensure equal treatment for women in the allocation of government contracts should be implemented. This should help to ensure that women-owned businesses have as much chance for survival as those owned by men.
- Given the larger than average proportion of female-headed households in poverty, economic support for these families, whether in cash or in kind, must be provided wherever possible. This might include measures to ensure the accessibility and affordability of high quality childcare to all women workers. The City and County should work closely with state and national governments wherever possible to obtain the resources to meet these larger than average needs.
- Due to the large number of female headed families, and the large and growing proportion of workers who are women, and the still untapped potential of local women workers, the Pittsburgh region has a particularly pressing need to develop workplaces that are family and woman friendly. Public, private and non-profit employers could have a competition to see who can develop the best programs make the workplace family friendly. The University of Pittsburgh's Office of Child Development and/or Women's Studies program (and similar departments from other universities) could co-operate with community groups to give awards for the best programs. Such programs might include the development of on-site daycare, more generous family leave policies, or more flexible working hours.
- Some of the disparity between white and African American women in employment and income might be overcome by improving access to higher education for African Americans and for poor women.

Women in Politics, Government, and Leadership Positions

The proportion of women in important decision-making positions is a powerful indicator of which people the community values as leaders. It is also an indication of how many women are involved in

making the decisions that affect their own lives. Below, we consider the number and proportion of women in the city and county who are: 1) elected and appointed government officials; 2) business leaders; and 3) leaders in the non-profit sector.

Elected and Appointed Government Officials

City and County Government

In Pittsburgh, a woman holds only one (11%) of the nine elected City Council seats (Valerie MacDonald, who is African-American). In the history of city government, only one woman (Sophie Masloff) has served as mayor of Pittsburgh. In comparison, as of May 1998, 12 of the 100 largest cities in the U.S. (12%) had women as mayors (CAWP, 1999).

In the county, women ever elected to county row offices are Treasurer Mary Alice McDonough (1990-present); Register of Wills Rita Wilson Kane (1958-1988); Jury Commissioners Jean Milko (1974-present), Jane McMullen (1985-94), and Dorothy Childress (1995); and Clerk of Courts Carol Coyne (1992-1995) and Joyce Lee Itkin (1995-present.) Only one woman, Barbara Hafer, has ever served as county commissioner in Allegheny County. She was elected in 1984, served one term, was reelected in 1988, and resigned in 1989 to run for state auditor general (and in 1990, unsuccessfully, for governor.) There are currently three county commissioners, and none of them are women. Women constitute six (14.6%) of the 41 judges on the Court of Common Pleas and have remained at six since 1991. Thus, although a few women have been successful in getting elected, women are still under represented in elected office in the county.

The same low rates of representation occur in appointed positions. In the city, women head only one-quarter (four) of sixteen city departments (law, parks and recreation, personnel, and city planning.) Two of the nine appointees on the Port Authority board are women. Only one of the five members of the URA board is a woman.

Women constitute 19%, or 13 of the 68 officers on the Pittsburgh Housing Authority security force. Indira Raichoudhury recently resigned after her brief tenure as the first executive director of the Citizen Police Review Board. As of 1997, Pittsburgh had more women on its police force than any other large U.S. city, due largely to the impact of a 1972 federal court order. Because of evidence of prior discrimination, the Court mandated the hiring of one white woman, one African American woman, and one African American man for every white male hired. Women have also risen in the police ranks to serve as sergeants, detectives, and even commanders (for example, Commander Gwen Elliott.) Since the court order was lifted in 1991, however, the trend has been sharply down; only 44 newly hired police officers have been women (8.25% of 538). If this pattern continues the proportion of women on the police force will decline dramatically.

Still, the city is faring better than the suburbs. A recent Pittsburgh Post-Gazette article (Jones, 1998) reported that 73 suburban communities had no women on their police forces, and outside the city women constitute only 1-2% of local police forces.

Women are better represented on the Pittsburgh School Board, currently holding 6 of 9 seats, as they have since 1990. These are nonpartisan, unpaid positions, and as is the case nationwide, women are disproportionately represented in such positions. The former Superintendent of Schools, Louise Brenner, was the only woman to hold this position.

Locally Elected State and National Officials

In the Pittsburgh region, two out of 13 (15%) locally elected state senators are women (Melissa Hart, R-40th district and Mary Jo White, R-21st District). In comparison, women hold a total of 7 (14%) of the 50 state senate seats. In the state House of Representatives, 23 members, or 11.3% of the 203 legislators, are women. The Pittsburgh region elected three of these women, Patricia Vance (R-87), Jane Orié (R-28), and Susan Laughlin, (D-16). Nationwide, women hold a much larger proportion of elective offices at the state level. In 1999, women comprise 22.3% of 7424 available positions in state legislatures (CAWP, 1999). The highest share of state legislative seats held by women (40.8%) is in the Washington State legislature (CAWP, 1999).

Although the region lags behind the nation in electing women to public office, Pittsburgh's low rate of electing women is par for the course in the state. Pennsylvania ranks 47th out of the 50 states on one Political Participation Index (see Appendix 1) (IWPR, 1998). There are currently no women occupying any of the possible 21 Pennsylvania state seats in the U.S. House nor are there any women in either of the two Pennsylvania seats in the U.S. Senate. Women currently hold 12.1% of all seats in the U.S. Congress: 12.9% of seats in the U.S. House, and 9% of seats in the U.S. Senate (CAWP, 1999).

Women in Leadership Positions in Private and Non-Profit Organizations

As noted, women are under represented in leadership positions in the private sector. In 1998, all 8 of the Fortune 500 companies located in the Pittsburgh region were headed by men (Fortune Magazine, 1998). In 1990, Pittsburgh ranked among the worst of 50 large cities in the disparity between the proportion of women and men holding executive, administrative, or managerial positions (Bangs and Weldon, 1998). Women are currently under represented among full time, tenured professors at the three largest four-year universities in the city. About one fifth (19%) of tenured faculty at the University of Pittsburgh are women and 15% of tenured faculty at Carnegie Mellon are women. In 1991, it was reported that 17.5% of professors at Duquesne University are women, but the authors were unable to confirm or update this figure for 1998.¹¹ Nationally, women comprised 20% of the 293,498 full-time tenured professors (Morissey, 1991, p.10).

¹¹ The authors requested updated figures from Duquesne University, but none were provided.

The number of women heading local foundations has been one area where women have made inroads in the Pittsburgh region. In 1991, of the 49 foundations belonging to the Grant Makers Association of Western Pennsylvania, only 14 or 28.5% were headed by women, which was up by 10 percentage points since 1987 (Morrisey, 1991). Women now (in 1999) head about 50% of the region's 77 foundations (Grantmakers= Association of Western Pennsylvania, 1999). This suggests that the Pittsburgh region has caught up with the rest of the nation. In 1998, women were half of all CEOs of foundations across the nation (Council on Foundations, 1999).

Despite this progress, women are still under represented on the boards of many local foundations and other important organizations. Women constitute only 21% of United Way board members, although many of the social-service agencies they fund serve women and children. Similarly, women comprise only 21% (9) of the positions on the Board of the Pittsburgh Cultural Trust. As is the case nationwide, women are also under represented on the boards governing the various local agencies concerned with economic development (Penn Southwest, High Technology Council, RAD Board, Urban Redevelopment Authority.). For example, only three (10%) of the 28 positions on the Board of the Pittsburgh Partnership for Neighborhood Development are held by women. In 1997, Karen Wolk Feinstein, President of the Jewish Healthcare Foundation, was the first woman ever to join the Board of the Allegheny Conference.

Assessing Women's Status in Leadership Positions

Women are under represented in public office as well as in the private and non-profit sectors in the city and county. The one bright spot in the picture is the dramatically increased representation of women in the area of foundation leadership, although this progress does not appear to be reflected in board composition or in other areas of local leadership. In a few key areas, such as proportion of elected officials, executive and managerial positions, foundation board membership, and professorships, the city and county appear to lag behind the rest of the nation. Not only is women's political status is lower than men's in the Pittsburgh region, but the disparity between women and men's status is worse in the city and county than in comparable metropolitan areas across the nation.

Explaining the Lack of Women in Elected Leadership Positions in the Pittsburgh Region

Why are so few women elected in the Pittsburgh region? Several reasons have been cited for the smaller number of women elected at a state level, and these may apply locally as well: incumbency, the strong party system, a highly professionalized and well-paid state legislature, and the relatively low educational levels of women in Pennsylvania. Political party endorsement no longer has the impact it once did in Pennsylvania, but both Democratic and Republican party officials have historically been slow to recruit, endorse, or nominate women candidates. Several women elected to office in both parties had to run against the party's nominee in the primary (Hansen, 1994). Pennsylvania's individualistic political culture also stresses politics as a route to material advantage for oneself and one's social group. States more accepting of public service and the public interest have tended to elect more women to public

office.

Although women are now as likely as men to have college degrees (Table 4), they are still under represented in the positions that are the most likely sources of recruitment to public office. Women have also been under-represented in the informal networks where people establish the contacts that can lead to public office or other leadership positions. For example, women were admitted to the Duquesne Club only in 1980 and still constitute only a small portion of the membership.

Women have also been less than welcome in the volunteer fire departments that constitute an important aspect of civic life in many smaller communities. The state Human Relations Commission has investigated several VFDs for their refusal to admit women as full members. A *Girlie* calendars, picturing male firemen rescuing scantily clad damsels from the flames, may have been good tactics for fund-raising or for garnering national press coverage for local VFDs, but hardly present a positive image for women (Hansen, 1994).

A comparison with San Jose, CA is illuminating. Janet Flammang's 1997 book, *Women's Political Voice*, analyzed why that city had long had the highest proportion of women in public office of any city in the country. She suggested several reasons:

- High educational levels.
- High rates of labor force participation by women.
- High income. In 1980, Santa Clara County led the US in personal income.
- California's tradition of populism and weak parties has encouraged grassroots efforts.
- The leadership efforts of many women in local organizations and campaigns.
- In San Jose, district elections have seemed to benefit women candidates, although this has not been the pattern nationwide. (Pittsburgh tended to elect more women, but fewer minorities, under the previous at-large City Council system.)

There is certainly no shortage locally of qualified, well-educated women with considerable grassroots experience in community and civic organizations. Levels of education (for men as well as women) have increased dramatically during the last two decades. However, as we have seen, women (and minorities) tend to lag in the rate of return to higher education, and the low percentage of women in executive or administrative positions suggests a rigid *glass ceiling*. It may be that women's exclusion from leadership positions in the private and non-profit sector translates into lower rates of representation in public office. But this begs the question of why there are few women in leadership positions in the private and non-profit sector.

One important difference between Pittsburgh and San Jose is the absence of a tradition of populism, of inclusion of grass roots, community level organizations in publicly accessible decision making processes. Rather than a populist tradition, Pittsburgh has a tradition of decision making through public-private partnerships that only involve the most powerful, elite members of government, business, and non-profits. Most economic development planning, for example, is conducted in private and then marketed

to the public, rather than starting with public consultations or hearings to identify priorities and needs. Perhaps a conscious decision to develop a more consensual, public decision making style would draw more women into local politics.

The lack of women in public office is also likely a product of greater than average occupational segregation by sex. The concentration of women in women's occupations could be one indication of a stronger than average persistence of the ideal of the gender division of labor, with women (in theory) concentrated in domestic or helping occupations, such as domestic labor, social worker, health care aide, secretary, or customer service. Better paying manual labor jobs and professional jobs were traditionally associated with men. The division of work into women's work and men's work has persisted in the Pittsburgh region, despite the large influx of women into the labor market. If there are especially strong barriers to women doing men's work, this makes it more difficult for women to penetrate a domain like politics, which was traditionally viewed as the province of men. Occupational segregation also likely contributes *directly* to women's exclusion from positions of power, by keeping women in dead-end jobs with few opportunities to advance to the more prestigious and powerful positions.

Thus, the state's strong party system, well-paid state legislature, and individualistic political culture probably contribute to the lack of women in public office in the Pittsburgh region. But local factors, such as an elitist local decision making style and higher than average occupational segregation, also likely contribute to the lack of women in public office.

Implications

The lack of women involved in politics, economic decision-making, and public life in Western Pennsylvania is not just a statistical anomaly: the region fails to make use of well-qualified individuals who could make a real contribution. Research on the impact of women on public office has found persistent gender differences: women are more supportive of citizen involvement, more likely to fund social services, more active on issues of concern to women (such as domestic violence), and far less likely to be indicted for corruption (Thomas, 1994; Murphy, 1997; CAWP, 1993.) Women candidates also encourage political involvement by both women and men in the electorate (Hansen, 1997.)

Recommendations:

- **Identify qualified women willing to serve on local boards and commissions and to run for local office.** The Greater Pittsburgh Commission on Women began to assemble such lists several years ago. These need to be updated and disseminated widely. In addition, women's organizations are encouraged to send letters to local boards and governments with the fewest women currently serving, asking them to adopt gender-balance provisions, and suggesting the names of women ready and willing to serve. Local organizations should actively recruit women to run for the newly created County Legislature and run for the County Executive position.

- **City and county government should adopt a voluntary "gender balance" effort.** All executives should publicly pledge to seek out qualified women for any positions they have to fill. Gender balance is the law in a few states (notably Iowa and Oregon), and a gender balance bill was introduced into the Pennsylvania legislature by former state representative Ruth Rudy. Formal legal action is not necessary if good-faith efforts are made at all levels of government to seek out and appoint qualified women to positions of public responsibility.
- **Stepped-up efforts should be made to recruit more women veterans and other qualified women into police and fire training programs, both in Pittsburgh and in suburban communities.** Public-service ads on television, PAT buses, or in newspapers could be helpful.
- **Support state-level efforts at campaign finance reform.** Limits on campaign contributions, or public financing of campaigns, could reduce incumbency advantage and corruption and open up the political process to previously under represented groups.
- **An effort should be made to ensure that major community initiatives (such as the failed regional renaissance initiative or Plan B) involve community input right from the start.** This should facilitate the development of a more public, inclusive decision making style in the Pittsburgh region.
- **The efforts to diminish occupation segregation and to ensure access to high paying jobs for women and minorities, outlined in the previous section, may also help to improve access to public office.**

Violence Against Women

In this section, we discuss violence against women in the Pittsburgh region. Freedom from violence and harassment is an important component of the status of women. Violence and the fear of violence have serious long-term consequences for mental and physical health, educational attainment, and employment (Heise, 1994; Chalk and King, 1998).

What is Violence Against Women?

Violence against women refers to violence that women suffer by virtue of being women, such as rape, domestic violence, sexual harassment, and the like. Although violence against men is an equally serious problem, for analytic purposes it is important to recognize that women and men tend to be victims of different types of violence involving different dynamics. For example, a larger proportion of women than men are assaulted and killed by intimates in the United States. Conversely, men are more likely to be assaulted by strangers, and twice as likely to be killed by strangers (Bachman and Saltzman, 1995). American women are also more likely to be assaulted in their homes or in the home of a friend, neighbor or relative than on the street away from home or in a parking lot or garage. Women are more likely to

be victims of sexual assault and rape, while men are more likely to be victims of aggravated assault. Thus, violence against women involves different types of assaults under different circumstances than does violence against men (Bachman and Saltzman, 1995; Greenfeld, 1997; Chalk and King, 1998).

Causes of Violence Against Women

Contrary to popular belief, there is little evidence that particular types of mental illness or alcoholism, on their own, drive men to beat or sexually assault women (Chalk and King, 1998; Heise, 1994). Women of all races and classes are victims of violence against women. Most rapists (88%) are of the same race as their victims (Greenfeld, 1997). Although men who were victims of abuse in their own childhoods are more likely to exhibit violent behavior later in life, on its own, such an experience does not determine violent behavior, and most abusers were not victims of childhood abuse (Chalk and King, 1998). Gender inequality has been found to be an important risk factor for domestic violence and sexual assault (Chalk and King, 1998; Heise, 1994; Sanday, 1981; Levinson, 1988; Levinson, 1994). As the National Research Council notes: "The greater the degree of gender inequality in a relationship, community, and society, the higher are the rates of violence towards women" (Chalk and King, 1998, p. 48).

The High Cost of Violence Against Women

Violence against women has also been recognized as posing major costs to the community and nation in terms of health care costs, employee absences, and the cost of criminal justice services. In Pennsylvania alone, such violence costs Pennsylvania Blue Shield \$326.6 million a year (Dayaratna, 1992). Nationally, short and long term medical treatments and lost productivity resulting from domestic violence are estimated at 5-10 billion dollars per year (Meyer, 1992). The total cost of medical bills, out of pocket expenses, property losses, productivity losses at home, work and school, pain suffering and lost quality of life that the nation incurs as a result of domestic violence are estimated at \$67 billion a year (Miller et al., 1994). Thus, the human and material costs of violence against women make this a pressing public policy problem.

Violence Against Women in Pittsburgh and Allegheny County

In the Pittsburgh area, the main types of violence against women that have been documented are domestic violence and rape. It is very difficult to establish the exact incidence of domestic violence and rape using official crime statistics alone, because many victims do not report violence to the police. Although more victims call shelters than the police, many victims do not seek help from either of these groups. Nevertheless, it is possible to estimate the incidence based on a combination of local statistics and national studies. We develop such estimates below.

Domestic Violence

In 1990, 1,741 incidents of domestic violence were reported to the Pittsburgh Bureau of Police (Family Violence and Sexual Assault Unit).¹² By 1997 the number of incidents reported was 2,250, although population declined over the period. In only one year, from 1996 to 1997, the number of incidents of domestic violence reported to the police increased by 14%.

Rates of reporting domestic violence to the police are estimated to be as low as 20% (Fagan, 1996). The most common reasons given by victims for not reporting were that they considered the incident a private or personal matter, they feared retaliation, or they felt the police would not be able to do anything about the incident. The increases in police reports, therefore, may reflect increasing willingness to report domestic violence to the police rather than an actual increase in violence.

Evidence from shelter and hotline calls suggests that the rate of reporting to police, even if it is increasing, is still low. The Women's Center and Shelter of Greater Pittsburgh reports that they received 7,985 hotline calls in 1996-1997 from women seeking help in dealing with violent domestic situations. They provided shelter to 354 women and 321 children, up from 581 women and children in the previous year and more than twice the number of women helped in 1976. The shelter's legal advocates also report that 3,848 women in the city requested Protection From Abuse orders (PFAs) in 1997. The number of women requesting legal advocacy for domestic violence increased steadily from 1992 to 1996 but decreased in the last two years (Figure 1). Even with this decrease, the 1998 levels (8,052) remained above 1993-1994. This means that approximately 5% of women over age 15 in the city made use of legal advocacy services for domestic violence.

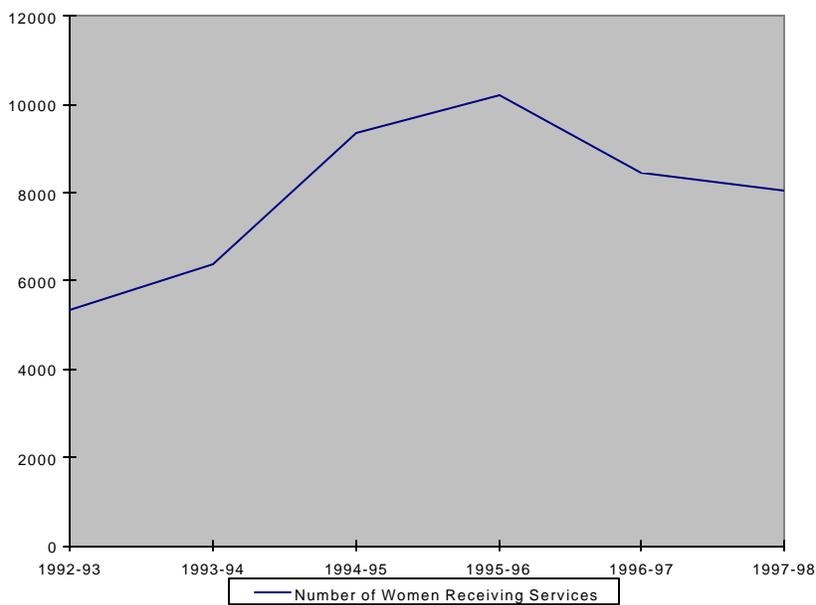
Similar rates of violence appear to prevail in the county. Between July 1, 1995 and June 30, 1996, a total of 20,224 adult victims received assistance from one of the county's four counseling centers. An additional 5,570 children were served at these sites for abuse-related incidents during this time. This suggests that 4% of women over 15 years of age in the county are seeking help for domestic violence. These figures suggest a minimum local rate of domestic violence of about 5% in the city and 4% in the county. This is likely an underestimate since, as noted, many women do not seek help from either the police or women's centers.

¹²The 1990 number may include some double counting, that is, some cases may be counted twice in the same year. Thus, although we can be certain there were no more than 1741 incidents of domestic violence reported to the police, there may have been less than that number. Note that even if the number of incidents reported to police was much less, there was still an increase over the period while population declined, which is evidence of increased reporting of domestic violence.

If levels of domestic violence are the same locally as they are nationally, the numbers of abused women may be twice as high as the numbers of those served at local counseling centers and shelters.¹³ National studies have found that about 11.6% of women, or about one in ten women, experience a violent act by an intimate partner each year. About 3% of women report severe violence by an intimate partner each year. Nationally, when women are asked about whether they have *ever* been victims of domestic violence (as opposed to within the last year) about one-quarter of women say they have. Pittsburgh has average or higher than average rates of gender inequality in the economy, as demonstrated above (see Bangs and Weldon, 1998; McCall, forthcoming; cf. McElroy, 1995), which has been associated with higher levels of violence against women.

If the 11.6% rate for intimate violence were applied locally, about 66,000 of the 586,663 working age women in Allegheny County and 18,000 of the 155,000 working age women in the city of Pittsburgh were victims of an act of intimate violence in 1997.¹⁴ Similarly, we can estimate that 17,097 women in the county and 4,658 women in the city are victims of severe intimate violence in 1997. About 143,000 women in the county and 39,000 women in the city have been victims of domestic violence at some point in their lives. If these estimates are roughly correct, a small proportion (about 10% in 1997) of these incidents are reported to the police in the city of Pittsburgh. It also implies that there is a large, under served population of domestic violence victims in the City and County.

Figure 1. Domestic Violence Legal Advocacy, Pittsburgh



Source: Women's Center and Shelter of Greater Pittsburgh, Legal Advocacy Services.

¹³ Greenfeld, 1997; Heise, 1994; Bureau of Justice Statistics, 1997; Chalk and King, 1998.

¹⁴ Population figures from the Pennsylvania State Data Center, 1998.

As noted, the national rate of reporting to the police for domestic violence is thought to be about 20%, which is more than double this estimated rate for Pittsburgh. This would suggest either that Pittsburgh has a particularly low rate of reporting to the police or that rates of domestic violence are lower here than in other jurisdictions. Lower rates of domestic violence seem unlikely, however, given the numbers of women reporting domestic violence to local shelters and requesting assistance with civil protection orders. A recent study discovered that small proportions of those requesting PFA abuse orders contact the police, and that only about 30% use battered women's shelters and victim advocacy services (Keiletz, Davis, Efke, Flango and Hannaford, 1998). This suggests rates of domestic abuse are much higher than the estimates presented here (about 27,000 incidents per year).

Rape

Rape is legally defined as sexual intercourse by force or threat of force (Pittsburgh Action Against Rape, 1998; Bureau of Justice Statistics, 1997). In 1997, 175 forcible rapes (as opposed to statutory rape) were reported to the Pittsburgh Police. In terms of reported rape per capita, the city of Pittsburgh appeared to have slightly lower rates of reported rapes (0.69 per 1000 population) than did the nation (0.72 per 1000 population) (Figure 2). Of course, most rapes are not reported to police, with estimated rates of reporting ranging from 1 in 10 to 1 in 3 rapes. If we assume that rates of reporting are between 10% and 30%, then, based on the official reporting, the number of women raped each year in the city is currently between 583 and 1750 (Table 7).

An examination of reports to a crisis center in the city suggests that levels are much higher than police records indicate, and that reporting rates are closer to 10% than 30%. Pittsburgh Action Against Rape (PAAR) reports receiving about 200 calls a month, or about 2,400 calls a year to the rape crisis hotline. In addition, each year PAAR serves 3,500 new clients, both children and adults. Some of these calls and new clients, however, involve help with past assaults or childhood incest.

National studies suggest that 8 out of every thousand women are raped each year, a yearly rate of 0.8%.¹⁵ A 1992 study found that 12.1 million adult women, or about 15% of adult women, were victims of at least one forcible rape in their lifetimes.¹⁶ Most (61%) of these women were raped before they were 18 years of age (National Victim Center, 1992; cf. Koss, Gidycz and Wisniewski, 1987; Moore, Nord and Peterson, 1989). The National Crime Victimization Survey also finds that younger women are more likely to be raped. They find that 52% of all rape or sexual assault victims are females under 25 years of age.

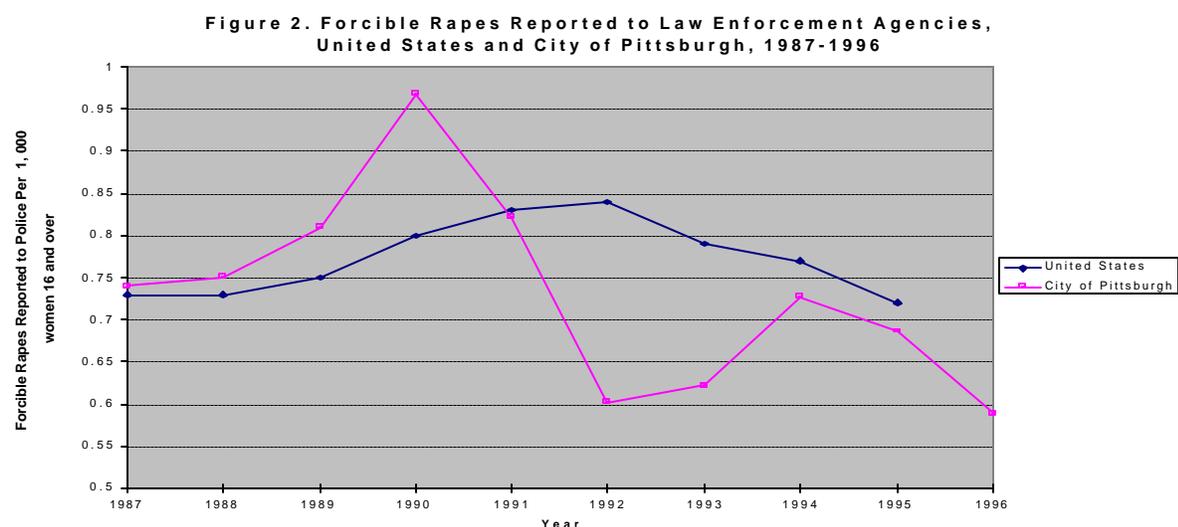
¹⁵ Greenfeld, 1997; Bureau of Justice Statistics, 1997; Heise, 1994; National Victim Center, 1992; Koss, 1992; Koss, 1993; Chalk and King, 1998.

¹⁶ Similar rates of sexual assault have been found in Canada's national sexual assault survey and in other national studies of violence against women.

If we were to apply these rates locally, we would estimate that about 1,242 women in the city, 4,559 in the county, and 8,179 in the Pittsburgh MSA are raped each year. We would expect that 23,289 working age women in the city of Pittsburgh, 85,484 working age women in Allegheny County and 153,348 women in Pittsburgh MSA have been victims of a completed rape in their lifetimes. Lifetime rates that include attempted rapes are likely to be much higher.

National studies and local data therefore suggest that local female rape rates are around 1% a year in the city and county each year. Estimates of local rates based on well-designed national studies suggest that 15% of all local women, or 85,484 women in the county and 23,289 women in the city, are living with the experience of a completed rape in their past.

Implications



Thus, violence against women likely affects a large number of women and their families in the Pittsburgh region. There is good evidence that need for services is also considerable, with at least as many as 3,000 adults seeking help in dealing with a sexual assault and 8,000 women seeking legal services for domestic violence each year in the City. Attempts to raise awareness are likely to increase the need for services.

In assessing the impact of this problem on women and the community they live in, it is important to remember that these incidents affect not only their immediate victims, but also their families and friends. Moreover, all women suffer from the curtailment of their freedom (i.e., not going for walks alone or after dark) that results from the fear of violence. Given the extent of this problem, and given the harmful effects of violence (both direct and indirect), efforts to improve the status of women in the Pittsburgh region should include efforts to mitigate violence against women.

Improving Local Action to Combat Violence Against Women

Many agencies and individuals in the city of Pittsburgh and Allegheny County are working hard to stop

violence against women. With the passage of the *Violence Against Women Act* of 1994¹⁷, more national resources have been committed to fighting rape and domestic violence, and local agencies have been able to tap into some of these funds. In addition, state legislators have been considering legislation on domestic violence. This may provide a golden opportunity for government, private, non-profit and community agencies in the city and county to increase the effectiveness of their efforts to combat both rape and domestic violence. The following sections outline the local response to violence against women, and suggest ways that the community can strengthen its response to violence.

