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COPC: San Francisco's Changing Demography and Social Needs

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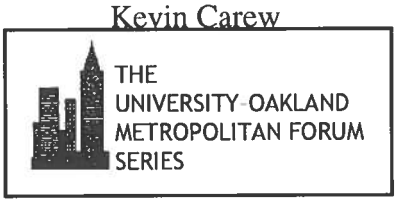

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Contents

Tables

Figures

Maps

INTRODUCTION

This working paper is by the San Francisco State University Community Outreach Partnership Center (COPC) and the Public Research Institute (PRI). The paper describes and analyzes changes in the city's demography, economic base, occupational structure, and social needs that we believe are most relevant to a strategic assessment of the CDBG program and to new federal and local initiatives in community development policy.

Since 1975, San Francisco's population has changed markedly. Its population has increased and will grow still further into the next century. The city's diverse Asian and Hispanic populations have grown rapidly over this period while the African American and Anglo populations have become smaller. The immigrant population has become larger and includes many undocumented immigrants and their families. The combination of sustained economic recession, government budget cuts, population pressures, land use downzoning, and shrinking affordable housing supply have increased overcrowding and the numbers of homeless. Although the official census count of the city's poor population indicate slightly decreasing numbers since 1980, the actual poor population is almost certainly much larger as a result of inflows of uncounted undocumented immigrants. Further, the racial/ethnic complexion, spatial distribution, economic distress, and housing problems of that population have changed in significant ways. The city's population continues to be racially/ethnically and socially diverse, but at the neighborhood level that diversity is threatened by lack of jobs, lack of affordable housing, and general economic hardship. At the deeper level of the city's changing economic base and occupational class structure, the city's continuing trend toward greater concentration in high-income professional and managerial jobs and low-income service jobs does not match well with trends in the levels of education and training in the resident labor force, especially in certain racial/ethnic populations. These and other trends pose challenges to any strategic assessment and possible redesign of the city's CDBG program.

This is a working paper. For further information, contact Richard DeLeon (338-7526).

I. COMMUNITY DEVELOPMENT, STRATEGIC PLANNING, AND RESEARCH NEEDS

San Francisco's population has changed markedly over the life of the Community Development Block Grant (CDBG) program. This paper analyzes changes and trends we believe are most relevant to a strategic assessment of San Francisco's CDBG program and to new federal initiatives in community development policy.

The initial broad objectives of the CDBG program have not changed substantially over the last twenty years: promote economic development, improve neighborhood physical environments, increase the stock of affordable housing, and provide services that will enable low-income residents to escape poverty. Under the Clinton administration, however, it is clear that greater priority in the future will be given to place-oriented economic development strategies (e.g., empowerment zones, enterprise communities), improved coordination in planning and service delivery (e.g., mandated consolidated community development and housing plans), education and retraining (e.g., re-employment and job corps initiatives), and broader integration of racial and ethnic minorities throughout metropolitan regions.

These broad objectives and shifting priorities help to identify the kinds of trend data and analyses that we believe are most relevant to a strategic assessment of the city's CDBG program. Our report provides (1) a summary digest of recent CDBG-related trend studies by the Office of Housing and the City Planning Department; (2) detailed analyses of the 1980 and 1990 Public Use Microdata Samples (PUMS), with a focus on changing features of the city's poverty population, economic base, and labor force, and (3) maps and analyses of 1980 and 1990 census tract data, with an emphasis on the spatial distribution of racial and ethnic populations, poverty, affordable housing, and general urban distress.

II. OVERVIEW OF TRENDS, 1980-1990

Useful information on San Francisco's changing population is found in recent reports issued by the city's Office of Housing (*Comprehensive Housing Affordability Strategy* [CHAS] December, 1993) and Department of City Planning (*San Francisco at a Glance: 1980 to 1990* and *San Francisco Atlas* – both released in October 1991). Both reports draw heavily upon U.S.Census Summary Tape Files (STF) for 1980 and 1990, as well as other sources. Before presenting our own analyses of those same data and our detailed breakdowns of the just-released PUMS data, we summarize some of the major findings of this previous research.

A. Growing Population

By official Census count, San Francisco's population increased in size from 678,974 to 723,959 between 1980 and 1990, an increase of 6.6%. These figures almost certainly underestimate actual population growth by thousands – perhaps by tens of thousands – because of undercounting of undocumented immigrants and their families. More recent studies cited in these reports indicate that the city's population is still growing and probably will continue to do so into the next century.

B. Changing Racial and Ethnic Composition

Non-Hispanic Whites are no longer a majority of San Francisco's residents, declining in absolute numbers and dropping from 52.3% of the population in 1980 to 46.6% in 1990. The population of African Americans also decreased in both absolute and relative size over this period, losing a net 8,500 residents and dropping from 12.5% to 10.5% of the total population in 1990. The population of Asians and Pacific Islanders grew in both absolute and relative size over this period, as did that of Hispanics. Asians and Pacific Islanders now comprise 28.4% of the total population, Hispanics 13.9%. These trends in population growth and decline are expected to continue into the next century.

C. Changing Age Composition

San Francisco's population is older, on average, than it was in 1980, with an 8% increase in the number of residents 18 years or older and hardly any change in the number less than 18. Decreases in the number between 10 and 17 years offset increases in the number under 10 years. The largest growth rate occurred in the 30 to 49 year age group. About one in five San Franciscans is over the age of 60, a much larger fraction than for the Bay Area as a whole (14%).

D. Increasing Density, Overcrowding

Although there was a net increase of 2% in housing supply over this period, the population increased by over 6%, resulting in greater population density in many neighborhoods and in greater overcrowding of households. The average number of persons per occupied household increased from 2.18 to 2.29, still below the statewide average of 2.80 but showing a trend that will persist if the number of non-white family households with children continues to increase.

E. Poverty

About 13% of all San Franciscans (over 90,000 people) were counted and defined as living in poverty in 1990, a slight drop in both absolute and relative numbers from 1980. (The U.S. Census poverty level in 1990 was set at $6,310 for a single person and $12,674 for a family of four.) Assuming a large increase in the number of uncounted undocumented immigrants and their families living in San Francisco over this period, and given the rise in the number of homeless (counted and uncounted), the actual percentage of poor people is probably larger than 13% – perhaps much larger. In any case, the poverty rate varies considerably among different racial and ethnic groups, with very high rates among African Americans, Vietnamese, and recent immigrant groups (see below). Despite the overall stability in the official counts of poor people in 1980 and 1990, significant shifts have occurred in the racial and ethnic composition and spatial concentration of poor people along with other changes (see below).

F. Housing Affordability

The costs of renting and homeownership have risen markedly since 1980, despite a downturn in rents and house prices since 1990. According to the CHAS, the city's cost of living index increased by 64% between 1980 and 1990, a growth rate dwarfed by the 110% increase in average rent for 2 bedroom units and the 186% increase in single family home prices. The local housing market has been slow to respond to the growing demand for affordable housing. There is a huge gap on the order of tens of thousands between the demand for and supply of affordable housing units. The housing afford-ability crisis is most acute for low and very low income households, particularly in the more vulnerable, spatially concentrated, and economically distressed African American, Asian, and Latino communities.

G. Economic Base and Labor Market

According to the CHAS, the city lost an estimated 30,000 jobs between 1990 and 1992, a disproportionate share of job losses in the region, and this against the background of continuing economic recession. While the number of professional and managerial jobs has increased since 1980, there has been a decline in the number of decent-paying blue-collar jobs, thus trapping less-educated, predominately non-white workers in low-paying service or unskilled laborer jobs or forcing them into unemployment.

These trends pose a significant challenge to those who direct the local CDBG program. If the trends persist, the city's celebrated social diversity will disappear as residents in the most vulnerable low-income populations exit the city under market pressures in search of decent jobs and affordable housing. The descriptions and analyses that follow elaborate these trends in greater detail and trace their origin to changes in the city's labor force, labor markets, and economic base. Our findings make a strong case for greater emphasis in CDBG policy on economic development, place-oriented service delivery, and education and training re-employment initiatives.

III. TRENDS AND PATTERNS IN RACIAL AND ETHNIC DIVERSITY

Since 1980, San Francisco's population has continued to become more racially and ethnically diverse. The spatial distribution of racial/ethnic communities has changed. Even by conservative U.S. Census counts, recent immigrants make up a sizable fraction of the city's population and face difficult challenges in finding shelter and jobs. Although San Franciscans are justly proud of their city's racial and ethnic diversity, at the neighborhood and census tract levels that diversity tends to go hand in hand with economic distress and could be in jeopardy.

A. Changes in San Francisco's Racial and Ethnic Composition, 1980-1990.

As shown in Table 1, non-Hispanic Whites have decreased in numbers and are no longer a majority. With the exception of Japanese, all of the Asian/Pacific Islander populations have grown in size, the Chinese population most both in absolute and relative terms. The Hispanic population also has grown since 1980, while the Black population has decreased in size.

Immigrants continue to be a major source of population growth. Based on 1990 PUMS estimates, over 35% of the city's residents are immigrants and about one in five are non-citizens. About one in four of all the city's immigrants arrived in this country since 1985. These official U.S. Census estimates of the size of the immigrant population are conservative. Many undocumented immigrants and their families, particularly Hispanics and Asians, were inaccessible to Census survey takers or were afraid to divulge information, assurances of confidentiality notwithstanding. Exactly how many is unclear, but numbers in the range of fifty thousand are not unreasonable and could be much larger than that.

Table 1: Racial/Ethnic Composition of San Francisco Population 1980 and 1990

Racial/Ethnic Groups	1980 Number	1980 %	1990 Number	1990 %
Whites (non-Hispanic)	358,200	52.70%	339,452	46.91%
Hispanics (all races)	85,840	12.63%	96,258	13.30%
Blacks (non-Hispanic)	83,420	12.27%	77,518	10.71%
Chinese (non-Hispanic)	82,120	12.08%	127,269	17.59%
Filipinos (non-Hispanic)	35,180	5.18%	38,893	5.37%
Japanese (non-Hispanic)	12,720	1.87%	11,231	1.55%
Korean (non-Hispanic)	3,620	0.53%	6,597	0.91%
Vietnamese (non-Hispanic)	5,640	0.83%	9,611	1.33%
Other Asian/Pacific Islanders (non-H)	6,900	1.02%	12,402	1.71%
Other races (non-Hispanic)	6,000	0.88%	4,394	0.61%
Totals:	679,640	100.00%	723,626	100.00%

Source: U.S. Census 5% Public Use Microdata Samples (PUMS) for 1980 and 1990. All sample estimates are weighted. See Appendix A for technical details and definitions.

B. Changes in the Spatial Distribution of Racial/Ethnic Groups 1980-1990

Map 1 shows that the spatial distribution of San Francisco's non-Hispanic White population has not changed substantially since 1980. The city's Black population, although clustered in the same areas as in 1980, has noticeably thinned, particularly in the Western Addition and Ingleside neighborhoods. (page 5) shows that the numbers of Hispanics have grown more dense in the Mission, with continued clockwise movement along the I-280 corridor into the Bernal Heights, Excelsior, and Crocker-Amazon neighborhoods. The city's Asian/Pacific Islander population still has a dense concentration of residents in Chinatown, with continued counter-clockwise movement into the Richmond and Sunset neighborhoods. The term "movement" is used only figuratively in these descriptions.

The 1980 and 1990 maps are merely snapshots of the settlement patterns that resulted from the net inflows and outflows of people, births and deaths, and actual shifts in residence within the city.

C. Socio-Economic and Demographic Characteristics of Racial/Ethnic Groups in 1990

Significant social and economic disparities exist among the city's various racial and ethnic groups. Table 2 reports breakdowns of 1990 PUMS data on seven key indicators for thirteen different racial/ethnic groups, including recently arrived (since 1985) Hispanic and Chinese non-citizen immigrants who do not speak English well. (PUMS statistics for these two non-citizen recent immigrant groups are broken out and reported separately for two reasons. First, these are the largest subpopulations of recent immigrants in San Francisco. Second, Census statistics describing these groups can be used as at least rough estimates of characteristics of the undocumented immigrants not reached or counted by Census surveys. These two special PUMS groups will sometimes be identified below simply as "recent immigrants.") Table 2 reveals many inter-racial and inter-ethnic group differences in 1990, including the following.

Poverty: Filipinos and non-Hispanic Whites had the lowest poverty rates (5.7% and 8.6%, respectively), based on the percentage of families and individuals living in households identified as below the 100% U.S. Census poverty line. (Many analysts believe these official poverty lines are much too low, especially in San Francisco, and underestimate real poverty levels.) Vietnamese, other Asians and Pacific Islanders, and Blacks had the highest (38.9%, 30.8%, and 27.9%). Among Hispanics, recent immigrants had a poverty rate of 40.2%, much higher than the rate of 17.5% for the Hispanic community as a whole). Among Chinese, recent immigrants had a poverty rate of 24.5%, compared with a rate of 11.1% for all Chinese.

