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Monitoring Economic Versus Social Indicators as a Measure of National Well-being

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### Abstract

My intention is to cover the following topics: The history of the indicators movement in the United States, the difference between economic and social indicators, why economic indicators are not adequate for measuring social well-being, and the potential consequences of this inadequate measuring system to the nation. I will also discuss what is currently being done to create a national key indicators system, some possible problem with this project and how they could be resolved. I will close with recommendations on how we might change the policies and priorities of this nation so that they begin to reflect our people's needs in average daily life.

## Monitoring Economic Versus Social Indicators as a Measure of National Well-being

### Issue Background

As a nation, we measure our progress in a number of ways using different sets of measurements, generally referred to as indicators. An indicator is a group of statistical values that indicate the condition or direction of a certain area. The Harvard Graduate School of Education defines indicators as follows:

An indicator provides evidence that a certain condition exists or certain results have or have not been achieved (Brizius & Campbell, p.A-15). Indicators enable decision-makers to assess progress towards the achievement of intended outputs, outcomes, goals, and objectives. As such, indicators are an integral part of a results-based accountability system (Horsch, 2006).

So what is the difference between economic and social indicators? Economic indicators measure how well our economy is performing in the areas of employment, productivity, wages, consumer confidence, interest rates, housing starts, retail sales, the stock market, etc...while social indicators measure how well our society is doing in areas such as infant mortality, child abuse, child poverty, drug abuse, health insurance coverage, income distribution, wage rates, affordable housing, education, and hunger. To make these measurements, researchers and statisticians employ a variety of tools.

#### *Economic Indicators: A Directed Course*

The United States has a large and diverse set of tools at its disposal for measuring the state of the nation's economy. In fact, we have one of the most thorough systems for measuring our economy of almost any nation on earth (Miringoff, Miringoff, & Opdycke 2003a). However this detailed system of monitoring our economy did not evolve by accident. It is, in part, a product of federal policy starting with the Employment Act of 1946:

The **Employment Act** (H.R. 2202, S. 380, 15 USC § 1021 et seq.) is a United States law. Its main purpose was to lay the responsibility of economic stability onto the federal government. Its goal was to... 'promote maximum employment, production, and purchasing power....' This clause set the foundations for future cooperation and communication between the federal government and private enterprise....

The (Employment) Act requires the President to submit an annual economic report within ten days of the submission of the national budget that forecasts the future state of the economy, including employment, production, capital formation, and real income statistics. This Economic Report of the President, as the Act names it, sets forth future economic goals of the country and offers suggestions on how to attain it...

The Act creates A Council of Economic Advisors, an appointed advisory board that will advise and assist the President in formulating economic policy. It also creates the Joint Economic Committee, a committee composed of both senators and representatives instructed to review the government's economic policy at least annually. (Retrieved November 2, 2006 from [http://en.wikipedia.org/wiki/Employment\\_Act](http://en.wikipedia.org/wiki/Employment_Act)).

The Employment Act led to the development of a comprehensive system of data gathering and analysis on nearly every aspect of our economy. The need for this information spawned organizations and industries ready to provide the necessary data, with systems able to collect and report it. We now have the Gross Domestic Product, the Dow Jones Industrial Average, the Consumer Price Index, the Index of Leading Economic Indicators and the Index of Consumer Confidence. We monitor the sale of homes, increase and decreases in production, cost of living increases, inflation, recession, job creation and unemployment. So extensive is our system of economic reporting that we can measure our economic conditions on a year-by-year, quarter by quarter, month by month, week by week, day by day, and even minute by minute basis. When a problem arises, we have organizations in place, like the Federal Reserve and the Council of Economic Advisors, ready to respond to negative changes in the economy and make recommendations on policy changes needed to bring it back into balance (Miringoff,

Miringoff & Opdycke, 1995). In addition, the media regularly covers the economy with economic indicators such as the Dow Jones Report, the unemployment rate and the Consumer Price Index being a regular part of most daily newscasts and publications.

