Preface

Since its formation, the Conference on Research in Income and Wealth has considered one of its major objectives to be the improvement of basic data on income and its distribution. In this connection the Conference has cooperated in various studies and has been responsible for the initiation of others. Because the need for more data was especially pressing in the field of the distribution of personal income by size, the Conference has centered attention on this field.

The past decade has seen considerable progress in the collection and tabulation of primary data on the distribution of personal income by size. As data have multiplied, it has become increasingly difficult for students in the field to become acquainted with the various sources without extensive and time-consuming research. It has also become increasingly clear that the failure to coordinate the various studies made the data far less useful than they would otherwise be. The common pattern imposed by a concern with personal income has been overshadowed by differences in concepts, coverage, and methods of tabulation and presentation. As a result the whole is little more than the sum of its parts.

The Conference therefore initiated in 1938 the preparation of a handbook for the more important recent studies of the distribution of personal income by size, with a twofold purpose: first, to make available in convenient form a fairly detailed description of the various bodies of data; second, to form a basis for proposals designed to coordinate future studies in the field. The preparation of this survey was placed in the hands of a committee consisting of Milton Friedman, Chairman; Dorothy Brady; Clark Warburton; and C. Lowell Harriss, Secretary.
Detailed reports were prepared on the 16 most important studies by persons intimately connected with the studies described. In order to assure a measure of uniformity in the various chapters and the inclusion of a minimum of relevant material, an outline was prepared indicating the major items it seemed desirable to have included in each chapter. This outline was not intended as a rigid guide to the authors but rather as an indication of the type of material desired.

In March 1941 a meeting of those especially interested in the distribution of income by size was held at the National Bureau of Economic Research. This meeting reviewed both the reports on the individual studies and a tentative draft of the chapter on recommendations for the coordination of future studies. It was attended by most of the authors of the separate reports as well as by other persons working intensively in this field, and was extremely helpful in formulating the policy to be followed in preparing the survey volume and in revising and redrafting the recommendations. The recommendations were later presented to the full meeting of the Conference. In the form in which they are given in Chapter 4 of this volume, the recommendations have the endorsement of the Conference.

These recommendations are not intended to be a blueprint for future studies. The purpose is rather to indicate certain minimum requirements that will permit a combination of different types of data. It is too much to expect studies conducted for different purposes to follow exactly the same pattern; indeed it would be undesirable that they should. It does not seem too much to ask, however, that each study provide a key that will permit it to be combined in a useful way with other studies.

The results of this survey appear in two parts. This volume contains not only the chapter on recommendations, but also summary material of general interest. Chapter 1, on the purposes of income distribution data, was prepared by Simon Kuznets. The other chapters in this volume are the work of the committee in charge. Special mention should, however, be made of the summary tables in Chapter 2 which were prepared by Dorothy Brady.

While Chapter 2 presents a compact summary of the material
contained in the reports on the individual studies, the reader interested in details and a precise description should turn to the second part of this survey, which consists of the individual reports themselves. These reports have been mimeographed as a Conference memorandum.

This survey would not have been possible without the willing and generous cooperation of the authors of the separate chapters. The task of the committee in charge of the survey has been eased by the willingness of the authors to give unstintingly of their time and efforts, to accept suggestions, and to make modifications needed in order to maintain uniformity of presentation and content. The committee wishes to express its sincere appreciation to Martha Anderson for her careful editing of the volume, to Lillian Epstein for aid in preparing the volume for the printers, and to H. Irving Forman for preparing the charts.

Executive Committee
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Milton Friedman
Milton Gilbert
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Simon Kuznets
Jacob Marschak