Single-Parent Households: Among those under 16 years, 67.2% of Blacks lived in single-parent households, followed distantly by 34.2% of all Hispanics. The lowest rates were for all Chinese, Vietnamese, and Japanese (12.4%, 13.1%, and 15.9%, respect-ively). Hispanic recent immigrants had a rate of 57.6%, Chinese recent immigrants a rate of 23.5%

Housing Tenure: Homeownership rates varied from 17.3% for Vietnamese (82.7% renters) to 56.1% for Chinese. Three out of five Whites rented, as did two out of three Hispanics. Among Hispanics, fully 88.6% of recent immigrants surveyed by the Census were renters, and 69.7% of Chinese recent immigrants also rented.

Affordable Housing: More than half of the city's Vietnamese residents lived in households in that paid more than 35% of household income for rent. In most racial/ethnic groups, including non-Hispanic Whites, that rate was at least 30%. Reflecting the city's continuing short supply of affordable housing, the lowest rate was 19.4% (one out of five) among Filipinos. Rates for Hispanic and Chinese recent immigrant groups were 47.7% and 44.4%, respectively. Similar rates for homeowners were lower, overall, but still very high in some groups, such as Vietnamese (51.9%), Chinese recent immigrants (32.7%), and other Asian/Pacific Islanders (30.5%).

Overcrowding: More than half of the city's Vietnamese lived in housing units with more than 1.50 persons per room, followed by 36.1% of other Asian/Pacific Islanders. At the other extreme, only 2% of non-Hispanic Whites and 3.5% of Japanese lived under these crowded conditions. About half of Hispanic and Chinese recent immigrants lived in such units.

Linguistic Isolation: In the 1990 Census, a household was considered linguistically isolated if no household member over the age of 14 could speak English. The percentage of household residents defined as

TABLE 2: Breakdown of Poverty Rates, Family Structure, Housing Tenure, Housing Costs, Overcrowding, and Linguistic Isolation by Race and Ethnicity: 1990 Sample Estimates for San Francisco Residents

	Percentage of Each Racial/Ethnic Group Who:						
Race/Ethnicity:	Live Below 100% Poverty Line (All)	Live in Single-Parent Households (Under 16)	Are Renters	Pay More than 35% of HH Income for Rent (Renters)	Pay More than 35% of HH Income for Housing (Owners)	Live in Over-Crowded Housing Units	Live in Linguis-tically Isolated Households
Anglo (Non-Hispanic White)	8.6%	21.9%	60.0%	30.5%	13.6%	2.0%	3.0%
Hispanic (All Races)	17.5	34.2	67.2	37.7	15.4	23.6	21.7
Black (Non-Hispanic)	27.9	67.3	65.5	36.8	19.6	8.1	0.5
Chinese (Non-Hispanic)	11.1	12.4	43.9	34.9	24.2	27.1	47.5
Filipino (Non-Hispanic)	5.7	22.4	47.6	19.4	18.7	27.8	11.2
Japanese (Non-Hispanic)	10.3	15.9	57.5	28.4	18.0	3.5	18.3
Korean (Non-Hispanic)	19.9	20.6	69.0	34.5	26.6	22.9	29.8
Vietnamese (Non-Hispanic)	38.9	13.1	82.7	51.9	58.7	53.4	55.8
Other Asian/Pacific Is. (Non-Hispanic)	30.8	18.9	74.4	48.3	30.5	36.1	24.6
American Indian (Non-Hispanic)	17.4	32.8	74.4	22.1	19.2	17.7	3.3
Other Race (Non-Hispanic)	19.5	18.6	67.1	40.3	28.2	30.0	22.9
Hispanic:Non-Citizen, Recent Immigrant, Doesn't Speak English Well	40.2	57.6	88.6	47.7	18.6	47.8	58.1
Chinese:Non-Citizen, Recent Immigrant, Doesn't Speak English Well	24.5	23.5	69.7	44.4	32.7	55.8 8	5.3

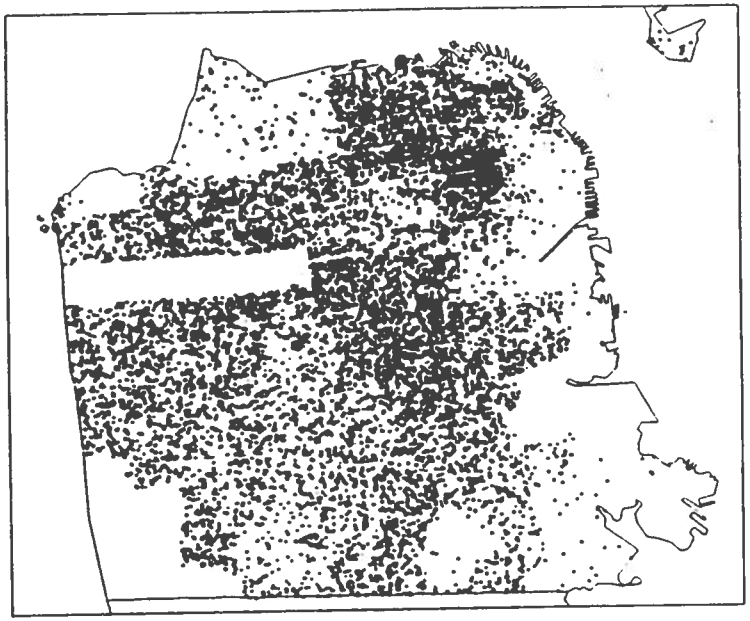
Source: U.S. Census 5% Public Use Microdata Sample (PUMS) 1990.

Population by Race in San Francisco

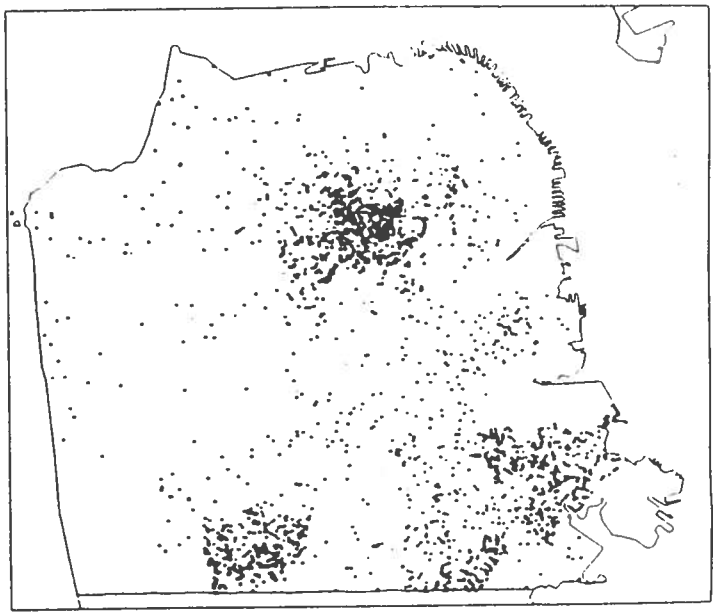
San Francisco White and Black Populations in 1980 and 1990, Based on Census Data

1 Dot = 40 People

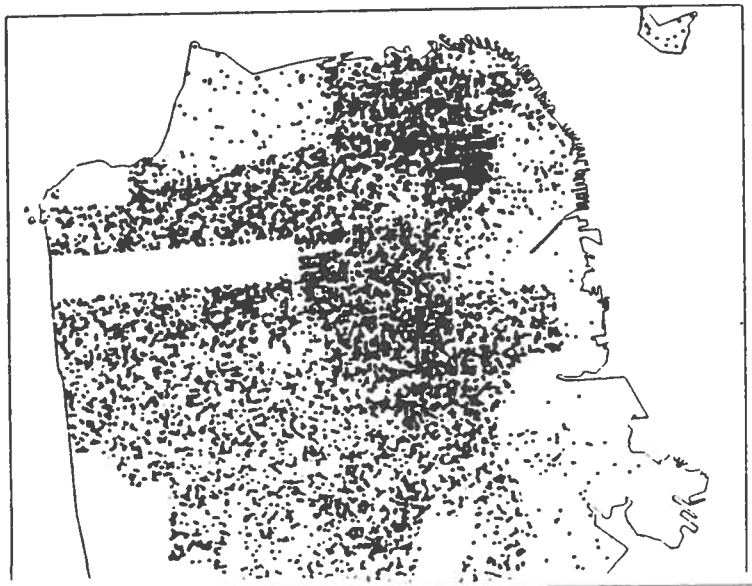
1980 White Population



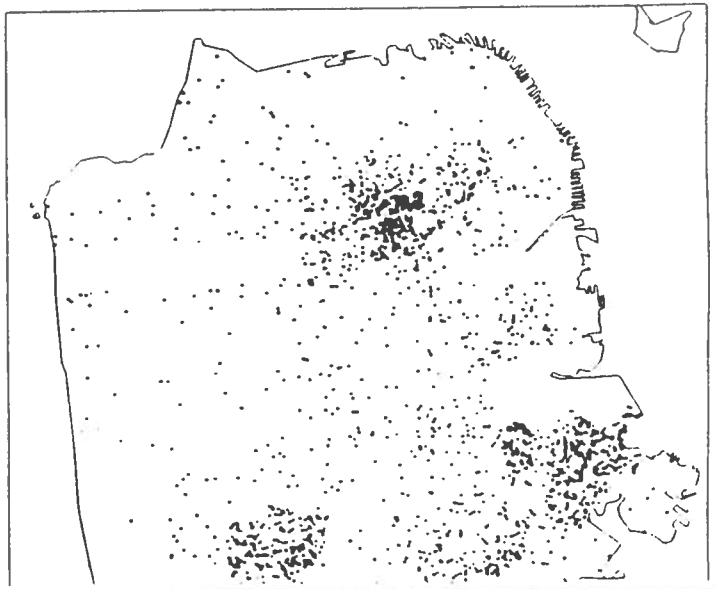
1980 Black Population



1990 White Population



1990 Black Population

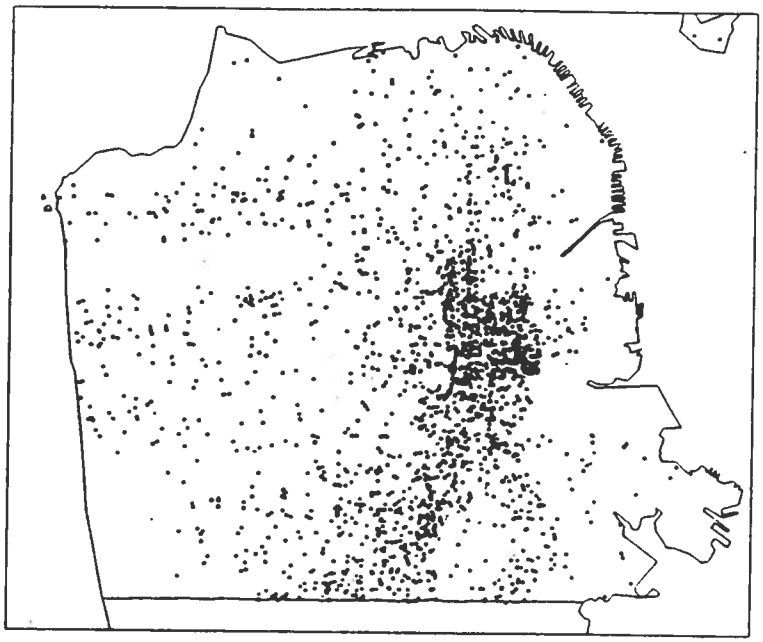


Population by Race in San Francisco

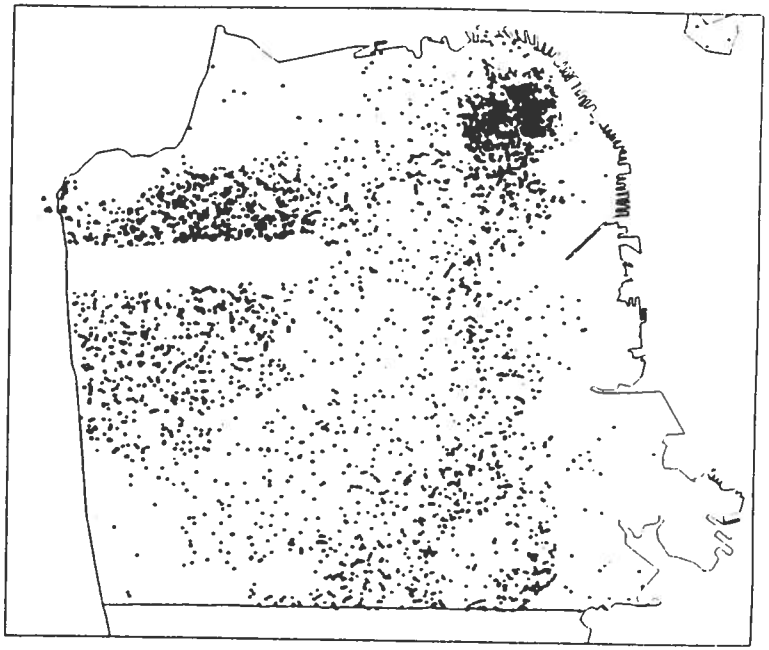
San Francisco Hispanic and Asian/Pacific Islander Population in 1980 and 1990, Based on Census Data

