LANDLORD KNOWLEDGE AND EVALUATION OF HOUSING ALLOWANCES: ST. JOSEPH COUNTY, INDIANA, 1975

DAVID E. KANOUSE

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MAY 1980

HOUSING ASSISTANCE SUPPLY EXPERIMENT

Sponsored by
The Office of Policy Development and Research
U.S. Department of Housing and Urban Development

Rand
SANTA MONICA, CA. 90406

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PREFACE

This report was prepared for the Office of Policy Development and Research, U.S. Department of Housing and Urban Development (HUD), as part of Rand's Housing Assistance Supply Experiment (HASE). It analyzes landlord attitudes toward HUD's experimental housing allowance program in St. Joseph County, Indiana, and indicates how landlords perceived the program at baseline (1975), before having any actual experience with it. The report describes salient characteristics of landlords in the county, their knowledge of the program, how they evaluated it, and what effects they expected from it. Finally, it discusses other attitudes of landlords likely to bear on their response to the program.

This study is part of a HASE examination of program awareness and evaluation among household heads and landlords in two experimental sites. Data reported here come from special attitude questions (module J) in the baseline survey of landlords in St. Joseph County. Conducted for Rand by Westat, Inc., the survey was addressed to a multistage, stratified, random sample of 3,025 rental residential properties, and resulted in 1,915 completed interviews.

The survey materials were designed by the HASE Survey Group under the direction of Deborah Hensler. Phyllis L. Ellickson created the attitude coding system, and Janis Lenox and Marsha Baran were responsible for coding responses to the attitude questions. Daniel A. Relles devised the special weighting system used to analyze landlord attitudes.

The present report is a companion to an earlier study by Ellickson on public knowledge and evaluation of housing allowances.[1] Background material pertinent to both analyses is reprinted below in Appendixes A and B. Ellickson made constructive comments on an earlier draft, and technical reviewers Tora K. Bikson and Ira S. Lowry offered detailed suggestions that are reflected in the final report. Susan Augusta, Dorothy Baumann, Joe Berry, Wade Harrell, Helen Wagner, and Bob Young prepared the necessary computer programs. The draft typescript and tables were prepared by M. C. Brill, Lois Haigazian, Irene Ing, Ann Westine, and Lucy Wilson. Dorothy Stewart edited the text and Jane Abelson supervised production of the final copy.

This report was prepared pursuant to HUD Contract H-1789, Task 2.12.2.

[1] Phyllis L. Ellickson, *Public Knowledge and Evaluation of Housing Allowances: St. Joseph County, Indiana, 1975*, The Rand Corporation, R-2190-HUD, February 1978.

SUMMARY

This report deals with landlord awareness of, attitudes toward, and expectations about the housing allowance program in St. Joseph County before open enrollment began. It describes salient characteristics of the landlord population, and explores how these characteristics affected the diffusion of information about the program and the formation of attitudes toward it. The major findings are summarized below.

PROGRAM KNOWLEDGE

- *Landlords should have had an advantage over other residents in learning about the program.* They are older, more educated, and more prosperous than the general population in the county and should therefore have had more exposure to media sources. Their stake in the housing market should have given them a "reason to know" about the program, and possibly exposed many of them to inside sources of information. Despite these advantages, landlords were only slightly more likely than other household heads to demonstrate accurate program knowledge (19 percent vs. 16 percent).
- *Although as a group landlords knew little more about the program than other residents did, they seem to have found out about it in a different way.* Landlords were more likely than others to cite institutional sources and the press, less likely to cite television or word-of-mouth sources. We think that whereas landlords more often belonged to community and civic organizations, this advantage was offset by a more extensive word-of-mouth network among other households.
- *Landlords who were aware of the program described it in much the same way as others did.* They emphasized whom it is for, what it helps people do, and how it might affect the quality of housing in the community. As a reflection of their special concerns, though, landlords more often stressed housing effects and potential benefits to renters.
- *The likelihood of having some program information was greater for landlords who owned several properties, belonged to several organizations, or were black, male, or young.* Those reporting other, non-real estate investments were also more likely to know about the program, probably because they read the newspaper more closely. Ideological predispositions had little effect on knowledge, although those with positive attitudes toward low-income people were somewhat more likely to know about the program.
- *Knowledge sophistication was more strongly linked to informational source than to landlord characteristics.* Among those who knew about the program at all, the most knowledgeable had heard about it from the housing allowance office (HAO), Rand, a government agency, or the newspaper; those with the least knowledge tended to cite private sources or survey interviewers.

ANTICIPATION OF PROGRAM EFFECTS

- *Few landlords expected the program to affect them directly.* Of those who knew about the program, 12 percent thought it might affect the way they managed their property and 14 percent thought their tenants might apply. Only a handful indicated that they might raise rents as a result of the program; this suggests that landlords did not share the views of those who thought that the owners of rental property would be the program's major beneficiaries.
- *Compared with other household heads, landlords were less likely to expect countywide program effects* (54 percent vs. 73 percent). Landlords who did anticipate such effects described them positively but less enthusiastically than other residents.

PROGRAM EVALUATION

- *About four-fifths of all knowledgeable landlords were either favorably disposed or neutral toward the allowance program. This proportion is the same as in the general population of households. However, verbatim responses suggest that landlord support was more tentative than that of other favorably inclined households.*
- *Landlord opinions about the allowance program were rooted in their attitudes toward the program's beneficiaries and in their views concerning the proper scope of government in providing services to its citizens.* Those who opposed welfare or questioned how much its recipients deserved help disliked the allowance program. Those who approved of government aid or thought that many people either needed or deserved assistance liked the program.
- *Landlords who opposed the program owned more units on average than those who supported it.* If we count only those rental units owned by landlords who had some program knowledge, we find that 42 percent were owned by landlords with negative views and 38 percent were owned by landlords with positive views.
- *Other factors affecting program evaluations included socioeconomic status, ideological predispositions, and self-interest.* Higher educational or occupational levels were associated with more favorable opinions, as were favorable attitudes toward neighborhood integration. Landlords who expected their current tenants to apply were also more positive toward the program.

RELATED ATTITUDES

- *Those who knew about the program at baseline were more liberal in their social attitudes than other landlords, particularly in their attitudes toward neighborhood integration.* This suggests that those who learn about the program later may be less predisposed to favor it on ideological grounds.
- *Landlords show a remarkable degree of consensus in their preference for and against certain types of tenants.* They prefer white, older couples; they disfavor families with children or pets, unmarried couples, and minorities. Our data suggest that landlords' behavior toward the program's clients may depend as much on these attitudes as on how they feel about the program itself.

IMPLICATIONS

- *The absence of strong a priori views suggests that landlords' opinions about the program are likely to reflect their actual experience with the HAO and with participating tenants.* If so, their later views should give an accurate picture of how they think the program works and whom they think it serves.
- *The attitudes of specific landlords may be shaped by the kinds of enrollees with whom they come into contact.* Their strong preferences for certain classes of tenants may affect their responses to the allowance program.
- *Landlords with large rental holdings may have different views from those operating on a smaller scale.* Yet, the latter far outnumber the former. Program managers who seek landlords' views on program policy should be aware that seeking out only the most powerful and/or visible rental property owners may give them a distorted picture of how landlords feel.

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I. INTRODUCTION

This report is one of a series of studies analyzing community attitudes toward an experimental housing allowance program that began in St. Joseph County, Indiana, early in 1975. It is based on interviews with a countywide sample of landlords and describes their general characteristics, their knowledge of the program before enrollment began, and how they felt about the program at that time. It also examines some related attitudes of landlords (e.g., toward different types of tenants) that may help to shape their later responses to the program.

OVERVIEW OF THE ALLOWANCE PROGRAM

HUD's experimental allowance program is designed to help the agency decide whether a program of direct cash assistance to low-income households is a feasible and desirable way to help them secure decent housing in a suitable living environment; and if so, to help determine the best terms and conditions for such assistance and the most efficient and appropriate methods for administering a housing allowance program.[1] As part of that program, the Housing Assistance Supply Experiment (HASE) addresses issues of market and community response to housing allowances. The Supply Experiment entails operating a fullscale allowance program for ten years in Brown County, Wisconsin (whose central city is Green Bay), and St. Joseph County, Indiana (whose central city is South Bend), and monitoring both program operations and market responses for about five years. In Brown County, the allowance program is countywide; in St. Joseph County, the program began in South Bend but soon expanded its jurisdiction to the entire county.

Most federal low-income housing programs channel public funds directly to a local housing authority, a private landlord or developer, or a mortgage lender. A contractual agreement between the federal agency and the supplier usually regulates both the services to be provided and the price tenants may be required to pay for them.

The housing allowance program operates differently. Monthly cash payments are granted directly to low-income renters and homeowners, who then use their increased resources to buy services in the local housing market. As enrollees attempt to obtain adequate housing, either by arranging for the repair of their dwellings or by moving to others that meet program standards, their actions may impinge in a variety of ways on the community at large.

SIGNIFICANCE OF LANDLORD ATTITUDES

Because landlords are critical to the supply of housing services, their reponses to the program are particularly important. If landlords view the program's infusion of additional funds into the market as an opportunity to raise prices, they may

[1] Details of the housing allowance program are given in Appendix A.

succeed in capturing the lion's share of program benefits for themselves. Significant price increases would undermine the program's ability to increase the real purchasing power of its clients or improve the quality of the housing stock. Alternatively, if landlords distrust the program or disapprove of its clients, they may refuse to sign a lease or balk at making the repairs that would enable their tenants to qualify for payments.

One can construct equally plausible scenarios involving favorable landlord responses. The fact that the program supplements tenants' incomes may make landlords more willing to rent to program enrollees, or to sign longer-term leases with them. Also, landlords may be more willing to make repairs called for by objective program standards than to respond to unsupported demands from individual tenants. Some landlords may even come to regard program standards as normative, seeking to maintain their rental units in a condition that meets housing allowance office (HAO) requirements, or setting their rents at levels conforming to the program's computation of "standard housing costs."

Whether positive or negative, landlord reactions to the program are likely to affect both the ease with which clients can obtain suitable housing at reasonable cost and the degree to which program standards translate into improved housing quality. In turn, landlords' actual experiences with the program may in time change their perceptions of its desirability and their behavior toward it.

SCOPE OF THE REPORT

The spread of program knowledge and the formation of early attitudes toward the program among heads of households in the community as a whole are documented in a companion report (see Ellickson, 1978). Here, we describe the landlords' knowledge of the program and their attitudes toward it at "baseline," i.e., before they actually knew how it would affect their lives, businesses, or neighborhoods, and before the local HAO began to advertise for applications.

The data on which this report is based come from the baseline survey of landlords, conducted for Rand by Westat, Inc., between November 1974 and April 1975.[2] The survey was addressed to the owners of a stratified probability sample of some 2,926 rental properties. Interviews were completed for 1,915 rental properties, owned or managed by 1,577 different landlords (some landlords owned more than one sampled property). The records of the responding landlords were weighted to represent approximately 6,620 landlords in St. Joseph County.

Responses to module J of the baseline survey instrument[3] form the main basis for our analysis of attitude data. The respondent was asked whether he approved of the program and whether he thought it would affect the management of his rental property, the neighborhood in which it was located, and the county as a whole. The survey instrument also elicited information on background character-

[2] The baseline survey slightly overlapped the early enrollment activities of the HAO. Between December 1974 and March 1975, several hundred low-income homeowners were quietly invited to enroll and 131 did so. Enrollment was opened to all eligibles, including renters, on 2 April 1975, an event accompanied by considerable local publicity. The baseline survey fieldwork began on 25 November 1974 and by 2 April, 88 percent of all interviews ever completed were done. However, cleanup work continued through 20 June 1975.

[3] Module J is reproduced in full as Appendix C.

istics of the respondent; on his property management policies; and on explanatory variables, such as the respondent's attitudes about (a) different types of tenants, (b) general categories of people (e.g., blacks and people with low incomes), and (c) racial integration of neighborhoods.

We drew on those responses to answer the following questions:

- *Landlord Characteristics.* Who are St. Joseph County's landlords? In what ways are they different from other household heads? Is rental property management in the county concentrated in the hands of just a few landlords, or spread among many? How important are real estate organizations in channeling information to landlords and in shaping their responses? (These issues are discussed in Sec. II.)
- *Program Knowledge.* How many landlords knew about the program at baseline? How clearly did they understand its purposes and operation? Where did they get their information? Were they more or less informed than the general population? What types of landlords tended to be most knowledgeable? (These questions are answered in Sec. III.)
- *Program Expectations.* Among landlords who knew about the program, what consequences did they expect from it for their rental properties, the neighborhoods in which these properties were located, and the county as a whole? (See Sec. IV.)
- *Program Evaluation.* Among landlords who knew about the program, how many favored it? How many were opposed? How many were neutral? What features of the program led to these judgments? What landlord characteristics were associated with favorable or unfavorable attitudes? (See Sec. V.)
- *Related Attitudes.* How did landlords in the county as a whole feel about minorities and people with low incomes? What types of tenants did they prefer? What types did they prefer to avoid? What implications do their attitudes have for their response to the allowance program? (See Sec. VI.)

ANALYTIC ISSUES

The analysis reported here reflects several methodological choices. Among these are our use of coded responses to open-ended questions; our procedure for defining and measuring program knowledge; our choice of the individual landlord as a unit of analysis; and our comparison of landlord responses to those of other household heads. Our procedure for coding open-ended responses to attitude questions is described in Appendix B. Each of the other methodological issues is discussed briefly below, along with certain constraints that limit the analysis.

Limitations

The analysis is limited by the size of the pertinent sample. Because the data were collected before substantial enrollment in the housing allowance program got under way, few respondents had enough information to comment on its specific features, such as the details of eligibility, amount of entitlement, constraints on the use of benefits, or the reporting requirements imposed on participants. In fact, only

about 20 percent of our landlord sample knew anything at all about the program. As a result, only 236 respondents were questioned further about their reactions to the program—too few to provide us with reliable landlord population estimates concerning the more detailed aspects of the reactions of landlords.