Importance of a Coordinated Community Response

The most important element in an effective response to violence against women at a community level is also the most difficult to achieve: a coordinated community response. Summarizing the evaluation literature on family violence, the National Research Council (Chalk and King, 1998) notes that one of the most serious problems with government response to family violence is that it is fragmented. The same applies to rape. Women leaving abusive situations or recovering from rape may require counseling, housing and income assistance, legal advocacy and police protection. Coordinating the many agencies that must be active to address violence is a formidable task. Similarly, raising awareness about violence may be best accomplished when leaders from diverse parts of the community work together to raise awareness.

Many communities have begun to implement community wide efforts to combat violence against women, especially domestic violence. In 1990, Seattle developed a Regional Domestic Violence Plan that involved a wide ranging set of initiatives to improve community response to violence against women. The regional plan was the product of cooperation between city, county and other local governments with state legislators, activists, business leaders, United Way, and local media. The regional plan includes efforts to provide a consistent message from the community leadership, training and education for those who come in contact with victims of violence, appropriate services for those victims, and a coordinated response. Other communities that have implemented such coordinated community plans for domestic violence include San Diego, Denver, Duluth, Quincy, Baltimore, and San Francisco.

Fortunately, Pittsburgh has demonstrated its capacity to come together as a community to transform the region when there is a pressing need. A number of events in the last two years suggest that there is already a willingness to sit down and talk about this issue. The YWCA organized a week against violence that included well-attended, high profile public events to promote awareness of domestic violence. There is a task force in place in the justice system and the Pittsburgh Partnership Against Domestic Violence. The Police are working with the Pittsburgh Action Against Rape to develop a training manual about sexual assault. Highmark Blue Cross Blue Shield decided to finance an advertising campaign aimed at encouraging victims of abuse to seek help. The campaign includes programs to educate physicians and a new fund raising event with the Mercy Hospital Foundation

¹⁷ The *Violence Against Women Act of 1994* is Title XVI of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103-322).

(Carpenter, 1999). The University of Pittsburgh's Institute of Politics ran a session on domestic violence that included representatives of the police, shelter activists, state legislators, judges, academics and other community leaders. Similarly, local foundations together with the Youth Crime Prevention Council of Allegheny County carried out an environmental scan for child and youth injury in Allegheny County. They called for community mobilization to build a zero tolerance for violence. The National Research Council has suggested that programs to address violence against women can draw on the experience of 15 youth violence prevention programs (Chalk and King, 1998). Thus, Allegheny County may be well positioned to create the public-private partnerships required for a regional plan to address violence against women. Community leaders have identified a serious problem in the region. Top-level policy makers in the city and county would do well to show leadership to coordinate and support the diverse initiatives taking place in the community.

Such an effort would require that elected representatives, business leaders, religious leaders, private foundations, activists and social service providers in the city and county work together to provide a single, strong message to abusive men that the community will not tolerate violence against women. Coordination is also key in effectively identifying and assisting victims of violence. The planning group must include the community groups that are already working on this issue from the very beginning of the planning process. Since these are people that are the closest to the problem in our community, their expertise is critical to an effective plan.

Aside from coordinating the diverse agencies and individuals currently working to prevent rape and domestic violence, such a regional plan could also include some improvements to these initiatives where appropriate. These would include:

- **Support and expand existing services to victims of rape and domestic violence (such as shelters and crisis centers, counseling, peer support groups and legal advocacy) and investigate ways of identifying and serving the large number of raped and abused women who do not contact these centers.**¹⁸ Our estimates of the number of women being raped and abused suggest that a large number of them are not currently served by crisis centers and shelters, and these centers are already at capacity. They certainly cannot serve an increased number of clients with existing resources, and whether it is due to reporting or increased incidence, there appear to be an increasing number of people requesting services every year.

Although legal advocacy services have not been found to reduce domestic violence in the short term, there is evidence that they improve the self-esteem and feelings of empowerment of victims (Chalk and King, 1998). The same is likely to be true for rape crisis centers. Since any response to violence against women should focus both on long term preventative measures and on remedial

¹⁸ Only two formal evaluations of shelters have been carried out in the United States. One of these studies suggests that shelters do reduce new incidence of domestic violence in the six weeks following the shelter stay. The other study, which is not a controlled study, seemed to suggest that shelters play a pivotal role in helping women seek appropriate support services.

measures to help present victims, advocacy services can comprise an important part of a community response to violence against women. In addition, health care and mental health services have been found to be central to recovery for raped and battered women (Chalk and King, 1998, p.226 and p.258).

This suggests that more resources are needed to ensure that all women who need help have access to the services available. Local leaders should examine the local government budgets to see whether more resources could be devoted to funding crisis centers and shelters. Under the Violence Against Women Act, each state receives money for law enforcement, shelters and other services to victims, and education. Community leaders should determine whether more of this money could be spent on expanding local shelters and crisis centers.

In addition, crisis centers and shelters should seek independent evaluations of their work to ensure that they are meeting their goals. One possible program that could be considered to address domestic violence is more comprehensive transitional housing programs that provide a variety of types of service including counseling, job training, and the like to help women with multiple barriers live violence free lives. These programs are relatively new and few formal evaluations have been carried out.

Our data suggests that many women are not accessing help of any kind. We ought to try to determine how many women are not using existing infrastructure (such as shelters, crisis centers, police and social workers), why they are not using them, and how they might be helped by increasing the accessibility of existing programs or designing new ones. It may be that some women need job search assistance, self-defense training, or emergency cash, more than shelter or support groups. Such a study would be based on existing victimization surveys and interviews with officials from crisis centers, shelters, police departments, and social workers. Information about reluctance to use existing agencies may also be garnered from

some of those who report to the police, but do not use shelters, or vice versa. Victims may also be interviewed about the gaps they perceive in the local response to violence.

- **Public education programs, including programs in schools and the community at large, should be continued and expanded.** Although the link between public education and reduced rape and domestic violence has not been proven empirically, public education programs have been shown to affect attitudes about the acceptability of rape and domestic violence and it is likely that these attitudes have some impact on the actual incidence of violence against women (Chalk and King, 1998, p.114-155). There is also some evidence that public education programs and education for police and social workers make it more likely that victims will report crimes to the police.

The Women's Center and Shelter and Pennsylvania Medical Society Alliance have developed domestic violence public education programs for both children and adults. Both PAAR and the

Women's Center provide prevention education to community groups on violence against women. These efforts must be supported and given more prominence. Religious communities and other groups that have not worked to educate their peers can help to promote awareness by inviting representatives of PAAR or the Women's Shelter to speak at their meetings.

Local men can organize a "white ribbon campaign," or a campaign to develop models of non-violent masculinity. A large scale white ribbon campaign was launched by men's groups in Canada who worked to raise public awareness of violence against women and raised funds for women's shelters and crisis centers.

- **Information about services must be effectively communicated to victims, and victims must be aware and able to access the services available to them.** Given the important disparities among women, accessibility to and awareness of services for all women must not be assumed. African American women, elderly women, poor women and disabled women must be equally able to find out about and access help that is available. In particular, PAAR would like to be able to provide better services to the deaf.
- **Expanded prosecutorial unit for violence against women and expanded Violence Against Women police unit.** Many jurisdictions, such as New York and San Diego, have special prosecutors for domestic violence and sexual assault. In Allegheny County, there is a plan to establish a special prosecutorial unit. However, most observers agree that the proposed three assistant district attorneys will not be adequate to meet the demands of a growing caseload. There are currently about 1,000 cases moving through the criminal justice system (Carpenter, 1999).

Special prosecutors could be helped if police are trained and equipped to collect the types of evidence that prosecutors need for convictions, such as 911 tapes or pictures. The unit of the Pittsburgh police devoted to Family Violence and Sexual Assault, now headed by Commander Gwen Elliot, says it is doing a good job with the resources available, but that they need three times as many people in the unit to effectively handle all the cases. Of the 19 officers currently assigned to the unit for family violence and sexual assault, 10 to 11 are assigned to child abuse cases, seven or eight to sexual assault, and only one officer is assigned to domestic violence. Expansion of this unit is required if the police are to address any sizeable proportion of the incidents of domestic violence in the city and county.

- **Special courts for violence against women.** Dade County, Florida, has a special court for Domestic Violence that serves as a coordinating, systemic response to domestic violence in the courts. The court deals with misdemeanor cases, civil orders of protection, and violation of civil protection orders. There are no known formal evaluations of these courts.
- **Training for police, judges, prosecutors, lawyers, health professionals, social workers, clergy, and other occupational groups who deal with women victims of violence.** Training can improve early detection of abuse and improve responsiveness of professionals. Law enforcement

officials must be trained to effectively implement legal reforms. Health professionals must be trained to screen, identify and respond to domestic violence and sexual assault. Several model protocols have been developed but they are generally not required as part of the training for professionals, such as social workers and ER personnel.

- **Businesses should continue and expand their efforts to promote awareness of violence against women as community leaders and employers.** *Eat n Park* is an example of a local business that provides funds for victims of domestic violence. Other businesses in the community could adopt similar programs. Businesses could also work to raise awareness of violence against women among their employees by inviting shelter or crisis center officials to make presentations at work or by organizing volunteer activities for employees.
- **Finally, clergy, activists, and other grass roots community leaders should organize a citizen-s monitoring group to ensure that community leaders and agencies are doing all they can to combat violence against women.**

General Conclusions

As noted, there are links between these different aspects of women-s status, and improvements in one area have repercussions for other areas. For example, mobilizing women to participate more fully in politics may produce political leadership more apt to address violence against women and economic disparities between women and men. Similarly, better employment opportunities for women will make it easier for them to escape the economic dependency on men that can exacerbate violent situations. Creating a community in which women feel safe from violence should make it easier for women to access employment and education opportunities.

Our review of existing data reveals that there is much we can do to improve women-s status in the Pittsburgh region. We have enough information about women in the region to start improving women-s status in the Pittsburgh region right now. However, there are also some issues on which further research is needed, and we have indicated a few areas for further investigation in our recommendations. There are also many areas that we have not been able to consider in this chapter, such as health, education, and aging, where more research is needed.

A central repository or commission for analyzing and disseminating information on women-s status in the Pittsburgh region would be a critical resource for those concerned with assessing and promoting women-s status. Since the Pennsylvania Commission for Women has been revitalized, it makes sense to strengthen the Pittsburgh Commission for Women as well.

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TABLE 1. LABOR FORCE PARTICIPATION AND UNEMPLOYMENT RATES (%)

	1970	1990	1996	1997
Labor Force Participation, Working Age Population				
Allegheny County	64.0	75.0	80.0	
United States	67.0	78.0	79.0	
<i>By Gender</i>				
Allegheny County, Women	42.0	68.0		
United States, Women	50.0	70.0		73.0
Allegheny County, Men	87.0	85.0		
United States, Men	85.0	87.0		86.0
Unemployment Rates				
<i>Total</i>				
Pittsburgh City		4.9	5.3	5.1
Allegheny County	4.0	4.4	4.5	4.7
Pittsburgh PMSA			5.4	
Pennsylvania			5.3	
United States	4.9	5.6	5.4	4.9
<i>Women</i>				
Pittsburgh City		7.7		
Allegheny County		5.3		
Pittsburgh PMSA		5.9		
United States		6.2		
<i>Men</i>				
Pittsburgh City		10.4		
Allegheny County		7.1		
Pittsburgh PMSA		8.9		
United States		6.4		
<i>Prime Working Age (25-54) Women by Race</i>				
<i>City of Pittsburgh</i>				
African American		14.3		
Non-Hispanic White		4.4		
<i>Allegheny County</i>				
African American		11.9		
Non-Hispanic White		3.7		
<i>Prime Working Age (25-54) Men by Race</i>				
<i>City of Pittsburgh</i>				
African American		19.9		
Non-Hispanic White		6.9		
<i>Allegheny County</i>				
African American		17.2		
Non-Hispanic White		5.2		
<i>Young (16-19) Women by Race</i>				
<i>City of Pittsburgh</i>				
African American		39.7		
Non-Hispanic White		10.6		
<i>Allegheny County</i>				
African American		38.5		
Non-Hispanic White		10.2		
<i>Young (16-19) Men by Race</i>				
<i>City of Pittsburgh</i>				
African American		49.2		
Non-Hispanic White		17.0		
<i>Allegheny County</i>				
African American		43.7		
Non-Hispanic White		14.6		

Source: For 1970 and 1990 Unemployment rates: Bureau of the Census, 1990; For 1996 and 1997 Unemployment Rates: Bureau of Labor Statistics, 1998.

TABLE 2. EARNINGS AND WAGE RATIOS BY RACE AND GENDER

Full-Time, Full Year Emp. and Med. Annual Earnings, Allegheny County, 1989

	Total	% Working	FT-FY	FT-FY Median Earnings		
<i>White Men</i>	Number	Total	FT-FY	1989	1997	97 Hrly
Less than HS degree	39668	70	39	28954	26927	\$ 12.95
HS graduate or GED	110203	88	62	32336	30073	\$ 14.46
Some college, no degree	62424	91	58	36680	34112	\$ 16.40
Associate degree	24404	94	74	36680	34112	\$ 16.40
Bachelor degree or higher	104185	96	77	52400	52924	\$ 25.44

White Women

Less than HS degree	40765	46	18	17030	16689	\$ 8.02
HS graduate or GED	142376	66	35	20960	20541	\$ 9.88
Some college, no degree	65550	80	43	23942	23463	\$ 11.28
Associate degree	29493	84	54	26200	25676	\$ 12.34
Bachelor degree or higher	87292	85	48	35370	37492	\$ 18.03

African American Men

Less than HS degree	8713	49	25	26200	24366	\$ 11.71
HS graduate or GED	13920	73	38	26200	24366	\$ 11.71
Some college, no degree	6960	85	52	29090	27054	\$ 13.01
Associate degree	2184	92	64	31440	29239	\$ 14.06
Bachelor degree or higher	4232	90	62	44540	44985	\$ 21.63

African American Women

Less than HS degree	9759	38	18	18864	18487	\$ 8.89
HS graduate or GED	17662	58	30	21615	21183	\$ 10.18
Some college, no degree	10019	80	43	23580	23108	\$ 11.11
Associate degree	3923	79	35	23580	23108	\$ 11.11
Bachelor degree or higher	4800	89	55	32750	34715	\$ 16.69

Wage Ratios by Educational Level, Race and Gender, 1989

Women's Earnings/Men's Earnings, Pittsburgh

All Levels	0.66
Less than High School	0.61
High School	0.64
College	0.71

Women's Earnings/ Men's Earnings, United States(Metro Areas)

All Levels	0.70
Less than High School	0.68
High School	0.68
College	0.73

White

Female/Male Median Earnings, Allegheny County

Less than HS degree	0.62
HS graduate or GED	0.68
Some college, no degree	0.69
Associate degree	0.75
Bachelor degree or higher	0.71

Black

Female/Male Median Earnings, Allegheny County

Less than HS degree	0.76
HS graduate or GED	0.87
Some college, no degree	0.85
Associate degree	0.79
Bachelor degree or higher	0.77

Men

Black/White Median Earnings, Allegheny County

Less than HS degree	0.90
HS graduate or GED	0.81
Some college, no degree	0.79
Associate degree	0.86
Bachelor degree or higher	0.85

Women

Black/White Median Earnings, Allegheny County

Less than HS degree	1.11
HS graduate or GED	1.03
Some college, no degree	0.98
Associate degree	0.90
Bachelor degree or higher	0.93

Sources: All Allegheny County numbers are derived from the authors' special tabulation of 1990 census 5% sample data. Wage trends by education and gender are from Mishel et al, The State of Working America: 1996-97, p. 169-170 (for detailed analysis see Bangs, Kerchis and Weldon, 1997). Pittsburgh figures taken from McCall, Configurations of Inequality, 1997.

TABLE 3. EMPLOYMENT BY OCCUPATION, PITTSBURGH MSA, PA AND U. S., 1996 and 1997

Occupational Category	% of Employed Persons by Occupation		
	% Women	% Men	Total (%)
<i>Pittsburgh MSA (1996)</i>			
Executive, admin. and managerial	12.6	18.9	16.0
Professional Specialty	20.9	15.6	18.0
Technicians and related support	3.3	3.0	3.2
Sales	14.7	11.6	13.0
Admin. support, incl. clerical	24.3	6.3	14.6
Service occupations	18.0	8.8	13.0
Precision production, craft and repair	2.1	17.4	10.3
Machine operators, assemblers and inspectors	1.9	5.7	4.0
Transportation and material moving	0.3	5.6	3.2
Handlers, equipment cleaners, helpers and laborers	1.4	5.5	3.6
<i>Pennsylvania (1996)</i>			
Executive, admin. and managerial	10.8	14.9	13.0
Professional Specialty	17.6	13.9	15.6
Technicians and related support	4.2	2.3	3.2
Sales	13.4	10.4	11.8
Admin. support, incl. clerical	24.9	5.8	14.7
Service occupations	19.3	9.5	14.1
Precision production, craft and repair	1.6	18.1	10.4
Machine operators, assemblers and inspectors	5.0	8.3	6.8
Transportation and material moving	0.7	7.2	4.2
Handlers, equipment cleaners, helpers and laborers	1.9	7.0	4.6
Farming, forestry and fishing	0.6	2.5	1.6
<i>United States (1997)</i>			
Executive, admin. and managerial	16.0	14.0	15.0
Professional Specialty	18.0	13.0	15.0
Technicians and related support	4.0	3.0	4.0
Sales	10.0	10.0	10.0
Admin. support, incl. clerical	26.0	6.0	15.0
Service occupations	11.0	6.0	8.0
Precision production, craft and repair	2.0	20.0	12.0
Machine operators, assemblers and inspectors	7.0	9.0	8.0
Transportation and material moving	1.0	8.0	5.0
Handlers, equipment cleaners, helpers and laborers	2.0	6.0	4.0
Farming, forestry and fishing	0.0	3.0	2.0

Source: Bureau of Labor Statistics, 1998.

TABLE 4. EDUCATIONAL ATTAINMENT, 1990

<i>City of Pittsburgh</i>	Number		Percent	
	White	Black	White	Black
<i>Females 25 years and over</i>	101476	32813	100	100
Less than 5th grade	1091	778	1	2
5th to 8th grade	8459	2139	8	7
9th to 12th grade, no diploma	17254	7842	17	24
High School Graduate	38337	11541	38	35
Some college, no degree	11220	5637	11	17
Associate degree, occupational program	2316	1283	2	4
Associate degree, academic program	2073	893	2	3
Bachelor's degree	11030	1651	11	5
Graduate or professional degree	8886	1046	9	3
 <i>Males 25 years and over</i>	 83298	 23783	 100	 100
Less than 5th grade	1952	760	2	3
5th to 8th grade	5011	1734	6	7
9th to 12th grade, no diploma	14295	5829	17	25
High School Graduate	26231	8289	31	35
Some college, no degree	10753	3716	13	16
Associate degree, occupational program	2310	647	3	3
Associate degree, academic program	1701	504	2	2
Bachelor's degree	10855	1422	13	6
Graduate or professional degree	11030	885	13	4
 <i>Females 25 to 34</i>	 21905	 8934	 100	 100
Percent High School Graduate	20087	7487	92	84
Percent Bachelors degree or higher	6749	786	34	11
 <i>Males 25 to 34</i>	 22974	 7063	 100	 100
Percent High School Graduate	20723	5622	90	80
Percent Bachelors degree or higher	6942	573	34	10
 <i>Allegheny County</i>				
<i>Females 25 years and over</i>	451955	50952	100	100
Less than 5th grade	5489	1063	1	2
5th to 8th grade	31783	3074	7	6
9th to 12th grade, no diploma	59014	11137	13	22
High School Graduate	178523	17706	40	35
Some college, no degree	62606	9526	14	19
Associate degree, occupational program	15360	2067	3	4
Associate degree, academic program	12744	1407	3	3
Bachelor's degree	55842	3178	12	6
Graduate or professional degree	30594	1794	7	4
 <i>Males 25 years and over</i>	 376945	 37648	 100	 100
Less than 5th grade	3295	1105	1	3
5th to 8th grade	19195	2647	5	7
9th to 12th grade, no diploma	46856	8361	12	22
High School Graduate	119275	12678	32	34
Some college, no degree	57067	6510	15	17
Associate degree, occupational program	13338	1165	4	3
Associate degree, academic program	9474	813	3	2
Bachelor's degree	66559	2815	18	7
Graduate or professional degree	41886	1554	11	4
 <i>Females 25 to 34</i>	 98174	 13758	 100	 100
Percent High School Graduate	92971	11846	95	86
Percent Bachelors degree or higher	28821	1421	31	12

Allegheny County, Cntd.

<i>Males 25 to 34</i>	95087	10883	100	100
Percent High School Graduate	89097	8957	94	82
Percent Bachelors degree or higher	30649	1290	34	14

Pennsylvania

<i>Females 25 years and over</i>	3788517	360088	100	100
Less than 5th grade	44038	8149	1	2
5th to 8th grade	322901	25522	9	7
9th to 12th grade, no diploma	578959	93894	15	26
High School Graduate	1582829	122884	42	34
Some college, no degree	455606	55132	12	15
Associate degree, occupational program	117645	10133	3	3
Associate degree, academic program	95005	8212	3	2
Bachelor's degree	387414	23362	10	6
Graduate or professional degree	204120	12800	5	4

<i>Males 25 years and over</i>	3305304	282013	100	100
Less than 5th grade	34509	9410	1	3
5th to 8th grade	248713	21191	8	8
9th to 12th grade, no diploma	480266	76074	15	27
High School Graduate	1206589	94158	37	33
Some college, no degree	451121	42585	14	15
Associate degree, occupational program	92031	5876	3	2
Associate degree, academic program	73147	4823	2	2
Bachelor's degree	443409	18179	13	6
Graduate or professional degree	275519	9717	8	3

<i>Females 25 to 34</i>	846354	99275	100	100
Percent High School Graduate	770182	78527	91	79
Percent Bachelors degree or higher	180223	9894	23	13

<i>Males 25 to 34</i>	95087	10883	100	100
Percent High School Graduate	84532	8043	89	74
Percent Bachelors degree or higher	20119	893	24	11

United States

<i>Females 25 years and over</i>				
Completed 4 or more years of High School			79	67
Completed 4 or more years of college			19	11

<i>Males 25 years and over</i>				
Completed 4 or more years of High School			79	66
Completed 4 or more years of college			25	12

<i>Females 25 to 29</i>				
Completed 4 or more years of High School			88	82
Completed 4 or more years of college			24	12

<i>Males 25 to 29</i>				
Completed 4 or more years of High School			85	82
Completed 4 or more years of college			24	15

Source: U.S. Bureau of the Census, 1990 Census of Population, Social and Economic Characteristics: Pennsylvania; For national figures see Census Bureau Homepage: <http://www.census.gov/population/socdemo/education/tablea-02.txt>

TABLE 5. WOMEN OWNED-BUSINESSES, POVERTY AND HEALTH CARE***Proportion of firms owned by women, 1992***

Allegheny County	30.3
Pennsylvania	31.2
United States	34.1

Poverty Rates, 1990 and 1997

<i>Pittsburgh City</i>	1990	1997
Male	18.3	
Female	22.1	
<i>Allegheny County</i>		
Male	9.6	
Female	12.7	
<i>Pennsylvania</i>		
Male	9.4	
Female	12.7	
<i>White</i>		
Male	7.4	
Female	10.2	
<i>Black</i>		
Male	26.0	
Female	31.4	
<i>United States</i>		
Male	11.7	11.6
Female	15.2	14.9
<i>White</i>		
Male		9.6
Female		12.4
<i>Black</i>		
Male		23.6
Female		28.9

Female Headed Households in Poverty By Race, 1990

<i>City of Pittsburgh</i>	
Black	55.6
White	24.6
<i>Average, 50 Largest Cities</i>	
Black	43.5
White	20.9

Percent Uninsured (No Health Insurance), 1994-1996

<i>Pittsburgh MSA</i>	
Women age 18-64	11
Men age 18-64	15
<i>Pennsylvania</i>	
All Women	9
<i>United States</i>	
All women	14

Percent with Insurance in Own Name, 1994-1996

<i>Pittsburgh MSA</i>	
Women age 18-64	39
Men age 18-64	60

Received Health Insurance through Medicaid, 1994-1996

<i>Pittsburgh MSA</i>	
Women age 18-64	8.4
Men age 18-64	5.9

Source: Pennsylvania State Data Center, 1992; U.S. Bureau of the Census; EBRI, 1998.

TABLE 6. WOMEN IN POLITICS AND DECISION MAKING

	Women	
	Number	Percent
<i>City and County Government -Elected Positions</i>		
Office of the Mayor (1998)	0	0
Mayors, 100 Largest Cities in the U.S.(1998)	12	12
Women in Elected City Council Seats, Pittsburgh (1998)	1	11
Women in Elected County Commissioner Seats, Allegheny County (1998)	0	0
Women in Elected County Row Offices, Allegheny County (1998)	3	30
Judges, Court of Common Pleas	6	15
<i>City and County Government- Appointed Positions</i>		
City Department Heads, Pittsburgh, 1998	4	25
Pittsburgh School Board	6	66
Port Authority Board, Allegheny County	2	22
Women in Police Force, Pittsburgh	13	19
Women in Police Force, Rest of PMSA	0	0
Executive Director, Civilian Review Board (1998)	1	-
<i>Locally Elected State Officials</i>		
Locally Elected State Senators(1998)	2	15
State Senators Elected State-wide (1998)	7	14
Total Women State Senators Elected Nationwide (1999)	388	20
Locally Elected State Representatives (1998)	2	6
State House Seats State-wide (1998)	23	11
Women in Pennsylvania State Legislature (1999)	32	12.6
Women in State House Seats Nationwide (1999)	1264	23
<i>Locally Elected National Officials</i>		
Locally Elected Congresspeople(1999)	0	0
Proportion of All Congressional Seats Held By Women (1999)	-	12
Pennsylvania Senators that are women	0	0
National Senate Seats Held By Women (1999)	9	9
<i>Leadership in Private and Non-Profit Sector</i>		
<i>Women in Executive Positions</i>		
Head, Fortune 500 companies in Pittsburgh	0	0
Proportion of Employed Women Working in Exec., Admin., Managerial Posns. Pittsburgh City		10.1
Proportion of Employed Women working in Exec., Admin., Managerial Posns., 50 largest Cities		12.5
<i>Women in Foundation Leadership</i>		
Leadership Positions, Western Pennsylvania Foundations	32	50
Leadership Positions, Foundations in United States		50
<i>Women on Local Boards</i>		
United Way Board		21
Allegheny Conference Board	1	3
Penn Southwest	1	2
High Technology Council	1	4
RAD Board	2	33
Urban Redevelopment Authority Board	1	20
Pittsburgh Partnership for Neighborhood Development	3	10
Pittsburgh Cultural Trust	9	21
<i>Women's Leadership in Academia</i>		
Full time, tenured professors that are women, University of Pittsburgh	140	19
Full time, tenured professors that are women, Carnegie Mellon University	55	15
Full time tenured professors that are women, Duquesne		17.5
Full-time, tenured professors that are women, United States		20

Notes: Figures for the University of Pittsburgh are for the main campus only and exclude the medical school.

TABLE 7. VIOLENCE AGAINST WOMEN IN THE PITTSBURGH REGION**Domestic Violence Legal Aid Services Used Per Capita, City of Pittsburgh**

Year	Legal Aid Services	Fem. Pop. 1	Percent of Women Receiving Services
1992-93	5328	163954	3
1993-94	6381	162905	4
1994-95	9341	160983	6
1995-96	10226	158725	6
1996-97	8472	156994	5
1997-98	8052	155263	5

Source: Womens Center and Shelter of Greater Pittsburgh

Note: Population Figures use Prorated Census Population Estimates for Females Age 15 and over, City of Pittsburgh.

Domestic Violence Victims Served at Four Counselling Centres, Allegheny County

Year	Number served	Female Pop.	Percent of Adult Women Receiving Services
1995-1996	20,224	575,611	3.5

Note: Per Capita Figures use Pennsylvania State Data Center Figures for Females Age 15 and over, Allegheny County.

Domestic Violence Cases before the Domestic Violence Court, Pittsburgh

	Cases	Fem.Pop.	Percent of Women in Domestic Violence Court
1996	1,966	156,994	1.3
1997	2,250	155,263	1.4

Source: Sexual Assault and Family Violence Unit, Pittsburgh Police.