1 Dot = 40 People

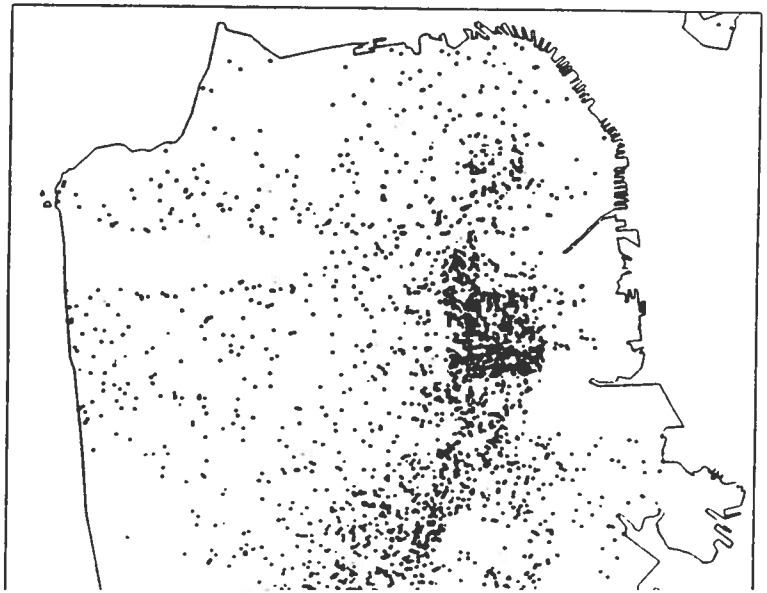
1980 Hispanic Population



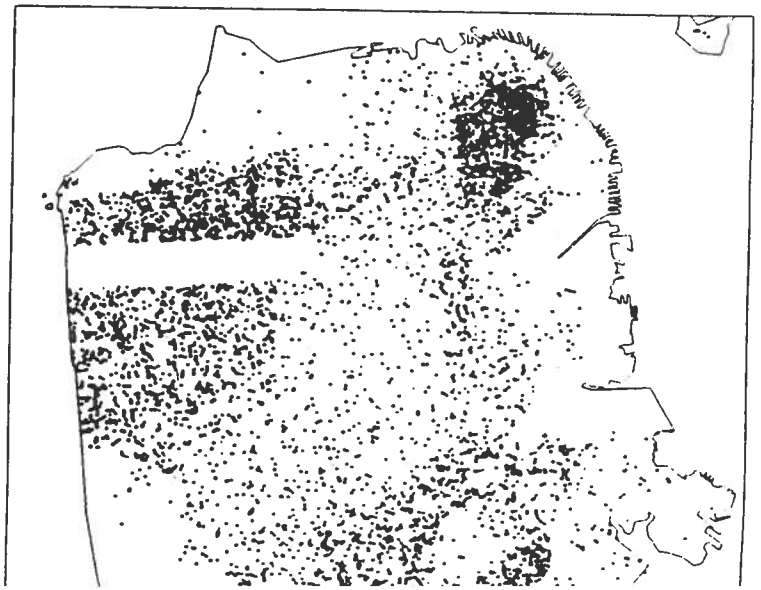
1980 Asian/PI Population



1990 Hispanic Population



1990 Asian/PI Population



linguistically isolated ranged from very low among non-Hispanic Whites, Blacks, and Native Americans to very high among Vietnamese (55.8%) and Chinese (47.5%). Among recent immigrants, 58.1% of Hispanics and fully 85.3% of Chinese were linguistically isolated.

Income Sources and Inequalities: Important inter-racial and inter-ethnic group differences also are found in comparing income distributions by source of income. Table 3 reports breakdowns of 1990 PUMS data on income sources for thirteen different racial/ethnic groups, including Hispanic and Chinese recent immigrants. In 1989, income derived from earnings (wage, salary, and self-employment income) ranged from 77.4% for Japanese to 96.5% for Hispanic recent immigrants. Among non-Hispanic Whites, Chinese, and Japanese, about a dime of every dollar received as income was in the form of interest, dividends, royalties, or net rent. Comparable stocks of income-generating capital were not available to Hispanic recent immigrants, Vietnamese, Koreans, Blacks, and other racial/ethnic groups. Mainly reflecting differences in the age distributions of various groups, the portion of income received from social security, pensions, or retirements ranged from less than 2% for Hispanic and Chinese recent immigrants, Vietnamese, and other Asian/Pacific Islanders to more than 11% for Blacks and Japanese. Public assistance income ranged from below 1% of total 1989 income for Japanese and non-Hispanic Whites to as high as 15.8% for Vietnamese. (It is worth noting that less than 2% of reported income received by Hispanic recent immigrants came from this source. One may surmise that the rate is even lower among the undocumented immigrants not counted in the Census.)

Another way to analyze the 1990 PUMS data and to illustrate the inter-racial and inter-ethnic economic disparities in San Francisco is to aggregate incomes from each source for each group and compare the fractions of total income of each kind received. For example, non-Hispanic Whites represent 46.9% of the city's population and have 30.6% of its poor, yet received 65% of total earnings received by San Franciscans in 1989, 31.9% of total public assistance income, and fully 78.5% of total income from interest, dividends, royalties, and net rent. In contrast, Blacks represent 10.7% of the population and have 22.7% of its poor, yet received 6.8% of total earnings, 22.4% of total public assistance, and only 1.7% of total income from interest, dividends, royalties, and net rent. (Comparable income shares for all Hispanics were 8.6%, 11.0%, and 3.5%, and for all Chinese 11.6%, 19.5%, and 12.8%, respectively.)

TABLE 3 Distribution of 1989 Income by Source by Race/Ethnicity: Sample Estimates for San Francisco Residents 15 Years or Older with Income.

	Percentage of 1989 Income by Source:						
	Wage or Salary Income	Self-Employment Income	Interest, Dividends, Royalties, Net Rent	Social Security, Pension or Retirement	Public Assistance Income	All Other Sources	Total
Race/Ethnicity:							
Anglo (Non-Hispanic White)	69.6%	10.0%	11.3%	7.5%	0.7%	0.7%	99.8%
Hispanic (All Races)	80.8	5.9	4.2	6.0	2.1	1.0	100.0%
Black (Non-Hispanic)	76.2	2.9	2.3	11.6	5.0	2.0	100.0%
Chinese (Non-Hispanic)	73.3	6.9	10.5	6.1	2.6	0.6	100.0%
Filipino (Non-Hispanic)	84.2	3.5	2.9	6.5	1.8	1.0	99.9%
Japanese (Non-Hispanic)	69.8	7.6	9.5	12.1	0.3	0.7	100.0%
Korean (Non-Hispanic)	71.5	19.3	2.3	2.4	2.4	1.9	99.8%
Vietnamese (Non-Hispanic)	76.8	4.0	1.6	1.6	15.8	0.2	100.0%
Other Asian/Pacific Is. (N-H)	76.4	9.5	4.3	1.7	7.1	1.0	100.0%
American Indian (Non-Hispanic)	89.0	2.6	2.0	2.1	2.5	1.9	100.1%
Other Race (Non-Hispanic)	80.1	9.6	1.2	6.2	2.8	0.1	100.0%
Hispanic: Non-Citizen, Recent Immigrant, Doesn't Speak English Well	91.7	4.8	0.0	1.6	1.9	0.0	100.0%
Chinese: Non-Citizen, Recent Immigrant, Doesn't Speak English Well	83.1	5.3	4.7	1.5	5.0	0.4	100.0%

Source: U.S. Census 5% Public Use Microdata Sample (PUMS) 1990, for all persons 15 years or older with income. Weighted Total N = 554,515; Anglos (294,148); Hispanics (63,536); Blacks (52,041); Chinese (88,254); Filipinos (28,161); Japanese (9,018); Korean (4,197); Vietnamese (5,300); Other Asians/Pacific Islanders (7,065); American Indians (1,682); Other Races (1,113); Hispanic Non-Citizen ... (3,703); Chinese Non-Citizen ... (9,885).

D. A Focus on Recent Immigrants

Offered as an important sidebar to this analysis, Table 4 focuses comparison on San Francisco's non-citizen recent immigrants (all levels of English proficiency are included). By official Census counts this immigrant group represents a sizable 8.2% of the city's total 1990 population, but it is much larger if those missed by the Census are as numerous as some have claimed. Based on 1990 PUMS estimates, Table 4 shows comparative figures on a set of indicators for all non-citizen recent immigrants, Chinese non-citizen recent immigrants, Hispanic non-citizen recent immigrants, and all San Franciscans. In percentage terms and relative to all San Franciscans, non-citizen recent immigrants have more young and fewer old; have received much less formal education; are much more linguistically isolated; are much poorer; receive less income on average from public assistance; are up to twice as likely to be unemployed; are much more likely to hold low-end service or laborer jobs; are more likely to be renters; are more likely to be struggling to pay for unaffordable housing; and are much more likely to live in

overcrowded and substandard housing units. (Note: Substandard means at least one of the following: no gas or electricity for heating; lacks complete kitchen facilities; lacks hookup to public water system; lacks hookup to public sewer; lacks complete plumbing facilities.) Chinese immigrants are somewhat more likely than Hispanic immigrants to be less educated and linguistically isolated; Hispanic immigrants as a group experience greater economic distress.

TABLE 4: Selected Characteristics of San Francisco's Non-Citizen Recent Immigrants in 1990 with Breakdowns by Chinese and Hispanic. ("Recent" means 1985 or later.)

	All Non-Citizen Recent Immigrants	Chinese Non-Citizen Recent Immigrants	Hispanic Non-Citizen Recent Immigrants	All San Franciscans
A. Number	59,106	23,734	13,873	723,626
B. Female (%)	49.9%	52.3%	47.5%	50.4%
C. Under 18 years old (%)	19.0%	17.1%	25.9%	16.4%
D. Over 65 years old (%)	4.3%	6.0%	2.6%	13.7%
E. Less than high school education (% of those 25 years or older)	38.6%	52.0%	44.3%	21.7%
F. BA degree or higher (% of those 25 years or older)	25.0%	14.2%	12.8%	35.0%
G. Linguistically isolated (%)	53.0%	72.4%	46.7%	15.3%
H. Below poverty line (%)	28.1%	24.5%	37.0%	13.1%
I. Mean income from public assistance received by those 16 years or older who live in households below the poverty line	$192	$187	$ 29	$690
J. Unemployed in 1989 (% of civilian labor force 16 years or older)	10.7%	8.9%	12.5%	6.3%
K. Low-end (non-supervisory) service, fabricator, operator, or laborer occupation (% of civilian labor force 16 years or older)	37.5%	33.2%	60.5%	17.5%
L. Renters (%)	77.2%	67.8%	89.6%	58.7%
M. Gross monthly rent is greater than 35% of total household income (renters only) (%)	43.3%	42.4%	45.8%	33.2%
N. Live in overcrowded households (%)	43.9%	51.2%	48.5%	13.0%
O. Live in substandard housing (%)	11.5%	12.5%	16.0%	6.7%

Sources: U.S. Census 5% Public Use Microdata Sample (PUMS) for 1990 (N = 31,502). All sample estimates are weighted. See Appendix A for technical details and definitions.

E. The Linkage between Racial/Ethnic Diversity and Economic Misery

By standard statistical measures of racial/ethnic diversity, San Francisco is one of the country's most racially and ethnically diverse cities. Such measures can sometimes be misleading, however, especially when they indicate a high level of diversity in cities that are quilted with vast territories filled only with black faces or brown faces or white faces. Unlike what one finds in these "diverse" but residentially segregated cities, San Francisco's citywide diversity is to a large extent replicated in the smaller spaces of census tracts and neighborhoods where people live and work, meet and mingle. Indeed, by one standard diversity index, over 20% of the city's census tracts are actually more racially and ethnically diverse than the city as a whole.

