

# 100 Years of U.S. Consumer Spending

## Data for the Nation, New York City, and Boston

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# Preface

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**T**he Consumer Expenditure Survey is among the oldest publications of the Bureau of Labor Statistics. With information on the expenditures, incomes, and demographic characteristics of households, the survey documents the spending patterns and economic status of American families.

This report offers a new approach to the use of Consumer Expenditure Survey data. Normally, the survey presents an in-depth look at American households at a specific point in time, the reference period being a calendar year. Here, the authors use consumer expenditure data longitudinally and draw on information from decennial census reports to present a 100-year history of significant changes in consumer spending, economic status, and

family demographics in the country as a whole, as well as in New York City and Boston.

By reading about changes in spending patterns, incomes, workforce characteristics, and family demographics, readers can gain insights into how the significant events of the 20th century—World War I, the Depression, the post-World War II expansion, and other economic expansions and downturns— influenced the spending patterns of American households. (The survey was not conducted during or immediately after World War II.)

Nine timeframes are presented independently, with a section titled “Perspective” providing an analytic framework for each period to aid in interpretation. Tables and charts tracing common elements over the 100-year pe-

riod also should aid the reader in the interpretation of trends. However, as would be expected given changes in technology and improved survey methods, questions asked in the Consumer Expenditure Survey have changed over time. Thus, certain items could not be analyzed throughout the 100-year period.

New York City and Boston, two of the nation’s oldest urban areas, have been chosen for analysis based on the affiliations of the authors. Michael L. Dolfman is the BLS regional commissioner in New York; Denis M. McSweeney is the regional commissioner in Boston. To aid in interpretation and understanding, the findings for both New York City and Boston are benchmarked throughout the report to those of the Nation as a whole.

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# Introduction

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The economic and demographic profile of today's households is quite different from that of households a century earlier. Sweeping changes brought about by technological, educational, and institutional developments have heightened and brightened material lives. Changes in consumer spending, in turn, have altered the U.S. economy.

The clearest indicators of an improved standard of living are income levels and household expenditures. Between 1901 and 2003, the average U.S. household's income increased 67-fold, from \$750 to \$50,302. During the same period, household expenditures increased 53-fold, from \$769 to \$40,748. Equally dramatic is that the \$40,748 would have bought more than \$2,000 worth of goods in 1901 prices, indicating a tripling of purchasing power.

One significant effect of this upsurge was the change to a consumer goods-oriented U.S. economy. Mass consumption, spurred by advertising and consumer credit, has become a distinguishing characteristic of modern society. Today, consumer spending has become the largest component of U.S. gross domestic product.<sup>1</sup>

As a result, household expenditure and income data constitute a valuable resource in assessing the health and vitality of the U.S. economy, as well as those of individual households or fami-

lies.<sup>2</sup> While no two families spend money in exactly the same manner, indicators suggest that families allocate their expenditures with some regularity and predictability. Consumption patterns indicate the priorities that families place on the satisfaction of the following needs: Food, clothing, housing, heating and energy, health, transportation, furniture and appliances, communication, culture and education, and entertainment.<sup>3</sup>

Consumer spending habits are not rigid, shifting sharply from time to time as incomes rise or fall. High-income families spend more for each of the above-referenced items in absolute terms than do low-income families, but they also spend a lower share of their income for food and other necessities.<sup>4</sup> By assessing the proportion of spending that households allocate for specific items, it is possible to judge both national and regional income distributions, as well as a society's overall development level.

In this report, economic and demographic profiles of U.S. households in the aggregate, as well as profiles of households in New York City and Boston, are presented. New York City and Boston are included because they are two of the country's oldest urban areas. The report examines how, over a 100-year period, standards of living

have changed as the U.S. economy has progressed from one based on domestic agriculture to one geared toward providing global services.

The report provides an in-depth assessment of U.S. households at nine points in time, beginning with 1901 and ending with 2002–03. The text highlights changes in family structure and economic conditions and examines factors that have altered and influenced both society and households.

Tracing the spending patterns of households nationwide and particularly in New York City and Boston yields insights into how the social and economic fabric of the country evolved during the 20th century.

Making comparisons like these over long periods of time is difficult. Not only has the geographic coverage changed—the New York and Boston metropolitan areas today are quite different than they were in 1901—but survey methodology has also improved, items have changed (fuel oil versus kerosene and autos versus public transportation), and coverage (including single-person households versus family) will not allow it.

We treat the 1901 Consumer Expenditure Survey numbers as reflective of both cities. Although the region at the time of the survey was the State, most of the surveying was done in New York City and Boston. Moreover, we avoid distortion by comparing gross trends. For these reasons, we do not believe that the overall analysis of expenditure shares is meaningfully affected, but it should be interpreted with caution.

<sup>1</sup> See Valentino Piana, "Consumption," at [www.economics.webinstitute.org/glossary/cons.htm](http://www.economics.webinstitute.org/glossary/cons.htm) (visited February 14, 2005).

<sup>2</sup> The terms "households" and "families" are used interchangeably in this report.

<sup>3</sup> Valentino Piana, "Consumption."

<sup>4</sup> Throughout the report, spending on necessities is defined as spending for food, clothing, and housing.

# 1901

## United States

As the 20th century began, the U.S. population was 76 million. Americans were young, white, and more male than female. Relatively few women were in the work-force, and unemployment was low.

The median age in the country was 22.9 years, 23.3 for men and 22.4 for women. The percentage of Americans who were white was 87.9, and the ratio of men to women was 104.4 men for every 100 women. The average size of U.S. families was 4.9 people. (See chart 1.)

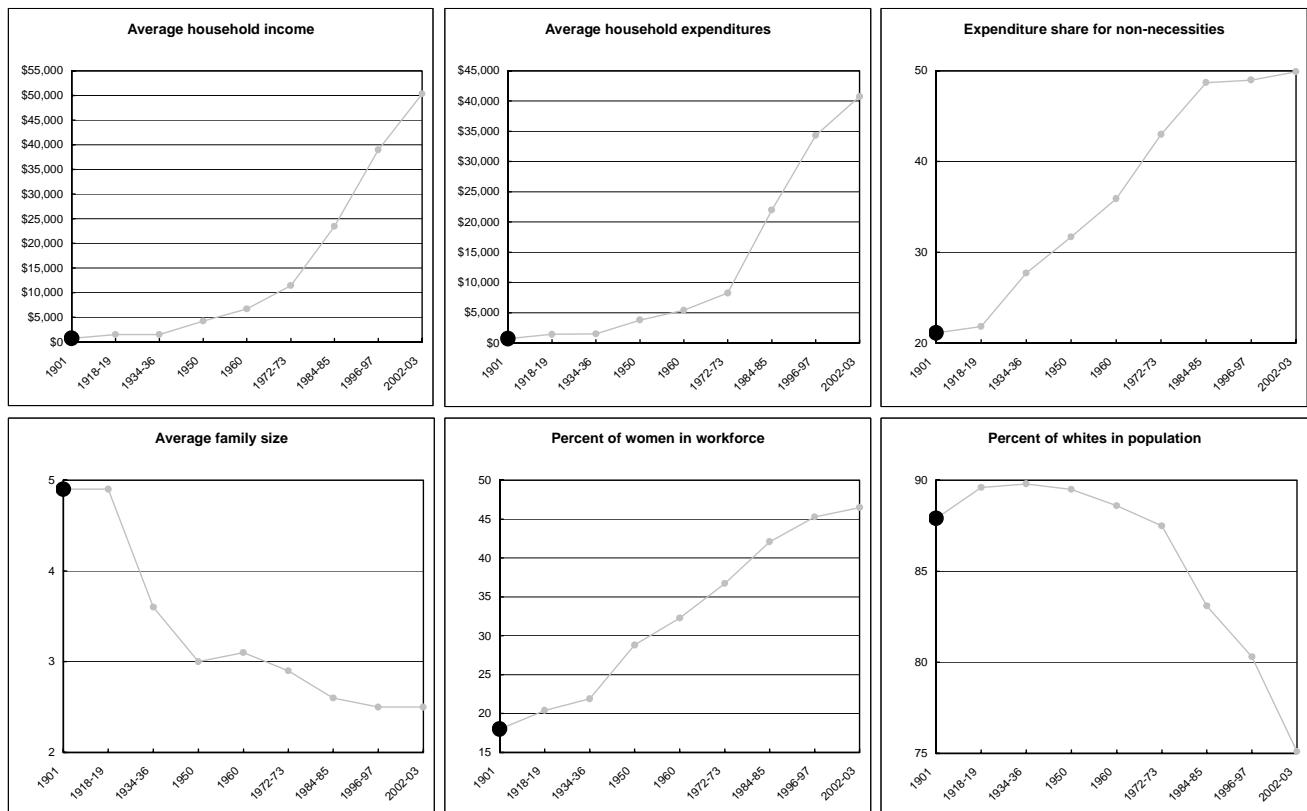
Labor force participation was 80.0 percent for men and 20.6 percent for women, while the workforce consisted of 82.0 percent men and 18.0 women. The country's unemployment rate in 1901 was 4.0 percent.

Yearly household income averaged \$750. Several earners contributed to this income: 95.9 percent of households had earnings from husbands, 8.5 percent had earnings from wives, 22.2 percent had earnings from children, 23.3 percent had earnings from boarders or lodgers, and 14.4 percent of households

had other sources of income. Hourly wages are shown in table 1.

Annual expenditures for the average U.S. family averaged \$769. Of this amount, 42.5 percent (\$327) was allocated for food, 14.0 percent (\$108) for clothing, and 23.3 percent (\$179) for housing. That left \$155 for all other items. On average, household spending exceeded income by 2.5 percent. There were 7.2 million owner-occupied housing units in the country, but only 19.0 percent of U.S. families owned a home, while 81.0 percent were renters.

Chart 1. Economic and demographic indicators, United States, 1901



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

Table 1. Hourly wages for selected industries, United States, 1901

Year	Manu- facturing	Mining	Con- struction	Transpor- tation	Communi- cations and public utilities	Trade	Finance, insurance, and real estate	Services	Govern- ment
1901 .....	\$ 0.23	\$ 0.26	\$ 0.28	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.50	\$ 0.17	\$ 0.28

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 2. Retail prices of selected foods in U.S. cities, 1901

Year	Flour 5 lb.	Round steak lb.	Pork chops lb.	Bacon lb.	Butter lb.	Eggs dozen	Milk 1/2 gallon
1901 .....	\$ 0.13	\$ 0.14	\$ 0.13	\$ 0.16	\$ 0.27	\$ 0.22	\$ 0.14

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Of these homeowners, 8.3 percent had encumbrances or liens on their home, while 10.6 percent did not.

Grocery store prices in 1901 averaged about 14 cents per pound for round steak or pork chops, 27 cents for a pound of butter, and 13 cents for 5 pounds of flour. (See table 2.)

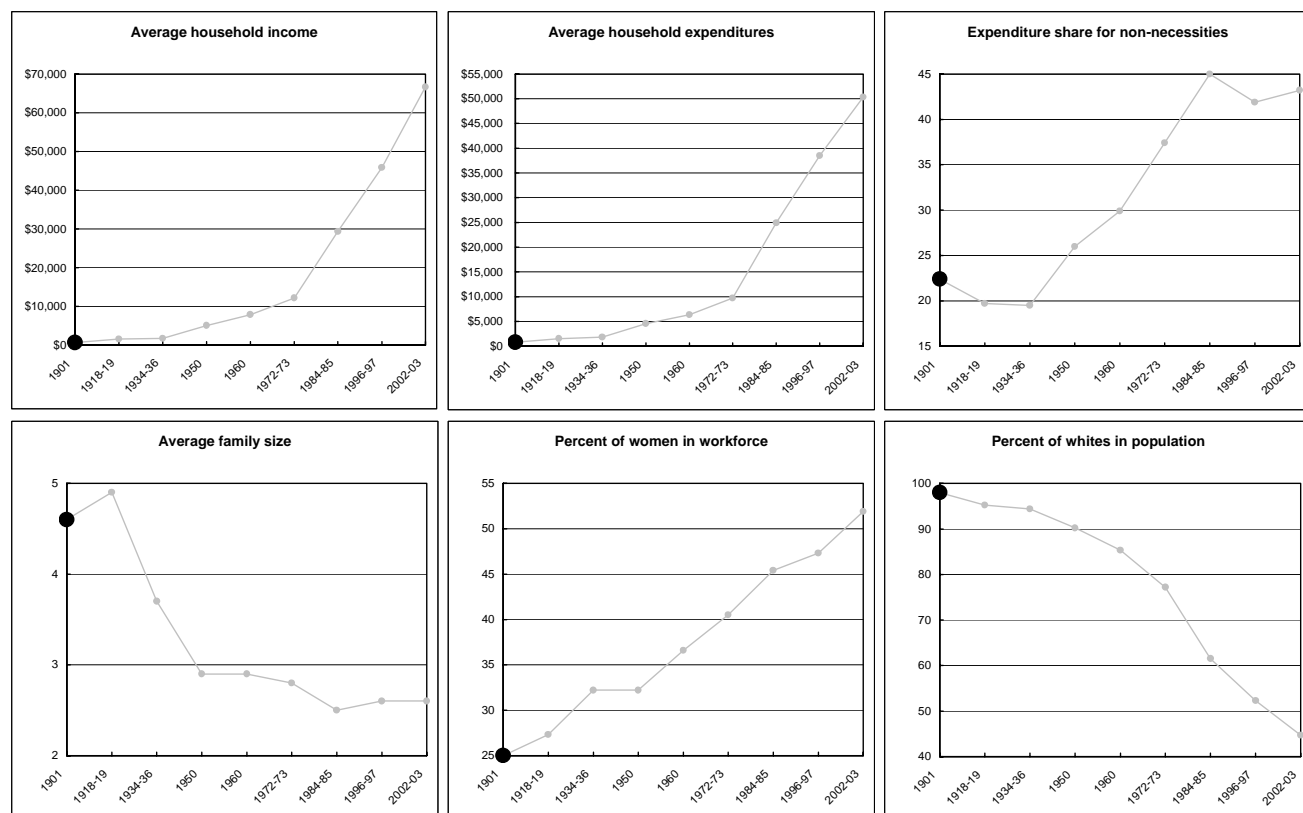
### New York City

At the beginning of the 20th century, 7.3 million people or 9.6 percent of the U.S. population resided in New York State. Of these people, 3.4 million or 46.6 percent, lived in New York City.

In demographic terms, 49.6 percent

of the city's population was male; 98.0 percent was white; 30.6 percent was younger than 15; 2.9 percent was 65 or older; and 36.9 percent was foreign born, although 52.0 percent of family heads were foreign born (see table 3). There were over 735,000 households, among them 29,400 (4.0 percent) that

Chart 2. Economic and demographic indicators, New York City, 1901



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

**Table 3. Distribution by nativity of the heads of worker families surveyed in the New York area, 1901**

Nativity	Percent
American born .....	48.0
Foreign born .....	52.0
Canada .....	18.0
England .....	8.0
Germany .....	33.8
Ireland .....	30.7
Italy .....	4.4
Russia .....	4.6
Scotland .....	2.7
Sweden .....	2.6

SOURCE: U.S. Commissioner of Labor, *Eighteenth Annual Report 1903*

consisted of 1 person and 133,000 (18.2 percent) that included 7 or more people. Average family size in the city was 4.6. (See chart 2.)

Of the 1.5 million people who worked in New York City, 75.0 percent were men, and 25.0 percent were women. The occupational distribution was as follows: 37.6 percent worked in manufacturing or mechanical pursuits, 32.0 per-

cent in trade or transportation, 24.0 percent in domestic services, 5.7 percent in the professions, and less than 1 percent in agriculture.

Household income in the State averaged \$675.<sup>5</sup> Average household expenditures were \$814, with 43.7 percent (\$356) allocated for food, 13.0 percent (\$106) for clothing, and 23.5 percent (\$191) for housing. On average, spending for these necessities absorbed 80.2 percent of all household expenditures, and total household spending exceeded income by 20.6 percent.

### Boston

In 1901, 3.7 percent of Americans (2.8 million people) lived in Massachusetts.

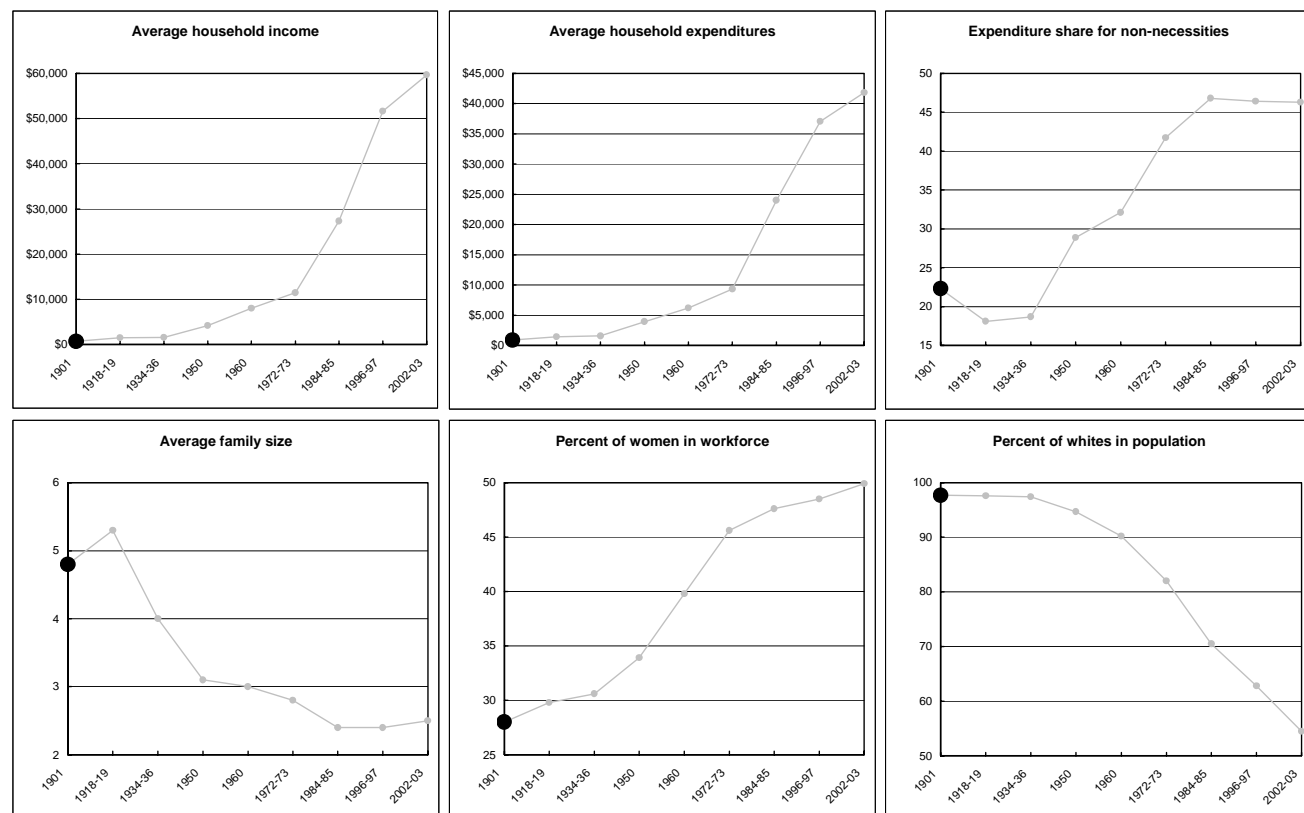
<sup>5</sup> Household income and expenditure data for 1901 are available only for New York State, not for New York City.

Of those, 560,000 or 20.0 percent lived in Boston. More than half the residents of the Commonwealth were foreign born, with the countries of origin of many indicated in table 4.

Demographically, 49.0 percent of the city's population was male, 97.7 percent was white, 26.5 percent was younger than 15, 3.6 percent was 65 or older, and 35.1 percent was foreign born. There were over 117,000 individual households in the city, 5,000 (4.4 percent) made up of 1 person and 22,000 (19.5 percent) comprising 7 or more people. Average family size in Boston was 4.8. (See chart 3.)

Of the quarter-million workers in Boston, 72.0 percent were men, and 28.0 percent were women. Occupationally, 34.0 percent of workers were employed in trade and transportation, 32.6 percent in manufacturing or mechanical pursuits, 26.7 percent in domestic services, 6.2 percent in the professions,

**Chart 3. Economic and demographic indicators, Boston, 1901**



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*



**Table 4. Distribution by nativity of the heads in worker families surveyed in Massachusetts, 1901**

Nativity	Percent
American born .....	43.2
Foreign born .....	56.8
Canada .....	25.4
England .....	11.0
Germany .....	3.6
Ireland .....	46.7
Italy .....	0.4
Russia .....	2.3
Scotland .....	3.6
Sweden .....	4.9

SOURCE: U.S. Commissioner of Labor, *Eighteenth Annual Report 1903*

and less than 1 percent in agriculture.

Household income in Massachusetts averaged \$685.<sup>6</sup> Average household expenditures were \$880, with 41.7 percent (\$367) allocated for food, 14.4

percent (\$127) for clothing, and 29.9 percent (\$263) for housing. (See chart 4 and table 5.) In the aggregate, spending for necessities made up 86.0 percent of all household expenditures, and total household spending exceeded income by 28.5 percent.

### Perspective

As the country entered the 20th century, the average family included nearly five people and had an income of \$750. Only 8.5 percent of U.S. households reported earnings from wives, while 22 percent had earnings from children, 23

<sup>6</sup> Household and income expenditure data for 1901 are available only for Massachusetts, not for Boston.

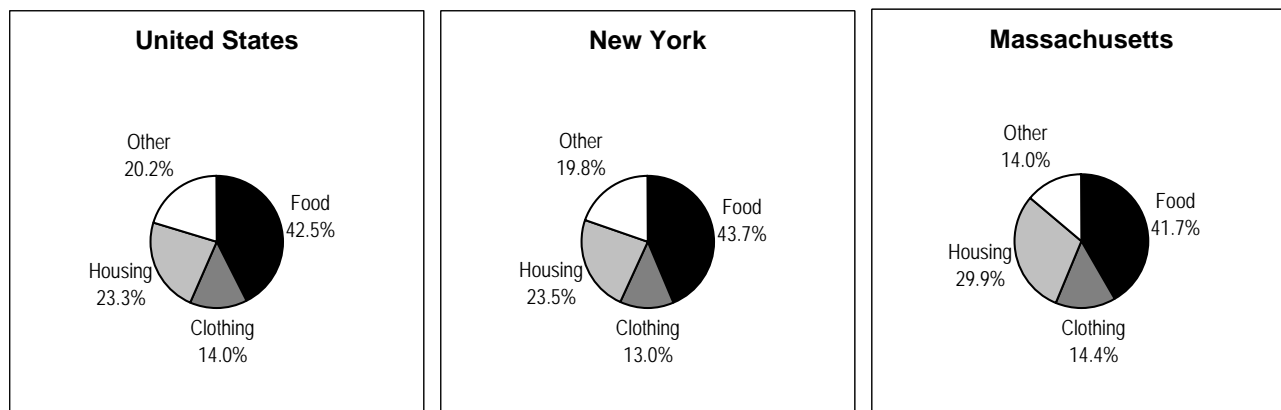
percent had earnings from boarders, and more than 14 percent had other sources of income.

The economy was expanding following a recession that had ended in 1900, and there was virtually full employment in the country. In both New York and Massachusetts, the impact of immigration was apparent, as more than half the residents were foreign born.

In both New York and Massachusetts, family expenditures exceeded household income, by 20.6 percent in New York and by 28.5 percent in Massachusetts. Additionally, household spending in both States exceeded the national average by 14 percent.

In terms of spending for necessities—food, housing, and clothing—Massachusetts households led, devot-

**Chart 4. Expenditure shares, United States, New York, and Massachusetts, 1901**



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

**Table 5. Expenditures and expenditure shares, United States, New York, and Massachusetts, 1901**

Item	United States		New York		Massachusetts	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 327	42.5	\$ 356	43.7	\$ 367	41.7
Alcoholic beverages .....	12	1.6	24	2.9	6	.7
Housing .....	179	23.3	191	23.5	263	29.9
Apparel and services .....	108	14.0	106	13.0	127	14.4
Healthcare and insurance .....	40	5.2	49	6.1	24	2.6
Entertainment .....	12	1.6	14	1.7	11	1.2
Reading and education .....	8	1.1	9	1.1	11	1.3
Tobacco .....	11	1.4	11	1.4	10	1.1
Miscellaneous .....	62	8.1	45	5.5	48	5.5
Religion and charity .....	10	1.3	9	1.1	13	1.5
Average income per family .....	750		675		685	
Expenditures, all items .....	769		814		880	

NOTE: Expenditure shares do not add to 100 due to rounding.

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

ing 86 percent of their total expenditures for these items. Households all across the country and those in New York allotted less, about 80 percent of their total expenditures.

Boston's population was older, compared with New York City's, and this dynamic may have contributed to differences in spending. Consumers in New York State spent more than did

their counterparts in Massachusetts for entertainment, although the residents of the Commonwealth allocated more for healthcare and for reading and education. ■

# 1918-19

## United States

By the end of World War I, the demographics of the country had begun to change. The United States was more urbanized, and its population older.

The population in the country was 105 million, a gain of 39 percent in 2 decades. The median age was 25.3 (25.8 for men and 24.7 for women), an increase of 2.4 years since 1900. In terms of overall population dynamics, 31.8 percent of Americans were younger

than 15, 89.7 percent were white, and the ratio of men to women was 104.0 men for every 100 women. Average family size was 4.9. (See chart 5.)

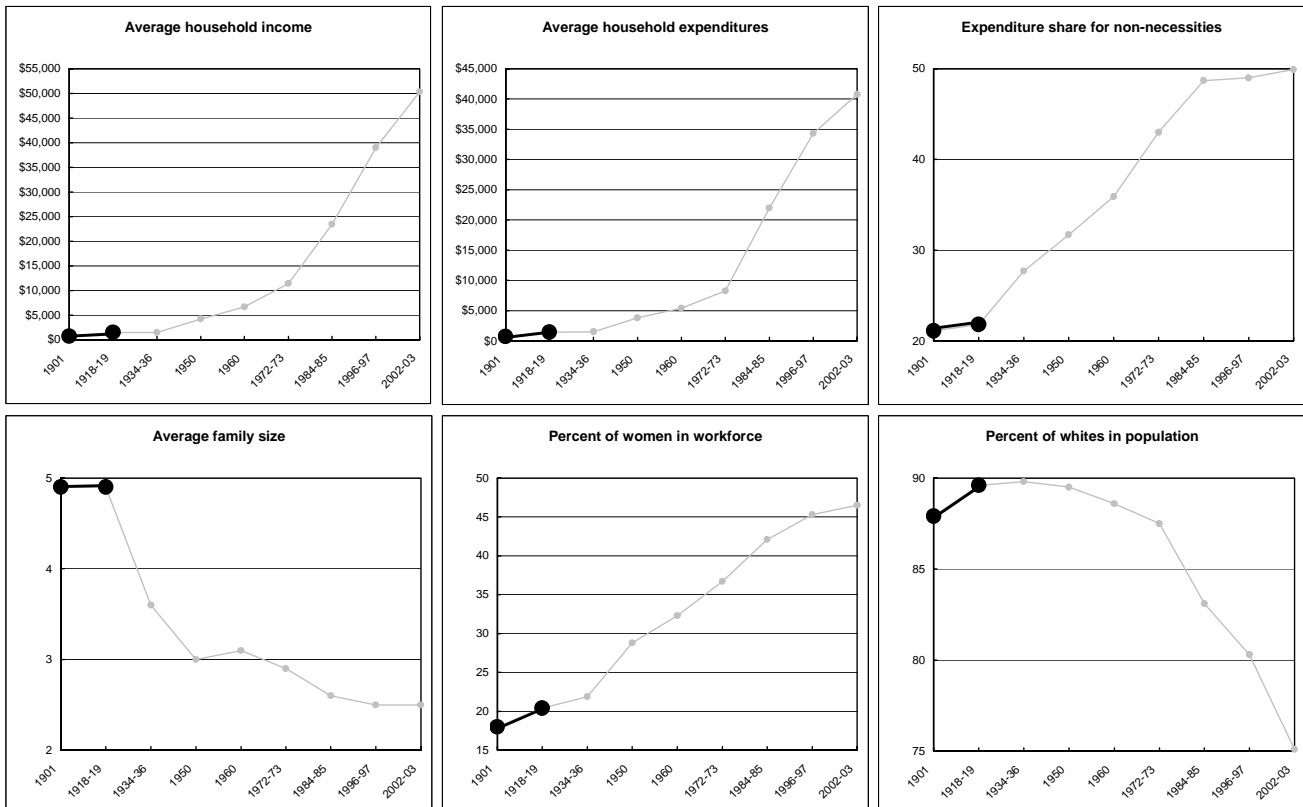
Reflecting the strength of the economy, unemployment nationally was 1.4 percent. Women made up 20.4 percent of the U.S. workforce.

Compared with 1901, average family income had more than doubled, to \$1,518 (a 102-percent increase), while household expenditures had increased to \$1,434 (an 86-percent gain). (See

table 6 for hourly wages in selected industries.) These dollars would have purchased more than \$820 in 1901. Another gauge of the financial health of U.S. families was that, according to the Consumer Expenditure Survey for 1918–19, 70.2 percent recorded a year-end surplus, an excess of income over expenses; 23.7 percent registered a deficit; and 6.1 percent broke even.

In spite of increases in standards of living in the country, the share of household expenditures allocated for

Chart 5. Economic and demographic indicators, United States, 1918–19



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

food, clothing, and housing (78.2 percent) was close to that in 1901. What had changed were allotments within these categories.

The average U.S. household spent 75.4 percent more for food (\$549), but the household's expenditure share for food had decreased to 38.2 percent. Spending for clothing had increased 120.4 percent to \$238, but this category represented only 16.6 percent of total expenditures. Housing was where the significant change took place: spending for housing had increased 86.6 percent, to \$334, although the expenditure share for this category remained 23.3 percent. (The housing expenditure category included costs not only for rent, but also for fuel, light, furniture, and furnishing. The 1918–19 survey for the first time allowed these costs to be itemized.) There were over 10 million owner-occupied housing units in the country.

Retail prices had almost tripled since 1901. A pound of round steak cost an average of 37 cents, and pork chops, which had cost 13 cents a pound in 1901, averaged 39 cents in 1918. Five pounds of flour cost 34 cents, and consumers paid 58 cents for a pound of butter. (See table 7.)

In terms of housing size and rent, the average U.S. home had 5.0 rooms, while the average apartment had 4.5 rooms. Families who lived in their own

homes had a yearly rent (the term used in the Consumer Expenditure Survey) of \$176. Families living in apartments or flats paid a yearly rent of \$178.

### New York City

In the postwar period, 9.8 percent of Americans (a slight increase from 1900) or 10.4 million people resided in New York State. Of these, 5.6 million people or 54.4 percent (a notable increase) lived in New York City.

Demographically, 49.7 percent of the city's population was male; 95.2 percent was white; 27.2 percent was age 15 or younger; and 40.4 percent of the population was foreign born—with 24.1 percent coming from Russia, 19.6 percent from Italy, and 10.2 percent from Ireland. One-fifth (20.3 percent) of residents 21 and older were naturalized citizens, and the illiterate accounted for 7.5 percent of the population. There were 525,000 households occupying more than 75,000 homes and apartment buildings. The average family size, 4.9, matched that for the country.

In terms of education, 94.0 percent of New York City children aged 7 to 13 went to school. That percentage fell with age: 78.7 of those aged 14 to 15, 28.5 percent of those aged 16 to 17, and 9.8 percent of those aged 18 to 20 also received an education.

Working people in New York City (72.7 percent of whom were men and 27.3 percent of whom were women) numbered 2.5 million. (See chart 6.) They were employed in various jobs: 37.6 percent in manufacturing and mechanical industries, 15.9 percent in clerical occupations, 15.5 percent in trade, 12.1 percent in domestic and personal service, 9.5 percent in transportation, 6.6 percent in the professions, 2.4 percent in public service, and less than 1 percent in agriculture.

As the city grew in population and its demography changed, family spending patterns also changed. Average family income was \$1,556, an amount 2.5 percent higher than the national average, while household expenditures averaged \$1,526, 6.4 percent higher than for the country as a whole. When compared with 1901 levels, household expenditures had increased 87.5 percent; they would have purchased over \$900 in goods and services in 1901 dollars. According to the Consumer Expenditure Survey for 1918–19, 60.8 percent of New York City families reported a year-end surplus, 23.9 percent a deficit, and 15.3 percent broke even.

The share that New York City families allocated for food, clothing, and housing also had increased, to 80.2 percent, countering the national trend. Allotments for food (42.0 percent) and

Table 6. Hourly wages for selected industries, United States, 1918

Year	Manu- facturing	Mining	Con- struction	Transpor- tation	Communi- cations and public utilities	Trade	Finance, insurance, and real estate	Services	Govern- ment
1901 .....	\$ 0.23	\$ 0.26	\$ 0.28	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.50	\$ 0.17	\$ 0.28
1918 .....	.53	.67	.57	.61	.42	.45	.69	.31	.49

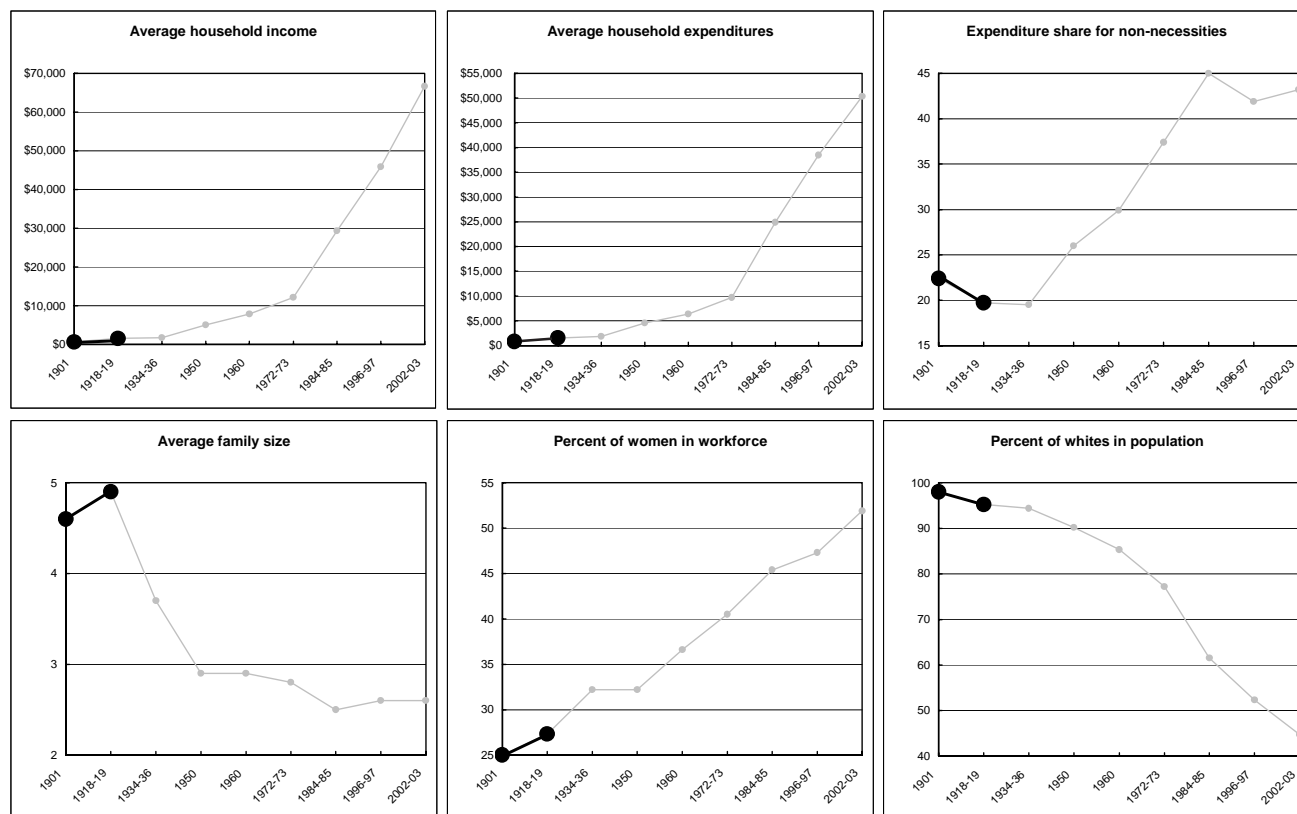
SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 7. Retail prices of selected foods in U.S. cities, 1918

Year	Flour 5 lb.	Round steak lb.	Pork chops lb.	Bacon lb.	Butter lb.	Eggs dozen	Milk 1/2 gallon
1901 .....	\$ 0.13	\$ 0.14	\$ 0.13	\$ 0.16	\$ 0.27	\$ 0.22	\$ 0.14
1918 .....	.34	.37	.39	.53	.58	.57	.28

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Chart 6. Economic and demographic indicators, New York City, 1918–19



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

for housing (21.6 percent) were close to 1901 levels. The noteworthy increase had taken place in spending on clothing, for which the share had increased to 16.6 percent.