Accordingly, we report landlord population estimates only where the relevant sample size is large enough to support them. For some issues, such as program knowledge, the answers of all respondents are pertinent, and so we report estimates for the population of all St. Joseph County landlords, based on weighted sample data. For other issues, program knowledge is a prerequisite, a fact that sharply limits the size of the pertinent sample. Thus, for those issues, we used weighted sample data only to estimate how many landlords judge the program favorably or unfavorably, and how many think it will affect their management of rental property, their neighborhood, or the whole county. When we have more detailed data regarding information sources, program evaluations, or anticipated effects, we report only the unweighted distribution of responses within the subsample of knowledgeable respondents.

The Landlord as a Unit of Analysis

Because of its focus on the characteristics of rental housing, the landlord survey was addressed to a sample of properties rather than to individuals. It could be—and often was—administered more than once to landlords who owned more than one sampled property. However, unlike revenues and expenses, knowledge and attitudes are associated with individual landlords, not properties. For this reason, the attitude module was administered only once to each landlord, at the first interview.

Similarly, because we were interested in characterizing the population of landlords, we devised special weighting procedures for the analysis of attitude data, enabling us to construct sampling histories for each individual landlord from property-level data. These procedures are outlined in Sec. II.

Levels of Program Awareness

We distinguished three levels of program awareness based on increasingly rigorous definitions:

Level of Awareness	Definition
Level 1	Respondent says he has heard of program
Level 2	Respondent can supply some accurate program details
Level 3	Respondent can supply unique program details

Level 1 is claimed awareness (also called "program recognition"). It includes people who (a) claimed awareness for extraneous reasons (e.g., to please the interviewer); (b) had in fact heard about the program but could not report anything about it; or (c) incorrectly associated the allowance program with other housing programs.

Level 2 includes only respondents who provided accurate details about the program. It thus excludes all respondents who were clearly talking about some

other government program or who could not supply any program details whatsoever.

Level 3 is restricted to respondents who described unique aspects of the allowance program, for example, that it (a) makes direct cash payments to both renters and homeowners; (b) allows people to live where they choose; (c) is part of an experiment; or (d) does not provide funds for repair or construction. Those who cited these features were sufficiently familiar with the allowance program to describe how it differs from other government housing programs.

Throughout the text we use different descriptive phrases for each level of awareness.[4] Level 1 respondents are described as those who have heard of the program or claim an awareness of it. Respondents who meet the level 2 test are described as knowledgeable or aware of the program. We describe level 3 respondents as well informed or sophisticated about the program.

Comparisons with Other Household Heads

In assessing how landlords perceived the program we thought it useful to compare their reactions with those of other, nonlandlord residents. Thus, in many of the analyses reported here, we present tabulations of landlord knowledge, expectations, and evaluations, along with corresponding data from the survey of households. In all such cases, landlords themselves are excluded from the group with which we are comparing them.

[4] The tables accompanying the text refer to specific categories (level 1, 2, or 3).

II. LANDLORD CHARACTERISTICS

Who is a landlord? The answer to this question is not quite so obvious as it may at first appear. This section explains how we define the landlord population and how our sample data were weighted to represent that population. It also describes the general characteristics of St. Joseph County's landlords.

DEFINING THE POPULATION OF LANDLORDS

Of the many possible ways of defining a landlord, two might be relevant to a study such as ours. The first is based on legal ownership of a rental property, the second on responsibility for its management. Often, a single individual is a property's landlord under either definition; but not always. For example, a property's legal owner may be an elderly person no longer capable of day-to-day management, which is therefore entrusted to a younger relative or friend. Alternatively, one spouse may be the legal owner, but the other spouse may manage the property. Often, legal title is vested in several individuals, but only one serves as the property's manager.

Because of the issues to which our research is addressed, we are more interested in property managers than in owners per se. The person who manages a property is the one who signs leases or refuses them, accepts tenants or rejects them, maintains the property or lets it fall into disrepair. In short, his actions are the ones that most closely determine how successful housing allowance recipients are in meeting program standards and maintaining decent housing.

The attitudes of landlords are very likely to shape their responses to the program and its clients. To measure these attitudes and relate them to program-related transactions for a given property, we must first identify the one person whose attitudes are most relevant. For purposes of attitude analysis, then, we define the landlord of a property as *the single person most responsible for managing the property.*

THE LANDLORD SAMPLE

The respondents designated for interviews in our landlord survey were selected by the definition given above. That is, for each property in the baseline panel, we sought an interview with the person having the greatest responsibility and knowledge of the property's management. If that person was not available or proved to be less than well informed, we sought an interview with an alternative individual possessing the requisite responsibility and/or knowledge. Our procedure, designed to ensure that we obtained information from the best available source, also had the practical effect of directing the survey interviewer to the managing landlord or the best available substitute.

However, since the landlord survey was addressed to a sample of properties rather than to a sample of landlords, many landlords could—and did—appear in our

sample more than once. Accordingly, to describe the characteristics and attitudes of individual landlords, we needed certain procedures that were different from those used in other HASE analyses. First, we identified the sample of *landlords* contained in our sample of *properties;* second, we constructed a sampling history for each respondent in the landlord sample; and third, on the basis of those sampling histories, we weighted our sample to represent landlords for the county as a whole.

The sample of individual landlords is defined by the set of unique, designated respondents with whom we completed baseline interviews. We completed interviews for 1,915 properties, and in the process, we obtained attitude information from 1,577 different designated respondents, who constitute our sample of landlords. The difference between the two numbers is accounted for by landlords who were interviewed about two or more of their properties. For purposes of attitude analysis (though not, of course, for property analysis), such cases represent "reinterviews." In practice, we skipped the attitude module after the first interview with a given landlord.

THE ATTITUDE-COMPLETE PROPERTY SAMPLE

The set of property records available for attitude analysis differs somewhat from the set of records we have elsewhere described as "field complete" (see Stanton and Britt, 1979). The difference occurs, first, because records with attitude data sometimes lack other important data and second, because attitude data are occasionally missing from otherwise complete records. Table 2.1 shows how the property records available for attitude analysis relate to those available for property analysis.

We considered a record "attitude complete" if it contained usable data in response to either of two questions concerning knowledge of the allowance program (questions J1 and J2). By this definition, 1,901 of the 1,915 field-complete records were also attitude complete. The remainder reflected mainly breakoffs in the interview prior to administration of the attitude module—although we also deliberately excluded two records for properties managed by the South Bend Housing Authority.[1]

Repeated interviewing of landlords accounts for all instances in which we obtained attitude data for field-incomplete properties. Many landlords were targeted for interviews concerning more than one property. Occasionally we were able to complete at least one but not all of these interviews. When this happened, the attitude data gathered in the first interview were also "available" for the landlord's other properties, even those for which we did not obtain an actual interview. We identified such cases by searching our file of incomplete records for properties whose individual owner or designated respondent had completed another baseline interview. The 95 property records so identified were added to our attitude file, bringing the total to 1,996 properties.

[1] The reason for excluding these records from attitude analysis is that the attitudes of the individual completing the interview bear little relationship to the largely institutionalized management of housing authority properties.

Table 2.1

STATUS OF PROPERTY RECORDS AVAILABLE FOR ATTITUDE ANALYSIS

Field Status of Property Record	Analysis Status (Number of Records)		
	Attitude Complete	Attitude Incomplete	Total
Field complete	1,901	14	1,915
Field incomplete			
(a) Individual owner matches a field-complete record	21	--	21
(b) Designated respondent matches a field-complete record	11	--	11
(c) Both (a) and (b)	63	--	63
(d) No match with a field-complete record	--	1,015	1,015
Total	1,996	1,029	3,025

SOURCE: Tabulated by HASE staff from records of the survey of landlords, Site II, baseline.

WEIGHTING SAMPLE RECORDS

Our baseline panel comprises 3,025 properties, all of whose sampling histories are known. By weighting each property by the inverse of its probability of selection from the sampling frame, we can use the sample to describe the county's rental housing stock at baseline.[2]

Weighting landlord records proceeded by the same logic but required additional steps. Sampling histories were not directly available for landlords, but had to be inferred from the sampling histories of the properties themselves. Once this was done, it was possible to assign each landlord a weight that represented the inverse of his probability of being included in the sample.[3] By applying these weights across

[2] This statement oversimplifies the property-weighting issues. See Relles (1978) for an account of the issues and their resolutions.

[3] The probability that a landlord will be included in the sample is a function of the joint probabilities of *nonselection* for his properties. Specifically, let

p_{lj} = probability that property j owned by landlord l will be included in the sample,

q_{lj} = $(1 - p_{lj})$ = probability that property j owned by landlord l will *not* be included in the sample,

$p_{l.}$ = probability that landlord l will be included in the sample.

Then, for a landlord who owns j properties,

$$p_{l.} = 1 - (q_{l1} \cdot q_{l2} \cdot \ldots \cdot q_{lj}).$$

For properties on the baseline panel list, values of p_{lj} and q_{lj} can be calculated directly. However, for unempaneled properties owned by a sampled landlord, these values must be imputed. The baseline landlord survey elicited information that aids this imputation: Landlords were asked how many other rental residential properties they owned, and how many rental units these properties contained. This information was used to impute sample selection probabilities for unempaneled properties. For example, suppose that a landlord stated that he

the landlord sample, we obtained estimates that enabled us to depict the St. Joseph County landlord population. Overall, our sample of usable records included almost a fourth of all landlords in the county.

DESCRIPTION OF THE LANDLORD POPULATION

We estimate that in 1975 St. Joseph County had about 6,620 landlords who owned or managed about 9,790 properties. Salient characteristics of this population are summarized in Table 2.2. Compared with other household heads, landlords tended to be male, older, better educated, and more affluent. However, their racial composition (10 percent minority) mirrors countywide totals. White ethnic groups (such as Poles or Hungarians) were neither overrepresented nor underrepresented among landlords.

Table 2.2

SELECTED CHARACTERISTICS OF LANDLORDS AND OTHER HOUSEHOLD HEADS IN ST. JOSEPH COUNTY, 1975

Characteristic	Landlords	Other Household Heads
Average age (years)	53	45
Percent black or other minority	10	10
Percent male	72	43[a]
Median household income ($ per year)	12,895	10,984
Percent with postsecondary schooling	30	20
Average number of rental properties owned in St. Joseph County	1.8	*(b)*
Average number of rental units owned	3.8	*(b)*
Percent residing on a rental property in 1974	18	*(b)*
Real estate income as percent of total household income (median)	5.4	*(b)*

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Estimates are based on the responses of 1,577 landlords and 2,774 household heads; the latter group excludes resident landlords.

[a]Calculated by adding half of all jointly headed households to all households singly headed by males, and dividing by the total number of households.

[b]Not applicable.

owned two other properties in addition to those sampled, and that those properties contained a total of three units. We imputed to one of those properties a sample selection probability equal to the average probability for all (unselected) single-unit properties, and to the other the average probability for all two- to four-unit properties.

In St. Joseph County, landlords were distinctly older than other household heads, averaging 53 years, as against 45 for others. The difference primarily reflects a scarcity of young landlords (only 6 percent were under 30). Landlords were also better educated than other household heads at every age level, as is shown in Table 2.3.

Table 2.3

POSTSECONDARY EDUCATION OF LANDLORDS AND OTHER HOUSEHOLD HEADS, BY AGE

Age (years)	Percent With Postsecondary Education		Ratio
	Landlords	Other Household Heads	
Under 35	52	31	1.68
35-44	40	12	3.33
45-54	31	20	1.55
55-64	21	9	2.33
65+	18	14	1.29
All ages	30	20	1.50

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

Landlords' median household income ($12,895) exceeds the countywide median by about 18 percent. As Table 2.4 shows, landlords between 55 and 64 have the smallest income advantage over other household heads, and those over 65 have the largest.[4] For age groups under 55, it is likely that only a part of the income differential reflects real estate proceeds and that most of it is attributable to other factors, such as higher levels of education and outside employment in relatively high-paying occupations.[5] Most landlords own only one rental property (see Table 2.5) and, as is shown below, derive but a small fraction of their income from real estate:

[4]For a description of how household income in St. Joseph County is related to life-cycle stage, see McCarthy (1979). Our data indicate that relatively few landlords are young, single heads (stage 1), whose incomes are often quite low. Instead, 65 percent are in the peak earning years from ages 35 to 65 (compared with 47 percent of all households), and 23 percent (vs. 16 percent of all households) are in their retirement years, where incomes are typically quite low again. Our calculations indicate that the net result of these differences in age distribution is to reduce landlord incomes relative to those of the county population. Corrected for age differences, median landlord incomes are about 24 percent higher than those for other county households.

[5]About two-thirds of all landlords in St. Joseph County hold a job, and of these, 39 percent are employed in a professional or managerial capacity. In addition, 37 percent have a working spouse, and 30 percent report non-real estate investment income.

Percent of Income	Percent of Landlords
0-5	51.4
6-10	20.1
11-20	11.6
21-35	9.5
36-50	4.3
51+	3.1
All cases	100.0

The data present a clear message: The holdings of most St. Joseph County landlords are quite small. About 7 in 10 own only one property, and a similar proportion own only one or two rental units. Few derive much of their income from real estate. Although some landlords in the county own anywhere from 10 to 100 rental properties, such individuals represent only a tiny fraction of the landlord population.

Nor is the rental property management in St. Joseph County organized. Only about 4 percent of the county's landlords claim membership in real estate organizations, although 53 percent belong to other groups, such as civic groups and fraternal associations. Thus, at the beginning of program operations in the county, there appear to have been few business or professional channels through which landlords might have learned of the program's existence, or organized support for or against it.

Table 2.4

MEDIAN HOUSEHOLD INCOME OF LANDLORDS AND OTHER HOUSEHOLD HEADS, BY AGE

Age (years)	Median Income ($) in 1974		Ratio of Medians
	Landlords	Other Household Heads	
Under 35	14,765	12,019	1.23
35-44	16,177	13,202	1.23
45-54	16,465	13,687	1.20
55-64	12,158	11,885	1.02
65+	5,856	3,938	1.49
All ages	12,895	10,984	1.18

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Estimates are based on the responses of 1,463 landlords and 2,496 household heads providing complete information on both age and income.