Estimated Number of Domestic Violence Incidents based on National Studies, 1997

	Female Popn. 15+, 1997	Experience Any Violence		Experience Severe Violence		Experience in Lifetime	
		Yearly Rate	Yearly #	Yearly Rate	Yearly #	Lifetime Ra	Lifetime #
City of Pittsburgh	155,263	0.116	18,011	0.03	4,658	0.25	38,816
Allegheny County	569,890	0.116	66,107	0.03	17,097	0.25	142,473
Pittsburgh MSA	1,022,322	0.116	118,589	0.03	30,670	0.25	255,580
United States	106,482,500	0.116	12,351,970	0.03	3,194,475	0.25	26,620,625

Forcible Rapes Reported to Police and Estimated Actual Incidence at 10% and 30% Reporting Rates

	Forcible Rapes Reported	30% rep.	10% rep.
1987	286	953	2860
1988	286	953	2860
1989	304	1013	3040
1990	358	1074	3580
1991	302	1006	3020
1992	221	736	2210
1993	226	753	2260
1994	261	870	2610
1995	243	810	2430
1996	206	686	2060
1997	175	583	1750

Source: Crime Analysis Unit, Pittsburgh Police

Forcible Rapes Reported to Police Per 1000 Population, Pittsburgh and United States

	Total Popn.	Pittsburgh United States	
		Reports per 1000	
1987	386103	0.74	0.73
1988	380695	0.75	0.73
1989	375287	0.81	0.75
1990	369879	0.97	0.80
1991	367092	0.82	0.83
1992	365895	0.60	0.84
1993	363555	0.62	0.79
1994	359266	0.73	0.77
1995	354227	0.69	0.72
1996	350363	0.59	n/a

Source: Crime Analysis Unit; Bureau of the Census; Bureau of Justice Statistics.

Sexual Assaults reported to Pittsburgh Crisis Center Each Year

Number of New Clients each year	3,500
Estimated # of crisis calls each year	2,400

Source: Pittsburgh Action Against Rape

Estimated Number of Rapes based on National Studies, 1997

	<i>Victim of Rape</i>		<i>Experience A Completed Rape in Lifetime</i>	
	Est. Female Popn. 15+, 1997	Yearly Rate Yearly #	Lifetime Rate	Lifetime #
City of Pittsburgh	155,263	0.008 1,242	0.15	23,289
Allegheny County	569,890	0.008 4,559	0.15	85,484
Pittsburgh MSA	1,022,322	0.008 8,179	0.15	153,348
United States	106,482,500	0.008 851,860	0.15	15,972,375

Source: National Victim Center, 1992. Greenfeld, 1997. Koss, Mary. 1993; U.S. Bureau of the Census.

CHAPTER 5. THE STATE OF THE CHILD IN ALLEGHENY COUNTY

Christina J. Groark, Ph.D. and Beth Osborne Daponte, Ph.D.
Office of Child Development
University Center for Social and Urban Research
University of Pittsburgh

Significance of the State of Children in Allegheny County

Today's children are tomorrow's parents, leaders, politicians, educators, law enforcers, and policy makers. Allegheny County cannot afford to ignore its children if it seeks to assure a society of peace and prosperity. It is apparent that Allegheny County is making strides toward a stronger future, one that acknowledges the natural resource of healthy, secure, and educated children and the severe drain caused to society when this precious resource is neglected.

It is also evident that leaders, practitioners, and researchers in this region increasingly are joining forces to integrate data and research findings with policies and practices. Progress in several areas of children's programs, finances, and policies has helped to achieve diverse regional goals that in the past were considered unrelated, such as allowing welfare recipients to become self-sufficient through training, employment, and child care; promoting the productivity of the future work force through youth programs, mentoring, and training; reducing the incidence of juvenile violence, delinquency, teen pregnancy, welfare dependence, and school failure; and supporting families by helping parents in their roles as teachers of their children (The Future of Children, 1996).

Furthermore, this region is beginning to see early childhood as a social opportunity, one that has broad implications for its future economic strength and for its local, national, and international competitiveness. In part, this is due to the recent barrage of media attention on early childhood research. Never before has the period of early childhood been so clearly and publicly defined as a crucial time of intervention with far-reaching preventative effects. We know that early cognitive, social, and emotional experiences improve the development of infants' rapidly-maturing brains (Kotulak, 1997). The research community nationwide has made available a wealth of information, and local policy makers and practitioners are incorporating this latest brain research into policy development and financial applications. The implementation of these policies and practices, now grounded in empirical information, gives early childhood education and prevention agendas more credibility among less traditional audiences, such as the corporate and business sectors and greatly increases the likelihood of producing positive outcomes for our children (Smith, Fairchild, and Groginsky, 1997).

Concurrent to an increasing public awareness of the importance of early childhood development, "welfare reform" has been instituted. Pressured by welfare reform, many low-income mothers are shifting from full-time parents to full- or part-time workers, often in low-paying jobs that increase stress for themselves and for their children. For many of these families, their most pressing needs include child care, child health care, transportation, and family support. Low-income families need quality care for their young children and comprehensive, continuous, family supportive services to ensure that their

children have a strong beginning to their lives and hope for their futures.

This chapter will identify and describe Allegheny County's response to these needs. The intent is not to be judgmental but rather to integrate research, demographics, and literature with recent policy and programmatic trends in the region.

This chapter also provides a context for the status of children in this county through an integration of demographic information on the number of children residing here by age, gender, and race; their economic status; their physical well-being; and their use of human services. In addition, the chapter provides an analysis of recent themes and strategies that have directly and indirectly affected policies and services associated with the quality of life of children and youth in Allegheny County. We also examine policy areas that have recently received much attention, such as youth leadership, youth crime, early education and child care, family support, and financing strategies. In an attempt to move from theory to practice, several exemplars of recent local studies are summarized along with descriptions of several program delivery models. For instance, the selected descriptions include approaches and strategies such as empowering communities to use neighborhood benchmarking, the trend for agencies to use participatory evaluation methods and self-assessments, and the interest of some leaders to explore a policy change model of Results Based Accountability and prevention investments which cut across several policy and programmatic areas.

Finally, this chapter concludes with recommendations that are deduced from the research and literature findings and the policy trends, strategies, and current program implementation models.

Status of Allegheny County's Children

The relative status of children in Allegheny County is mixed. Outcomes for children in Allegheny County have generally improved since the beginning of this decade. However, there remains room for more improvement. Below, we describe some of the changes in the demographics of children and the implications these changes may have for public policies.

Population

According to the U.S. Census Bureau, the number of children in Allegheny County has decreased slightly. Because of declining fertility, aging of the baby boomers, and assumptions about out-migration from the county, Allegheny County's child population (less than 18 years of age) is estimated to have decreased since 1990 by nearly 1%. In contrast, the child population of Pennsylvania during the same period increased by 1.4%. The U.S. Census Bureau estimates the *proportion of the population* younger than 18 years of age to have slightly increased in both Allegheny County and the state between 1990 and 1996 (U.S. Bureau of the Census 1997).

In contrast to the U.S. Census Bureau's estimates, recent data on school enrollment in Allegheny County show an increase in the school-aged population. The number of enrolled children increased from 202,311 in the 1990-91 academic year to 210,924 in the 1997-98 academic year

	<i>Allegheny County</i>	<i>Pennsylvania</i>	<i>USA</i>
Population < 18			
1990	282,063	2,797,516	64,164,000
1996	279,794	2,894,676	69,022,000
% change	-.8%	3.5%	7.6%
Total Population			
1990	1,335,864	11,895,491	249,440,000
1996	1,296,037	12,056,112	265,179,000
% change	-3.0%	1.4%	6.3%
Percent of Population < 18			
1990	21.1%	23.5%	25.7%
1996	21.6%	24.0%	26.0%

Source: U.S. Census Bureau (1997).

(Pennsylvania Department of Education, 1998). While the U.S. Census Bureau relies on a number of assumptions to arrive at an intercensal population, this 4% increase in the school-aged population represents a documented, realized gain in school-aged children.

Racial Distribution of Children

Children of different races are not equally distributed throughout the county. Data from the 1990 census show that nonwhite children are disproportionately located in the Pittsburgh central city. While 83% of the children in the county were reported as white, 60% of the children in the city of Pittsburgh and 91% of the children in suburban Allegheny County were reported as white. In Pennsylvania, 85% of children were reported as white. The proportion of children reported as white slightly decreases with age.

Percent of Children Reported as White by Age and Area, 1990				
Age of child	Pennsylvania	Allegheny Co.	Pittsburgh	Remainder of Allegheny Co.
Less than 5 years	82%	82%	58%	90%
5 through 11 years	86%	83%	61%	91%
12 through 17 years	85%	83%	60%	91%
Less than 18 years	85%	83%	60%	91%

Source: U.S. Bureau of the Census. 1997. Analysis of data from STF3A, found on <http://venus.census.gov/cdrom/lookup/901046035>.

Natality

The annual number of births in Pittsburgh, Allegheny County, Pennsylvania, and in the United States have decreased throughout the 1990s. Between 1990 and 1996, the number of babies born in Pittsburgh, Allegheny County, the state, and the nation had decreased by 15%, 18%, 14%, and 6%, respectively.

In 1990, births to residents of Pittsburgh accounted for 30% of Allegheny County's births, a figure which remained relatively constant through 1996 (Pennsylvania Department of Health, Division of Health Statistics, Annual Series).

Examining the proportion of births born to teenaged mothers reveals important information about the proportion of children from families who face increased challenges in parenting and who may need additional assistance. Throughout the 1990s, the proportion of births born to teenaged mothers (younger than 20 years of age) has decreased.

One can also examine teenaged parenthood by simply considering the number of births to teens. Whereas between 1990 and 1996 the state experienced a 16% decrease in the number of births to teenagers, Allegheny County experienced an 18.5% reduction and Pittsburgh experienced a 25% reduction in the number of teenage births. Nationally, the decline in the number of teenaged births has only been 6%.

Considering the teenage birth rate (number of births per thousand female teens), from 1990 to 1996 this figure decreased from 46 to 40 in Pennsylvania and from 41 to 35 in Allegheny County. Nationally, the rate has decreased from 60 in 1990 to 55 in 1996 (Ventura, Curtin, & Matthews, 1998). Teens in Allegheny County have a substantially lower probability of giving birth than teens in the state as a whole and teens in the entire United States.

	<i>Pittsburgh</i>	<i>Allegheny County</i>	<i>Pennsylvania</i>	<i>USA</i>
<i>Number of births to women of all ages</i>				
<i>1990</i>	5,504	18,088	171,532	4,158,212
<i>1996</i>	4,679	14,904	147,890	3,891,464
<i>% change</i>	-15.1%	-17.6%	-13.8%	-6.4%
<i>To mothers younger than 20 years of age</i>				
<i>1990</i>	859	1624	18586	521826
<i>1996</i>	647	1324	15588	494272
<i>% change</i>	-24.7%	-18.5%	-16.1%	-5.3%
<i>Teenage birth rate (# of births per 1,000 women 15-19 years of age)</i>				
<i>1990</i>	NA	40.5	46.4	59.9
<i>1996</i>	NA	35.2	40.0	54.7

	<i>Pittsburgh</i>	<i>Allegheny County</i>	<i>Pennsylvania</i>	<i>USA</i>
% change	NA	-13.3%	-13.8%	-9.5%
<i>Proportion of all births born to women less than 20 years of age</i>				
1990	15.6%	9.0%	10.8%	12.8%
1996	13.8%	8.9%	10.5%	12.9%

Infant Mortality

Infant mortality, which is measured in terms of the number of deaths per thousand live births, has decreased throughout the 1990s. The infant mortality rate is often used as an indicator of a population's access and utilization of health care. At the national and at the county level, this rate has decreased by 26% between 1990 and 1996. As is characteristic of urban areas, Pittsburgh's infant mortality rate exceeds the county's and the nation's and has decreased at a somewhat lesser rate (21%). The state's infant mortality rate has decreased by 19% since 1990 (Pennsylvania Department of Health Statistics, Annual Series).

Whites in Pittsburgh and Allegheny County fare better while blacks¹ fare worse than their statewide and national counterparts with respect to infant mortality. The infant mortality rate for all racial groups in the state, county, and city decreased between 1990 and 1996.

<i>Infant Mortality Rate</i>				
<i>Year</i>	<i>Pittsburgh</i>	<i>Allegheny County</i>	<i>Pennsylvania</i>	<i>USA</i>
1990	13.3	9.4	9.5	9.2
1996	10.5	7.0	7.7	6.8
% change	21%	26%	19%	26%
<i>Infant Mortality Rate, White Population</i>				
1990	5.7	5.6	7.6	7.6
1996	5.7	5.4	6.4	6.6
% change	0%	-4%	-16%	-13%
<i>Infant Mortality Rate, Black Population</i>				
1990	24.0	23.6	20.1	18.0

¹The term "black" is used rather than African American because statistics refer to the "black" population and the discussion is with respect to race, not ethnicity. The term "African American" was coined for ethnic identification, not racial identification.

<i>1996</i>	19.5	19.6	16.6	15.8
<i>% change</i>	-19%	-17%	-17%	-12%
<i>Black IMR/White IMR</i>				
<i>1990</i>	4.2	4.2	2.6	2.4
<i>1996</i>	3.4	3.6	2.6	2.4
<i>% change</i>	-19%	-14%	-2%	1%

Considering the ratio of black to white infant mortality, in 1990 Pittsburgh and Allegheny County's black infants had over four times the likelihood of death than white infants. Infant death statistics for 1996 show that this ratio is now well below four. However, the black to white differential in infant mortality rates far exceeds those found at the state and national levels.

Low Birthweight Births

Approximately 7.5% of babies born in Allegheny County in 1996 were born with a low birthweight (less than 5.5 pounds), a figure that is comparable to those found at the state (7.6%) and national (7.4%) levels. While the proportion born with a low birthweight has decreased since 1990, the proportion of babies born with a low birthweight has not yet reached the 6.8% level that the county enjoyed in 1980 (Pennsylvania Department of Health Statistics, Annual Series). This same trend of increasing proportions of babies born with a low birthweight can be seen at the state and national levels.

	<i>Pittsburgh</i>	<i>Allegheny County</i>	<i>Pennsylvania</i>	<i>USA</i>
% of babies born with a low birthweight				
<i>1990</i>	11.2%	8%	7.1%	7.0%
<i>1996</i>	9.3%	7.4%	7.5%	7.4%

Poverty

Many children in the county face considerable obstacles, as indicated by poverty status, to becoming successful and productive adults. Recent data show that in 1993 more than 1 out of five children in the United States lived in poverty. Comparable figures exist locally. In 1993, approximately 21% of children in the county, 20% of children in the state, and 22% of children in the nation lived in poverty (U. S. Bureau of the Census, 1998). By 1997, the national child poverty rate improved by decreasing to 20%. Significant disparities exist between races nationally, with 37.2% of black and 16.1% of white children living below poverty in 1997 (Delaker and Naifeh, 1998).

According to data from the 1990 census, child poverty is nearly twice as prevalent in the city than in the county or state as a whole and that poverty is three to five times more prevalent among minority children than among white children. Black children in Allegheny County and the city of Pittsburgh have a higher prevalence of children in poverty than is found in Pennsylvania.

Child poverty is generally more prevalent among the younger children as compared to older children, and poverty is more prevalent among children than any other age group, including the elderly.

High School Dropouts and Juvenile Crime

Dropping out of school and juvenile crime are both indicators of youth that may face considerable challenges to becoming productive adults. Between 1985 and 1995, the United

Age	Pittsburgh	Allegheny County	Pennsylvania
< 5	37.0	19.3	17.5
5	32.8	17.0	17.0
6-11	32.0	17.1	15.7
12-17	28.4	14.8	13.8
18-64	19.8	10.0	9.5
65-74	12.3	8.2	8.7
75+	17.4	13.1	13.5
All Ages	21.4	11.5	11.1
Children < 18	32.5	17.1	15.7
White	16.6	10.7	11.5
Black	56.9	50.0	40.6

Source: U.S. Census Bureau (1997), 1990 Census, STF3A.

States witnessed a decrease in its dropout rate. However, Pennsylvania experienced an increase. While Pennsylvania still enjoys a dropout rate among youth 16-19 years of age that is slightly better than the national average (9 dropouts per 100 youth 16-19 years of age compared to 10 per 100 for the nation), Pennsylvania's trend runs counter to the nation's. In 1985, 7% of youth had dropped out of school, compared with 11% nationally (The Annie Casey Foundation, 1998). In the 1990s, the dropout rate of youth in Allegheny County appears to have decreased (Steketee & Bergsten, 1997).

Throughout the 1990s, Pennsylvania and Allegheny County have experienced an increase in the rate of juvenile delinquency placements. In 1996, Pennsylvania had 3.25 juvenile delinquency placements per 1000 children 10-17 years of age and Allegheny County had a substantially higher rate of 6.7. These rates represent for the state, nearly a 10% increase and for the county, a 46% increase in the juvenile placement rate since 1990. Considering youth violent crime, Pennsylvania seems to have a higher rate

than the nation with a 1995 juvenile violent crime arrest rate of 8 per 1,000 youth 10-17 years of age while the nation's arrest rate is 5. Pennsylvania's juvenile crime arrest rate increased by 104% between 1985 and 1995, while the nation's juvenile violent crime arrest rate increased by 66% (The Annie E. Casey Foundation, 1998).

While there are indications that children's status is improving, child poverty, births to teenage mothers, and children's health are still salient issues today. Juvenile crime and high school dropouts pose particularly difficult issues for policymakers. While progress has been made in many arenas, there remains room for improvement. For example, while locally, the black infant mortality rate has greatly improved, more progress needs to be made in order for local black infant mortality rates to be in line with national rates. We now turn to examining practices currently used to affect the lives of children and families.

Policies and Practices Affecting the Lives of Children in Allegheny County

The above data demonstrate that children in poverty, African American infant mortality rates, births to teenage mothers, school failure, and juvenile crime are still major problems for Allegheny County. This agenda for policymakers represents a mix of long-standing problems for which traditional approaches seem insufficient and relatively new problems for which we have limited background on which to craft solutions.

Poverty is the biggest single correlate of nearly every problem of children and families, and the National Center for Children in Poverty (*News and Issues*, Spring 1998) has argued that we cannot rely on the recent period of economic growth to overcome child poverty. Further, welfare reform has put time limits on the receipt of various forms of public assistance, forcing low-income individuals to find jobs, many of which are not likely to pay the self-sufficient wage that welfare reform presumably requires (Bangs, Kerchis, and Weldon, 1997). Therefore, in the immediate future there are likely to be more poor families with children, greater need for early childhood and out-of-school-time services to permit parents to work, and a continuing need for a variety of services to deal with the existing and perhaps new problems of low-income families, especially single-parent families. We have had only modest success at curbing many long-standing problems, warranting a need for new approaches.

Youth violence, however, is a relatively new problem, at least in magnitude. Most crime statistics have remained rather steady over several decades, and crime tends to diminish during times of economic prosperity. However, violent crime by juveniles, in marked contrast to the general trends, has increased substantially since approximately 1985, presumably as a consequence of drug lords arming youth, which made carrying a weapon fashionable. In this case, we have little background from previous attempts to reduce this problem and must create innovative programming out of our best judgment.

The call for new approaches to solving these issues rests on dissatisfaction with certain characteristics of traditional service programming as well as their relative lack of success in reducing these problems. Three elements of traditional services have recently been targeted for change in Allegheny County and across the United States (Schorr, 1998):

- **Categorical funding and services.** Policymakers tend to respond to problems and crises by funding programs to deal with specific issues. The result is that separate programs exist for improving the academic success of teenage mothers, treating parents with alcohol and drug problems, providing job training, etc. Often, only those people targeted for improvement are eligible, the eligibility criteria differ from one program to another, various programs locate in various places, and programs do not coordinate services with each other. The result is that services are fractionated and unrelated to one another, people in need of services must go hither and yonder for the services they need, children go one place and adults to another, etc. In short, services become a collage of isolated, separate, different, and often confusing and inefficient programs.
- **Top-down implementation.** Traditionally, services have been designed by policymakers and service professionals and offered to, if not imposed on, eligible participants. While under such an approach, policymakers can control the nature and extent of services and professionals can provide their knowledge and experience in dealing with certain problems. However, communities often complain that the services offered are not what they need, problems targeted are not their priorities, solutions are culturally insensitive and ineffectual, and non-residents who come into the community to resolve problems are not accepted and are often not trusted.
- **Professionally-driven services.** In the extreme, traditional services consist of a professional who identifies a participant's problem and prescribes a treatment. The treatment or service is done *to* or *for* the participant, who has little choice and is not encouraged to take responsibility for achieving progress.

Current themes in policies and service delivery nationally (Schorr, 1998) and locally represent reactions to the limitations of the above characteristics. Some of these themes include:

- **Integrated, comprehensive, flexible, holistic services.** To combat categorical funding and the collage of isolated services it produces, the emphasis today is on integrating a comprehensive set of services to deal holistically with the entire range of child, family, and community issues that may plague a low-income, often single-parent, family. Such case-coordinated services attempt to help low-income participants negotiate the system of isolated services to obtain those that they need. This approach is based on the fact that the prognosis of children and families depends more on how *many* risk factors and problems they have than *which particular ones* they have. Therefore, an integrated comprehensive service system stands ready to deal with each unique set of issues that plagues an individual family. To be successful, a variety of services must be conveniently available, eligibility criteria must be similar across services, transportation needs to be available to take participants to services that are not be geographically convenient, and governments must be willing to financially support the increased cost of more services and case coordination to families.
- **Community-based and community-empowered services.** Rather than a top-down approach, communities are now asked to design their own service systems by identifying needs specific to their community, organizing themselves to obtain resources to fulfill their service needs, hiring individuals from their own communities to provide services, and integrating the services available in that community. The assumption is that communities that help themselves will provide their residents with more relevant services, will focus the entire community on a common purpose, will knit

participants more closely to the support that a wider community can provide, and will develop a sense of pride and accomplishment in the community because of what it has achieved by its own efforts. To be successful, such an approach requires that communities are able to organize themselves effectively, know what they need and how to obtain it, identify the relevant goals and outcomes, have the personnel to manage and provide services, have oversight from outside of the community, and have policymakers who are willing to relinquish control over services and spending to the citizens of different locales that are likely to produce substantially different programs from one community to the next (which also makes the total set of programs difficult to evaluate).

- **The shift to personal responsibility.** To counter the lack of personal responsibility that professionally-driven services allegedly produce, contemporary services expect the participant to lead in taking responsibility for his or her own progress towards financial and psychological self-sufficiency. This may mean that residents select their own goals and benchmarks for attaining them, are personally responsible for seeking out and participating in relevant services (albeit with the guidance of a case coordinator), and are trained to become better parents, thus taking more personal responsibility in improving the future of their own children. This strategy has also led to a greater emphasis on prevention, rather than after-the-fact treatment. Such an approach assumes that parents will accept these challenges and take the initiative to help themselves, and that they can be trained to be more effective parents.

Two other themes guide current national and local service practices (Schorr, 1998):

- **Theory of change.** Policymakers are increasingly requiring a more systematic strategic planning process in which programs articulate and justify why they believe a particular set of services and activities are likely to produce specific short- and long-term changes in participants as well as how those activities and changes are to be monitored and measured. Previously, services were often assumed to be intrinsically beneficial and claims were sometimes made that a particular service would produce a particular benefit without much rationale or documentation. Today, policymakers require more justification for why specific service activities ought to produce specific outcomes in participants as a means of identifying those services to fund that have the most compelling and supportable rationales for being effective.
- **Results-based accountability.** As a corollary, policymakers and funders are increasingly demanding that service programs demonstrate that they have actually produced the improvements in their participants that they specified in their theory of change. In previous years, program managers were required simply to report the number, the race, and the geographic distribution of participants and the types and extent of services delivered. The unstated assumption was that the services themselves were inherently good and beneficial. But policymakers recently have become more skeptical of programs= claims that their services actually produce benefits in their participants consistent with the programs= claims and goals. Consequently, funders now want to know if the program works, that is, produce improvements in their participants with a frequency and extent that is cost-effective.

Recent Local Needs Assessments

To provide a basis for policies and funding of programs in major areas of need, several recent needs assessments have been conducted in Allegheny County to identify the amount and nature of needed services, the characteristics of effective services, where such services should be located, and their likely effectiveness and financial benefit.

An example of a recent study that informs policy and funding decisions in the county is *Promising Futures: A Health Scan of Adolescent Girls in Pittsburgh and Allegheny County Neighborhoods* (1998). This report, funded by The Heinz Endowments and produced by the University of Pittsburgh Office of Child Development in collaboration with Magee-Women's Hospital and Children's Hospital of Pittsburgh, is a first step toward developing an information and action agenda for adolescent female health in Allegheny County. Although this report concludes that adolescent females in Allegheny County are no worse off with respect to health outcomes than their counterparts in the state and nation, county-wide indicators obscure the severity of problems in high-risk communities. In addition, surprising variations occur within individual neighborhoods, in which some low-risk communities (e.g., Shadyside) have surprisingly high rates of serious and violent crimes and where some high-risk communities (e.g., Northview Heights) have a relatively low rate of low-weight births. Although many services are available overall, these services are not necessarily located in the communities where at-risk youth live. Most poignant is the report's conclusion that female adolescents in Allegheny County are at significant risk for problems that can adversely affect their future productivity as citizens and that these youth themselves are aware of many of these risks and the barriers that prevent them from receiving adequate services. Access to health services for adolescents is not limited by capacity but rather by the lack of accessibility, confidentiality, comprehensiveness, and sensitivity of the services that do exist.

Another significant study conducted recently is *Home Visiting in Allegheny County: The Potential, The Reality, The Future* (Daponte, Dempsey, Farber, Groark, McCall, & Plemons, 1998). This needs assessment provided funders and policy makers with information on home visiting services available to families with young children and expectant parents. The information included what works, characteristics of home visiting in this County, and service gaps and geographic areas in need of services.

This needs assessment led to several conclusions and recommendations. One of the significant conclusions is that home visiting programs in Allegheny County have shown positive results in domains such as enhancement of parenting skills; improvement of the physical, social, and mental development of children; and promotion of parental financial and psychological self-sufficiency. It also determined, through the detailed inventory of 86 programs (response rate of 90%) in Allegheny County, that on average, home visiting programs in this County possess the characteristics that literature suggests contribute to achieving service goals. Although these programs generally are operating well, the advisory committee of this study recommended more training for increased staff competency and that an effort be made to improve the coordination of home visiting services in the County.

Also extremely relevant in the area of learning and development is the study, *Potential Returns on Investment From a Comprehensive Family Center Approach in High-Risk Allegheny County Neighborhoods* (Bruner, Scott, & Steketee, 1996), conducted by Charles Bruner, Ph.D., of the Child

and Family Policy Center in collaboration with the University of Pittsburgh Office of Child Development.

This study has shown that the cost of failure to overturn the trend of negative child outcomes in Allegheny County exceeds a billion dollars annually. That includes the cost of corrections (juvenile justice and jails), law enforcement (courts, police, probation), health care (premature births, teen pregnancies), protection (child welfare), and income support (welfare) (*Better Beginnings: A Case for Family Support Centers, Starting Points*, 1997).

Using the information provided by studies such as these, several programs have dominated recent innovations in children's services in Allegheny County. Descriptions of some of the most notable program initiatives of this region follow.

Allegheny County Program Initiatives

The following is a compendium of relatively new program initiatives. It is intended to present a broad description that provides the initiative's general purpose and scope. Because many of these programs are community driven and somewhat new and flexible, their individual implementation sites differ, sometimes significantly, from each other and the actual details of their design are continuously evolving.

Early Childhood Initiative

The Early Childhood Initiative (ECI) is a five-year plan designed to help low-income children achieve their potential. ECI, a program of the United Way, is a public/private enterprise that has this county's charge to increase availability and excellence in child care for low-income children. It provides leadership, technical assistance, and financial support to local communities to implement community-based early child care services that are integrated and flexible. The financial goal of ECI is to generate \$59 million to achieve its goals, over half of which has already been raised. It intends to create an integrated system by assuring that new or expanded programs and services and those already in place, complement, reinforce and strengthen each other and focus on the poorest children and families because they are documented as being at the greatest risk of school failure (Yoshikawa, 1995). ECI seeks to develop programs in up to 80 targeted communities in Allegheny County, and to reach over 7,600 new children, bringing the total number of low-income children enrolled from approximately 8,500 to 16,000 at the end of the five-year plan.

Family Support

This county-wide effort represents a comprehensive approach to the economic and social well-being of families in low-income neighborhoods. Its theoretical basis emphasizes prevention, investing in families early, and creating a cycle of activities that intends to shift personal responsibility to participants and to produce good parenting, an understanding of typical child development, greater aspirations of youth, a more trained and self-sufficient work force, stronger families, and more vital communities through community empowerment (*Better Beginnings, A Case for Family Support Centers, Starting Points*, 1997).

Currently, there are 24 family support centers in Allegheny County that are funded by private and public

dollars from local, state, and federal sources. This public/private partnership also supports the infrastructure of this movement, which includes a Policy Board, technical assistance and training provided by the Partnerships for Family Support Project of the University of Pittsburgh Office of Child Development, and governance and advice from provider and parent groups. In 1997, the centers assisted 3,200 families with approximately 8,700 family members in their goals toward self-sufficiency.

Family Services System Reform (FSSR)

FSSR is related to the Family Support movement in principle and funded by the County from a State award. FSSR was instituted in Allegheny County in 1997 and attempts to demonstrate through neighborhood-designed pilot projects that traditional systems, such as foster care and economic development, can be reformed to better accomplish current needs, ideals, and practices. This demonstration project is working at the policy and service levels in five neighborhoods on a myriad of projects addressing issues such as family stability, school readiness, accessibility of health care, early intervention for children with special needs, and job training through non-traditional collaboratives, partnerships and innovative pilot services. It has begun the process of results-based accountability through training and promotion of community empowerment through benchmarking.