In terms of housing, the average-sized home in New York City had 6.5 rooms, while the average-sized apartment had 4.5 rooms. New Yorkers—that is, residents of New York City—who lived in houses paid a yearly rent of \$332; those living in apartments or flats paid \$204.

## Boston

At this time, 3.9 million people or 3.6 percent of Americans (a slight decrease from 1900) lived in Massachusetts. Boston's population had grown to 748,000 residents or 19.4 percent of the Commonwealth's population (also a slight decrease).

Demographically, 49.3 percent of

the city's population was male; 97.6 percent was white; 27.9 percent was aged 15 or younger; and 31.9 percent was foreign born. Of those born in other countries, 23.9 percent came from Ireland, 16.9 percent from Canada, 16.0 percent from Italy, and 15.9 percent from Russia. Slightly more than a fifth (21.4 percent) of residents 21 and older were naturalized citizens, and 4.0 percent of the total population was illiterate. The city contained 165,000 individual households, located in 80,000 individual homes and many apartment buildings. Average family size in Boston, 5.3, exceeded that for the country as a whole and that for New York City.

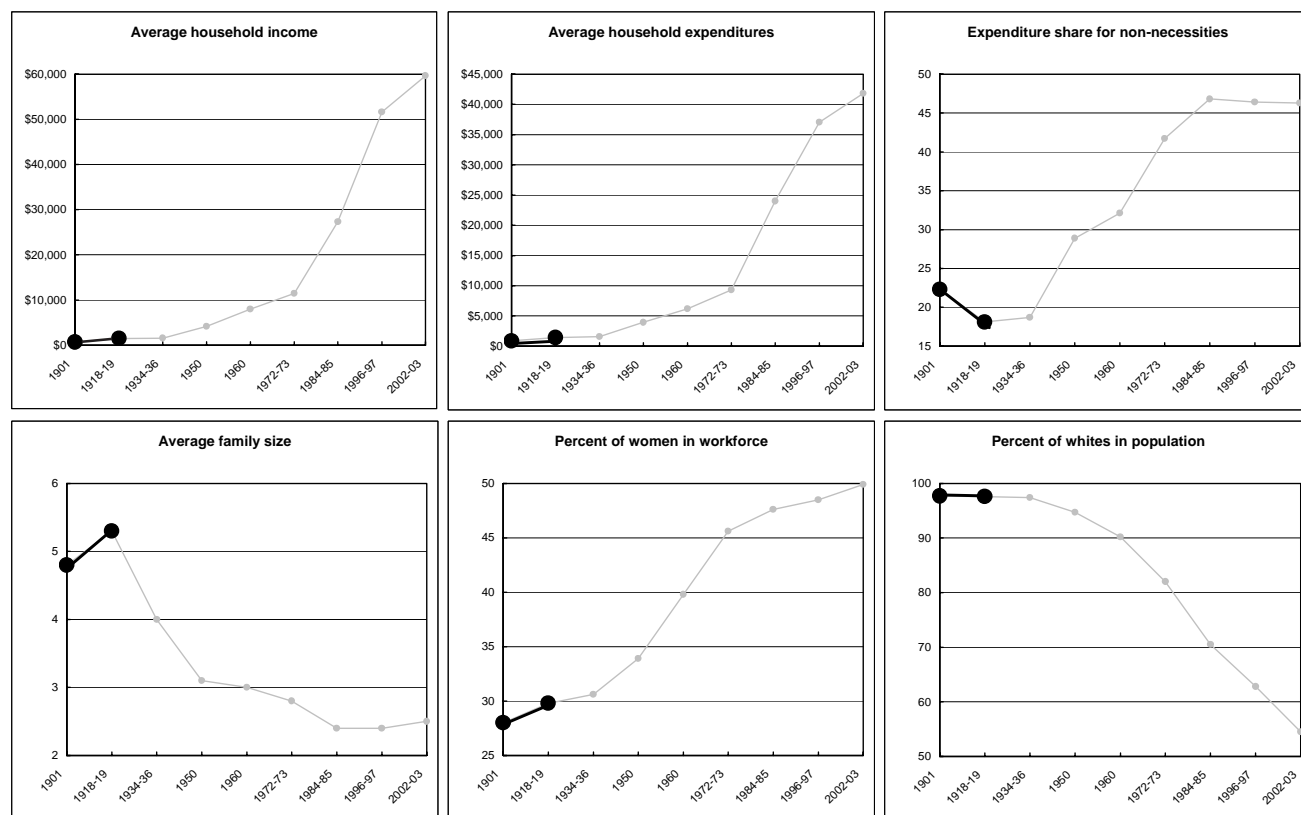
In terms of education, 94.7 percent of Boston children aged 7 to 13 were in school. Among older children, 83.4 percent of those aged 14 to 15, 43.2 percent of those aged 16 to 17, and 15.2 percent of those aged 18 to 20 also received education.

Boston's workforce included 350,000 people, 70.2 percent of whom were men, and 29.8 percent of whom were women. (See chart 7.) These workers were found in the following occupations: 37.0 percent in manufacturing and mechanical industries, 15.1 percent in trade, 14.4 percent in clerical occupations, 13.2 percent in domestic and personal services, 10.0 percent in transportation, 6.6 percent in the professions, 3.2 percent in public service, and less than 1 percent in agriculture.

Total average family income was \$1,477, an amount below the national average and that recorded for New York City. Average household expenditures, \$1,434, equaled those for the country as a whole, but were 6.5 percent below New York City's.

When compared with 1901 levels, household expenditures in Boston had increased 62.8 percent. However, the purchasing power of these 1919 dol-

Chart 7. Economic and demographic indicators, Boston, 1918–19



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

lars was approximately equal to the purchasing power of 1901 dollars.

The share of household expenditures that Boston families allocated for food, clothing, and housing, 81.9 percent, had increased from 1901. This increase was powered by two of the categories: Food, 44.7 percent, and clothing,

15.5 percent. (See table 8 and chart 8.)

In terms of housing, the average-sized home in Boston had 6.2 rooms, while the average-sized apartment had 4.7 rooms. Bostonians who lived in houses paid a yearly rent of \$182, whereas those living in apartments or flats paid \$180.

### Perspective

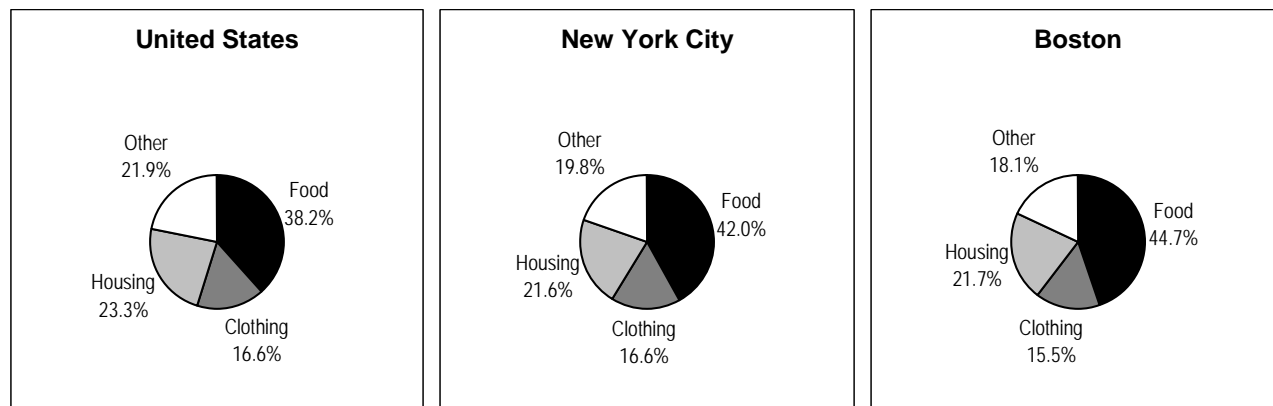
At the close of World War I, both New York City and Boston remained attractive regions for immigration. More than 40 percent of New York City residents and about one-third of Bostonians were foreign born.

Table 8. Expenditures and expenditure shares, United States, New York City, and Boston, 1918-19

Item	United States		New York City		Boston	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 549	38.2	\$ 641	42.0	\$ 641	44.7
Apparel and services .....	238	16.6	254	16.6	222	15.5
Housing .....	334	23.3	330	21.6	311	21.7
Rent .....	187	13.0	214	14.1	184	12.8
Fuel and light .....	74	5.2	64	4.2	80	5.6
Furniture and furnishing .....	73	5.1	51	3.3	47	3.3
Miscellaneous .....	306	21.3	285	18.7	263	18.3
Average income per family .....	1,518		1,556		1,477	
Expenditures, all items .....	1,434		1,526		1,434	

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures. Expenditure shares do not add to 100 due to rounding.  
SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Chart 8. Expenditure shares, United States, New York City, and Boston, 1918-19



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Moreover, the United States had become an international center of industrial and financial power. The country's unemployment rate was at a scant 1.4 percent. However, retail prices had begun to rise sharply, increasing 18 percent in 1918 and 14.6 percent in 1919. Family incomes also were increasing, having doubled to \$1,518 since 1901.

Despite these rising incomes, household expenditures for necessities in both New York City and Boston accounted for a larger share of total ex-

penditures than in 1901. This gain was consistent with an aging population, large family size, increased home ownership—27 percent of Americans owned their own home—and sizeable gains in retail food prices.

The spending share for food in New York City had decreased slightly from 1901, while it had increased in Boston. In both cities, families allocated greater shares of household spending for food than did families nationwide. However, the expenditure share for housing in both cities was below that for the coun-

try as a whole. In absolute terms, rental costs for New York City homes and apartments exceeded those in Boston and nationwide.

In contrast to 1901, family incomes exceeded expenditures in both New York City (by 2 percent) and Boston (by 3 percent). These surpluses enabled Boston families to allocate a greater share of their spending for non-necessities, while the shares in New York City and for the country as a whole remained unchanged. ■

# 1934-36

## United States

Trends identified in earlier decades, such as the aging and urbanization of the U.S. population, continued into the 1930s. In 1930, the population exceeded 122 million, a gain of 16.1 percent since 1920. The median age in the country had increased 1.2 years to 26.5 (26.7 for men and 26.2 for women). At this time, 29.3 percent of Americans were younger than 15, 89.8 percent were white, and the male-to-female ratio had dropped to 102.5 men for every 100 women. Av-

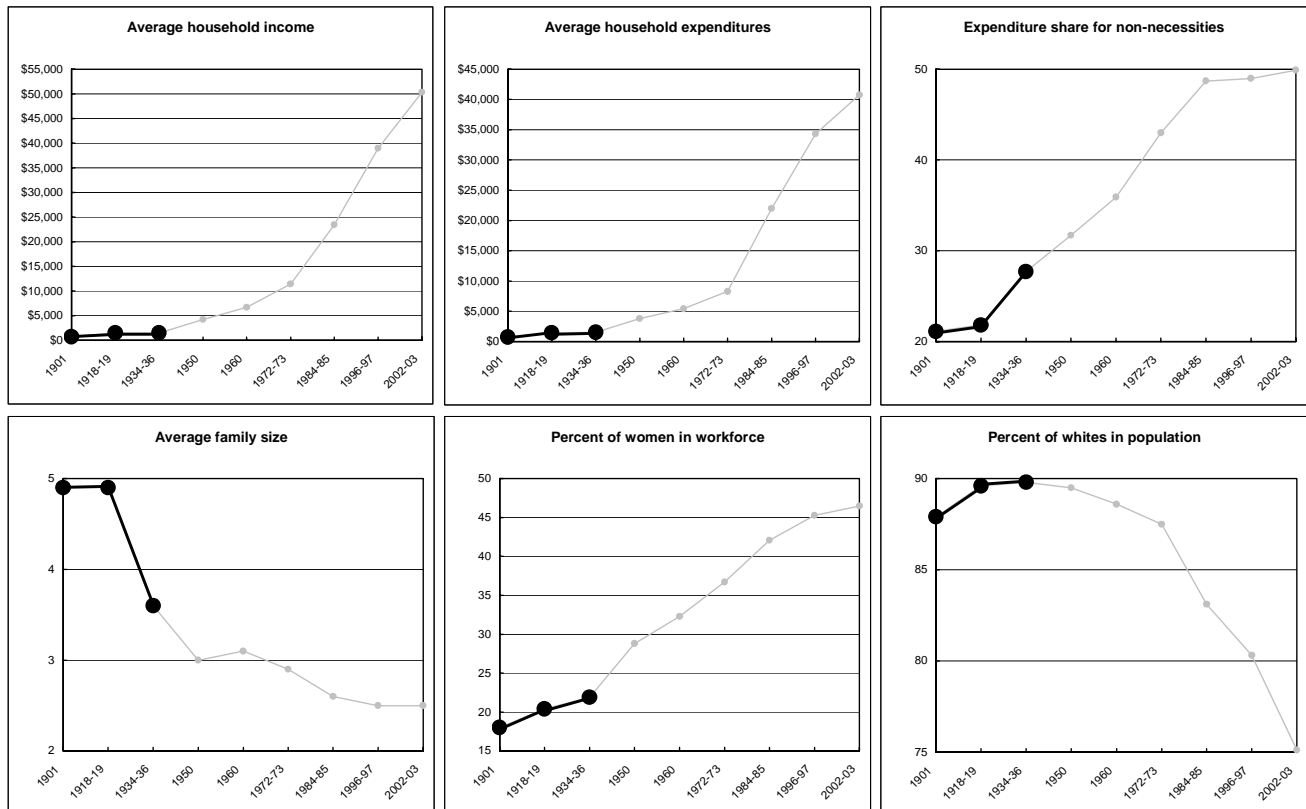
erage family size had decreased markedly, to 3.6. (See chart 9.)

Following the stock market crash in late 1929, the country entered its worst economic depression in history. Unemployment was 15.9 percent in 1931 and rose to 23.6 percent in 1932. Thereafter, it averaged more than 20 percent until 1936, when it dropped to 16.9 percent. In the 1930s, women made up 21.9 percent of the U.S. workforce.

In the 15-year period following World War I, average family income had remained flat, rising only \$6 to \$1,524.

(See hourly wages in table 9.) Meanwhile, average family expenditures had risen 5.4 percent to \$1,512. These dollars would have purchased \$1,387 worth of goods and services in 1918 dollars, compared with the \$1,434 that families in 1918 spent, demonstrating the deflationary effect of the Depression on the dollar's value. According to the Consumer Expenditure Survey for 1934-36, 59.2 percent of families recorded a yearly surplus (\$149 on average), 37.8 percent recorded a deficit (\$203 on average), and 3.0 percent broke even. Av-

Chart 9. Economic and demographic indicators, United States, 1934-36



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*



erage annual family savings were \$11.

Technological developments over the previous 20 years had changed the kinds and types of goods in the marketplace and their cost. For example, prices for food and clothing were significantly lower than in 1918–19, while rents and furnishings were slightly lower. Electric light and power rates were lower, but coal prices had increased as the wartime controls on prices had been lifted.

Food, clothing, and housing occupied a 76.2-percent share of household spending, a decrease from 1918–19. Food, at 33.6 percent, was still the single largest category of expenditure. (See retail prices of selected foods in table 10.) A large proportion of U.S. families, however, “did not spend enough to secure the amount and kinds of food needed for good health for all the family and for normal growth of the children. Although most of them had sufficient food to avoid actual hunger . . .”<sup>8</sup>

<sup>8</sup> Faith M. Williams and Alice C. Hanson, “Money Disbursements of Wage Earners and Clerical Workers, 1934–36, Summary Volume,” Bulletin No. 638 (Washington: U.S. Government Printing Office, 1941), p. 3.

The expenditure share for housing was 32.0 percent, which translated into an average annual expenditure of \$485. Housing included expenses for fuel, light, refrigeration, and rent or the rental value of owned homes. The number of owner-occupied housing units had increased to 14 million. Forty percent of families lived in one-family detached homes; 25 percent lived in apartments; and the remainder in semidetached, row, or two-family homes. Seventy-eight percent of families lived in homes that had electric lights, gas or electricity for cooking, and a bathroom with an inside flush toilet and hot running water.

Clothing represented 10.6 percent of family spending. Employed women spent the most on clothing, followed by employed men. For both men and women, outerwear—coats, sweaters, suits, shirts, dresses, and blouses—represented the major expenditure. The second major clothing category was footwear, which included shoes, slippers, rubber overshoes, hose, and silk stockings.

Forty percent of families owned automobiles, almost all of which were pur-

chased secondhand rather than new. Of families owning autos, 2 percent owned more than one automobile, and practically all of them had pooled the earnings of grown sons and daughters to purchase the second auto. The average net purchase price (gross price minus trade-in allowance) was \$300.

### New York City

By 1930, 12.6 million people or 10.3 percent of the U.S. population lived in New York State, an increase from the previous decade. With a population of 6.9 million, New York City accounted for 55.1 percent of the State’s residents, a decrease from 1920.

Demographically, 51.1 percent of the city’s population was male, 94.4 percent was white, 40.4 percent was foreign born, and 18.4 percent was younger than 15. Of all adults, 15.0 percent were naturalized citizens, and 5.4 percent were illiterate.

Average family size in the city, 3.7, was equivalent to that nationwide. (See chart 10.) However, 53.0 percent of all households contained at most three people. Thirty-eight percent of city

Table 9. Hourly wages for selected industries, United States, 1935

Year	Manu- facturing	Mining	Con- struction	Transpor- tation	Communi- cations and public utilities	Trade	Finance, insurance, and real estate	Services	Govern- ment
1901 .....	\$ 0.23	\$ 0.26	\$ 0.28	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.50	\$ 0.17	\$ 0.28
1918 .....	.53	.67	.57	.61	.42	.45	.69	.31	.49
1935 .....	.58	.55	.49	.72	.71	.61	.78	.42	.62

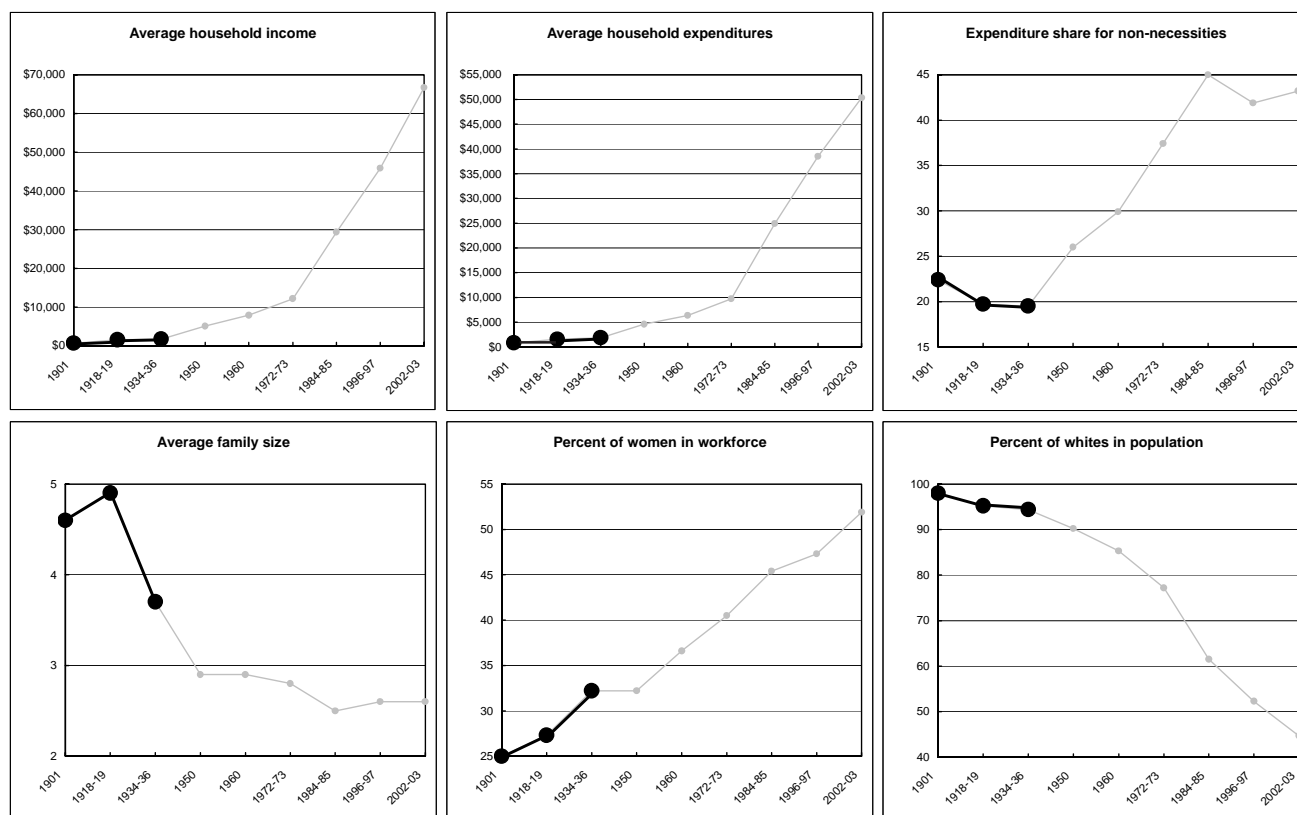
SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 10. Retail prices of selected foods in U.S. cities, 1934

Year	Flour 5 lb.	Round steak lb.	Pork chops lb.	Bacon lb.	Butter lb.	Eggs dozen	Milk 1/2 gallon
1901 .....	\$ 0.13	\$ 0.14	\$ 0.13	\$ 0.16	\$ 0.27	\$ 0.22	\$ 0.14
1918 .....	.34	.37	.39	.53	.58	.57	.28
1934 .....	.25	.28	.26	.29	.32	.33	.22

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Chart 10. Economic and demographic indicators, New York City, 1934–36



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

families had children younger than 10, and 59.5 percent had children younger than 21. Almost half (49.8 percent) of New Yorkers were married, 40.2 percent were single; 8.3 percent were widows or widowers, and 1.0 percent were divorced.

School enrollment was higher than it had been in 1918: 97.2 percent of children aged 7 to 13 went to school in the mid-1930s. Among older children, 93.1 percent of those aged 14 to 15, 55.7 percent of those aged 16 to 17, and 17.5 percent of those aged 18 to 20 received an education.

The city's workforce was 67.8 percent male and 32.2 percent female. Although women made up about one-third of the workforce, in 85.8 percent of households the homemaker (the woman of the house in survey terminology) was not employed outside the home. In 59.0 percent of all households, there was only one worker, while

in 21.8 percent, there were two workers; in 9.3 percent, three workers; and in 5.5 percent, four or more workers.

As for the occupational makeup of the city's workers, 14.5 percent provided domestic or personal services, 13.8 percent worked in trade, 8.8 percent worked in hotels and restaurants, 8.7 percent were professionals or semi-professionals, 6.1 percent worked in the clothing industry, 6.1 percent worked in the building industry, and 3.9 percent worked in general manufacturing.

Average yearly family income in the city was \$1,745, an amount 14.5 percent higher than the national average. Average family expenditures were \$1,839. Besides exceeding family income by 5.4 percent, expenditures were 21.6 percent higher than the national average.

When compared with 1918–19 levels, household spending had increased 20.5 percent (to \$313), countering the

national experience. This sum would have purchased more than \$1,765 in goods and services in 1918 dollars.

New York City families allotted 36.4 percent of their total spending for food. This was a decrease from the 1918–19 level, probably due to the decline in food prices that occurred throughout the country from 1925 to 1934. Yet, New York City families allocated a greater proportion of their spending for food than did their counterparts in any other major city. This was because of the large proportion of families (70.1 percent) reporting expenses for meals at work, which accounted for 10.8 percent of their total food expenditures.

To eat at home, New Yorkers spent \$12.80 a week, with 28.2 percent allotted for meat, poultry, and fish; 19.7 percent for fruits and vegetables; 11.3 percent for milk, cheese, and ice cream; 5.6 percent for eggs; and 4.9 percent for butter, among other items.

After spending on food, housing—which included expenses for fuel, light, and refrigeration—was the next largest expenditure category, at 32.0 percent. In the 1933-34 Consumer Expenditure Survey, a Bureau of Labor Statistics program expert noted:

The concentration of shipping, manufacturing, and trade around the harbor on which New York City is situated, combined with the limitation of usable land by the rivers and marshes, have brought about a competition for living space in this area not duplicated in any other part of the United States. The result is a level of rents which taxes the expenditures of families...for relatively small dwellings.<sup>9</sup>

There were over 1.7 million families living in more than 500,000 dwellings. The majority of these structures (52.8 percent) were single-family homes, 24.5 percent were for two families, and 22.7 percent housed three or more families. Only 17.1 percent of the population lived in a single-family home, while 15.9 percent lived in two-family structures, and 67.1 percent lived in three-or-more-family buildings. Larger families, those averaging 4.0 people, tended to own their homes; smaller families (averaging 3.2 people) tended to rent. On average, yearly rent for apartments, which typically had four or fewer rooms, was \$385. The estimated rental value of owned homes, which had an average of six or fewer rooms, was \$493 per year. Of rented apartments, 90.6 percent had a bathroom inside the unit, 94.3 percent had hot running water, and 12.1 percent had a telephone.

Clothing was the third highest expenditure category. Its share was 11.0 percent.

With the nearly 20 percent of the budget left after purchasing necessi-

ties, New Yorkers were able to buy items that made their lives more convenient. In the city, 15.2 percent of families owned an automobile.

## Boston

The percentage of Americans living in Massachusetts, 3.5, continued its decline from previous years, although the number of Bay Staters actually grew, to 4.2 million. Boston, with a population of over 780,000, made up 18.6 percent of the Commonwealth's population, also continuing the decline noted in previous decades.

Demographically, 49.1 percent of Boston's population was male, 97.4 percent was white, 28.4 percent was foreign born, and 24.8 percent was younger than 15. Of adults, 22.5 percent were naturalized citizens, and 3.2 percent were illiterate.

In Boston, average family size had decreased significantly, to 4.0, but still was larger than that recorded for New York City or for the country as a whole. (See chart 11.) However, 51.3 percent of all Boston households contained at most three people. In the city, 36.3 percent of families had children younger than 10, and 56.7 percent had children under 21. More than half (50.5 percent) of Bostonians were married, while 40.1 percent were single, 8.2 percent were widows or widowers, and 1.0 percent were divorced.

In terms of the education of the city's youths, 98.5 percent of children aged 7 to 13 went to school. Among older children, 95.5 percent of those aged 14 to 15, 65.2 percent of those aged 16 to 17, and 26.6 percent of those aged 18 to 20 received an education—all higher percentages than were noted for New York City.

As in New York City, Boston's workforce was overwhelmingly (69.4 percent) male. Also, as noted in New York City, in 85.1 percent of households, the homemaker was not employed outside the family. In 56.8 percent of all households, there was only one worker; in 21.0 percent there were two workers;

in 9.6 percent, three workers; and in 6.3 percent, four or more workers.

Boston had a greater share of its workforce in trade than did New York City. Of all workers in Boston, 16.4 percent were employed in trade, 8.0 percent were professionals or semiprofessionals, 7.5 percent worked in the building industries, 7.3 percent were employed as domestics or in personal services, 5.8 percent worked in hotels and restaurants, 4.9 percent worked in general manufacturing, and 4.1 percent worked in the iron and steel industry.

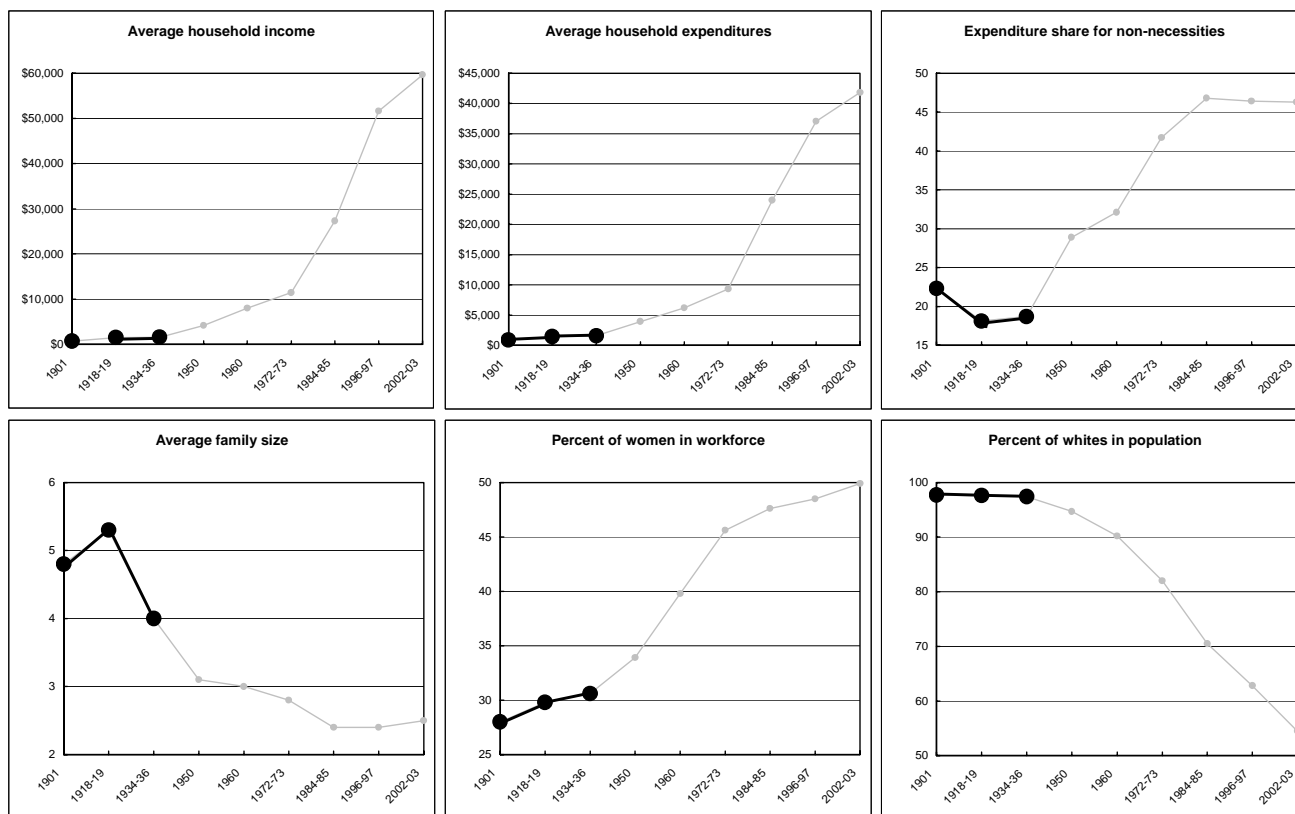
The average Boston family's income had increased 6.3 percent, to \$1,570. That amount was about even with average income for the country as a whole, but markedly below the New York City average. In Boston, average family expenditures exactly equaled income. When compared with 1918-19 levels, expenditures had increased by 9.6 percent, about half the rate of the New York City increase. In 1918 dollars, these expenditures would have bought \$1,429 in goods and services.

The share for food had dropped to 35.7 percent, reflecting a nationwide decline in food prices. The average Boston family spent just under \$11 a week for food, with meat, poultry, and fish and other seafood representing about 25 percent of all food expenditures. Spending for fruits and vegetables accounted for another 19 percent of the average family's food budget. Meals at work accounted for about 3.5 percent of the food budget, significantly lower than the share recorded for New York City families.

On average, Boston families allocated a greater share of yearly expenditures (35.8 percent) for housing than did families in New York City or nationwide. There were 180,000 families living in 90,000 dwellings. As in New York City, single-family homes made up the largest proportion of dwellings, 49.5 percent; two-family homes accounted for 25.5 percent; and three-or-more-family homes made up 25.0 percent. However, only 24.6 percent of Boston households lived in a single-family

<sup>9</sup> Faith M. Williams and Alice C. Hanson, "Money Disbursements of Wage Earners and Clerical Workers in the North Atlantic Region, 1934-36," Bulletin No. 637, Volume 1 - New York City (Washington: U.S. Government Printing Office, 1939), p.10.

Chart 11. Economic and demographic indicators, Boston, 1934–36



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

home; 25.3 percent lived in two-family structures, and 50.1 percent lived in three-or-more-family buildings.

Large families (those exceeding four people) tended to own their home, while small families (averaging 3.3) tended to be renters. The yearly rental value for apartments, which averaged five or fewer rooms, was \$312. The estimated rental value of owned homes, which averaged six or fewer rooms, was \$419. Of owned homes, all had an inside flush toilet, 53.9 percent had a phone, 84.1 percent had running hot water, and 36.3 percent had a garage.

Bostonians allocated 9.8 percent of their expenditures for clothing, a lower proportion than that reported for New York City consumers or for the country as a whole.

## Perspective

In the 15 years after the end of World

War I and following the worst economic depression in U.S. history, the economic setting changed drastically for the average household. With unemployment in the country averaging more than 16 percent during 1934–36, U.S. families faced severe economic difficulties.

Demographics in the country had begun to change. The size of the average U.S. family, as well as that of families in New York City and Boston, had decreased dramatically. Foreign-born citizens, as a percentage of the total population, also had declined in New York City and Boston after the war. Additionally, women made up about 22 percent of the U.S. workforce, continuing a slow, but upward trend.

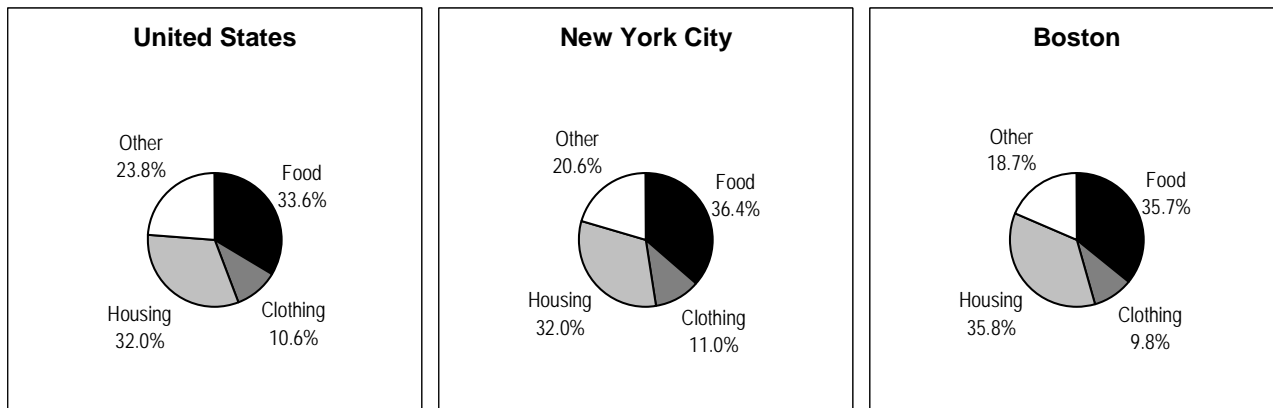
Family income was virtually unchanged from 1918–19, as falling prices coupled with soaring unemployment had held wages in check. Despite the widespread economic turmoil, spend-

ing shares for necessities among households in New York City and Boston were similar to those recorded in 1918–19 and accounted for over 80 percent of household expenditures.

Food remained the largest category of expense. (See chart 12 and table 11.) However, food's expenditure share had decreased notably, especially in New York City and Boston, reflecting significantly lower retail prices. For example, a pound of bacon, which cost 53 cents in 1918, cost only 29 cents in 1934. (See table 11.) Retail prices increased for the first time in 1934, following 4 years of decline.