Table 2.5

DISTRIBUTION OF LANDLORDS BY NUMBER OF RENTAL PROPERTIES AND UNITS OWNED

Number of Properties or Units[a]	Percent of Landlords Owning the Indicated Number of	
	Properties	Units
1	71.7	46.6
2	13.6	26.1
3	7.1	10.0
4	2.8	6.1
5-9	3.7	7.7
10+	1.1	3.5
All cases	100.0	100.0

SOURCE: Tabulated by HASE staff from records of the survey of landlords, Site II, baseline.

NOTE: Estimates are based on the responses of 1,577 landlords for whom property and unit counts are available.

[a]In St. Joseph County. Property holdings elsewhere were not reported.

III. PROGRAM KNOWLEDGE

By the time that the landlord survey was conducted, during the first quarter of 1975, St. Joseph County residents had been exposed to program information for more than a year. Newspapers, television, and radio all covered the lengthy negotiations between HUD and local officials, and by the end of the period the media were also reporting regularly on the plans of the newly formed housing allowance office (HAO). This preprogram publicity should have given people in St. Joseph County ample opportunity to learn about the allowance program during its early stages. Moreover, there is reason to expect landlords to be more knowledgeable than other household heads, primarily because they have a greater stake in the housing market. The data, however, do not bear out this expectation. Table 3.1 shows that landlords were only slightly more informed than the average household, with about a third in each group claiming some awareness (level 1). In both groups, few who claimed awareness of the program could supply any details about it. At most, the number who had solid program knowledge (level 2) amounted to about 16 percent of all households and 19 percent of all landlords. And when we count only those respondents who mentioned unique program features (level 3), we find that

Table 3.1

PROGRAM AWARENESS AMONG LANDLORDS AND OTHER HOUSEHOLD HEADS

Program Awareness	Percent of Population	
	Landlords	Other Household Heads
Survey Response		
Had not heard of program	64.5	66.2
Had heard of program		
Gave accurate details	19.1	16.5
Unable to give details	14.2	14.2
Described another program	2.2	3.1
Total	100.0	100.0
Analytic Category		
Claimed knowledge of program	35.5	33.8
Gave accurate details	19.1	16.5
Gave unique details	3.5	2.2

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Entries are estimates based on a sample of 1,577 landlords providing complete attitude information and a sample of 2,775 household heads reporting complete household information. The population from which households were drawn excludes landlords.

the estimated number of knowledgeable individuals plummets to about 2 percent of all households and 4 percent of all landlords.[1]

Given that landlords displayed only a slight informational advantage over other residents, it is tempting to conclude that they had no inside track to sources of program information, i.e., that they found out about it in much the same way as others did. But self-reports about sources of program information yield a different conclusion.

SOURCES OF INFORMATION

To gather information about sources of program information, we asked each respondent claiming program awareness to tell us where he had obtained most of his information; we then ranked the information sources most frequently cited by level 2 respondents. By comparing the responses of landlords and household heads, we were able to determine whether the process of information diffusion was the same for these two groups.

As Table 3.2 shows, it was not. Landlords were much more likely to cite newspapers, community or government organizations, and the HAO or Rand; they were less likely to cite private sources, survey interviewers, and television. Although we have no direct evidence on the point, we infer that differences in media citations reflect underlying differences in media usage, with landlords being more likely to read the newspaper, and (perhaps) less likely to watch television. Certainly, the pattern of source citations for landlords differs more from the "typical" pattern than does that of household heads generally.[2]

The fact that survey interviewers are more frequently cited by household heads than by landlords may be a result of our prebaseline screener survey, which was addressed to the occupants (rather than landlords) of more than 10,000 housing units. Although the allowance program was not explicitly mentioned during this survey, some respondents may have connected the two.

Most importantly, however, landlords were more likely to have learned about the program from institutional sources (such as the HAO, Rand, and community and government organizations), whereas household heads were more likely to have heard about it second-hand from private sources. These results strongly suggest a difference in process, if not in outcome. A more efficient word-of-mouth network among household heads seems to have offset the more extensive organizational connections of landlords, producing similar distributions of awareness in each group. In interpreting these results it is well to remember that landlords had few organizations of their own such as property owners' associations; but they were more likely than other household heads to belong to community and civic organizations unconnected with real estate.[3]

[1] Of course, some of those unable to support their claims of program awareness may actually have heard the program's name but lacked any solid information about it; others may have consciously claimed knowledge they did not possess to avoid appearing uninformed. Unfortunately, there is no way to distinguish between these two types of level 1 respondents. In terms of our analysis, however, both types displayed less knowledge than level 2 respondents, who could supply details supporting their claims.

[2] Television is consistently the most frequent source of news cited by the public. See Sterling and Haight (1978), p. 263.

[3] Both landlords and household heads were asked in our baseline surveys to list their organizational memberships. However, differences in question wording between the two surveys complicate compari-

Table 3.2

SOURCES OF PROGRAM INFORMATION AMONG LEVEL 2 RESPONDENTS

Source of Program Information	Percent of Level 2 Respondents Mentioning Indicated Source	
	Landlords	Other Household Heads
Newspaper	77	59
Television	31	35
HAO or Rand	21	14
Community or government organization	20	12
Private source	18	28
Radio	11	9
Survey interviewer	3	14
Number of respondents	233	288

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Entries are based on respondents who had some program information (level 2) and indicated its source. Levels of program awareness are defined on pp. 4-5. Percentages do not sum to 100 because some respondents mentioned more than one source.

We conclude that the overall similarity in awareness between landlords and other household heads masks real differences in the way landlords acquired program information. If so, then these differences may later manifest themselves in other ways; e.g., landlords may prove more susceptible to the collective swings of opinion that institutional sources make possible. Whether or not that will happen remains to be seen.

KNOWLEDGE OF PROGRAM CHARACTERISTICS

As noted earlier, only about a fifth of all landlords were able to supply accurate details about the allowance program. Below we summarize what they knew, i.e., how they described the program, which features they stressed, and how their responses compared with those of other residents.

Table 3.3 compares the program descriptions most frequently offered by landlords and other household heads. Both groups usually mentioned whom the pro-

son: Landlords were merely asked whether they belonged to any non-real estate organizations, whereas household heads were asked to list their memberships and then were prompted with examples. Despite this procedural difference, landlords more frequently reported belonging to fraternal, political, and community or civic organizations.

Table 3.3

PROGRAM CHARACTERISTICS MENTIONED BY LEVEL 2 RESPONDENTS

Characteristic	Percent of Level 2 Respondents Mentioning Indicated Characteristic	
	Landlords	Other Household Heads
Whom the program helps	66	56
What the program helps people do[a]	46	42
Effects on housing	31	27
Effects on neighborhood or community[b]	6	6
Experimental aspects	9	7
Specific features	13	9
Number of respondents	334	423

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Entries are based on respondents who had some program information (level 2). Levels of program awareness are defined on pp. 4-5. Percentages do not sum to 100 because some respondents mentioned more than one characteristic.

[a] Excludes comments about housing improvements.

[b] Includes comments about effects on the local government or community.

gram helps, what it helps people do, and how it will affect housing. Most of the level 2 landlords and household heads described the program as one that "helps people," most often naming the poor, renters, homeowners, families, the elderly, and the disabled (see Table 3.4).

Of both groups, more than 40 percent described what the program helps people do. Most frequently they said that it helps people pay their housing costs, move to better neighborhoods, and improve their living standards. More than 25 percent of the respondents mentioned the program's anticipated effects on housing quality; typically, they thought it would improve housing in the community.

Despite the overall similarity of their responses to those of household heads, landlord responses contained slight differences in emphasis, which are apparent in Table 3.4. Landlords were somewhat more likely to cite "renters" and "landlords" as groups that would probably benefit from the program.[4] And in describing what the program would help people do, they placed stronger emphasis on its role in

[4] However, only ten landlords and three household heads stated that they thought landlords would benefit, suggesting that neither group expected the program to provide a windfall for landlords.

Table 3.4

DETAILS OF THREE PROGRAM CHARACTERISTICS MENTIONED BY LEVEL 2 RESPONDENTS

Detail	Landlords		Other Household Heads	
	Number of Responses	Percent of Category	Number of Responses	Percent of Category
Whom the Program Helps				
Poor or low-income people	118	34.7	149	40.7
Renters	109	32.0	75	20.5
Homeowners	40	11.8	45	12.3
Families	24	7.1	35	9.6
Elderly or disabled people	11	3.2	34	9.3
Minorities	4	1.2	6	1.6
Undeserving people	5	1.5	6	1.6
Landlords	10	2.9	3	.8
Other	19	5.6	13	3.6
Total	340	100.0	366	100.0
What It Helps People Do				
Pay housing costs	114	60.6	90	43.2
Move	53	28.2	72	34.6
Raise living standards, pay bills	11	5.9	37	17.8
Live where they like	10	5.3	7	3.4
Other	0	0	2	1.0
Total	188	100.0	208	100.0
Expected Effects on Housing				
Upgrade existing housing	87	78.4	86	72.9
General effects[a]	13	11.7	17	14.4
Other[b]	11	9.9	15	12.7
Total	111	100.0	118	100.0

SOURCE: Tabulated by HASE staff from records of the survey of the landlords and the survey of households, Site II, baseline.

NOTE: Entries are based on descriptions by 334 landlords and 423 household heads classified as aware of the program (level 2). Category totals differ from those in which percentages were computed in Table 3.3 because they refer to the total number of times each characteristic was mentioned rather than the total number of respondents mentioning each characteristic. Levels of program awareness are defined on pp. 4-5.

[a]Refers to statements that the program will affect housing, without any further details.

[b]Includes effects on demolition and replacements, new construction, and rents.

paying housing costs, less emphasis on its general effects in raising living standards. These variants on the dominant themes clearly reflect specific landlord concerns.

A remarkable feature of the program descriptions is that neither landlords nor household heads mentioned the concerns that emerged during the protracted debate preceding program acceptance. Thus, there was little mention of minorities or the undeserving as the program's likely beneficiaries; no mention of the issue of local control; no mention of how the program might affect neighborhood composition or quality or exert inflationary pressures on rents. Although all these issues received media attention, none was cited in the program descriptions offered by landlords or other residents.[5]

Instead, notions about the allowance program reflected the information presented in the press releases and speeches of program managers. Publicized controversy may have increased awareness slightly, but very few respondents seemed to retain the substance of the disputes. Instead, they absorbed and retained the idea that the allowance program would help those with low incomes, both renters and homeowners, to pay their housing costs, fix up their housing units, and move to better housing or neighborhoods.

DETERMINANTS OF PROGRAM AWARENESS

To gain further insight into the early stages of informaton diffusion, it is helpful to go beyond the question of how many landlords knew about the program, and what they knew, to examine the determinants of early program awareness. In particular, were some landlords more likely to know about the program than others, or was program awareness randomly distributed?

Our analysis revealed that the factors predicting simple program awareness—i.e., whether a landlord knew anything at all about the program—were different from those predicting program sophistication, or how much a landlord knew. Accordingly, we performed separate analyses for these two variables. To analyze the determinants of program awareness, we created a binary variable distinguishing respondents who had some information about the program (levels 2 and 3) from those who had none (level 1 and those who had not heard of the program). Using regression techniques, we then examined the relationship between scores on this variable and other variables describing respondent backgrounds and attitudes.[6]

The independent variables in the equation fall into three categories: (1) those that should serve as proxies for media exposure (e.g., age, sex, occupational status, and education); (2) those likely to affect exposure to other sources of information (organizational memberships and number of properties or units owned); (3) those likely to affect the salience of program information and the respondent's attention to it (the respondent's race, and his attitudes toward low-income people, renters, blacks, and neighborhood integration).

Table 3.5 presents the results. Whereas our regression model explains more of the variance in landlord program knowledge than did a similar model for other

[5] For a more extensive discussion of this discrepancy and its significance, see Ellickson (1978) and Ellickson and Kanouse (1979).

[6] Because program awareness is not measured on an interval scale, we compared our regression results with those obtained from discriminant analysis. Because the results were essentially the same for the two methods, we report the more readily interpretable regressions.

Table 3.5

REGRESSION OF PROGRAM AWARENESS ON RESPONDENT CHARACTERISTICS AND ATTITUDES: ALL RESPONDENTS

Variable	Unit of Measurement	Regression Statistics			
		Coefficient		Standard Error (σ_b)	Value of F
		β	b		
Dependent					
Program awareness	Some = 1, none = 0	--	--	--	--
Independent					
Respondent characteristics:					
Education	Years of schooling	.101	.013	.006	5.9[b]
Sex	Male = 1, female = 0	.063	.068	.037	3.5[c]
Race	Nonwhite = 1, white = 0	.061	.087	.050	3.1[c]
Age	Years	-.065	-.002	.001	3.6[c]
Occupational status	Positive scale, 1-8	.052	.010	.007	1.7
Income	$000 per year	-.003	.000	.002	<1.0
Properties owned	Square root of number owned	.149	.091	.024	15.0[a]
Units owned	Square root of number owned	.002	.000	.011	<1.0
Average property size	Log_{10} of average number of units per property	.028	.045	.060	<1.0
Real estate income	Percent of total income	.027	.001	.001	<1.0
Non-real estate investments	Some = 1, none = 0	.105	.089	.030	8.8[a]
Resident landlord in 1974	Yes = 1, no = 0	.024	.028	.041	<1.0
Real estate organizations	Member = 1, nonmember = 0	.094	.172	.063	7.5[a]
Non-real estate organizations	Number of memberships (maximum = 5)	.104	.029	.010	8.5[a]
Respondent attitudes toward:					
Renters	Scale: 1 = positive, 7 = negative	.015	.004	.009	<1.0
Low-income people	Scale: 1 = positive, 7 = negative	-.089	-.023	.010	5.9[b]
Blacks	Scale: 1 = positive, 7 = negative	.004	.001	.010	<1.0
Neighborhood integration	Scale: 1 = anti-integration, 7 = prointegration	.050	.011	.008	1.9
Regression constant	--	-.161		--	--

SOURCE: Analysis by HASE staff of records from the survey of landlords, Site II, baseline.