Early Head Start

Early Head Start (EHS) is a nationally-developed new initiative that is based on the principles of community empowerment and strengths. Locally known as Family Foundations, this program provides a family support model that coordinates existing quality services in three neighborhoods -- Terrace Village, Sto-Rox and Clairton -- and develops new services only when needed. These services emphasize four program areas: child, family, and staff development and community building. This model integrates child development approaches through community organization and is based on mutual expectations between families and staff and among other community resources. It currently provides comprehensive services to 140 selected families with children under age three and pregnant women.

Healthy Start

Healthy Start aims to create and coordinate a comprehensive service delivery system that makes accessible preconceptional, pregnancy, and parenting services. Healthy Start focuses on the need to strengthen and enhance community systems of maternal and infant care. It challenges communities to fully address the medical, behavioral, and psycho-social needs of women and infants by increasing awareness of infant mortality; streamlining and coordinating services between public and private agencies; and building partnerships of commitment among families, volunteers, businesses, health care, and social services providers. Healthy Start concentrates its efforts in six areas of the county with historically high infant mortality: North Side, Center City, East End and Wilkinsburg, South Side, Western Communities, and Duquesne and Braddock.

Starting Points

The Starting Points grant of Pittsburgh and Allegheny County was awarded by the Carnegie Corporation of New York with matching funds from the Howard Heinz Endowment in 1996 and renewed in 1998 to the University of Pittsburgh Office of Child Development to create knowledge-based support for children's policies. These policies emphasize prevention and ensure access to family support, health care, and early childhood services for Allegheny County children, particularly those at highest risk. This project is based on a Theory of Change model documenting changes in family support, early literacy, youth crime, children's health, and community mobilization and promotes results-based accountability at the neighborhood level.

In addition, using existing literature on multiple risks of early childhood and youth, best practice examples, local and national strategies that work, economic analysis of the cost-benefit ratios of effective strategies, and media campaigns such as the Early Literacy campaign chaired by John Murray, President of Duquesne University, this initiative attempts to build the case for investing in prevention and to bring leaders to the table as participants in the planning process.

Communities That Care

Communities That Care is a neighborhood-based, holistic, anti-violence and delinquency prevention initiative. Communities assess their juvenile crime prevention needs and develop and implement plans to reduce juvenile crime that meet their unique local needs. The process involves a data-based model which focuses on 19 risk factors with priority given to 2 or 3 three of those factors. Promising approaches are considered to reduce those particular risk factors and selection is based on ability to produce results.

In Pittsburgh, two initiatives receive Communities That Care funding: Hosanna House and East End Cooperative Ministries. At Hosanna House, Communities that Care funding serves 130 youth through five different programs. The second program under the management of the East End Cooperative Ministry assists 50 children at each of two elementary schools in the East Liberty/Larimer section of Pittsburgh by providing after-school homework assistance, in-school interventions, and after-school recreation and homework assistance.

Truancy Prevention

The Truancy Abatement Center seeks to reduce the number of illegally-absent students on the streets, on public transportation, in business establishments, and in other places other than schools during school hours. The Center serves students who are in middle and high school. The Truancy Abatement Center program was designed to: 1) provide an effective tool for law enforcement officers to keep children off the streets during the day, therefore reducing the likelihood that they will engage in criminal or disruptive activity or be victims of it; 2) assist parents and guardians who are struggling with ways to get their children to go to school regularly by providing immediate consequences for not attending; and 3) assist students who, for many different reasons, are not attending school by providing a comprehensive

diagnostic-prescriptive program complete with education and counseling components for students in need. The Center began operation April 6, 1998 and resides on the ground floor of the Public Safety Building downtown, as does the Safety Zone (see below). From April 6, 1998 until May 29, 1998, the center has served 280 children found to be illegally absent from school.

Safety Zone

The Safety Zone seeks to reduce juvenile delinquency and victimization by providing a place for youths who are found on the streets between 10:00 PM - 6:00 AM during the week and 12:00 AM B 6:00 AM on weekends. During the summer months, the curfew hours are extended to 11:00 PM B 6:00 AM on weekdays. When an officer finds a youth younger than 16 on the street during those times and the youth does not meet any of a number of reasonable exceptions and is not an adjudicated delinquent, the youth can be taken to the Safety Zone. There, youth are provided emergency shelter, assessment, crisis intervention, and counseling. The Center provides a point for early identification and intervention by officials or community agencies and parents. When necessary, it can link a youth with an array of specialized services in the community. The Safety Zone resides in the same building downtown as the Truancy Center B the Public Safety Building. In the first year of operation, 36 youth were brought to the Safety Zone by police officers. Also in that period there were 252 verbal curfew warnings issued.

Community Intensive Supervision Program

Community Intensive Supervision Program (CISP) provides a community-based alternative to residential placement for adjudicated 13-18-year-old males. Since 1990, it has functioned as an alternative to institutionalization for repeat juvenile offenders, and starting in January of 1997, CISP has functioned as an aftercare program for youth released from institutional placements. In addition to traditional Probation Department personnel, the Program is staffed by paraprofessional ACommunity Mentors,@who are adult residents of the same neighborhoods in which youth reside. A full range of programming is offered in four specially-designed neighborhood centers during afternoon and evening hours. Participants live with their parents and remain in school or work but are required to spend evenings and weekends at the CISP Center for counseling, study, recreation, and participation in community service. Because the majority of participants have drug and alcohol problems, that is a major component to their treatment. Supervision of youth continues throughout the night by use of an active electronic monitoring system, and youth are always held accountable for their actions. CISP operates in four community centers: Garfield, Hill District, Homewood-Brushton, and Wilkinsburg. Each center has the capacity to program for between 30-35 youth for a total of 120-140 youth system-wide. Presently, there are approximately 120 youth in the four centers.

YouthReach

YouthReach is a model for reducing delinquency-related risks and enhancing protective factors among youth through close collaboration and communication among youth-serving public agencies and community based organizations. Youth between the ages of 12-18 who are exhibiting early warning signs of potential delinquency can be referred to the program by community organizations, agencies, schools, or other institutions. YouthReach is a collaboration among official agencies to identify and offer support to families through Family Support Centers during the early stage of problems. The YouthReach model links local police and child welfare agencies, and invites neighborhood Family Support Centers to follow-up on early warning signals and offer support. YouthReach currently serves two communities: Manchester and Allequippa Terrace. It serves 68 youth now (1998) and hopes to serve 100 youth by the year 2000.

YouthLeads

YouthLeads aims to empower youth and provide support mechanisms for youth to be active and involved citizens. It builds the leadership capacity of youth by offering training that fosters personal leadership using innovative, experimental models for learning and exposure to the broader community. YouthLeads also builds the capacity of the community to support youth leadership by working in collaboration with neighborhood-based, youth-serving organizations to design and implement youth leadership programs. Youth who have advanced leadership skills are active and involved in their community, organize and run effective groups, serve in mentor roles, and more effectively deal with the challenges that face their communities. Each YouthLeads program site has a youth council that is assigned decision-making roles in program development. A mentor/trainer provides direct technical assistance to neighborhood programs, council leaders, and youth councils. YouthLeads serves 125 youth per year.

YouthPlaces

YouthPlaces are planned community-based safe havens for youth. YouthPlaces sites are located in high-crime neighborhoods and municipalities where rates of poverty, crime and delinquency, and referral to the Children, Youth & Families indicate that youth are at high risk. The initiative aims to provide a safe environment, programs, and activities that shift personal responsibility to the participants. It targets youth between the ages of 12 to 19 during the before- and after-school hours and during the weekends. The initiative further seeks to promote the positive cognitive, social, physical, emotional, and moral development of the children and youth served as means of enhancing their potential to become productive adults and resources to their communities. YouthPlaces provides opportunities for entertainment, academics, computer use, mentoring, cultural enrichment, community service and career exploration. There are currently 600 youths participating in YouthPlaces programs. The goal is to help close to 1,800 youth by the year 2000.

YouthWorks

YouthWorks is a community-wide, multi-institutional effort interested in youth workforce development.

Through YouthWorks partnerships and affiliations in industry, educational institutions, and nonprofit organizations, young people are given the chance to experience summer employment in real work environments. To effectively link qualified youth seeking summer employment and part-time employment, YouthWorks screens, trains, and matches young people with employers. These services additionally serve the business community by enabling employers to access youth whose interests and skills are matched with the needs of their particular organization. There are currently 2,600 youth participating in the YouthWorks program. YouthWorks aims to provide 3,500 youth with meaningful, paid employment by the year 2000.

The Mentoring Partnership

One to One: The Mentoring Partnership of Southwestern Pennsylvania is a network of community leaders and organizations who provide support and resources to enhance quality mentoring and encourage economic self-sufficiency for youth. The initiative pledges to children that they will connect them with a caring and committed adult mentor. With that ambition in mind, each of the 65 mentoring agencies seeks to provide an opportunity for young people to experience a sustained and supportive relationship, to exchange ideas, and to participate in activities together. To serve every youth in need of a mentor, the Mentoring Partnership aims to increase the number of mentors in the community through marketing and recruitment. The initiative further seeks to improve the quality of existing programs through training, technical assistance, referrals, and public awareness. There are currently 2,385 youth participating in active mentoring relationships. The Mentoring Partnership aims to provide active mentoring services for 3,500 youth by the year 2000.

Pittsburgh Youth Collaborative (PYC)

The Pittsburgh Youth Collaborative is an effort to provide intensive *Aftercare* for serious juvenile offenders on probation to promote productivity in these young men and women. The PYC Initiative is a long-term commitment providing comprehensive, individualized, community-based services to youth and their families in the home setting. PYC's specific goals are 1) to assist youth in determining their strengths and underlying needs, 2) to assist in family reunification and with maintaining family structure, and 3) to secure appropriate supports and services by implementing a personalized plan for each youth and family. PYC's services incorporate advocacy, finding and developing resources, and encouraging personal growth. The PYC has six local agencies that currently serve 120 youth.

Hands Without Guns

The Hands Without Guns initiative is a public awareness and mobilization campaign operating through television, radio, and print that communicates a zero tolerance for violence message throughout the Western Pennsylvania region. It aims to change people's attitudes towards guns by shifting personal responsibility to youth. The campaign is based on research that says most kids carry guns for their safety because other kids carry guns, also known as the contagion effect. Hands Without Guns works on the reverse of that model with the assertion that once youth stop carrying guns and put pressure on other youth to not carry guns, it is possible that fewer youth will have guns and therefore be less at risk. Hands Without Guns is built upon youth-designed, scripted, and voiced public service announcements dealing with gun violence.

School-Based Probation

The School-Based Probation Initiative is a program designed to integrate and coordinate efforts that increase communication between school districts and probation departments to meet the holistic educational and management (behavioral) needs of mutual clients. School-Based

Probation aims to provide supervision and counseling to youth on probation, increase rates of compliance, increase school attendance, decrease the number of suspensions, improve academic performance, decrease the need for institutional placement, and lower the rates of recidivism among the youth. School-Based Probation serves approximately 600 clients under the supervision of 21 Probation Officers. These Probation Officers are assigned to 19 schools within Allegheny County, 11 of which are City of Pittsburgh Public Schools.

Youth Mini-Grants

Youth Mini-Grants is a program supported by the Jewish Healthcare Foundation that mobilizes and empowers local high-school students by providing them with a pool of funds to distribute to innovative local efforts to curb youth violence. Grantees included programs to teach parenting skills, shift to personal responsibility, peer monitoring for young fathers to prevent child abuse, and scouting-based adventures as an alternative to gang-related activities.

Recommendations

Reconciling the discrepancy between need and the limited available resources will be a daunting task. But given the findings of this chapter, certain policy decisions could be the key to efficient and effective provision of a network of services for children in Allegheny County.

Prevention programs, such as Healthy Start and Family Support, are out of the planning phases and in full implementation, and, perhaps as a consequence, the health of children has improved in some of the areas these programs address, such as decreased infant mortality and a reduction in the proportion of births to teens. Therefore, future policy and fiscal decisions might be geared more toward prevention activities than they have in the past.

In addition, while providers and policymakers are serious about supporting various youth crime prevention programs and the policy agenda of the Youth Crime Prevention Council, the rate of juvenile delinquency placements nevertheless has increased. This suggests that prevention efforts take time to produce effects, that the effects are aimed at too few youth, we do not yet know what works, and/or that programs need to be intensified and more innovative.

However, because of the number of young children, especially minority children, in poverty in this County and especially in the City, policymakers must reevaluate their practices. Consensus must be reached in several primary areas: a) who is a priority and therefore who gets served; b) what services will be provided from what we know works; c) what are the funding levels and sources; d) what funding mechanisms will be used; e) how will staff be trained in pre-service and in-service; and f) how will quality and outcomes be monitored?

Finally, while much progress has been made by children, families, and communities that have been touched by the numerous human service programs in Allegheny County, we see modifications that could be adopted that we believe would increase cooperation between programs, the comprehensiveness of programs, and the effectiveness of programs. Also, in many cases, there is a mismatch between the progressiveness of funders and policymakers in promoting new approaches such as Theory of Change and Results-Based Accountability and the slow progress of providers in applying these approaches. Therefore, we recommend the following:

1. **Convene a county-wide leadership group to formulate and monitor a Theory of Change or other conceptual framework for policies and programs related to children and families and design a Results-Based Accountability system that is directly related to the framework.** Currently, the system and the rationale for many individual services for children operate with no overarching philosophy, coordination, or plan for accountability. Systematically thinking through this, logic of change would provide an understanding of where a program fits in the overall county system, lead to better integration and coordination of services for individual children and their families, provide a basis for monitoring of program quality and child outcomes as well as client tracking, and avoid duplication of services.
2. Create a local Resource and Coordination Center that coordinates and provides support services and training to agencies and makes recommendations for improvement in the integration of services to children. Currently, under traditional categorical funding, services are a collage of isolated, separate, and often confusing programs. Coordination of providers on behalf of families is needed. Also, typical pre-service training programs provide staff with in-depth, specialized education in traditional disciplines that are limited to their content areas and confined in their clinical applications. However, the contemporary holistic view of children and their families requires training that is ongoing, flexible, grounded in several content areas, and matched with the ever-changing needs of the child and family in today's society. For example, home visiting, family support, agency collaboration, and parent education are not currently emphasized in college curricula, and few students take enough course work and obtain practical experience in program monitoring and evaluation. Besides supporting the training needs of staff and directors, the Resource and Coordination Center could also provide a voice from the providers to the policymakers regarding

where the system is succeeding or failing, the nature of the barriers to effective service delivery, and where opportunities for improvement and innovation may exist. In addition, policymakers could use such a center to coordinate efforts to streamline the system for those who provide and those who receive services. Services must be conveniently available, eligibility criteria must be more similar across services, transportation needs to be available, and governments must financially support the increased costs of these services.

3. Develop policies and procedures that a) assist targeted communities to monitor their own progress through benchmarking, b) allow residents to implement their own solutions, and c) reach children in poverty who live in higher-income neighborhoods. Priorities must be made with limited resources. Outcome indicators and demographic variables suggest that the children most in need of social services are from low-income families. Often, these families reside in low-income neighborhoods. Policy trends for community-based services that are developed by the residents seem to be successful at improving the conditions of children in particular geographical areas. Systematic benchmarking is necessary to document such alleged progress toward community goals. However, community residents who monitor this progress need assistance in the methodology and technical skills necessary to accomplish this task. Typically, communities in Allegheny County have not worked well together on a common purpose because of lack of desire, resources, or skills. To do so, communities must be able to organize themselves and have personnel with good skills to manage and provide services. On the other hand, policymakers also must be willing to relinquish control over services and spending to promote local autonomy. Also, many children who live in poverty and are otherwise needy in this County do not live in low-income communities. As a result, they cannot benefit from community-based services that tend to be established in the most depressed neighborhoods. Because they are in the minority in their communities of residence, policymakers often forget to address their needs. The recent Housing and Urban Development Authority's emphasis on terminating mass public housing and dispersing low-income families to other neighborhoods is likely to increase the number of low-income families in economically diverse areas and increase their isolation from services and a supportive community. However, these children and families still need social services. Some initial strategies that can assist these children include home visiting programs, transportation to needed services, and comprehensive referral services that are user-friendly and address needs holistically.
4. **Assess the need to increase early childhood and after-school services, and then fill gaps in services to permit parents to work.** Much attention is being given to economic development of communities through efforts in training and job creation. However, this trend, along with welfare reform, forces low-income parents to find jobs, increasing the need for a variety of services for very young children not yet in school and for children ages 5-12 during off-school hours, vacations, sick times, etc. During the planning phase of the Early Childhood Initiative, a thorough assessment was made of early childhood program capacity. A similar comprehensive study that assesses both the supply and demand for out-of-school-time care for school-aged children must also be conducted.
5. **Provide county-wide resources and training to parents that assist them to be more effective parents.** New approaches to services focus on preventing negative family outcomes by expecting adults to take responsibility for their financial and psychological self-sufficiency and the upbringing of their children. Many contemporary services assume parents are willing and able to take the initiative to help themselves and their children. Although this is true in most cases, without

the proper understanding, knowledge, and training, many parents are often frustrated, ineffective, and unable to make positive strides toward their goals. This region needs a comprehensive parent training program that is accessible, affordable, and available to all family members who want it. Such a program must be based on nationally-recommended best practices and be integrated with more comprehensive programs.

In conclusion, we see that the state of the child in Allegheny County is in flux. In this era of high technology and affluence, policymakers should be far from pleased. Children and families in Allegheny County need concerted and organized attention from those in positions to redirect resources and to create policy. Moreover, most taxpayers favor increased government expenditures to support children and families (PPC survey, 1998). Families need resources and programs that unite them, train them, and allow them to reach their greatest potentials.

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CHAPTER 6. ECONOMIC IMPACT OF THE ELDERLY IN ALLEGHENY COUNTY

Christopher Briem, Research Assistant
Richard Schulz, Ph.D., Professor of Psychiatry and
Director, University Center for Social and Urban Research
University of Pittsburgh

Introduction

It is widely known that the city of Pittsburgh and Allegheny County contain one of the highest concentrations of elderly individuals in the nation. Several recent reports have characterized this population in terms of their marital status and living arrangements, health status, educational attainment and employment, and their needs and potential (Schulz & Kerchis, 1996; Aging Environmental Scan, 1996). The purpose of this manuscript is to focus specifically on the economic impact of the elderly on Allegheny County. In doing so, we will address a commonly held view that because older persons are generally not part of the work force, they represent an economic drain on the local economy.

This paper is an attempt to quantify some of the direct and indirect impacts of the elderly on the regional economy as a whole. A regional input-output model, the REMI model, will be used to translate some of the direct economic spending of the elderly into an overall economic impact on the region in terms of output, earnings and employment. Although typically used for economic forecasting and impact analysis of specific changes in the regional economy such as plant openings or closing, it will be used here to simulate a hypothetical smaller elderly population in the region and to quantify some of those consequent changes in the local economy. The model takes into account the linkages between income, consumption and the employment generated across industries, yielding a more complete picture of economic activity generated by the elderly.

This report is divided into five parts. First, we review the demographic characteristics of Allegheny County and answer the question, why do we have such a high concentration of elderly in this area? Next, we examine the economic status of the elderly, the sources of their income, and their employment status. This is followed by two simulations. The first examines the impact on the local economy of a reduction in the elderly population to levels equivalent to those of the U.S. as a whole. The second simulation assesses the impact on the regional health care industry of a 10% reduction in Medicare payments. We conclude with a summary and some tentative forecasts for the future.

Allegheny County Demographics¹

A commonly known fact about Allegheny County is the relatively high percentage of the elderly in the total population. The percentage of the population over 65 has been increasing continuously over the last several decades. The fraction of the population over 65 in Allegheny County is now 18%, which is

¹ General demographic information on elderly in the county is provided in Appendix A.

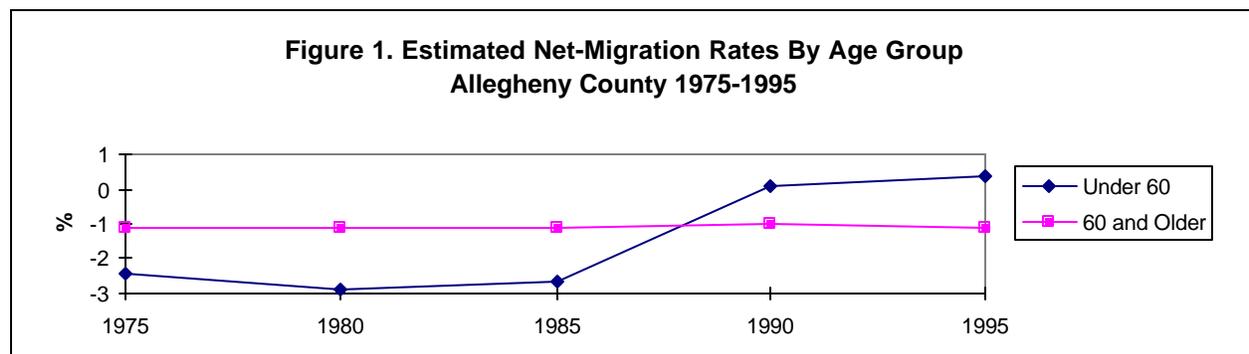
significantly higher than the national average of 12%. Allegheny County itself has a larger percentage of the elderly than any large county outside of the traditional retirement locations in Florida (see Table 1). The percentage of elderly (17.4%) in the region's population is nearly as high as in the county.

Table 1. Large Counties (>500,000 population) Ranked by Percentage 65 and Older – 1997

	County	Population	Population 65 and older	Percentage 65 and older
1	Palm Beach County, FL	1,018,524	252,415	24.8
2	Pinellas County, FL	871,766	209,228	24.0
3	Allegheny County, PA	1,280,624	231,928	18.1
4	Broward County, FL	1,470,758	265,151	18.0
5	Montgomery County, PA	712,466	116,821	16.4
6	Providence County,	574,429	93,431	16.3
7	Delaware County, PA	543,010	87,294	16.1
8	Cuyahoga County, OH	1,386,803	221,279	16.0
9	Erie County, NY	944,472	150,313	15.9
10	Bergen County, NJ	851,344	135,238	15.9

Source: US Bureau of the Census, PE-62 Population Estimates.

This large elderly cohort is a consequence of the economic history of the Pittsburgh region over the last several decades. Large scale downsizing in the American heavy manufacturing industries, particularly steel, has had a significant impact on the regional economy, as well as the age structure of the population. As jobs were lost in the region, younger workers left the region in search of jobs elsewhere. Older workers who had fewer opportunities to find jobs elsewhere, had stronger ties to the region, and were able to collect retirement benefits tended to stay here. Figure 1 illustrates some of the differences between young and old migration patterns over the last two decades. The demographics of the Pittsburgh region thus result from reasons opposite those of many Florida communities with similar age structures. In many retirement communities the large elderly cohort results from the in-migration of retirees; the Pittsburgh region has a large elderly population because of the out-migration of younger individuals in the population.



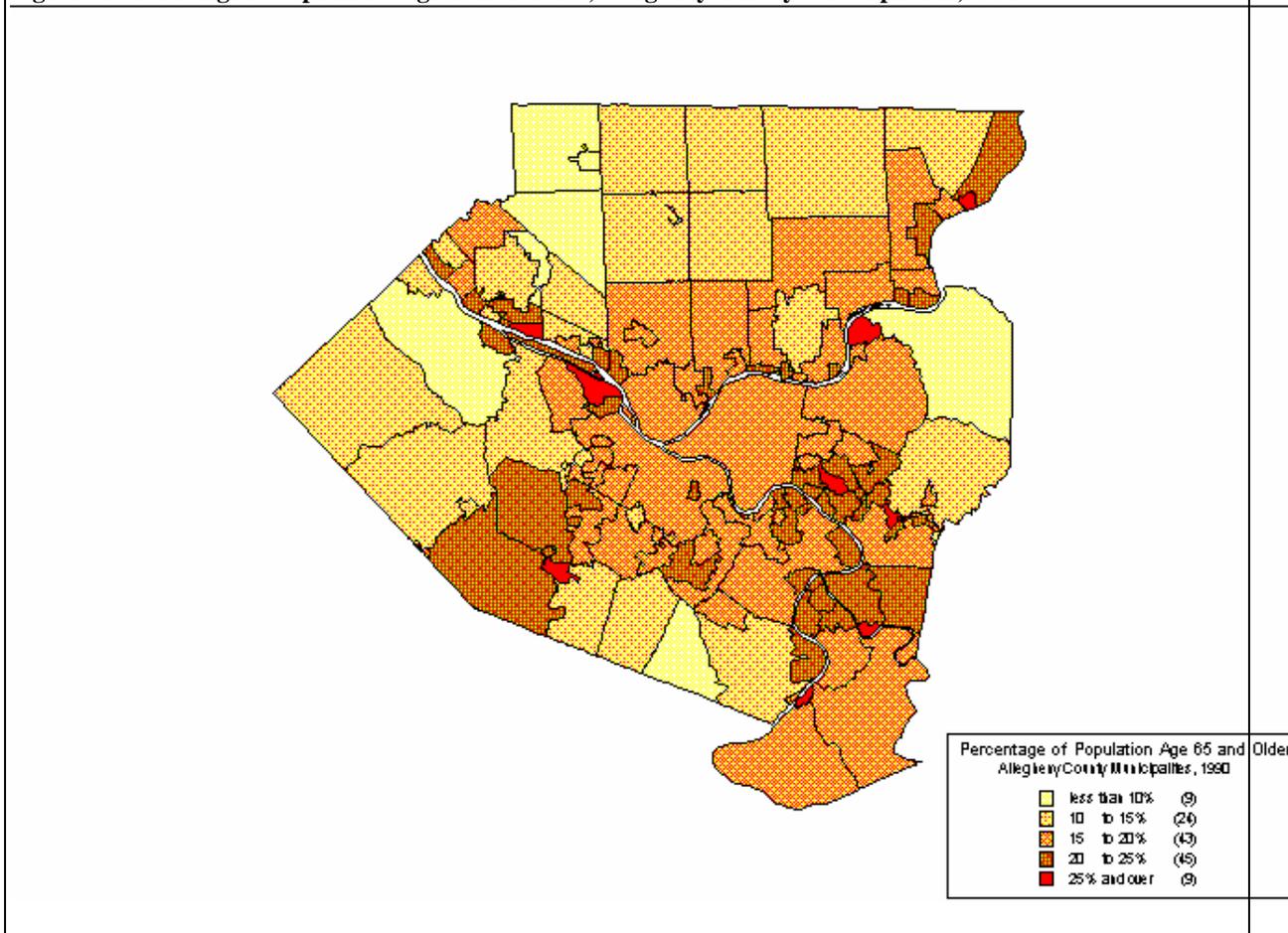
Source: US Bureau of the Census, 1997 REMI Model

If older workers had left the region at the same rate as younger workers through the 1970's and 1980's, the expected age distribution of the region would be closer to the national average (12% vs.

18%). For the region to have the same base population of those under 65 (approximately two million in 1997) a proportional size of the elderly population would number just over 300,000. This is over 150,000 people fewer than the current size of the elderly population. Allegheny County alone would have over 77,000 fewer elderly in this scenario. The regional economy would be noticeably different if this were the case. The net impact of such a large group of elderly in the population is substantial and should not be ignored in studying the regional economy.

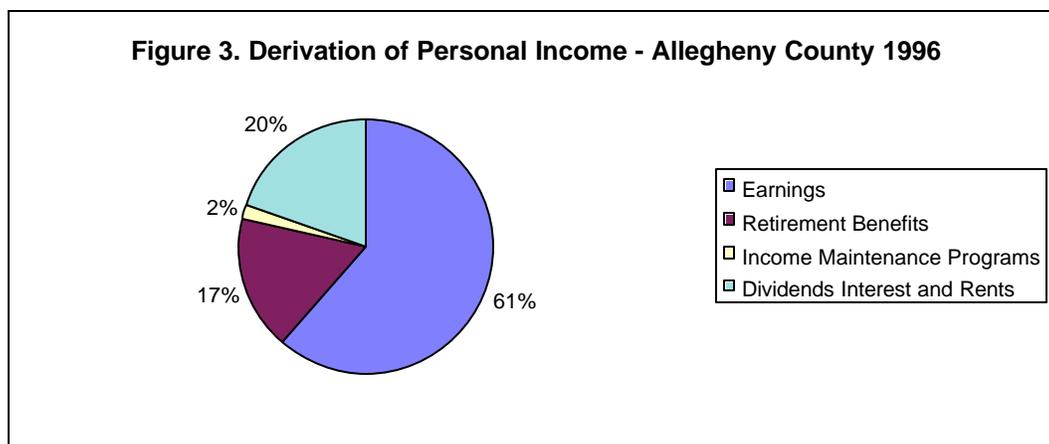
It is important to note that the elderly are not evenly distributed across the county. Different communities have very different concentrations of the elderly. Based on data from the 1990 Census, municipalities ranged from as low as 4.9% elderly (Pennsbury Village Borough) to as high as 28.1% (Braddock Hills Borough). Figure 2 highlights the distribution of elderly across the county. Although beyond the scope of this paper, the economic costs and benefits of a high concentration of elderly at the level of municipalities is a topic that has received little attention in regional policy analysis.