An example of the efficiency of this system occurred back in August when the stock market went into steep decline as a result of heavy losses in the sub prime mortgage market. Regular updates on market conditions were broadcast through out the mainstream media, and the President held a press conference as alarm over market conditions and tightening credit quickly rose. In response, the Federal Reserve injected hundreds of millions of dollars of liquidity into the market place in an effort to keep credit flowing. When this failed, they, in consultation with the economic advisors, abruptly reduced the discount rate by half a percentage point, and then followed that with a larger than expected cut in the prime rate. The markets quickly rallied.

*Social Indicators: A Haphazard Course*

By contrast, there is no similar system in place to deal with any social crisis. There is no federal policy mandating that we monitor the state of our social well-being, and, as a result, no comprehensive system in place for monitoring social trends. In addition, we have no major institutions ready to react to any negative changes in our social landscape (Miringoff, Miringoff & Opdycke, 1995). As a result, “policy making about social issues is far more likely to be shaped by the passions of the day and the politics of the moment than by rational analysis based on accurate, timely information” (p.20) – if they are addressed at all.

In February, for example, when UNICEF released their 2007 report card on child well-being in rich countries (see

<http://www.unicef.org/media/files/ChildPovertyReport.pdf> ), children in the United States ranked second to last (20<sup>th</sup> out of 21 nations), in terms of overall well being as measured in 6 different dimensions (including material well-being, health and safety, education, behaviors and risks, and family and peers). This was a terrible indictment on how well our children are doing compared to the rest of the industrialized world. And not only did the Federal Government fail to respond to this report, the U.S. media largely failed to report upon it. We are a nation that simply has no organized mechanism in place for collecting, analyzing, responding and reporting on our overall social state of affairs. Social well-being appears to be a non-priority.

Various attempts to correct this oversight have been made during the last century but none have prevailed. President Herbert Hoover, in the 1920's, for example, established an ad hoc committee of experts, to analyze changing social conditions during the Great Depression. The result was the issuance of a 1,500-page report in 1933 entitled, *Recent Social Trends in the United States*, written under the direction of sociologist, William Ogburn. Though only issued once, the report analyzed a variety of social issues from the environment, health, recreation, religion, the family, labor, crime, etc... and attempted to show both the individual trends and their interrelationships. "...the document still stands as America's first and only comprehensive national social report" (Miringoff et al, 2003a, p. 4).

Still, the Federal Government continued to gather and analyze data on social trends. New Deal Agencies developed comprehensive surveys to track social data in the areas of labor and health in order to closely monitor the nation's social problems. These efforts

lapsed during WWII when the nation turned its attention to matters of war and recovery (Miringoff, et al. 2003a).

Then in the early 1960's the need for social data once again surfaced as an outcome of the new space program. NASA, at the time, wanted to determine whether space exploration could have any unanticipated consequences on society (Noll, 2004).

Raymond Bauer, the Project Director, discovered in his research, that the data NASA sought on social conditions simply was not available (Cobb and Rixford, 1998). He then published his 1966 book, *Social Indicators*, in which he wrote, "for many of the important topics on which social critics blithely pass judgment, and on which policies are made, there are no yardsticks to know if things are getting better or worse" (Bauer, 1966 as cited by Miringoff, et al, 2003a, p.4).

Bauer argued for a comprehensive system of collecting and analyzing social data that could help guide policy decisions. He coined the term, "social indicators" and defined them as "statistics, statistical series, and all other forms of evidence that enable us to assess where we stand and are going with respect to our values and goals" (Bauer as cited by Noll, 2004, p151). Bauer is credited with effectively launching the modern day scientific social indicators movement (Noll, 2004).

Afterwards, President Lyndon Johnson directed the Department of Health, Education, and Welfare to explore "ways to improve the nation's ability to chart its social progress" (Miringoff, et al, 2003a, p5). This resulted in the 1969 publication, *Toward a Social Report*, which was hoped, at the time, to be the launch of a more systematic approach to social reporting.