NOTE: Regression analysis was performed on the records of 861 respondents who provided information on all variables listed. $R^2 = .13$. $F = 6.71$ with 18 degrees of freedom. Regression coefficients are given in both measured units (b) and standard units (β).

[a] Coefficient significantly different from zero at the .99 level of confidence under a two-tailed test.

[b] Coefficient significantly different from zero at the .95 level of confidence under a two-tailed test.

[c] Coefficient significantly different from zero at the .95 level of confidence under a one-tailed test.

household heads ($R = .13$ and $.04$, respectively [Ellickson, 1978]), the results are still fairly unimpressive. Either chance played a large role in determining who found out about the program, or both equations omit important explanatory variables. We suspect that R would be larger if the survey had included variables measuring general exposure to the media and interest in local affairs; but if such variables are random with respect to the landlord characteristics already in the model, including them would not add much to our understanding.

Still, a number of individual characteristics and attitudes had a statistically significant, though small, effect on whether landlords were aware of the allowance program. The most important of these was the number of rental properties the landlord owned. Membership in real estate and non-real estate organizations also played a significant role. Each of these variables presumably operates by increasing the probability of exposure to program-related information, either through primary or secondary (word-of-mouth) sources.

Among traditional demographic variables, education, age, sex, and race were related to program knowledge, with education exerting the strongest (positive) influence. The effect of age, however, was in the opposite direction from that found for household heads; younger landlords tended to be more knowledgeable than older ones. We believe the explanation lies in the differing age distributions for the two populations.[7]

Among landlords, as among household heads, males were somewhat more likely to know about the program than females. We believe that the difference reflects differential media usage. The effect of race, however, more likely reflects selective attention, with blacks and other minorities being more inclined to take an active interest in program information.

Finally, we note a serendipitous finding. Exploratory analyses suggested the importance of a variable in which we had no a priori theoretical interest: investments in non-real estate ventures. Landlords reporting income from such investments were considerably more likely to know about the program; accordingly, we included this variable in our regression model. Even when other likely mediating variables were controlled, it emerged as one of our two strongest predictors of program knowledge. Subsequent analysis suggests that this variable represents an excellent proxy for a close reading of the local newspaper. The *South Bend Tribune's* financial pages lie in close proximity to its coverage of local news, making it very likely that a reader searching for the former will skim the latter. Level 2 landlords reporting non-real estate investment income were, in fact, more likely to cite the newspaper as a source of program information.[8]

Ideological Predispositions

Among household heads, attitude toward neighborhood integration formed the strongest single predictor of program knowledge (Ellickson, 1978, p. 26). Controlling for the respondent's race, she found that those favoring integration were more

[7] The relationship between newspaper readership and age is curvilinear: people under 35 or over 65 are less likely to be readers (Sterling and Haight, 1978). Among household heads, those in the former group outnumber those in the latter group by more than two to one, producing a positive correlation with program knowledge. In the population of landlords, the opposite is true, producing a negative correlation.

[8] Eighty-seven percent of all level 2 landlords reporting such investments cited the newspaper as a source of information, compared with 72 percent of those not reporting such investments.

likely to know about the program than those opposing it. Among landlords, this variable was not a significant predictor of program knowledge. Instead, landlord program knowledge was positively related to attitudes toward people with low incomes. We believe this probably reflects a process of selective attention: landlords favorably disposed toward the program's likely beneficiaries were more inclined to attend to program-related information.

Relationship to the Allowance Program

Because their incomes are generally higher than those of other household heads, few landlords are eligible for allowance benefits. For them, the program's significance lies mainly in its potential effects on their tenants, the management of their rental properties, and the quality of the immediate neighborhood in which these properties are located.

Manifestly, not all landlords at baseline were equally likely to be affected by the program. Some owned properties lying outside the program's probable jurisdictional boundaries. Others managed dwelling units whose monthly rents exceeded the amount that housing allowance recipients were likely to be able to afford. Still others may have specialized in providing housing services to a clientele largely excluded from eligibility on other grounds (e.g., college students).

To determine whether the landlord's likely relationship to the allowance program affected his awareness of it, we defined a number of additional variables that we thought might reflect the program's potential relevance to a given landlord. These variables included whether the landlord's rental property was located in South Bend or elsewhere in the county;[9] whether any of its dwelling units were currently occupied by elderly, low-income, or welfare-recipient tenants; whether the average rent level for the property was higher or lower than the standard cost of adequate housing; and whether the landlord thought that the neighborhood in which the property was located was undergoing physical or social decay.[10]

Regressing program knowledge on these variables, we found that none of them added significantly to the explanatory power of the variables listed in Table 3.5. We concluded that the additional variables' potential relationship to the allowance program was of little significance in determining landlord knowledge of the program at baseline.

Conclusions

Although there was a statistically significant relationship between several variables and program awareness, in no case was the relationship strong. Most of the variance in program awareness remains unexplained. Possibly the most important determinants of awareness were not included in our model. Alternatively, chance may have played a large role in the acquisition of program knowledge by both landlords and other household heads.

[9] Initially, the program's jurisdiction was only the city of South Bend.

[10] Note that the variables listed here are defined at the property level and may take on different values for different properties owned by the same landlord. For purposes of exploratory analysis, we arbitrarily selected one and only one property to represent each landlord. A more thorough analysis would take into account all properties owned by a given landlord; however, preliminary results for these variables were quite clear, and did not justify more detailed investigation.

DETERMINANTS OF PROGRAM SOPHISTICATION

Now that we have examined the question of which landlords knew about the program, we turn to the question of how much they knew: Which landlords were likely to have the most sophisticated knowledge about the program? Our examination of program sophistication is based on a scale ranging from 1 (least sophisticated) to 7 (most sophisticated). The scale was derived from analytic judgments of both the quality and quantity of landlords' comments about the program. Respondents who had high-quality information (specific knowledge about the allowance program) received higher ratings than those who gave many responses, none of which could uniquely apply to the allowance program.[11]

We regressed program sophistication scores on the same variables used to analyze program awareness. The results, shown in Table 3.6, offer some surprises: Several of the variables that increased program awareness had no significant effect on the sophistication of program information. Only two respondent-characteristic variables, average property size and membership in real estate organizations, have significant predictive value. Among attitudinal variables, only attitude toward low-income people had any effect on program sophistication.

Our failure to find as many significant predictors of program sophistication as we found for simple program awareness partly reflects differences in the number of respondents available for analysis (173 vs. 861). In addition, few respondents scored high in sophisticated knowledge about the program, reducing our ability to discriminate among scores. However, we should not overemphasize methodological problems. The analysis suggests that beyond such limitations, respondent characteristics and attitudes simply were not very important in explaining information sophistication. Instead, sophistication was related to source of information.

The results of a regression of sophistication on eight sources of program information are summarized in Table 3.7. Of these, three emerged as significant positive predictors of sophistication, and two others served as negative predictors. Together, the 8 source variables were able to explain nearly as much variance in sophistication as the 18 respondent characteristics and attitudes listed in Table 3.6.

Moreover, the pattern of results is quite sensible. Positive predictors of sophistication tended to be sources likely to provide respondents with accurate detail: the HAO, Rand, government agencies, and (to a lesser extent) the newspaper. Negative predictors included sources likely to mention the program's existence without necessarily supplying details about it (survey interviewers and private, word-of-mouth sources). In fact, survey interviewers were explicitly cautioned not to discuss the program with respondents. Finally, three other sources—radio, television, and community groups—had neither a positive nor a negative impact on program sophistication.

Our analysis reveals certain differences in the determinants of program sophistication among landlords as compared with household heads. Among the latter, personal characteristics and attitudes were able to explain more variance in sophistication than did source of information (see Ellickson, 1978). In interpreting these differences, it is useful to note that the regression model for household heads

[11] See Appendix D for a description of the scale.

[12] The larger sample sizes for level 2 households in later waves should permit us to disaggregate our data finely enough to test this notion directly.

Table 3.6

REGRESSION OF PROGRAM SOPHISTICATION ON RESPONDENT CHARACTERISTICS AND ATTITUDES: LEVEL 2 RESPONDENTS

Variable	Unit of Measurement	Regression Statistics			
		Coefficient		Standard Error (σ_b)	Value of F
		β	b		
Dependent					
Program sophistication	Positive scale, 1-7	--	--	--	--
Independent					
Respondent characteristics:					
Education	Years of schooling	.029	.019	.069	<1.0
Sex	Male = 1, female = 0	.081	.585	.591	<1.0
Race	Nonwhite = 1, white = 0	-.094	-.644	.582	1.2
Age	Years	.005	.001	.015	<1.0
Occupational status	Positive scale, 1-8	-.102	-.103	.098	1.1
Income	$000 per year	-.033	-.010	.028	<1.0
Properties owned	Square root of number owned	.135	.295	.215	1.9
Units owned	Square root of number owned	-.037	-.050	.132	<1.0
Average property size	Log_{10} of average number of units per property	.213	1.467	.633	5.4[a]
Real estate income	Percent of total income	-.067	-.008	.012	<1.0
Non-real estate investments	Some = 1, none = 0	-.039	.164	.345	<1.0
Resident landlord in 1974	Yes = 1, no = 0	-.028	-.174	.534	<1.0
Real estate organizations	Member = 1, nonmember = 0	-.140	-.898	.526	2.9[b]
Non-real estate organizations	Number of memberships (maximum = 5)	.055	.074	.111	<1.0
Respondent attitudes toward:					
Renters	Scale: 1 = positive, 7 = negative	-.053	-.073	.122	<1.0
Low-income people	Scale: 1 = positive, 7 = negative	-.216	-.288	.135	4.6[a]
Blacks	Scale: 1 = positive, 7 = negative	.154	.224	.152	2.2
Neighborhood Integration	Scale: 1 = anti-integration, 7 = prointegration	.099	.115	.101	1.3
Regression constant	--	3.548		--	--

SOURCE: Analysis by HASE staff of records from the survey of landlords, Site II, baseline.

NOTE: Regression analysis was performed on records of 173 level 2 respondents who provided information on all variables listed. $R^2 = .14$. $F = 1.41$ with 18 degrees of freedom. Regression coefficients are given in both measured units (b) and standard units (β). The dependent variable is described in Appendix D.

[a] Coefficient significantly different from zero at the .95 confidence level under a two-tailed test.

[b] Coefficient significantly different from zero at the .95 confidence level under a one-tailed test.

Table 3.7

REGRESSION OF PROGRAM SOPHISTICATION ON SOURCE OF INFORMATION: LEVEL 2 RESPONDENTS

Variable	Unit of Measurement	Regression Statistics			
		Coefficient		Standard Error	Value of F
		β	b	(σ_b)	
Dependent					
Program sophistication	Positive scale, 1-7	--	--	--	--
Independent					
Information source:					
Government agency	Yes = 1, no = 0	.210	1.304	.407	10.3[a]
HAO or Rand	Yes = 1, no = 0	.207	1.030	.335	9.5[a]
Private source	Yes = 1, no = 0	-.148	-.771	.338	5.2[b]
Newspaper	Yes = 1, no = 0	.132	.638	.333	3.7[c]
Survey	Yes = 1, no = 0	-.120	-1.426	.748	3.6[c]
Community group	Yes = 1, no = 0	.062	.449	.461	<1.0
Radio	Yes = 1, no = 0	-.054	-.348	.430	<1.0
Television	Yes = 1, no = 0	.042	.186	.295	<1.0
Regression constant	--	3.948		--	--

SOURCE: Analysis by HASE staff of records from the survey of landlords, Site II, baseline.

NOTE: Regression analysis was performed on records of 233 respondents who had some program information and indicated its source. $R^2 = .12$. $F = 3.97$ with 8 degrees of freedom. Regression coefficients are given in both measured units (b) and standard units (β). The dependent variable is described in Appendix D.

[a]Coefficient significantly different from zero at the .99 confidence level under a two-tailed test.

[b]Coefficient significantly different from zero at the .95 confidence level under a two-tailed test.

[c]Coefficient significantly different from zero at the .95 confidence level under a one-tailed test.

contains more variables tapping the respondent's "reason to know" about the program. These variables should enhance sophistication by making respondents attend more closely to program information. For example, one of these variables—housing tenure—was in fact a significant predictor of sophistication among household heads; however, it does not vary for landlords, who are owners by definition.

Landlords' greater education may also help to explain certain differences in the results. Among household heads, education was positively related to program sophistication. Among landlords, whose educational levels are generally much higher, there was no relationship. It is possible that the power of education as a discriminating variable may be seriously curtailed in a population displaying relatively high overall educational levels. Moreover, to the extent that education serves

as an index of "cognitive capacity," we would expect it to enhance any initial differences in the level of detail supplied by different sources. Those with more education may be better able to absorb and retain details provided by more sophisticated sources (such as government agencies, the HAO, and Rand).[12] Thus, the average landlord who learned of the program from such sources may have retained more detail than the average household head, simply as a result of his (typically) greater education.

Interpreting these differences should not distract us from the essential consistency underlying our data. Wherever education has an effect, it is a positive one, as we would expect it to be. Other variables considered to be proxies for media exposure habits, such as age, sex, and occupation, show mostly predictable relationships to program awareness. Data obtained from our respondents regarding their sources of information show a clear relationship to the sophistication of respondents' program information. "Reason to know" variables do not explain as much of the variance in knowledge for landlords as they do for household heads, but this, too, is consistent with the fact that the program is designed to benefit the latter. In short, the data are consistent with the notion that how much respondents knew about the program was determined by their exposure and attention to program information, and their capacity for and interest in retaining that information.