Figure 2. Percentage of Population Age 65 and Older, Allegheny County Municipalities, 1990



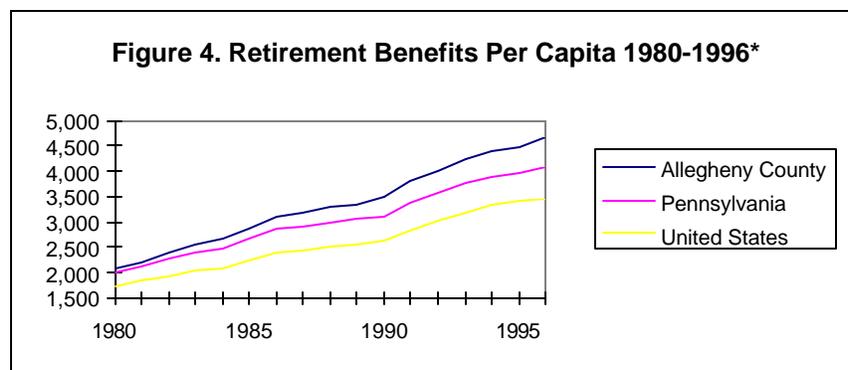
Elderly Income, Benefits, and Employment

The elderly receive income from many sources, including public and private retirement programs. Government retirement benefits (social security, military and federal civilian retirement programs) make up a sizable part of all personal income in Allegheny County, over 17% in 1996 (see Figure 3). As the size of the elderly population has increased so has the proportion of income in the region derived from retirement benefits. Figure 4 shows the growth in average per capita retirement benefits for Allegheny County over the last decade. The \$4,824 per capita retirement benefit is greater than a comparable number for Pennsylvania or the United States and is much higher than many comparable urban counties. Table 2 lists some metropolitan counties comparable to Allegheny County. The contrast in retirement benefits per capita is striking. The figure for Allegheny County is almost 50% higher than that for Franklin County, Ohio, which is the location of the city of Columbus.



Source: *Regional Economic Information System 1969-1996, Bureau of Economic Analysis*

However, these numbers do not represent the total impact of the elderly on the region. It is important to note that some of the earnings and an even greater share of the income from dividends and interest are also generated by the elderly. Nor does this begin to quantify the impact of medical and other benefits that accrue to the elderly, which will be discussed later in this paper.



* 1995 dollars

Source: *Regional Economic Information System 1969-1996, Bureau of Economic Analysis*

Table 2. Retirement Benefits Per Capita – 1996

Allegheny County, PA	\$4,824
Baltimore County, MD	\$3,892
Cuyahoga County, OH (Cleveland)	\$4,555
Hamilton County, OH (Cincinnati)	\$4,052
Milwaukee County, WI	\$3,905
Jackson County, KS (Kansas City)	\$3,301
San Diego County, CA	\$3,489
Sacramento County, CA	\$4,067
Franklin County, OH (Columbus)	\$3,469
King County, WA (Seattle)	\$3,378

Source: Regional Economic Information System 1969-1996, Bureau of Economic Analysis.

Taken together, the income sources of the elderly are substantial. Overall, the view that the majority of elderly are poor and destitute is a myth. The percentage of elderly in poverty is less than that of the population as a whole. Table 3 shows the breakdown in poverty rates for Allegheny County by age group. The bulk of the elderly, those between 65-74 years of age have a poverty rate below the overall average. Older persons aged 75 and over have a poverty rate just above the overall average but below the rates for all age groups 24 and under.

Table 3. Percent Living in Poverty by Age

Allegheny County – 1990

<u>Age Range</u>	<u>% in Poverty</u>
0-5	23.4
6-11	17.1
12-17	14.8
18-24	19.1
25-34	10.5
35-44	7.9
45-54	7.3
55-59	7.3
60-64	7.8
65-74	8.2
75+	13.1
Average	11.5

Most but not all of the elderly have left the workforce. Ten percent of the elderly still work on a regular basis. This has an impact on the regional labor market. It is possible that the elderly are displacing jobs that might go to younger workers. Alternatively, the presence of elderly in the workforce expands the total job pool and may keep labor costs constrained. Table 4 compares the elderly workforce of Allegheny County to Pennsylvania, the United States and a set of other urban counties. Only in Cuyahoga County (Cleveland) do the elderly make up a larger percentage of the workforce than in Allegheny County.

Table 4. Age 65 and Older Employment- 1990

	Total Employment	65+ Employment	65+ % Share of Total Employment
Allegheny County, PA	604,923	22,037	3.64
Pennsylvania	5,434,532	185,840	3.42
United States	115,681,202	3,595,418	3.11
Baltimore County, MD	366,276	11,956	3.26
Cuyahoga County, OH (Cleveland)	629,512	23,200	3.69
Hamilton County, OH (Cincinnati)	406,974	12,526	3.08
Milwaukee County, WI	446,630	11,920	2.67
San Diego County, CA	1,145,266	31,051	2.71
Sacramento County, CA	485,063	11,855	2.44
Franklin County, OH (Columbus)	496,524	11,365	2.29
King County, WA (Seattle)	818,326	20,107	2.46
Wayne County, MI (Detroit)	843,731	21,984	2.61

Source: 1990 Census

Elderly Spending: The Impact of a Simulated Population Reduction

Given the relatively large net income of the elderly, one might ask, how do they spend their money? Table 5 shows the breakdown in consumption patterns for a U.S. representative sample. The consumption pattern of the elderly is quite similar to the overall population with a few important differences. They spend fewer resources on mortgage payments or new car purchases, reflecting the fact that they are more likely to have paid off these assets. Their expenditure on medical insurance, medical supplies and drugs are all higher. This spending generates both income and employment in the regional economy.

In order to quantify the level of economic activity generated by the elderly a regional economic simulation model was used. This model, the 1997 Pittsburgh REMI Model, uses regional input-output analysis to determine the impact on spending and employment resulting from simulated changes in the demography of the region. The simulation used in this analysis compares the current regional economy to an alternate economy with a smaller elderly population. It is argued that the difference between these two scenarios will help us understand how the elderly contribute to the regional economy.

In the Pittsburgh metropolitan region there are approximately 457,000 individuals aged 65 or older or about 17.5% of the total population. The simulation estimates the impact of a 1/3 decrease in the elderly population, a reduction of 152,000 in the elderly population. This was chosen because it would result in a ratio of elderly to total population equivalent to that for the US or 12%.

Table 5. Percentage Breakdown of Consumption by Age Group – United States 1995

	<u>All Consumers</u>	<u>Over 65</u>
Food	14.0	15.2
Alcoholic beverages	0.9	0.8
Mortgage interest and charges	6.5	2.3
Property taxes	2.9	4.4
Maintenance, repairs, insurance, household expenses	2.2	4.1
Rented dwellings	5.5	4.2
Other lodging	1.2	1.5
Utilities, fuels, and public services	6.8	8.9
Household operations	1.6	2.1
Housekeeping supplies	1.3	1.9
Household furnishings and equipment	4.3	4.7
Apparel and services	5.3	3.9
Other apparel products and services	0.8	0.5
Vehicle purchases (net outlay)	8.2	5.2
Gasoline and motor oil	3.1	2.7
Other vehicle expenses	6.2	5.8
Public transportation	1.1	1.5
Health insurance	2.7	6.9
Medical services	1.6	2.2
Drugs	0.9	2.4
Medical supplies	0.2	0.4
Entertainment	5.0	4.2
Personal care products and services	1.2	1.5
Reading	0.5	0.7
Education	1.5	0.7
Tobacco products and smoking supplies	0.8	0.6
Miscellaneous	2.4	2.7
Cash contributions	2.9	4.9
Life and other personal insurance	1.2	1.1
Pensions and Social Security	8.0	2.5

Source: Bureau of Labor Statistics, Consumer Expenditure Survey, 1995

The first effect generated by the simulation is that the total population change exceeds the total loss of the elderly. Total population change is 203 thousand, yet only 152 thousand fewer elderly are assumed. The excess population reduction would be the result of job losses in areas that directly or indirectly support the elderly. The loss in jobs induces a set of younger workers to leave the region further decreasing population and the regional economy. The additional 51 thousand decrease in population is an illustration of the secondary, yet sizable, impacts that the elderly have on the region.

Table 6 illustrates the impact of these population changes on different sectors of the regional economy. It shows that the elderly are responsible for employment across a wide range of industries. The greatest

impact is in the retail and wholesale trade and service industries. Forty-two percent of the total loss of jobs comes from the service industries and another 30% in retail and wholesale trade. This is because people employed in these industries are generally serving customers in the local area.

Manufacturing industries actually show a small marginal increase in employment. This is mostly due to the increased labor supply that is available in the regional economy which no longer needs as large a service sector supporting the elderly. Also shown in this table is the ratio of jobs lost as a ratio to the total decrease in the elderly population. This provides an estimate of how many jobs each elderly individual is responsible for through his or her economic activity. One example is in medical services industries where this ratio is 0.11. This translates to one job loss in the region for approximately every 9 elderly individuals in the simulation. Finally, the table shows the loss in gross regional product for the region. This is a measure of the size in dollars of the regional economy. The total regional economy is approximately \$50 billion dollars annually. The simulation shows a decrease of \$3 billion or approximately 6%.

Table 6. Simulation Results: Employment Change Resulting from a 1/3 decrease (152,000 total) in the Elderly Population of Pittsburgh Region

Sector:	<u>Change in Employment</u>	<u>% of total</u>	<u>Jobs/Elderly</u>
Manufacturing	1,200	n/a	n/a
Mining	-65	0.1	0.00
Construction	-6,729	7.9	-0.04
Transportation/Public Utilities	-1,940	2.3	-0.01
Finance Insurance Real Estate	-4,767	5.6	-0.03
Retail	-24,230	28.4	-0.16
Wholesale	-2,270	2.7	-0.02
Services – total	-35,870	42.0	-0.24
Medical Services	-15,920	18.6	-0.11
Agriculture/Forestry/Fish	-435	0.5	0.00
Government	-9,151	10.7	-0.06
Total Jobs lost	-85,457		-0.57

Other Economic Impacts

Total Population Loss	-210,000
Gross Regional Product	-3 Billion \$

Our simulation shows impacts across a wide range of industries and a large percentage of regional jobs. This would not have been the case 20 or more years ago, when the regional economy was dominated by heavy manufacturing. In the past, a far smaller percentage of local jobs were tied to the elderly. These sectors produced goods that were exported to other regions both in the US and around the world and would have been unaffected by a smaller or larger elderly population. Our regional economy has mirrored changes in the national economy in that service sectors have expanded while manufacturing sectors have decreased. Service sector jobs are tied directly to the size and characteristics of the local population. For this reason, a significant economic impact of any large subgroup of the population is to be expected.

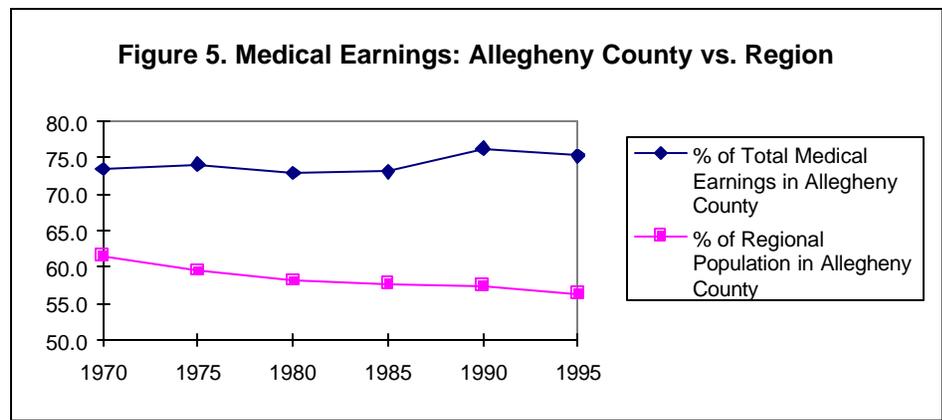
Impact of the Elderly on the Regional Health Care Industry: Simulation of a Reduction in Medicare Payments

The previous section illustrated the impact of the elderly across a number of industries. One of the most significant impacts was on the health care industry. Medicare payments of more than 1.6 billion dollars came into Allegheny County in 1996. Table 7 shows that Allegheny County receives far more per capita in Medicare payments than a number of similar counties in the US.

Allegheny County, PA	\$1,167
Baltimore County, MD	\$831
Cuyahoga County, OH (Cleveland)	\$995
Hamilton County, OH (Cincinnati)	\$797
Milwaukee County, WI	\$770
Jackson County, KS (Kansas City)	\$548
San Diego County, CA	\$669
Sacramento County, CA	\$700
Franklin County, OH (Columbus)	\$564
King County, WA (Seattle)	\$543

Source: *Regional Economic Information System 1969-1996, Bureau of Economic Analysis*

More medical dollars are coming into Allegheny County than the other counties in the region because of a growing concentration of medical services here. Figure 5 shows percentage of medical earnings in the region that come into Allegheny County compared to the entire Pittsburgh region over the last 30 years. Although the percent of the regional population located in Allegheny County has continuously decreased over this time period, the proportion of medical earnings has been steady and has even increased slightly. In 1996 Allegheny County accounted for only 54% of the Pittsburgh regional population but over 74% of all medical earnings in the region were in the county.



Because of a highly developed health care industry and the demographic structure of Allegheny County, the impact of federal medical programs for the elderly is larger than for other counties. This is important point because it means that the County is vulnerable to proposed changes in Medicare and Medicaid discussed in recent years. The aim of almost all proposed changes is to reduce the total costs

of these programs. This potentially translates directly into fewer medical transfer payments coming into the region.

UCSUR has studied the economic impact of decreased medical transfer payments in the region using a REMI simulation (Rushen, 1996). This simulation assumed that the total level of spending of Federal medical programs decreases by 10%, an estimated \$235 million for 1997. This is unlike the previous impact analysis because this simulation does not presume any decrease in the size of the elderly population. The lower total medical spending is assumed to derive from lower spending per person.

Table 8 summarizes the result of this simulation. Even this moderate change in Medicare payments would result in the loss of significant jobs in Allegheny County, between 9 and 12 thousand jobs. Half of these lost jobs are in the medical service industries. The indirect impact will also cause job losses across other non-manufacturing sectors of the economy. To put this in perspective this is almost 15 times the number of jobs lost because of the recent closing of the LTV Steel plant in 1998. Most of this job loss would happen immediately. As the regional economy adjusts, some of the total job loss is absorbed over the decade immediately following the decrease in transfer payments. All of lost jobs cannot be absorbed by the local economy and will result in a complementary loss in population exceeding 15 thousand by 2010. Although not discussed here, the results also show that a comparable loss of jobs, output and population would take place in the outlying five counties of the region.

Table 8. Estimated Impact of a 10% decline in Medical Transfer Payments on Allegheny County

	1997	2000	2005	2010	2015	2020
Total Employment	-11,343	-9,809	-9,343	-10,097	-11,011	-11,785
Manufacturing	-83	75	117	67	16	-22
Non-Manufacturing	-11,150	-9,502	-8,873	-9,476	-10,283	-10,995
Medical Services	-5,109	-4,999	-5,067	-5,302	-5,555	-5,743
Gross Regional Product	-0.442	-0.392	-0.39	-0.437	-0.491	-0.54
Total Output	-0.776	-0.657	-0.632	-0.706	-0.798	-0.884
Population	-2,504	-8,645	-12,879	-15,185	-16,601	-17,461

Source: Rushen, 1996: 1996 Pittsburgh REMI Model.

Gross Regional Product and Total Output are in billions of 1992 dollars.

Summary and Future Directions

Clearly, the elderly have a sizeable economic impact on the county. Through retirement benefits, interest and dividends, earned income and transfer payments they account for sizable portion of resources that flow into the region and thereby support a significant proportion of the existing labor force. Moreover, our assessment of their economic impact is likely to be an underestimate of their impact on the region because we have not included a number of additional funds that flow in the region because of their presence here. This includes state grant aide and multiple federal programs. These funds support programs as diverse as Meals on Wheels to elderly community centers. The total amounts can be significant with each dollar spent by Allegheny County's Department of Aging matched almost 8 to 1 by state and federal grants as shown in Table 9. These expenditures provide additional economic stimulus programs throughout the region. This does not include additional funds that come to the region

in support of medical and academic research on the elderly. One estimate of research funding for the elderly in Pittsburgh exceeds \$30 million annually. All of these funds add to the net inflow of money into the region.

Table 9. Funding of County Aging Department

County Funds	\$396,797
State Funds	\$30,091,659
<u>Federal Funds</u>	<u>\$2,112,727</u>
Total	\$32,601,183

Source: County of Allegheny, Pennsylvania 1998 Operating Budget

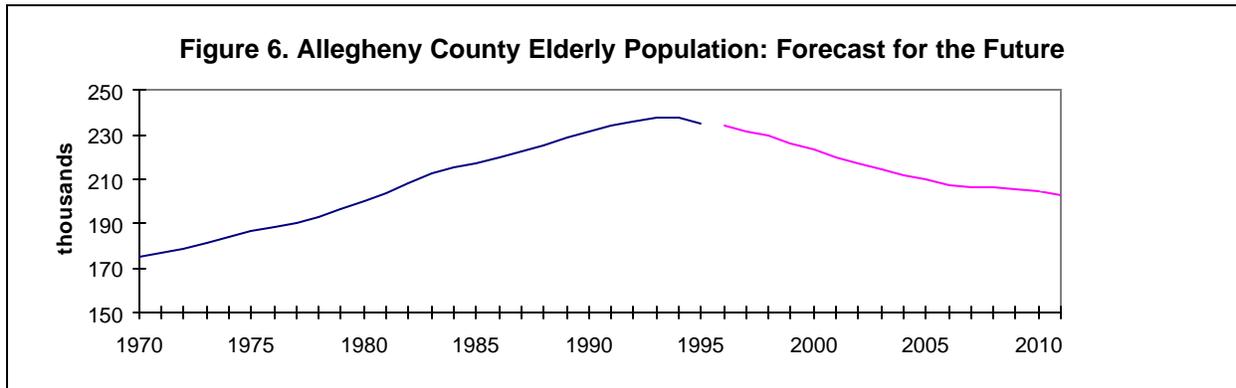
Finally, the elderly impact several sectors of the regional economy that are difficult to measure. Volunteer activity of the elderly has a real and positive impact on the region. In addition, many of the elderly may have left the work force but remain an integral part of home production activities. This could include many activities such as providing some form of childcare for grandchildren or care for other relatives.

Demographic forecasts predict that the elderly population of Allegheny will decrease in both percentage and absolute number over the next decade. This is because the large elderly population here is not matched by an equally large pre-elderly population in the region. Over the next 15 years the number of people turning 65 will not match the natural decrease in the current elderly population. Figure 6 shows an estimated forecast of the elderly population over the next 15 years. This forecast predicts that the size of the elderly population will decrease almost 15% between 1995 and 2012. Elderly spending and medical transfer payments can be expected to decrease a similar amount, unless the local health care industry is able to further increase its share of the regional market.

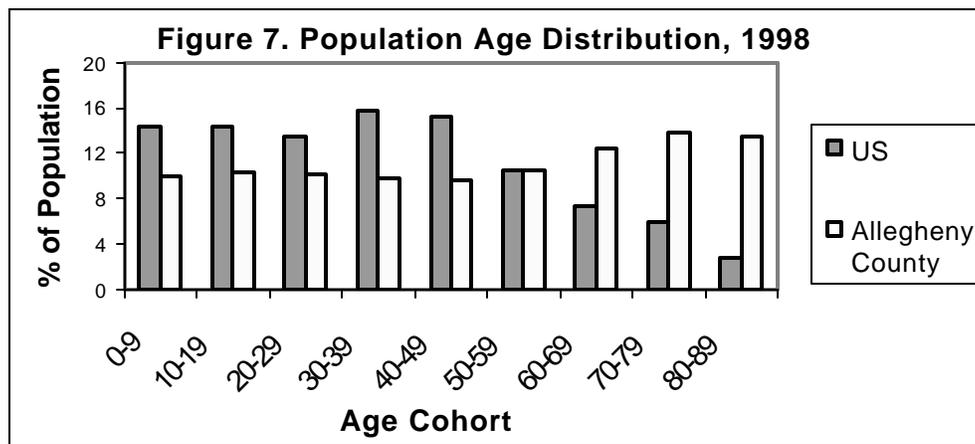
The Pittsburgh region is unlike the nation when it comes to the age composition of the population. Figure 7 highlights the differences between the local and national age distribution of the population. The elderly in Allegheny County compose a far larger percentage of the population than in the US but the percentage composed of younger age groups is less than national levels. At the national level the large baby boom generation has not yet reached retirement age. As it does, the size of the national elderly population will grow in both magnitude and percentage of the population over the next several decades. Here the baby boom generation is actually smaller than the elderly group it will replace in the future.

The elderly have a large impact on a wide range of industries in the region. Planning for the future will have to take into account the demographic projections for the elderly for both the near and long term. Unlike other aspects of economic development and planning, there are few policy actions that can affect the size of the future elderly population. Given low net migration trends among these groups, the future size of the elderly population depends on fundamental factors such as mortality rates, something that cannot be changed significantly by local public policy. Regional planning needs to take into account these anticipated structural changes. Our simulations were intentionally designed to capture two potential future scenarios, a reduction in the population of elderly and a decrease in medical reimbursement rates. They convincingly illustrate the economic impact of the elderly, but also point to a

future of further regional economic decline unless we are able to develop and implement policies that anticipate these changes.



Source: 1997 Pittsburgh REMI Model



Source: US Bureau of the Census, Pittsburgh REMI Model

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Appendix A. Facts about the Elderly Population of Allegheny County

Estimated Elderly Population – 1997	231,928
Percentage of Total Population	18%
Percentage Female	61.7
Total Interest, Dividend or Rental Income –1990	819 Million
Total Earnings - 1990	604 Million
Total Social Security Income – 1990	1.27 Billion
Percent of Population in Poverty aged 17 and under – 1989	17.1
Percent of Population in Poverty aged 18-64 – 1989	10.0
Percent of Population in Poverty aged 65-74 – 1989	12.3
Percent of Population in Poverty aged 75 and over - 1989	17.4
Percent of Elderly in Labor Force	10.0
Percent of Elderly Living in Owner Occupied Housing	72.6
Percent of Elderly Receiving Social Security	87.8
Percent of Elderly Receiving Public Assistance Income	5.0
Percent of Elderly with Mobility or Self-Care Limitation	21.6

CHAPTER 7. POLICIES TO IMPROVE AFRICAN AMERICAN ECONOMIC CONDITIONS IN PITTSBURGH AND ALLEGHENY COUNTY

Leon L. Haley, Ph.D.
Graduate School of Public and International Affairs
University of Pittsburgh

Ralph L. Bangs, Ph.D.
University Center for Social and Urban Research
University of Pittsburgh

Introduction

African American economic conditions in the City of Pittsburgh and Allegheny County have been among the worst in the US in the 1990s in two general ways:

1. African American economic conditions here are worse than African American economic conditions in nearly all other large cities and counties in the nation
2. While racial disparities in economic conditions exist in nearly every American urban area, disparities between African American and white conditions are greater here than the disparities in nearly all other large US cities and counties (Bangs and Hong, 1994-1996; and Bangs and Weldon, 1998).

The severity of these problems is illustrated in the six measures of unemployment and poverty shown in Appendix 1. On all of the measures, local African American rates are several times local white rates, local African American rates rank no better than eighth worst out of 50 cities and counties, and the disparities between local African American and white rates rank no better than seventh worst out of 50 cities and counties.

While little economic data by race exist for the local area since the 1990 census, it should be noted that African Americans in the Pittsburgh Metropolitan Statistical Area in 1996 had the highest unemployment rate among large metro areas of the US. Further, the slow job growth in the city, county, and region during most of the 1990s suggests that little improvement in African American conditions could have occurred since the 1990 census. In general, most African Americans are likely to continue to be largely left out of the local economy.

The unusually severe economic problems among African Americans in this city and county means that local institutions will need to make more effort alleviating these problems than they would normally expect to be necessary or than would be necessary in most other urban areas. In effect, local institutions are likely to under respond to local problems and these problems are likely to persist.

The amelioration of poverty and other forms of economic disadvantage within the African American community will require significant short and long-range actions across a number of policy areas by government in cooperation with individuals and nongovernmental sectors. And while considerable

involvement on the part of state and federal government will be needed, there are complementary local and regional actions that may also be undertaken. Consequently, the policy actions recommended in this paper are mostly for regional and local organizations.

Policy options were identified through a review of national literature on how to improve conditions for African Americans and other low-income populations. Policy options are recommended for adoption if they address factors that are believed to contribute to poor African American conditions in the city and county and if formal studies have shown that the policy options can lead to a substantial improvement in conditions in urban areas of the US. We also recommend the testing of several policy options, at least on an experimental basis, where the options appear promising but definitive evidence from formal studies is not yet available.

Rationale for Public Policy

Throughout the American political experience - in spite of individual and group self-help efforts to respond to certain economic circumstances which they faced - there is a tradition in which government - at all levels - has intervened with policies and programs designed to alleviate economic crises - whether in the form of direct assistance or by making provisions for assistance through other means. These actions have been based upon an understanding that, in some circumstances, there are certain economic or social conditions that are clearly beyond individual and/or private enterprise means to change. Early evidence of this tradition was federal assistance to the railroads and agriculture. In the specific case of the poor and the most vulnerable segments of society, the policy intervention role of government in American history is equally demonstrable - even though the extent of what that assistance should be has been, at times, controversial and highly debated.

In the context of the current economic conditions among certain segments of the African Americans population in this city and county, the rationale for government assistance can be argued on several grounds. These include: 1) the benefits to be derived by community investment in helping to improve the economic status of all members of the community; 2) acknowledgment of the human value loss associated with a wasted life, and 3) the inherent failure of a market-oriented economy to guarantee adequate support for all participants (Blank, 1997).

A critical assumption, then, for this analysis of policies to improve African American conditions, is the acknowledgment that public action must be considered as necessary, though not sufficient, for alleviating the economic problems of African Americans. Without such action, it is evident that the conditions will continue to persist, becoming increasingly a permanent characteristic of the regional social and economic landscape.

Policy Recommendations

The goal should be to help reduce poverty and unemployment rates and advance the economic conditions of African Americans to levels comparable to that of other groups in the city and county. Our recommendations for local policy actions are:

1) Minority Business Development. Lack of minority businesses is an important cause of the problem in Pittsburgh and Allegheny County. Only six percent of all small firms were owned by African Americans in the city in 1992 and 2.9 percent in the county even though about 26 percent of the city's population and 11 percent of the county's population was African American. Minority business development is also important because most future job growth is likely to occur through the creation and expansion of small and medium-size businesses.

While there are many federally-funded and locally-funded programs currently in place to assist with small business development in the form of loans and grants, these programs should be reviewed and expanded. Specifically, we recommend that:

- The mayor of Pittsburgh, commissioners of Allegheny County, and governor of the state should greatly expand their minority business programs. Minority and women-owned businesses (MWBs) currently receive small percentages of local and state purchasing contracts. For example, in Pennsylvania in 1997 MWBs received only \$78 million out of billions of dollars in prime contracts (Bureau of Contract Administration and Business Development, 1998).

MWB programs can make a big difference in minority business activity and employment. In the state of Texas efforts by the governor and state legislature resulted in an increase in MWB contracts and subcontracts from 2 percent of total dollars spent in 1991 to 15.9 percent in 1995. MWB contracts went from about \$100 million in 1991 to nearly \$900 million in 1995 (Breyer, 1995).

- Minority small businesses should aggressively pursue federal contracts under the new Small Business Administration HUBzone program. This program sets aside federal spending and gives price advantages to small firms located in distressed areas. Minority businesses and the organizations designed to assist them should see the website <http://www.sba.gov/hubzone/> for a description of the program and a list of the geographic areas that are eligible.
- The City of Pittsburgh and Allegheny County should enact resident employment requirements for publicly funded construction projects. This could greatly increase job opportunities, particularly in the city where only 16 percent of the construction jobs funded by the City or its authorities in 1997 went to city residents (City Controller's report, 1998).

2) Expanded Anti-Discrimination Efforts. Strong evidence exists that housing and employment discrimination against African Americans continues to be a serious problem in US urban areas. Specifically, national audits of the behavior of real estate and rental property agents show that about 50 percent of the time minorities are discriminated against in home purchasing and apartment renting situations, and national audits of hiring decisions show discrimination by race about 20 percent of the time (Goering and Wink, 1996; Fix and Struyk, 1993).

Locally, on-going audits by the Fair Housing Partnership of Pittsburgh show continuing discrimination based on race by real estate and rental agents. Also, one would expect the low representation of African Americans in many industries in the local area, such as manufacturing, construction, mining, and entertainment/recreation services (Bangs and Hong, 1995, Table 2), would be due in part to

employment discrimination.

In addition, there is strong evidence that racial discrimination in mortgage lending is occurring. Munnell et al. (1996) found a discrimination rate of 8.2 percent in Boston. Further, anecdotal information exists that discrimination continues in lending to minority-owned small businesses (see Recommendation #1 above for more discussion of minority small business development).