Finally, in 1967, Senator Walter Mondale attempted to reduce the disparity between how we measure the nation's economy and how we measure our social well-being by introducing a bill entitled, *The Full Opportunity and Social Accounting Act*. This bill was modeled after the Employment Act of 1946. It called for the creation of A Council of Social Advisors, a national system of social accounting and an Annual Social Report from the President that would help develop a structure of social reporting parallel to our extensive system on the economy. Hearings were held and numerous experts testified on the urgent need for a regular system of social reports to help the nation chart its course. Though the bill seemed to have strong support, it failed to pass (2003a).

Still the social indicators movement limped on at the federal level. Three volumes of *Social Indicators*, were published: One in 1974 by the U.S. Office of Management and Budget, and two by the U.S. Census Bureau in 1977 and 1981 (Cobb and Rixford, 1998). There was again hope that publication of the *Social Reports* would finally mark the beginning of a more systematic and institutionalized system of social reporting in the U.S. However, pressure from the Nixon Administration weakened the potential impact of these publications by effectively turning them into a series of neutral statistics, "replete with facts but void of interpretation." (p.11). The *Social Reports* were disbanded entirely by the Reagan Administration in the early 1980's (Miringoff, et al, 2003a), in part, because they were deemed to be of limited utility (Cobb & Rixford, 1998). Instead we now have numerous departments publishing various reports on specific issue areas such as the *Uniform Crime Reports*, *Health United States* and *The Condition of Education* and the U.S. Central Intelligence Agency's *World Factbook* among others (2003a).

In addition, there are currently a number of government organizations that regularly report on the status of American children, including the Department of Health and Human Services report, *Trends in the Well-Being of America's Children and Youth*, and, *American Children: Key National Indicators of Well-Being*, plus several agencies that conduct statistical research including the US Census, Labor and Statistics, the US Centers for Disease Control, the National Center for Health Statistics, and the National Institute of Health (2003a).

Outside of government there are several organizations that collect and monitor specific types of social indicators such as *Kids Count*, published by the Annie E. Casey Foundation, and the *Social Report: Assessing the Progress of the Nation by Monitoring the Well-Being of its People*, published by the Fordham Institute, now the Institute for Innovation in Social Policy. There are also numerous regional and local indicator efforts. But despite all this data gathering and analysis, the 21<sup>st</sup> Century dawned with little or no attempt by the U.S. Government to bring all this information together in one understandable and accessible location. "In addition, since social data are monitored by innumerable separate governmental agencies, the information is defined and collected in different ways, with no central mechanism to pull it together, give it meaning, and make it accessible" (Miringoff, et al, 1995 p. 19).

Ironically, most European nations embraced the social indicators movement, first started in the U.S. in the '60's and '70's, and have since developed comprehensive social indicator systems to regularly monitor their nations' well-being (Miringoff, et. al., 2003b). To date, the U.S. still does not have a comprehensive system of data collection and analysis that can provide its citizens and policymakers with a good look at the social

state of the nation. Instead we are encumbered with a disparate group of unrelated organizations that monitor specific indicators, sometimes in quite different fashions, with no overarching system to collect, review and analyze this data as a whole. We are now the only country in the Western World that does not issue a comprehensive national social report. (2003b, p.70). Instead we rely heavily upon our extensive list of economic indicators to assess and report our nation's well-being. The question is, are these economic indicators enough?

### *How Economic Indicators Fail*

There is a generally held perception in the U.S. that a good economy equals good social well-being, when, in fact, this is not necessarily the case. Our economic indicators have primarily been on the increase for most of the last three decades. The GDP has been on a steady increase having risen 158% from the years 1970 to 2000 (Miringoff, et. al. 2003b, p. 30). The Dow Jones Industrial is currently hovering around the mid 1,300 mark, while unemployment is, though inching up some, still very low. However, these figures are misleading in terms of social health. Unemployment may be low, but when the jobs being created do not pay a living wage, this economic indicator only masks what is really going on in daily life, i.e., a general decline in living standards and an increase in poverty for a growing segment of our population.