IV. EARLY EXPECTATIONS OF PROGRAM CONSEQUENCES

Even before the program began to enroll clients, those who knew about it had developed expectations about its probable consequences for the local housing market, economy, and residents. In this section, we examine how landlords felt about the program's probable effects on their own properties or on their management of rental properties, on the neighborhoods in which these properties are located, and on the larger community.

Landlords might anticipate benefits in having a more prosperous tenantry, making it easier for them to collect rents. On the other hand, they might view the program as likely to increase their expenditures for maintenance and repairs, or complicate their relations with tenants. Either way, these expectations can help to shape a landlord's response to the program.

Each landlord who showed some program awareness in our survey (level 2) was asked a series of questions about the program's possible effects. As Table 4.1 shows, more than half of those who knew about the program thought it might have some effect on the county as a whole, but considerably fewer thought that it would affect their households, tenants, or property.

Table 4.1

PROGRAM EFFECTS ANTICIPATED BY LEVEL 2 LANDLORDS

Type of Effect Anticipated[a]	Number of Respondents	Corresponding County Population of Landlords		
		Number	Percent of Level 2 Landlords[b]	Percent of All Landlords[c]
On own household	52	195	15.4	2.9
On property management	44	153	12.0	2.3
On current tenants (they may apply)	47	180	14.2	2.7
On neighborhood	90	381	30.0	5.8
On county	183	692	54.5	10.5

SOURCE: Tabulated by HASE staff from records of the survey of landlords, Site II, baseline.

NOTE: Estimates are based on responses of 334 landlords classified as aware of the program (level 2) out of a total of 1,577 landlords providing complete attitude information. Levels of program awareness are defined on pp. 4-5.

[a]Respondent may view anticipated effects as desirable or undesirable; see Table 4.4.

[b]Estimated county total of level 2 landlords = 1,270.

[c]Estimated county landlord population = 6,620.

Because most landlords have incomes that make them ineligible for allowance benefits, we expected few respondents to anticipate direct benefits to their own households. Nonetheless, 27 landlords—about half of those who anticipated possible household effects—indicated that they themselves might apply for an allowance.[1] The remainder cited the possibility of indirect household effects.

ANTICIPATED EFFECTS ON PROPERTY MANAGEMENT

Surprisingly, the number of landlords who thought that the program would affect the way in which they managed property was even smaller than the number who expected their own households to be affected. Moreover, of the 44 landlords who expected their property management to be affected, only 6 said they might raise rents.[2] The rest imagined other effects, such as improved rent collection, changes in relations with tenants, and the possible need for better maintenance and repairs.

Thus, judging from the survey responses, few landlords viewed the program as a potential windfall or as likely to have any direct effect on the way they managed their property. This result is striking in the light of preexperimental scenarios of possible program effects. One prediction was that landlords would capture most program benefits for themselves, raising rents and prices without providing better housing for participants. Another was that landlords and tenants would collude to divide benefits without meeting the program's objective of housing improvement. However plausible these scenarios may have seemed to others, landlords clearly did not share them.[3] Nor did they appear concerned that the program's lease requirement would make it difficult for them to get rid of undesirable tenants, a possibility raised by some community leaders during the negotiation period.[4]

An additional measure of the anticipated effects of the program on landlords' own properties is given by the number who expected their present tenants to apply for benefits. Among level 2 landlords, only 14 percent stated that they thought one or more of their current tenants might apply; this suggests that most landlords thought that the program's clientele would be drawn from rental properties other than their own.[5]

[1] A few of these landlords may have been eligible. Ten of those indicating that they might apply reported household incomes of $8,000 or less.

[2] Some landlords may have been reluctant to admit that they might raise rents as a result of the program. However, since the interviewer had already exhaustively explored their revenue and expense accounts, plans for the property, and perceptions about tenants, we think that most of them felt free to be candid in describing possible program effects.

[3] In fact, the program did not lead to rent increases. Between early 1975 and early 1976, contract rents in St. Joseph County increased at an average annual rate of about 3 percent. Gross rent, which includes fuel and utility services billed to tenants, increased at an average annual rate of about 5 percent. Neither figure provides evidence of rent increases that would significantly raise landlords' profits. (For further details, see Stucker, 1979.)

[4] See Lowry (1973). Preexperimental scenarios of program effects are described in *Third Annual Report of the Housing Assistance Supply Experiment*, 1977, pp. 103-105.

[5] At baseline, no one knew how many eligible households would apply. However, 18 percent of the households who knew about the program at that time reported that they planned to apply, and preliminary data from wave 2 surveys indicate that by the end of the first year of operations, more than 20 percent of all landlords had tenants who were currently receiving payments (see Ellickson and Kanouse, 1979).

To learn more about the characteristics of landlords who expect their current tenants to apply, we used regression techniques to compare that group with other knowledgeable landlords. The results, summarized in Table 4.2, show that landlords who expect their tenants to apply tend to be favorably disposed toward blacks, are often black themselves, and typically own more properties and belong to fewer organizations than other landlords. The overall pattern of results suggests that such landlords may be better connected to the community at the grassroots level; e.g., they may know more blacks or other eligibles who are, in fact, very likely to apply.[6] Surprisingly, however, such landlords are also less favorably disposed toward low-income people than would be expected on the basis of their other characteristics.[7]

Although the factors that influenced these baseline expectations are interesting in their own right, we must keep in mind that the number of landlords having such expectations was small. As noted earlier, actual experience is likely to be interpreted in light of expectations. If so, then our data indicate that at baseline, very few landlords had concrete expectations about the effects that the program would have on their rental property management. Of those who did, many clearly expected those effects to be minimal. These generally low-key expectations may have resulted in many landlords experiencing unanticipated effects once the program got under way.

ANTICIPATED EFFECTS ON NEIGHBORHOOD AND COUNTY

Table 4.1 shows that the number of landlords expecting the program to have an effect increased as the locus shifted from their own households and property management to the neighborhood and finally to the county. These expected effects are shown in more detail in Table 4.3. As the table shows, the chief expectation was that the program would improve housing quality in both the neighborhood and the county. Anticipated effects on residents' mobility were fairly low, suggesting that most landlords did not expect the program to increase geographical mobility by race (or if they did, that they were unconcerned about it).[8]

To analyze the determinants of landlords' expectations regarding neighborhood or county effects, we regressed each of these variables on social background and attitude variables. In neither case was the equation able to account for expectations.[9]

Ellickson (1978) also found that St. Joseph County's household heads did not seem to make these judgments in any predictable way. Either important explana-

[6] The participation rate among eligible black households at the end of the first year was 55 percent, compared with 14 percent for white households (Kozimor, 1978). Black household heads were also much more likely to state that they planned to apply during the baseline survey (Ellickson, 1978).

[7] But this is so only when other factors are controlled. The sample correlation between expecting tenants to apply and attitude toward low-income people shows a small but positive underlying relationship ($R = -.06$ with the negatively scored scale).

[8] That conclusion is borne out by analysis of verbatim responses to other questions in the survey. Nowhere did landlords evidence much concern with possible geographical mobility by race or neighborhood change.

[9] In each case, anticipated effects = 1, no effects = 0. For anticipated neighborhood effects, $F = 1.27$ with 18 degrees of freedom, and for anticipated county effects, $F = 1.35$ with 18 degrees of freedom.

Table 4.2

REGRESSION OF EXPECTATION THAT CURRENT TENANTS MAY APPLY ON RESPONDENT CHARACTERISTICS AND ATTITUDES: LEVEL 2 RESPONDENTS

Variable	Unit of Measurement	Regression Statistics			
		Coefficient		Standard Error (σ_b)	Value of F
		β	b		
Dependent					
Expects one or more current tenants to apply to program	1 = yes, 0 = no	--	--	--	--
Independent					
Respondent characteristics:					
Education	Years of schooling	-.151	-.020	.017	1.3
Sex	Male = 1, female = 0	.063	.088	.133	<1.0
Race	Nonwhite = 1, white = 0	.242	.317	.133	5.6[a]
Age	Years	.085	.003	.004	<1.0
Occupational status	Positive scale, 1-8	-.100	-.021	.024	<1.0
Income	$000 per year	-.130	-.008	.006	1.7
Properties owned	Square root of number owned	.223	.087	.044	3.9[b]
Units owned	Square root of number owned	.057	.014	.030	<1.0
Average property size	Log_{10} of average number of units per property	-.107	-.133	.133	1.0
Real estate income	Percent of total income	-.078	-.002	.003	<1.0
Non-real estate investments	Some = 1, none = 0	.087	.070	.077	<1.0
Resident landlord in 1974	Yes = 1, no = 0	.154	.216	.133	2.7
Real estate organizations	Member = 1, nonmember = 0	-.013	-.015	.114	<1.0
Non-real estate organizations	Number of memberships (maximum = 5)	-.170	-.044	.024	3.3[b]
Respondent attitudes toward:					
Renters	Scale: 1 = positive, 7 = negative	-.144	-.044	.030	2.1
Low-income people	Scale: 1 = positive, 7 = negative	.234	.062	.033	3.6[b]
Blacks	Scale: 1 = positive, 7 = negative	-.271	-.073	.033	4.8[a]
Neighborhood integration	Scale: 1 = anti-integration, 7 = prointegration	-.100	-.022	.023	<1.0
Regression constant	--	.632		--	--

SOURCE: Analysis by HASE staff of records from the survey of landlords, Site II, baseline.

NOTE: Regression analysis was performed on the records of 130 respondents who provided information on all variables listed. $R^2 = .22$. $F = 1.72$ with 18 degrees of freedom. Regression coefficients are given in both measured units (b) and standard units (β).

[a] Coefficient significantly different from zero at the .95 level of confidence under a two-tailed test.

[b] Coefficient significantly different from zero at the .95 level of confidence under a one-tailed test.

Table 4.3

DETAILS OF PROGRAM EFFECTS ON COUNTY AND NEIGHBORHOOD ANTICIPATED BY LEVEL 2 LANDLORDS

Type of Effect	Location of Anticipated Effect			
	Neighborhood		County	
	Number of Respondents	Percent of Level 2 Respondents	Number of Respondents	Percent of Level 2 Respondents
On housing:				
Upgrade	33	14.9	61	27.5
Other[a]	20	9.0	26	11.7
On residents	18	8.1	68	30.6
On landlords	5	2.3	13	5.9
On community[b]	27	12.2	49	22.1
On mobility	18	8.1	14	6.3
On economy	(c)	(c)	36	16.2
On government	(c)	(c)	5	2.3

SOURCE: Tabulated by HASE staff from records of the survey of landlords, Site II, baseline.

NOTE: Estimates are based on responses of 222 landlords, classified as aware of the allowance program (level 2), who were asked about neighborhood and county effects--out of a total of 1,577 landlords providing complete attitude information. Levels of program awareness are defined on pp. 4-5.

[a]Includes increased construction or demolition; downgrading of housing; and effects on property values, rents, housing costs, or vacancies.

[b]Includes appearance, quality of life, crime, integration.

[c]Not applicable.

tory variables were omitted, or the genesis of expectations is not directly related to a landlord's status on demographic and attitude variables. We prefer the latter explanation, largely because we feel that expectations are apt to be colored by attitudinal predispositions which, in turn, are based on beliefs whose origins are hard to trace, since they may hinge on specific assumptions. (For example, beliefs that the program will affect a given neighborhood or the county may rest on the assumption that many residents will apply and that the benefits they receive will translate into improved housing, increased mobility, or other tangible effects on the community.)

If the expectations of St. Joseph County's residents and landlords did indeed follow from subjectively formed positive or negative attitudes, we would expect to learn little from an analysis aimed at finding determinants of all expectations, regardless of their evaluative content. Below, we present tabulations that distinguish expectations about program effects according to their evaluative sign. The determinants of landlords' evaluations of the program as a whole are considered in Sec. V.

EVALUATION OF ANTICIPATED EFFECTS

Table 4.4 distinguishes positive from negative expectations. Landlords were least positive in their views of possible effects on property management. In contrast, potential household, neighborhood, and county effects were viewed positively more than half of the time.

Table 4.4

EVALUATION OF PROGRAM EFFECTS ANTICIPATED BY LEVEL 2 LANDLORDS

Type of Effect	Number of Respondents	Evaluation (%)			
		Positive	Neutral	Negative	Total
On own household	52	57.7	28.8	13.5	100.0
On property management	44	38.6	34.1	27.3	100.0
On neighborhood	90	52.2	33.3	14.4	100.0
On county	183	59.6	21.3	19.1	100.0

SOURCE: Tabulated by HASE staff from records of the survey of landlords, Site II, baseline.

NOTE: Based on responses of 334 landlords classified as aware of the program (level 2), selected from a total of 1,577 landlords providing complete attitude information. Levels of program awareness are defined on pp. 4-5. The respondent's attitude toward the anticipated effect was derived from coder judgments of the evaluative nature of those descriptions. Percentages may not sum to 100.0 because of rounding.

As a group, landlords rejected the most negative scenarios about likely program effects—that the program would upset neighborhood racial balance, disrupt the housing market, or prevent them from evicting undesirable tenants. But neither did they accept the most positive scenarios. Instead, they assumed a wait-and-see attitude, characterized by cautious anticipation of mostly positive effects.

We should, however, inject a cautionary note. In the long run, landlords and others are unlikely to give equal weight to positive and negative program consequences. Those who perceive the program to have some negative effects are unlikely to evaluate it positively, even if they observe positive effects as well.[10] Thus, landlords' baseline expectations, while predominantly positive, leave considerable room for later swings of sentiment. The final outcome will depend on their perceptions of actual program effects.

[10] Kanouse and Hanson (1972) review psychological studies showing that in forming overall evaluations of an object, people typically give more weight to negative attributes than to positive ones. More recent evidence for this phenomenon may be found in studies by Birnbaum (1972), Hamilton and Zanna (1972), Hodges (1974), and Dreben, Fiske, and Hastie (1979).

So far, there has been little well-controlled empirical research testing for this "negativity effect" in political attitudes. Mueller (1973) offers a model of presidential popularity that assumes a negativity effect, and Campbell, Converse, Miller, and Stokes (1960) invoke a negativity principle to explain variations in election outcomes. Despite the sparsity of applied research, the consistency of findings from controlled laboratory studies suggests that the phenomenon probably occurs in evaluations of political and social issues as well.