As part of another study, we constructed a composite index to measure racial and ethnic diversity at the census tract level. (See Appendix B for technical details.) Map 3 (page 13) shows the location and overall spatial distribution of the city's most racially and ethnically diverse neighborhoods by this measure. To explore the correlates of racial and ethnic diversity at the census tract level, we also constructed a composite index of economic distress. This index combines information on a tract's overall level of poverty, level of poverty among young people, unemployment rate, median household income, per capita income, and dependency ratio (i.e., number of poor kids plus number of poor elderly divided by number of employed). We call this composite measure the Economic Misery Index. (See Appendix C for technical details.) Map 4 shows the location and overall spatial distribution of the city's most economically distressed neighborhoods by this measure.

What strikes one's eye in comparing these maps is how similar they look. With some exceptions, the most diverse census tracts appear to coincide with those that are most economically distressed. More rigorous graphical evidence of this correlation is shown in Figure 1 (page 15), which plots each tract's diversity score against its economic misery score. As can be seen, with exceptions to be noted, there is a very clear relationship between racial/ethnic diversity and economic distress: low distress, low diversity; high distress, high diversity. The major exceptions to this pattern are seen in the lower right corner of the scatter plot. These tracts (identified in the figure) have racially homogeneous populations that suffer great economic distress. One would expect a politically fine-tuned community development policy to approach these particular neighborhoods much differently from the way it might approach the same kinds of problems in more diverse areas, especially when implementing place-oriented economic development strategies.

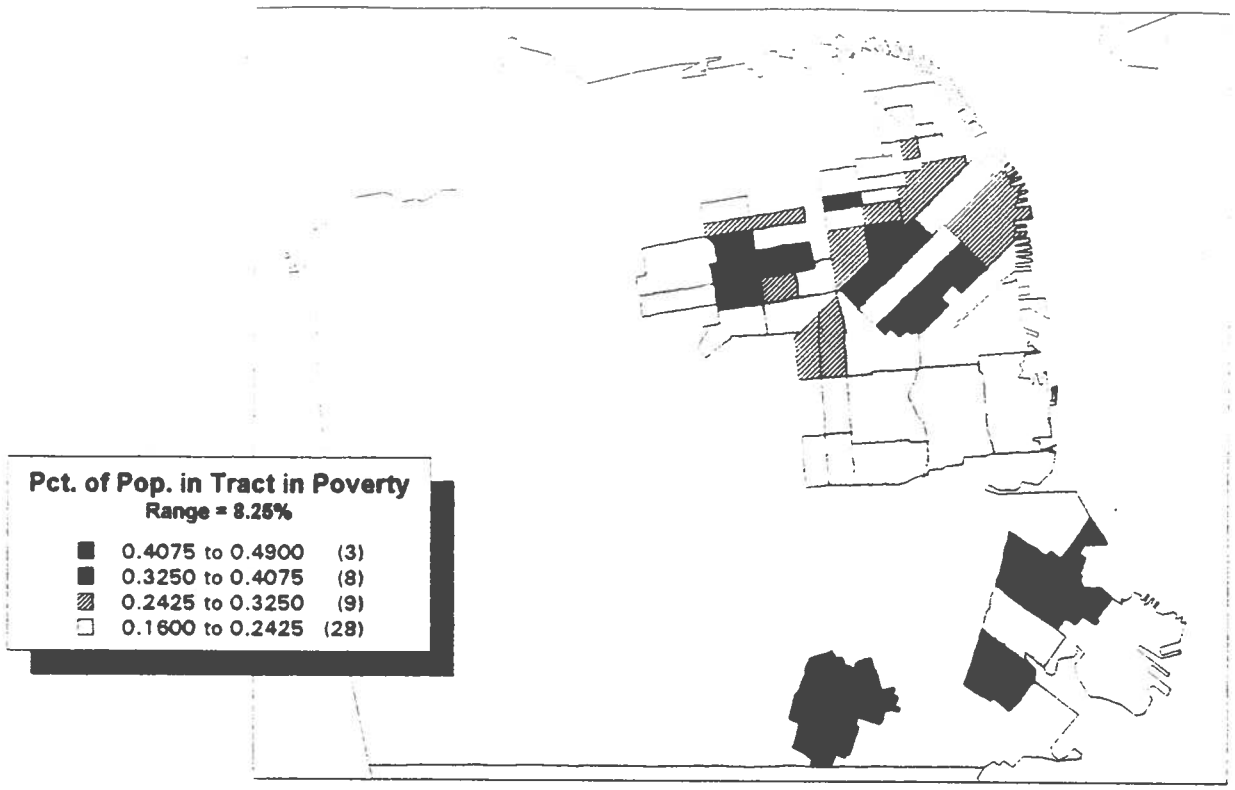
It is ironic that one of San Francisco's most treasured assets, its widely celebrated racial and ethnic diversity, flourishes most in places where human suffering is greatest. In these times, to experience true diversity in San Francisco, one must walk among the poor, the immigrants, and the homeless. That is a walk many San Franciscans seem increasingly unwilling to take.

As these comparative statistics demonstrate, it is difficult to generalize about the social and economic well-being of the more broadly defined racial and ethnic groups in San Francisco. Within the Asian/Pacific Islander population, for example, the life-worlds and life-chances of Vietnamese, Koreans, Filipinos, and Chinese vary considerably. As is also true to a lesser extent in the Chinese community, the city's Hispanic population is internally stratified by income levels, housing opportunities, degrees of linguistic isolation, and citizenship status. An effective community development policy must be sensitive to these racial/ethnic variations in resources, hardships, and needs. Such a policy must continue to support specialized outreach programs and service delivery systems, and yet still find ways to consolidate planning and coordinate strategies in responding to new mandates and initiatives.

San Francisco Census Tracts with the Highest Density of Population Below Poverty

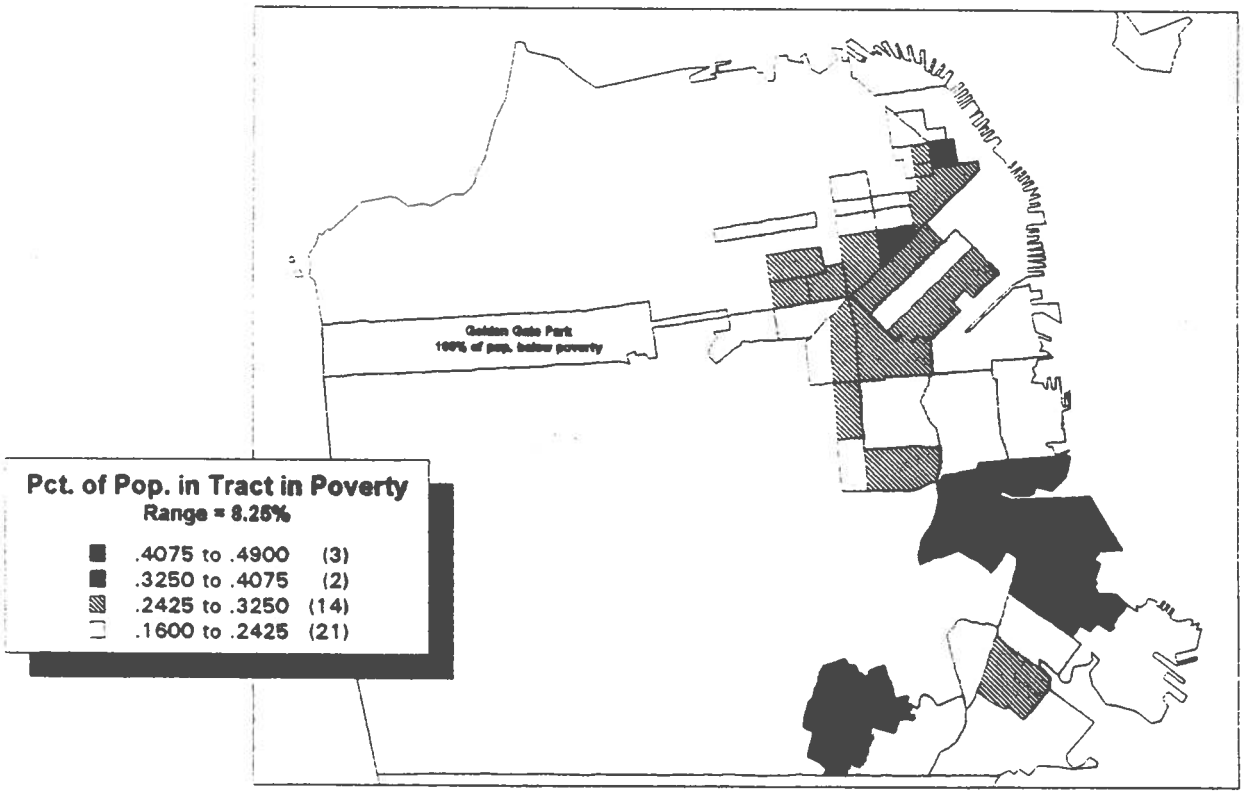
Half of San Francisco's population with incomes below poverty level lived in the tracts shown in the maps below in 1980 and 1990. The tracts are shaded according to the percentage of the total population in the tract with income below poverty level.

Data based on 1980 and 1990 census.



1980

Total Tracts: 48

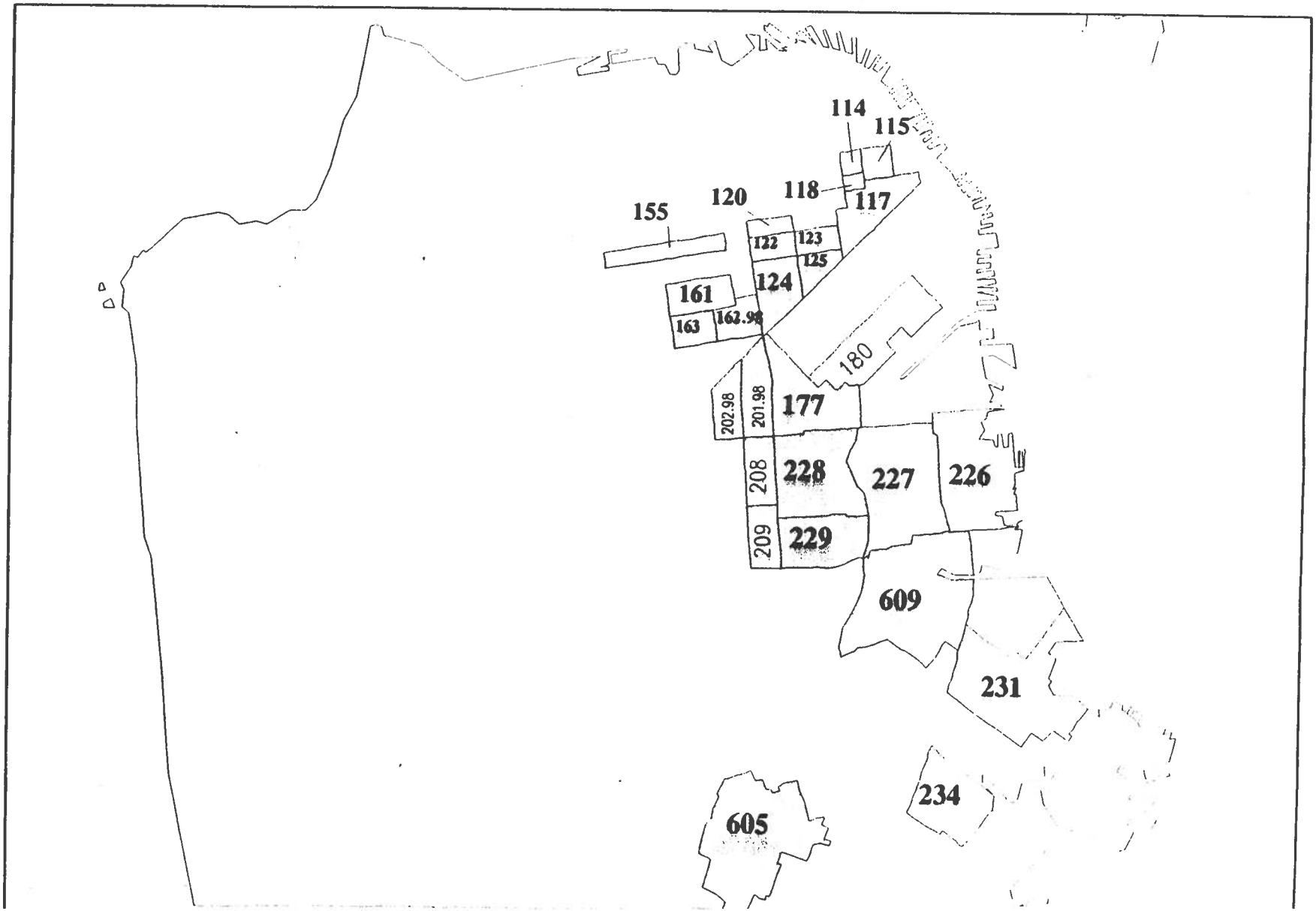


1990

Total Tracts: 41

San Francisco Census Tracts with 20% or More of Population Below Poverty in Both 1980 and 1990

Map is based on census data. Tracts are labeled with tract numbers.