While employment and small business lending discrimination have obvious economic consequences, the economic effects of housing discrimination may be less apparent. One immediate effect of racial discrimination in housing is that African Americans are still largely concentrated in central cities and lack access to many of the new service and retail jobs in suburban areas. Not only are African Americans spatially isolated from jobs, but living within poor and racially homogenous neighborhoods and communities limits their ability to develop the network of ties to others with information about jobs - a mechanism which has worked especially well for other ethnic groups throughout American history (Patterson, 1998).

Recent evidence suggests that housing discrimination can be reduced, progress can be achieved in desegregating suburban white neighborhoods, and living in the suburbs has clear economic benefits for poor African Americans (Rosenbaum, 1995). Further, a study of random assignment of low-income African Americans in the Gautreaux program in Chicago showed that moving to middle-income white suburbs as opposed to remaining in black urban areas resulted in greater adult employment and child education and much less social isolation (Rosenbaum, 1995).

Reducing discrimination in Pittsburgh will require better information as well as much greater use of enforcement and public education. First, audits on representative samples of cases and statistical studies are needed to determine the levels of housing, mortgage, employment, and small business lending discrimination in the local area. This will tell the community actual local levels of discrimination and can be used with follow-up studies to judge change over time. The local studies to date have not had large enough samples to determine systemic levels of discrimination. Second, any findings from a study of systemic discrimination should be used as part of campaigns to step up public education and enforcement. Moreover, the increased use of and threat to use audits for enforcement can bolster a public education campaign.

Similarly, fair-housing initiatives which seek to promote voluntary residential integration must be given additional resources to mount stronger educational programs. This includes programs targeted to the sometimes African American resistance to moving into integrated neighborhoods.

To further remove racial barriers to employment, we recommend that as many as possible private establishments with 25 or more employees and with at least one job opening be audited at some time over the next five years. There are about 5,000 private establishments in Allegheny County with 25 or more employees.

Findings of discrimination should be addressed by legal remedies. Further, those enterprises found to have a low African American employment ratio should be asked by local leaders to develop a plan for addressing the problem and should be monitored for regular progress.

3) Educational Investments. Over the long term, educational achievement can do more to maximize economic opportunity for African Americans than other interventions since job opportunities and income are closely tied to educational attainment. Improving the quality of education for low-income children in Pittsburgh and Allegheny County is even more critical than usual because the city and county have exceptionally high poverty rates among African American children and poverty is known to be one of the most important determinants of school achievement. Overcoming the poverty and other disadvantages of many African American youth here will necessitate increasing our investment in public schools, engaging in alternative educational programs such as Charter Schools, and incorporating model programs in local school districts which have proven effective in certain educational arenas.

In regards to the latter, there are a number of evaluation-validated programs that have demonstrated effectiveness in improving academic performance. One such program is the **Early Literacy Learning Initiative (ELLI)**, a collaboration effort between individual schools and/or school districts and the Ohio State University with the goal of raising the level of literacy achievement of kindergarten, first, and second grade students. In schools where the ELLI program had been fully implemented for four or more years, 80 percent of the schools demonstrated a consistent pattern of improved standardized test results (Ohio State University, 1998).

A second effective program is **Success For All (SFA)**, an experimentally designed program for teaching reading to low-income, low-skill youth. Research findings show consistently higher reading scores over a six year period for participants compared to their counterparts (Slavin et al., 1996). Currently, neither program is operating in the area's largest school districts.

Monetary investments will enable reductions in class size, provide resources for teacher performance incentives, assist with the purchase of state-of-the-art computers, make available additional academic, remedial, and personal counseling, and provide innovative and experimental programs for the most academically and behaviorally challenged students. Monetary incentives cannot substitute for the normative expectation of producing well-educated youth. However, where these expectations are not realized, communities and parents ought to be empowered to take legal action to bring about better educational outcomes. In such instances, there is a role that monetary incentives can play. School districts, for example, which demonstrate annual performance increases on standardized tests of reading and math in schools which are heavily minority populated, should be given monetary incentives through a state allocated formula. At the local school district level, school taxing bodies should initiate a policy which ties tax increases to school performance outcomes on standardized achievement tests.

4) Earned Income and Dependent Care Tax Credits. Since 1975 the federal tax system has had a separate program, known as the Earned Income Tax Credit (EITC), which provides a supplemental income for low-wage earners in the form of reduced or eliminated tax liability or a lump sum payment when those eligible file their returns. In 1993, new provisions in the EITC program were proposed by the Clinton administration and enacted by Congress, and resulted in an additional \$21 billion to the working poor and near-poor. Under those provisions, the minimum wage, supplemented by the EITC, is now equal to \$5.95 for those families. In terms of its impact on poor and near-poor, the EITC is

considered by one noted welfare economist as the most important antipoverty policy implemented during this decade and by another as the more efficient way of addressing long-term changes in the labor market through its capacity to provide income protection to working poor families and increasing economic self-sufficiency (Blank, 1997; Danziger and Gottschalk, 1993).

While the EITC is designed for the working poor and will have no effect upon those not working (except perhaps to act as an incentive), the program should be fully utilized by low-income, working African Americans. The problem is that only 80-86 percent of eligible workers participate in the program (Scholz, 1994). We recommend, therefore, that increased efforts be made on the part of the public, private, and nonprofit sectors to educate the working poor about the EITC and how it can improve family income in the short run, and in the long run, facilitate movement to greater self-sufficiency.

The suggested increase in EITC participation could add 5,600 African Americans living in 3,400 households to the number enrolled in EITC in Allegheny County. This estimate is based on the finding by Bangs, Kerchis, and Weldon (1997) that there were 28,000 African American working poor and about 17,000 African American households with working poor adults in the county in 1989 (20 percent of 28,000 and 20 percent of 17,000). Each household would be expected to receive about \$850 in EITC and related state tax refunds (see Chapter 3 in this report by Engel et al, Figure 1).

Further, following Danziger and Gottschalk (1995) proposals, we recommend that local officials and others begin a lobbying campaign to change the existing Dependent Care Tax Credit from a nonrefundable to a refundable program with direct cash payments to minimum wage workers. This change alone could add \$1,200 to the annual income of a working poor family with child care costs (Danziger and Gottschalk, 1995). Up to 3,000 African American households could benefit from this change since there are about 11,000 African American working poor households with children under age 18 in the county, about one-third of these have children age 0-4, and few of the households will have one parent working and have a nonworking parent present.

5) Living Wage Policy for Subsidized Jobs. A major factor in the economic condition of the working-poor is the poor quality of jobs available to low-skill workers. Living wage policy is one way for government to increase the number of jobs that support a minimal standard of living for low-skill workers.

While living wages differ by family size, one option would be to set the living wage for the smallest household size, one person, which also happens to have the largest number of residents among all household types in the county. A second option would be to set the living wage for a family of four since more working poor adults and their children live in married couple families than in any other family type and four persons is the average size of a working poor married couple family (Bangs, Kerchis, and Weldon, 1997). The living wage in Allegheny County for a single person living alone and working full-time would be about \$8.50 per hour in 1999. The living wage in the county for a married couple with two children under age six and with both adults working full-time would be about \$9 per hour in 1999 (Bangs, Kerchis, and Weldon, 1997).

Four basic options exist for local living wage policy: A) all jobs in a geographic area pay a living wage; B) all government jobs pay a living wage; C) all government contractors pay a living wage; and D) all private sector jobs subsidized by public funds pay a living wage. We cannot recommend Option A at this time because an analysis of likely benefits and costs should be conducted and this is beyond the scope of the paper.

Options B, C, and D can be recommended at this time. In our opinion, government should not be in the business of directly or indirectly creating poverty-level jobs. Only jobs paying above the local living wage should be supported by the City, County, local authorities, school districts, other local governments, and state and federal agencies operating in the county. However, jobs paying less than the living wage during a short training period (such as six months) could be subsidized if after training a living wage is paid.

6) Expansion of the Nonprofit Sector. Many nonprofit organizations perform vital services which enhance the quality of life in the city and county. Their focus (or services) are often in areas which the public sector has chosen to delegate to them or which serve to complement those services provided by government. Yet, there are many more services requiring limited special skills that could be provided through the nonprofit sector if resources for service expansion were available. This includes family support programs, child care, environmental improvement and rebuilding (parks, playgrounds, nature trails), recreation, and neighborhood revitalization.

A Regional Fund, with a sustained life of at least five years, and with public, foundation and corporate financial support, should be created to provide significantly enhanced resources to enable nonprofit agencies and organizations to hire low-skilled African Americans to carry out these public-enhancing services. Further, this Fund should be capitalized at a level to make an appreciable dent in the unemployment rate among African Americans. A similar Fund was created in the early 1990's in Allegheny County to provide summer employment for low-income youth, with some notable success. The United Way, given its on-going involvement with over 100 nonprofit agencies, would be a primary candidate to serve as the Fund administrator.

In the main, job-creating programs such as that being proposed are not new; indeed several were in place in the 1960's and 70's under various federal titles, and only with limited long term success. For this reason, we caution that a non-profit sector jobs program should not be regarded as an alternative to job expansion in the private sector, but should be seen as a complementary effort to produce a net increase in the overall employed labor force (even if only in the short run), while at the same time, improving the quality of life in many communities needing services.

7) Growth Sector Specific Site Based Employment Training. New job growth projections for the Pittsburgh region by the Bureau of Research and Statistics, PA Department of Labor and Industry, can be used to identify the industries with the largest forecasted gains from 1994 to 2005. Some of these are: personnel supply services, 6,250; residential care, 5,050; nursing and personal care facilities, 4,850; home health care, 4,600; child day care, 3,900; individual and family services, 3,600; and

computer services, 3,300 (www.lmi.state.pa.us/palmids).

To ensure availability and access to these growth sectors, local efforts should be made to selectively recruit and provide site-based training to African Americans. While the initial employee investment costs may be higher, site-based training nevertheless provides greater flexibility in tailoring the training to the individual needs of the employee and well as to the specific needs of the employer. In instances where employers are the recipients of public funds, site-based training of the under-served and those who are skill-deficient should be a public policy requirement. The Allegheny Policy Council and other regionally-based job-training advocacy groups should take the leadership in assembling and disseminating model programs of how site-based training has been implemented successfully in other parts of the country.

8) Family Support Programs. Behavior problems which are the source of some of the social and interpersonal dysfunction among African American youth are often rooted in family problems, ranging from child neglect in the early developmental stages to early adolescent involvement in delinquency behavior, alcohol and drug abuse, and sexual activity. Such behaviors must be reduced if school and community environments are to be made healthier and future employment opportunities made available. With regard to the latter, for example, there is a growing body of literature which links unemployment to criminal embeddedness, suggesting that once in contact with the criminal justice system, lowered employment prospects result, creating a pattern difficult to reverse (Donziger, 1995; Hagan, 1993).

Family support programs, operating through neighborhood-based centers, are a relatively new approach to addressing the problems of families. In Allegheny County, for example, family support programs operate in 22 communities, but many predominantly African American low-income neighborhoods are not currently served by these service-consolidated and accessible programs. Family support programs could be an important component of a community-wide strategy for improving family conditions when coupled with neighborhood economic development and revitalization initiatives (OCD, 1998). We recommend that through a combination of public, private, and nonprofit sector policy collaboration, research support be made available to study the effectiveness of Family Support Centers in the city and county, and if and when outcomes effectiveness is substantiated, that new investments be made to ensure such centers are established in **every** low-income African American neighborhood. Such centers could fill the service gap in certain neighborhood need areas such as after-school programs, both academic and recreational, career exploration, drug awareness counseling, delinquency prevention, and assistance to families during every phase of the child-rearing cycle, with particular emphasis on single parent households where support needs are most crucial.

While comprehensiveness in family support services is desirable, we wish especially to note that to the extent family support centers can devote more resources to delinquency prevention in order to help youth avoid engaging in behaviors which are likely to result in their having a criminal record, a very important need would be served based upon the Hagan analysis cited above.

Summary and Conclusions

In the initial discussion which portrayed the characteristics of the economic conditions of the region's

African Americans, the urgency of developing policy responses to advance the economic well-being of the most marginalized segment of this population and which is increasingly being left behind, as evidenced by regional trends over the past decade, is apparent. Notwithstanding the moral imperative to act upon these conditions, it is economically in the best interest of the region's long term competitiveness to help raise the economic status of all its citizens. Left behind in the economic race, poor African Americans or those whose marginal economic status seem permanent and leaves little room for hope will only continue to be a disaffected group, contributing little to the area's overall economic growth.

In spite of the need for radical policy responses, we have, in the main, proposed policy recommendations in areas where certain validated strategies are already in place, but which will require some modification, change, or expansion to meet current needs in our city and county. We believe this is the major contribution of this analysis. Even still, there are many who will regard our recommendations as beyond local fiscal capacity, too costly to implement, or lacking in political support. These issues are debatable, but given the severity of the problems of African Americans in the region, addressing the substantive needs of the poor, unemployed, and low-income African Americans, as is true with any other major policy initiatives, will require us to make choices, even when the benefits and outcomes expected may not be either discernible or realizable in the near future. On the other hand, not acting in the present may make it even more costly to do so in the future.

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APPENDIX 1. SELECTED ECONOMIC CONDITIONS IN PITTSBURGH AND ALLEGHENY COUNTY, 1990

	City of Pittsburgh				Allegheny County			
	Afr. Am. Cond.	White	Disparity	Afr. Am. Cond.	White	Disparity		
	Percent	Rank	Percent	Percent	Rank	Percent	Rank	
Male Youth (age 16-19) Unemployment Rate	49.2	4	17.0	6	43.7	4	14.6	5
Female Youth Unemployment Rate	39.7	7	10.6	3	38.5	3	10.2	4
Working Age (25-54) Male Unemployment Rate	19.9	4	6.9	3	17.2	6	5.2	7
Working Age Female Unemployment Rate	14.3	8	4.4	6	11.9	8	3.7	7
Children (<age 18) In Poverty	56.7	3	16.9	4	50.0	4	10.7	4
Working Age (18-64) In Poverty	35.2	2	14.5	4	30.4	3	7.6	4

Source: Bangs and Hong (1996), Pittsburgh Benchmarks.

Notes: A rank of 1 means the worst (highest) rate among the 50 largest cities or 50 largest counties in the US.

Rankings are shown for African American conditions comparisons and racial disparities comparisons.

CHAPTER 8. TRANSFORMING THE GOVERNANCE OF WESTERN PENNSYLVANIA FROM TOWN TO REGION

David Y. Miller, Ph.D., Associate Dean
Graduate School of Public and International Affairs
University of Pittsburgh

Introduction

A 17th century governance innovation in America was the formation of the town¹. As a practical response to the decentralized western colonization of North America, towns formed the organizational structure around which the American Revolution was fought and under which the American system of government has developed. Over the last 300 years, the town has gone from a vague concept to an institutionalized and constantly reinforced primary means of decision-making at the local level. Fundamental to this “Town Form of Government” is the partitioning of a geographic area into a series of almost autonomous units of government; each empowered to define its own role in the broader community of which it is a part.

A still embryonic 20th century governance innovation is the region. In a similar fashion to the town, the region is emerging as a practical response to the technological and demographic changes that have occurred over the past 300 years. Unlike the town, the region does not yet have the institutionalized decision-making authority or structure that allows it to be seen or used as a place where decisions are made. Fundamental to the “Region Form of Governance” is the need for communities to maintain economic competitiveness in the face of the globalization of the market.

What follows is an assessment of the path western Pennsylvania is taking down this road toward a restructuring of its governance system. I would be remiss if I did not indicate that the retention of the “Town Form of Government” does have its proponents. One school argues that public services in a metropolitan area are less costly and more consumer oriented when there are numerous small governments (Schneider, 1991; Bish and Warren, 1972; Tiebout, 1956; Tiebout, Bish, and Warren, 1961). A second, more recent school, holds that decentralized, multi-nucleated regions are more effective economic engines than the traditional center city focused region (Garreau, 1992). Rather than critique these competing theories, it is my purpose to demonstrate that the current system of governance in western Pennsylvania has significant weaknesses and needs to be reformed along the lines of the ‘Region Form of Governance’.

Pennsylvania has embraced the “Town Form of Government” to a significantly greater degree than most other states. Under existing state laws, local governments are produced in quantity. There are: 2,571 municipalities (31% under 1,000 population, 61% under 2,500, 80% under 5,000 population); 1,615 planning commissions; 1,211 police departments; 2,603 fire departments; 501 school districts; and 2,217 municipal authorities.

¹ Throughout this paper the term “town” is used interchangeably with city and borough.

Once created, those governments are not easily “uncreated”. Since 1920, 87 new municipalities have been created while 50 have gone out of business even though 158 have lost 40% or more of their 1950 population and 100 have less than 200 people. The major factor making dissolution so difficult is the veto power through referendum that voters in a municipality have over the decision. Further, even if a municipality decides it wants to go out of business, it needs to find a willing partner -- again requiring voter approval of that host municipality.

In many parts of the United States, the limits of the “Town Form of Government” are becoming obvious while the “Region Form of Governance” appears as an attractive alternative. Although, not intended to be comprehensive, the following issues identify potential explanations for the weakness of the “Town Form of Government”.

First, the traditional value placed on the town is often in direct and inherent contradiction to the pragmatic need for regional responses to many current policy issues. The geographic and political boundaries of the town, particularly in an urban region, are often inappropriate or insufficient to address the particular issue at hand. A classic example of this point exists within Allegheny County. To the east and southeast of Pittsburgh, along the banks of the Monongahela River, are 39 municipalities that make up, for lack of a better word, “Mon City”. This “city” with a 1990 population of 268,884 has witnessed economic disruption perhaps reminiscent of the 1930’s -- at least as systematic a disruption in the economy as exists anywhere in urban America. Between 1980 and 1990, 38 of the 39 communities lost population; 25 of them by more than 10%. Overall, the total population loss was 11.4% -- comparable to the 12.8% loss for the City of Pittsburgh during the same period. “Mon City” is an urban area - percent of families below poverty is almost as high as the city of Pittsburgh, per capita income is actually lower than the city. This economic disruption was not isolated to any one of the 39 municipalities. But the organizational structure that had to deal with the economic disruption included -- 34 mayors, 272 council members, 12 municipal managers, 38 police departments, 12 school districts, 18 sewage systems, and 36 zoning ordinances. This archaic and unwieldy administrative structure has impeded the ability of that area to respond effectively.

Second, the increased mobility of residents and the development of new decision-making arrangements increasingly make geographically bound towns less relevant to the constituents of the region. Perhaps the much-discussed loss of a sense of community is merely a transformation from community primarily defined by territory to community where territory is only one of several definitional criteria.

Third, at the same time that our society is heading toward diversity, our towns are seeking homogeneity. David Rusk, author of *Cities without Suburbs*, comments that the goal of the town is to *attract* and *retain* citizens who look “just like the ones that are currently there” (Rusk, 1993). Indeed, implied within the “town form of government” is the pursuit of homogeneity. And, with 130 municipalities in Allegheny County alone, the opportunity to segregate by race and class is significant. In contrast, the region may be a more appropriate institution to successfully balance our multi-cultural future with our homogeneous instincts (Weiher, 91).

Finally, even though the limits of the town seem obvious, in an urban setting, American legal and formal institutional arrangements for decision-making often only exist at the town level. However, the sum of these independent and often contradictory local decisions poorly substitutes for a regional decision. With this kind of additive decision-making, towns may more likely thwart the pursuit of regional goals than be the engines by which those goals are achieved.

While the above constitutes the weaknesses of the “Town Form of Government”, the asserted advantages of the “Region Form of Governance” fall into four broad areas. The first concerns issues of fairness and equity. Regional approaches to housing, land use, educational and tax policies are argued to better serve all citizens fairly and equitably (Rusk 1993; Peirce, 1993; Downs, 1994; Orfield, 1997). The concentration of urban problems and the shrinking tax base of the center city and county create disparities with surrounding areas.

A second area involves issues of cost effectiveness of service delivery. Systems for the delivery and funding of government services have evolved based on town boundaries. Yet as the nature, demand for and cost of government services has changed, towns may not be the best unit of delivery for every government service. A regional approach, which makes cost effective service delivery to citizens its primary goal, could lead to rethinking the best systems for delivering those services resulting in some services likely being delivered along regional lines (ComPAC21, 1996; Competitive Pittsburgh, 1996).

The third involves issues of economic competitiveness and responsiveness in the global marketplace. In the global marketplace the unit of competition is the region and town boundaries have little meaning. Companies seeking to expand or establish operations make comparisons based on regional advantages and disadvantages, not just on the characteristics of the town that might be the site of their physical location (Peirce, 1993).

Although larger than towns, regions are still comparatively small areas on the global map. As John Naisbitt, author of *Megatrends* has stated, it is the small elements of the larger global system that have the most power and flexibility (Naisbitt et al, 1996). The comparative smallness of regions makes them more responsive in the global marketplace.

The fourth asserted advantage involves issues of strategic resource utilization and development. The towns and counties of a region have limited resources to accomplish their governmental objectives. A regional approach to the utilization of those resources might result in more effective, higher quality government. Similarly, local governments have made substantial investments in infrastructure - such as water and sewer systems, utilities and highways - that are integral to maintaining and increasing economic growth. A regional approach to these infrastructure resources would result in enhancing the value of investments already made in a manner that benefits all of the region. In addition to the improved utilization of existing resources and past infrastructure investments, a regional approach would mean more strategic investment of new resources in those engines of growth that will benefit the region as a whole.

The movement from town to region should not necessarily be confused with consolidation or merger of governments. Regional decision-making is different than simply creating a single decision-making regional body to replace towns. Rather, in policy areas where individual decision-making by towns can impede the economic competitiveness of the region, arrangements for a regional resolution can be institutionalized. Just as 18th century political theorists were to struggle with how the town would be institutionalized, 20th century political theorists are struggling with the emerging role of the region.

Part of the problem the concept of the region faces is the inability to place a boundary around its meaning. “Region” shifts with the issue and perspective of the individual or group. For the purposes of this paper, I will use Neal Peirce’s suggestion that a region is best defined by flying over a land mass at night and drawing a boundary around the continuous connections of light which symbolize the geographic and socioeconomic connections of the towns. If such a flight were taken in Western Pennsylvania, the region would be defined, at a minimum, as Allegheny County and the five counties contiguous to Allegheny County.

These six counties cover 4,391 square miles, include 2.3 million inhabitants and contain 425 municipalities, 107 school districts, and 370 authorities. Conceptually, those numbers equate to one government for every 2,580 people. No region in the United States has the per capita density of local governments found in Western Pennsylvania. Perhaps more important than the number of governments is their small size. Only 27 towns represent more than 15,000 people. Overall, 70 percent of all towns have less than 5,000 inhabitants.

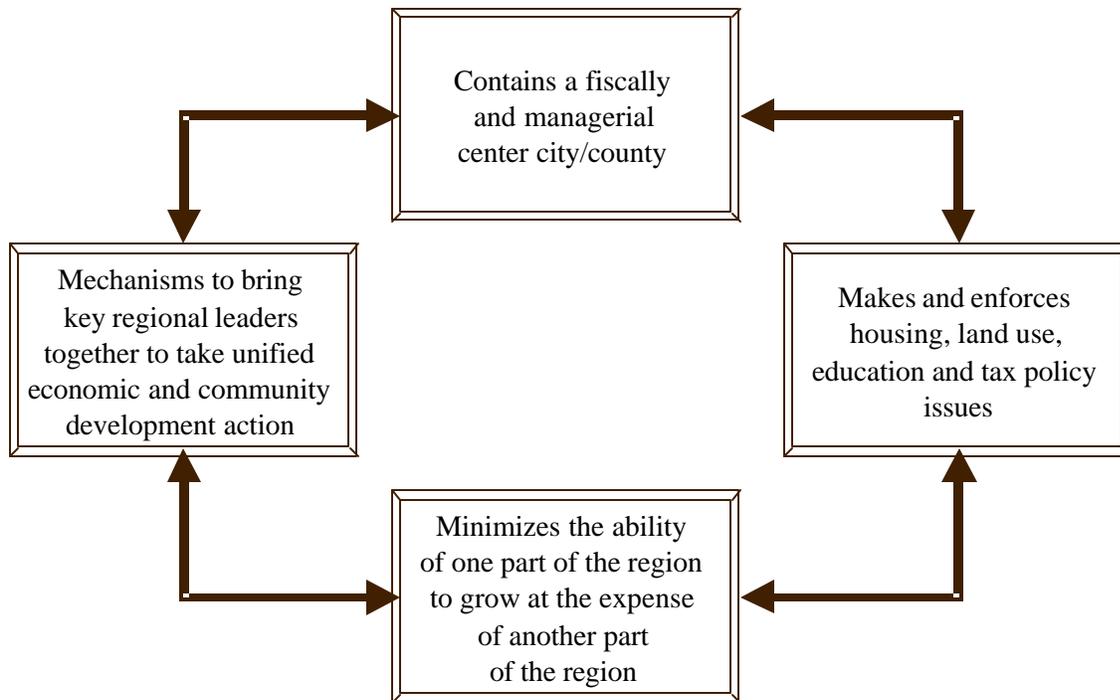
At the center of the region are Allegheny County and the City of Pittsburgh. The County covers 727 square miles, has a population of 1.3 million, and is served by 296 separate governments and special districts. Benchmarked against other regions, Allegheny County’s fragmented system is apparent.

For instance, Seattle is a larger region with three times the area, 15% more people but half as many governments. Cleveland is a smaller region with two-thirds the area, a slightly larger population and approximately one third as many governments. Minneapolis is also a smaller region with three fourths as much area and population, and one quarter as many governments. Dallas is a larger region with 20% more area, nearly 50% more people and only one quarter as many governments.

Criteria for Assessing the “Regional Form of Governance”

Based on the preceding, what might an emerging ‘region form of governance’ look like? Over the last several years, I have developed, at least initially, four critical ingredients that appear to be issue areas that serve to frame the discussion about the structure of regions in North America. Few regions exhibit all of these characteristics. Further, it is unclear whether there is a strong causal linkage between governance structure and economic performance. However, the presence of strategies that address these criteria clearly make for a region that is making decisions at the regional level.

Criteria for Assessing Regions



- The Region contains a fiscally and managerially sound center city and county.***
Nationally, regions that are successful usually have a fiscally and managerially sound center city and county. The more professional the management of these core regional assets, the more these institutions can exercise the governmental leadership so critical to the success of the region.
- The Region has mechanisms to bring key regional governance leaders together to take unified economic and community development actions.*** Regions need key mechanisms, both formal and informal, for local and regional leaders to meet, discuss, and resolve critical public issues. Formal means include a Regional Council, one or several Councils of Government, County Governments, and economic development organizations. The greater the authority of these institutions, the more successful will be the region. Informal mechanisms include the partnering of the regional mechanisms with the neighborhoods, both territorial and issue-based, and the private sector to provide a means for these important constituents to participate in the regional decision-making process.
- The Region legally makes and enforces housing, land use, education, and tax policy issues.*** There are a number of key policy areas that should be formally addressed at the regional level. Although they have been the traditional domains of local government, housing, education, land use, and tax policy are important regional issues that need to be the domain of the region.

Local interpretation and implementation of these policies can still leave a large and important role for the towns.

- ***The Region acts to minimize the ability of one part of the region to grow at the expense of another part of the region.*** Successful regions compete against other regions while unsuccessful regions create opportunities for intra-regional predation. If the primary growth in a region is occurring as a result of business relocation within a region, the region as a whole loses. Generally, the centralizing and coordination of economic development activities can serve the region and its constituent parts while minimizing counter-productive predation.

The Pittsburgh Region Benchmarked Against the Criteria

Assessed against the above criteria, the Pittsburgh region fares poorly (ComPAC 21, 1996; Competitive Pittsburgh, 1996). The fiscal plight of the city and the county has been recently dramatized with a significant bond rating downgrades. The absence of regional approaches to housing, land use, education and tax policy has led to an “out of sight, out of mind” public housing policy, walled communities that have effectively insulated themselves from the broader community, and bankrupt and fiscally distressed municipalities and school districts. Collectively, the impact of this system of the “Town Form of Government” has resulted in a growing problem of racial and geographic disparity and inequity.

As Allegheny County and the City of Pittsburgh’s economic problems mount, the surrounding counties in the region have adopted economic development policies and strategies that simply move business from Allegheny County to the outlying counties. Indeed, the location of industrial parks just over the border of Allegheny County is a vivid symbol of this intra-regional predation.

Several of the above observations need further discussion. First, and of immediate concern, is the problem of the growing disparity between communities within our region. Using a methodology more fully discussed elsewhere, I have cataloged municipalities in Allegheny County into groups based on their relative fiscal health. (Miller, Miranda et al, 1995) This classification system assumes local elected decision-makers are aware of the competitive metropolitan market of which they are an integral part. This knowledge includes an assessment of how their community compares with their neighbors. Indeed, in the world of local politics, elected officials optimize their community’s standing and their standing within the community by maximally meeting demands while minimally taxing voter - consumers. The desired result is a bundle of services desired by the consumer and willingly financed by the voter.