COMPARISONS WITH OTHER HOUSEHOLD HEADS

Compared with landlords, other household heads were more likely to expect the program to have an effect—and a positive one—on themselves and on the larger community. Table 4.5 shows that landlords less often anticipated possible effects both on their immediate households and on the county as a whole. However, they were just as likely as other household heads to envision neighborhood effects.

The fact that landlords anticipated household effects less often is readily explained by their lower rate of *eligibility* for the program; the corresponding difference in how often they mention possible county effects is not. Table 4.6 casts additional light on these differing expectations. The table shows the frequency with which each group cited the most common themes underlying both neighborhood and county effects. The primary difference is clear: Landlords were less likely to describe the program's possible effects on people. At the same time, they were somewhat more likely to envision systemic effects; particularly, effects on housing and residential mobility.

We suspect that the different patterns of expectations partly reflect landlords' greater education, and partly their distinctive self-interests. Education tends to promote both the use and expression of relatively abstract ideas, of which housing stock quality and residential mobility are good examples. Those with less education may find it easier to think in terms of how the program might affect specific residents of the neighborhood or county. At the same time, however, their status as investors gives landlords a greater stake in these so-called abstract concepts. The housing market can be very real to an investor, and the idea of neighborhood change can represent a palpable threat or promise. While we cannot distinguish the effects of education and self-interest in shaping landlord expectations, the pattern of results does not surprise us on either count.

Most importantly, however, landlords differ in the evaluative content of their expectations (see Table 4.7). We asked our coders to judge the overall evaluative tone of our respondents' verbatim comments regarding their program expectations. Landlords' expectations were less positive, particularly with respect to neighborhood and county effects. As we shall see below, however, landlords were no less positive than other household heads in their explicit evaluations of the program.

Table 4.5

Comparison of Program Effects Anticipated by Landlords and Other Household Heads

Type of Effect[a]	Percent of County Population			
	Level 2 Landlords[b]	Level 2 Household Heads[c]	All Landlords[d]	All Household Heads[e]
On own household:				
Direct (benefit)	8.9	17.9	1.7	2.9
Direct and indirect	15.4	22.7	2.9	3.7
On neighborhood	30.0	31.9	5.8	5.3
On county	54.5	73.3	10.5	11.6
On property management	12.0	--	2.3	--
On current tenants (they may apply)	14.2	--	2.7	--

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Estimates are based on responses of 334 landlords and 423 households classified as aware of the program (level 2), out of a total of 1,577 landlords providing complete attitude information and 2,775 households reporting complete household information. Levels of program awareness are defined on pp. 4-5.

[a] Except for direct household benefits (expected by those who intended to apply), the anticipated effects may be viewed by the respondent as either desirable or undesirable. Not all of those who said they expected to apply also said they expected the program to affect their households.

[b] Estimated county total of level 2 landlords = 1,270.

[c] Estimated county total of other level 2 households = 12,280.

[d] Estimated county landlord population = 6,620.

[e] Estimated county household population (excluding landlords) = 72,332.

Table 4.6

COMPARISON OF DETAILED COUNTY AND NEIGHBORHOOD EFFECTS ANTICIPATED BY LEVEL 2 LANDLORDS AND OTHER HOUSEHOLD HEADS

Type of Effect	Percent of Respondents Anticipating an Effect on			
	Neighborhood		County	
	Landlords	Other Household Heads	Landlords	Other Household Heads
On housing:				
Upgrade	36.7	35.1	33.3	27.2
Other[a]	22.2	11.0	14.2	10.8
On residents	20.0	59.1	37.2	76.0
On community[b]	30.0	33.1	26.8	37.2
On mobility	20.0	11.0	7.7	6.0

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Percentages are based on the number of level 2 respondents who said the program would have an effect on the neighborhood (90 landlords and 154 households) or the county (183 landlords and 250 households).

[a]Includes general statements that the program will affect housing (with no details about how), as well as specific statements about its effects on construction, demolition, rents, and property values.

[b]Includes general statements that the program will improve or downgrade the community, or that it will affect the community's appearance, quality of life, crime, or integration.

Table 4.7

COMPARISON OF EVALUATIONS OF PROGRAM EFFECTS ANTICIPATED BY LEVEL 2 LANDLORDS AND OTHER HOUSEHOLD HEADS

Evaluation by Location of Effect	Percent of Respondents	
	Landlords	Other Household Heads
Household:		
Positive	57.7	72.9
Neutral	28.8	18.7
Negative	13.5	8.4
Total	100.0	100.0
Neighborhood:[a]		
Positive	52.2	79.9
Neutral	33.3	13.6
Negative	14.4	6.5
Total	100.0	100.0
County:[a]		
Positive	59.6	75.6
Neutral	21.3	12.0
Negative	19.1	12.4
Total	100.0	100.0

SOURCE: Tabulations by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Percentages are based on the number of level 2 respondents who said that the program would have an effect on their households (52 landlords and 107 household heads), the neighborhood (90 landlords and 154 household heads), and the county (183 landlords and 250 household heads). Percentages may not sum to 100.0 because of rounding.

[a]The distribution of responses among landlords differs significantly from the distribution for other household heads at the .99 level of confidence under a X^2 test.

V. EARLY PROGRAM EVALUATIONS

Public acceptability is an important consideration in judging the advantages and disadvantages of any new program. The allowance program gives financial aid to low-income households and encourages them to seek better housing in the private market. In so doing, it impinges in a variety of ways on those not receiving allowances (e.g., neighbors of recipients, renters, homeowners, real estate brokers, and landlords). Planners of the experiment were most concerned about the possible crystallization of organized opposition to the program on the part of such groups. Less organized opposition was also possible; e.g., landlords who disapproved of the program on ideological grounds or distrusted its recipients could make it difficult for their tenants to become certified, either by refusing to sign HAO-required leases or by withholding cooperation in making needed repairs.

There were also positive possibilities. Landlords might see advantages in greater financial stability for their tenants, and might also be pleased by the incentives provided tenants to keep their units in good repair.

Baseline program evaluations reported here indicate how landlords reacted to the idea of the program before they had any actual experience with it or with its clients. These early reactions give us a particularly good idea of how landlord reactions were shaped by ideological commitments and by the nature of their stake in the housing market.

OVERALL EVALUATION

We have two measures of landlords' overall evaluation of the program: (a) coder judgments of each respondent's attitude based on his program description; and (b) the respondent's rating of the program on a seven-point scale ranging from "good idea" to "bad idea."

According to both measures, very few of the landlords who knew about the program viewed it negatively. As Table 5.1 shows, coders judged only 12 percent of the program descriptions offered by level 2 landlords to be negative; the proportion of respondents themselves who rated the program negatively was somewhat higher (18 percent). Coders judged half the program-aware landlord population to have neutral attitudes and more than a third, positive ones. Respondent ratings reversed that order; about half rated the program positively and almost a third expressed neutral feelings.

In part, these differences reflect the fact that different samples of respondents are covered by each part of the table. Coder judgments are reported for everyone who described the program, whether correctly or not. In contrast, interviewers asked landlords to rate the program only if they seemed knowledgeable. There was also a difference in how the judgments were made. Coders were instructed to use the neutral category whenever the respondent's words were not unmistakably positive or negative. Landlords could express neutrality by saying that they had no opinion or by evaluating the program at the scale midpoint. When landlords

Table 5.1

PROGRAM EVALUATION BY LEVEL 2 LANDLORDS

Evaluation	Number of Respondents	Population of Landlords	
		Number	Percent
Coder Judgment[a]			
Positive	112	474	37.3
Neutral	179	642	50.6
Negative	43	154	12.1
Total	334	1,270	100.0
Respondent Judgment--All Those Asked[b]			
Positive	114	456	51.4
Neutral or no opinion	71	274	30.9
Negative	51	157	17.7
Total	236	887	100.0
Respondent Judgment--Only Those with Opinion[c]			
Positive	114	456	66.2
Neutral	17	76	11.0
Negative	51	157	22.8
Total	182	689	100.0

SOURCE: Tabulated by HASE staff from records of landlords, Site II, baseline.

NOTE: Estimates are based on responses of 334 landlords who had some program knowledge, out of a sample of 1,577 landlords. Levels of program awareness are defined on pp. 4-5.

[a]Coders judged the tone of respondent descriptions of the allowance program, which were elicited before the respondent was asked his opinion of the program.

[b]Respondents were asked if they had an opinion about whether the program is a good or bad idea. If they said "yes," they were asked to rate the program on a scale of 1 (very positive) to 7 (very negative). The neutral or no opinion category includes respondents who had no opinion and those who gave the program a rating of 4.

[c]Includes only respondents who said they had an opinion about the program. The neutral category refers to respondents who gave the program a rating of 4.

were willing to express opinions about the program, they were more likely to choose a positive alternative than a neutral one.

Either of these differences, in sample or method, could account for the distributional differences that appear in the table. But whichever measure we use, it is clear that most level 2 landlords were either favorably disposed toward the program, or at least not clearly against it. How do their evaluations compare with those of other county residents? Table 5.2 shows that they were very similar. On the basis of verbatim program descriptions, coders judged landlords to be somewhat more positive than other household heads. However, landlords themselves rated the program about the same as did other household heads, with only one or two percentage points separating the two distributions.

Our data, however, indicate that landlord support for the program at baseline was far from solid. When asked to provide reasons for their program evaluations, 35 percent of the level 2 landlords who rated the program made at least one negative comment (see Table 5.3), and 17 percent gave one or more conditional comments (such as "it's a good program but I hope it won't lead to waste"). As we noted in Sec. IV, landlord expectations concerning the program's likely effects on the neighborhood and the larger community were significantly less positive than those of other household heads. Thus, while landlords' overall ratings of the program were little different from those of other household heads, we think that their positive views may have been less stable, and hence more vulnerable to later erosion.

REASONS FOR OVERALL EVALUATION

Social scientists generally agree that an individual's perceptions of specific issues and candidates are likely to be formed not in isolation but in a context—the context of the individual's preexisting orientations toward political groups and institutions, and his general philosophical predilections.[1] Important predispositions include the individual's stance on racial matters, his liberalism/conservatism, and his views on the proper scope and size of government. Predispositions like these are likely to shape the individual's attitudes toward new social policies such as the allowance program. By examining the reasons that landlords offered for their evaluations of the program, we can gain an idea about which of these preexisting orientations were most important in shaping their views.

Table 5.3 shows that beliefs about (a) the nature of potential recipients and (b) whether the government should provide this type of service to its citizens were the most frequent reasons offered to support landlords' evaluations, regardless of whether the reason supported a positive, negative, or conditional rating. Those making positive comments also cited potential effects on recipients, on housing quality, or on the larger community. Very few respondents mentioned the program's administrative features, or its potential effects on landlords.

Table 5.4 provides a closer look at the two dominant themes underlying landlord evaluations, and compares response frequencies with those of other household heads. The table shows that landlords were somewhat more concerned than others with the proper scope of government and were less inclined to justify government

[1] See Sears (1969) and Weiss (1969) for a discussion of the relevant literature.

Table 5.2

COMPARISON OF PROGRAM EVALUATIONS BY LANDLORDS AND OTHER HOUSEHOLD HEADS: LEVEL 2 RESPONDENTS

Evaluation	Percentage Distribution	
	Population of Landlords	Population of Other Household Heads
Coder Judgment[a]		
Positive	37.3	31.5
Neutral	50.6	51.0
Negative	12.1	17.5
Total	100.0	100.0
Respondent Judgment--All Those Asked[b]		
Positive	51.4	53.5
Neutral or no opinion	30.9	29.9
Negative	17.7	16.6
Total	100.0	100.0
Respondent Judgment--Only Those with Opinion[c]		
Positive	66.2	65.0
Neutral or no opinion	11.0	14.9
Negative	22.8	20.1
Total	100.0	100.0

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Estimates are based on responses of 334 landlords and 423 households who had some program knowledge, out of a sample of 1,577 landlords and 2,775 households. Levels of program awareness are defined on pp. 4-5.

[a]Coders judged the tone of respondent descriptions of the allowance program, which were elicited before the respondent was asked his opinion of the program.

[b]Respondents were asked if they had an opinion about whether the program is a good or bad idea. If they said "yes," they were asked to rate the program on a scale of 1 (very positive) to 7 (very negative). The neutral or no opinion category includes respondents who had no opinion and those who gave the program a rating of 4.

[c]Includes only respondents who said they had an opinion about the program. The neutral category refers to respondents who gave the program a rating of 4.

Table 5.3

RESPONSES RELATED TO PROGRAM EVALUATION: LEVEL 2 LANDLORDS

Response Category	Number of Respondents	Percent of Level 2 Respondents
Positive comments about:		
Who is helped	79	43.4
Program scope and credibility[a]	70	38.5
Potential effects on recipients	44	24.2
Potential effects on housing or community	37	20.3
Effects on landlords	8	4.4
Specific program features	5	2.7
Made one or more positive comments	116	63.7
Conditional comments about:		
Who is helped	5	2.7
Program credibility[b]	11	6.0
Other	18	9.9
Made one or more conditional comments	31	17.0
Negative comments about:		
Who is helped	29	15.9
Program scope and credibility[a]	50	27.5
Potential effects on housing or community	8	4.4
Effects on landlords	6	3.3
Specific program features	7	3.8
Made one or more negative comments	64	35.2

SOURCE: Tabulated by HASE staff from records of the survey of landlords, Site II, baseline.

NOTE: Based on 182 respondents who ranked the program on a scale from 1 (very positive) to 7 (very negative).

[a]Includes general evaluations of the desirability of "this kind of program" as well as comments on its potential for waste or abuse.

[b]Comments that the program is a good idea if it is not abused or does not cause waste.

aid as a right, rather than as a need. The data suggest that on the question of the proper scope of government, landlords may be more conservative. In part, however, the greater overall frequency of landlord responses on this theme may reflect educational differences. Relative to whom the program benefits, the issue of scope of government is more abstract, and therefore more likely to be cited by the educated.