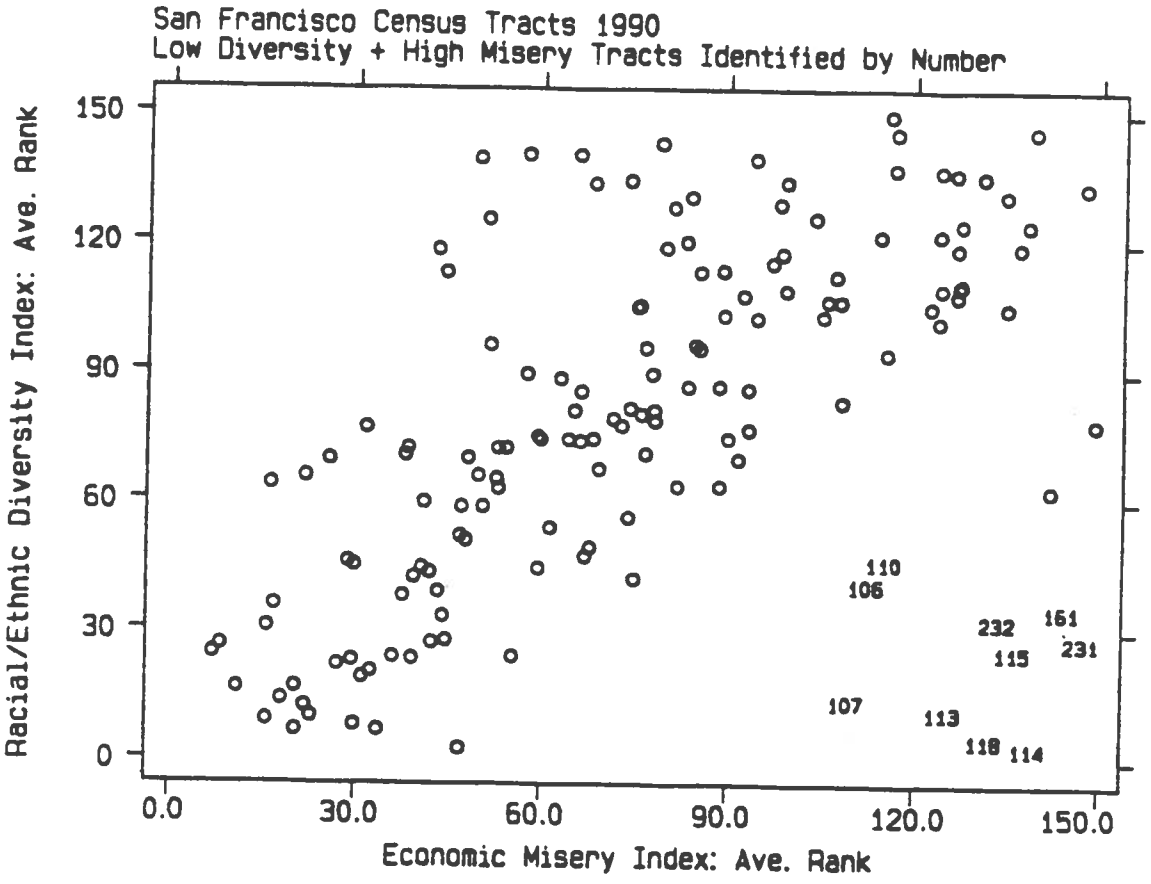


FIGURE 1 : Plot of Racial/Ethnic Diversity by Economic Misery in San Francisco Census Tracts 1990. Tracts with low diversity and high economic distress are identified by tract number in the plot. These include seven tracts with a high percentage of Asian residents in or near Chinatown (tracts 106, 107, 110, 113-115, 118) and three with a high percentage of African Americans in Bayview-Hunter's Point (231-232) and Western Addition (161).

IV. PERSISTENCE AND CHANGE IN PATTERNS OF POVERTY

A. Who are the Poor? Changing Characteristics of Poverty Populations in 1980 and 1990

Table 5 reports breakdowns of PUMS data on a number of key indicators describing the city's Census-defined poor and non-poor populations in 1980 and 1990. To reiterate, these statistics almost certainly understate the numbers of poor and their level of economic distress because of Census undercounting of recent immigrants and the conservatively low income thresholds used by Census formulas in defining the poverty line. With these qualifications, the comparisons shown in Table 5 suggest the following.

Household Type: The city's poor population had proportionally fewer non-family households in 1990 than in 1980 (32% versus 38%). Poor households with married couple families increased from 30% to 35% over this period, with the percentage of single-parent family households remaining about the same. The poor and non-poor populations were more alike in terms of household type in 1990 than in 1980.

Age Distribution: The age distribution of the poor population in 1990 was very similar to that in 1980, except for an increase (9% to 13%) in the relative size of the 36-45 year age group, an increase also seen in the non-poor population over this period.

Foreign Born and English Proficiency: One major change in the composition of the city's poor population was an increase in the percentage foreign born from 31% to 42%, an increase also seen in the non-poor population over this period but not as great. Related, 21% of poor people in 1990 could not speak English at all or speak it well, up from 16% in 1980.

Racial/Ethnic Composition: Consistent with the overall change in San Francisco's racial and ethnic composition, the poor population in 1990 had become increasingly non-White (69% versus 59% in 1980). Racially and ethnically, the poor and non-poor populations were more dissimilar in 1990 than in 1980.

Housing: The percentage of poor who were renters in 1990 (82%) was exactly the same as in 1980, and the difference in housing tenure between poor and non-poor also remained the same over this period. The poor were much more likely to live in overcrowded housing units in 1990 than in 1980, however, and this increase (13% to 25%) was much larger in percentage point terms than that experienced by the city's non-poor population over this period.

Education: The percentage of poor aged 21 years or older receiving no more than a high school education increased from 53% to 57% between 1980 and 1990, while the percentage least educated of non-poor decreased from 45% to 37% over this period.

One result of these changes is that the educational gap between poor and non-poor by this measure increased markedly between 1980 and 1990.

TABLE 5. Comparison of Selected Characteristics of San Francisco's Poverty Populations in 1980 and 1990

	1980		1990	
	Above Poverty Line	Below Poverty Line	Above Poverty Line	Below Poverty Line
A. Number	570,200	94,820	618,024	93,192
B. Percent of Population	85.7%	14.3%	86.9%	13.1%
C. Household Type (%):				
Married Couple Family	55%	30%	52%	35%
Female-Headed Family	11	28	12	28
Male-Headed Family	4	4	5	5
Non-Family	30	38	31	32
D. Age Distribution (%):				
Under 6 Years	5%	8%	5%	8%
6-17 Years	11	18	10	16
18-25 Years	13	19	11	19
26-35 Years	22	20	22	18
36-45 Years	12	9	18	13
46-55 Years	11	8	11	8
56-65 Years	11	7	9	7
Over 65 Years	15	11	14	10
E. Foreign Born (%):	28%	31%	35%	42%
F. Not Speak English Well (%):	8%	16%	11%	21%
G. Race/Ethnicity (%):				
Anglo (Non-Hispanic White)	54%	41%	49%	31%
Hispanic (All Races)	12	16	13	18
Black (Non-Hispanic)	11	22	9	23
Chinese (Non-Hispanic)	12	12	18	15
Filipino (Non-Hispanic)	6	2	6	2
Japanese (Non-Hispanic)	2	1	2	1
Korean (Non-Hispanic)	1	1	1	1
Vietnamese (Non-Hispanic)	1	3	1	4
Other Asian/Pacific Is. (N-H)	1	2	1	4
American Indian (Non-Hispanic)	< .5	1	< .5	< .5
Other Race (Non-Hispanic)	< .5	1	< .5	< .5
H. Renters (%):	55%	82%	55%	82%
I. Overcrowded (%):	6%	13%	11%	25%
J. High School or Less (%):	45%	53%	37%	57%

Sources: U.S. Census 5% Public Use Microdata Samples (PUMS) for 1980 (N = 33,982) and 1990 (N = 31,502). All estimates are weighted. Poor families and unrelated individuals are those below the 100% poverty line defined for each Census. Not Speak English Well estimates are for those four years or older. Overcrowded occupied housing units (owned and rented) are those with a ratio of persons/rooms greater than 1.50. High School or Less Education percentages are estimated for those 21 years or older.

One generalization to be drawn from this first set of findings is that in many important ways the poor and non-poor populations have become increasingly dissimilar over the last decade. The main exceptions are greater similarity in household family structure and no significant change in housing tenure differences or age distributions. The gaps reflecting differences between the poor and non-poor have increased in terms of racial/ethnic composition, percentage foreign born, English proficiency, overcrowding rates, and education levels. For the city's non-poor to

be more willing to assist the poor in escaping poverty, it would help if there were more rather than less mutual empathy based on shared characteristics and experiences.

Table 6 reports additional comparisons for 1990 only that reinforce this theme of a widening gap between the poor and non-poor populations in San Francisco. In percentage terms and relative to the non-poor population, the poor were much more likely to be non-citizens, recent immigrants, and linguistically isolated. The poor were much more likely than the non-poor to be struggling financially with rising housing costs. Among those in the labor force, the poor were much more likely than the non-poor to be unemployed, to hold low-end service or laborer jobs, and to use public transit in commuting to work. They were much less likely to hold professional or managerial jobs. Interestingly, the poor were actually less likely than the non-poor to be living in older housing units (those built before 1940). This is interesting because age of housing stock is one component of the CDBG allocation formula yet has no correlation whatsoever with poverty inside San Francisco.

B. Spatial Distribution and Increasing Concentration of the Poor Population

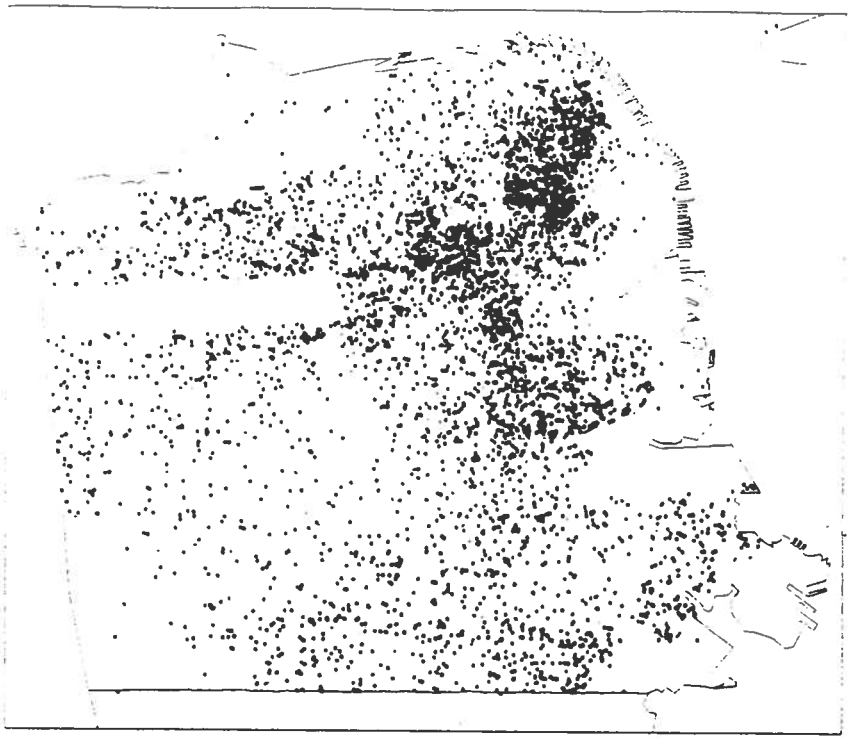
Over the last decade, as can be seen in Map 5 (page 20), the city's poor population became more spatially concentrated in fewer census tracts, with the exception of some increase in numbers of poor in the Richmond and Sunset areas. The map shows growing concentrations of poor in the Bayview-Hunters' Point, Mission, and Visitacion Valley areas. These increasing densities of poor can also be seen in Map 6 (page 21), which shows that the lowest-income half of the poor population fit in only 41 tracts in 1990 as compared with 49 tracts in 1980. Finally, Map 7 (page 22) shows that fairly high levels of poverty (20% or more) persisted in 27 tracts over the ten year period, despite considerable shifting in the spatial distribution of the poor.