New York City residents allocated a greater proportion of their spending for food than did their counterparts in any major city. This was the result of a large proportion of New York City families incurring expenses for meals at work, which accounted for 10.8 percent of total food spending. By con-

Chart 12. Expenditure shares, United States, New York City, and Boston, 1934-36



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 11. Expenditures and expenditure shares, United States, New York City, and Boston, 1934-36

Item	United States		New York City		Boston	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 508	33.6	\$ 670	36.4	\$ 561	35.7
Housing .....	485	32.0	589	32.0	562	35.8
Apparel and services .....	160	10.6	202	11.0	154	9.8
Transportation .....	125	8.3	93	5.1	90	5.7
Healthcare .....	59	3.9	64	3.5	49	3.1
Entertainment .....	82	5.4	114	6.2	72	4.6
Personal care products and services .....	30	2.0	35	1.9	25	1.6
Reading and education .....	7	.5	6	.3	7	.4
Miscellaneous .....	32	2.1	37	2.0	35	2.2
Cash contributions .....	24	1.6	30	1.6	18	1.1
Average income per family .....	1,524		1,745		1,570	
Expenditures, all items .....	1,512		1,839		1,570	

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures.  
SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

trast, for Boston families, meals at work accounted for only 3.5 percent of the total food budget.

With the slight increase in home ownership—to 30 percent—and falling food prices, housing expenditure shares had risen notably in both New York City and Boston and accounted for about one-third of all household

spending. Falling apparel prices also had decreased clothing expenditures for families in these cities.

Automobile ownership had increased dramatically during the 1920s and early 1930s, reaching 40 percent in 1934–36. As a result, transportation costs exceeded 8 percent of family spending in the country. However, re-

flecting extensive mass transit systems, such spending was less than 6 percent in both New York City and Boston. New York City families allocated a greater share of their spending for entertainment than did their Boston counterparts, who spent slightly more for reading and education. ■

# 1950

## United States

By 1950, the country was in the midst of the post-World War II business cycle (1948-1953), which brought nearly full employment. Unemployment averaged a mere 4 percent during this 5-year period.

The population had surpassed 150 million, a gain of 10.4 percent since 1940. The median age had increased to 30.2 years (29.9 for men and 30.3 for women).

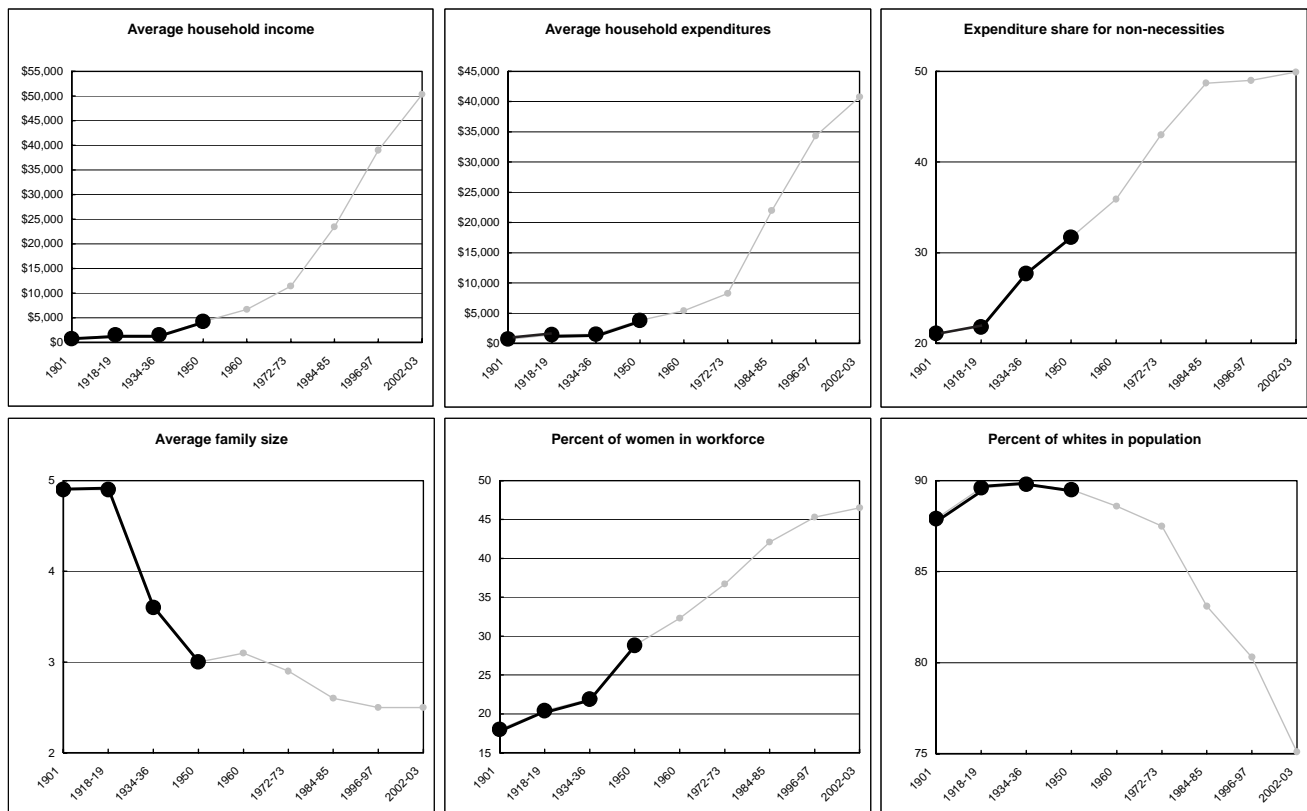
The under-15 cohort had continued to decrease, to 26.9 percent. The percentage of the population that was white had remained constant at 89.5, and the male-to-female ratio had dropped further, to 98.6 men for every 100 women. There were 46.0 million housing units in the country, of which 51.3 percent (32.8 million) were owner occupied. Average family size had decreased to 3.0. (See chart 13.)

In 87.1 percent of families, both a

husband and a wife were present, with the wife employed in 19.8 percent of these families. In 58.2 percent of families, there were children younger than 18 living at home. In 42.1 percent of households, the head of the family was employed as a craftsman or a machine operator.

In 1950, with wages double or triple what they had been in 1935 (see table 12), labor force participation for women (33.9 percent) and for men (86.4 per-

Chart 13. Economic and demographic indicators, United States, 1950



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

cent) reached new highs. While more women continued to join the labor force, the participation rate for men started what was to become a slow decline. At this time, women made up 28.8 percent of the U.S. workforce.

Retail food prices had risen sharply from 1934–36 levels. The price of a pound of butter had doubled, from 32 cents to 73 cents. Meat prices also had risen sharply, with a pound of round steak increasing from 28 cents to 94 cents and pork chops from 26 cents to 75 cents per pound. (See table 13.)

The average U.S. family’s income of \$4,237 had increased by 178.0 percent since 1934–36. As for income distribution, 53.4 percent of U.S. families had incomes less than \$5,000, with 25.0 percent earning less than \$3,000. The median family income was \$3,216.

Average family expenditures during the same timeframe had increased 151.9 percent, to \$3,808. This amount would have purchased \$2,171 worth of goods and services in 1935 dollars, reflecting inflationary forces. (Expenditures in 1935 were \$1,512.)

Food, clothing, and housing accounted for 68.4 percent of total spending, a decrease from their combined share in 1934–36.

The share for food, 29.7 percent and the single largest expenditure category, was less than the 1934–36 allotment. The average American in 1950 consumed 3,260 calories per day compared with 3,250 calories a day in 1934–36, although individuals consumed 12.6 percent more food in 1950. During the Depression, the American diet was high in calories. By the 1950s, a greater selection of foods and widespread use of refrigeration had contributed to a change in dietary habits.

### New York City

By 1950, residents of the State of New York numbered 14.8 million, equal to 9.8 of the country’s population, a decrease from the 1930 census. Of that number, 7.9 million people, 53.2 percent of the State’s population, lived in New York City, a slight percentage decrease from 1930.

The city contained 2.4 million households, and average family size was 2.9, slightly below the national average. (See chart 14.) Demographically, 66.6 percent of New Yorkers were adults (aged 21 or older), 20.8 percent were aged 15 or younger, and 7.7 percent were 65 or older. The median age in the city was 34.5, which was notably older than that for the country as a whole. The male-to-female ratio was 93.9 men for every 100 women, 90.2 percent of the population was white, 22.6 percent of people were foreign born, and 9.2 percent of married couples lived with their parents.

In terms of education, 86.7 percent of children aged 14 to 17 attended school. The median number of school years attained by New York City residents was 9.1, with 11.6 percent of the population having attended school for less than 5 years.

As for jobs, 51.7 percent of New Yorkers aged 15 and older were employed, with the unemployment rate at 6.9 percent—7.6 percent for men and 5.6 percent for women. Men consti-

Table 12. Hourly wages for selected industries, United States, 1950

Year	Manu- facturing	Mining	Con- struction	Transpor- tation	Communi- cations and public utilities	Trade	Finance, insurance, and real estate	Services	Govern- ment
1901 .....	\$ 0.23	\$ 0.26	\$ 0.28	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.50	\$ 0.17	\$ 0.28
1918 .....	.53	.67	.57	.61	.42	.45	.69	.31	.49
1935 .....	.58	.55	.49	.72	.71	.61	.78	.42	.62
1950 .....	1.59	1.66	1.60	1.79	1.61	1.46	1.55	1.05	1.45

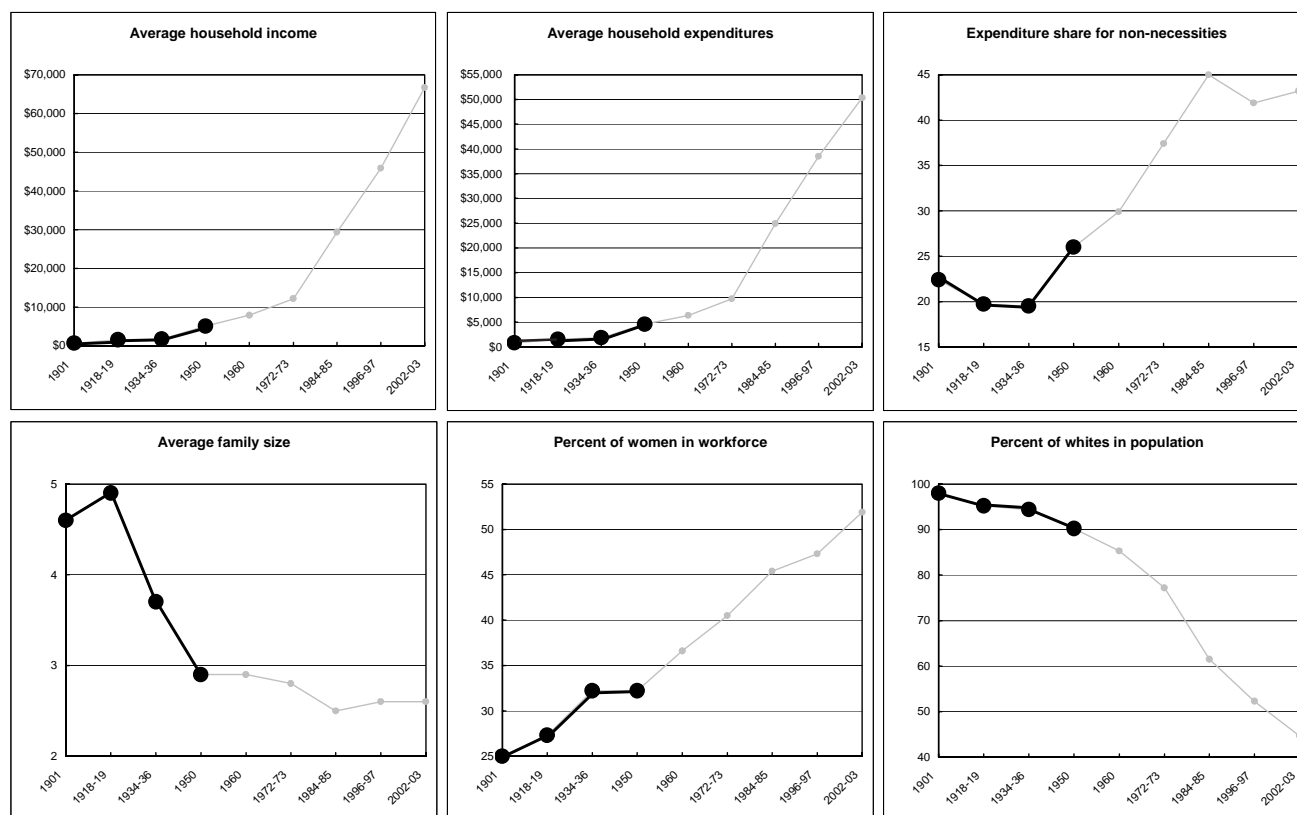
SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 13. Retail prices of selected foods in U.S. cities, 1950

Year	Flour 5 lb.	Round steak lb.	Pork chops lb.	Bacon lb.	Butter lb.	Eggs dozen	Milk 1/2 gallon
1901 .....	\$ 0.13	\$ 0.14	\$ 0.13	\$ 0.16	\$ 0.27	\$ 0.22	\$ 0.14
1918 .....	.34	.37	.39	.53	.58	.57	.28
1934 .....	.25	.28	.26	.29	.32	.33	.22
1950 .....	.49	.94	.75	.64	.73	.60	.41

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Chart 14. Economic and demographic indicators, New York City, 1950



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

tuted 67.8 percent of the labor force. Of those not seeking work, 60.9 percent were housekeepers. Four out of five New Yorkers (79.2 percent) worked in the private sector, 9.6 percent worked for government, and 11.0 percent were self-employed.

More than half of all New York City jobs were in manufacturing and trade (28.0 percent and 23.1 percent, respectively). The other industries with the highest levels of employment were transportation, communications, and utilities (9.4 percent); professional and related services (8.9 percent); finance and real estate (7.4 percent); and personal services (7.1 percent). An additional 4.4 percent of jobs were associated with construction.

The occupational groups with the largest shares of city workers were equipment operators (20.9 percent) and clerks (19.2 percent). Other large occu-

pational groupings were craftsmen (12.2 percent); professionals, officials, or proprietors (11.6 percent); service workers (10.4 percent); professionals or technicians (10.3 percent); salespersons (7.7 percent); and laborers (3.9 percent).

Average family income had risen to \$5,105, 20.5 percent higher than the national level and an increase of 192.6 percent from the 1934–36 level in the city. However, 54.7 percent of New York City households earned less than \$3,500.

Average family expenditures had increased 148.7 percent to \$4,574, 20.1 percent greater than the average U.S. family's expenditures. This sum would have purchased \$2,607 worth of goods and services in 1935 dollars.

The average New York City household allocated 73.9 percent of its expenditure budget for food, clothing,

and housing—a greater percentage than that allocated by the average U.S. family.

At 33.4 percent, food was the largest expenditure category. Housing, including expenses for shelter, light, refrigeration, and water, had an expenditure share of 28.3 percent, while the share for clothing was 12.2 percent. Of the clothing allocation, 52.0 percent was for women's and girls' clothing, 34.1 percent for men's or boys' clothing, 1.0 percent for infants' clothing, and the remainder for clothing materials and services.

Additionally, 18 percent of New York City families owned their own home, and 39 percent of city families owned a car. Buying and operating a car accounted for 5.7 percent of household spending. Compared with those in other large U.S. cities—cities with populations of at least 1 million—New



York City households gave the most money to charity: \$251.

### Boston

In 1950, 3.8 percent of Americans (4.7 million people) lived in Massachusetts, an increase from the 1930 census, with 17.0 percent of these residents (800,000 people) residing in Boston, a decrease from 1930.

Boston contained 220,000 households with an average family size of 3.1—slightly larger than that for New York City. Demographically, 65.3 percent of Boston residents were adults, 22.2 percent were aged 15 or younger (a significantly higher percentage than recorded for New York City), and 9.7 percent were aged 65 or older (also a higher proportion than in New York City). The median age in Boston was 32.6, younger than in New York City,

but older than in the country as a whole. The male-to-female ratio was 93.9 men for every 100 women, and 94.7 percent of residents were white. (See chart 15.) Only 18.0 percent of people were foreign born, and 8.6 percent of married couples lived with their parents.

In terms of education, 86.0 percent of children aged 14 to 17 attended school, and the median number of school years completed in Boston was 11.0 (higher than in New York City). Additionally, only 8.6 percent of the population had less than 5 years of schooling.

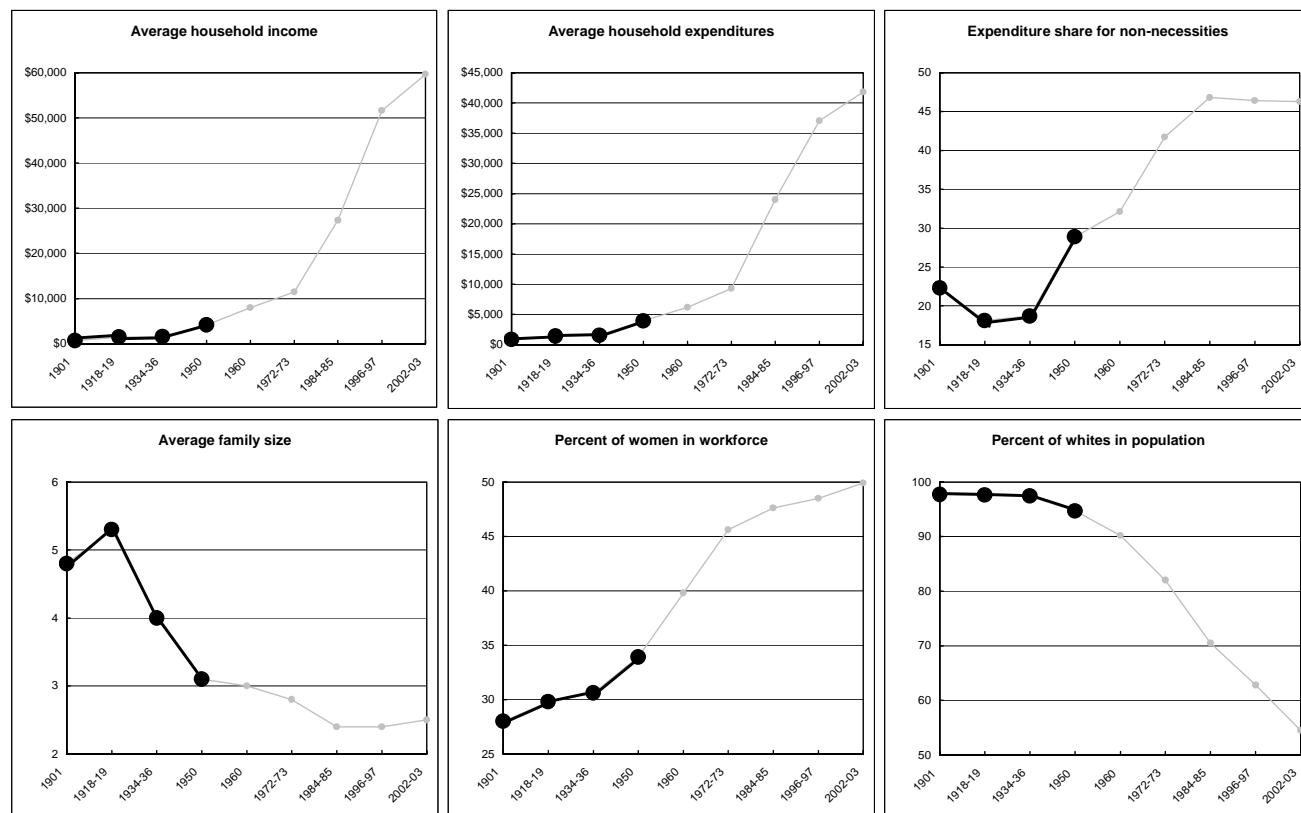
Boston's overall unemployment rate (7.4 percent of those aged 15 and older) was slightly higher than New York City's. The rate for men was 8.8 percent, and for women, 4.8 percent. Nearly half (49.2 percent) of Bostonians were employed. Men made up 66.1 percent of the Boston workforce. Of resi-

dents not seeking employment, 44.9 percent were homemakers, a significantly lower proportion than in New York City. In Boston, 78.6 percent of residents worked in the private sector, 13.9 percent worked for government, and 7.4 percent were self-employed.

Almost half of all Boston jobs were in retail or wholesale trade and in manufacturing (24.3 percent and 23.7 percent, respectively). An additional 35 percent were in the following industries: Professional and related services (11.2 percent); transportation, communication, and utilities (10.0 percent); public administration (7.4 percent); and personal services (6.9 percent). Construction accounted for an additional 5.1 percent of jobs.

As in New York City, the two biggest occupational groups were equipment operators (19.6 percent) and clerical workers (19.4 percent). Additional

Chart 15. Economic and demographic indicators, Boston, 1950



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

occupational groupings included craftsmen (13.5 percent); service workers (12.8 percent); professionals and technicians (10.4 percent); sales workers (8.4 percent); managers, officials, or proprietors (7.6 percent); and laborers (5.7 percent).

In Boston, average family income had increased 166.1 percent to \$4,178, but was still 1.4 percent less than the income of the average U.S. household. Moreover, 51.2 percent of Boston households earned less than \$3,000.

Average household expenditures had increased 151.3 percent to \$3,946, 3.6 percent higher than those for the average U.S. family. This amount would have purchased \$2,368 worth of goods and services in 1935 dollars.

The average Boston family allocated 73.1 percent of spending for food, clothing, and housing. This was slightly less than in New York City. The single largest category of spending was food (32.9 percent), followed by housing (29.1 percent) and clothing (11.1 percent).

In the allocation for clothing, 52.0 percent (equal to the New York City share) was for women's and girls' cloth-

ing, 34.2 percent (also equal to New York City's share) was for men's and boys' clothing, 1.6 percent (more than in New York City) was for infants' clothing, and the remainder was allocated for clothing materials and services.

Twenty-six percent of Boston families owned their own home, and 42 percent owned an automobile. The purchase and maintenance of an automobile accounted for 7.6 percent of household spending.

### Perspective

Halfway through the 20th century, the U.S. economy was expanding. Household income had increased 178 percent since 1934–36 and was nearly six times greater than in 1901. In the country as a whole, and in New York City and Boston, overall standards of living continued to improve.

Nationwide, average hourly wages in manufacturing had risen from 58 cents an hour in 1935 to \$1.59 in 1950. Women continued to join the labor force, and their participation rate had increased to 34 percent. Retail prices, however, also had risen sharply since

1935: the cost of a pound of butter had risen from 32 cents to 73 cents, and a pound of round steak had increased from 28 cents to 94 cents.

Family size had continued to decline nationally and in New York City and Boston to an average of about three people per family.

Household expenditures for necessities had declined to 68 percent nationally. In New York City and Boston, however, food, housing, and clothing still accounted for almost 75 percent of total household spending (although this share was down from 80 percent in 1934). In both regions, food remained the largest expenditure category, with a share of approximately 33 percent. Housing was next, with a share of roughly 29 percent, followed by clothing, which averaged 12 percent. (See table 14 and chart 16.)

Nationally, home ownership had increased, with 48 percent of all families owning their own home. Home ownership lagged considerably, however, in New York City—where only 18 percent of families owned their home—and in Boston—where 26 percent were homeowners.

Table 14. Expenditures and expenditure shares, United States, New York City, and Boston, 1950

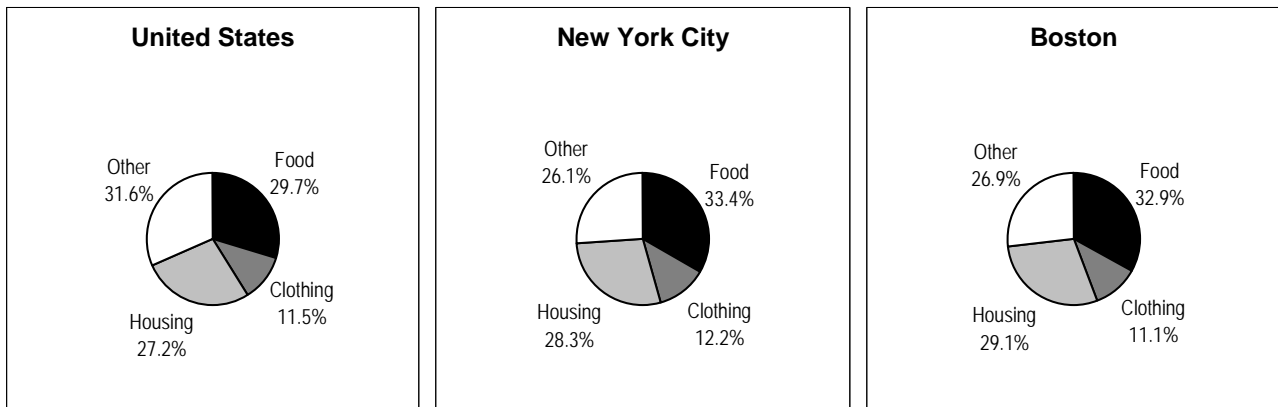
Item	United States		New York City		Boston	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 1,130	29.7	\$ 1,527	33.4	\$ 1,300	32.9
Alcoholic beverages .....	65	1.7	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Housing .....	1,035	27.2	1,296	28.3	1,147	29.1
Apparel and services .....	437	11.5	560	12.2	439	11.1
Transportation .....	510	13.4	377	8.2	395	10.0
Healthcare .....	197	5.2	264	5.8	180	4.6
Entertainment .....	168	4.4	223	4.9	184	4.7
Personal care products and services .....	85	2.2	94	2.1	90	2.3
Reading and education .....	58	1.5	89	1.9	67	1.7
Tobacco .....	68	1.8	76	1.7	90	2.3
Miscellaneous .....	55	1.4	68	1.5	55	1.4
Cash contributions .....	165		253		195	
Personal insurance .....	177		195		160	
Average income per family .....	4,237		5,105		4,178	
Expenditures, all items .....	3,808		4,574		3,946	

(<sup>1</sup>) Alcoholic beverages are included in food for both New York City and Boston.

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures. Cash contributions and personal insurance are not included in expenditure shares.

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Chart 16. Expenditure shares, United States, New York City, and Boston, 1950



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Similarly, with widely available public transportation in both cities, 39 percent of New Yorkers owned an automobile, as did 42 percent of Bostonians. Nationwide, 59 percent of households

owned an auto. Buying and operating a car accounted for 6 percent of household spending in New York City and about 8 percent in Boston.

New York City families allocated

higher proportions of their spending for healthcare, recreation, and reading and education than did Boston families, who allocated a larger share for personal care. ■

# 1960-61

## United States

By 1960, the U.S. population had surpassed 179 million, a gain of 19.0 percent from 1950. The median age had decreased to 29.5 (28.7 for men and 30.3 for women), the first decline since 1900. The decrease reflected significant growth in the under-15 cohort, which had surged to 31.1 percent of the population. The percentage of Americans who were white had decreased slightly to 88.6 percent, and the male-to-female

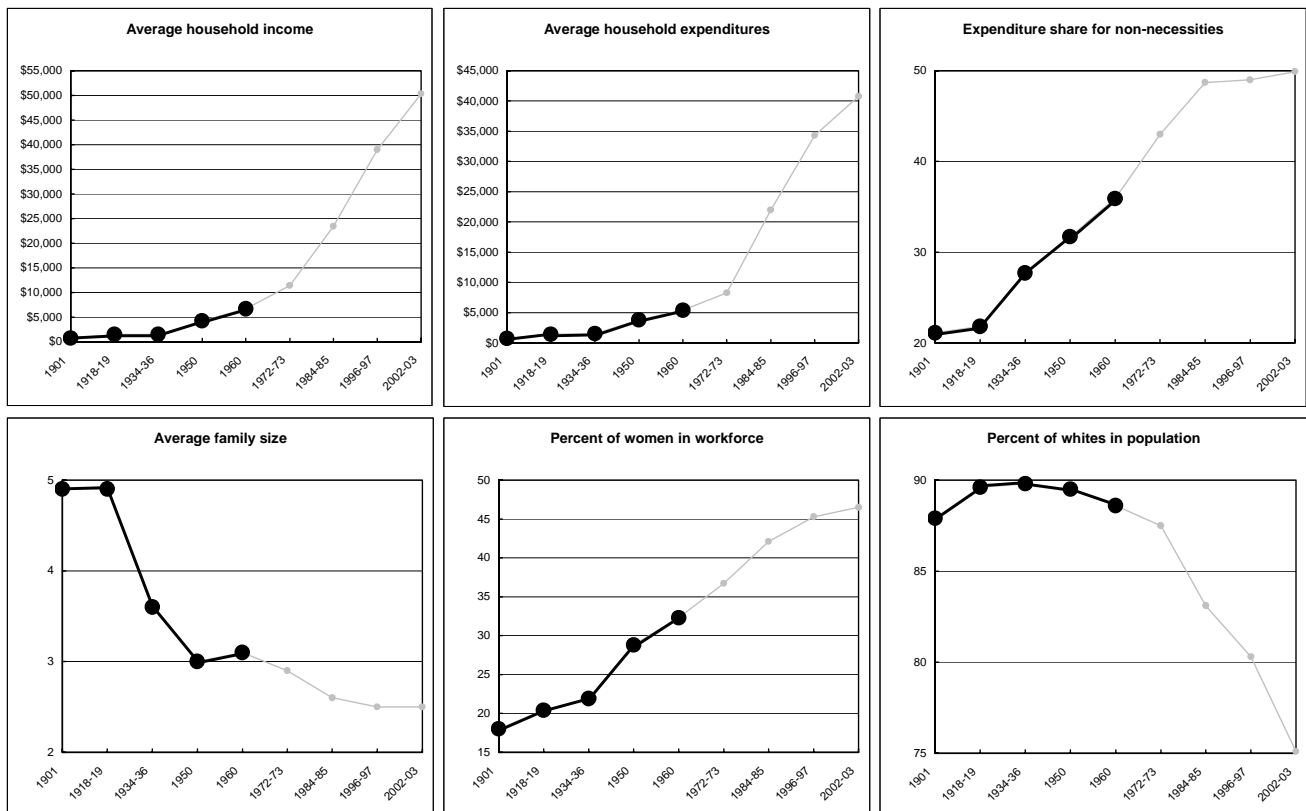
ratio had declined further to 97.1 men for every 100 women.

Although the economy was in a mild recession between mid-1960 and early 1961, female workforce participation rates continued their steady climb, from 33.9 percent in 1950 to 37.7 percent in 1960. In contrast, male participation rates, after peaking in 1950 at 86.4 percent, declined to 83.3 percent in 1960. Women made up 32.3 percent of the U.S. workforce. (See chart 17.) Nationally, unemployment was mea-

sured at 5.5 percent in 1960 and peaked at 7.1 percent in mid-1961. (See table 15 for wages in selected industries in 1960.)

The average family size had increased slightly to 3.1. In 87.4 percent of families, both a husband and a wife were present, and the wife was employed in 26.3 percent of these families. Children under age 18 were found in 60.6 percent of all households. In 16.8 percent of households, there was only one person, while 8.2 percent of

Chart 17. Economic and demographic indicators, United States, 1960



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

households had six or more people.

On average, the head of household was 48 and had attained an 11th grade education. In 38.7 percent of households, the head of the family was employed as a craftsman or a machine operator, while in 26.6 percent of households, the head was a professional, a manager, or a proprietor. In 13.3 percent of households, all the members were retired.

Average family income in the country was \$6,691, 57.9 percent higher than in 1950. Average family expenditures, \$5,390, had increased 41.5 percent from 1950. This amount would have purchased \$4,366 worth of goods and services in 1950 dollars.

Median family income in 1960 was \$5,620. In terms of income distribution in the country, 36.1 percent of families had incomes below \$5,000, while 18.9 percent had incomes under \$3,000.

Food, clothing, and housing accounted for 64.2 percent of family spending, a decrease from 1950 levels. Given the rise in family incomes, along

with a reduction in the expenditure share for necessities, the standard of living for the average U.S. household had increased.

For the first time since 1901, a shift in the relative importance of expenditure categories had taken place. Housing—which included shelter, furnishing, utilities, and operational costs—had become the largest category of expense in 1960–61, at 29.5 percent. Food was in second place at 24.3 percent, followed by clothing at 10.4 percent.

Families spent proportionately less for food despite rising retail prices. One pound of round steak cost \$1.06, up 12 cents from 1950. The price of a pound of pork chops had risen 11 cents to 86 cents per pound. However, the price of a pound of butter was relatively unchanged over the 10-year period, at 75 cents a pound. Among other retail prices, a pound of bacon cost 66 cents, and a half-gallon of milk cost 52 cents. (See table 16.)

Of housing expenditures, 47.1 per-

cent went for shelter. Fifty-three percent of U.S. families owned their own home.

In the food category, 79.0 percent of expenditures went for food at home, while 21.0 percent was allocated for food away from home.

In all categories of family purchases, expenditures were higher in 1960–61 than in 1950. More Americans (73 percent) owned automobiles, and they paid more for their cars. Noteworthy was the increase in the average family's charitable giving, from \$165 in 1950 to \$303 in 1960–61.

### New York City

In 1960, 9.4 percent of the U.S. population (16.8 million people) lived in New York State, a decline from 1950. Of the State's population, 46.4 percent (7.8 million people) lived in New York City, also a decline from 1950. Between 1950 and 1960, the city's population decreased by about 100,000 or 1.4 percent.

Table 15. Hourly wages for selected industries, United States, 1960

Year	Manu- facturing	Mining	Con- struction	Transpor- tation	Communi- cations and public utilities	Trade	Finance, insurance, and real estate	Services	Govern- ment
1901 .....	\$ 0.23	\$ 0.26	\$ 0.28	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.50	\$ 0.17	\$0.28
1918 .....	.53	.67	.57	.61	.42	.45	.69	.31	.49
1935 .....	.58	.55	.49	.72	.71	.61	.78	.42	.62
1950 .....	1.59	1.66	1.60	1.79	1.61	1.46	1.55	1.05	1.45
1960 .....	2.57	2.73	2.62	2.97	2.73	2.21	2.42	1.69	2.25

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 16. Retail prices of selected foods in U.S. cities, 1960

Year	Flour 5 lb.	Round steak lb.	Pork chops lb.	Bacon lb.	Butter lb.	Eggs dozen	Milk 1/2 gallon
1901 .....	\$ 0.13	\$ 0.14	\$ 0.13	\$ 0.16	\$ 0.27	\$ 0.22	\$ 0.14
1918 .....	.34	.37	.39	.53	.58	.57	.28
1934 .....	.25	.28	.26	.29	.32	.33	.22
1950 .....	.49	.94	.75	.64	.73	.60	.41
1960 .....	.55	1.06	.86	.66	.75	.57	.52

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

In the city, there were 2.1 million families, including 1.8 million married couples. Average family size was 2.9, as it was in 1950. Of all households, 30.8 percent consisted of two people, 18.3 percent consisted of one person, and 5.8 percent were made up of six or more people. The average age of the household head was 49, slightly older than the U.S. average.

Demographically, New York City's population was aging. The median age had increased to 35.1 years, notably higher than that recorded for the country. The 65-and-older cohort had increased to 10.5 percent of the population, while 8.8 percent of New Yorkers were under 5 years of age, and 68.7 percent were 21 or older. The percentage of the population that was white had decreased to 85.3, while the percentage of foreign-born residents also had declined, to 20.0. (See chart 18.)

During 1960, there were over 150,000

live births and close to 90,000 deaths. Migration into the city accounted for 10.7 percent of the population.

The average city resident had attained 10.1 years of schooling. The share of the population with less than 5 years of formal education had continued to decline, to 10.5 percent, while percentages at the other end of the spectrum rose, to 37.4 for those who had completed high school and 8.2 for those who had graduated from college.

As for jobs, 48.1 percent of New Yorkers worked in white-collar occupations. Nearly one-fifth (18.3 percent) of household heads were salaried professionals or officials, 15.2 percent held clerical positions or worked in sales, and 5.8 percent were self-employed.