In describing whom the program would benefit as a reason for program evaluation, landlords were more inclined than other household heads to mention specific groups, such as renters, homeowners, and landlords. In other respects, however, their pattern of responses was quite similar to that of other household heads. Respondents in both populations tended to like the program if they approved of government aid or thought many people either needed or deserved assistance. On the other hand, if they disapproved of welfare "giveaways," or pictured the typical

Table 5.4

ATTITUDES UNDERLYING PROGRAM EVALUATION, BY UNIFYING THEME:
LEVEL 2 LANDLORDS AND OTHER HOUSEHOLD HEADS

Respondent Attitude, by Theme	Landlords			Household Heads		
	Number of Responses	Percent of Category Total	Percent of Total Responses	Number of Responses	Percent of Category Total	Percent of Total Responses
Scope of Government						
Government aid (welfare) desirable	50	49.5	20.8	62	68.9	24.8
It's a right	16	15.8	6.7	37	41.1	14.8
It's needed	34	33.7	14.2	25	27.8	10.0
Government aid undesirable	24	23.8	10.0	16	17.8	6.4
Program generally desirable/undesirable	13	12.9	5.4	10	11.1	4.0
Federal control undesirable	10	9.9	4.2	2	2.2	.8
Other	4	4.0	1.7	0	0	0
Total	101	100.0	42.1	90	100.0	36.0
Whom the Program Benefits						
Helps needy	48	34.5	20.0	70	43.8	28.0
Helps deserving	3	2.2	1.2	8	5.0	3.2
Helps/does not help specific group	69	49.6	28.8	63	39.3	25.2
Does not help needy or deserving	2	1.4	.8	10	6.3	4.0
May help wrong people	9	6.5	3.8	9	5.6	3.6
Other	8	5.8	3.3	0	0	0
Total	139	100.0	57.9	160	100.0	64.0
Total Responses	240	--	100.0	250	--	100.0

SOURCE: Tabulated by HASE staff from records of the survey of landlords and the survey of households, Site II, baseline.

NOTE: Includes only responses dealing with the two themes listed.

recipient of transfer payments as an undeserving freeloader, they disliked the allowance program.

CHARACTERISTICS AFFECTING EVALUATION

Which individual landlord characteristics are associated with favorable and unfavorable evaluations of the program? To explore this question, we examined the characteristics used earlier to predict program knowledge (see Sec. III). But we added to the list variables tapping landlord expectations about the program's effects, described in Sec. IV. Landlords who expect the program to affect their own households, their tenants, or their policies of property management are likely to evaluate the program in accordance with their perceived self-interests. If they themselves expect to benefit (or suffer) from the program, they can be expected to evaluate it accordingly. Landlords who expect neighborhood or countywide effects may evaluate the program from the standpoint of broader public interests as they see them. Thus, if they expect the program to help people, or improve the general community, they may view it positively even though they themselves do not expect to be affected by it.

Table 5.5 presents regression results. First, despite the large number of predictor variables, we were able to explain only 37 percent of the variance in program evaluations. This amount exceeds the proportion explained both in our earlier models for knowledge and expectations and the corresponding model for program evaluations among households,[2] but it by no means indicates that we have a comprehensive and efficient set of predictors. Many of the variables in our equation are at best indirect proxies for the variable of theoretical interest. Were more direct measures available, the empirical results might well be improved.

Still, the findings are instructive. Landlords who owned several properties were more likely to be negative about the program than those who owned just one. For eligible renters, this fact has a major practical consequence. Because landlords who opposed the program controlled on the average more rental units than those who favored it, an enrollee searching at random for a rental unit would have been more likely to encounter a landlord with negative views than positive ones. Among landlords who knew something about the program, 51 percent expressed positive opinions and 18 percent negative. But if we tally opinions according to the number of rental units controlled by these landlords, we find that the results change dramatically: Only 38 percent of the units were managed by landlords who favored the allowance program, whereas 42 percent were managed by landlords who opposed it.

Among social background variables, education and occupational status were both positively related to program evaluations. Surprisingly, being black was not.[3] Education and occupational status (together with income) have been found to correlate with a greater concern about the public interest (Wilson and Banfield, 1964). Among St. Joseph County's household heads, none of these variables affected

[2] Our regression model for households (reported in Ellickson, 1978) explained 25 percent of the variance in evaluations with a set of 19 predictor variables.

[3] Race was also unrelated to opinions about the allowance program among household heads (Ellickson, 1978). The results of our two surveys are therefore consistent: Black respondents were more likely to have heard of the program, but were no more likely to favor it.

Table 5.5

Regression of Program Evaluations on Respondent Characteristics, Attitudes, and Perceptions: Level 2 Respondents

Variable	Unit of Measurement	Regression Statistics			
		Coefficient		Standard Error (σ_b)	Value of F
		β	b		
Dependent					
Attitude toward the allowance program	Negative scale: 1 = good idea, 7 = bad idea	—	—	—	—
Independent					
Respondent characteristics:					
Education	Years of schooling	-.243	- .146	.074	3.9[a]
Sex	Male = 1, female = 0	.049	.316	.572	<1.0
Race	Nonwhite = 1, white = 0	.024	.146	.600	<1.0
Age	Years	-.080	- .518	.572	<1.0
Occupational status	Positive scale, 1-8	-.228	- .224	.103	4.8[b]
Income	$000 per year	-.154	- .044	.027	2.6
Properties owned	Square root of number owned	.292	.524	.195	7.2[a]
Units owned	Square root of number owned	-.024	- .028	.133	<1.0
Average property size	Log_{10} of average number of units per property	.152	.861	.591	2.1
Real estate income	Percent of total income	-.025	- .003	.011	<1.0
Non-real estate investments	Some = 1, none = 0	.185	.692	.343	4.1[b]
Resident landlord in 1974	Yes = 1, no = 0	-.080	- .518	.572	<1.0
Real estate organizations	Member = 1, nonmember = 0	.044	.241	.497	<1.0
Non-real estate organizations	Number of memberships (maximum = 5)	-.096	- .116	.107	1.2
Respondent attitudes toward:					
Renters	Scale: 1 = positive, 7 = negative	-.005	- .007	.135	<1.0
Low-income people	Scale: 1 = positive, 7 = negative	.065	.080	.146	<1.0
Blacks	Scale: 1 = positive, 7 = negative	-.228	- .281	.145	3.7[c]
Neighborhood integration	Scale: 1 = anti-integration, 7 = prointegration	-.286	- .295	.102	8.3[a]
Respondent expectations regarding program:					
May affect household	1 = yes, 0 = no	-.053	- .246	.424	<1.0
May affect property management	1 = yes, 0 = no	-.150	- .691	.449	2.4
Tenants may apply	1 = yes, 0 = no	-.218	-1.004	.424	5.6[b]
May affect neighborhood	1 = yes, 0 = no	-.119	- .454	.363	1.6
May affect county	1 = yes, 0 = no	-.085	- .430	.436	<1.0
Regression constant	—	9.994		—	—

SOURCE: Analysis by HASE staff of records from the survey of landlords, Site II, baseline.

NOTE: Regression analysis was performed on the records of 130 respondents who provided information on all variables listed. $R^2 = .37$. $F = 2.68$ with 23 degrees of freedom. Regression coefficients are given in both measured units (b) and standard units (β).

[a] Coefficient significantly different from zero at the .99 level of confidence under a two-tailed test.

[b] Coefficient significantly different from zero at the .95 level of confidence under a two-tailed test.

[c] Coefficient significantly different from zero at the .95 level of confidence under a one-tailed test.

opinions about the allowance program. But among the landlords, the positive relationship suggests that there may have been a somewhat greater concern for public welfare among those who were better off. The public-interest interpretation rests on shaky ground, however; neither of our expectation measures that presumably tap public interest (expectation of neighborhood or countywide effects) yielded significant results.

Not surprisingly, landlords who expected their current tenants to apply were more positive toward the program. However, neither of our other measures of self-interest (expectation of effects on own household or property management) explained additional variance in program evaluations.[4]

One of our two strongest predictor variables was the respondents' attitude toward neighborhood integration. Landlords who favored the idea of blacks and whites living together in the same neighborhood also tended to favor the allowance program, and those against neighborhood integration opposed it. Taken by itself, this finding might suggest that many landlords were concerned about the program's potential promotion of residential integration—a prospect that was frequently discussed in the media. However, our respondents' verbatim comments about the program seldom revealed much concern with racial issues. Thus, it seems more plausible to us that attitudes toward integration reflect broader predispositions that have an important bearing on reactions to the allowance program—for example, concern for the rights of the disadvantaged to have equal access to decent housing.

We should also note that attitudes toward blacks exerted a (weaker) influence in the opposite direction; i.e., those with negative attitudes toward blacks were more likely to favor the allowance program. However, this relationship emerges only when racial attitudes are entered jointly with other variables to predict program evaluations. By themselves, attitudes toward blacks were uncorrelated with attitudes toward the allowance program ($R = -.03$).[5]

To discover whether a landlord's source of program information influences his opinions about it, we performed a separate regression of program evaluation on a set of eight source variables. None bore any relationship to program evaluation. Nor did adding any of these variables to our basic regression equation explain any additional variance. We conclude that landlords' opinions about the program were unrelated to where they found out about it.

These results tell us, first, that early program evaluations were systematically related to both the ideological predispositions and socioeconomic backgrounds of the landlords who knew about the program. Self-interest also affected early landlord views. Second, landlords with negative opinions accounted for a much larger share of the rental residential market than of the landlord population. Thus, although more landlords favored the program than opposed it, a program applicant shopping for a rental unit whose landlord liked the program could come away with a different impression.

[4] In part this may be due to the fact that expecting current tenants to apply is our "purest" measure of positive self-interest. Of the 42 respondents who said that the program might affect the way they managed their property, only 17 were judged by our coders to describe those effects in unmistakably positive terms. Five described the expected effects in negative terms, and the remainder used either mixed or neutral wording.

[5] Part of the reason for the negative relationship in the regression equation may lie in the attitudes of blacks themselves. Not surprisingly, black landlords expressed highly positive attitudes toward blacks; but they were not correspondingly positive in their views of the allowance program.

VI. RELATED LANDLORD ATTITUDES

We have seen that landlords' ideological predispositions and attitudes had something to do with both their knowledge of the program and their feelings about it. Attitudes toward low-income people helped to differentiate those who knew about the program from those who did not; attitudes toward neighborhood integration helped to explain differences in program attitudes.

The importance of landlord attitudes is not likely to stop there, however. In their actual dealings with the allowance program, landlords are apt to be influenced not only by how they feel about the program as a whole, but how they view specific tenants who seek to become recipients. In deciding whether to sign a lease or to contribute cash or labor for repairs, a landlord may be influenced by his attitude toward the prospective enrollee as much as by his attitude toward the program itself. If he values a specific tenant, he may cooperate with that tenant's efforts to qualify for payments regardless of how he feels about the program. On the other hand, if the landlord would just as soon be rid of a given tenant, the tenant's enrollment may present a suitable opportunity for the landlord to encourage him to move elsewhere.

Renters eligible for the allowance program vary in a number of important ways: age, size of household, race, and so on. To the extent that landlords react differently to such characteristics, they are apt to make the same discriminations among program enrollees. In this section, we explore landlords' attitudes toward different types of tenants, describe the underlying dimensions of these attitudes, and discuss their implications for the allowance program. First, however, it is useful to describe some more general landlord attitudes.

SOCIAL ATTITUDES

Survey respondents were asked to describe their attitudes toward a variety of groups, and to offer an opinion on the issue of neighborhood integration. Table 6.1 summarizes the results. The table reveals that as a group, landlords are considerably less positive in their attitudes toward blacks than toward whites. More than one-fifth of the county's landlords were willing to describe their feelings about blacks as negative, and it is likely that others have similar, unconfessed feelings. Views on neighborhood integration are still more negative, with a plurality of landlords expressing negative feelings. There is also evidence of some prejudice against people with low incomes, though it is less marked.

Landlords who knew about the program at baseline were more liberal in their views, as shown in Fig. 6.1. As noted earlier, landlords with favorable attitudes toward low-income people were more likely to know about the program; the converse is also true. Moreover, the differences in the attitudes of knowledgeable (level 2) landlords extend to racial opinions as well. The greatest difference, however, lies in attitudes toward neighborhood integration, with level 2 landlords being much more inclined to report positive views. As we have seen, positive opinions on this issue also predict favorable attitudes toward the program among those who know

Table 6.1

SELECTED SOCIAL ATTITUDES: ALL COUNTY LANDLORDS

Attitude Object	Survey Response (%)			
	Favorable	Neutral[a]	Unfavorable	Total
Whites	65.6	32.1	2.3	100.0
Blacks	34.3	42.9	22.8	100.0
Landlords	49.5	40.3	10.2	100.0
Renters	56.9	30.0	13.1	100.0
Low-income people	47.5	36.7	15.8	100.0
Neighborhood integration	31.0	33.6	35.4	100.0

SOURCE: Tabulated by HASE staff from records of the survey of landlords, Site II, baseline.

NOTE: Estimates are based on responses of a sample of 1,577 landlords, weighted to represent approximately 6,620 landlords in St. Joseph County.

[a]Includes those who said they had no opinion.

about it. As a group, then, landlords who were unaware of the program at baseline possessed attitudes that were unlikely to dispose them favorably toward it.

ATTITUDES TOWARD TENANTS

During our survey interview, we asked landlords to state their preferences for or against having certain types of tenants on their property. In all, we asked landlords to rate 17 different types of tenants; responses regarding each type are summarized in Table 6.2. It is clear that landlords strongly prefer white, childless couples—preferably older ones. Every other type of tenant is disfavored by more landlords than those preferring that type of tenant. Most objectionable of all are tenants who have some pets, many children, or no marriage certificate.

A remarkable feature of these results is the degree of consensus they reveal. Only three groups (college students, single men, and single women) are both actively sought and actively avoided by substantial numbers of landlords; among other types, those avoided by many are sought by few, and the reverse.