TABLE 6: Selected Characteristics of San Francisco's Poverty Population 1990 Only

		Above Poverty Line	Below Poverty Line
A.	Number	618,024	93,192
B.	Percent of Population	86.9%	13.1%
C.	Non-Citizen (%)	18%	32%
D.	Recent Immigrant (Since 1985) (%)	8%	19%
E.	Linguistically Isolated (%)	14%	25%
F.	Gross Monthly Rent is Greater than 35% of Total Household Income (RENTERS ONLY) (%)	26%	76%
G.	Selected Monthly Owner Costs are Greater than 35% of Total Household Income (OWNERS ONLY) (%)	16%	52%
H.	Live in Structure Built before 1940 (%)	54%	50%
	Labor Force Only		
I.	Unemployed in 1989 (%)	4%	20%
J.	Professional or Managerial Occupation (%)	35%	19%
K.	Service, Fabricator, Operator, or Laborer Occupation (%)	24%	43%
L.	Low-End (Non-Supervisory) Service, Fabricator, Operator, or Laborer Occupation (%)	16%	33%
M.	Travel to Work in Auto, Truck (%)	52%	32%
N.	Travel to Work in Bus, Trolley, Streetcar (%)	27%	40%

Sources: U.S. Census 5% Public Use Microdata Sample (PUMS) for 1990 (N = 31,502). All estimates are weighted. Poor families and unrelated individuals are those below the 100% poverty line defined for each Census. Census defines as linguistically isolated those households in which no residents aged 15 years or older speak English. Occupations identified by authors as low-end service, fabricator, operator, and laborer jobs are listed in Appendix D.

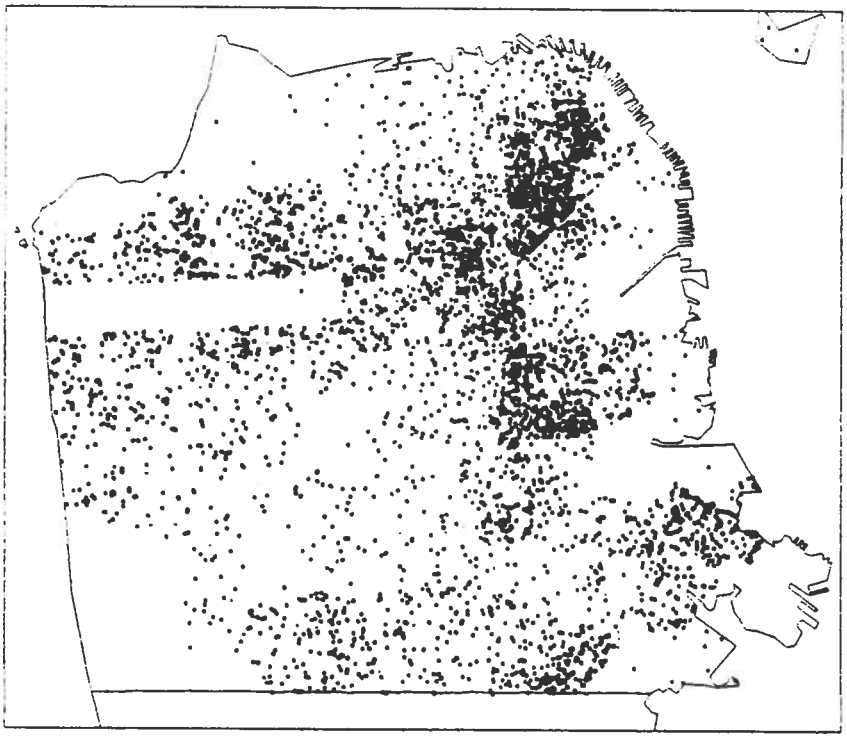
Distribution of the Density of San Francisco's Population Below Poverty



1980

Total Below Pover
91,185 People

People in Poverty
1 Dot = 20 People

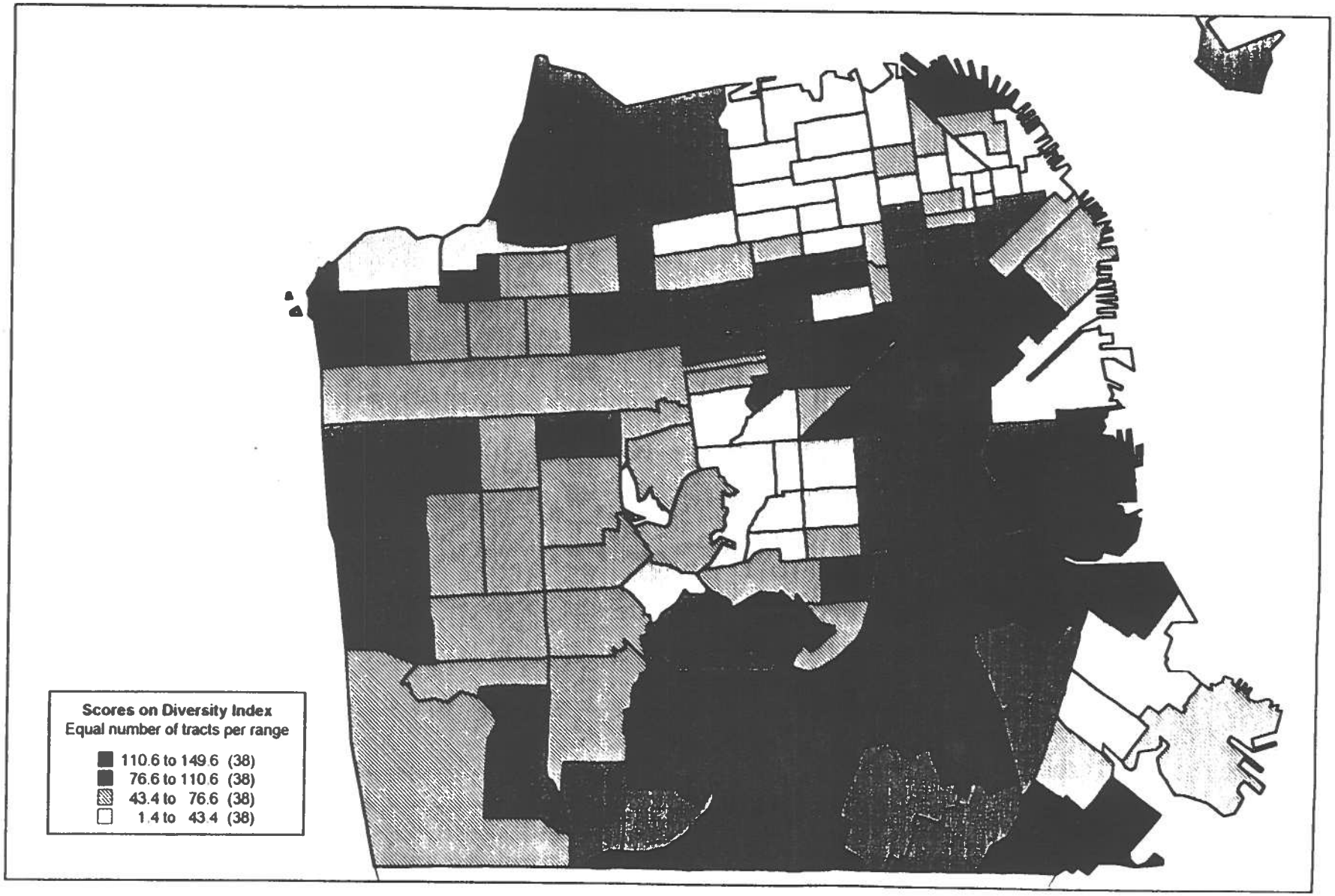


1990

Total Below Pover
90,019 People

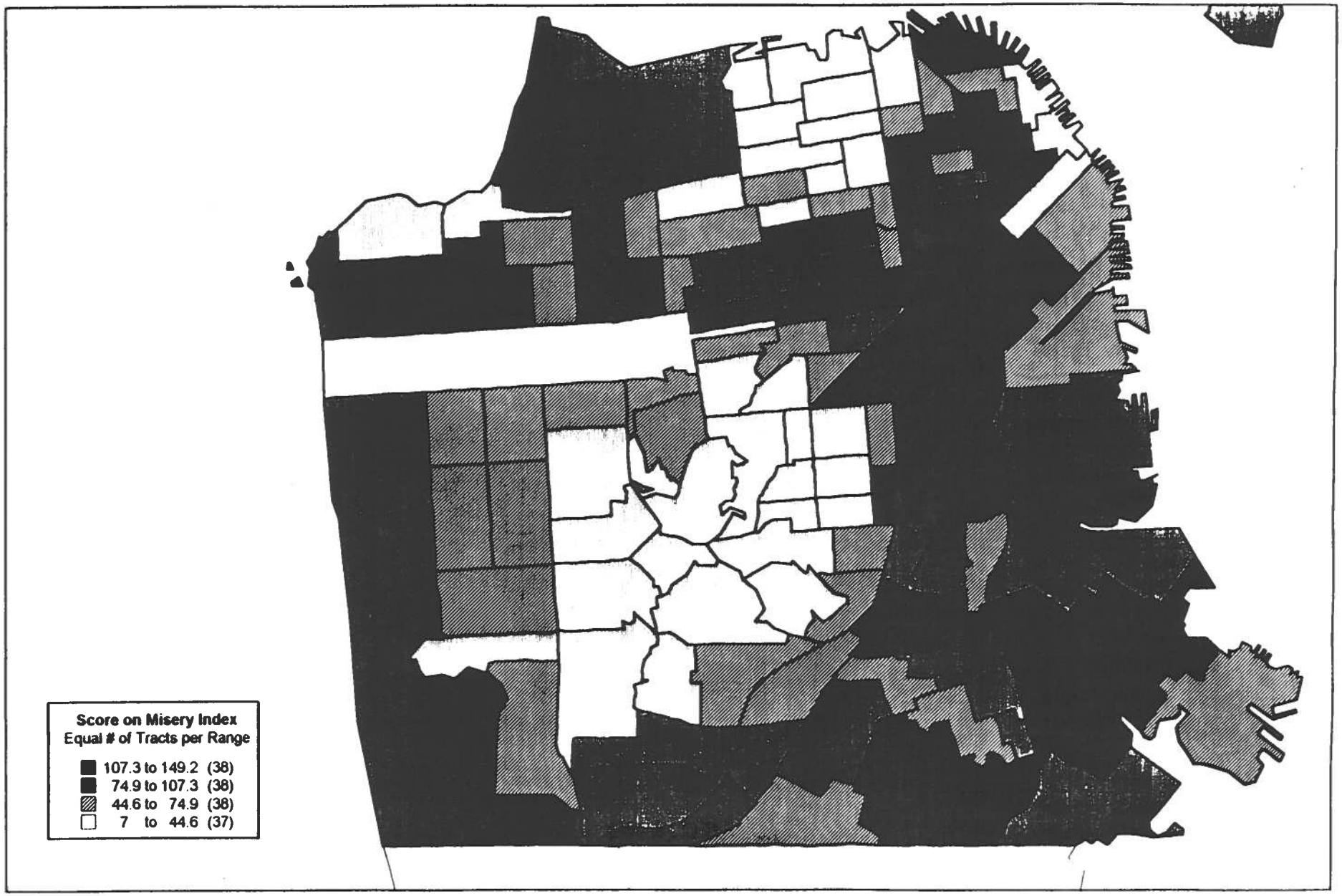
Composite Measure of Racial/Ethnic Diversity in San Francisco Census Tracts

Scores are calculated for San Francisco census tracts on a composite index of racial and ethnic diversity. For a description of the index please see "Constructing a Racial/Ethnic Diversity Index." Possible scores range from a low of 1 to a high of 162, with a high scoring indicating greater diversity.



Composite Measure of Economic Misery in San Francisco Census Tracts

Scores are calculated for San Francisco census tracts on a composite index measuring economic misery. For a description of the index see "Constructing a Misery Index." Possible scores range from a low of 1 to a high of 152, with a high score indicating greater misery.



V. SAN FRANCISCO'S JOB MARKET, LABOR FORCE, AND EDUCATIONAL NEEDS

Many San Franciscans are poor because they are unemployed or hold low-paying dead-end jobs. Even where job opportunities exist in the city or region, many residents lack the training and skills to qualify for them. The combination of a sluggish economy, mismatch of jobs and skills, and rising housing costs has forced the exit of many would-be San Franciscans and for others has made continued residence in the city precarious at best. Full citizenship in San Francisco increasingly means economic citizenship, and many are denied it.

As policy makers place greater emphasis on local economic development, enterprise zones, and re-employment training, the importance of economic base studies and labor market surveys becomes clear. A full treatment of these topics is beyond the scope of this report, but analyses of the 1980 and 1990 PUMS data shed some light on San Francisco's changing labor market and economic base.