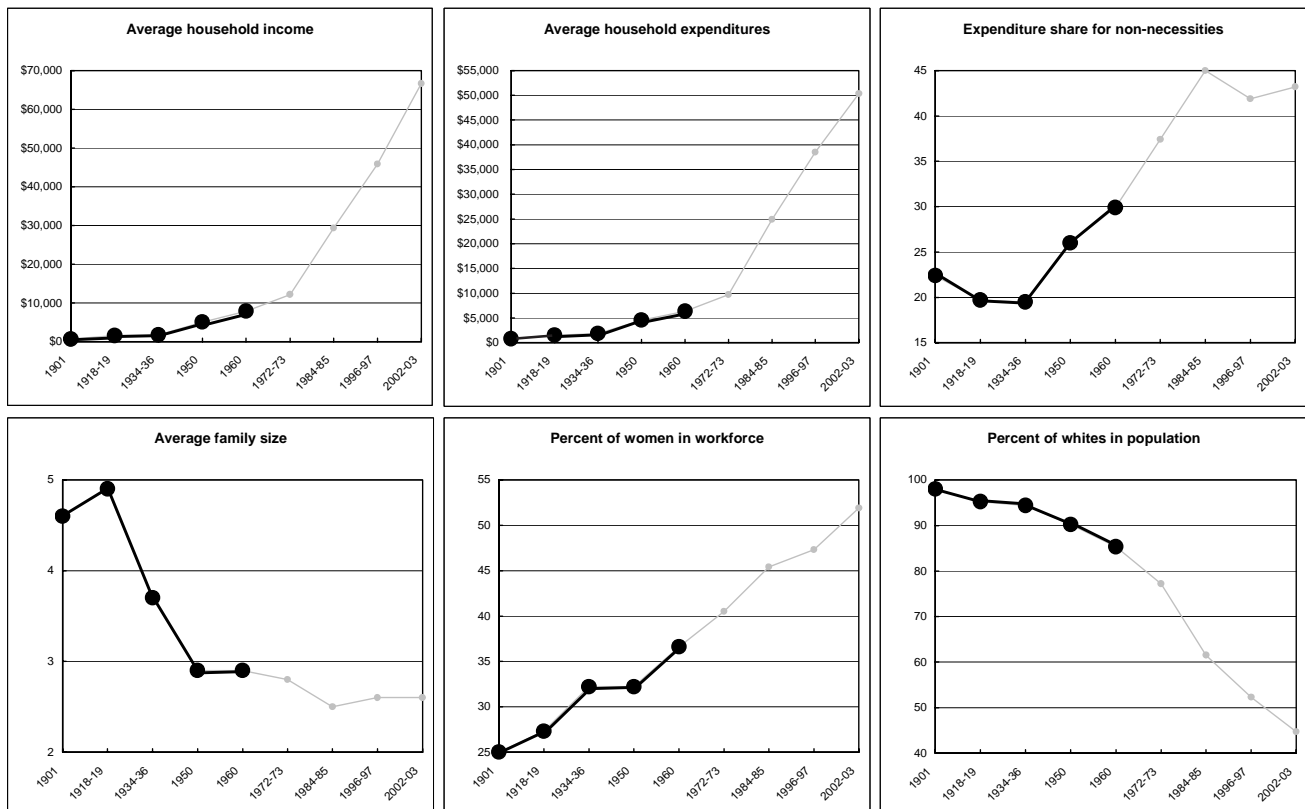
Traveling to work was a fact of life: 39.6 percent of residents worked outside the county in which they lived, and 61.0 percent regularly used public transportation to get to work. The city's

workforce was 63.4 percent male, and the unemployment rate was 5.2 percent.

In 1960, over 42 percent of all city jobs were in manufacturing and in retail and wholesale trade (25.0 percent and 17.9 percent, respectively), with an additional 28 percent in these industries: Finance, insurance, and real estate (7.8 percent); transportation (5.6 percent); public administration (4.6 percent); construction (3.6 percent); educational services (3.3 percent); and communications and utilities (2.7 percent).

Average family income, \$7,918, had increased by 55.1 percent from 1950 and was 18.3 percent higher than that of the average U.S. household. Yet, 15.2 percent of households had incomes under \$3,000, while 18.5 percent had incomes that exceeded \$10,000. Average family expenditures (\$6,353) had increased by 38.9 percent since 1950 and were 17.9 percent greater than

Chart 18. Economic and demographic indicators, New York City, 1960



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

those of the average U.S. household. These expenditures would have purchased \$5,146 worth of goods and services in 1950 dollars.

Food, clothing, and housing accounted for 70.0 percent of all household spending, a decrease from 1950, but higher than the 1960–61 national average.

Consistent with the experience of the average U.S. family, the expenditure share for housing (30.8 percent) exceeded that for food (28.1 percent) and was the single largest category of expenditure. Clothing expenditures accounted for 11.1 percent of family spending.

There were approximately 2.8 million housing units in the city, of which 75.3 percent were rentals. The average housing unit in the city had 3.9 rooms. The market value of the median owned home was \$17,000; the average monthly rent was \$73.

In terms of modern conveniences, 88.1 percent of New York City households owned a television, 76.0 percent had a telephone, 37.6 percent had a clothes washer, and 13.4 percent owned an air-conditioner.

Expenditures for the purchase and operation of automobiles also had increased dramatically. Fifty percent of New Yorkers, a smaller share than for the country as a whole, owned an automobile. Almost 14 percent of New York City families reported purchasing an auto in 1960–61, compared with 11 percent of families in 1950.

Family charitable giving had increased to \$402. Healthcare and personal care accounted for larger shares of household expenditures, with 20 percent of household healthcare spending allocated for some form of health insurance or medical service plan.

## Boston

In 1960, 2.9 percent of Americans (5.1 million people) lived in Massachusetts, a decline from 1950. The population of Boston was 700,000, 13.7 percent of the Commonwealth's population and a per-

centage decrease from 1950. Between 1950 and 1960, Boston lost 13.0 percent of its population base, or 100,000 people.

At this time, there were 165,000 families living in Boston, including 131,000 married couples, with an average family size of 3.0—a decrease from previous decades. Among these households, 31.3 percent were made up of two people; 17.2 percent consisted of just one person, and 7.1 percent had six or more people. The average age of the household head was 49, as it was in New York City.

Demographically, Boston's population was younger than New York City's. The median age in Boston was 32.9 years. The 65-and-older cohort represented 12.3 percent of the city's population, while 9.5 percent was under 5 years of age, and 66.3 percent was 21 or older. Although whites as a percentage of the population had declined to 90.2, the percentage of foreign-born residents also had declined, to 15.8 percent. (See chart 19.)

During 1960, there were close to 16,000 live births in Boston and 9,000 deaths. Migration into the city that year accounted for 10.6 percent of the population.

In early schooling, Boston did better than New York City. The average Boston resident had attained 11.2 years of schooling, compared with 10.1 years in New York City, and just 7.7 percent of Boston's population had less than 5 years of schooling. As for the upper grades, 44.6 percent of Bostonians had completed high school, while 7.6 percent were college graduates—a smaller proportion than found in New York City.

There were approximately 239,000 housing units in Boston, of which 68.4 percent were rentals. Approximately 32 percent of families were homeowners, a higher proportion than found in New York City. The average housing unit, at 4.6 rooms, was larger than that in New York City. The market value of the median owned home was \$13,500, while the average monthly rent was \$78.

Ownership of appliances showed an

improved quality of living. Among Boston households, 86.6 percent owned a television, 77.8 percent had a telephone, 50.7 percent had a clothes washer, and 3.9 percent had an air-conditioner.

In terms of employment, 43.8 percent of Boston workers held white-collar jobs. Commuting was less common than in New York City: 16.0 percent of workers were employed outside the county in which they lived, and 40.0 percent used public transportation to get to work. The city's workforce was 60.2 percent male, and the unemployment rate was 5.0 percent.

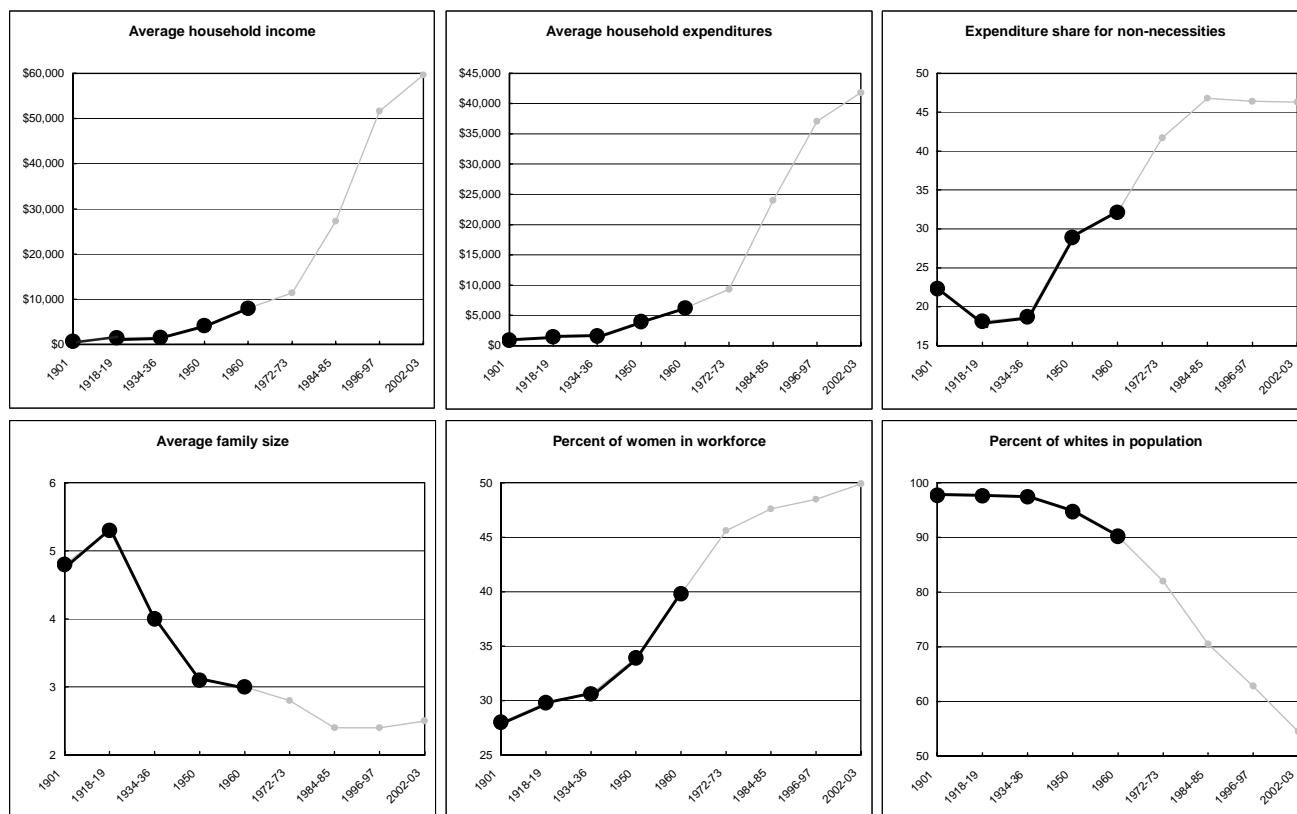
As in New York City, jobs in Boston were concentrated in manufacturing (23.2 percent) and in retail and wholesale trade (17.6 percent), with an additional 29 percent in the following industries: Public administration (6.4 percent); finance, insurance, and real estate (6.0 percent); transportation (4.7 percent); educational services (4.7 percent); construction (4.1 percent); and communications and utilities (2.8 percent). Of heads of household, 23.1 percent were salaried professionals or officials, 12.7 percent worked in clerical positions or sales, and 3.4 percent were self-employed.

The average family income of \$7,992 had increased by 91.3 percent since 1950 and was 19.4 percent higher than the national average. However, as in New York City, 15.2 percent of households earned less than \$3,000, while 18.5 percent earned more than \$10,000. Average family expenditures, \$6,203, had increased by 57.2 percent since 1950 and were 15.1 percent greater than those of the average U.S. household. These expenditures would have purchased \$4,962 worth of goods and services in 1950 dollars.

Food, clothing, and housing accounted for 67.9 percent of family spending, a decrease from 1950 levels. This amount was greater than the average U.S. family's allocation for necessities, but less than the share spent by New York City families.

Housing constituted the largest expenditure category for Boston house-

Chart 19. Economic and demographic indicators, Boston, 1960



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

holds (31.4 percent), as it did for U.S. and New York City households. This steep increase reflected both improvement in housing availability and related growth of home ownership. Food, with a share of 26.1 percent, was the second largest expenditure category, followed by clothing at 10.4 percent.

There were significant shifts in the 1960 expenditure shares of Boston families. Food had decreased in relative importance, while housing had increased—reversing a pattern that had held since 1901. Clothing's share, however, had decreased, in part because clothing prices had increased only modestly during the decade.

Expenditures for the purchase and operation of automobiles had increased significantly for Boston families, from 7.6 percent of total 1950 expenditures to 11.4 percent of 1960-61 expenditures. About 67 percent of Boston families owned automobiles in 1960-61, compared with approximately

40 percent in 1950.

The average family in Boston gave \$396 to charity, a significant increase from 1950. As with New York City families, healthcare and personal care accounted for larger shares of household expenditures, with 28 percent of household healthcare spending allocated for some form of health insurance or medical service plan.

## Perspective

The 1960s opened with a brief and mild recession, which was followed by the longest economic expansion on record. The 1960s also began a period of significant shifts in household expenditures, as the country experienced demographic and social changes. Rising family incomes meant that households spent proportionally less for necessities, resulting in a higher standard of living.

The average household income of Boston families had almost doubled

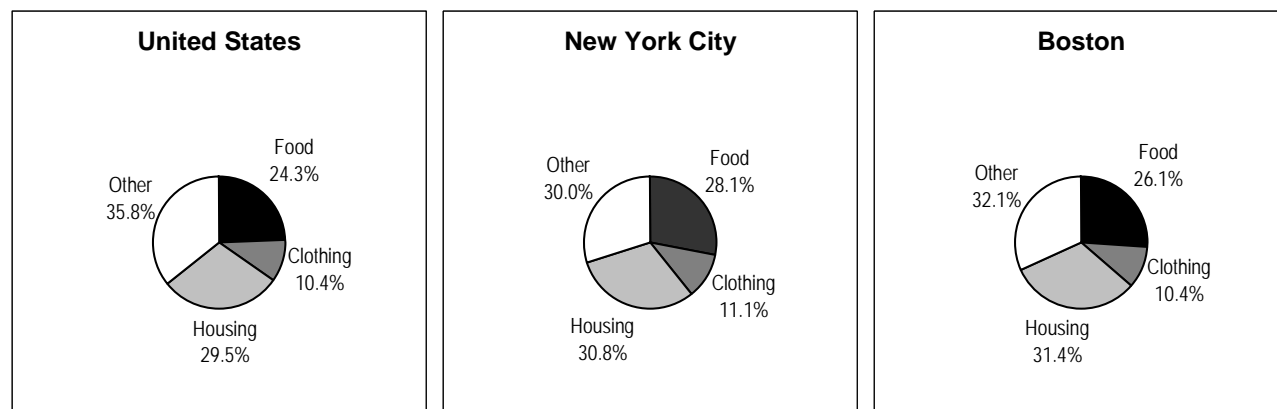
between 1950 and the early 1960s, exceeding that of New York City families. Yet, New York City families spent more than their Boston counterparts did.

Wages had increased sharply throughout the country, as evidenced by an over-60-percent increase in the hourly earnings of manufacturing and mining workers. Prices, in contrast, had increased moderately, with the cost of a 5-pound bag of flour rising from 49 cents in 1950 to 55 cents in 1960, and the price of a pound of round steak rising from 94 cents to \$1.06.

Housing expenditures replaced food as the largest share of the average budget because of a rise in home ownership. (See chart 20 and table 17.) While more than half of U.S. families were homeowners, in New York City and Boston proportionally fewer families owned a home. However, in both cities sizable gains in home ownership took place over the decade. For example, in 1950 only 18 percent of New



Chart 20. Expenditure shares, United States, New York City, and Boston, 1960-61



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 17. Expenditures and expenditure shares, United States, New York City, and Boston, 1960

Item	United States		New York City		Boston	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 1,311	24.3	\$ 1,788	28.1	\$ 1,621	26.1
Alcoholic beverages .....	90	1.7	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Housing .....	1,588	29.5	1,958	30.8	1,949	31.4
Apparel and services .....	558	10.4	708	11.1	643	10.4
Transportation .....	793	14.7	691	10.9	836	13.5
Healthcare .....	355	6.6	422	6.6	338	5.4
Entertainment .....	217	4.0	239	3.8	223	3.6
Personal care products and services .....	155	2.9	158	2.5	156	2.5
Reading and education .....	109	2.0	128	2.0	163	2.6
Tobacco .....	95	1.8	108	1.7	114	1.8
Miscellaneous .....	119	2.2	155	2.4	157	2.5
Cash contributions .....	303		402		396	
Personal insurance .....	324		362		359	
Average income per family .....	6,691		7,918		7,992	
Expenditures, all items .....	5,390		6,353		6,203	

(<sup>1</sup>) Alcoholic beverages are included in food for both New York City and Boston.

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures. Cash contributions and personal insurance are not included in expenditure shares. Expenditure shares do not add to 100 due to rounding.

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Yorkers were homeowners, but 10 years later almost a third owned their home. In Boston, the rate had increased over the decade from 26 percent to 46 percent. Housing expenditures in both cities accounted for 3 of every 10 dollars spent.

While food was no longer the largest expenditure category, households were spending more—1 of every 5 food dollars—on food away from home. Additionally, the expansion of

supermarkets and grocery stores blurred the difference between groceries and food away from home, as the increased availability of ready-to-go or prepared and frozen foods accommodated the growing number of dual-earner families.

Spending for personal care products, healthcare, and reading and education constituted a larger share of family expenditures, about 11.5 percent.

There also were changes in the de-

mographic characteristics of households, as family size stayed the same in New York City and declined in Boston. Educational attainment continued to rise, permitting about half of workers to hold white-collar jobs. In the workplace, male participation rates drifted down, while female participation continued its steady upward trend, from 34 percent in 1950 to 38 percent in 1960. Overall, women made up about a third of the U.S. workforce. ■

# 1972-73

## United States

In 1972–73, the U.S. economy was expanding. It would peak in the last quarter of 1973 and then head into a sharp downturn lasting until March 1975.

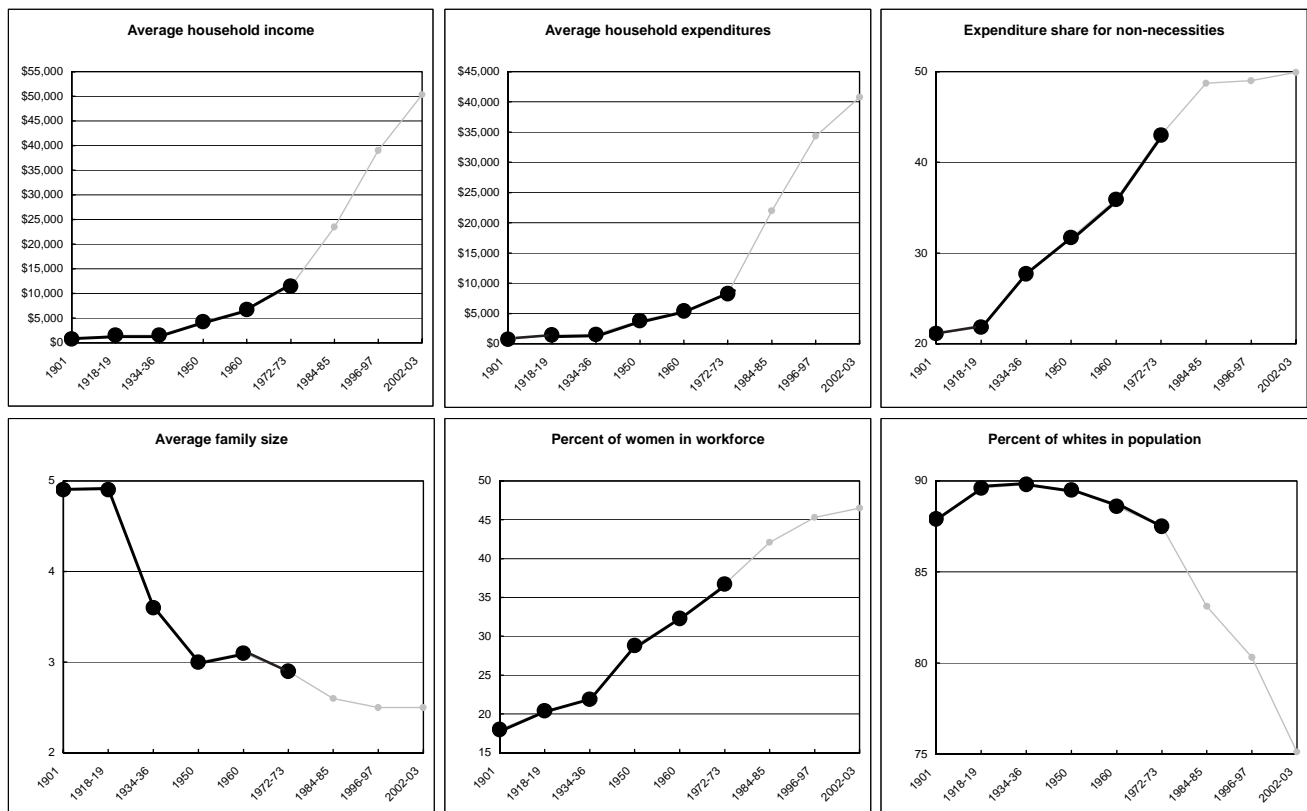
The U.S. population had exceeded 200 million, a net gain of 13.3 percent over the previous decade, and grown younger from baby boomers having children. The median age in the country had declined to 28.1 (26.8 for men and 29.3 for women)—the lowest since 1930—and the under-15 cohort ac-

counted for 28.5 percent of the population. Whites made up 87.5 percent of the population. (See chart 21.) The male-to-female ratio stood at 94.8 men for every 100 women.

The size of the average U.S. family was 2.9—markedly lower than in 1901 and reflecting a lower birth rate. Nearly one-fourth of households (23.5 percent) consisted of just one person; 27.3 percent of households had two members; and 9.1 percent of households had six or more members. The head of the average household was 48 years old and

had attained an 11th grade education. In 27.5 percent of households, the head had at least attended, if not completed, college, while in 21.2 percent of households, the family head had attained no higher than an eighth grade education. Family heads had the following occupations: 25.2 percent were craftworkers or machine operators, 22.1 percent were professionals or managers, 14.4 percent were retired, 12.0 percent were laborers or service workers, 10.8 percent were clerical workers or in sales, and 5.2 percent were self-employed.

Chart 21. Economic and demographic indicators, United States, 1972–73



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

The labor force participation rate for men had declined to 78.8 percent by 1973, while women’s participation rate had risen to 44.7 percent. Women made up 36.7 percent of the U.S. workforce. (Table 18 contains hourly wages for selected industries.)

Average family income in the United States was \$11,419, an increase of 70.7 percent from 1960–61. The average U.S. household had an after-tax income of \$9,731, having allocated 14.8 percent of income for taxes: \$1,399 in Federal income taxes, \$234 in State and local income taxes, and \$55 in personal property and other personal taxes. The market value of the average household’s financial assets was \$7,094. Of all U.S. families, 24.7 percent earned less than \$5,000 during the year, while 6.8 percent earned more than \$25,000.

Average household expenses were \$8,348, an increase of 54.9 percent from 1960–61. This sum would have pur-

chased \$5,972 worth of goods and services in 1960–61 dollars.

Expenditures for food, clothing, and housing accounted for 57.4 percent of family spending (\$4,794), a marked decline from 1960–61. The share of housing had increased to 30.8 percent (\$2,551), while food had declined to 19.3 percent (\$1,596), and clothing to 7.8 percent (\$647), down dramatically from almost 14 percent in 1901.

Of total spending on housing, the average U.S. household allotted 51.4 percent (\$1,311) for shelter (54.8 percent for owned dwellings versus 43.6 percent for rent), 16.0 percent (\$409) for fuel and utilities, 17.4 percent (\$443) for household operations, and 15.2 percent (\$387) for furnishings and equipment. Most Americans, 58.8 percent, owned their home (33.4 percent having a mortgage and 25.3 percent having no mortgage), while 36.8 percent were renters. The estimated market value of the average family home was \$14,283, which

translated into an estimated monthly rental value of \$100.

Consumers continued to eat away from home more often. The average U.S. household allotted 72.4 percent (\$1,155) of food expenditures for food at home, and 26.4 percent (\$422) for food away from home—more than 1 out of every 4 food dollars. In addition, 1.3 percent (\$110) of total spending was for alcoholic beverages. Of money spent on food eaten at home, 33.3 percent (\$385) went for meat, 16.2 percent (\$188) for eggs and dairy products, and 14.6 percent (\$168) for fruits and vegetables. (See table 19 for retail prices of selected foods.)

The average family spent more than half (54.5 percent or \$308) of its clothing dollars on women’s clothing, 28.2 percent (\$216) for men’s garments, and 2.6 percent (\$14) for infants’ clothing. An additional 4.7 percent (\$27) went for materials, repairs, alterations, and services.

Table 18. Hourly wages for selected industries, United States, 1970

Year	Manu- facturing	Mining	Con- struction	Transpor- tation	Communi- cations and public utilities	Trade	Finance, insurance, and real estate	Services	Govern- ment
1901 .....	\$ 0.23	\$ 0.26	\$ 0.28	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.50	\$ 0.17	\$0.28
1918 .....	.53	.67	.57	.61	.42	.45	.69	.31	.49
1935 .....	.58	.55	.49	.72	.71	.61	.78	.42	.62
1950 .....	1.59	1.66	1.60	1.79	1.61	1.46	1.55	1.05	1.45
1960 .....	2.57	2.73	2.62	2.97	2.73	2.21	2.42	1.69	2.25
1970 .....	3.92	4.45	4.47	4.77	4.28	3.31	3.86	2.86	3.83

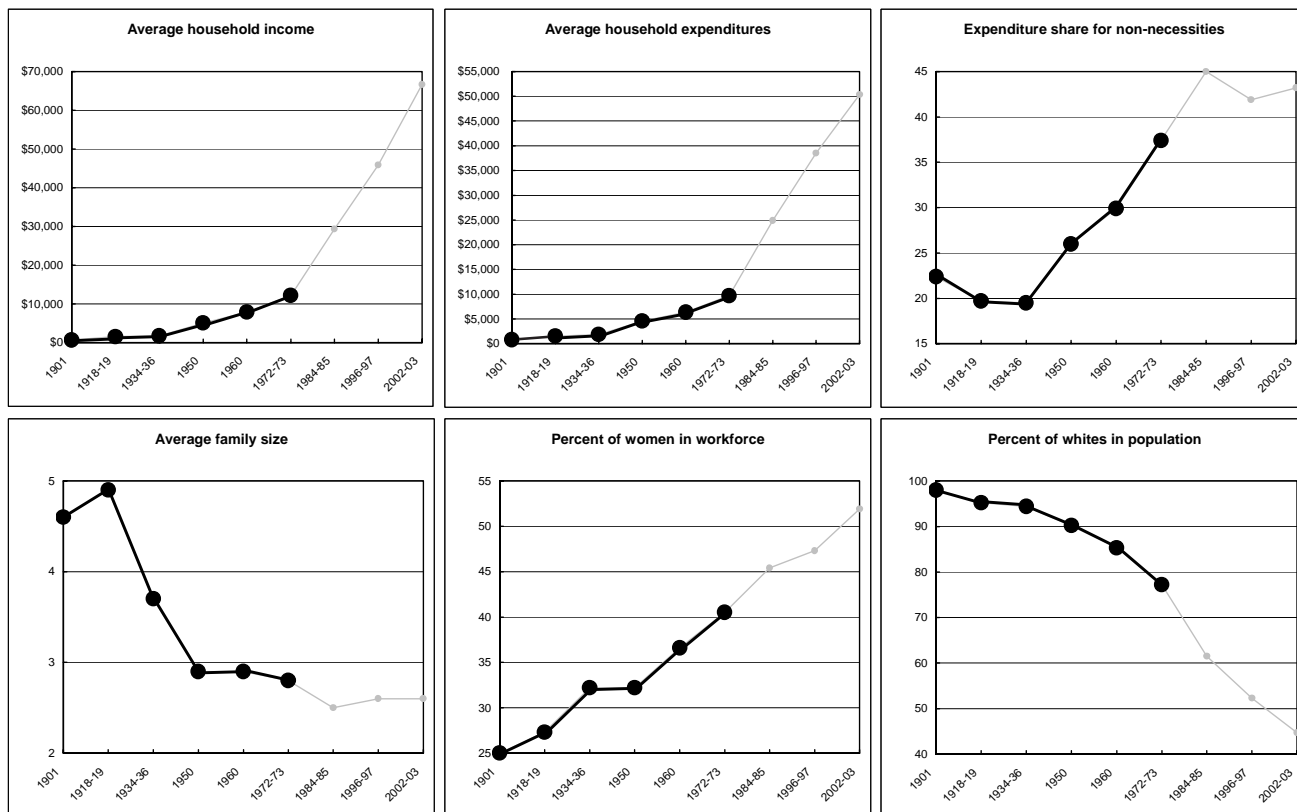
SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 19. Retail prices of selected foods in U.S. cities, 1970

Year	Flour 5 lb.	Round steak lb.	Pork chops lb.	Bacon lb.	Butter lb.	Eggs dozen	Milk 1/2 gallon
1901 .....	\$ 0.13	\$ 0.14	\$ 0.13	\$ 0.16	\$ 0.27	\$ 0.22	\$ 0.14
1918 .....	.34	.37	.39	.53	.58	.57	.28
1934 .....	.25	.28	.26	.29	.32	.33	.22
1950 .....	.49	.94	.75	.64	.73	.60	.41
1960 .....	.55	1.06	.86	.66	.75	.57	.52
1970 .....	.59	1.30	1.16	.95	.87	.61	.66

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Chart 22. Economic and demographic indicators, New York City, 1972–73



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

Given that income had increased significantly and that the share of total spending for food, clothing, and housing had decreased, the average U.S. family had more dollars available for discretionary expenses. The shifts identified in 1960–61—toward spending on cars, recreation, and medical and personal care—continued.

The automobile had become a priority, and 80.1 percent of U.S. families owned at least one. These households spent \$784 (9.5 percent of their expenditures) to buy and finance their autos. Additionally, they spent \$750 (9.1 percent) on auto operating expenses.

U.S. households allocated 8.6 percent (\$708) of their spending for recreation. Of this, 1.4 percent (\$10) went for an owned vacation home, 35.3 percent (\$250) for vacations or pleasure trips, and 11.8 percent (\$84) for boats and aircraft.

Additionally, personal care and healthcare accounted for 8.4 percent (\$693) of family spending, with 37.1 percent (\$196) of healthcare dollars allocated for health insurance premiums. The average U.S. household contributed \$508 in charitable donations and allocated \$153 (1.9 percent of spending) for reading and education.

### New York City

In 1970, 18.2 million people or 9.0 percent of the U.S. population lived in New York City. This percentage represented a slight decline from 1960. The population of New York City, 7.9 million, constituted 43.4 percent of the State's residents. Although this proportion, too, had declined over the decade, the city's population had increased by 100,000 or 1.5 percent.

The New York City population, like

the U.S. population, was getting younger. The median age had declined 2.4 years to 32.7. The age distribution of the population was as follows: 71.6 percent was 18 or older—with 12.1 percent at least 65—and 7.8 percent was younger than 5. The city's population was 46.9 percent male.

The proportion of residents who were white had declined to 77.2 percent. (See chart 22.) The black population, in contrast, had grown during the decade by 53.1 percent and represented 21.1 percent of all New Yorkers. City residents of Hispanic background—who could be either white or black—accounted for 10.3 percent of the population. One out of five New Yorkers (20.6 percent) listed their heritage as Italian.

Households in New York City numbered 2.1 million and had an average size of 2.8 people, a slight decline from

1960. The average head of household was 49, older than the national average. In 17.2 percent of family households, the head was a woman, while 34.7 percent of households consisted of just one person. One out of every nine (11.5 percent) New York City families lived below the poverty line.

In 1970, there were close to 137,000 births in the city, a decline of approximately 9.0 percent over the decade, and about 92,000 deaths.

In terms of education, the average New Yorker had completed 11.5 years of schooling. Only 7.6 percent had less than 5 years, while 46.9 percent had 4 years of high school or more and 6.6 percent had at least 4 years of college.

A new indicator of mobility showed that close to 60 percent of New Yorkers had lived in their current home for at least 5 years.

In terms of employment, 58.0 percent of working New Yorkers held white-collar jobs: 23.6 percent were in professional or managerial positions, and 34.4 percent were in sales. An additional 10.2 percent worked as craftsmen.

Men constituted 59.5 percent of the New York City workforce, while in 44.5 percent of married-couple families, the wife also was employed. Of city residents, 45.0 percent worked outside the county in which they lived, and 61.8 percent used public transportation to travel to work.

Although manufacturing still was the largest employer in the city, by 1970 manufacturing jobs had declined to 20.6 percent of the city's job base. Retail and wholesale trade accounted for 19.4 percent of all city jobs, followed by government (16.2 percent), the service sector (9.9 percent), education (6.3 percent), and construction (3.5 percent).

Average family income in New York City had increased 53.6 percent to \$12,159, 6.5 percent greater than for the average U.S. household. The average New York City household had an after-tax income of \$10,107, having allotted 16.9 percent of income for taxes: \$1,542 for Federal income taxes, \$477 for State and local income taxes, and \$33 for per-

sonal property and other property taxes. The market value of the financial assets of the average New York City family was \$8,428.

Average family expenses had risen 52.6 percent to \$9,697, 16.2 percent greater than those of the average U.S. family. This sum would have purchased \$6,400 worth of goods and services at 1960 prices.

Expenditures for food, clothing, and housing accounted for 64.2 percent of family spending (\$6,226), a significant decline from 1960–61. The share of housing had increased to 34.1 percent (\$3,303), while the shares for food and clothing had declined markedly, to 21.1 percent (\$2,050) and 9.0 percent (\$873), respectively.

There were approximately 3 million housing units in the city, with an average size of 3.9 rooms. Single-family homes represented 11.9 percent of all housing units. More than one-third of households (37.3 percent) owned their own home (24.4 percent having a mortgage and 12.9 percent being mortgage free), while 60.5 percent were renters. Only 2.4 percent of these units lacked all or some indoor plumbing services. The estimated market value of the average owned home in the city was \$13,223, with an estimated monthly market rental value of \$99.

As for modern conveniences, 55.6 percent of households had at least one car, 82.3 percent had a telephone, 37.5 percent owned an air-conditioner, and 5.7 percent had a separate home freezer. Average monthly residential electric bills were \$10.09.

Of total spending on housing, the average New York City family allotted 58.9 percent of expenditures (\$1,946) for shelter, 11.2 percent (\$369) for fuel and utilities, 17.5 percent (\$579) for household operations, and 12.4 percent (\$410) for household furnishings and equipment.

Food at home accounted for 72.2 percent of food expenditures (\$1,481), a proportion equal to that spent by the average U.S. family. Of this spending, New Yorkers allocated 29.0 percent

(\$429) for meat, 15.0 percent (\$222) for eggs and dairy products, and 16.7 percent (\$247) for fruits and vegetables. Food away from home accounted for 26.7 percent (\$547) of total food spending; 1.3 percent (\$126) of total expenditures went for alcoholic beverages.

Of spending on clothing, 56.7 percent (\$409) went for women's clothes, 38.1 percent (\$274) for men's clothing, and 2.4 percent (\$17) for infants' clothes. An additional 2.9 percent (\$21) went for materials, repairs, alterations, and services.

Although New York City households allocated a greater percentage of their spending for food, clothing, and housing than did the average U.S. household, New Yorkers still had more dollars (\$3,627 versus \$3,558) to spend on discretionary items.

New York City families allotted only 4.7 percent of spending (\$458) for the purchase and financing of an automobile, and 6.3 percent (\$607) for auto operating expenses.