According to *The Social Report 2003*, published by the Fordham Institute for Innovation in Social Policy (now the Institute for Innovation in Social Policy), from 1970-2000, our nation saw an increase in child poverty, a decrease in real wages, a steady decline in affordable housing, and a dramatic increase in income inequality. In addition, by the year 2000, one fifth of our population did not seek healthcare because they

couldn't afford it, a quarter had to cut back on food, over one third had to take on a second job, and nearly half were struggling to make their home payments and pay their utility bills (Miringoff, et. al. 2003b). The Report continues:

A significant proportion of the population is failing to make ends meet, is struggling over necessities such as food and shelter, and is worrying about their financial future. Similar numbers of American's are going without health care or worrying about its cost. A sizable percentage does not participate in the social and cultural life of their communities....Since 2000, most of these problems have worsened substantially. (p. 12)

In short, "While economic measures such as the Gross Domestic Product have steadily improved, the social health of the nation has eroded" (p. 15). Pundits and politicians like to boast of our booming economy. The question is, booming for whom?

*What's the Economy for Anyway?*

The problem with our over reliance on economic indicators as a measure of well-being, is that "the economy" has become, for all intents and purposes, a measurement of the creation or loss of wealth for the wealthy. It does not adequately measure the disbursement of this wealth throughout society, nor the well-being of the majority of people in it. This discrepancy has not gone unnoticed.

At the launch of a new public education campaign, PBS documentary producer, John de Graaf, asked the question, *What's the Economy for Anyway?*

Do they actually believe that the purpose of the economy is to achieve the grossest domestic product and allow the richest among us to multiply their treasures without limits? For in practice, that really is their answer. ([http://www.newdream.org/newsletter/economy\\_for.php](http://www.newdream.org/newsletter/economy_for.php) ) Retrieved November 5, 2006).

The authors of *The Social Report* concur, "While it was once safe to conclude that economic growth would be accompanied by an improvement in social health, long-term trends indicate this is no longer the case (Miringnoff, et al., 2003b, p. 31).

Our economic indicators, as commonly reported, are failing to reveal what is really going on in average American life. In addition, our over-reliance upon these inaccurate indicators of well-being could be putting us on a course that threatens our society, our democracy, and daily civic life.

*What's at Stake?*

The current disparities in economic security between the wealthy and the rest of the nation have broad implications for the health of our nation and the future of our democracy. In his journal article (and book), *The Moral Consequences of Economic Growth* (2006), Harvard political economist, Benjamin Friedman, warns of the growing disparity between the rich and the rest of the nation.

...most of the fruits of the last three decades of economic growth in the United States have accrued to only a small slice of American population...the average worker in American business in 2004 made 16 percent *less* each week than thirty-plus years earlier...For most Americans, the reward for work today is well below what it used to be (B. Friedman, 2006, p. 16).

The plight is even worse for America's working poor. According to author and activist, Beth Shulman, in her book, *The Betrayal of Work: How Low-Wage Jobs Fail 30 Million Americans* (2005):

Thirty million Americans, one out of every four workers, makes less than \$8.70 an hour. And these low-wage, no-benefit jobs translate into billions of dollars of profits, executive pay, high stock prices, and low consumer prices....If we honor work, we must reward it. For generations, Americans shared a tacit understanding that if you worked hard, a livable income and basic securities were to be yours. That promise has been broken and as a nation we are living a lie. (Retrieved August 17, 2007 from <http://www.pbs.org/now/shows/332/betrayal-of-work.pdf> )

So what is at risk? Friedman argues that periods of economic expansion, with more dispersed wealth, result in increased standards of living for the general population. These are also typically periods of increased openness, tolerance and civility that strengthen our

society and our democratic institutions. "...rising living standards nurture positive changes in political institutions and social attitudes..." (p. 19). Somewhere in the 1970's, however, this began to change. De Graaf, explains:

Emboldened by Richard Nixon's landslide 1972 victory, extreme conservatives moved to reduce the responsibilities (and increase the wealth) of wealthy Americans, while cutting back on public services for the poor and average working Americans. 'It will be a hard pill for many Americans to swallow,' *Business Week* predicted in October, 1974, '[...] – the idea of doing with less so that big business can have more. Nothing that this nation or any other nation has done in modern history compares in difficulty with the selling job that must now be done to make people accept the new reality.' (Retrieved November 5, 2006 from [http://www.newdream.org/newsletter/economy\\_for.php](http://www.newdream.org/newsletter/economy_for.php) ).