This ideal state of maximum services and minimum taxes has a relative dimension. The worst possible extreme is the condition under which a set of elected officials, relative to other tax jurisdictions, are minimally meeting demands but maximally taxing voter-consumers. Several assumptions can be made about the low-service, high-tax community. First, such a condition is not one of choice; no logical reason exists for elected officials to design such a system. Few, if any, voter-consumers would seek out, as Tiebout suggests, such a community (Tiebout, 1956). In the absence of legal authority to go

out of business, such a community may be precluded from ceasing to exist. Scale economies aside, individuals deciding to locate in these communities would have to contribute more in taxes than they get back in services if the community were to improve its fiscal position.

Second, if a fragmented metropolitan system is "working," then over time, the low-service, high-tax communities should be moving toward a more competitively priced and attractive bundle of services. Whether the choice is increasing services, reducing taxes or a combination of the two, a working metropolitan system should have few instances of low-service, high-tax communities that are not moving out of that economic predicament.

The scale developed to assess the above assumptions ranks each municipality in Allegheny County on the extent of service, degree of taxation continuum. Taxation is measured by calculating the rate of taxation of each municipality. The service bundle is measured by estimating the per capita yield generated by that the rate of taxation. The higher the yield, the more resources exist for the elected officials to meet voter-consumer demands that legitimize the jurisdiction's rate of taxation.

For purposes of evaluation, I refer to the degree of taxation as "tax effort" and the extent of services delivered as "tax yield." Communities with low tax effort and high tax yield represent the optimal situation for elected officials. Conversely, high tax effort, low tax yield communities represent the least desired state. These latter communities face conditions defined as "fiscal stress."

For the 128² communities in Allegheny County, relative fiscal stress is an ordinal ranking of the total tax efforts and tax yields. The municipality with the highest relative fiscal stress has a highest tax effort and a lowest tax yield relative to all other municipalities in the county. Conversely, the municipality with the lowest relative fiscal stress has a lowest tax effort and a highest tax yield compared to the other municipalities in the county. The results of this process is a ranking of each municipality in the county from 1 to 128 with 1 (Wilkesburg - the most stressed) to 128 (Sewickley Heights - the least stressed). (Jensen, 98) Since I first developed the scale, Brian Jensen at the Pennsylvania Economy League has made several modifications, particularly the development of a set of z-scores to provide a sense of distance between municipalities on the Miller-Jensen Scale of Municipal Fiscal Stress. The full list of municipalities can be found in Appendix 1.

For purposes of analysis, the 32 communities with the highest fiscal stress rankings are grouped and labeled "Stressed". The next 32 are grouped and labeled "Strapped". The next 32 are grouped and labeled "Stable". Finally, at the other end of the continuum are the 32 communities with the least level of fiscal stress. These communities are grouped and labeled "Stately".

Assessing the results of this analysis over time yields several very disturbing findings. First, the gap between the rich and poor not only is a wall that is hard to climb, it has become harder over the study period. As is indicated in Table 1, all 32 of the most stressed communities in 1981 were still stressed

² There are officially 130 communities in Allegheny, but two lie partially in neighboring Westmoreland County and are omitted from this analysis because of incomparable data

or strapped in 1994. Indeed, the relative position of municipalities is surprisingly constant. The notion that communities can retool or design their packages of services and tax structure to become more competitive is not born out by the data.

Table 1. Ranking of Allegheny County Communities by Fiscal Stress, 1981 and 1994

Rank in 1981	Rank in 1994				Total
	Stately	Stable	Strapped	Stressed	
Stately	24	8			32
Stable	7	16	8	1	32
Strapped	1	8	16	7	32
Stressed			8	24	32
Total	32	32	32	32	128

The second finding also demonstrates a partial explanation for why the system is not self-correcting. Not only are the poor communities still poor after a number of years, they are relatively poorer. This widening gap has been detailed elsewhere and will not be repeated here (Miller, Miranda et al, 1995). However, as the following analysis suggests, the current system cannot self-correct.

Citizens are attracted to communities expecting a quality of life that makes the locational decision rational. Indeed, the more a community can invest in quality of life investments, the more attractive the community is to potential citizens. I have developed a rough measure of the capacity each community has to invest in quality of life issues. The expenditures each community makes in its “core services” (public safety, public works, and general government) is deducted from the communities revenues received from property tax and all other taxes. The residual from this calculation represents discretionary dollars that are available to address a wide variety of community issues. I refer to these as “quality of life” resources.

As is demonstrated in Table 2, the richer communities have seen these discretionary resources grow significantly -- from \$22.68 per person in 1981 to \$85.40 per person in 1994. Conversely, the poorest communities have actually seen the virtual elimination of the limited discretionary resources they had as they have been forced to reallocate those funds back into core services. Given this growing mismatch, it is unlikely that the poorer communities can or will become competitive.

Table 2. Change in Quality of Life Expenditures of Allegheny County Municipalities 1981 to 1994

	Per Capita Quality of Life Expenditures			
	1981	1984	1991	1994
Stately	\$22.68	\$39.49	\$71.41	\$85.40
Stable	\$25.70	\$20.52	\$44.28	\$43.75
Strapped	\$6.57	\$2.86	\$19.97	\$11.66
Stressed	\$9.37	\$5.96	\$1.07	(\$1.90)

The third finding relates to growing evidence that these disparities have racial connotations. In the city of Pittsburgh, 80% of the African-American population live where 12% of the city's white population live. Yet, these neighborhoods, which comprise 30% of the total population of the city, represent 61% of all city families in poverty and 70% of all female-headed households. In the other 129 communities in Allegheny County outside of the city, 80% of the African-American population live where 20% of the county's white population live. Yet, these municipalities, which comprise 23% of the total Allegheny County population outside of Pittsburgh, represent 43% of all county families in poverty and 52% of all female headed households.

Further, a closer examination of those communities classified as "stressed" suggests that the more fragmented the region the more segregation by race and class is likely to occur. With 20.3% of the non-Pittsburgh population in Allegheny County, "stressed" communities have 52% of all families in poverty; 53% of all violent crimes; and 43% of the vacant housing units. Demographically, 58% of non-Pittsburgh African-Americans reside in "stressed" communities. In "stressed" communities, median family income is 50% of incomes of families in the "stately" communities. "Stressed" communities have 15% of the non-Pittsburgh workforce, but 24% of the non-Pittsburgh unemployed.

The Emergence of the "Region Form of Governance"

Although the preceding is a critical analysis of the current state of the region, there are signs of reform and change. Over the past several years, the following initiatives may prove to have served to lay a foundation for the development of a more equitable and effective governance system.

County Governments are Becoming More Important

Although, from an historical perspective, county government is old; operationally, counties have only recently been called upon to deliver a more comprehensive set of services. This relatively dramatic change can be observed by assessing the relationship of the 29 county governments in western Pennsylvania to the 1,181 municipal governments that are located within those 29 counties. In 1970, the 29 county governments spent (in constant 1993 dollars) \$869 million while the 1,181

municipalities spent \$1,212 million. More simply put, counties spent 42% of combined county/municipal spending while municipalities spent 58%. By 1993, the tables were reversed -- 53% of combined county/municipal spending was undertaken by the 29 county governments.

Several reasons exist for the emergence of the county as the primary unit of local government. First, federal/state mandates and new programs have disproportionately been assigned to county governments. Indeed, non-tax revenues grew by 171% for the counties compared to 76% for the municipalities. Even though strings may be attached to the money, counties are nonetheless the choice of federal and state agencies as the location for program responsibilities.

Secondly, county governments are beginning to take on responsibilities for programs that transcend municipal boundaries. Tax revenues of the 29 county governments (in constant dollars) grew by 30% over the 1970 to 1993 period, but only 1.4% in the 1,181 municipalities. Albeit slowly, the trend toward increased responsibility on the part of county government is a regionalizing trend.

Unfortunately, this demand has been superimposed over an antiquated county governmental structure and a far too limited resource base for counties to deal with the complex issues of contemporary society.

The Allegheny County Regional Asset District

Based on an underlying assumption that a region has both an identity and a responsibility to finance the public portion of assets that serve this broader regional constituency, the Allegheny County Regional Asset District has been created. Through an additional .005% on the sales tax, over \$60 million is available annually to publicly fund the region's shared assets. Facilities like the zoo, aviary, libraries, parks and stadiums are now the responsibility of the region.

Two important purposes were thought to be addressed through this legislation. First, approximately \$40 million is provided to the region's assets directly from the sales tax proceeds, replacing funding that had previously been provided to the assets by individual local governments. This transfer of funding responsibility, primarily away from the City of Pittsburgh (estimated impact - \$18 million) and Allegheny County (estimated impact - \$18 million), has helped to make those governments more fiscally sound and competitive than they would be otherwise.

The second purpose of the asset district is to provide a more stable and elastic funding base for the region's assets. Initially, approximately \$13 million was available annually to increase funding to new or existing assets. This discretionary portion of the program has grown to over \$20 million in several years.

The Allegheny County Tax Base Sharing Program

One of the most significant advances in the development of the region has been the “other half” of the legislation that created the Regional Asset District. This less visible reform has created a tax base sharing program second only in size to the Minnesota Tax Base Sharing Plan. Through an additional .005% on the sales tax, over \$60 million is available annually to assist Allegheny County governments in shifting a portion of their funding requirements away from the property tax and other taxes. The distribution is as follows: 50% goes to the Allegheny County government and 50% is shared between the participating municipalities in the county. Approximately 50% of the latter distribution to municipalities goes directly to the City of Pittsburgh. Between the relieved obligations under the asset district and the tax relief provisions cited above, the economic impact on Allegheny County government was close to \$45 million and the impact on the city was close to \$30 million.

The other half of the municipal revenue sharing program distributes proceeds to the municipalities outside the city of Pittsburgh. Although all municipalities in the county have a right to participate, the formula used for this distribution targets the less affluent. Using the original estimates of available funds and the ranking system outlined earlier in this paper, Table 3 indicates that the per capita impact on the “stressed” communities is twice the impact on the “stately” communities.

Table 3. Original Estimated Distribution of Tax Sharing Proceeds to Allegheny County Municipalities Outside of Pittsburgh

	Population	Proceeds	Per Capita
Stately	254,908	\$2,500,000	\$9.81
Stable	263,944	\$3,100,000	\$11.74
Strapped	250,794	\$3,200,000	\$12.76
Stressed	196,211	\$3,700,000	\$18.86
Total	965,857	\$12,500,000	\$12.94

City of Pittsburgh/County of Allegheny Cooperative Services Program

The County of Allegheny and the City of Pittsburgh are the second and third largest local governments in Pennsylvania. Between them, they have a \$1 billion budget and employ over 11,000. The City/County Cooperative Services Program, a three-year public-private effort, conducted between 1994 and 1997, identified a wide variety of areas where cooperation between these governments can lead and has led to fiscal savings and managerial effectiveness.

The principle initiative among a number that were started has been the combining of the economic development programs of the city and county. Other initiatives, desperately needed, remain on the back burner.

Strengthened Councils of Government

There are currently eight Councils of Government (COGs) in Allegheny County. These voluntary associations of municipalities serve as intermediary institutions between the many local governments, the few counties, and the state. That there are eight COG's for one county alone (Allegheny) is unlike most other regions. Indeed, the more typical model is for COG's to be multi-county, sometimes even coterminous with the region. (James and Miller, 1995)

The region's political fragmentation and unequal economic growth has lead to unequal fiscal capacity on the part of the COG's. As is demonstrated in Table 4, several of the COG's (Steel Valley, Turtle Creek, and Twin Rivers) are simply collections of the region's distressed municipalities. In these instances, the collective capacity of the fiscally stressed is still far less than the resources necessary to address important public policy issues.

Table 4. Classification of Municipalities that Constitute the Councils of Governments (COG's) in Allegheny County

	Population	Stately	Stable	Strapped	Stressed
Alle Valley North	45,529	1	7	3	3
Char-west	122,097	9	3	6	2
North Hills	190,863	9	4	2	2
Quaker Valley	35,717	5	4	3	2
South Hills	211,430	2	6	4	3
Steel Valley	42,440	0	1	2	6
Turtle Creek	127,451	2	3	4	11
Twin Rivers	95,110	0	3	6	2
Total	870,637	28	31	30	31

Efforts are now underway to secure a more solid funding base for COGs - important building blocks in regional governance. Imbedded within the legislation that created the Allegheny County Regional Asset District and the Tax Base Sharing program is a provision to set aside a small portion of the annual growth in receipts to support intergovernmental organizations of which COG's have been the primary recipient. Although this funding source is currently small, ranging from \$5,432 to \$27,660 for each COG, it nonetheless represents an important commitment to these institutions. Further, as this funding source is based on the redistributive formula noted above which provides greater support to the less affluent communities, COG's that serve less affluent communities will receive a proportionally greater share.

The Emergence of SPRPC

The region's foremost regional governance structure is the Southwest Regional Planning Commission (SPRPC or soon to be referred to as SPC with the combining of its planning and economic development functions). The governing structure of SPC is built around the County Government's of Allegheny, Beaver, Butler, Washington, Westmoreland and the City of Pittsburgh. Several years ago, it received the official designation as the Metropolitan Planning Organization or MPO for the region. In that capacity, SPC is responsible for allocating federal transportation dollars that flow into the region. It is estimated that over the next 20 years, \$12 billion of federal aid will flow to the region generating \$16 billions in transportation improvements.

The importance of controlling the allocation of transportation funding should not be underestimated. With the withdrawal of the federal government from its aggressive urban agenda of the 60's and 70's, transportation has emerged as one of the few policy areas that it continues to fund. In that capacity, it provides an important link between the federal government and local governments. Second, large-scale transportation projects define regions. In addition to public visibility, decisions about which projects are funded determine where growth occurs and, more importantly, where growth does not occur. Third, the process of making transportation decisions is, at the same time, a decision about the region in general and it is predicated on consensus on other aspects of the community such as economic development, environmental preservation, and quality of life issues. Hence, to arrive at agreement on transportation expenditures requires agreement on other aspects of the region.

Final Thoughts

These actions while significant, only scratch the surface of shifting the governance of Western Pennsylvania from Town to Region. This transition will be painful and will probably occur with many sectors "kicking and screaming." But, it will occur. Just as the Town emerged in the 18th century as a powerful organizing institution, the Region will emerge as the 21st century equivalent. Let me offer the following recommendations on next steps that should be taken as we move inexorably slowly toward reform of our governance system.

First, the growing disparity between rich and poor municipalities has to be reversed. Because municipalities are "creatures of the state", this resolution rests with the state legislature. Legislation to rationalize, through incentives, the governance structure of the poorer regions needs to be a high priority. For instance, turning basic governance functions over to the COG's in poorer areas makes economic and practical sense. In addition, revenue and tax- base sharing programs need to be expanded.

Second, the call for zero tolerance of service duplication outlined in the ComPAC 21 Report must be seriously answered. Why Allegheny County, for instance, continues to have two bomb squads (one city, one county), two homicide squads (one city, one county), and 174 separate delinquent real estate tax collection organizations defies logic and taxpayer interests.

Third, SPC needs to emerge as the premier regional organization. However, that can occur only if it becomes more representative of the geography and demography of the region. Currently, each county has equal representation on the board of SPC, affording rural interests a proportionately greater weight than their population and economic value dictates. Urban under representation also has the impact of diminishing the credibility of the organization in the eyes of institutions representing major urban interests. The principle of “one person-one vote” that applies to most systems of democratic decision-making ought to apply to the board of SPC.

Under the category of achieving multiple objectives, a possible solution to SPC’s representativeness and the need for incentives for regional governing is to afford COG’s that represent 100,000 or more people the same voting rights as counties and the city of Pittsburgh currently enjoy. Had my earlier reference to “Mon City” actually been accomplished and “Mon City” had a voice on SPC, a very different distribution of transportation dollars would have emerged.

Fourth, the urban core needs to think “outside the box”. In our collective minds, Allegheny County is divided between the City of Pittsburgh on one end and all the other municipalities on the other. As a result, we solve problems based on this division. For instance, “Intermediate Units” (IU’s) are the school district equivalents of COG’s. There are two in Allegheny County – the City of Pittsburgh School District as one and all other 42 districts in the second. Allegheny County’s solution to 911 involves fundamentally a Pittsburgh solution, and a north, east, south, and west suburb solution.

Instead of the city-suburb dichotomy, recent research has demonstrated that the 38 municipalities that share a common border with Pittsburgh have more in common with the city than they do with the outer ring of suburbs. (Paytas and Miller, 1997; see also Orfield, 1997) Pittsburgh and those 38 communities have a combined population of 865,000, affording it far more economic and political weight in the shaping of regional policies than is currently wielded by that coalition. A starting point for those discussions between the urban core municipalities could be the convening of mayors and chief elected officials of those jurisdictions for the purposes of exploring mutual interests and a mutual agenda.

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Appendix 1: 1998 Z-score Distribution of Allegheny County Municipalities on the Miller-Jensen Fiscal Disparity Scale

Stressed		Strapped		Stable		Stately	
Wilkesburg	3.9026	Coraopolis	1.0972	West View	(0.0230)	Kennedy	(1.1015)
Clairton	3.7110	Whitaker	0.9975	Springdale	(0.0233)	Hampton	(1.1204)
Homestead	3.5368	West Homestead	0.9945	Wilkins	(0.0596)	North Fayette	(1.1627)
Duquesne	3.1981	East Deer	0.9635	Shaler	(0.1150)	Neville	(1.1671)
McKeesport	3.0718	Crafton	0.9447	Pennsbury Village	(0.1253)	McCandless	(1.2328)
Rankin	3.0583	North Versailles	0.9283	Blawnox	(0.1447)	Churchill	(1.2420)
North Braddock	2.8958	Carnegie	0.9136	Ben Avon	(0.1790)	Monroeville	(1.3004)
East Pittsburgh	2.7741	Port Vue	0.8196	Oakmont	(0.1816)	Indiana	(1.3417)
Braddock	2.7195	Elizabeth	0.7912	Scott	(0.2094)	Bradford Woods	(1.4713)
Stowe	2.4015	Baldwin	0.7423	Frazer	(0.2352)	Moon	(1.5215)
McKees Rocks	2.3636	Penn Hills	0.6685	Cheswick	(0.2630)	Aleppo	(1.5695)
Wilmerding	2.1428	Pitcairn	0.6528	Edgewood	(0.2636)	Franklin Park	(1.6076)
Tarentum	2.0926	Harrison	0.5625	Forward	(0.2661)	Upper St. Clair	(1.6115)
Verona	2.0508	Reserve	0.5489	Whitehall	(0.2684)	Sewickley	(1.6379)
Turtle Creek	1.8317	White Oak	0.5149	Crescent	(0.2858)	Collier	(1.7010)
Swissvale	1.8120	Baldwin	0.4027	Jefferson	(0.3228)	Ohio	(1.8580)
East McKeesport	1.6388	Elizabeth	0.3546	Braddock Hills	(0.3722)	Bell Acres	(1.8835)
Dravosburg	1.6027	Forest Hills	0.3427	Lincoln	(0.3884)	Robinson	(1.9063)
Avalon	1.5443	Bridgeville	0.3167	Pleasant Hills	(0.4480)	Roslyn Farms	(1.9221)
Chalfant	1.4975	Mt. Oliver	0.2675	Fawn	(0.4874)	Findlay	(2.1789)
West Elizabeth	1.4889	South Versailles	0.2269	South Fayette	(0.5100)	Ben Avon Heights	(2.1888)
Versailles	1.4681	Haysville	0.1756	Springdale	(0.5176)	Sewickley Hills	(2.2083)
Glassport	1.4555	Heidelberg	0.1748	Glenfield	(0.5288)	Pine	(2.2227)
Millvale	1.4220	Sharpsburg	0.1633	Kilbuck	(0.5323)	O'Hara	(2.2877)
Etna	1.4091	Pittsburgh	0.1585	Phum	(0.5542)	Green Tree	(2.3028)
Dormont	1.3722	Ingram	0.1353	Leet	(0.5851)	Thornburg	(2.3375)
Wall	1.3250	Emsworth	0.1138	West Mifflin	(0.6783)	Osborne	(2.5109)
Castle Shannon	1.3240	Leetsdale	0.1110	Bethel Park	(0.7521)	Hammar	(2.6067)
Munhall	1.3173	West Deer	0.0832	Ross	(0.9158)	Marshall	(3.1253)
Brackenridge	1.3066	South Park	0.0773	Aspinwall	(1.0154)	Edgeworth	(4.5054)
Bellevue	1.2306	Liberty	0.0516	Richland	(1.0230)	Fox Chapel	(5.0006)
Brentwood	1.1477	Oakdale	0.0149	Mt. Lebanon	(1.0580)	Sewickley Heights	(6.2567)

Chapter 9. Crime Patterns in the Pittsburgh Region
Phyllis Coontz and Jim Nesbitt

Introduction

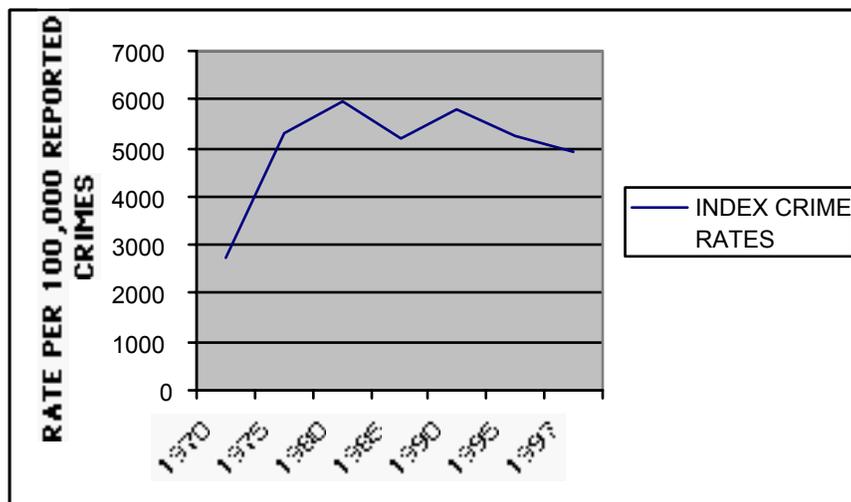
“The crime problem,” “law and order,” “crime in the streets,” and the “war on drugs” are catch phrases used to characterize popular fears and concerns about rising crime rates and the drug epidemic. While concern with crime and violence is not new, for the last thirty years Americans have been preoccupied with crime and it has been at the forefront of our domestic policy agenda. Three related trends account for this: unprecedented increases in the amount of serious (especially violent) crime that began in the early 70s; the crack epidemic that began in the early 80s, and unprecedented increases in our prison and jail populations that began spiraling in the late 80s.

The toll from crime can be measured in terms of *direct costs*—attributable to the offenses themselves—and *indirect costs*—attributable to our reactions to crime. These costs may be intensified by other changes, i.e. economic decline and population that threaten the stability of a community. Over last thirty years, the region has lost thousands of full-time, good paying jobs; thousands of people have left the area; and we’ve seen an erosion of our middle class tax base. Despite these changes, when we compare crime in the region with other urban areas, it is, on average, lower. Nevertheless, crime impacts the quality of life in our communities and our approaches to it absorb a sizable chunk of public resources. Consequently, any serious discussion about the “state of the region” must include a discussion about crime and our criminal justice system.

Our concern with crime took shape in the early 70s when crime rates skyrocketed. Figure 1 depicts the magnitude of these increases over five year intervals from 1970 to 1995, and 1997. Note that between 1970 and 1980 the rate for *Index* crime jumped from 2,741 per 100,000 to 5,950 per 100,000. The biggest increases occurred in all categories of violent crime (murder, forcible rape, robbery, and aggravated assault). Increased crime along with a hue and cry to “do something” about it, led to what have come to be known as “*tough on crime*” and “*war on drugs*” policies.

Figure 1

National Index Crime Changes at 5-Year Intervals from 1970-95



Source: Uniform Crime Reports, 1971, 1976, 1981, 1986, 1991, 1996

The backbone of these policies resulted in a two-pronged strategy that gave greater power to law enforcement to arrest suspected criminals and drug users/dealers, and mandated longer sentences for offenders convicted of crime. The rationale behind this strategy is simple: easing constitutional safeguards makes it easier to arrest suspected offenders and lengthening criminal sentences keeps convicted offenders behind bars for longer periods of time, thus protecting society from further predation. Predictably, these policies have strained the criminal justice system's capacity.

Consequently, federal, state and local spending patterns have dramatically increased as the crime rate, and the prison population increased. Focusing only on corrections spending, state expenditures between 1980 and 1992 increased 340 percent (Bureau of Justices Statistics, 1993). In Pennsylvania we added seven new 1,000 cell prisons to our correctional system. Taking into account the cost of design, construction, debt service, and operations over a fifteen year period, it is estimated that by 2005 each facility will cost taxpayers more than an additional \$800 million dollars.¹ Add to that

¹ Estimated by the Pennsylvania Commission on Sentencing, 1992.

another \$1.3 billion for adding 10,000 more cells to current capacity. County and city justice expenditures, which fund local police, jails, and probation, have outpaced spending for law enforcement and the judiciary. Accelerated spending on criminal justice system siphons resources away from other social programs, leaving policymakers with dilemmas about public value. State spending on corrections between 1994-95 and 1998-99 increased by 33 percent, while spending on education for the same period increased by 3 percent.² State spending on corrections between 1988-99 increased by 73 percent while it increased by 28 percent for education. The spending imbalance is so skewed that former Commissioner of Corrections of PA, Joseph Lehman, stressed the need to evaluate the fiscal realities of our current criminal justice policies, particularly around the use of incarceration (National Press Club Conference, 1992). This call was supported by the Pennsylvania Sentencing Commission who concluded that it is difficult to show that “incarceration is a cost-effective means of reducing crime.”³

This chapter aims to lay the groundwork for opening the debate on criminal justice policies by providing a descriptive overview of the nature and extent of crime in the region. We present information on crime rates and examine how our crime patterns compare to the nation’s, the state’s, and other cities. We also examine the current status of our correctional institutions and what crime policies cost us. We have organized this chapter into four sections. Section One provides an overview of the measurement of crime. Section Two examines crime rates for the city, region, and nation and then compares crime in Pittsburgh with twelve other benchmark cities. Section Three examines the incarceration rates generally and in the county and the six county region. Finally, Section Four highlights the cost for the region’s criminal justice system.

Section One: Defining and Measuring Crime

Before crime can be measured, it must be defined. In the broadest legal sense, crime refers to any act for which a court may lawfully impose punishment. The police are the “*front line*” of government efforts not only to combat crime, but also to count it.

² The correctional general fund budget for 1994-95 was \$721,558; in 1998-99 it was estimated at \$1,076,660. The general fund budget for corrections in 1988-89 was \$289,029.

³ Darrell Steffensmeier, “Incarceration and Crime: Facing Fiscal Realities in Pennsylvania”, 1992:7.

In this regard, the United States is unique from other countries because our law enforcement is fragmented into thousands of autonomous municipal, county, state, and federal agencies operating under 50 separate state criminal codes and federal law. These agencies provide information to the FBI, which publishes, each year, the **Uniform Crime Report**. The Uniform Crime Report (hereafter referred to as the **UCR**) is accepted as the “official” indicator of crime in the United States. Approximately 98% of all law enforcement agencies submit crime data to the FBI. And while crime is defined and enforced differently in each of our 50 jurisdictions, the FBI standardizes jurisdictional variations by creating two aggregate indices known as Part I and Part II categories of crime. Part I offenses consist of 4 serious violent crimes (murder, forcible rape, aggravated assault, and robbery) and 4 serious property crimes (burglary, larceny, arson, and auto theft) and collectively make up the *Crime Index*. Offenses other than these eight are classified as Part II crimes and typically are not part of the public debate on crime.

The *Crime Index* is the “gold standard” for discussions about crime. This is because law enforcement agencies consider *Index* crimes to be the most serious, the crimes most feared by the general public, and the crimes most likely to be reported. The *crime rate* is the statistic most often used in discussions of crime and it is calculated by multiplying the number of offenses by 100,000 people in the population, and dividing that number by the locality’s population. The rate gives us the number of crimes per 100,000 persons in the population and thus allows us to make meaningful comparisons across cities and regions by controlling for differences in population size.

Crime is not random, but exhibits certain regularities. It occurs more frequently at certain times, in certain groups, at certain places, and under certain conditions. Murder rates, for example, are higher in southern states (ironically states with the death penalty) than in western states (or states without the death penalty). Cities have higher rates of crime than suburban or rural areas (the rate of *Index* crime is 5,761 per 100,000 in the population in metropolitan areas compared with a rate of 2,083 per 100,000 in rural areas) Robbery is many times higher in cities than in outlying areas. Within any given city, both the nature and amount of crime will vary by community--inner city neighborhoods always have higher rates of violent and property crime than neighborhoods in outlying areas, and crime rates are higher in commercial districts than

residential districts. For particular types of crime, e.g. murder or robbery, there is variation by season, day, and time of occurrence. For example, on average, robbery occurs more frequently in the cold winter months reaching its peak during the holiday season in December while murder is more likely to occur during the late spring and summer, peaking in July and August. Crime occurs more frequently over the weekend, starting at 6 p.m. on Friday and tapering off around midnight on Sunday. These variations are neutralized by aggregation, therefore, when considering aggregate data it is important to remember that such data provide an “average” depiction of crime.