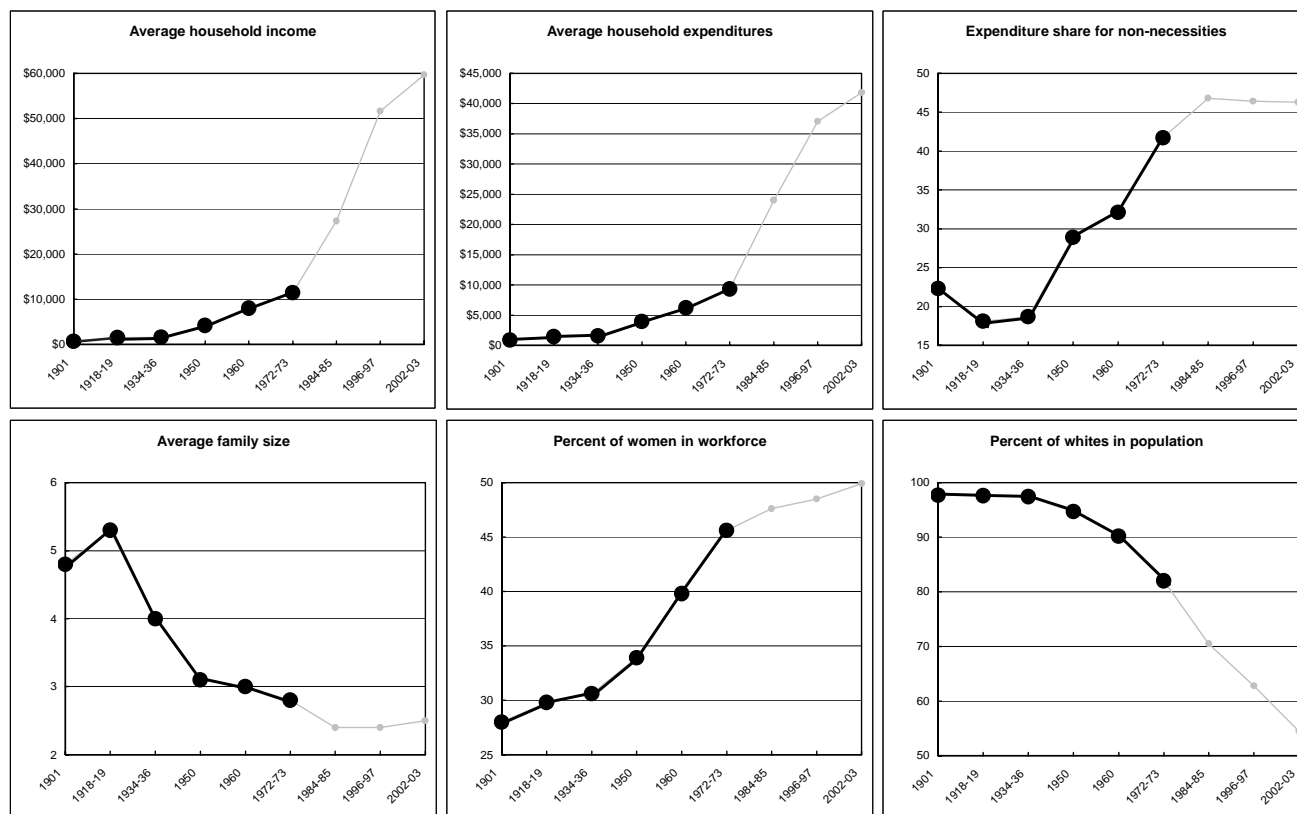
Recreational expenses (\$818) constituted 8.4 percent of household spending, of which 50.1 percent (\$410) went for vacations and pleasure trips, and 2.9 percent (\$24) went for boats, aircraft, and other vehicles.

Personal care items and healthcare accounted for 7.3 percent (\$712) of household spending, with health insurance premiums (\$159) accounting for 30.4 percent of healthcare spending. New York City families donated \$567 to charity and allocated \$263 (2.7 percent of spending) for reading and education.

## Boston

The proportion of Americans living in Massachusetts continued to decline. By 1970, the Commonwealth's population had reached 5.7 million, but this figure represented only 2.5 percent of the U.S. population. In Boston, the population had declined 8.1 percent from the 1960 level and stood at 640,000 people—only 11.2 percent of the Commonwealth's total inhabitants.

Chart 23. Economic and demographic indicators, Boston, 1972-73



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

In Boston, families numbered 142,000 and included on average 2.8 people, a decline from 1960. (See chart 23.) The average head of household was 48, younger than in New York City but equivalent to the national average.

In about 1 out of 5 Boston families (22.5 percent), the head was a woman. One out of four (25.9 percent) families included at least one child younger than 6. In approximately 63,000 households (44.4 percent), there was only one person. One out of every nine Boston families (11.7 percent) lived below the poverty level.

Following the national trend and that in New York City, Boston's population had grown younger. The median age in the city had declined to 28.8 years, notably younger than in New York City. Almost three-quarters of all Bostonians (71.5 percent) were aged 18 or older, while 7.8 percent were younger than 5, and 12.8 percent were 65 or older.

Men accounted for 46.1 percent of the population.

The percentage of residents who were white had declined to 82.0, while blacks represented 16.3 percent and Hispanics 2.8 percent of the city's population. More than 1 out of 5 Bostonians (21.8 percent) listed their ancestry as Irish.

In 1970, there were about 11,600 births in the city—a 27.5-percent decline from 1960—and approximately 8,200 deaths.

The average Bostonian was slightly more educated than his New York City counterpart, having completed 12.1, rather than 11.5, years of schooling. The majority of Bostonians (53.5 percent) had at least 4 years of high school, while at the ends of the education spectrum 5.6 percent had less than 5 years of education, and 10.3 percent had at least 4 years of college.

Bostonians were more mobile than

their New York City counterparts. Only half of all Bostonians (49.9 percent) had lived in the same residence during the previous 5 years, compared with 60 percent of New Yorkers.

In terms of employment, 55.0 percent of Boston workers had white-collar jobs—22.5 percent in professional or managerial positions and 32.5 percent in sales. An additional 10.2 percent worked as craftsmen.

Men constituted 54.4 percent of all Boston workers, while in 32.8 percent of married-couple families, the wife also was employed. Only 19.5 percent of residents worked outside the city, while 39.3 percent used public transportation to travel to and from work.

By 1970, the number of jobs in manufacturing had declined to just 17.5 percent of all city jobs. Retail and wholesale trade had become the major employer, representing 19.4 percent of the job base. Government, with 17.5 per-

cent of all jobs, equaled manufacturing in terms of its share of employment. Other important sectors included service (8.1 percent), education (8.4 percent), and construction (4.4 percent).

Average family income had increased 43.3 percent to \$11,449, equivalent to that earned by the average U.S. family. The average Boston family had an after-tax income of \$9,639, having allotted 15.8 percent of income for taxes: \$1,395 for Federal income taxes, \$356 for State and local income taxes, and \$59 for personal property and other property taxes. The market value of the financial assets of Boston families was \$4,533.

Average family expenses were \$9,302, 11.4 percent greater than for the average U.S. household and an increase of 50.0 percent over 1960–61 Boston family expenses. This outlay would have purchased \$4,218 worth of goods and services in 1960 dollars.

Expenditures for food, clothing, and housing represented 59.4 percent of family spending (\$5,531), a significant decline from 1960–61 and slightly higher than the national expenditure pattern. Over the decade, the share of housing had held constant at 31.5 percent (\$2,934), while food and clothing both had declined markedly to 20.0 percent (\$1,860) and 7.9 percent (\$737), respectively.

There were over 232,000 housing units in the city, with an average size of 4.5 rooms. Single-family homes represented 14.6 percent of all housing units. Only 5.1 percent of units lacked some or all indoor plumbing services.

Of Boston households, 47.7 percent owned their own home (31.8 percent having a mortgage and 16.0 percent being mortgage free), while 51.5 percent were renters. The estimated market value of the average owned home in Boston was \$14,891; its estimated monthly market rental value was \$98. As for appliances and other selected items, 84.3 percent of households had a telephone, 16.9 percent owned an air-conditioner, and 6.1 percent possessed a separate home freezer.

Average monthly residential electric bills were \$9.50.

Of total spending on housing, the average Boston family allocated 59.0 percent (\$1,732) for shelter, 15.6 percent (\$457) for fuel and utilities, 13.6 percent (\$400) for household operations, and 11.8 percent (\$345) for furnishings and equipment.

Regarding total food expenditures, food at home accounted for 66.1 percent (\$1,860), a share less than that spent by the average U.S. household. Of this spending, Boston households allocated 32.8 percent (\$403) for meat, 18.0 percent (\$222) for eggs and dairy products, and 14.9 percent (\$183) for fruits and vegetables. Food away from home accounted for 33.5 percent (\$623) of total food spending; a related item, alcoholic beverages, took up 1.6 percent (\$149) of total expenditures.

In the clothing expenditure category, 58.3 percent (\$368) was spent on women's clothes, 36.8 percent (\$232) on men's clothes, and 1.7 percent (\$11) on infants' clothing. An additional 2.2 percent (\$20) was allocated for materials, repairs, alterations, and services.

After paying for food, clothing, and housing, Boston families had more money (\$3,877) to allocate for discretionary expenses than did families nationwide, including those in New York City.

Among Boston households, 74.4 percent had at least one automobile. They allotted 6.4 percent of their budget (\$599) for the purchase and financing of an auto, and 8.9 percent (\$835) for its operating expenses.

Recreational expenses (\$815) accounted for an additional 8.8 percent of household spending, with 47.7 percent (\$389) allocated for vacations and pleasure trips and 7.0 percent (\$57) for boats, aircraft, and other vehicles.

Personal care items and healthcare accounted for 7.4 percent of household spending (\$687), with health insurance premiums (\$185) accounting for more than one-third (34.2 percent) of healthcare spending. Boston families donated \$459 to charity and allocated

\$362 (3.9 percent of spending) for reading and education.

## Perspective

At the beginning of the 1970s, the U.S. economy was expanding, but by 1973, it was in a sharp downturn. Between 1960 and 1970, wages had continued to climb, as evidenced by a 53-percent increase in manufacturing wages and a 63-percent increase in miners' earnings. Prices, on the other hand, had increased more modestly.

In New York City, household incomes had surpassed those in Boston by 6 percent, but overall spending by New Yorkers was only 4 percent higher. New Yorkers and Bostonians spent about 95 percent of their after-tax incomes, while families nationwide spent only 86 percent.

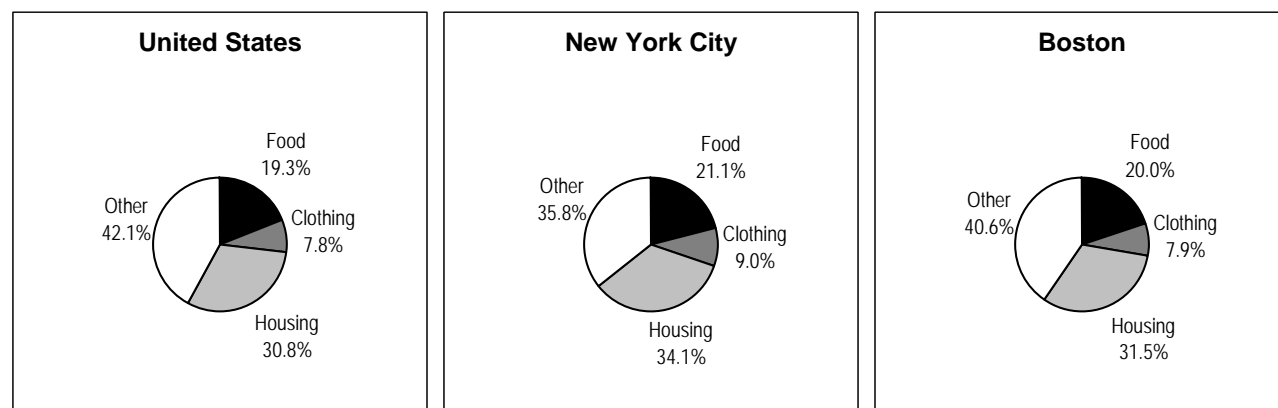
Household spending patterns continued to change as families allotted less of their incomes for necessities. Changes in the socioeconomic and demographic characteristics of families contributed to these modifications.

Women's share of the U.S. workforce had risen to 37 percent. The country as a whole had begun to get younger, as had the populations of New York City and Boston. Average family size also had decreased, with families in New York City and Boston being slightly smaller than the average U.S. family.

Rising incomes had permitted more people to buy homes in the suburbs and purchase cars. These trends had shrunk the population in central cities like Boston. Educational attainment had increased as over 30 percent of New Yorkers and Bostonians had graduated from college. Additionally, 58 percent of New Yorkers and 55 percent of Bostonians held white-collar jobs. Throughout the country, local and regional economies had begun to shift away from manufacturing and into services such as trade, education, healthcare, and government.

New York City households allotted a higher share of their expenditures (64

Chart 24. Expenditure shares, United States, New York City, and Boston, 1972-73



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 20. Expenditures and expenditure shares, United States, New York City, and Boston, 1972-73

Item	United States		New York City		Boston	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 1,596	19.3	\$ 2,050	21.1	\$ 1,860	20.0
Alcoholic beverages .....	110	1.3	126	1.3	149	1.6
Housing .....	2,551	30.8	3,303	34.1	2,934	31.5
Apparel and services .....	647	7.8	873	9.0	737	7.9
Transportation .....	1,597	19.3	1,322	13.6	1,532	16.5
Healthcare .....	528	6.4	523	5.4	526	5.7
Entertainment .....	708	8.6	818	8.4	815	8.8
Personal care products and services .....	165	2.0	189	2.0	161	1.7
Reading and education .....	153	1.9	263	2.7	362	3.9
Tobacco .....	130	1.6	155	1.6	174	1.9
Miscellaneous .....	86	1.0	74	.8	52	.6
Cash contributions .....	508		567		459	
Personal insurance and pensions .....	734		623		701	
Average income per family .....	11,419		12,159		11,449	
Expenditures, all items .....	8,348		9,697		9,302	

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures. Expenditure shares do not add to 100 due to rounding. Cash contributions and personal insurance are not included in expenditure shares.

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

percent) for necessities than did families in Boston and nationwide, which had expenditure shares of about 58 percent each. (See chart 24.) New Yorkers spent more for clothing and housing, while spending shares for food were relatively similar in all locations.

Despite its high cost, beef constituted the single largest item of food consumed at home in both New York City and Boston. Bostonians, however, spent a larger share of their grocery budgets for eggs and dairy products, while New Yorkers spent more for

fruits and vegetables. Spending for food away from home had increased compared with a decade earlier, accounting for 27 percent of total food spending in New York City and over a third in Boston.

The continued rise in the quality of living had led to larger expenditures for recreation, education, reading, and transportation, as well as for personal insurance and pensions. (See table 20.)

Both New York City and Boston saw significant changes in population, with a declining white population, an in-

creasing black population, and a smaller proportion of foreign-born residents. One out of five New Yorkers listed their ancestry as Italian, while 1 out of 5 Bostonians claimed Irish lineage.

In 1974—largely as a result of the OPEC oil embargo, which drove up energy prices by 29.6 percent and led to higher food prices—inflation increased 11 percent, the steepest gain since World War II. Unemployment followed, peaking at 9 percent in May 1975. ■



# 1984-85

## United States

By 1980, the U.S. population had exceeded 226 million, an increase of 11.5 percent from the previous decade. The median age in the country had increased almost 2 years to 30.0 (28.8 for men and 31.2 for women), countering the decline that had begun in 1960. The percentage of the population younger than 15 also had declined further, to 22.6. Population dynamics in the country had continued to shift: the percentage of Americans who were

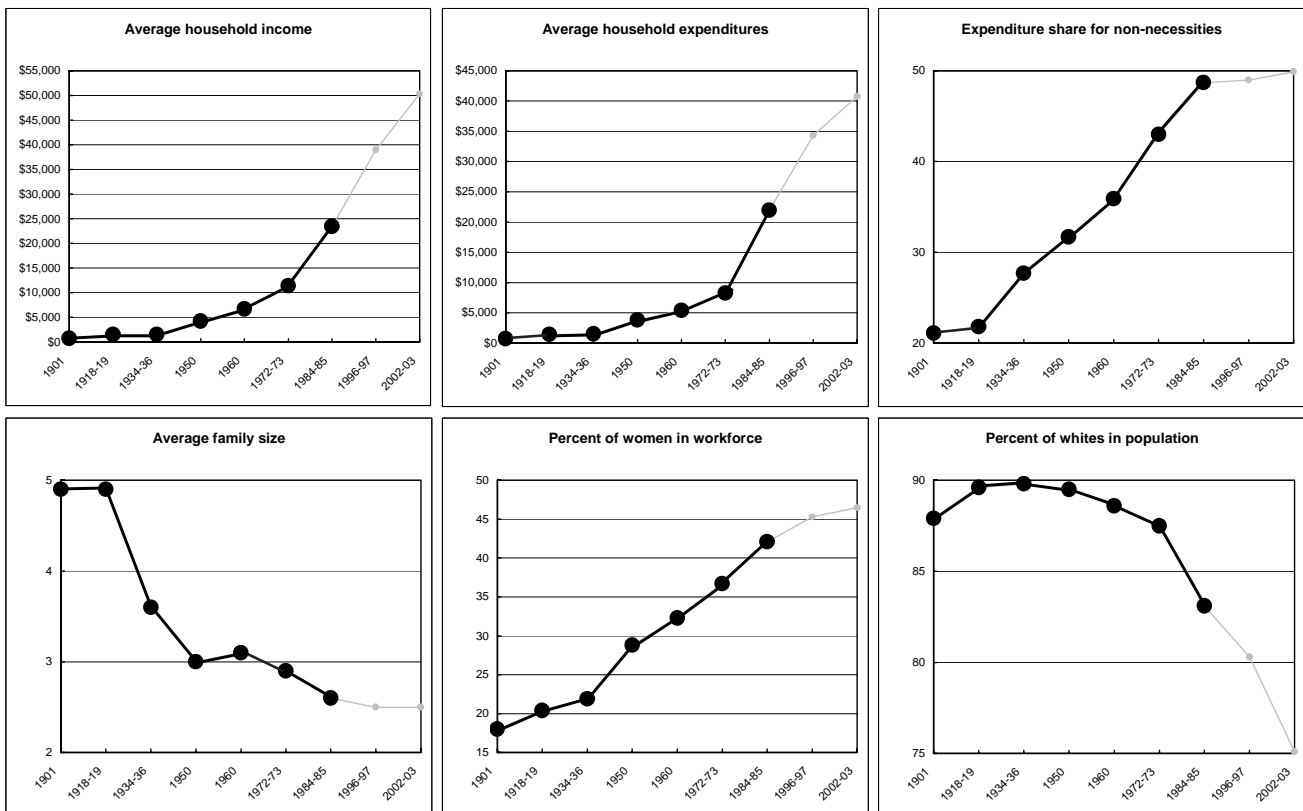
white had fallen further, to 83.1, and the male-to-female ratio had started to level off at 94.5 men for every 100 women.

The size of the average U.S. family had declined notably, to 2.6 people. (See chart 25.) More than a quarter of households (27.2 percent) consisted of only one person, 30.0 percent of two people, and 4.5 percent of six or more people. In statistical terms, the average household contained 0.7 children younger than 18; 0.3 people aged 65 or older; and 1.4 wage earners, whose ages

typically fall between those of the other two groups.

The average age of the reference person who owned or rented the home—the individual formally referred to as household head—was 46.7. In 43 percent of households, this individual had attended college; in 43 percent, he or she had attended high school; while in 13 percent, this individual had attended only elementary school. Reference persons held the following types of jobs: 21.3 percent were managers or professionals, 17.7 percent were in

Chart 25. Economic and demographic indicators, United States, 1984–85



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

sales or administrative positions, 7.1 percent held service jobs, 7.1 percent were in the crafts or repair fields, and 13.5 percent were laborers or operators. Some, 6.6 percent, were self-employed, and 16.0 percent were retired.

Nationally, the economy was expanding again in 1984, following a sharp, 16-month recession that had ended in November 1982 after unemployment had peaked at 10.8 percent. Male participation in the labor market had continued its slow decline and stood at 76.4 percent in 1984, but female participation had continued to edge up, reaching 53.6 percent. As a result, women made up 42.1 percent of the U.S. workforce. Prices had risen sharply from the previous decade: a market basket of consumer goods and services that had cost \$100 in 1972 cost \$249 in 1984. Wages had increased after 1970 but not at comparable rates. (See table 21 for 1979 wages.)

Average family income in the country had risen to \$23,464, an increase of 105.5 percent since 1972-73. The income of the average family came from several sources: 77.5 percent (\$18,158) from wages and salaries; 4.8 percent (\$1,123) from self-employment income; 10.3 percent (\$2,420) from Social Security and private and government retirement; 4.0 percent (\$938) from interest, dividends, rental income and other property income; 1.2 percent (\$282) from unemployment and workers' compensation and from veterans' benefits; 1.1 percent (\$252) from public assistance, supplemental security income, and food stamps; 0.8 percent (\$191)

from regular contributions of support; and 0.3 percent (\$81) from other sources.

The average U.S. family had an after-tax income of \$21,237, having allocated 9.5 percent of income for taxes: \$1,733 in Federal income taxes, \$431 in State and local income taxes, and \$63 for other taxes. Of all U.S. families, those in the lowest fifth of the income distribution had average yearly earnings of \$3,169, while those in the highest fifth earned \$56,426 on average.

Average household expenditures, \$21,975, had grown 165.7 percent. This amount would have purchased \$8,790 worth of goods and services in 1972 dollars.

Expenditures for food, clothing, and housing accounted for 51.4 percent of household spending, continuing the steady decline recorded over the previous 80 years in the share devoted to necessities. Compared with 1972-73, the share for food had decreased to 15.0 percent (\$3,290), while clothing had declined to 6.0 percent (\$1,319), and housing had held steady at 30.4 percent (\$6,674). Among U.S. families, 63 percent owned their own home (38 percent with a mortgage and 25 percent without a mortgage), while 38 percent were renters. The estimated market value of the average home was \$47,269, and its estimated monthly rental value was \$292.

In 85 percent of households, there was at least one automobile. Moreover, for the first time, the purchase of a vehicle accounted for a greater expenditure share than did total food at home

for the average family.

Of total spending on housing, the average U.S. family allotted 52.3 percent (\$3,489) for shelter; 24.5 percent (\$1,638) for utilities, fuel, and public services; 4.7 percent (\$315) for household operations; and 13.9 percent (\$926) for household furnishings and equipment.

Of the overall food bill, 59.9 percent (\$1,970) was for food at home, while 40.1 percent (\$1,320) was spent for food away from home. Alcoholic beverages took up 1.3 percent (\$275) of total spending. Of grocery money, 29.7 percent (\$586) was spent on meat, poultry, fish, and eggs; 15.9 percent (\$313) on fruits and vegetables; 13.3 percent (\$262) on cereals and bakery products; and 12.8 percent (\$253) on dairy products. (See table 22 for retail prices of selected foods.)

A breakdown of clothing expenditures showed that 39.7 percent (\$524) went for women's and girls' clothing, 26.5 percent (\$350) went for men's and boys' clothing, 3.8 percent (\$50) went for children's clothes, 14.0 percent (\$185) went for footwear, and 16.0 percent (\$211) was allotted for other clothing products and services.

As mentioned above, 85 percent of U.S. households owned at least one automobile, with the average household owning 1.9. Households allotted 19.6 percent of spending (\$4,304) for transportation: 8.3 percent (\$1,813) for auto purchases; 4.8 percent (\$1,058) for gasoline and motor oil; and 5.4 percent (\$1,178) for other vehicle expenses, including financing.

Table 21. Hourly wages for selected industries, United States, 1979

Year	Manufacturing	Mining	Construction	Transportation	Communications and public utilities	Trade	Finance, insurance, and real estate	Services	Government
1901 .....	\$ 0.23	\$ 0.26	\$ 0.28	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.50	\$ 0.17	\$0.28
1918 .....	.53	.67	.57	.61	.42	.45	.69	.31	.49
1935 .....	.58	.55	.49	.72	.71	.61	.78	.42	.62
1950 .....	1.59	1.66	1.60	1.79	1.61	1.46	1.55	1.05	1.45
1960 .....	2.57	2.73	2.62	2.97	2.73	2.21	2.42	1.69	2.25
1970 .....	3.92	4.45	4.47	4.77	4.28	3.31	3.86	2.86	3.83
1979 .....	6.69	6.16	9.26	8.18	7.85	5.06	5.28	5.36	(n/a)

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 22. Retail prices of selected foods in U.S. cities, 1984

Year	Flour 5 lb.	Round steak lb.	Pork chops lb.	Bacon lb.	Butter lb.	Eggs dozen	Milk 1/2 gallon
1901 .....	\$ 0.13	\$ 0.14	\$ 0.13	\$ 0.16	\$ 0.27	\$ 0.22	\$ 0.14
1918 .....	.34	.37	.39	.53	.58	.57	.28
1934 .....	.25	.28	.26	.29	.32	.33	.22
1950 .....	.49	.94	.75	.64	.73	.60	.41
1960 .....	.55	1.06	.86	.66	.75	.57	.52
1970 .....	.59	1.30	1.16	.95	.87	.61	.66
1984 .....	1.07	2.91	2.38	1.86	2.11	1.00	1.13

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Additionally, the average U.S. household allocated 4.8 percent of spending (\$1,049) for healthcare (with 35.3 percent or \$370 allotted for health insurance), 4.8 percent (\$1,055) for entertainment, 1.3 percent (\$289) for personal care products and services, and 2.0 percent (\$435) for reading and education. Families gave \$706 to charities.

### New York City

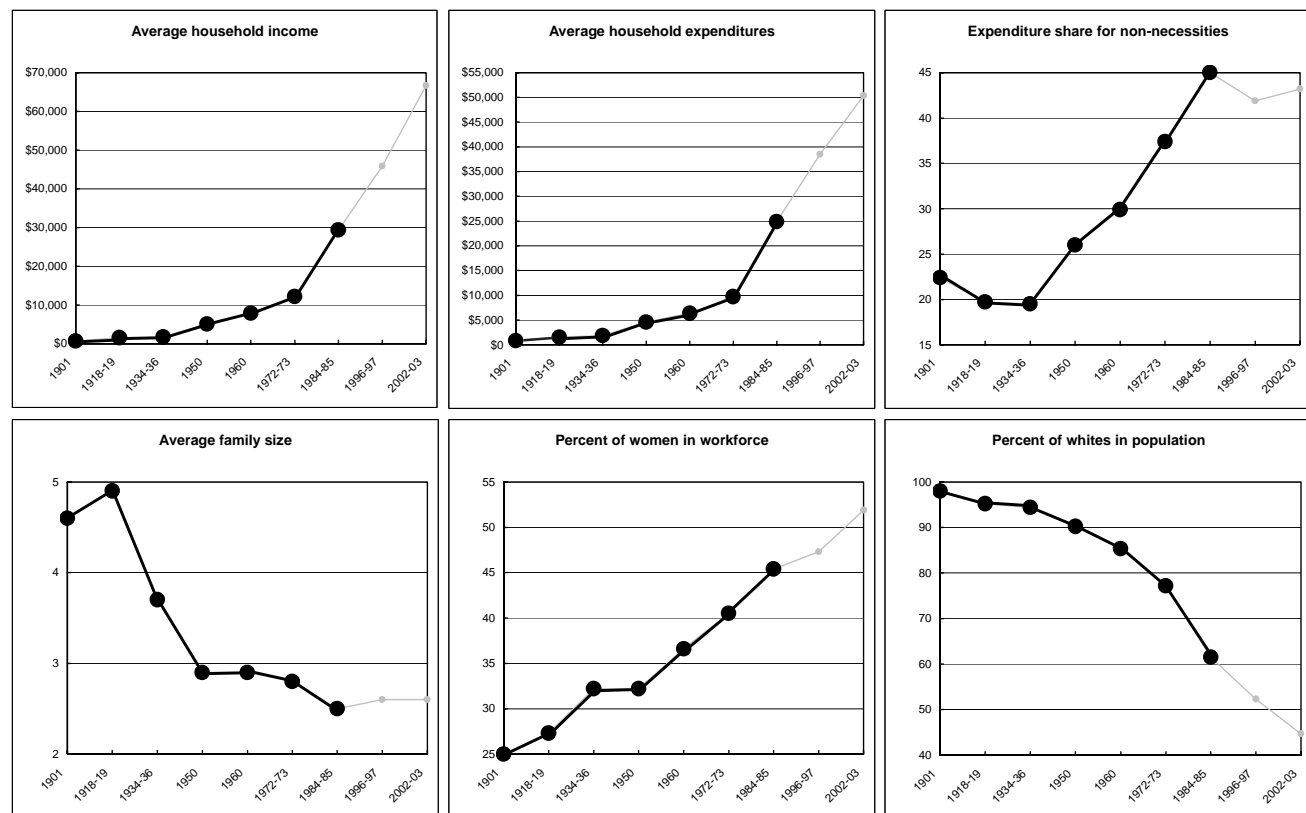
Between 1970 and 1980, the population of New York State had declined 3.7 percent, and in 1980 it stood at 17.6 million. Within the State's borders resided 7.8 percent of the U.S. population. During the same period, the population of New York City had decreased 10.4

percent to 7.1 million, representing 40.3 percent of the State's population.

Demographically, the median age of the city's residents had remained constant at 32.7. Three-quarters of New Yorkers were 18 or older, with 6.7 percent younger than 5 and 13.5 percent 65 or older.

The percentage of New Yorkers who

Chart 26. Economic and demographic indicators, New York City, 1984-85



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

were white had continued to decline and stood at 61.5. (See chart 26.) Blacks represented 25.3 percent of the population, and Hispanics—who could be of any race—19.9 percent. Approximately 44 percent of all city residents had been born beyond the borders of New York State.

Average family size was 2.5 people, a notable decline from the previous decade. Married couples made up 43.1 percent of households, female-headed families accounted for 16.6 percent, and one-person households constituted 32.7 percent. More than one-sixth of families (17.2 percent) lived below the poverty line.

During 1980 there were 103,000 live births in the city, a decline of 24.8 percent compared with births in 1970. There were 72,500 deaths.

In terms of education, 60.2 percent of New Yorkers had 12 or more years of schooling, and 17.3 percent had 16 years or more—a notable increase in the percentage of residents who had completed college.

The manufacturing sector continued to shed jobs and constituted just 17.4 percent of the city's job base. The professional and related sector had become the city's largest employer, with 23.1 percent of all jobs. Next came retail and wholesale trade at 18.1 percent; government at 17.6 percent; and finance, insurance, and real estate at 12.0 percent. In New York City, 4.8 percent of workers were self-employed.

Women made up 45.4 percent of the city's workforce. Although the overall city unemployment rate was 9.6 percent, the rate for women was only 7.7 percent. In terms of workers per household, 20.5 percent of families contained no employed persons, while in 43.4 percent of families two or more people were employed.

Only 6.2 percent of New York City residents worked outside the city. When they commuted to work, 20.1 percent drove alone, 9.9 percent were members of carpools, and 55.8 percent used public transportation.

Average family income had risen 141.3 percent since 1972–73 to \$29,339, 25.0 percent higher than the income of the average U.S. family. The average New York City family's income derived from numerous sources: 75.5 percent (\$22,144) from wages and salaries; 8.5 percent (\$2,494) from self-employment income; 9.2 percent (\$2,711) from Social Security and from private and government retirement; 4.8 percent (\$1,401) from interest, dividends, rental income, and other property income; 0.6 percent (\$176) from unemployment and workers' compensation and from veterans' benefits; 1.0 percent (\$290) from public assistance; and 0.2 percent (\$72) from other sources.

The average New York City household had an after-tax income of \$26,983, having allotted 8.0 percent of income for taxes: \$1,730 for Federal income taxes, \$587 for State and local income taxes, and \$39 for other taxes.

Average New York City family expenses were \$24,907, 13.3 percent greater than the expenditures of the average U.S. household and 156.9 percent more than New Yorkers had spent a decade earlier. The \$24,907 would have purchased \$10,710 worth of goods and services in 1972–73 dollars.

Expenditures for food, clothing, and housing accounted for 55.0 percent (\$13,704) of family spending, a notable decline from the 1972–73 level. The shares of housing (31.1 percent, \$7,753), food (16.4 percent, \$4,091), and clothing (7.5 percent, \$1,860) had all decreased.

There were 2.8 million housing units in the city. Of these, 11.7 percent were single-unit structures, and 64.5 percent contained five or more units. Forty-nine percent owned their home (31 percent having a mortgage and 18 percent having no mortgage), while 51 percent rented. The median value of an owned home in the city was \$56,778, while the average monthly rent was \$398. Only 3.8 percent of units lacked complete plumbing facilities, while 46.3 percent had air-conditioning.

Of total spending on housing, the average city household allotted 57.2 percent (\$4,431) for shelter, a marked shift from the previous decade; 24.6 percent (\$1,904) for utilities and fuel; 7.9 percent (\$614) for operations and supplies; and 10.4 percent (\$803) for furnishings and equipment.

Food at home accounted for 54.8 percent (\$2,240) of food expenditures, a notable decline from the previous decade. Of this, the average city household allocated 31.3 percent (\$700) for meat, fish, poultry, and eggs; 18.4 percent (\$413) for fruits and vegetables; 13.8 percent (\$308) for cereals and baked goods; and 13.3 percent (\$297) for dairy products. Food away from home accounted for 45.2 percent (\$1,851) of total food spending; alcoholic beverages constituted 1.3 percent (\$331) of total expenditures.

Of total spending on clothing, 41.3 percent (\$768) was allocated for women's clothing, a notable decline from the previous decade; 22.2 percent (\$412) was for men's clothes; 3.2 percent (\$59) was for infants' clothing; 14.0 percent (\$260) was for footwear; and 19.4 percent (\$361) was for other products and services.

As previously noted, the average New York City household owned 1.2 automobiles, compared with 1.9 for the average U.S. household. City families allotted 15.8 percent (\$3,924) of their spending for transportation expenses—5.2 percent (\$1,297) for the purchase of automobiles and 3.3 percent (\$815) for gasoline and motor oil. Both the relative shares and the actual dollar outlays on these items were less than those of the average U.S. household. New Yorkers allotted 4.8 percent (\$1,192) for other vehicle expenses, including financing costs.

Additionally, New York City households allocated 4.1 percent (\$1,029) of total spending for healthcare (with 24.2 percent or \$249 of this spending allotted for health insurance), 4.5 percent (\$1,121) for entertainment, 1.3 percent (\$315) for personal care products, and

2.3 percent (\$574) for reading and education. New York City households gave an average of \$945 in charitable contributions.

## Boston

By 1980, the population of Massachusetts had surpassed 5.7 million, a gain of less than 1 percent from 1970. The total represented 2.5 percent of the U.S. population. During the same timeframe, the population of Boston had declined 12.2 percent to 563,000, or 9.9 percent of the Commonwealth.

There were 218,000 households in Boston, with an average family size of 2.4—slightly smaller than that of New York City families. Married couples made up just 33.6 percent of these households, women-headed households accounted for 16.2 percent, and 36.8 percent consisted of just one person. One-sixth (16.7 percent) of families lived below the poverty level.

On average, Bostonians were younger than New Yorkers: the median age in Boston remained constant at 28.9. In terms of age groups, 78.4 percent of the population was 18 or older, with 5.3 percent younger than 5 and 12.7 percent aged 65 or older.

The percentage of Bostonians who were white had declined significantly to 70.5. Blacks made up 22.5 percent of the population, and Hispanics—who could be of any race—6.5 percent. Of Boston residents, 58 percent had been born in Massachusetts.

During 1980, there were 7,700 live births in the city, a decline of 33.6 percent compared with the number in 1970. There were 5,800 deaths.

More than two-thirds (68.4 percent) of Bostonians had 12 or more years of schooling, and 20.3 percent had at least 16 years. Both of these proportions were higher than those recorded in New York City.

There were approximately 240,000 housing units in the city, of which 15.6 percent were single-unit structures, and 42.8 percent contained 5 or more units. Among Boston households, 55 percent

owned their home (37 percent having a mortgage and 18 percent living mortgage free), while 45 percent were renters. The median value of an owned home in the city was \$67,240, and the average monthly rent was \$444. Only 2.5 percent of units lacked complete plumbing services, while 30.5 percent had air-conditioning.

The decline in manufacturing employment continued, with other industries absorbing more workers. The manufacturing sector accounted for just 14.3 percent of all Boston jobs. As in New York City, the leading Boston employer was the professional and related sector, which represented almost a third (31.6 percent) of the city's job base. This was followed by government at 19.7 percent; retail and wholesale trade at 16.8 percent; and finance, insurance, and real estate at 9.0 percent. In Boston, 3.4 percent of workers were self-employed.