But sell it they did, and we are now living with the consequences. The unequal distribution of wealth and decreasing standard of living for so many Americans have resulted in what Friedman refers to as "...a fraying of the U.S. social fabric" (Friedman, 2006, p. 17). It is not an accident, he argues, in this current economic climate, that we are seeing an increased antipathy towards immigrants, the roll back of affirmative action programs, a cutting of social welfare programs while blaming the poor for their plight, increases in anti government militias, church burnings, domestic terrorist attacks, armed stand offs with law enforcement (2006). I would add to that, increased acts of road rage, school shootings, violent crime, a steady erosion of our civil discourse and a weakening of our political institutions, personal freedoms, protections and rights.

I believe that the rising intolerance and incivility and the eroding generosity and openness that have marked important aspects of American society in the recent past have been, in significant part, a consequence of the stagnation of American middleclass living standards during much of the last quarter of the twentieth century...If U.S. growth falters, or ...continues slowly to benefit only a minority of U.S. citizens, then the deterioration of American society will, I fear, worsen..." (p. 18).

And, in fact, it has. Currently, the United States ranks at or near the bottom in nearly every major category of social health in the western world, whether that be life expectancy, infant mortality, income inequality, educational outcomes, access to healthcare, child welfare, poverty, hunger, or income mobility – to name a few. We are, by many standards, approaching a social health free fall, lacking the leadership, public policies, or even the honest, accurate media reporting required to right ourselves.

Friedman concludes, “How the citizens of any country think about economic growth, and what actions they take in consequence, are, therefore, a matter of far broader importance than we conventionally assume” (p. 16).

### *How to Turn the Tide*

In order for Americans to increase their understanding of economic and social realities, they need to have access to objective facts. If, what they are continually offered is positive news on an economy that does not benefit them, and a standard of living that continues to fall, social stress will rise. Under these circumstances people become increasingly pessimistic, intolerant and uncivil (Friedman, 2006).

In the absence of real understanding of the problems we face, their causes or their effects, the general public often looks for people (usually minorities and the poor) to blame. Even more troubling for the long run, they will tolerate a reduction in their freedoms and rights in the misguided belief that these negative changes will offer some relief from their problems – a creeping reality we have seen in recent years.

The United States is, by most social measures, a nation at risk. A society with a large and growing segment of population that regularly struggles to meet some or several basic needs is not a society with a secure social fabric. History has shown that people will not

forever tolerate the enrichment of the minority at the cost of diminished prospects for the majority without consequence. It is perilous to ignore the social health of our nation.

It is, therefore, critical that our nation begin monitoring and reporting on our social and economic problems, in a clear and objective fashion, so that we can begin proactively addressing them. Publicly and systematically monitoring our social indicators, and fully explaining our economic indicators, is an important first step. “If we understand more clearly the conditions that face us, we can vote more wisely, address our problems more effectively, and plan for our future more constructively” (Miringoff, et al, 2003b p. 65).

The best solution is to ensure that Americans have access to timely, objective and clearly explained facts on the state of our nation. We need a credible, reliable, national system to monitor and report key indicators of economic, social and, even, environmental health in our country. The question is, who should be responsible for such a system?