While the *Crime Index* provides a glimpse of the crime that occurs, it does not reflect all crime that occurs—it represents only crime that comes to the attention and is recorded by police. Not all crime that occurs is observed or reported to the police--victims/bystanders may be afraid to report it, victims may believe it’s useless to report it, or victims may not be aware of their own victimization. Similarly, since police officers have considerable discretion, not all reported crimes get officially recorded. And since nonindex offenses are not included in the *Crime Index* or the UCR, the most common infractions, e.g. summary offenses, and regulatory violations such as violations of antitrust laws are not counted in *Crime Index* tabulations. Finally, as pointed out earlier, not all law enforcement agencies submit arrest data to the FBI, nor do police arrest all perpetrators of crime (either because the person is already incarcerated for another offense or the perpetrator is unknown). Consequently, the *Crime Index* must be treated as an undercount of actual crime.

The state counterpart to the national UCR is Pennsylvania’s Uniform Crime Reporting Program (UCR) that was started in 1970. Pennsylvania uses the same system of reporting used by the FBI and is thus compatible with national offense classifications. The focus throughout this chapter is on the *Crime Index* (Part 1 offenses) with occasional reference to Part 2 offenses.

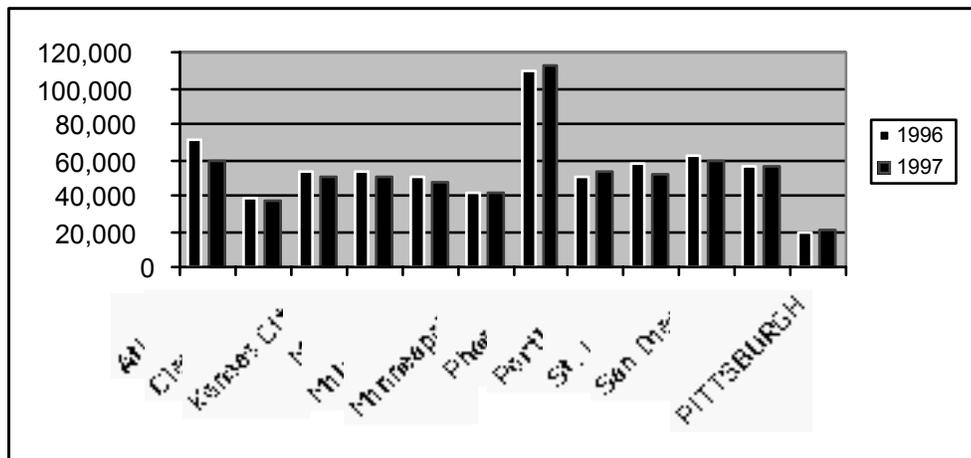
Section Two: Crime Comparisons

How much crime is there in the region? Since the early 90s crime has been decreasing. According to the FBI, in 1997 *Index* crimes reached their lowest levels since

the early 70s. *Index* crimes are the ones that concern most Americans because they affect personal safety—whether at home, at work, or in the streets. Thus, a declining *Index* crime rate is welcome news. In 1997, the national *Index* crime rate was 4,922.7 per 100,000 inhabitants while in the state it was 3,432 per 100,000 inhabitants, and in the region it was 2,783 per 100,000 inhabitants. In fact, the region’s lower crime is frequently touted as a regional strength. When we compare Pennsylvania’s *Index* crime rate with our Northeastern neighbors, it is lower than New York, Massachusetts, and New Jersey, but higher than Connecticut, Rhode Island, Maine, and Vermont. The *Index* crime rate for the region is lower than the *Index* crime rate in the Philadelphia region

How does crime in the city compare to the crime other cities? Figure 2 compares number of offenses in Pittsburgh with twelve other “benchmark” cities for 1996 and 1997. Here we see the number in Pittsburgh is substantially lower than that in other cities.

Figure 2⁴
Benchmark Comparisons with City of Pittsburgh



⁴ UCR 1997 Preliminary Annual Release, May 17, 1998.

Focusing only on the region, how does crime in Pittsburgh compare with crime in the county and the six county MSA region? A comparison shows that over a four year period (from 1993 through 1997) crime remains stable for the City of Pittsburgh,

Allegheny County, and the six county region. However, index crime was higher in Pittsburgh than in the county or the region.

Earlier we stated that certain communities have higher levels of crime than other communities. Looking across communities in Allegheny County, which communities have the higher levels of crime? Table 1 ranks the top ten municipalities with the highest levels of *Index* crime and the ten municipalities with the lowest levels of *Index* crime. We see that five of the highest risk communities (McKeesport, Monroeville, Wilkinsburg, Penn Hills, and Plum) are located in the eastern part of the county while the remaining five communities are disbursed around the county. The safest communities in the county are concentrated in the northwestern part of the county (Leetsdale, Edgeworth, Emsworth, Sewickley, and Kilbuck).

Table 1

Municipalities with High Levels of Reported Index Crime 1996

Rank	Municipality	Population	Number of Reported Index Crimes
1	McKeesport City	25,162	1,105
2	Monroeville	29,668	1,085
3	Wilkinsburg	20,338	1,078
4	Penn Hills	52,361	984
5	West Mifflin	23,414	869
6	Ross	34,056	693
7	Duquesne City	7,890	572
8	Moon	19,967	420
9	Harrison	11,962	390
10	Plum	26,135	384

Municipalities with Lowest Levels of Reported Index Crime 1996

Rank	Municipality	Population	Number of Reported Index Crimes
-------------	---------------------	-------------------	--

1	Aleppo	1,469	2	
1	Leet	1,757	2	
2	Rankin	2,292	4	
3	Sewickley Heights	999	4	
5	Fox Chapel	5,526	8	
6	Leetsdale	1,446	8	
7	Edgeworth	1,772	12	
8	Emsworth	2,839	14	
9	O'Hara	9,250	15	
10	Kilbuck	1,283	17	

Source: PCCD Crime Reports, 1997.

Although public debate focuses on *Crime Index* offenses, there are actually more reports and arrests for Part II offenses. Part II offenses include: other assaults, forgery and counterfeiting, fraud, embezzlement, stolen property (buying, receiving, possessing), vandalism, weapons (carrying, possessing, etc.), prostitution and commercialized vice, sex offenses (except forcible rape and prostitution, drug abuse violations, gambling, offenses against the family and children, driving under the influence, liquor laws, drunkenness, disorderly conduct, vagrancy, all other offenses (except traffic), suspicion, curfew and loitering, and runaways. Like the rates for *Index* offenses, rates for Part II offenses have declined since 1995. Figure 3 compares Pittsburgh, Allegheny County, the Pittsburgh MSA² and the Suburban MSA (MSA excluding Pittsburgh) from 1992 to 1996 for Part II offenses. This comparison shows that for both Pittsburgh and the Pittsburgh MSA, there has been a decline in reported Part II offenses while reported Part II offenses for the suburban MSA (excluding Pittsburgh) has remained stable over this four year period.

RATE REPORTED PART 2 OFFENSES PGH MSA AND SELECTED COMPONENTS

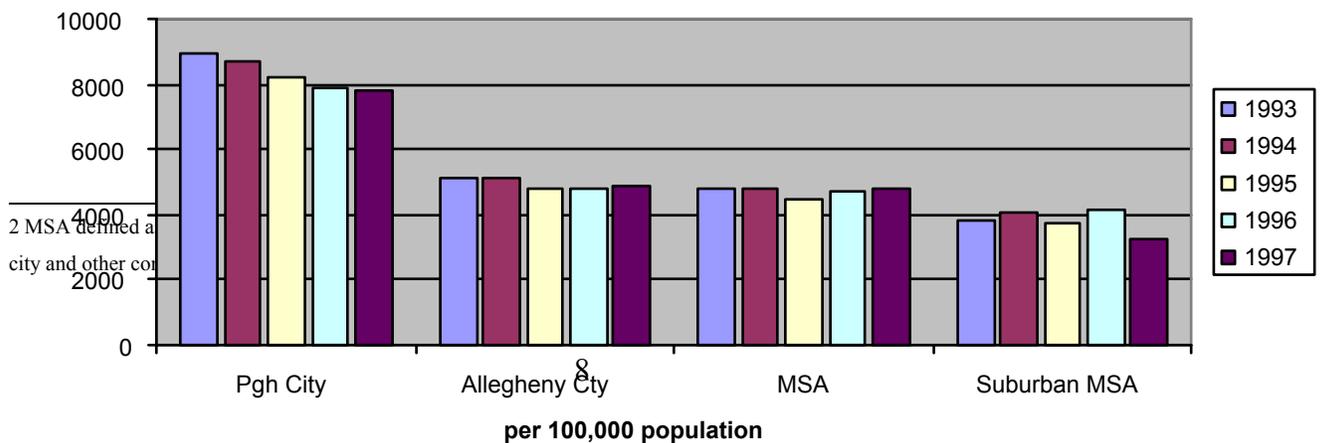


Figure 3

Section Three: Incarceration Rates

The United States leads the world in incarceration rates (UN Crime Series, 1995; Amnesty International, 1996). Today, the U.S. has approximately 1.8 million people behind bars--1.1 million of these are in state prisons while another 600,000 are in local jails (the rest are in federal prisons).³ Between 1920 and 1975, the incarceration was impressively stable, averaging 110 per 100,000 in the general population (Blumstein, 1995).⁴ The boom in the prison population is a relatively recent phenomenon. By the mid-70s, this rate began to climb. This increase was coupled with a major shift in the political environment. For two-thirds of the twentieth century, the dominant perspective was the view that incarceration was a “corrective” and “rehabilitative” response to nonconformity.

Faith in the rehabilitative effect of incarceration began to erode in the late 70s when research showed empirically that rehabilitative programs were no more effective in deterring criminal behavior than simply prison. At a political level, it is important to stress that being “tough on crime” consistently wins elections. Although the controversy between those who believe prison makes prisoners more nonconforming and those who believe that punishment makes prisoners think twice about crime has not been resolved, the persistent fact remains that the crime rate has not declined as dramatically as the incarceration rate has increased--raising important questions about whether long term incarceration is a panacea.

The rate of incarceration (state and federal prisons) in the U.S. at yearend 1997 was 445 per 100,000 population (BJS, 1998). That translates into a rate of 1 in every 117 men and 1 in every 1,852 women in the population. At yearend 1996 in Pennsylvania, the incarceration rate for state prisons was 287 per 100,000 population. The incarceration rate for all institutions (state prisons and county jails) in Pennsylvania in 1996 was 470 per 100,000 population (PCCD, Bureau of Statistics and Policy Research, 1997). According to the Bureau of Justice Statistics, Pennsylvania ranks among the 10 highest jurisdictions for the number of inmates incarcerated (Gilliard & Beck, 1998), and 11th in

³ U.S. Department of Justice, bureau of Justice Statistics, *Correctional Populations in the United States*, 1996.

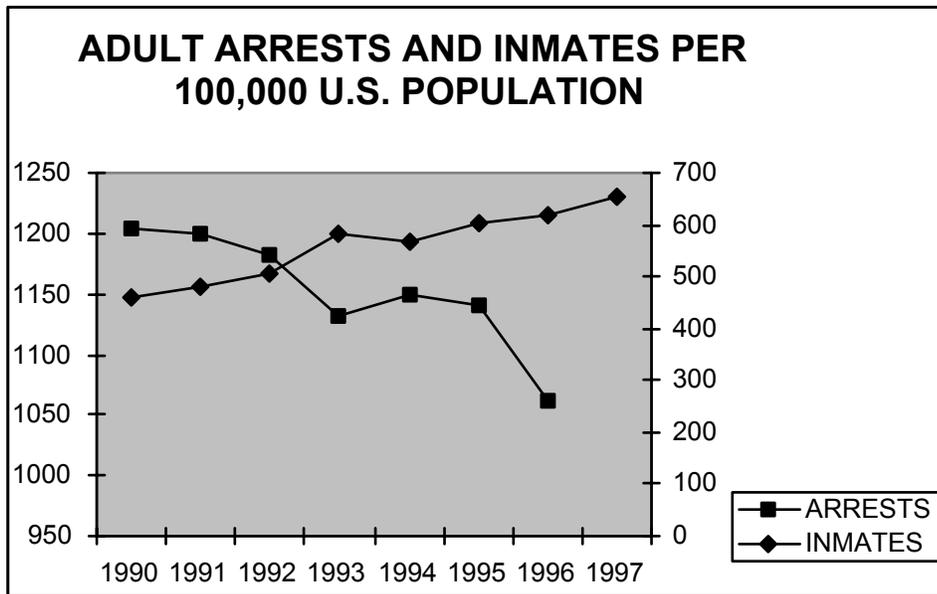
⁴ According to Blumstein, this rate had a coefficient of variation of only about 8 percent (Blumstein, 1993:743).

the number of correctional facilities (BJS.1999). Considering the State trend of lower crime rates and higher incarceration rates, the pattern is certainly consistent with the general observation that increases in the correctional population cannot be explained by sustained increases in crime.

Over the last twenty years, about a thousand new prisons and jails have been built in the United States. As stated earlier, Pennsylvania has added seven new prisons to our correctional system. Ironically, the expansion of our correctional system has not reduced overcrowding conditions in our prisons and jails. The overcrowding phenomenon is due to lengthening sentences for both violent and nonviolent drug offenders. According to the Bureau of Justice Statistics, the average amount of time served in prison among violent offenders increased by six months over a four year period (BJS, 1999) and the average amount of time for drug offenders increased by six months. The Bureau of Justice Statistics also reports that since 1990, the percentage of prisoners being released from state prisons fell by six percent (BJS, 1999).

Historically, prison and jail population growth has been related to offender indices such as crime prone populations, adult arrests, the crime rate, and state population growth. Commenting on the propensity to use incarceration as the answer to social problems, criminologist, Franklin Zimring, states that “[N]o matter what the question has been in American criminal justice over the last generation, prison has been the answer” (Schlosser, 1998). When we focus on violent crime--the types of crime that raises public fear--over the last twenty years, the number of offenders convicted of violent offenses has declined while the number of offenders convicted of nonviolent and drug offenses has skyrocketed. In 1980 approximately half of those entering the correctional system were so convicted of violent offenses, but by 1995, less than a third were convicted of violent offenses. According to a recent Department of Justice report, approximately half of new prisoners since 1994 have been incarcerated for drug offenses. Incarceration is, by far, the most expensive form of punishment. Figure 4 below captures the divergence between decreasing arrest rates for serious (index) offenses and an increasing prisoner population (federal and state prisons, local jails) nationally.

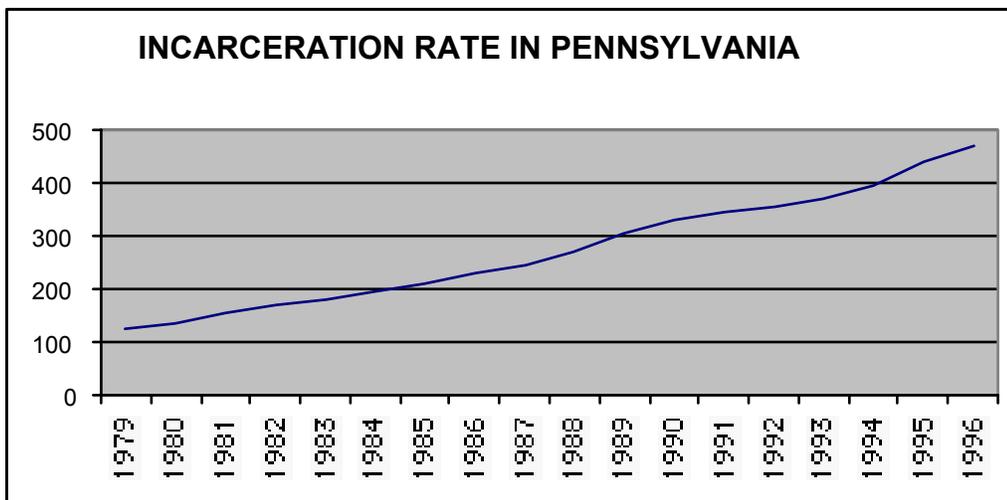
Figure 4



Source: Criminal Justice Source Book, 1997

As suggested earlier, the divergence between crime or arrest rates, and incarceration rates has been the subject of much discussion, and especially about the effectiveness of our current policies. The more we rely on the criminal justice system, particularly incarceration, to control the population, the more resources a criminal justice response will require. It has been estimated that the average cost to supervise a felon in a community correctional context is \$98 per month compared to \$1,400 a month for incarceration (Feeley, 1991). In Pennsylvania, we see in Figure 5 that like the national trend, the incarceration rate had quadrupled since 1979.

Figure 5

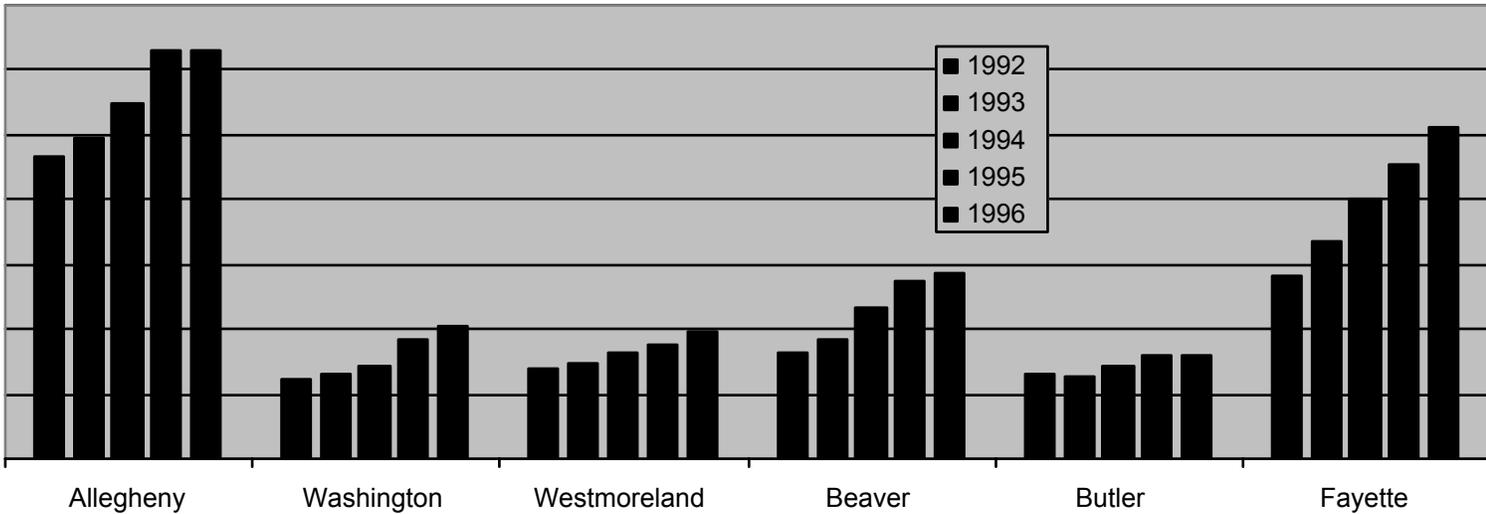


*Source: PCCD Bureau of Statistics and Policy Research

Not surprising, the incarceration rates in the county have also increased. Focusing only on increases between 1992 and 1996, we see in Figure 6

Figure 6

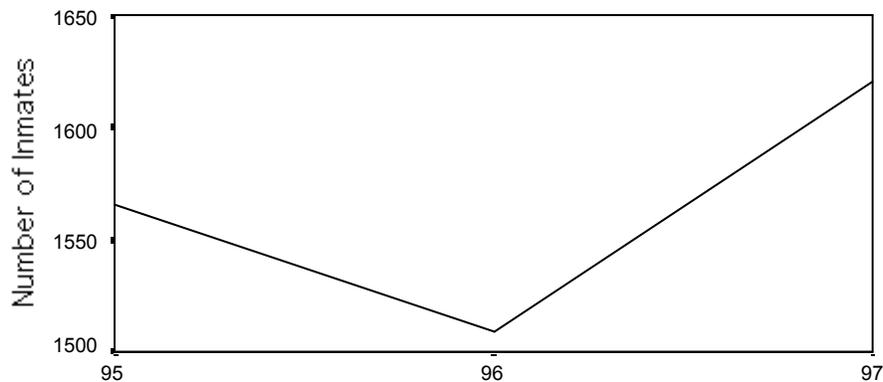
**INCARCERATION RATES FOR THE SIX COUNTY PGH MSA--PA.
DEPT. OF CORRECTIONS**



We also see that the greatest increases have been in Allegheny County.⁵ Figure 7 shows us that the pattern of increase is not been limited to our state prison, but that the pattern is also applicable to our new jail.

Figure 7

**NUMBER OF INMATES ON-HAND START OF YE
ALLEGHENY COUNTY JAIL**



⁵ There are 1

Source: Allegheny County Jail

Nationally, the incarceration rate (state and federal prisons) in 1997 was 445 per 100,000 in the population--an increase from 292 per 100,000 in 1990 (Gilliard & Beck, 1998). According to Bureau of Justice Statistics, between 1990 and 1996, the distribution of sentences for four major offense categories--violent, property, drug, and public order offenses--did not change among state offenders. As a percentage of total growth, violent offenders accounted for 50% of the total growth, drug offenders 25%, property offenders 18%, and public-order offenders 7% (Guilliard & Beck, 1998).

Section Four: Criminal Justice Expenditures

Since the late 70s, our response to rising crime rates has been to increase the penalties for crime. It has turned out that such a response is expensive. It costs approximately \$75,000 to construct a prison cell and about \$20,000 per year to maintain a prisoner in it. In most states, the corrections budget, even ignoring new construction, is the only item being increased (Blumstein, 1995).

The percentage increase for all levels of government (federal, state, county and municipal) expenditures on criminal justice was 162 percent between 1982 and 1992. State and county expenditures increased by 195 percent and 185 percent respectively which is slightly higher than the aggregate percentage increase. Table 2 shows government expenditures for criminal justice between 1982 and 1992.

Table 2
Government Expenditures on Criminal Justice

Yr.	Total	Police	Judiciary	Corrections
1982	\$35,841,916	\$19,022,184	\$ 7,770,785	\$ 9,048,947
1983	39,680,167	20,648,200	8,620,604	10,411,363
1984	43,942,690	22,685,766	9,463,180	11,793,744
1985	48,563,068	24,399,355	10,626,816	13,534,897
1986	53,499,805	26,254,993	11,485,446	15,759,366
1987	58,871,348	28,767,553	12,555,026	17,548,769
1988	65,230,542	30,960,824	13,970,563	20,299,155
1989	70,949,468	32,794,182	15,588,664	22,566,622
1990	79,433,959	35,923,479	17,356,826	26,153,854
1991	87,566,819	38,971,240	19,298,379	29,297,200

1992	93,776,852	41,326,531	20,988,888	31,461,433
% Change	161.8	117.3	170.1	247.7

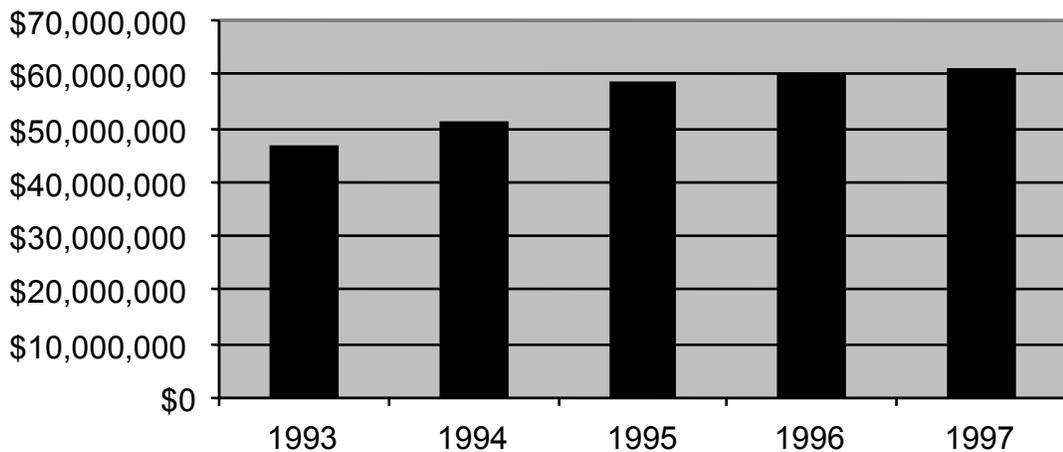
Source: *Justice Expenditure and Employment Extracts*, BJS, 1992.

In fiscal year 1996, Pennsylvania spent \$1.24 billion on managing its correctional system. Pennsylvania has a total of thirty-seven facilities, twenty-two of which are prisons. The average daily per capita cost at SCI Pittsburgh is \$47.33. Looking more broadly in the region, the daily per capita cost at SCI Waynesburg is \$74.93, and \$53.27 at SCI Greensburg. It is important to bear in mind that per capita expenditures do not include health costs, nor administrative and capital expenses.

In Allegheny County criminal justice expenditures between 1993 and 1997 increased nearly 30% (from \$47 million in 1993 to \$61 million in 1997). The daily per capita cost of the county jail is \$60.03. The new county jail that opened only three years ago and cost taxpayers \$147 million, is on the verge of exceeding capacity. The county jail budget has increased by 42% since 1993. Figure 8 shows the steady increase in criminal justice expenditures for Allegheny County.

Figure 8

**Allegheny County Public Safety Expenditures
1993-1997**



Source: 1997 Allegheny County Budget

Source: Allegheny; County Budget, 1997

One issue that figures prominently in both the cost of controlling crime and incarcerating offenders is the “war on drugs.” One result from this war has been an increase in the number of offenders in our correctional population. Over 60 percent of the prisoners in federal prisons and 25 percent of those in state prisons are there because of drugs. These figures contrast sharply with those from the 80s where drug offenders accounted for roughly 9 percent of the prisoner population. The persistent question is that if the incarceration were truly effective in reducing drug abuse, there should be some evidence to that effect. So long as the market demand persists and there is a continued supply of sellers, incarceration will likely have little effect on drug transactions.

Included in the impact of our drug policies is the cost of our “war on drugs” which is staggering. We spend more than \$8 billion in federal drug enforcement and another \$12 billion in state and local enforcement each year (National Drug Control Strategy: Budget Summary, 1995). The human toll is not so easily measured. The drug war, like any war, causes collateral damage. By moving drugs underground, our policies force buyers to turn to addiction-based crime (drugs that would be relatively inexpensive if legal, are made expensive when supplied in the black market). Sellers’ turn to trade based crime. Conservative criminologist James Q. Wilson describes how this happens: “The more profitable drug sales are, the greater the incentive dealers have to protect their profits by arming themselves against rivals, forcibly maintaining discipline among subordinates, and corrupting or otherwise resisting the criminal justice system” (1990:522). As we indicated earlier, crime is not evenly distributed, but tends to occur with greater frequency in poor urban areas. When the war against supply and users collides with social conditions in inner cities, those who will be most affected inevitably will be the poor and minorities. Deteriorating social conditions and the lack of opportunities common in inner cities draw the poor and minorities into the lucrative drug trade itself. Finally, the corruption from the drug trade spreads. The laws that create a black market put law enforcement and other public officials in the position to trade power and authority for kickbacks and payoffs. Creating conditions where tens of thousands of

dollars can easily and secretly pass into the pockets of police and other public officials simply encourages the abuse of power (Bertram, et. al, 1996).

Epilogue: Expanding the Public Debate

Perhaps now is the time to rethink whether we rely too heavily on the criminal justice system, particularly on incarceration, to deal with crime and drugs. The data regarding the state of crime in the region and the cost of maintaining our current policies point to three troubling patterns. The first involves the discrepancy between stabilizing crime rates and skyrocketing prison rates, and the fact that two-thirds of those currently incarcerated are nonviolent and drug offenders. The second involves the high cost of incarceration--it is the harshest and most expensive form of punishment. Most research examining the impact that prison has had on crime concludes that it has only been "marginal" (Steffensmeier, 1992; Tonry, 1995; Blumstein, 1993). The third involves the "politicalization" of crime--that is while the problem of violence and drugs continue to threaten the stability of our society, the political response is simplistic. Mandatory sentences have dominated the policy response to crime throughout the 80s and 90s, regardless of considering whether long term longer sentences have been effective. One approach that has gathered support in the 90s is the "three strikes and you're out" policy--at first glance this may seem reasonable. But keeping someone in prison on the basis of three convictions (possibly nonviolent) means they are incarcerated until they die.

Three key points need to be remembered in thinking about the costs of crime. These are:

1. While crime rates have declined, the decreases have not been proportional to the increases in the prison population.
2. Increases in the prison population strain capacity, and while we expand our correctional system to accommodate demand, there is little evidence that prison reduces serious crime.
3. Prison is the most expensive approach to the problem of crime. It costs, on average, \$20,000 per year per prisoner and these funds are diverted from other needs such as education or economic development.
4. Controlling crime has always involved a balance between the use of force and protecting civil liberties—accentuating "tough on crime," "the war on drugs," and "zero tolerance" approaches reinforces the use of excessive force by law enforcement.