The unemployment rate in Boston was 9.1 percent, lower than that recorded in New York City. The unemployment rate for women, 6.1 percent, also was lower than the corresponding rate in New York City. Women made up almost half (47.6 percent) of Boston's workforce. (See chart 27.) In 19.1 percent of Boston's households, no one was employed, while in half (49.2 percent) of all households, two or more people were working.

One out of four Bostonians (25.2 percent) worked outside the city. When they commuted to work, 33.2 percent drove alone, 14.1 percent were members of carpools, and 33.7 percent used the public transit system.

In Boston, average family income had risen 138.6 percent to \$27,318, 16.4 percent higher than that of the average U.S. family. The average Boston household had an after-tax income of \$23,966 having allotted 12.3 percent of income for taxes: \$2,423 for Federal income taxes, \$755 for State and local income taxes, and \$175 for other taxes.

For the average family, 78.0 percent of income (\$21,304) came from wages and salaries; 8.4 percent (\$2,298) came

from Social Security and from private and government retirement; and 8.1 percent (\$2,217) came from interest, dividends, and rental income.

Over the previous decade, average family expenses had increased 158.1 percent to \$24,004, 9.2 percent greater than those for the average U.S. household. This amount of money would have purchased \$10,082 worth of goods and services in 1972 dollars.

Expenditures for food, clothing, and housing accounted for 53.2 percent (\$12,783) of spending, a decline from 1972-73. The shares for food (12.5 percent, \$3,006) and clothing (5.3 percent, \$1,280) had declined, while the share for housing (35.4 percent, \$8,497) had increased from 1972-73.

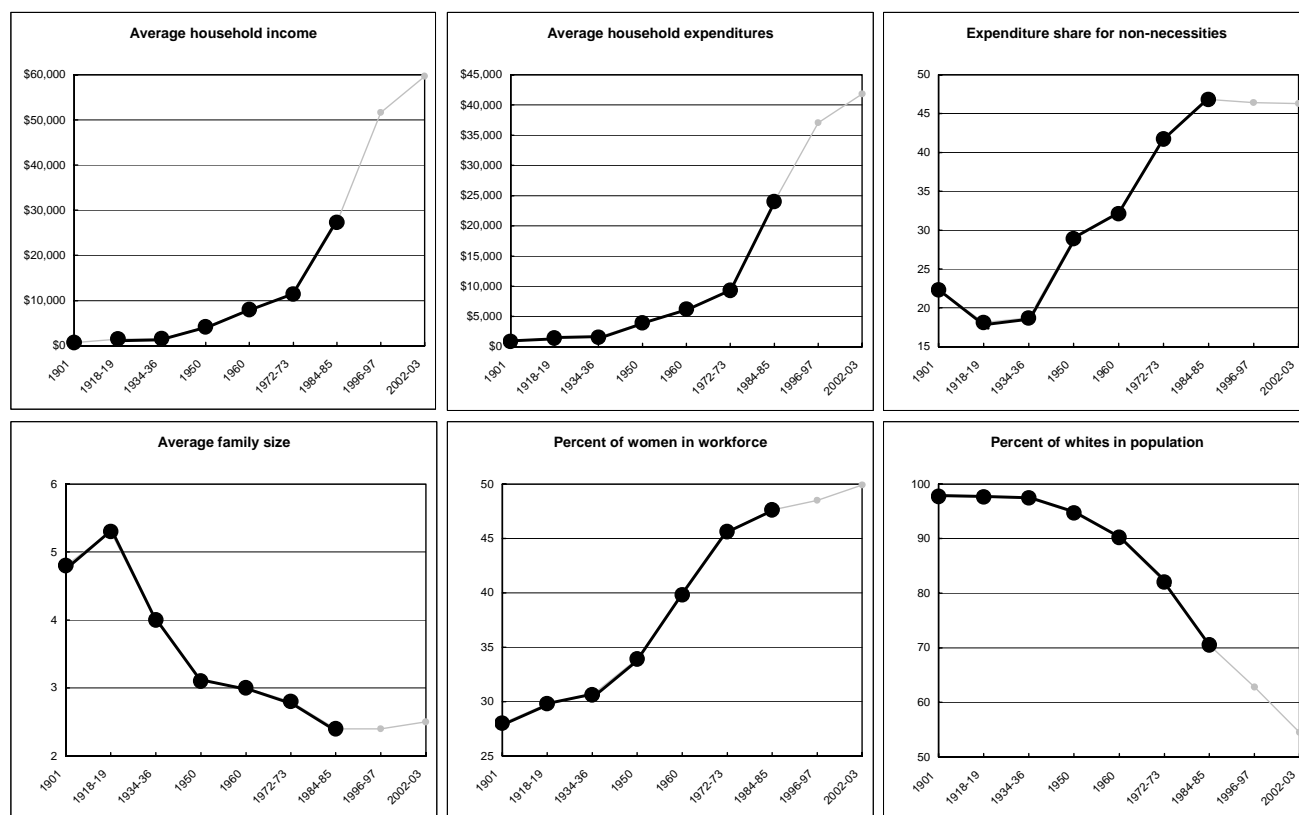
Of total spending on housing, the average Boston family allotted 60.2 percent (\$5,114) for shelter, 20.4 percent (\$1,732) for utilities and fuel, 8.3 percent (\$706) for household operations and supplies, and 11.1 percent (\$946) for furnishings and equipment.

Food at home accounted for 49.7 percent (\$1,493) of food expenditures, a significant decline from the previous decade. Of this spending, Boston families allocated 32.2 percent (\$480) for meat, poultry, fish, and eggs; 17.4 percent (\$260) for fruits and vegetables; 13.8 percent (\$206) for dairy products; and 13.6 percent (\$203) for cereals and baked goods. Food away from home accounted for 50.3 percent (\$1,513) of total food spending; purchases of alcoholic beverages amounted to 1.3 percent (\$305) of total expenditures.

Of spending on clothing, 38.4 percent (\$492) was for women's clothing, a notable decline from the previous decade; 26.9 percent (\$344) was for men's clothing, another decline; 3.8 percent (\$49) was for infants' clothes; 9.8 percent (\$125) was for footwear; and 20.9 percent (\$268) was for other apparel products and services.

The average Boston household owned 1.4 automobiles, less than the 1.9 owned by the average U.S. family. Families allocated 19.3 percent (\$4,637) of their total spending for transporta-

Chart 27. Economic and demographic indicators, Boston, 1984–85



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

tion. Itemized expenses included 8.6 percent (\$2,071) for the purchase of automobiles; 3.7 percent (\$880) for gasoline and motor oils; and 5.1 percent (\$1,230) for other vehicle expenses, including financing costs.

Additionally, Boston households allotted 4.2 percent (\$1,013) of total spending for healthcare (with 31.8 percent or \$322 of this spending allocated for health insurance), 5.2 percent (\$1,252) for entertainment, 0.9 percent (\$227) for personal care products, and 3.7 percent (\$886) for reading and education. Boston households gave \$606 in charitable contributions.

### Perspective

By the mid-1980s, the U.S. economy was expanding, following a 16-month recession that had ended in late 1982. During the previous decade, both earnings and prices had increased sharply.

For example, hourly earnings in the manufacturing sector had increased by 71 percent, while the cost of a pound of round steak had increased by 124 percent.

Demographically, the average age in the country had increased 2 full years to 30. However, the average New Yorker was 2.5 years older, while the average Bostonian was 1 year younger than 30. Average family size in the country had continued to decrease and was 2.6 people; New York City and Boston families were slightly smaller. Women made up 42 percent of the U.S. workforce.

Household income in New York City exceeded that in Boston by more than 7 percent, but spending in New York City was only 4 percent higher. New Yorkers spent about 92 percent of their after-tax income, while in Boston spending exceeded after-tax income by 38 dollars. In contrast, the

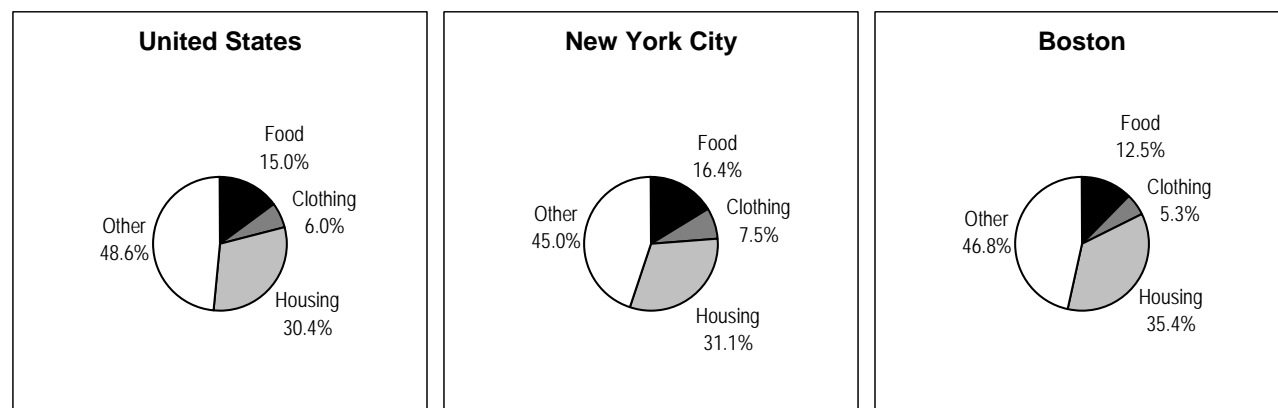
average U.S. household spent 3.5 percent more than its after-tax income.

In total, New York City households allocated 55.0 percent of their spending for necessities, while Boston families allotted just 53.2 percent, and U.S. families spent even less: 51.4 percent.

Spending patterns indicate that, in terms of expenditure share (35.4 percent) and actual dollars, Boston families spent more for housing than did families in New York City (31.1 percent) and in the country as a whole (30.4 percent). (See chart 28 and table 23.) In Boston, 55 percent of families owned their home, while only 49 percent of New York City families were homeowners.

New Yorkers also allocated larger shares of spending for food (16.4 percent) and clothing (7.5 percent) than did families in Boston or in the country as a whole. In contrast, Boston households spent more (50.3 percent)

Chart 28. Expenditure shares, United States, New York City, and Boston, 1984-85



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 23. Expenditures and expenditure shares, United States, New York City, and Boston, 1984-85

Item	United States		New York City		Boston	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 3,290	15.0	\$ 4,091	16.4	\$ 3,006	12.5
Alcoholic beverages .....	275	1.3	331	1.3	305	1.3
Housing .....	6,674	30.4	7,753	31.1	8,497	35.4
Apparel and services .....	1,319	6.0	1,860	7.5	1,280	5.3
Transportation .....	4,304	19.6	3,924	15.8	4,637	19.3
Healthcare .....	1,049	4.8	1,029	4.1	1,013	4.2
Entertainment .....	1,055	4.8	1,121	4.5	1,252	5.2
Personal care products and services .....	289	1.3	315	1.3	227	.9
Reading and education .....	435	2.0	574	2.3	886	3.7
Tobacco .....	228	1.0	240	1.0	214	.9
Miscellaneous .....	451	2.1	503	2.0	514	2.1
Cash contributions .....	706	3.2	945	3.8	606	2.5
Personal insurance and pensions .....	1,897	8.6	2,220	8.9	1,567	6.5
Average income per family .....	23,464		29,339		27,318	
Average expenditures, all items .....	21,975		24,907		24,004	

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures. Expenditure shares do not add to 100 due to rounding.

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

of their food budget for meals away from home than did New Yorkers (45.2 percent).

In terms of food preferences, Boston households allocated larger shares of their grocery spending for meat, poultry, fish, eggs, and dairy products

and less for fruits and vegetables than did New York City families. Of clothing expenditures, New York City households allocated larger shares for women's clothing and footwear and smaller shares for men's clothing than did Boston families.

In other expenditure categories, Boston families allocated greater expenditure shares for transportation, entertainment, and reading and education, while New York City families allotted more for personal care products. ■

# 1996-97

## United States

By the 1990s, the U.S. population had reached 248.7 million, an increase of 9.8 percent over the previous decade. The median age in the country had increased 2.9 years to 32.9 (31.7 for men and 34.1 for women). The percentage of the population younger than 15 had continued to decline and stood at 21.5 percent. Population dynamics had shifted, with the percentage of Americans who were white declining to 80.3 percent and the male-to-female ratio

increasing to 95.1 men for every 100 women. (See chart 29.)

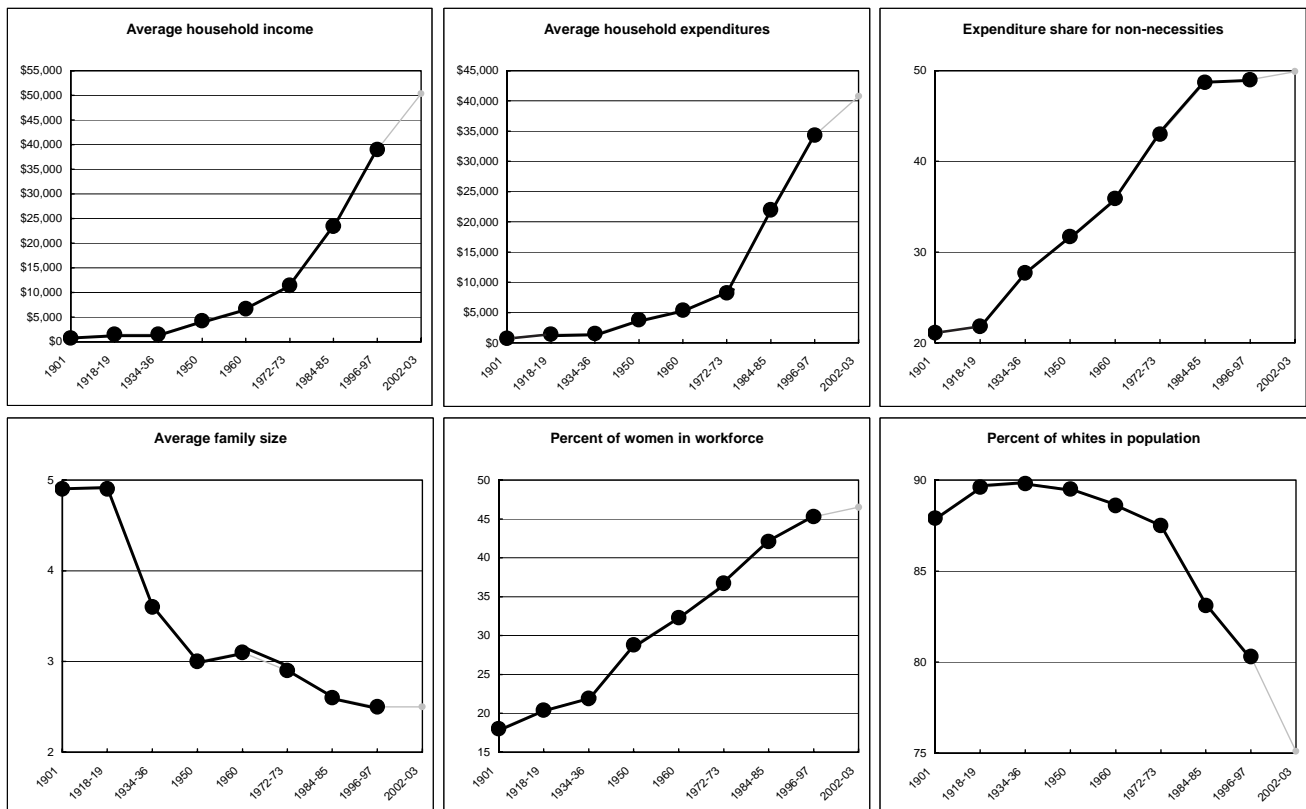
The size of the average U.S. household had declined slightly to 2.5 people. More than a quarter of households (28.3 percent) consisted of only one person; 31.1 percent of households were made up of two people; and 10.5 percent of households included five or more people. Statistically, this household contained 0.7 children younger than 18, 0.3 people aged 65 or older, and 1.3 wage earners.

The age of the reference person was

47.7. In 52 percent of households, this individual had attended college; in 40 percent, this individual had attended high school; and in 8 percent, this individual had, at most, an eighth grade education.

Reference persons held the following jobs: 20.8 percent were managers or professionals; 18.0 percent were technical, sales, or clerical workers; 11.8 percent were operators, fabricators, or laborers; 8.6 percent were service workers; 6.0 percent were construction workers; 5.5 percent were self-employed;

Chart 29. Economic and demographic indicators, United States, 1996-97



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*



18.4 percent were retired; and 11.0 percent were unclassified.

After the recession that ended in March 1991, the U.S. economy had continued to expand. Unemployment averaged 5.4 percent for 1996, well below the 7.3 percent recorded in 1984. The male labor force participation rate had continued to decline, to 74.9 percent in 1996, while the female rate had continued to rise, from 53.6 in 1984 to 59.3 in 1996. Women made up 45.3 percent of the U.S. workforce.

Average family income in the country had risen to \$38,983, an increase of 66.1 percent since 1984–85. The income of the average family came from the following sources: 78.4 percent (\$30,547) from wages and salaries; 5.5 percent (\$2,141) from self-employment income; 11.4 percent (\$4,434) from Social Security and from private and government retirement; 2.0 percent (\$792) from interest, dividends, and rental income; 0.5 percent (\$209) from unemployment and workers' compensation and from veterans' benefits; 1.0 percent (\$409) from public assistance; 0.7 percent (\$268) from gifts; and 0.5 percent (\$183) from other sources. (See table 24 for hourly wages in selected industries.)

The average U.S. family had an after-tax income of \$35,787, having allocated 8.2 percent of income for taxes: \$2,420 in Federal income taxes, \$655 in State and local income taxes, and \$121 for other taxes. Of all U.S. families, 5.6 percent earned less than \$5,000, 15.2 percent earned between \$20,000 and

\$29,999, and 13.8 percent earned at least \$70,000.

Average household expenditures, at \$34,312, had grown by somewhat less, 56.1 percent, over the same period. This sum would have purchased \$22,646 worth of goods and services in 1984 dollars. Consumer prices had moderated during the early 1990s, rising 5.4 percent in 1990 and then to an average of only 3.0 percent during 1996.

Expenditures for food, clothing, and housing accounted for 51.0 percent of household spending. This share, equivalent to that in 1984–85, marked the end of the decline recorded during the previous 80 years in spending on necessities. The share for food had decreased to 13.8 percent of spending (\$4,750), and clothing's share had declined to 5.1 percent (\$1,741), while the share for housing had increased to 32.1 percent (\$11,011).

In terms of home ownership status, 64 percent of Americans owned their home (38 percent with a mortgage and 26 percent without a mortgage), while 36 percent of households were renters. The estimated market value of the average home was \$74,835, which translated into an estimated monthly rental value of \$521.

Of total spending on housing, the average U.S. family allotted 56.4 percent (\$6,205) for shelter, 21.6 percent (\$2,380) for utilities and fuel, 13.0 percent (\$1,432) for furnishings and equipment, and 4.2 percent (\$459) for household supplies.

As for household food expenditures, 60.6 percent (\$2,878) went for food at home, while 39.4 percent (\$1,872) went for food away from home. One percent (\$309) of total spending was allocated for alcoholic beverages. More than a fourth of grocery spending (25.7 percent, \$740) was for meat, poultry, fish, and eggs; 16.8 percent (\$483) was for fruits and vegetables; 15.6 percent (\$450) was for cereals and baked goods; and 10.9 percent (\$313) was for dairy products. (See table 25 for retail prices of selected food items.)

Of spending on clothing, 40.2 percent (\$699) went for women's and girls' clothes, 23.9 percent (\$415) for men's and boys' clothes, 4.6 percent (\$80) for infants' clothing, 17.6 percent (\$307) for footwear, and 13.8 percent (\$240) for other apparel products and services.

As previously noted, 85 percent of U.S. families owned at least one vehicle, the average family owning 1.9. These families allotted 18.7 percent (\$6,420) of their total spending for transportation, with 8.1 percent (\$2,775) for the purchase of vehicles; 3.2 percent (\$1,090) for gasoline and motor oil; and an additional 6.3 percent (\$2,145) on other vehicle expenses, including financing and maintenance costs.

Additionally, the average U.S. household allotted 5.3 percent (\$1,806) of total spending for healthcare (with 47.3 percent or \$854 going for health insurance premiums), 5.3 percent

Table 24. Hourly wages for selected industries, United States, 1996

Year	Manu- facturing	Mining	Con- struction	Transpor- tation	Communi- cations and public utilities	Trade	Finance, insurance, and real estate	Services	Govern- ment
1901 .....	\$ 0.23	\$ 0.26	\$ 0.28	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.50	\$ 0.17	\$ 0.28
1918 .....	.53	.67	.57	.61	.42	.45	.69	.31	.49
1935 .....	.58	.55	.49	.72	.71	.61	.78	.42	.62
1950 .....	1.59	1.66	1.60	1.79	1.61	1.46	1.55	1.05	1.45
1960 .....	2.57	2.73	2.62	2.97	2.73	2.21	2.42	1.69	2.25
1970 .....	3.92	4.45	4.47	4.77	4.28	3.31	3.86	2.86	3.83
1979 .....	6.69	6.16	9.26	8.18	7.85	5.06	5.28	5.36	(n/a)
1996 .....	12.78	15.60	15.43	14.52	16.04	10.41	12.80	11.80	16.73

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 25. Retail prices of selected foods in U.S. cities, 1996

Year	Flour 5 lb.	Round steak lb.	Pork chops lb.	Bacon lb.	Butter lb.	Eggs dozen	Milk 1/2 gallon
1901 .....	\$ 0.13	\$ 0.14	\$ 0.13	\$ 0.16	\$ 0.27	\$ 0.22	\$ 0.14
1918 .....	.34	.37	.39	.53	.58	.57	.28
1934 .....	.25	.28	.26	.29	.32	.33	.22
1950 .....	.49	.94	.75	.64	.73	.60	.41
1960 .....	.55	1.06	.86	.66	.75	.57	.52
1970 .....	.59	1.30	1.16	.95	.87	.61	.66
1984 .....	1.07	2.91	2.38	1.86	2.05	1.00	1.13
1996 .....	1.44	3.12	3.41	2.47	2.11	1.11	1.56

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

(\$1,824) for entertainment, 1.5 percent (\$520) for personal care products, and 2.1 percent (\$708) for reading and education. On average, families made \$971 worth of charitable contributions.

### New York City

During the 1990s, the population of New York State increased 2.5 percent to 18.0 million, which was 7.3 percent of the U.S. population. During the same period, the population of New York City increased 3.4 percent to 7.3 million, accounting for 40.6 percent of the State's residents.

There were still 2.8 million households in the city, as there had been in 1980, but the average size of these households had increased slightly, to 2.6 people. Married couples with at least one child accounted for 44.5 percent of city households, while female-headed family households accounted for 18.0 percent, and one-person households made up 32.9 percent. Nearly one-sixth of families (16.3 percent) lived below the poverty line.

Demographically, the median age of the city's residents had increased a full year, to 33.7. Roughly three-quarters (76.9 percent) of the population was 18 or older, 7.0 percent was younger than 5, and 13.1 percent was at least age 65. The male-to-female ratio was 88.5 men for every 100 women.

The percentage of city residents who were white had continued to decline and was 52.3. Blacks represented 28.8 percent of the population, and Asians 7.0 percent. Hispanics, who can

be of any race, made up 24.4 percent. The foreign born made up 28.4 percent of residents, while 41.0 percent of the population spoke a language other than English at home.

During 1990, there were 127,000 live births in the city—an increase of 23.3 percent from 1980—and 78,000 deaths.

In terms of education, 68.3 percent of New Yorkers had 12 or more years of schooling, while 23.0 percent had earned at least a bachelor's degree—both percentages higher than in 1980.

There were 3 million housing units in the city, of which 14.7 percent were single-unit structures, and 62.2 percent had 5 or more units. Of city households, half owned their home (32 percent having a mortgage and 18 percent living mortgage free), and half rented. The estimated market value of an owned home in the city was \$101,672; the estimated monthly rental value of this home was \$664. Condominiums constituted 7.2 percent of all housing units.

The economic sector with the greatest share of jobs (17.2 percent) was retail and wholesale trade. Manufacturing represented only 11.4 percent of the city's job base. Jobs in finance, insurance, and real estate accounted for 12.3 percent of employment; jobs in health services 10.7 percent; and jobs in public administration 4.9 percent.

Women constituted 47.3 percent of the New York City workforce. (See chart 30.) The city's unemployment rate was 8.6 percent, but, in a reversal from 1984-85, the unemployment rate among women was higher, at 9.0 percent.

When commuting to work, 24.0 percent of city residents drove alone, 8.5 percent were in a carpool, and 53.4 percent used public transportation. A small percentage of New Yorkers (2.4) worked at home.

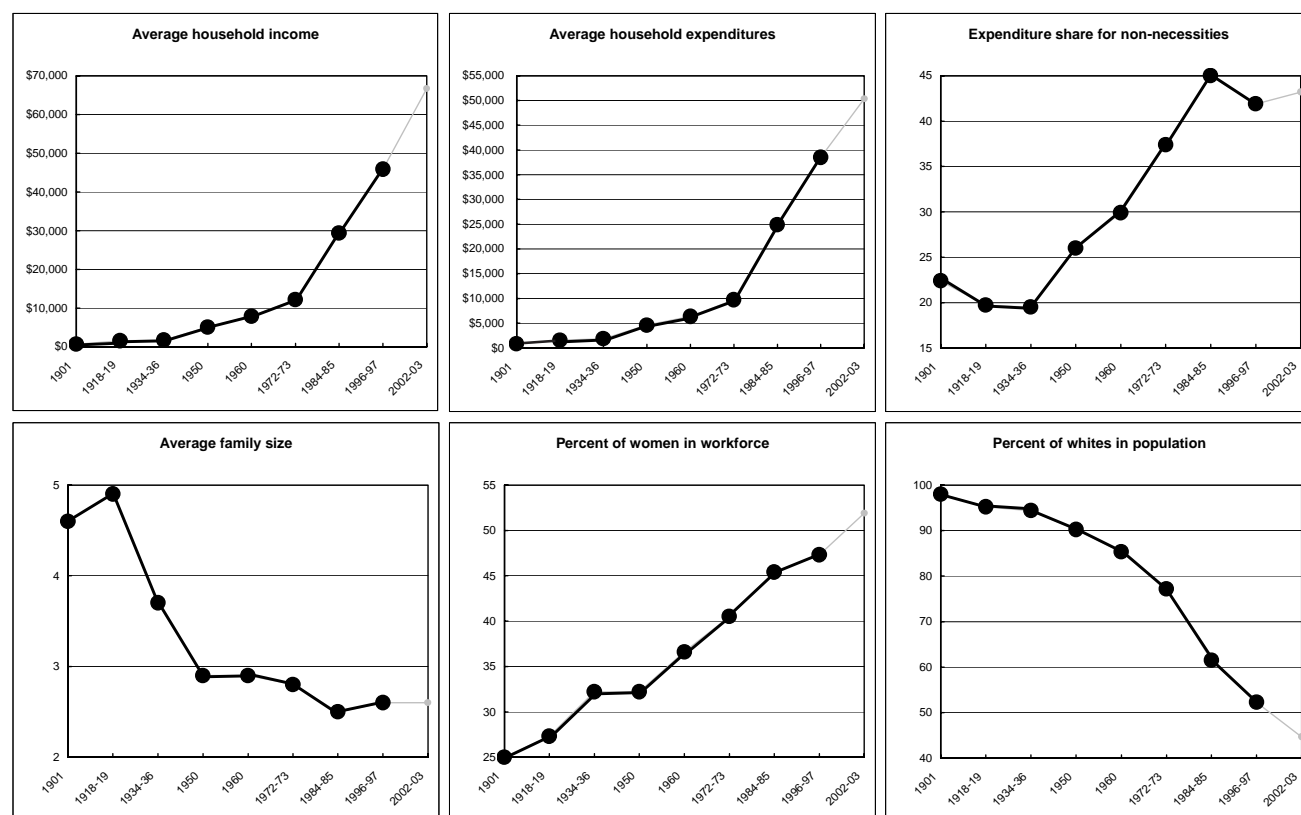
Average household income had increased 56.4 percent to \$45,877, 17.7 percent higher than the average U.S. family's income. There were many components of the average family's income: 80.8 percent (\$37,068) came from wages and salaries; 5.2 percent (\$2,396) came from self-employment; 9.7 percent (\$4,458) came from Social Security and from private and government retirement; 1.6 percent (\$713) came from interest, dividends, and rental income; 0.4 percent (\$186) came from unemployment and workers' compensation and from veterans' benefits; 1.4 percent (\$639) came from public assistance; 0.4 percent (\$201) came from gifts; and 0.4 percent (\$199) came from other sources.

The average New York City household had an after-tax income of \$42,621, having allotted 7.1 percent of income for taxes: \$2,410 for Federal income taxes, \$673 for State and local income taxes, and \$172 for other taxes.

Average household expenses had risen 54.5 percent over the decade to \$38,470, 12.1 percent greater than those of the average U.S. family. This sum would have purchased \$24,236 worth of goods and services in 1984 dollars.

Expenditures for food, clothing, and housing accounted for 58.1 percent (\$22,372) of family spending, an increase from 1984-85. The shares of food (15.4 percent, \$5,927) and cloth-

Chart 30. Economic and demographic indicators, New York City, 1996–97



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

ing (5.7 percent, \$2,211) had decreased, while the share for housing (37.0 percent, \$14,234) had increased substantially, driving up the overall proportion of family spending on these three essential items.

Of overall spending on housing, the average city household allotted 65.1 percent (\$9,267) for shelter, another marked shift from the previous decade; 17.4 percent (\$2,470) for utilities and fuel; 10.4 percent (\$1,480) for furniture and equipment; and 3.2 percent (\$455) for supplies.

Food at home accounted for 57.5 percent (\$3,410) of food expenditures, an increase from the previous decade. Of this spending, city residents allotted 28.7 percent (\$977) for meat, poultry, fish, and eggs; 19.0 percent (\$648) for fruits and vegetables; 16.5 percent (\$563) for cereals and baked goods; and 10.8 percent (\$369) for dairy products. Food away from home accounted for

42.5 percent (\$2,517) of total food spending, while spending on alcoholic beverages amounted to 1.2 percent (\$443) of total expenditures.

Of spending for clothing, 38.4 percent (\$848) went for women’s and girls’ clothes, continuing the decline recorded in the previous decade; 23.4 percent (\$518) went for men’s and boys’ clothing; 4.3 percent (\$94) for infants’ clothes; 19.0 percent (\$421) for footwear; and 14.9 percent (\$330) for other apparel products and services.

As previously noted, the average New York City family owned 1.2 vehicles, compared with 1.9 for the average U.S. household. City families allotted 13.5 percent of total spending (\$5,202) for transportation expenses, with 3.2 percent (\$1,225) allocated for the purchase of vehicles; 2.2 percent (\$847) for gasoline and motor oil; and 5.9 percent (\$2,269) for other vehicle expenses, including financing and

maintenance costs.

Additionally, New York City households allocated 4.5 percent (\$1,736) of total spending for healthcare (with 50.5 percent or \$876 of this spending allotted for health insurance), 4.7 percent (\$1,791) for entertainment, 1.6 percent (\$600) for personal care products, and 2.8 percent (\$1,066) for reading and education. New York City households gave \$923 in charitable contributions.

### Boston

By 1990, the population of Massachusetts had surpassed 6 million, gaining 4.9 percent during the preceding decade. Within the Commonwealth’s borders resided 2.4 percent of the U.S. population. During the same timeframe, the population of Boston had increased 2.0 percent to 574,000—9.5 percent of Massachusetts residents.

Demographically, the median age of

Boston residents was 30.3 years, younger than that recorded for New York City residents but a 1.4-year increase from 1980. Eight out of ten Bostonians were at least 18 years of age, with 6.4 percent younger than 5 and 11.4 percent at least 65. The male-to-female ratio was 92.5 men for every 100 women.

In Boston, the decline in the percentage of the population that was white had continued and stood at 62.8. Blacks represented 25.6 percent; Asians 5.3 percent; and Hispanics, who could be of any race, 10.8 percent. Among city residents, 20.0 percent were foreign born, while 25.6 percent spoke a language other than English at home.

There were 228,000 households in Boston, with an average size of 2.4 people—smaller than that reported for either New York City or the country as a whole. Married couples with at least one child constituted 42.3 percent of these households, female-headed families accounted for 16.5 percent of households, and one-person households made up 35.5 percent of the total. Roughly 1 in 7 families (15.0 percent) lived below the poverty line.

During 1990, there were 9,700 live births in the city—an increase of 26.0 percent from 1980—and 5,700 deaths.

In terms of education, 75.7 percent of Bostonians had at least a high school education, while 30.0 percent had earned at least an undergraduate degree. Both proportions were higher than those recorded in New York City.

There were 251,000 housing units in the city, of which 15.8 percent were single-unit structures, and 43.0 percent contained 5 or more units. Of all city households, 61 percent owned their home (40 percent having a mortgage and 20 percent living mortgage free), while 39 percent were renters. The estimated market value of an owned home was \$104,541, while the estimated monthly rental value of the average home was \$727. Condominiums represented 11.6 percent of all housing units.

As in New York City, the manufacturing sector had continued to contract and represented only 9.9 percent of

Boston's job inventory. Of jobs in other sectors, 16.6 percent were in retail and wholesale trade; 13.3 percent were in health services; 10.8 percent were in finance, insurance, and real estate; and 5.6 percent were in public administration.

Women represented 48.5 percent of the workforce, and their unemployment rate at 8.3 percent was equivalent to the overall city unemployment rate of 8.4 percent. (See chart 31.) In commuting to work, 40.1 percent of residents drove by themselves, 10.5 percent were members of carpools, and 31.5 percent used public transportation. A small percentage of Bostonians (2.2) worked at home.

Average family income had increased 88.9 percent from a decade earlier, to \$51,616. This amount was 32.4 percent higher than average U.S. family income. The components of family income were the following: 82.7 percent (\$42,684) came from wages and salaries; 6.1 percent (\$3,130) came from self-employment income; 7.3 percent (\$3,780) came from Social Security and from private and government retirement; 1.8 percent (\$923) came from interest, dividends, and rental income; 0.4 percent (\$200) came from unemployment and workers' compensation and from veterans' benefits; 0.5 percent (\$245) came from public assistance; 1.0 percent (\$509) came from gifts; and 0.3 percent (\$145) came from other sources.

The average Boston household had an after-tax income of \$48,492, having allotted 6.1 percent of income for taxes: \$2,237 for Federal income taxes, \$855 for State and local income taxes, and \$32 for other taxes.

Average family expenses, \$37,069, had increased 54.4 percent over the preceding decade and were 8.0 percent greater than those of the average U.S. household. This amount would have purchased \$23,724 worth of goods and services in 1984 dollars.

Expenditures for food, clothing, and housing accounted for 53.6 percent (\$19,869) of spending, a proportion

equal to that allocated in 1984-85. The share for food (11.6 percent, \$4,297) had decreased over the decade, while the share for clothing (5.3 percent, \$1,956) had remained level, and the share for housing (36.7 percent, \$13,616) had increased.