#### *Current State of US Indicator Systems*

There are many organizations that regularly monitor certain indicators in the US. These groups are usually small but dedicated academic, nonprofit or local government organizations. Some are regional, such as the *Northwest Area Foundation Indicators Web site*, (see <http://www.indicators.nwaf.org> and [http://www.keyindicators.org/Regional\\_or\\_Multistate.html](http://www.keyindicators.org/Regional_or_Multistate.html) for other examples). Some are statewide, such as *Virginia Performs*, an excellent and very comprehensive list of social, environmental and economic indicators from that state (<http://www.vaperforms.virginia.gov>). In addition, there are many local indicator initiatives in communities across the country such as Anchorage, Seattle, San Diego, New York, Baltimore, Boston, Denver and Norfolk, to name a few (see

<http://www.keyindicators.org/Local.html> for more examples). And many of these groups are members of the large and growing *Community Indicators Consortium*, or CIC (<http://www.communityindicators.net>).

But, as I mentioned, we currently have no large, comprehensive, nationally supported organization looking at the entire U.S. system of well-being: social, economic and environmental. However, this may be about to change.

#### *The Key National Indicators Initiative*

On February 27, 2003, the Government Accountability Office (GAO), in cooperation with the National Academies of Science, Engineering and Medicine, convened the *Forum on Key National Indicators: Assessing the Nation's Position and Progress*. The premise of the Forum was that, "The nation's leaders and concerned citizens require better knowledge of what is happening and where we are going to support improved public choices....The purpose of the forum was to have a rich and meaningful dialogue on whether and how to develop a set of key national indicators for the United States" (GAO Report – 03-672sp, May, 2003, cover page).

To do this, the GAO and National Academies assembled a diverse group of national leaders and experts that could represent the interests and concerns of business, government, the media, foundations and nonprofits, in addition to the scientific, statistical and educational communities; in other words, "both the users and producers of public information" (p.1).

The outcome of this forum was the creation of the *Key National Indicators Initiative* (KNII), a broad coalition of experts under the auspices of the National Academies, charged with creating a pilot comprehensive key indicator system for the United States.

KNII would gather indicator data in three main topical areas: The economy, the environment and society/culture. It would be a “unique public source of objective, independent, scientifically grounded, and widely shared quality information so that we know where the United States stands and how we are treading, on both an absolute and relative basis...” (GAO-05-01, November 2004, p. 2).

The intent of KNII was described as:

*A comprehensive national indicator system, built using information from the US federal statistical system (i.e., official statistics) along with a variety of information from private sources, could provide a fact-based assessment of the state of the nation. Such a system could help gauge the position and progress of our nation, frame strategic issues, and chart future directions. By providing a picture of the USA’s overall condition, a national indicator system would also allow individuals and their elected representatives to better assess the impact of particular interventions and policies, thereby promoting accountability. (Retrieved January 4, 2007 from <http://www.keyindicators.org> ).*

Indicators gathered and assembled by KNII would be widely disseminated to all audiences including policy makers, advocacy groups, the media and the general public.

#### Surmountable Barriers

In my research, I found little real debate on whether there should be a system in place to assess the Nation’s social well-being as well as it’s economic one. Most people seem to understand that we need to monitor both, not one over the other. That is not to say that critics don’t exist. But they appear to act more behind the scenes rather than in public view. Witness all the apparent support for the Mondale Initiative in Congress, only to see the final vote fail. Clearly there are those that don’t want to see a comprehensive social reporting system in place. But the need is still there. So the question remains, who should be responsible for developing and paying for a centralized system of data collection and reporting on important social trends, and what should the objectives be?

*The Government's Role*

Should the U.S. Government be responsible for creating a comprehensive national indicators system that would include social as well as environmental and economic indicators of well-being? While the United States is the only industrial country without a government-sponsored program for monitoring social well-being, we also currently have a very divisive and partisan system of government. That raises concerns that, should the United States create such a system of social monitoring, it could be used for political purposes, resulting in a lack of credibility in its research and reporting. Already our economic indicators system has been reflecting this partisanship in its cherry picking of primarily positive indicators to broadcast, over the more negative indicators that more closely reflect average daily life.