A. Jobs in San Francisco: Residents versus Commuters

In 1990, there were approximately 562,000 jobs in San Francisco, including self-employed. Of these, about 55% were held by city residents and 45% by commuters. Table 7 offers a comparative profile of resident workers and commuters.

Earnings: Commuters are better paid than resident workers. In 1989, they earned about $11,000 more on average. If we add up all the wages, salaries, and self-employment income earned by all workers in 1989, commuters carried home more than 54% of the total, resident workers keeping the rest. (Note: About 19% of San Francisco's resident labor force were commuters with a place of work outside the city. They earned an average of $30,295 annually, bringing home an aggregate of $2.5 billion. Subtract this from the $9.6 billion earned by non-resident commuters, the net outflow of earned income in 1989 was an estimated $7.1 billion.) Only 3% of commuters were officially poor, compared to 7% of resident workers.

Gender, Age, Race and Ethnicity: Commuters were more likely than resident workers to be males (57% versus 52%). They also tended to be older and even more predominately White (61% versus 53%).

Citizenship and Immigrant Status: Resident workers were more likely than commuters to be non-citizens (19% versus 12%) and recent immigrants (8% versus 4%). A larger percentage of them did not speak English well (10% versus 3%).

Education: By one measure, at least, commuters tended to be more well educated than resident workers: only 8% had less than a high school education, compared with 14% of resident workers.

Sector: Commuters were more likely than resident workers to hold jobs in construction (7% versus 4%), transportation and communication (13% versus 7%), and finance, insurance and real estate (16% versus 12%). Resident workers were more likely to hold jobs in the professional services sector (29% versus 23%).

Types of Jobs: Commuters were more likely than resident workers to hold professional or managerial jobs (40% versus 34%) and less likely to hold service jobs (8% versus 16%). Nearly half (49%) of all professional and managerial jobs were held by commuters, while resident workers dominated in service occupations (71%). Commuters also held 56% of the higher-wage blue-collar craft and repair jobs. Resident workers held about two-thirds of the city's self-employed and non-profit sector jobs, and 56% of the local government jobs.

Although these comparisons are admittedly a bit sketchy and unsystematic, they do suggest that San Francisco's demography changes rather dramatically each working day between 9 A.M and 5 P.M when a quarter of a million non-resident workers arrive on the scene. In the context of a regional economy, it would probably seem narrow-minded and parochial to argue that commuters are stealing local jobs, trampling the turf, and making off with loot that rightfully belongs to San Franciscans. Yet it will occur to some readers that many of those local jobs might be performed just as well or better by local residents, that more of the earnings paid out might stay and circulate in the city, and that damage to the environment and infrastructure caused by commuters might be lessened. Certainly the goal of generating new jobs for resident workers would be important for any local economic development strategy.

TABLE 7: Selected Characteristics of Resident and Commuter Labor Force: San Francisco 1990

		Employment in San Francisco		
		Residents	Commuters	
A.	Number of jobs in San Francisco	307,818	254,611	
B.	Percent of jobs in San Francisco	54.7%	45.3%	Total = 100%
C.	Mean annual earnings ($)	$27,038	$38,322	
D.	Median annual earnings ($)	$20,000	$30,000	
E.	Percent of total job earnings	45.5%	54.5%	Total = 100%
F.	Percent non-Hispanic White	53%	61%	
G.	Percent male	52%	57%	
H.	Percent less than high school education	14%	8%	
I.	Percent 16-25 years old	16%	10%	
J.	Percent 36-55 years old	41%	49%	
K.	Percent poor (below 100% poverty line)	7%	3%	
L.	Percent non-citizen	19%	12%	
M.	Percent recent immigrant (since 1985)	8%	4%	
N.	Percent do not speak English well	10%	3%	
O.	Percent professional or managerial occup.	34%	40%	
P.	Percent service occupation	16%	8%	
Q.	Percent construction sector	4%	7%	
R.	Percent transportation/communication sector	7%	13%	
S.	Percent finance, insurance, real estate sector	12%	16%	
T.	Percent professional services sector	29%	23%	
U.	Percent of not-for-profit jobs	63%	37%	Total = 100%
V.	Percent of self-employment jobs	64%	36%	Total = 100%
W.	Percent of local government jobs	56%	44%	Total = 100%
X.	Percent of professional or managerial jobs	51%	49%	Total = 100%
Y.	Percent of service jobs	71%	29%	Total = 100%
Z.	Percent of craft and repair jobs	44%	56%	Total = 100%

Sources: U.S. Census 5% Public Use Microdata Sample (PUMS) for 1990. Unless otherwise indicated, the bases for weighted sample estimates of percentages were the total numbers of resident workers and commuters, respectively. Resident labor force was defined as employed civilian workers 16 years or older who both reside and work in San Francisco. Commuter labor force was defined as employed civilian workers 16 years or older who work in San Francisco but reside elsewhere in California. Earnings were computed as the sum of wage, salary, and self-employment income received in 1989. Occupational breakdowns (items O, P, X, Y, and Z) and industrial sector breakdowns (items Q, R, S, and T) were computed using major groupings by SOC and SIC codes reported in PUMS documentation. PUMS class of worker data were used to estimate figures for items U, V, and W. All sample estimates were weighted using PUMS personal weight factor (PWGT1). See Appendix A.

B. Selective Profiles of San Francisco's Labor Force

Changing Occupational Specialties: The occupational specialties found in San Francisco's labor force (resident workers and commuters) have changed somewhat over the last decade. Table 8 shows a sizable increase (27% to 34%) in the percentage of workers 21 years or older holding professional or managerial jobs, with smaller increases for those holding technical and sales jobs. There was a sizable decrease (24% to 18%) in the percentage of workers holding administrative support jobs, with smaller decreases for those holding service, fabricator, operator, and laborer jobs. The table also reports the percentage of 1990 job holders in each category who had completed at least some college. These percentages ranged from 43% for service jobs to 92% for professional, managerial, and technical jobs.

TABLE 8: Occupational Distribution of San Francisco's Labor Force in 1980 and 1990: Percent of Workers21 Years or Older Holding Jobs in Each Category (1980 and 1990) and Percent of Workers in Each Occupational Category who Completed at least Some College (1990 only)

	Percent of Workers 1980	Percent of Workers 1990	Percent of Job Holders who Completed at least Some College 1990
Occupational Category:			
Professional or Managerial	27%	34%	92%
Technical	3	4	92
Sales	10	12	78
Administrative Support	24	18	73
Service	17	16	43
Farming, Forestry, and Fishing	1	< .5	60
Precision Production, Craft, and Repair	7	7	46
Fabricators, Operators, and Laborers	11	9	37
		100%	100%

Sources: U.S. Census 5% Public Use Microdata Samples (PUMS) for 1980 and 1990, civilian labor force only.

Shifts in Occupational Specialties by Race/Ethnicity: Table 9 reports the 1980 and 1990 percentages of workers 21 years or older in each racial/ethnic group who held professional or managerial jobs or service, fabricator, operator or laborer jobs. The percentage of non-Hispanic Whites holding professional or managerial jobs increased from 36% to 47% over this period, while the percentage holding service, fabricator, operator or laborer jobs decreased from 18% to 13%. The percentage of Blacks holding professional or managerial jobs increased from 16% to 24%, while the percentage holding service, fabricator, operator or laborer jobs decreased rather markedly from 43% to 33%. This same pattern is seen with more modest shifts among Filipino workers. Hispanic workers showed modest increases in both categories, as did Other Asian/Pacific Islanders. The distribution of occupational specialties remained fairly stable for Chinese workers, with a slight increase in the percentage holding professional and managerial jobs. Koreans as a group were unusual in that the percentage of workers decreased in both categories over this period. Vietnamese as a group actually had proportionally fewer workers in professional or managerial jobs and more workers in service, fabricator, operator or laborer jobs in 1990 than in 1980.

TABLE 9: Occupational Characteristics of San Francisco's Labor Force in 1980 and 1990: Percent of Workers 21 Years or Older in Each Racial/Ethnic Group who Held Professional/Managerial and Service/Fabricator/Operator/Laborer Jobs

	1980		1990	
Race/Ethnicity:	Professional or Managerial	Service, Fabricator, Operator, or Laborer	Professional or Managerial	Service Fabricator, Operator, or Laborer
Anglo (Non-Hispanic White)	36%	18%	47%	13%
Hispanic (All Races)	15	42	17	46
Black (Non-Hispanic)	16	43	24	33
Chinese (Non-Hispanic)	19	39	21	39
Filipino (Non-Hispanic)	15	36	18	33
Japanese (Non-Hispanic)	32	23	36	23
Korean (Non-Hispanic)	29	34	26	25
Vietnamese (Non-Hispanic)	15	34	10	47
Other Asian/Pacific Is. (N-H)	26	28	28	36
American Indian (Non-Hispanic)	21	36	29	32
Other Race (Non-Hispanic)	23	32	27	45

Sources: U.S. Census 5% Public Use Microdata Samples (PUMS) for 1980 and 1990, civilian labor force only.

Class of Worker by Race/Ethnicity in 1990: As shown in Table 10, certain patterns of employment linked to race and ethnicity stand out in breakdowns of 1990 employment by Census-defined class of worker. Non-Hispanic Whites had the highest percentage of workers in the private non-profit sector (10%), and Blacks the highest percentage of government workers (29%) and lowest percentage (tied with Koreans) in the business employee sector (58%). About one out of four Korean workers (24%) was self-employed in 1990, much higher than for any other racial/ethnic group.

TABLE 10: Occupational Characteristics of San Francisco's Labor Force in 1990 (Class of Worker): Percent of Workers 21 Years or Older in Each Racial/Ethnic Group who Held Jobs in each Class

	Business Employee	Private Non-Profit Employee	Government Employee	Self-Employed	Total
Race/Ethnicity:					
Anglo (Non-Hispanic White)	62%	10%	14%	14%	100%
Hispanic (All Races)	72	6	14	9	101
Black (Non-Hispanic)	58	8	29	5	100
Chinese (Non-Hispanic)	72	5	14	9	100
Filipino (Non-Hispanic)	71	5	20	4	100
Japanese (Non-Hispanic)	65	8	13	14	100
Korean (Non-Hispanic)	58	9	9	24	100
Vietnamese (Non-Hispanic)	76	5	12	8	101
Other Asian/Pacific Is. (N-H)	74	5	11	10	100
American Indian (Non-Hispanic)	65	8	21	6	100
Other Race (Non-Hispanic)	68	6	17	9	100

Sources: U.S. Census 5% Public Use Microdata Sample (PUMS) for 1990, civilian labor force only.

Shifts in Labor Force Education Levels by Race/Ethnicity: As can be seen in Table 11, the overall education level of the labor force increased between 1980 and 1990, most markedly among non-Hispanic Whites and Blacks. (This does not mean necessarily that large numbers of individual White workers or individual Black workers attended school over this decade to produce the higher group percentage completing at least some college. As is true for all other 1980 and 1990 comparisons based on the PUMS data, the figures reported are merely snapshots of groups at two different points in time. It could be, for example, that only the more educated Blacks could afford to stay and live in San Francisco over this period and that less educated Blacks had to move elsewhere, with the result that the more educated subgroup left behind became proportionally larger with respect to the city's shrinking Black population. There are many other possible explanations, but the point here is that the PUMS data cannot be used to test them.) The only racial/ethnic groups with significantly declining labor force education levels were Chinese (dropping from 48% to 42% with at least some college) and Vietnamese (dropping from 46% to 35%).

TABLE 11: Educational Characteristics of San Francisco's Labor Force in 1980 and 1990: Percent of Workers 21 Years or Older in Each Racial/Ethnic Group who Completed at least Some College

	1980	1990
Race/Ethnicity:		
Anglo (Non-Hispanic White)	61%	74%
Hispanic (All Races)	37	39
Black (Non-Hispanic)	37	48
Chinese (Non-Hispanic)	48	42
Filipino (Non-Hispanic)	58	61
Japanese (Non-Hispanic)	60	65
Korean (Non-Hispanic)	58	57
Vietnamese (Non-Hispanic)	46	35
Other Asian/Pacific Is. (N-H)	51	57
American Indian (Non-Hispanic)	49	65
Other Race (Non-Hispanic)	60	55

Sources: U.S. Census 5% Public Use Microdata Samples (PUMS) for 1980 and 1990, civilian labor force only.