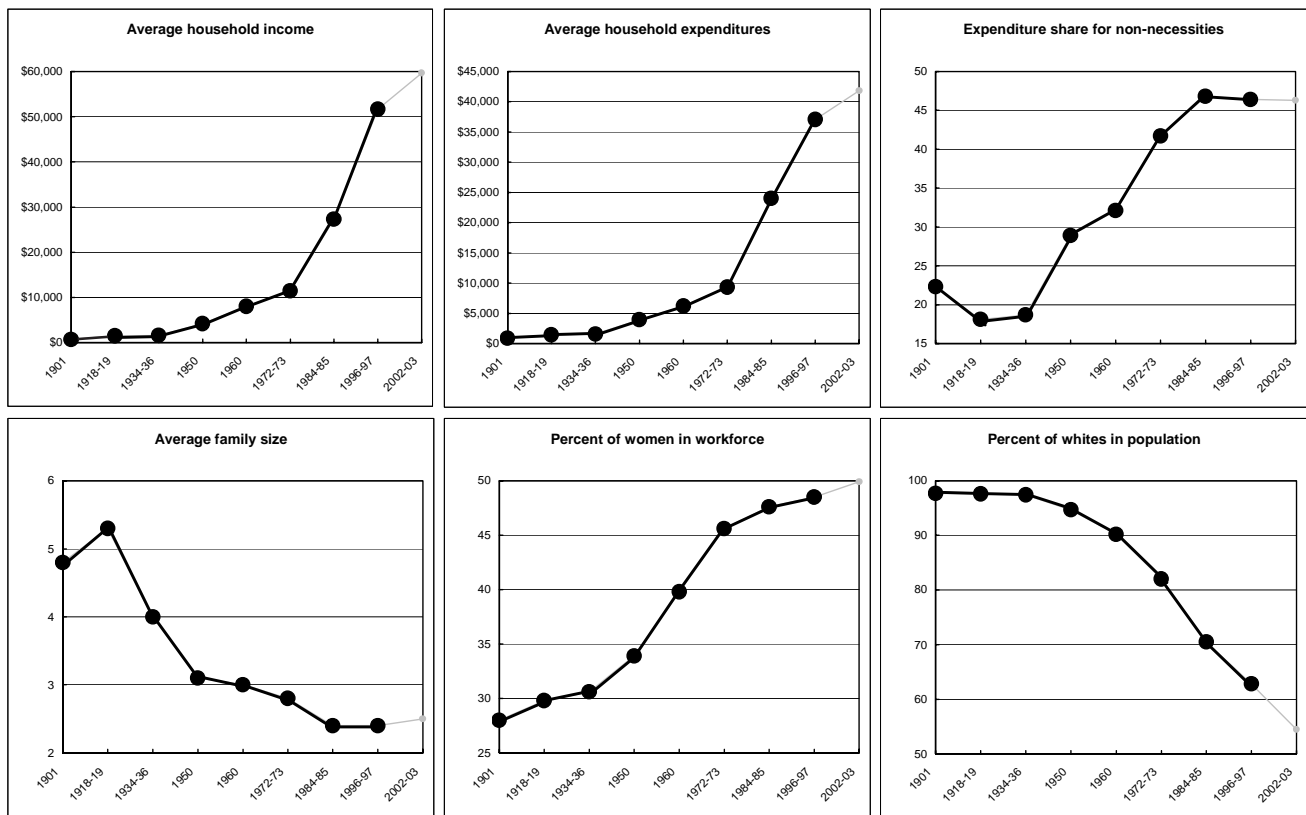
For housing, the average Boston family devoted 61.5 percent (\$8,377) of expenditures to shelter, 18.5 percent (\$2,514) to utilities and fuel, 7.3 percent (\$999) to household operations and supplies, and 12.7 percent (\$1,727) to household furnishings and equipment.

Of total spending for food, food at home accounted for 54.1 percent (\$2,325), an increase from the previous decade. Boston families allocated 25.5 percent (\$594) of grocery purchases for meat, poultry, fish, and eggs; 18.7 percent (\$435) for fruits and vegetables; 17.1 percent (\$397) for cereals and baked goods; and 12.1 percent (\$281) for dairy products. Food away from home accounted for 45.9 percent (\$1,972) of total food spending, a decrease from 1984-85, while 1.2 percent (\$427) of total expenditures went for alcoholic beverages.

Because of falling apparel prices, expenditure shares on clothing in both New York City and Boston had declined, although overall spending on clothing had increased from 1984 levels. Of clothing spending, 40.5 percent (\$793) went for women's and girls' clothes, 21.2 percent (\$414) went for men's and boys' clothing, 5.8 percent (\$114) for infants' clothes, 10.6 percent (\$207) for footwear, and 21.9 percent (\$428) went for other apparel products and services.

As noted above, the average Boston household owned 1.8 vehicles, more than the average for New York City families, but less than the average for all U.S. households. Families allocated 18.1 percent (\$6,698) of their total spending for transportation, with 7.2 percent (\$2,656) going to the purchase of vehicles; 2.8 percent (\$1,056) to gasoline and motor oil; and 6.3 percent (\$2,334) to other vehicle expenses,

Chart 31. Economic and demographic indicators, Boston, 1996–97



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

including financing and maintenance costs.

Additionally, Boston households allotted 4.7 percent (\$1,753) of total spending for healthcare (with 57.2 percent or \$1,002 of this spending allotted for health insurance), 5.4 percent (\$1,995) for entertainment, 1.2 percent (\$461) for personal care products, and 2.3 percent (\$862) for reading and education. Boston households gave \$581 in charitable contributions.

### Perspective

By the mid-1990s, the U.S. economy was in an expansionary cycle, fueled by the dot-com stock market bubble. During the previous decade, household incomes had increased by 66 percent nationwide, but by only 56 percent in New York City and by 89 percent in Boston. Family incomes in Boston were 12.5 percent higher than in New

York City, a shift from previous decades, but New Yorkers spent 4 percent more than did Boston families.

On average, U.S. families spent 96 percent of their after-tax incomes, and New York City families spent 90 percent, while Boston families spent only 76 percent.

Compared with incomes, prices throughout the country had exhibited a more moderate increase. For example, during the previous decade, the cost of 5 pounds of flour had increased 35 percent and the cost of a dozen eggs had risen 11 percent, while the cost of butter had decreased 3 percent.

Families in the country as a whole and in Boston found that the share they spent on necessities equaled what they had spent in the previous decade; New York City families, however, were able to allocate slightly less (3 percent). Distinct shifts took place in the composition of spending for necessities.

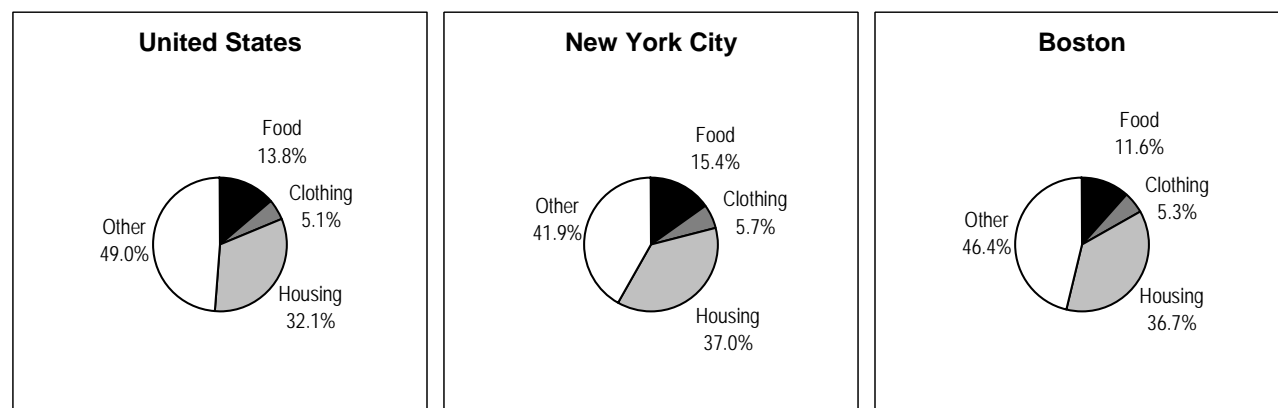
New York City families allocated a greater share of their spending for food (15 percent) than did Boston families (12 percent). (See chart 32 and table 26.) New Yorkers also spent more for food at home, while Bostonians had higher expenditure shares for restaurant meals.

Of grocery store purchases, New York City households allocated greater shares for meat, poultry, fish, and eggs than did Boston families, but smaller shares for dairy products and for cereals and baked goods.

Although households in New York City and in Boston allocated equivalent shares of their expenditures for housing, New Yorkers allotted a greater share of their housing budget for shelter. More New York City families rented than did their Boston counterparts.

Expenditure shares for apparel were similar between New York City and Boston. New Yorkers, however, allot-

Chart 32. Expenditure shares, United States, New York City, and Boston, 1996-97



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 26. Expenditures and expenditure shares, United States, New York City, and Boston, 1996-97

Item	United States		New York City		Boston	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 4,750	13.8	\$ 5,927	15.4	\$ 4,297	11.6
Alcoholic beverages .....	309	.9	443	1.2	427	1.2
Housing .....	11,011	32.1	14,234	37.0	13,616	36.7
Apparel and services .....	1,741	5.1	2,211	5.7	1,956	5.3
Transportation .....	6,420	18.7	5,202	13.5	6,698	18.1
Healthcare .....	1,806	5.3	1,736	4.5	1,753	4.7
Entertainment .....	1,824	5.3	1,791	4.7	1,995	5.4
Personal care products and services .....	520	1.5	600	1.6	461	1.2
Reading and education .....	708	2.1	1,066	2.8	862	2.3
Tobacco .....	259	.8	224	.6	259	.7
Miscellaneous .....	851	2.5	822	2.1	719	1.9
Cash contributions .....	971	2.8	923	2.4	581	1.6
Personal insurance and pensions .....	3,142	9.2	3,291	8.6	3,444	9.3
Average income per family .....	38,983		45,877		51,616	
Average expenditures, all items .....	34,312		38,470		37,069	

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures. Expenditure shares do not add to 100 due to rounding.

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

ted a smaller share of their clothing spending for women's clothing and more for men's clothing than did Bostonians.

Again, increases in standards of living permitted families throughout the country and in New York City and Bos-

ton to spend more than in previous decades for entertainment, recreation, education, reading, and personal care.

Besides the economic changes noted above, demographic changes were underway. The country was aging, with the median age in the United

States having increased to 32.9, in New York City to 33.7, and in Boston to 30.3 years. Women represented 45 percent of the U.S. workforce, and average family size continued to decline, as did the percentage of whites in the population. ■

# 2002-03

## United States

By the 21st century, the U.S. population had exceeded 281 million, a gain of 13.2 percent from the previous decade. Not only had the population grown, but it also had aged: the median age in the country had increased to 35.3 years (36.5 for women and 34.0 for men)—the highest in 100 years.

The percentage of the population younger than 15 had held steady at 21.4. The percentage of Americans who were white was 75.1, a notable drop from the

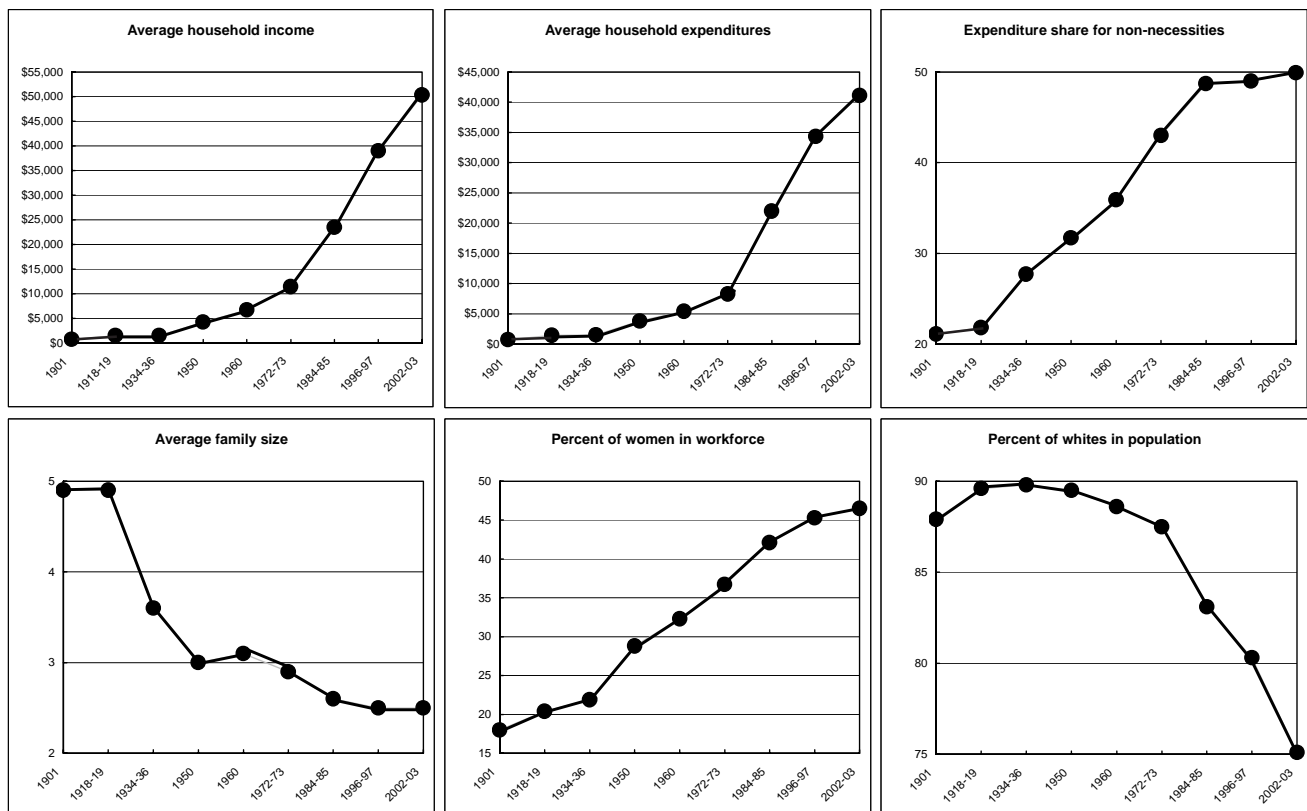
previous decade. (See chart 33.) The male-to-female ratio had increased to 96.3 men for every 100 women.

The size of the average U.S. household had remained 2.5 people, with 29.5 percent of households consisting of only one person, 26.2 percent made up of two people, and 9.9 percent consisting of five or more people. Statistically, the average household contained 0.6 children under 18 and 0.3 people aged 65 or older. The average number of earners was 1.3.

The age of the reference person was

48.2. In 57 percent of households, this individual had attended college; in 37 percent, he or she had attended high school; and in 6 percent, the person had at most an eighth grade education. The highest concentration of reference persons (24.3 percent) was in managerial or professional occupations. After that came technical, sales, or clerical workers (19.2 percent); operators, fabricators, or laborers (9.8 percent); service workers (9.3 percent); construction workers (4.6 percent); and the self-employed (4.4 percent). The share

Chart 33. Economic and demographic indicators, United States, 2002-03



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

of reference persons who were retired was 17.5 percent, and those who were not noted made up 11.0 percent.

Following 10 years of expansion, from March 1991 to March 2001, the country had slipped into an 8-month downturn ending in November 2001. The terrorist attacks on September 11 of that year aggravated the recession, further slowing both the national and regional economies.

Unemployment had risen from 4.0 percent in 2000 to 4.7 percent in 2001, and to 5.8 percent in 2002. Female labor force participation, after peaking in 1991 at 60 percent, had drifted downward to 59.6 percent in 2002. Male labor force participation had declined slightly from 74.8 percent in 2000 to 74.1 percent in 2002. Women made up 46.5 percent of the U.S. workforce. Wages also had increased, especially in services. (See table 27.)

Average family income in the country was \$50,302, an increase of 29.0 percent from the mid-1990s. Sources of family income were varied. For the average family, 80.6 percent (\$40,550) of income came from wages and salaries; 4.3 percent (\$2,186) came from self-employment income; 10.8 percent (\$5,422) came from Social Security and from private and government retirement; 2.0 percent (\$1,013) came from interest, dividends, and rental income; 0.5 percent (\$252) came from unemployment and workers' compensation and from veterans' benefits; 0.7 percent (\$333) came from public assistance; 0.7 per-

cent (\$377) came from gifts; while 0.3 percent (\$169) came from other sources.

The average U.S. family had an after-tax income of \$47,787, having allocated 5.0 percent of income for taxes: \$1,843 for Federal income taxes, \$504 for State and local income taxes, and \$168 for other taxes. Of all U.S. families, 3.7 percent earned less than \$5,000, 10.9 percent earned between \$20,000 and \$29,999, and 17.1 percent earned \$70,000 or more.

Average household expenses, \$40,748, had grown by 18.8 percent from the mid-1990s. This amount would have purchased \$35,827 worth of goods and services in 1996 dollars. Consumer prices, after averaging a gain of 3.4 percent in 2000, had increased at a rate of 2.8 percent in 2001 and 1.6 percent in 2002.

Expenditures for food, clothing, and housing accounted for 50.1 percent of household spending, a slightly lower share than that recorded during the mid-1990s. The share for food had declined from 13.8 percent in 1996-97 to 13.1 percent (\$5,357); the share for clothing had decreased notably, to 4.2 percent (\$1,694); and the share for housing had increased slightly, to 32.8 percent (\$13,359).

Of total spending on housing, the average U.S. family allotted 58.8 percent (\$7,859) for shelter, 20.6 percent (\$2,749) for fuels and utilities, 9.3 percent (\$1,243) for household operations and supplies, and 11.2 percent for furnishings and equipment. Two-thirds of U.S. households (67 percent) owned

their home (41 percent with a mortgage and 26 percent without a mortgage), while 33 percent rented. The estimated market value of the average home was \$114,522, and its estimated monthly rental value was \$735.

Regarding food, 58.1 percent (\$3,114) of the average household's expenditures went for food at home, while 41.9 percent (\$2,243) went for food away from home. Less than 1 percent of total spending was allocated for alcoholic beverages. Grocery spending was divided as follows: 26.0 percent (\$812) was for meat, poultry, fish, and eggs; 17.5 percent (\$544) was for fruits and vegetables; 14.3 percent (\$446) was for cereals and baked goods; and 10.5 percent (\$328) was for dairy products. Table 28 provides retail prices for selected food items.

Of family spending on clothing, 39.0 percent (\$669) was for women's and girls' clothing, 23.0 percent (\$390) was for men's and boys' apparel, 4.8 percent (\$82) was for infants' clothing, 17.9 percent (\$303) was for footwear, and 14.7 percent (\$249) was for other apparel products and services.

As noted, 88 percent of U.S. families owned at least one motor vehicle, with the average family owning 2.0. These households allotted 19.1 percent (\$7,770) of their total spending for transportation expenses, with 9.1 percent (\$3,699) for the purchase of vehicles; 3.2 percent (\$1,285) for gasoline and motor oil; and 5.9 percent (\$2,400) for other vehicle expenses, including

Table 27. Hourly wages for selected industries, United States, 2002

Year	Manu- facturing	Mining	Con- struction	Transpor- tation	Communi- cations and public utilities	Trade	Finance, insurance, and real estate	Services	Govern- ment
1901 .....	\$ 0.23	\$ 0.26	\$ 0.28	\$ 0.24	\$ 0.24	\$ 0.25	\$ 0.50	\$ 0.17	\$ 0.28
1918 .....	.53	.67	.57	.61	.42	.45	.69	.31	.49
1935 .....	.58	.55	.49	.72	.71	.61	.78	.42	.62
1950 .....	1.59	1.66	1.60	1.79	1.61	1.46	1.55	1.05	1.45
1960 .....	2.57	2.73	2.62	2.97	2.73	2.21	2.42	1.69	2.25
1970 .....	3.92	4.45	4.47	4.77	4.28	3.31	3.86	2.86	3.83
1979 .....	6.69	6.16	9.26	8.18	7.85	5.06	5.28	5.36	(n/a)
1996 .....	12.78	15.60	15.43	14.52	16.04	10.41	12.80	11.80	16.73
2002 .....	15.30	17.77	18.87	17.29	(n/a)	13.13	16.35	15.24	18.80

SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey and Quarterly Census of Employment and Wages



Table 28. Retail prices of selected foods in U.S. cities, 2003

Year	Flour 5 lb.	Round steak lb.	Pork chops lb.	Bacon lb.	Butter lb.	Eggs dozen	Milk 1/2 gallon
1901 .....	\$ 0.13	\$ 0.14	\$ 0.13	\$ 0.16	\$ 0.27	\$ 0.22	\$ 0.14
1918 .....	.34	.37	.39	.53	.58	.57	.28
1934 .....	.25	.28	.26	.29	.32	.33	.22
1950 .....	.49	.94	.75	.64	.73	.60	.41
1960 .....	.55	1.06	.86	.66	.75	.57	.52
1970 .....	.59	1.30	1.16	.95	.87	.61	.66
1984 .....	1.07	2.91	2.38	1.86	2.11	1.00	1.13
1996 .....	1.44	3.12	3.41	2.47	2.05	1.11	1.56
2003 .....	1.56	3.84	3.13	3.20	2.81	1.24	n/a

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

financing and maintenance costs.

Additionally, the average U.S. household allotted 5.9 percent (\$2,384) of total spending for healthcare, with 50.8 percent (\$1,210) going for health insurance premiums; 5.1 percent (\$2,069) for entertainment; 1.3 percent (\$526) for personal care products; and 2.2 percent (\$901) for reading and education. Families donated \$1,324

in charitable contributions.

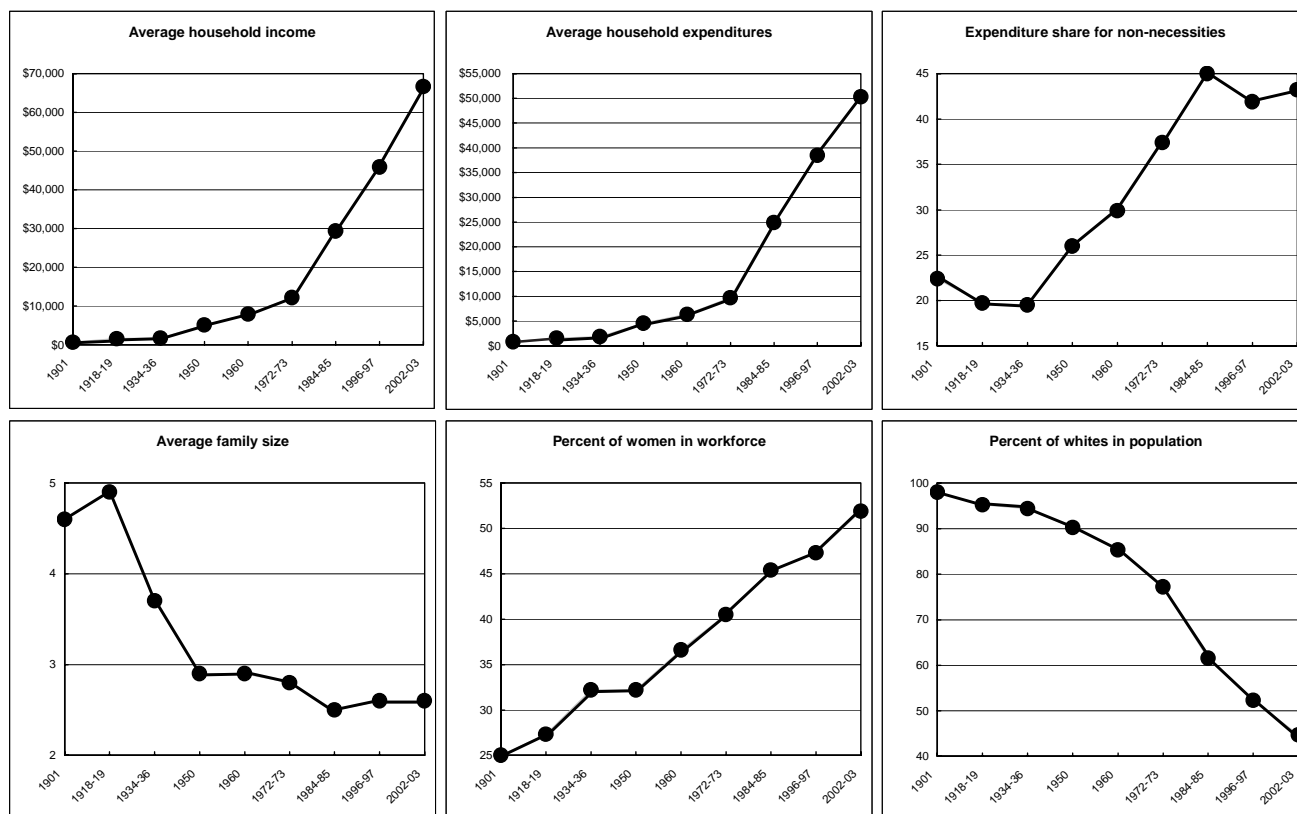
### New York City

At the beginning of this century, the population of New York State had reached 19.0 million, an increase of 5.5 percent over the decade. New York residents made up 6.7 percent of the U.S. population. Meanwhile, New York

City's population had increased 9.4 percent, surpassing 8.0 million and accounting for 42.2 percent of the State's total.

There were 3.0 million households in New York City, with an average size of 2.6 people, slightly larger than the average for the United States. (See chart 34.) Married couples with at least one child accounted for 47.4 percent of

Chart 34. Economic and demographic indicators, New York City, 2002-03



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

these households, female-headed families made up 19.1 percent of households, and one-person households constituted 31.9 percent of the total. Slightly less than one-fifth (18.5 percent) of households lived below the poverty level.

Demographically, the city was aging: the median age had risen slightly to 34.2. Three-quarters of the population was 18 or older, with 6.8 percent younger than 5 and 11.7 percent aged 65 or older. The male-to-female ratio was 90.0 men for every 100 women.

The percentage of residents who were white had dwindled to less than half (44.7 percent), while blacks made up 26.6 percent of the population; Asians, 9.8 percent; and Hispanics, who may be of any race, 27.0 percent. Of all city residents, 35.9 percent were foreign born, 52.6 percent of them from Latin America. In 47.6 percent of city households, a language other than English was spoken.

During 2000, there were 121,000 live births in the city—a decline of 4.7 percent from 1990—and 60,000 deaths.

In terms of educational attainment, 72.3 of all New Yorkers had graduated from high school, and 27.4 percent had earned at least a bachelor's degree—both higher percentages than in 1990.

In a sign that the population had become slightly less mobile than in the 1970s, 61.0 percent of residents had lived in the same dwelling for the last 5 years.

Occupationally, 36.8 percent of New Yorkers held managerial or professional positions, 27.4 percent worked in sales or office positions, 18.6 percent held service positions, 10.9 percent were employed in production or transportation, and 6.4 percent worked in construction or maintenance.

As for the city's job base, 23.4 percent of jobs were in education, healthcare, or social services; 12.1 percent in retail or wholesale trade; 11.9 percent in professional, scientific, and managerial fields; 11.4 percent in finance, insurance, and real estate; 8.3 percent in the arts, entertainment, rec-

reation, food, and accommodations sectors; 6.6 percent in manufacturing; 6.5 percent in transportation, warehousing, or utilities; 5.3 percent in information; 4.5 percent in public administration; and 4.3 percent in construction.

For the first time, women represented more than half of the New York City workforce (51.9 percent). The overall unemployment rate was 5.5 percent. In commuting to work, 24.9 percent of city residents drove alone, 8.0 percent were in carpools, and 52.8 percent used public transportation.

Average household income had risen 45.3 percent from 1996–97 to \$66,643, 32.5 percent higher than average U.S. family income. Of family income, 86.6 percent (\$57,741) came from wages and salaries; 3.4 percent (\$2,248) came from self-employment income; 6.8 percent (\$4,503) came from Social Security and from private and government retirement; 1.7 percent (\$1,122) came from interest, dividends, and rental income; 0.4 percent (\$262) came from unemployment and workers' compensation and from veterans' benefits; 0.6 percent (\$406) came from public assistance; 0.4 percent (\$262) came from gifts; and 0.1 percent (\$99) came from other sources.

The average New York City family had an after-tax income of \$63,884, having allotted 4.1 percent of income for taxes: \$1,969 for Federal income taxes, \$641 for State and local income taxes, and \$148 for other taxes.

Average household expenses, \$50,319, had risen 30.8 percent during the same period and were 23.5 percent greater than those of the average U.S. family. This sum would have purchased \$42,267 worth of goods and services in 1996 dollars.

Expenditures for food, clothing, and housing accounted for 56.7 percent (\$28,562) of family spending, a decrease from the 1996–97 level. The shares for food (13.9 percent, \$7,005) and clothing (5.2 percent, \$2,638) had decreased, while the share for housing had risen slightly (37.6 percent, \$18,919).

There were 3.2 million housing units in the city, of which 16.7 percent were single-unit structures, and 60.8 percent contained five or more units. The size of the average unit was 3.8 rooms. Of city households, 55 percent were homeowners (35 percent having a mortgage and 21 percent living mortgage free), and 45 percent were renters. The estimated market value of a home was \$178,654, which translated into a monthly rental value of \$1,061.

Of total spending on housing, the average city household allotted 65.6 percent (\$12,402) for shelter, 16.1 percent (\$3,055) for utilities and fuel, 9.5 percent (\$1,796) for furniture and equipment, and 5.9 percent (\$1,113) for household operations.

Food at home accounted for 54.4 percent (\$3,808) of food expenditures. Of this spending, New Yorkers allotted 28.3 percent (\$1,079) for meat, poultry, fish, and eggs; 19.2 percent (\$732) for fruits and vegetables; 15.0 percent (\$570) for cereals and bakery products; and 10.4 percent (\$396) for dairy products. Food away from home accounted for 45.6 percent (\$3,197) of total food spending. Alcoholic beverages claimed 0.9 percent (\$469) of total spending.

Of spending for clothing, 38.2 percent (\$1,008) went for women's and girls' clothes, 22.3 percent (\$587) for men's and boys' clothes, 3.8 percent (\$101) for infants' apparel, 19.0 percent (\$502) for footwear, and 16.6 percent (\$439) for other apparel products and services.

As noted earlier, the average New York City household owned 1.4 vehicles, compared with 2.0 for the average U.S. family. City families allotted 15.4 percent (\$7,729) of their total spending for transportation expenses, with 5.8 percent (\$2,928) for the purchase of vehicles; 2.2 percent (\$1,101) for gasoline and motor oil; and 5.3 percent (\$2,658) for other vehicle expenses, including financing and maintenance costs.

Additionally, New York City households allotted 4.4 percent (\$2,235) of total spending for healthcare (with 55.8

percent or \$1,208 of this amount allotted for health insurance), 4.7 percent (\$2,350) for entertainment, 1.3 percent (\$643) for personal care products, and 2.8 percent (\$1,426) for reading and education. New Yorkers gave \$949 in charitable contributions.

### Boston

By 2000, the population of Massachusetts had reached 6.3 million—a gain of 5.5 percent over the decade—and accounted for 2.3 percent of the U.S. population. During the same period, the population of Boston had risen to 590,000, a gain of 2.6 percent, and represented 9.3 percent of the Commonwealth's residents.

In the city there were 240,000 households, with an average size of 2.5 people, slightly smaller than the average New York City household. (See chart 35.) Married couples with at least

one child accounted for just 42.9 percent of Boston households, while female-headed families made up 16.4 percent and one-person households were 37.1 percent of the total. Roughly 1 in 7 families (15.3 percent) lived below the poverty level.

Demographically, Boston's population was aging. The median age had increased to 31.1 but still was younger than that recorded in New York City. Four out of five Bostonians were at least 18 years of age, 5.4 percent were younger than 5, and 10.4 percent were 65 or older. The male-to-female ratio was 92.8 men for every 100 women.

Whites represented 54.5 percent of the city's residents, while blacks accounted for 25.3 percent and Asians 7.5 percent. Hispanics, who may be of any race, made up 14.4 percent of the population. One-fourth (25.8 percent) of the residents were foreign born, and in 33.4 percent of households, a lan-

guage other than English was spoken.

During 2000, there were 8,100 live births in the city—a decline of 16.5 percent from 1990—and 4,500 deaths.

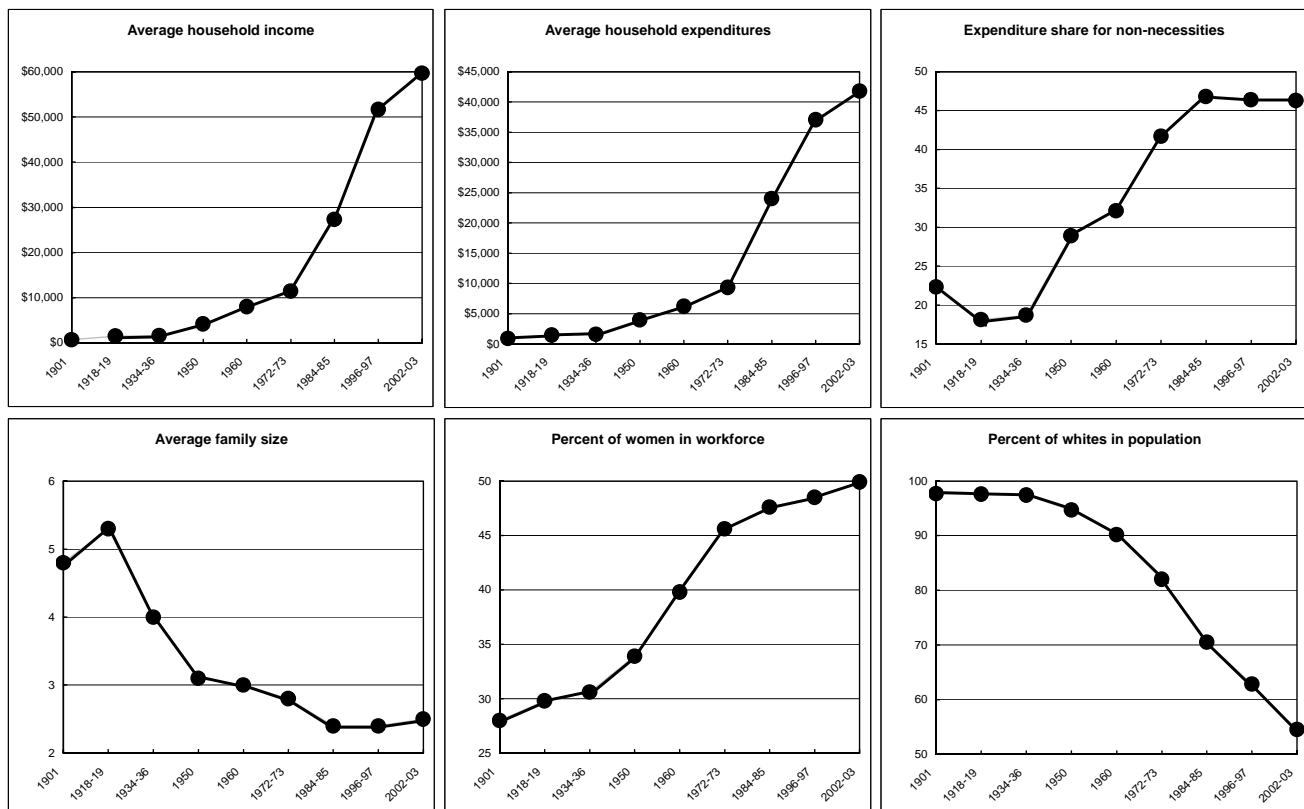
In terms of education, 78.9 percent of Bostonians had graduated from high school, and 35.6 percent had earned at least a bachelor's degree.

Nearly half (47.8 percent) of residents had lived in the same dwelling for the past 5 years. This percentage was lower than it had been in the early 1970s (49.9 percent).

Occupationally, 43.3 percent of Bostonians worked in management or in the professions, 25.6 percent in sales or office positions, 17.8 percent in service jobs, 8.3 percent in production or transportation, and 4.9 percent in construction or maintenance.

Boston workers were employed in numerous sectors, with the highest concentration (26.8 percent) in education, healthcare, and social services.

Chart 35. Economic and demographic indicators, Boston, 2002-03



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

After that, 14.9 percent were in professional, scientific, or management fields; 10.4 percent were in finance, insurance, or real estate; 10.4 percent were in retail or wholesale trade; 9.2 percent were in the arts, entertainment, recreation, food service, or accommodations sectors; 6.1 percent were in manufacturing; 5.1 percent were in public administration; 4.4 percent were in information; 4.1 percent were in transportation, warehousing, or utilities; and 3.8 percent were in construction.

Women represented 49.9 percent of Boston's workforce. The unemployment rate in the city was 4.6 percent. In commuting to work, 41.5 percent of residents drove alone, while 9.2 percent participated in carpools, and 32.3 percent used public transportation.

Average family income in Boston was \$59,648, 18.6 percent higher than the income of the average U.S. family and 15.6 percent more than that reported for Bostonians in the mid-1990s. The portion of the average family income that came from wages and salaries was up to 86.5 percent (\$51,614) from 82.7 percent (\$37,068) in 1996–97. As for the other components, 2.8 percent (\$1,647) came from self-employment income; 6.6 percent (\$3,957) came from Social Security and from private and government insurance; 2.1 percent (\$1,227) came from interest, dividends, and rental income; 0.4 percent (\$239) came from unemployment and workers' compensation and from veterans' benefits; and 0.7 percent came from public assistance.