Dr. Jane Ross, former Director of *The Key National Indicators Initiative* and a member of the National Academies, explained the possibilities in a phone meeting on November 1, 2006. In our conversation, I questioned Dr. Ross about congressional involvement in KNII, and why it was that the U.S. government was not taking responsibility for such an important effort? Dr. Ross expressed the belief that such an initiative, as KNII, would benefit from being part of a broad structure, including both the private and public sectors, and that increased diversity would heighten the credibility of their efforts. “KNII’s credibility and legitimacy,” Dr. Ross explained, “rests on providing the same objective data to everyone” (J. Ross, personal communication, November 1, 2006).

### *Barriers to Success*

In discussing KNII with Dr. Ross, I asked her about any barriers she had encountered. Funding, to no surprise, is an issue. Foundations are willing to contribute up to half a million dollars or so at a time. However, such an endeavor as KNII will require many millions of dollars to launch, and then considerable ongoing funding to maintain.

Ross explained that KNII envisions a public/private partnership that includes government funding, investors and foundations. Ideally, the government would fund the project up to the 50% level so as to insure its ongoing success. This would give KNII the financial backing it needs to attract ongoing investment and foundation support, while maintaining its independence and freedom from political interference. So far they have secured mostly foundation support, but the project is moving forward. (November 1, 2006).

Another barrier is involvement around which indicators to monitor. Ross maintains that this is one of the weaknesses of the effort to date, i.e., that they have been working primarily with the upper tier of professionals in a broad range of areas, but that they need to diversify and move down to the next level of involvement in order to broaden its credibility and ensure that the initiative speaks with a broad enough voice. She insists that they are committed to seeing this happen.

### *The State of the USA*

In terms of a project update, KNII is in the process of moving from its incubation phase under the auspices of the National Academies, to becoming an independent non-profit entitled, *The State of the USA* (or SUSAs). The mission and goals of KNII and SUSAs appear to be the same, and the National Academies will still be involved in

providing technical and research advice to the project. The change was, in part, motivated by a need for more flexibility in fundraising on the part of SUSA. The National Academies are prohibited, from lobbying Congress for funds, while SUSA hopes to become a public/private venture with some Congressional funding.

According to a recent brochure:

SUSA has a single overarching purpose: To provide nonpartisan, non ideological and accurate information for a range of audiences—from nonprofits, government policymakers and commercial organizations to city planners, educators, engaged citizens and the media—to help Americans assess our nation’s position and progress in addressing important problems. By aggregating information, rather than collecting it and by disseminating information, instead of interpreting it, SUSA will focus on filling the void for trusted, accessible and valuable facts in a transparent and highly actionable form. SUSA will not itself articulate goals for American society, nor assess whether they are being reached. Rather, it will provide the commonly shared and reliable indicators needed for evidence-based policy discussions through which goals are set and progress is assessed.

(Retrieved August 18, 2007 from

<http://transition2008.files.wordpress.com/2007/08/state-of-the-usa-brochure-2007.pdf>).

The need and opportunity for the SUSA project are explained as follows:

- Factual information on conditions in the USA is so fragmented, inconsistent or over whelming that it’s hard to know where we are, how we are doing and where we might be going.
- Large investments have produced much valuable data on the US, but they are not easy for most people to find and use.
- There is a pressing need for more independent, reliable, transparent and high-quality information sources.
- Important national and individual choices are too often framed, discussed and made based on inadequate, incomplete or biased information without a widely shared base of factual knowledge.

(Retrieved from <http://www.communityindicators.net/documents/StateoftheUSA-CIC-8mar2007.pdf> )

*Potential Problem: Why Interpretation Matters*

One problem I foresee is that KNII (now SUSA) has come to a consensus that they will not be interpreting the data they collect, nor do they have plans to make any

recommendations on their findings. This is a somewhat troubling decision in an otherwise extremely important and necessary effort. In my experience as a public communications and outreach specialist, I am well aware that objective, statistical information that reaches no conclusions and makes no recommendations, has much less utility than objective, statistical information that does. The latter facilitates action.