Although sketchy, these findings offer some basis for predicting the likely employment consequences of local economic trends on specific racial and ethnic groups. For example, the lowered education levels and related shifts in occupational specialties among Vietnamese workers appear to be moving against the grain of local job growth in the professional and managerial categories. The city's Vietnamese already suffer great economic distress, so this increasing mismatch of jobs and skills could make things even worse. On this theme, John Kasarda's warning comments are worth noting: "Cities that improve their social and physical environments and adapt to their emerging service-sector roles should experience renewed demographic and economic vitality. However, many urban residents who lack appropriate skills for advanced service-sector industries are likely to remain on the bottom rungs of the socioeconomic ladder. Indeed, their economic plight could further deteriorate. ... [T]he mismatch between the urban residential composition and job opportunities can worsen even under conditions of overall central-city employment gains." (John Kasarda, "Urban Change and Minority Opportunities," in Paul Peterson, Ed., *The New Urban Reality* [The Brookings Institution, 1985], p. 65.)

C. Educational and Job Training Needs

An emerging theme in federal government economic initiatives is the emphasis on re-employment and job training. These promising initiatives do seem to strike at the underlying structural causes of urban unemployment and poverty. Our main concern is that government funding of short-term training programs might come at the expense of needed major investments in basic public education. Simply to illustrate the point in the context of this study, consider the potent effects of basic education displayed in Figure 2. Based on a logistic regression analysis of 1990 PUMS data in which factors such as gender and age were statistically controlled, Figure 2 plots the relationship between unemployment rate and educational level for six different racial/ethnic groups. Three conclusions can be drawn from this plot: (1) For all labor force groups, higher education levels are associated with lower unemployment rates. As education goes up, unemployment goes down. (2) Increasing the level of education has greatest impact in reducing unemployment among Blacks, Hispanic recent immigrants, and Chinese recent immigrants. (3) Disparities between racial/ethnic groups in unemployment rates are greatest among the least educated, smallest among the most educated.

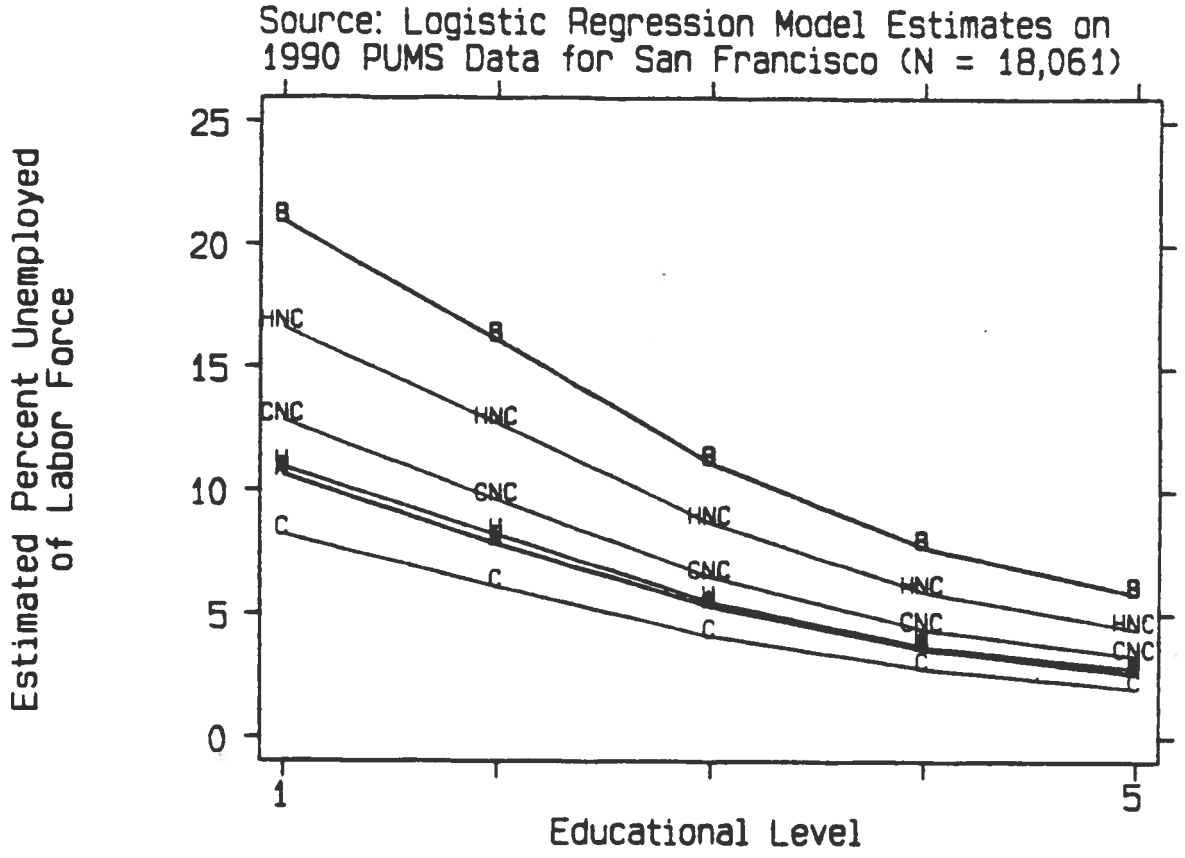


FIGURE 2 : Estimated percent unemployed of San Francisco labor force 21 years or older by education level by racial/ethnic groups. Estimates are from a logistic regression on 1990 U.S. Census 5% Public Use Microdata Sample (PUMS) data. (See Appendix A.) Legend: A = Anglos, H = Hispanic, B = Blacks, C = Chinese, HC = Hispanic Citizens (not recent immigrants, speak English well), CC = Chinese Citizens (not recent immigrants, speak English well), HNC = Hispanic Non-Citizens (recent immigrants, don't speak English well), and CNC = Chinese Non-Citizens (recent immigrants, don't speak English well).

VI. CONCLUSION

The very idea of community development implies the existence of a community to develop, some collective "we" in whose interest policies are made and actions are taken. Yet our image of the San Francisco community is blurred and hard to fix. The San Francisco community that exists now is much different from the one that existed just ten years ago. The city's population continues to change mainly as a result of immigration flows and labor and housing market processes. If these trends continue, the city's poverty problem would be solved (perhaps quietly) by allowing market processes to displace the poor from their unaffordable homes and to signal that help is not wanted from the less educated, unskilled, and untrained. To solve the problem, simply change the people – literally. Create a new "we." But that would also defeat the goals of enhancing individual lives, preserving neighborhood communities, and nurturing the values of multicultural diversity. We hope this study will contribute to a useful re-thinking of policies and programs that work toward those goals.

APPENDIX A

NOTES ON PUMS DATA FILES USED IN STUDY

(1) Source of the 1990 PUMS File for San Francisco is U.S. Dept. of Commerce, Bureau of the Census. CENSUS OF POPULATION AND HOUSING, 1990 [UNITED STATES]: PUBLIC USE MICRODATA SAMPLE: 5-PERCENT SAMPLE [California State University at Los Angeles, Social Science Data Base Archive, Computer file of Personal Records Data for California]. 2nd release. Washington, DC: U.S. Dept. of Commerce, Bureau of the Census [producer], 1993. Ann Arbor, MI: Inter-university Consortium for Political and Social Research [distributor], 1993.

(2) Source of the 1980 PUMS File for San Francisco is U.S. Dept. of Commerce, Bureau of the Census. CENSUS OF POPULATION AND HOUSING, 1980 [UNITED STATES]: PUBLIC USE MICRODATA SAMPLE: 5-PERCENT SAMPLE [California State University at Los Angeles, Social Science Data Base Archive, Computer file of Personal Records Data for California]. 2nd release. Washington, DC: U.S. Dept. of Commerce, Bureau of the Census [producer], 1983. Ann Arbor, MI: Inter-university Consortium for Political and Social Research [distributor], 1983.

(3) The Public Use Microdata Sample (PUMS) 5-Percent Samples contain household and person records for samples of housing units that received the "long form" of the 1990 Census questionnaire. Data items include the full range of population and housing information collected in the 1980 and 1990 Censuses. The San Francisco sample N for 1980 was 33,982 and for 1990 was 31,502 individuals. Computing runs were weighted using a constructed WT variable = 20 for the 1980 PUMS data and using the PWGT1 variable for 1990 PUMS data.

APPENDIX B

CONSTRUCTING A RACIAL/ETHNIC DIVERSITY INDEX

Five measures of racial/ethnic diversity constructed from 1990 census tract data:

1. Probability that two individuals from DIFFERENT groups will be drawn randomly from 10 groups. Groups: white non-hispanics, white hispanics, black non-hispanics, black hispanics, asian/pi non-hispanics, asian/pi hispanics, native american non-hispanics, native american hispanics, other non-hispanics, other hispanics. Formula for the index is REdiv1 = 1 - (F12 + F22 + ... + F102), where F1 .. F10 measure each group's proportion of the total population (F1 + F2 + ... + F10 = 1.00). Varname: REdiv1.

2. Probability that two individuals from DIFFERENT groups will be drawn randomly from 3 groups. Groups: white non-hispanics, non-white non-hispanics, hispanics. Same formula as above with 3 groups F!, F2, and F3. Varname: REdiv2.

3. Probability that three individuals from DIFFERENT groups will be drawn randomly from 3 groups. Groups are same as in 2 above. Formula: REdiv3 = 6*F1*F2*F3. Varname: REdiv3.

4. Probability that two individuals from DIFFERENT groups will be drawn randomly from 5 groups. Groups: whites, blacks, asian/pi, native american, other. Formula is same as in 1 above with 5 groups. Varname: Rdiv1.

5. Probability that three individuals from DIFFERENT groups will be drawn randomly from 4 groups. Groups: whites, blacks, asian/pi, other (including native american). Formula: Rdiv2 = 6*(F1*F2*F3) + 6*(F1*F2*F4) + 6*(F1*F3*F4) + 6*(F2*F3*F4).

Step 1: Convert 5 measures to ranks (lowest = 1, highest = 152).
Step 2: For each tract, sum 5 ranks and divide by 5. Varname: REindex.

NOTES: (a) The probability formulas used in constructing measures 1, 2, and 4 are fairly standard in studies of social diversity and fragmentation. (b) Measures 1,2, and 3 combine information on race and ethnicity. Measures 4 and 5 focus only on race. (c) Measures 3 and 5 tap true multiethnic and multiracial diversity -- i.e., the likelihood of encountering members of 3 or more different groups in a tract. For example, given 3 groups, it is possible for a tract that is biracial (e.g., half non-Hispanic whites, half Blacks) to score .50 on REdiv2 but .00 on REdiv3.

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APPENDIX C

CONSTRUCTING AN ECONOMIC MISERY INDEX

Six indicators of economic misery were extracted from 1990 census tract data:

1. Percent of total population that is below the poverty line (pctpoppv)
2. Percent of the labor force that is unemployed (unempP)
3. Persons under 18 years below poverty line as percent of total population (kidpovP).
4. Median household income 1989 (medhhinc).
5. Per capita income 1989 (percapinc).
6. Burden index = (# poor kids < 18 + # poor elderly >64) / # employed (burden).

Step 1: Convert each measure to ranks (1 = lowest, 152 = highest)
Step 2: Compute inverse ranks for indicators 4 and 5 (1 = highest, 152 = lowest).
Step 3: For each tract, sum 6 ranks and divide by 6 to yield average rank = misery index.

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APPENDIX D

OCCUPATIONS DEFINED AS LOW-END SERVICE OR LABORER JOBS BY AUTHORS FROM STANDARD OCCUPATIONAL CODE (SOC) CLASSIFICATIONS IN 1990 U.S. CENSUS 5-PERCENT PUBLIC USE MICRODATA SAMPLE (PUMS)

Health aides, except nursing
Hand packers and packagers
Laborers, except construction
Public transportation attendants
Bartenders
Production helpers
Waiters and waitresses
Garage and service station related occupations
Elevator operators
Crossing guards
Janitors and cleaners
Welfare service aides
Garbage collectors
Stevedores
Barbers
Housekeepers and butlers
Helpers, construction trades
Pest control occupations
Launderers and ironers
Machine feeders and offbearers
Cooks, private household
Helpers, mechanics, and repairers
Guides
Freight, stock, and material handlers, n.e.c.
Ushers
Baggage porters and bellhops
Protective service occupations, n.e.c.
Attendants, amusement and recreation facilities
Vehicle washers and equipment cleaners
Private household cleaners and servants
Child care workers, private household
Kitchen workers, food preparation
Waiters'/waitresses' assistants
Personal service occupations, n.e.c.
Food counter, fountain and related occupations
Guards and police, except public service
Miscellaneous food preparation occupations

APPENDIX D (CONTINUED):

Child care workers, n.e.c.
Hairdressers and cosmetologists
Maids and housemen
Stock handlers and baggers
Nursing aides, orderlies, and attendants
Construction laborers
Cooks