The average Boston household had an after-tax income of \$57,252, having allotted 4.0 percent of income for taxes: \$1,726 for Federal income taxes, \$587 for State and local income taxes, and \$83 for other taxes.

Average household expenses, \$41,814, had increased 12.8 percent from the mid-1990s and were 2.6 percent more than the expenditures of the average U.S. household. This amount would have purchased \$33,451 worth of goods and services in 1996 dollars.

Expenditures for food, clothing, and

housing accounted for 53.8 percent (\$22,448) of spending, an increase from 1996. The share for food (13.5 percent, \$5,627) had increased, the share for clothing (3.9 percent, \$1,610) had decreased, and the share for housing (36.4 percent, \$15,211) had remained constant.

There were 252,000 housing units in the city, of which 16.6 percent were single-unit structures, and 42.6 percent contained 5 or more units. The average size of these units was 4.2 rooms. Among Boston households, 59 percent were homeowners (37 percent having a mortgage and 22 percent living mortgage free), while 41 percent were renters. The estimated market value of a home was \$183,467, which translated into a monthly rental value of \$1,051.

Of total spending on housing, the average Boston family allotted 66.7 percent (\$10,145) for shelter, 17.6 percent (\$2,676) for utilities and fuels, 8.0 percent (\$1,212) for furniture and equipment, and 7.8 percent (\$1,179) for household operations and supplies.

Food at home accounted for 58.7 percent (\$3,303) of food expenditures, an increase from the mid-1990s. Of this spending, Boston families allocated 27.2 percent (\$897) for meat, poultry, fish, and eggs; 17.0 percent (\$557) for fruits and vegetables; 15.0 percent (\$495) for cereals and bakery products; and 10.8 percent (\$356) for dairy products. Food away from home accounted for 41.3 percent (\$2,324) of total food spending, a decrease from 1996, while 1.0 percent (\$389) of total expenditures went for alcoholic beverages.

Women's and girls' clothing accounted for the largest share of spending on clothing, 38.7 percent (\$623). Beyond that, 20.4 percent (\$329) went for men's and boys' clothing, 5.9 percent (\$95) for infants' clothes, 20.6 percent (\$332) for footwear, and 14.5 percent (\$233) for other apparel products and services.

The average Boston household owned 1.6 vehicles, more than the average for New York City, but less than the average for the United States. House-

holds allocated 17.2 percent (\$7,175) of their spending on transportation, distributed as follows: 8.4 percent (\$3,518) on the purchase of vehicles; 2.8 percent (\$1,159) on gasoline and motor oil; and 5.0 percent (\$2,074) for other vehicle expenses, including financing and maintenance costs.

Additionally, Boston households allotted 4.8 percent (\$2,007) of total spending for healthcare (with 63.7 percent or \$1,278 of this spending allotted for health insurance), 4.8 percent (\$2,019) for entertainment, 1.2 percent (\$496) for personal care products, and 3.1 percent (\$1,281) for reading and education. Boston households gave \$1,016 in charitable contributions. (See chart 36 and table 29.)

## Perspective

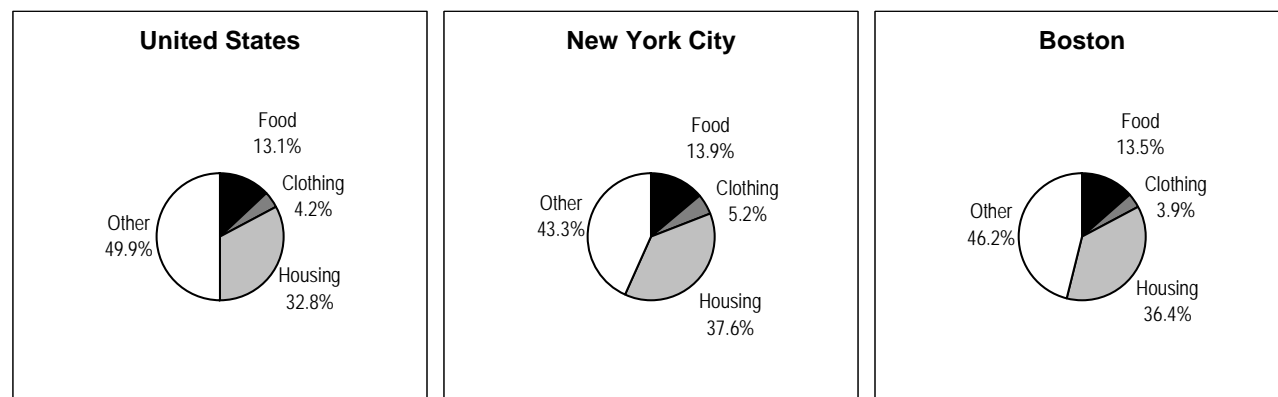
As the 21st century began, the U.S. economy, which had been expanding for a decade, stalled and entered a recession that was aggravated by the tragedy of 9/11. Nonetheless, household incomes continued to increase, having risen over the decade by 29 percent nationwide, 45 percent in New York City, and 16 percent in Boston. By 2002–03, average family income in New York City exceeded that in Boston by 12 percent.

The average U.S. family spent 85 percent of its after-tax income, while New York City families spent 79 percent, and Boston families spent 73 percent. Total expenditures of New York City households exceeded those of Boston households by 20 percent.

Prices throughout the country had increased at a more moderate rate since 1996 than during the previous decade. The cost of a pound of round steak, for example, had risen 23 percent; the cost of a dozen eggs was up 12 percent; and the price of a pound of butter had increased 37 percent.

Demographic change had continued to alter U.S. households, including those in New York City and Boston. The median age in the country had risen to 35.3, the oldest in a cen-

Chart 36. Expenditure shares, United States, New York City, and Boston, 2002-03



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 29. Expenditures and expenditure shares, United States, New York City, and Boston, 2002-03

Item	United States		New York City		Boston	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 5,357	13.1	\$ 7,005	13.9	\$ 5,627	13.5
Alcoholic beverages .....	384	.9	469	.9	504	1.2
Housing .....	13,359	32.8	18,919	37.6	15,211	36.4
Apparel and services .....	1,694	4.2	2,638	5.2	1,610	3.9
Transportation .....	7,770	19.1	7,729	15.4	7,175	17.2
Healthcare .....	2,384	5.9	2,235	4.4	2,007	4.8
Entertainment .....	2,069	5.1	2,350	4.7	2,019	4.8
Personal care products and services .....	526	1.3	643	1.3	496	1.2
Reading and education .....	901	2.1	1,426	2.8	1,281	3.1
Tobacco .....	305	.7	266	.5	273	.7
Miscellaneous .....	698	1.7	771	1.5	473	1.1
Cash contributions .....	1,324	3.2	949	1.9	1,016	2.4
Personal insurance and pensions .....	3,978	9.8	4,918	9.8	4,121	9.9
Average income per family .....	50,302		66,643		59,648	
Average expenditures, all items .....	40,748		50,319		41,814	

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures. Expenditure shares do not add to 100 due to rounding.  
SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

tury, while in New York City it was 34.2 and in Boston, 31.1.

Average family size in the country had held steady at 2.5, the same figure recorded for Boston. New York City households were slightly larger, with 2.6 people.

For the first time, women constituted the majority (52 percent) of New York City's workforce, while women's share of the workforce approached 50 percent in Boston and was less for the country as a whole.

Two-thirds of Americans owned their home, while the percentages in New York City and Boston were lower—55 and 57, respectively.

On average, U.S. families devoted 50 percent of their budget to spending for necessities, while households in New York City and Boston allotted higher shares—57 percent and 54 percent, respectively.

Housing expenditure shares, particularly those for shelter, were equivalent in New York City and Boston. Boston families, however, allotted larger shares of their housing spending for utilities and fuel and less for household operations than did their New York City counterparts.

Expenditure shares for food also were similar in the two cities, although New York City families spent slightly

more for food at home. In buying groceries, New Yorkers allocated more for meat, poultry, fish, eggs, fruits, vegetables, cereal, and baked goods than did Bostonians, who spent more on dairy products.

New York City households allocated greater expenditure shares for clothing overall and for women's apparel than did households in Boston, which spent more on men's clothing.

Spending for transportation, reading and education, healthcare, and personal care continued to represent important components of family expenditures throughout the country and in New York City and Boston. ■

# Reflections

Over the past 100 years, the economic and demographic profiles of households in the United States, including those in New York City and in Boston, have changed significantly. These shifts, largely positive, have been both dramatic and gradual. They are manifested not only in income and expenditure patterns, but also in family structure and social transformation. In many ways, the only thread of commonality between U.S. households in 1901 and in 2002–03 is their geographic location.

Family characteristics were transformed. In 1901, the size of the average

U.S. family was 4.9 people; by 2002–03, it had been reduced to 2.5, the average family size in New York City to 2.7, and the average family size in Boston to 2.3.

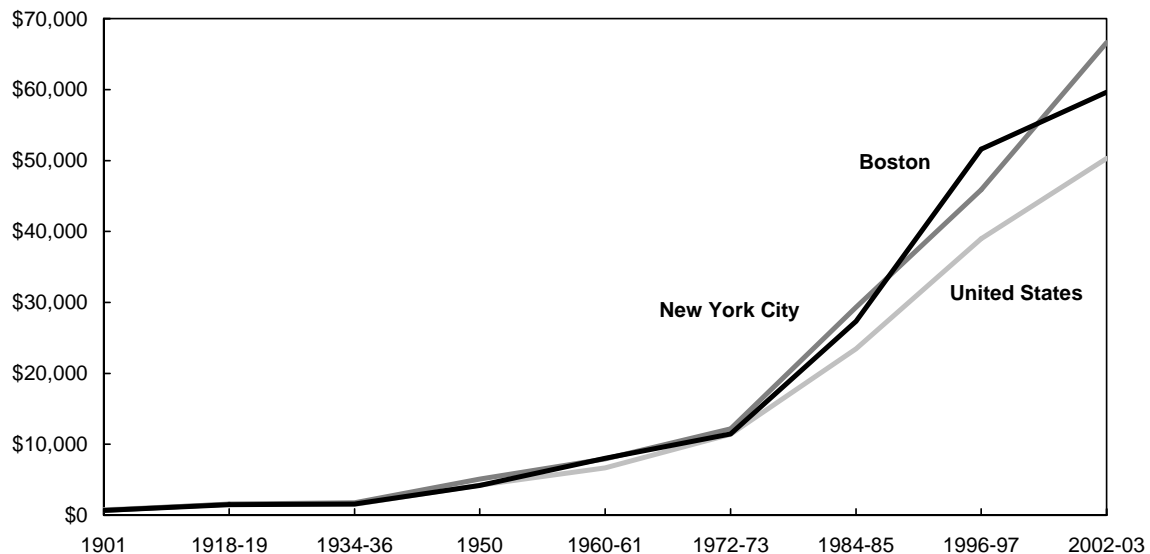
Women entered the workforce in large numbers. In 1901, women made up 25.0 percent of New York City’s labor force and 28 percent of Boston’s. By 2000, 51.9 percent of the people working in New York City were women, while in Boston women constituted 49.9 percent of all workers.

Standards of living rose, and nowhere was the effect more apparent than in household incomes over the 100-year

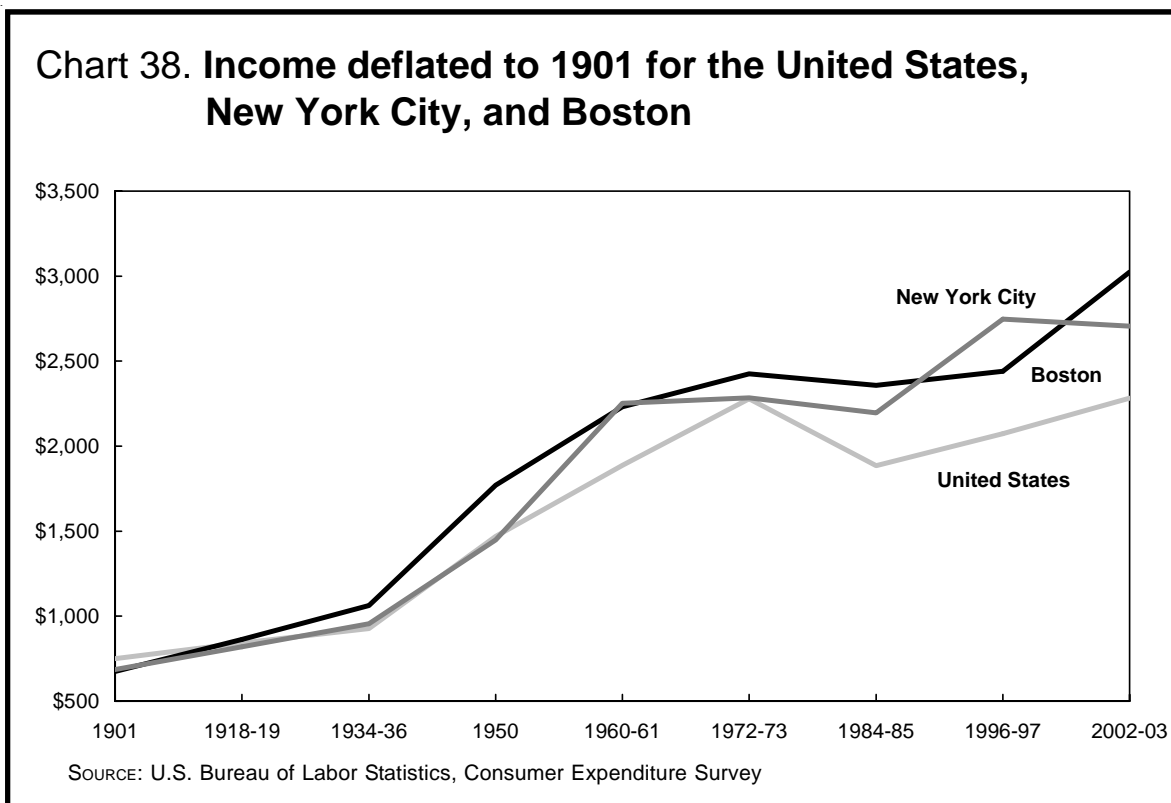
period. In 1901, the average U.S. family earned \$750. By 2002–03, family incomes in the United States had increased 67-fold, to \$50,302. (See chart 37.)

Significantly, this increase in incomes was real, as can be seen when incomes are adjusted for inflation. (See chart 38.) As noted, in 1901 the average U.S. family’s income was \$750. In 2002–03, this family’s real income, expressed in 1901 dollars, would have increased threefold, to \$2,282. The increase for New York City families was by a factor of 4.5, to \$3,023; the increase for Boston families was fourfold, to \$2,706.

**Chart 37. Income for the United States, New York City, and Boston**



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey



The sources of incomes changed, too. In 1901, the average U.S. family received 90.5 percent of its income from the earnings of family members, with 9.5 percent of these earnings contributed by children. By the 21st century, only 80.7 percent of family income came from the direct earnings of family members. Interestingly, in 2002-03 in New York City and Boston, family earnings constituted a greater proportion of household income than they did in the country as a whole. In New York City, family members' earnings contributed 85.0 percent to total household income; in Boston, family earnings contributed 89.0 percent.

During the 100-year period, household expenditure patterns also demonstrated great variability. In 1901, the average U.S. household had \$769 in expenditures. By 2002-03, these expenditures had increased 53-fold, to \$40,748. Over the same period, expenditures in New York City had increased 62-fold, from \$814 to \$50,319, while in

Boston, the increase was 48-fold, from \$880 to \$41,814. (See chart 39.)

In real dollars, calculated with 1901 as the base, expenditures also demonstrated a notable increase. In 1901, as noted, the average U.S. family had \$769 in expenditures. By 2002-03, that family's expenditures would have risen to \$1,848, a 2.4-fold increase. In New York City the increase would have been 2.8-fold, from \$814 to \$2,283; in Boston the increase would have been 2.2-fold, from \$880 to \$1,897. (See chart 40.)

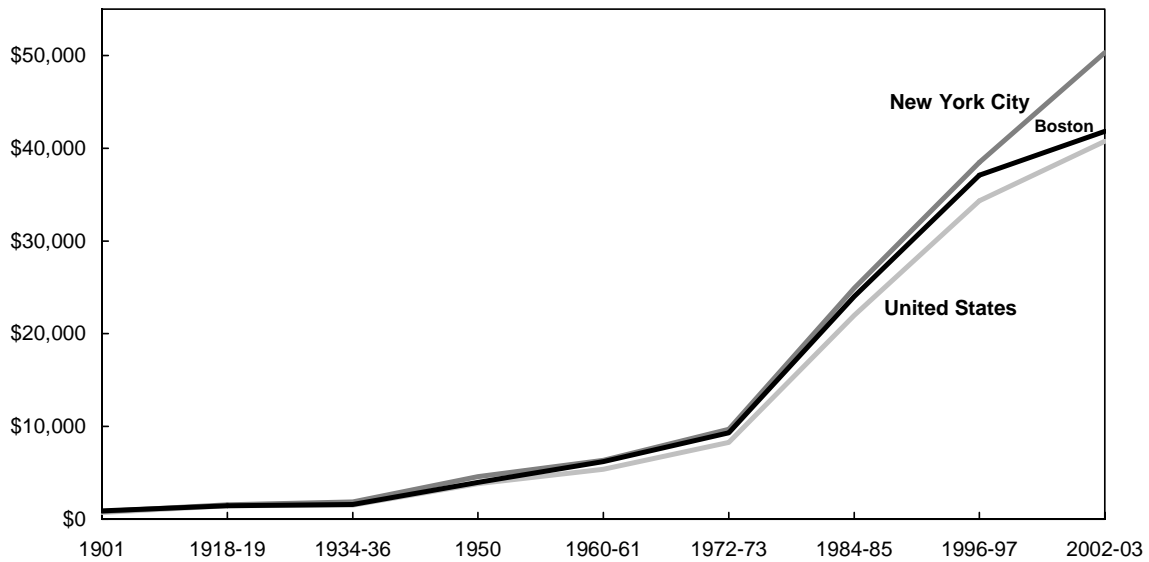
The material well-being of families in the United States improved dramatically, as demonstrated by the change over time in the percentage of expenditures allocated for food, clothing, and housing. In 1901, the average U.S. family devoted 79.8 percent of its spending to these necessities, while families in New York City spent 80.3 percent, and families in Boston allocated 86.0 percent. By 2002-03, allocations on necessities had been reduced substantially, for U.S. families to 50.1 percent

of spending, for New York City families to 56.7 percent, and for Boston families to 53.8 percent. (See chart 41.)

The continued and significant decline over the century in the share of expenditures allocated for food also reflected improved living standards. In 1901, U.S. households allotted 42.5 percent of their expenditures for food; by 2002-03, food's share of spending had dropped to just 13.2 percent. For New York City households, the expenditure share had declined from 43.6 percent to 13.9 percent; for Boston households, the decline was from 41.7 percent to 13.5 percent. (See chart 42.)

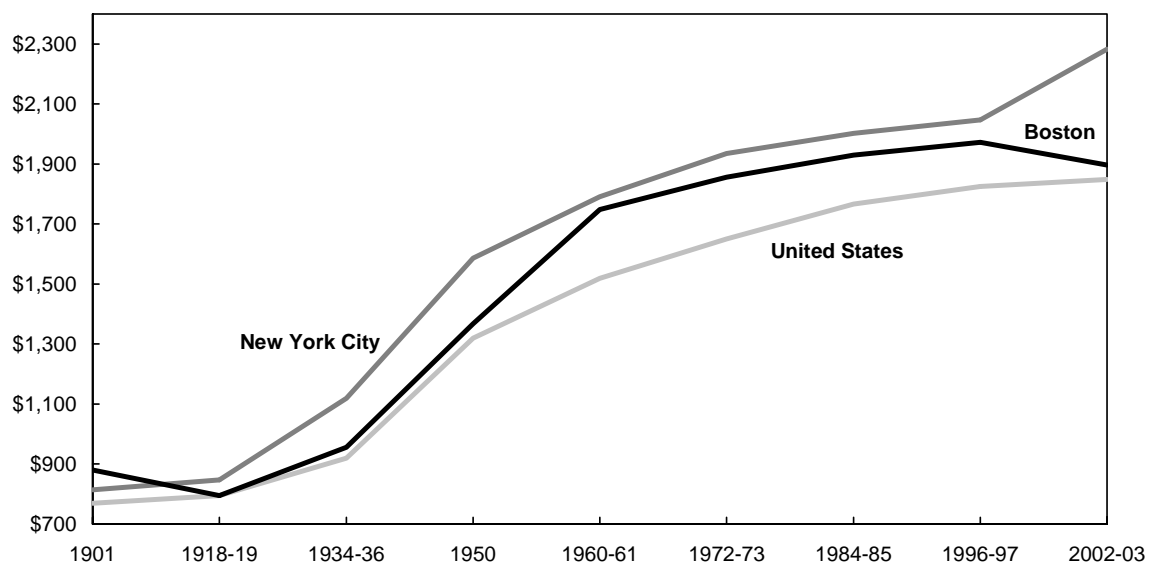
Beginning in the 1970s, another trend emerged in spending for food. At the time, the average U.S. family allocated 72.4 percent of food expenditures for food eaten at home and 26.4 percent for food eaten away from home. In New York City, a similar pattern held: households allocated 72.2 percent of their food spending for food eaten at home and 26.7 percent for food eaten

**Chart 39. Expenditures for the United States, New York City, and Boston**



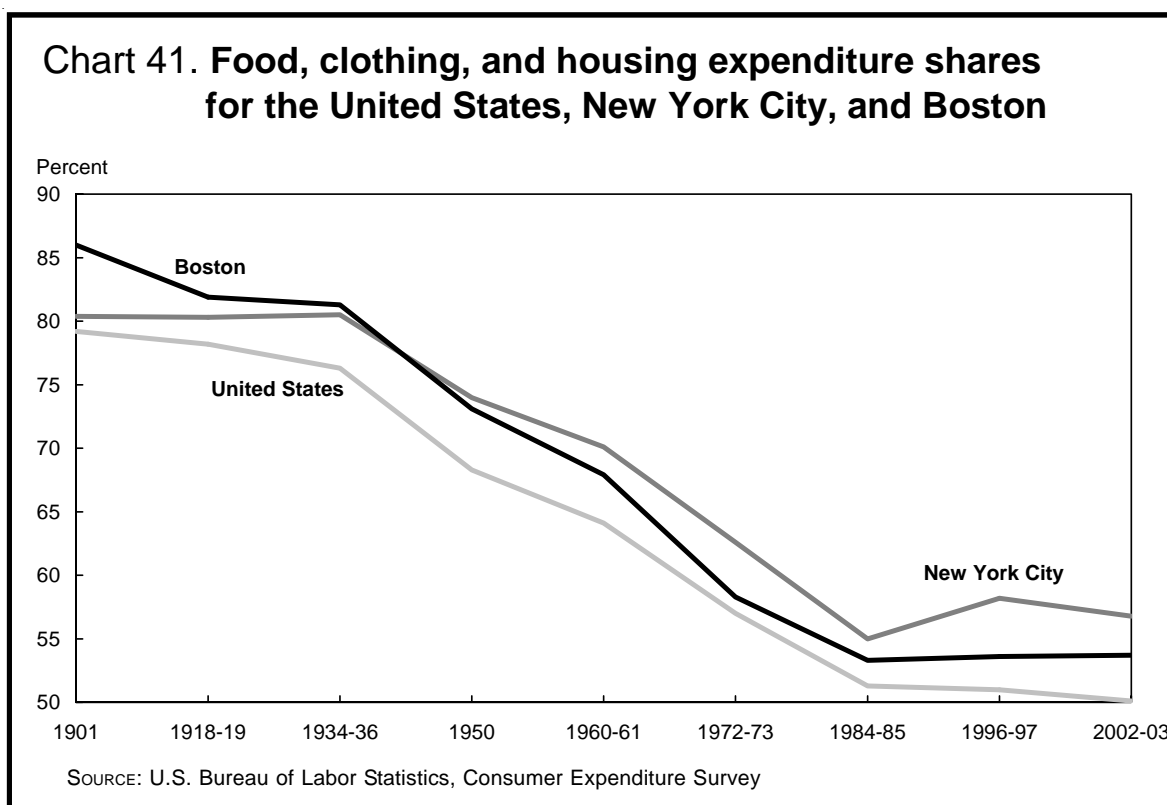
SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

**Chart 40. Expenditures deflated to 1901 for the United States, New York City, and Boston**



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey





away from home. Boston family food expenditure patterns were different, with 66.1 percent of food spending allocated for food at home and 33.5 percent allocated for food eaten away from home.

By the 21st century, however, the average U.S. family allocated just 58.1 percent of food spending for food eaten at home and 41.9 percent for food eaten away from home. Similar patterns existed in New York City and in Boston: the allocations in New York City were 54.4 percent and 45.6 percent, respectively; in Boston, they were 58.7 percent and 41.3 percent.

Changes in diets also occurred over the 100-year period. In 1901, New York City families allocated 40.4 percent of their grocery expenditures for meat, poultry, fish, and eggs; 16.3 percent for dairy products; 14.5 percent for fruits and vegetables; and 11.0 percent for cereals and bakery products. Among Boston families, the allocations for these four categories of items were 48.4

percent, 17.5 percent, 8.3 percent, and 9.2 percent, respectively.

By 2002–03, grocery expenditure shares for meat, poultry, fish, and eggs had decreased to 28.3 percent in New York City and to 27.2 percent in Boston. Shares for dairy products had decreased to 10.4 percent in New York City and 10.8 percent in Boston; shares for fruits and vegetables had increased to 19.2 percent in New York City and 17.0 percent in Boston; and shares for cereals and bakery products had increased to 15.0 percent in both cities.

Home ownership shifted markedly. In 1901, 19 percent of Americans owned their home, while in 2002–03, 67 percent of U.S. families did. In 2002–03, 56 percent of New York City households owned their home, while in Boston, the share was greater: 59 percent.

With greater home ownership and higher housing costs, in the 1960s family spending for housing became the most significant item in household budgets, displacing spending on food.

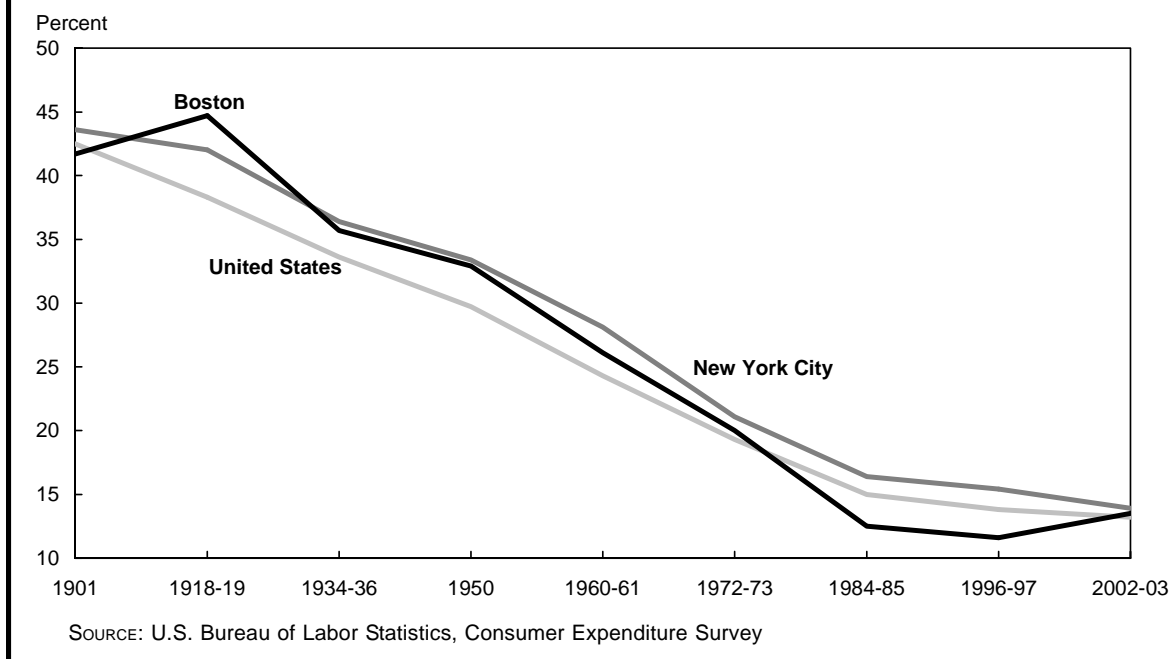
Spending for shelter constituted the single largest segment of the average family’s housing expenditures: 62.5 percent in the country as a whole, 62.7 percent in New York City, and 66.8 percent in Boston.

Forty years later, in 2002–03, shelter costs represented 19.3 percent of total household expenditures in the country as a whole, 24.6 percent in New York City, and 24.3 percent in Boston. In other words, 1 out of every 4 dollars spent by New York City and Boston families went for shelter.

With the rise in expenditures for shelter came an increase in spending for utilities. In the 1970s, the average U.S. family allotted 4.9 percent of total spending for utilities; the average New York City family, 3.8 percent; and the average Boston household, 4.9 percent. By 2002–03, shares of total spending for utility costs were 6.7 percent, 6.1 percent, and 6.4 percent.

Over the 100-year period, expenditure shares for clothing steadily de-

**Chart 42. Food expenditure shares for the United States, New York City, and Boston**



clined. In 1901, the average U.S. household allocated 14.0 percent of total spending for apparel, while households in New York City allocated 13.0 percent on average, and households in Boston, 14.4 percent. By 2002–03, spending shares for clothing had decreased to 4.2 percent in the country as a whole, 5.2 percent in New York City, and 3.9 percent in Boston.

In the clothing category, in 1901 New York City families allocated 6.3 percent of total spending for children’s clothing, 3.9 percent for men’s clothes, and 3.6 percent for women’s apparel. In Boston, the corresponding allocations were 5.6 percent, 4.8 percent, and 5.0 percent, respectively. By 2002–03, women’s clothing had become the single largest component of the clothing budget in both cities, at 2.0 percent of total spending in New York City and 1.5 percent in Boston.

In 2002–03, the average U.S. family could allocate 49.9 percent (\$20,333) of total expenditures for a variety of dis-

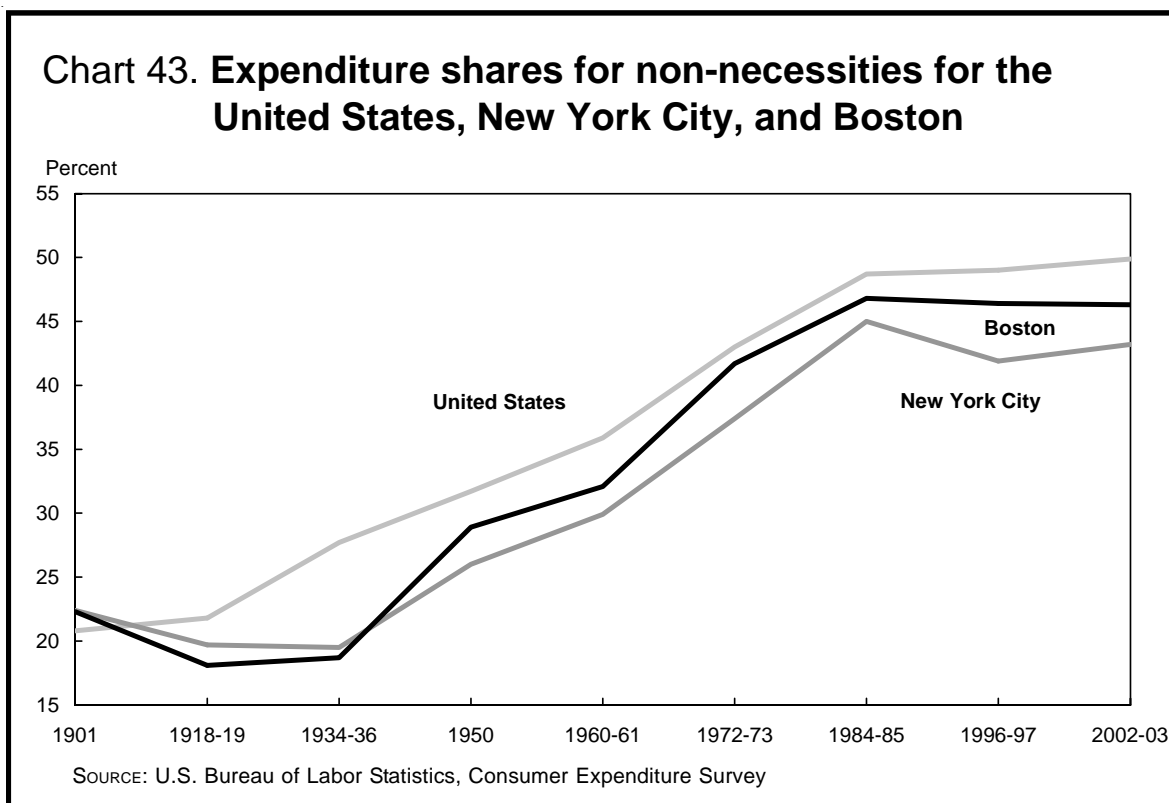
cretionary consumer goods and services, while the average family in 1901 could allocate only 20.2 percent, or \$155, for discretionary spending. (See chart 43.) In 2002–03, New York City families had 43.2 percent (\$21,738) and Boston families had 46.3 percent (\$19,360) of income left to spend on non-necessities, compared with 19.6 percent (\$160) and 14.0 percent (\$124), respectively, in 1901. (However, families in 2003 had to pay Federal, State, and local taxes, which did not exist for 1901 families.)

The ability to buy more discretionary goods and services also improved the U.S. standard of living. The emergence of the family car was one example. In 1934–36, 44.4 percent of U.S. households owned an automobile, while the percentages were significantly less in New York City and in Boston—14.8 and 14.1, respectively—where well-developed public transportation was available. By the 21st century, there was at least one vehicle

in 88 percent of U.S. households, with the average family owning 2.0. In New York City, the average household owned 1.4 vehicles; in Boston, 1.6.

Besides big-ticket items, items such as reading and education became integral components of daily life throughout the country, while items such as personal care products became relatively less expensive. In 1901, New York City families allocated 1.1 percent of spending for reading and education; for Boston families, the share was 1.3 percent. One hundred years later, these items accounted for 2.8 percent and 3.1 percent, respectively, of all spending by New York City and Boston families. Nationwide, the average family allocated 2.1 percent of spending for reading and education.

From 1950 to 2002–03, spending shares for personal care products decreased. In 1950, the average U.S. family allotted 2.2 percent of total spending for such products; New Yorkers and Bostonians allotted 2.1 percent and 2.3



percent, respectively. By 2002–03, all these shares had fallen to around 1.3 percent.

Entertainment has remained an important component of the U.S. lifestyle. During the Depression (1934–36), U.S. households allotted 5.4 percent of their expenditures for entertainment, on average. The expenditure shares in New York City and Boston were 6.2 percent and 4.6 percent. By 2002–03, expenditure shares for entertainment were 5.1 percent nationwide, 4.7 percent in New York City, and 4.8 percent in Boston.

Spending for healthcare always has been an important part of household budgets. In 1901, the average New York City family allotted 2.1 percent of spending for healthcare, while the average Boston family allotted 2.6 percent. By 2002–03, these shares had shifted to 4.4 percent and 4.8 percent,

respectively.

No clear pattern emerges in spending on alcoholic beverages. In 1901, New York City families allotted 2.9 percent of their spending for alcohol, while in Boston the share was 0.7 percent. Interestingly, by 2002–03, the expenditure shares had declined in New York City to 0.9 percent, and risen in Boston to 1.2 percent.

Charitable giving always has been part of the expenditure patterns in both New York City and Boston. In 1901, New York City families allocated the equivalent of 1.1 percent of their spending for charitable contributions, while Boston families donated 1.5 percent. By 2002–03, these percentages had increased to 1.9 in New York City and 2.4 in Boston.

Perhaps as revealing as the shift in consumer expenditure shares over the

past 100 years is the wide variety of consumer items that had not been invented during the early decades of the 20th century but are commonplace today. In the 21st century, households throughout the country have purchased computers, televisions, iPods, DVD players, vacation homes, boats, planes, and recreational vehicles. They have sent their children to summer camps; contributed to retirement and pension funds; attended theatrical and musical performances and sporting events; joined health, country, and yacht clubs; and taken domestic and foreign vacation excursions. These items, which were unknown and undreamt of a century ago, are tangible proof that U.S. households today enjoy a higher standard of living. ■

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