If I wish to create real change around a campaign issue, for example, (foster care, the environment, addiction, hunger, etc...), I know it is not enough to simply educate my audience about the issues. I must also include a call-to-action, i.e., suggestions on what people can do to create positive change. Failure to provide this direction leaves people more fully informed, but unclear on how to resolve the problems being presented. It is tantamount to a radiologist providing a slide of a tumor, but not explaining what it is or what it means. Yes, the image may offer some insights as to the health problems of the patient, but without a full explanation that leads to understanding of the problem, it may be difficult to come up with a treatment plan.

We very much need clear, objective advice on the state of our nation. It is not out of the norm for objective research institutions to interpret and reach conclusions about the data they've uncovered. In fact, some argue, it is their *obligation* to do so.

Dr. Sandra Opdycke, co-author, researcher and Associate Director of The Institute for Innovation and Social Policy put it this way:

We do believe it's possible comment on the data without expressing bias, and we think there's an obligation to do so, because numbers presented without explanation can be daunting, confusing, or even misleading. On the other hand, we do avoid making policy recommendations. We think our job is to present the indicators and trends as clearly as possible, explain the major patterns we see, and then let others develop policies to address the patterns we've identified (S. Opdycke, personal communication, November 6, 2006).

The nation needs to know exactly where we are so we can better chart our course. We do not have easy access to that objective information now, and the information being put forth (primarily selected economic indicators) does not fully explain the conditions we are in. This lack of credible information on the state of our nation is a barrier to creating sound public policies that can benefit the American people.

It is not that SUSA should be responsible for developing the policies needed to counter the social trends they will uncover. That is, as explained, the responsibility of our law-makers. However, it is important that complicated data be objectively interpreted and fully explained, in order to direct a proper course. Failure to do so will, I fear, render SUSA's work much less useful, and necessary to the nation, and may well compromise the entire project. We have seen historical evidence of this with the *The Social Reports* of 1974, 1977 and 1981, that were seen as having limited utility, possibly because they were "neutral chartbooks, replete with facts but void of interpretation." (p.11).

On the other hand, it would be naive to ignore the powerful forces at play around a project such as SUSA. Those that have benefited from our current economic and political system: The wealthy, lobbyists, large corporations and even some politicians, are also the ones controlling the purse strings that could potentially support this effort. I understand that data interpretation might be a slippery slope that could result in accusations of biasness, when much of SUSA's credibility will rest on being seen as a neutral presenter of accurate facts. What is in the best interest of the nation, in this case, is certainly up to debate.

The concern, of course, is that, if our best and most informed specialists draw no conclusions and offer no interpretation on the data they gather, less informed and more

partisan interests will. It is possible that some of these special interests have agendas that may not be in the best interest of the nation, while possessing resources enough to broadcast their own interpretation of SUSAs data broadly. Unless SUSA interprets the data accurately and objectively themselves it may be too easy for others to *misinterpret* and *misuse* the presented data, potentially adding misinformation into the public discussion on the state of our nation and the direction we should be going.

Fortunately, SUSA's web site will include a feedback mechanism allowing them to receive public comment. My hope is that, if there is a large demand for a fuller explanation of certain data that either SUSA will offer this, or, if they wish to avoid entering the potential quagmire of interpretation, lead viewers, at a minimum, towards reliable sources who will.

We need to let the facts lead and have objective experts, using sound data, analyze, interpret and clearly explain these facts to the nation. It is in the nation's best interest to do so. It then becomes the public and policy makers' responsibilities to look at where we are and chart the best course towards where we want to be.

### *In Conclusion*

If the current state of our nation's social health were broadcast and given the same attention as the Dow Jones Industrial Average, the policies and priorities of our nation would change. They would begin to more closely reflect the needs of our nation's people in average daily life. Congressional support for SUSA would be an easy and relatively inexpensive way for Congress to show its sincere commitment to attend to these needs, and address our nation's common good. SUSA's willingness to analyze and interpret the

data they gather, would give policy makers the information they need to perform this function well.

In addition, by including environmental indicators in SUSA's system, they will insure that policy makers have the information they need to address critical issues such as global warming, natural resource depletion, and air, soil and water quality that could prove to have a profound impact on the future of our nation and the world. We must assemble the most reliable data and make those choices well.

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