To learn more about these preferences, we computed correlations between pairs of tenant characteristics across all landlords rating each pair. The resulting matrix of intercorrelations is shown in Table 6.3. The reader will observe that correlations near the diagonal are generally positive, while those farther from the diagonal are generally negative. Such a pattern suggests a fairly simple underlying structure, which we sought to uncover with a further analytic step.

We entered the matrix in Table 6.3 as input to KYST, a multidimensional scaling program (Kruskal, Young, and Seery, 1973; Kruskal and Wish, 1978). Using the correlations as estimates of similarities and dissimilarities (distances) between characteristics, KYST seeks to represent each characteristic as a point in a space of a given number of dimensions, minimizing a measure of badness-of-fit known as STRESS. KYST is both iterative and nonmetric; it makes no assumptions about the

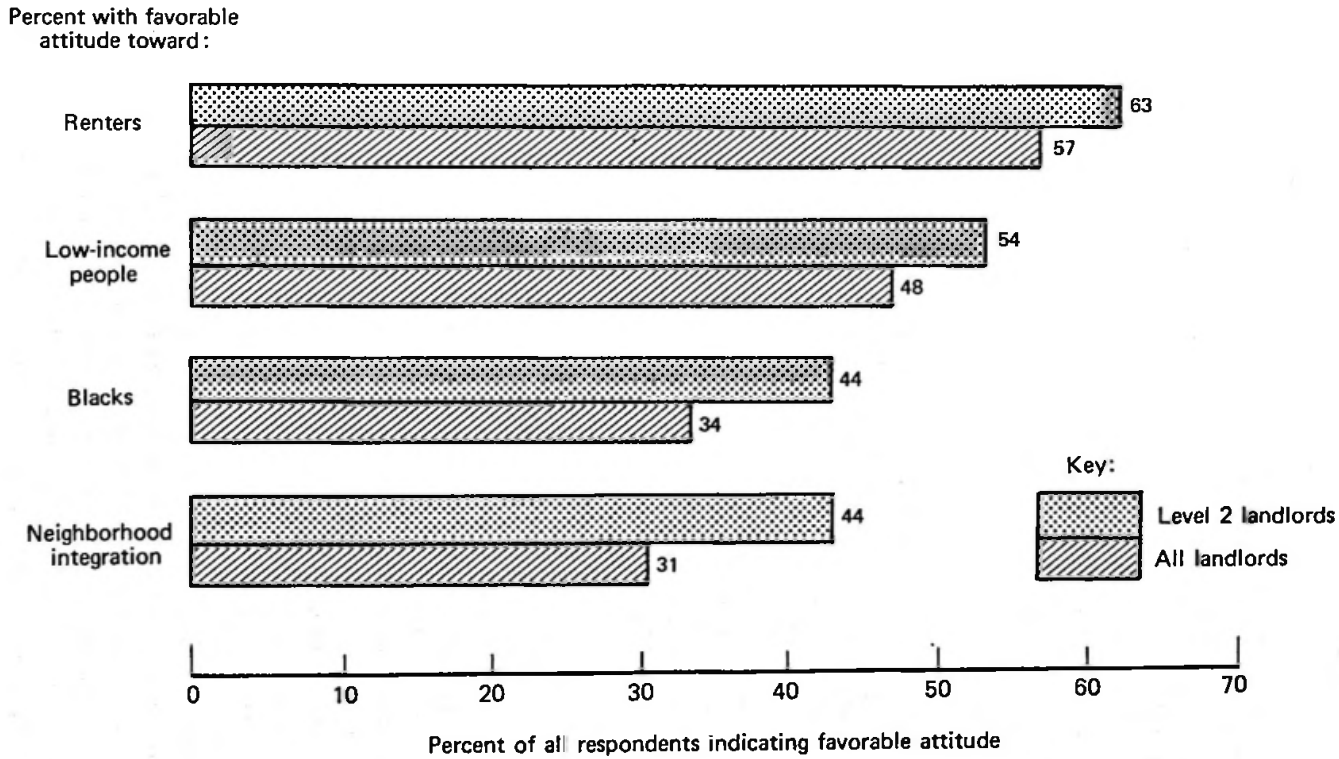

Fig. 6.1—Selected attitudes of landlords who had knowledge of the allowance program at baseline

Table 6.2

LANDLORDS' ATTITUDES TOWARD SELECTED TYPES OF TENANTS

Type of Tenant	Respondent's Attitude (%)			
	Prefer	Don't Care[a]	Prefer Not	Total
White tenants	50.7	47.5	1.8	100.0
Couples without children	50.2	42.6	7.2	100.0
Elderly people	31.3	56.9	11.8	100.0
Single women	23.7	41.3	35.0	100.0
Single men	25.2	38.0	36.8	100.0
College students	15.4	41.7	42.9	100.0
American Indian tenants	5.2	76.5	18.3	100.0
Spanish-American tenants	4.2	71.9	23.9	100.0
Black tenants	3.9	52.8	43.3	100.0
Couples with young children	9.7	44.8	45.5	100.0
Couples with teenage children	6.4	44.2	49.4	100.0
Single women with children	6.2	40.5	53.3	100.0
Single men with children	4.5	36.7	58.8	100.0
Families on welfare	4.5	36.7	58.8	100.0
Tenants with pets	1.3	31.7	67.0	100.0
Unmarried couples	1.6	29.8	68.6	100.0
Families with many children	1.5	14.4	84.1	100.0

SOURCE: Tabulated by HASE staff from records of the survey of landlords, Site II, baseline.

NOTE: Estimates are based on responses of a sample of 1,577 landlords, weighted to represent approximately 6,620 landlords in St. Joseph County.

[a]Includes those who said they had no opinion.

relationship between the size of the correlations and the underlying scale metric, other than that it is ordinal.

The results of our procedure indicated that the 17 points could be adequately represented in a space of three dimensions, with STRESS = .066.[1] Configurations of points for this solution are shown in Figs. 6.2 and 6.3. The first figure plots points with respect to the first and second axis; the second figure shows axes 2 and 3. Placement of the horizontal and vertical axes is fairly arbitrary, and without interpretational value. It is the relative placement of the points that is important.

Configurations plotted for the first two axes are easily interpretable. We distinguish two dimensions that appear to be reasonably independent (orthogonal). The first seems to describe the size of the household, particularly the number of children and pets. This dimension runs from the upper left quadrant of Fig. 6.2 to the lower right. The second dimension, which might be labeled "social acceptability," contrasts the relatively "safe" tenants in the upper right quadrant (elderly; white;

[1] A four-dimensional solution produced a slight reduction in STRESS (to .04) and sharpened the patterns apparent for the first three dimensions; however, the fourth dimension was uninterpretable. Because STRESS values below .10 are commonly considered acceptable, we concluded that a three-dimensional solution adequately represents the underlying structure.

Table 6.3

Interrelations Among Landlords' Attitudes Toward Various Types of Tenants

Type of Tenant	Pets	Young Children	Teenage Children	Many Children	Single Women with Children	Single Men with Children	Families on Welfare	American Indians	Spanish Americans	Blacks	Unmarried Couples	College Students	Single Men	Single Women	Elderly People	Couples Without Children	Whites
Pets	--	.27	.26	.29	.23	.27	.11	.06	.08	.08	.14	-.03	-.08	-.05	-.11	-.14	-.12
Young children	.27	--	.60	.33	.37	.42	.16	.18	.16	.10	.06	-.03	-.19	-.16	-.04	-.11	-.09
Teenage children	.26	.60	--	.36	.37	.43	.17	.19	.17	.12	.13	.00	-.15	-.11	-.01	-.12	-.11
Many children	.29	.33	.36	--	.23	.26	.19	.11	.12	.09	.18	.03	-.05	-.03	-.10	-.18	-.12
Single women with children	.23	.37	.37	.23	--	.65	.24	.14	.18	.17	.22	.08	-.03	.11	.02	-.06	-.14
Single men with children	.27	.42	.43	.26	.65	--	.24	.24	.23	.23	.27	.10	.12	.04	.00	-.12	-.19
Families on welfare	.11	.16	.17	.19	.24	.24	--	.18	.24	.24	.17	.06	.02	.04	.02	-.07	-.20
American Indians	.06	.18	.19	.11	.14	.24	.18	--	.66	.44	.18	.18	.09	.07	-.01	-.05	-.17
Spanish Americans	.08	.16	.17	.12	.18	.23	.24	.66	--	.50	.18	.15	.08	.10	-.06	-.09	-.24
Blacks	.08	.10	.12	.09	.17	.23	.24	.44	.50	--	.25	.10	.10	.09	.00	-.11	-.54
Unmarried couples	.14	.06	.13	.18	.22	.27	.17	.18	.18	.25	--	.21	.21	.19	-.02	-.03	-.23
College students	-.03	-.03	.00	.03	.08	.10	.06	.18	.15	.10	.21	--	.29	.17	-.03	.01	-.03
Single men	-.08	-.19	-.15	-.05	-.03	.12	.02	.09	.08	.10	.21	.29	--	.40	.03	.08	.00
Single women	-.05	-.16	-.11	-.03	.11	.04	.04	.07	.10	.09	.19	.17	.40	--	.07	.07	.05
Elderly people	-.11	-.04	-.01	-.10	.02	.00	.02	-.01	-.06	.00	-.02	-.03	.03	.07	--	.19	.12
Couples without children	-.14	-.11	-.12	-.18	-.06	-.12	-.07	-.05	-.09	-.11	-.03	.01	.08	.07	.19	--	.29
Whites	-.12	-.09	-.11	-.12	-.14	-.19	-.20	-.17	-.24	-.54	-.23	-.03	.00	.05	.12	.29	--

SOURCE: Analysis by HASE staff of records from the survey of landlords, Site II, baseline.

NOTE: Based on survey responses of a sample of 1,577 landlords, excluding respondents whose tenants are all relatives and respondents unfamiliar with tenant policy for the sampled property. The number of cases on which each correlation is based ranges from 1,269 to 1,289. Correlations greater than .06 are significant at the .95 level of confidence under a two-tailed test.

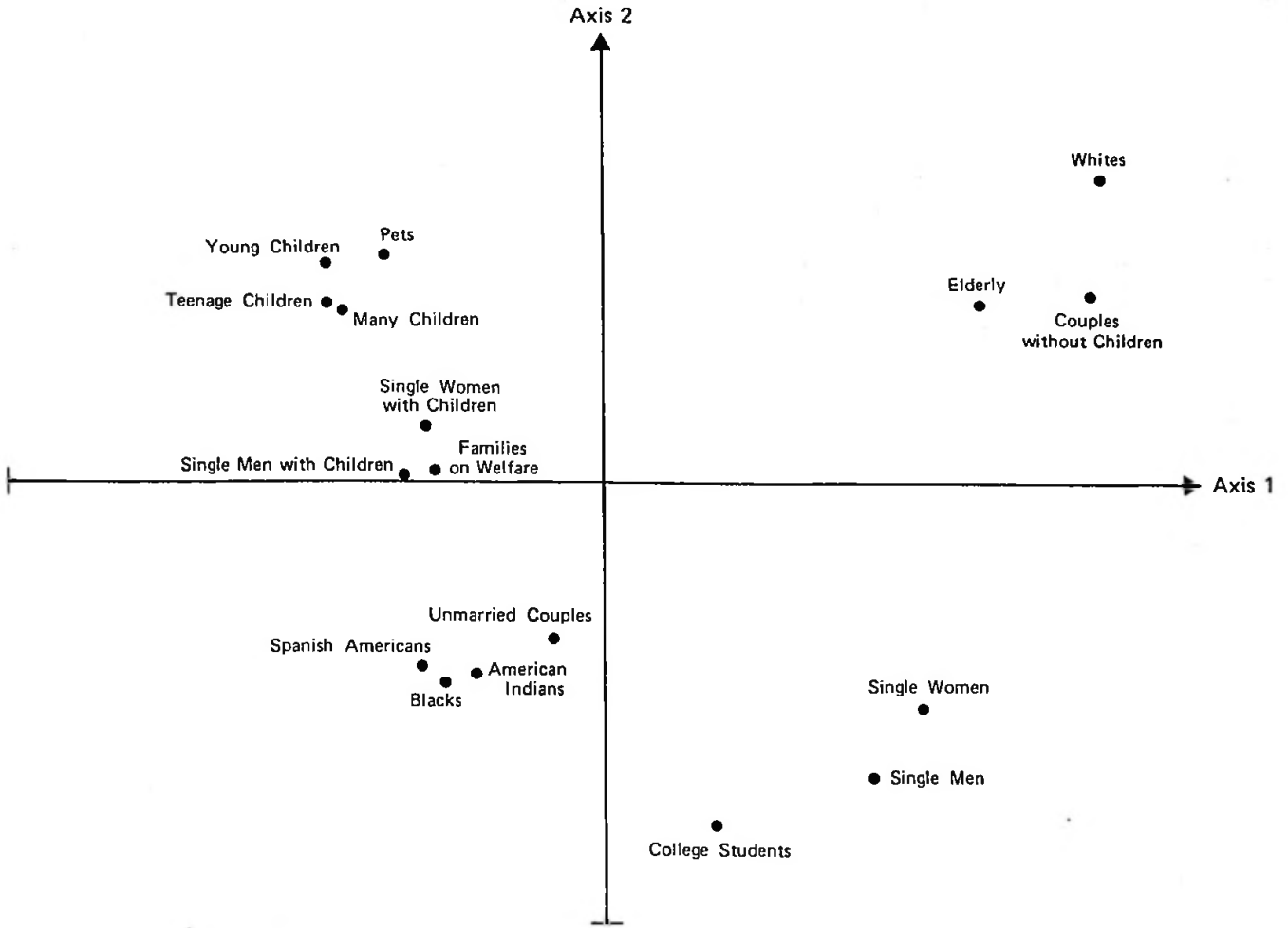

Fig. 6.2—Configuration obtained from KYST analysis of landlord preferences for various types of tenants: axes 1 and 2

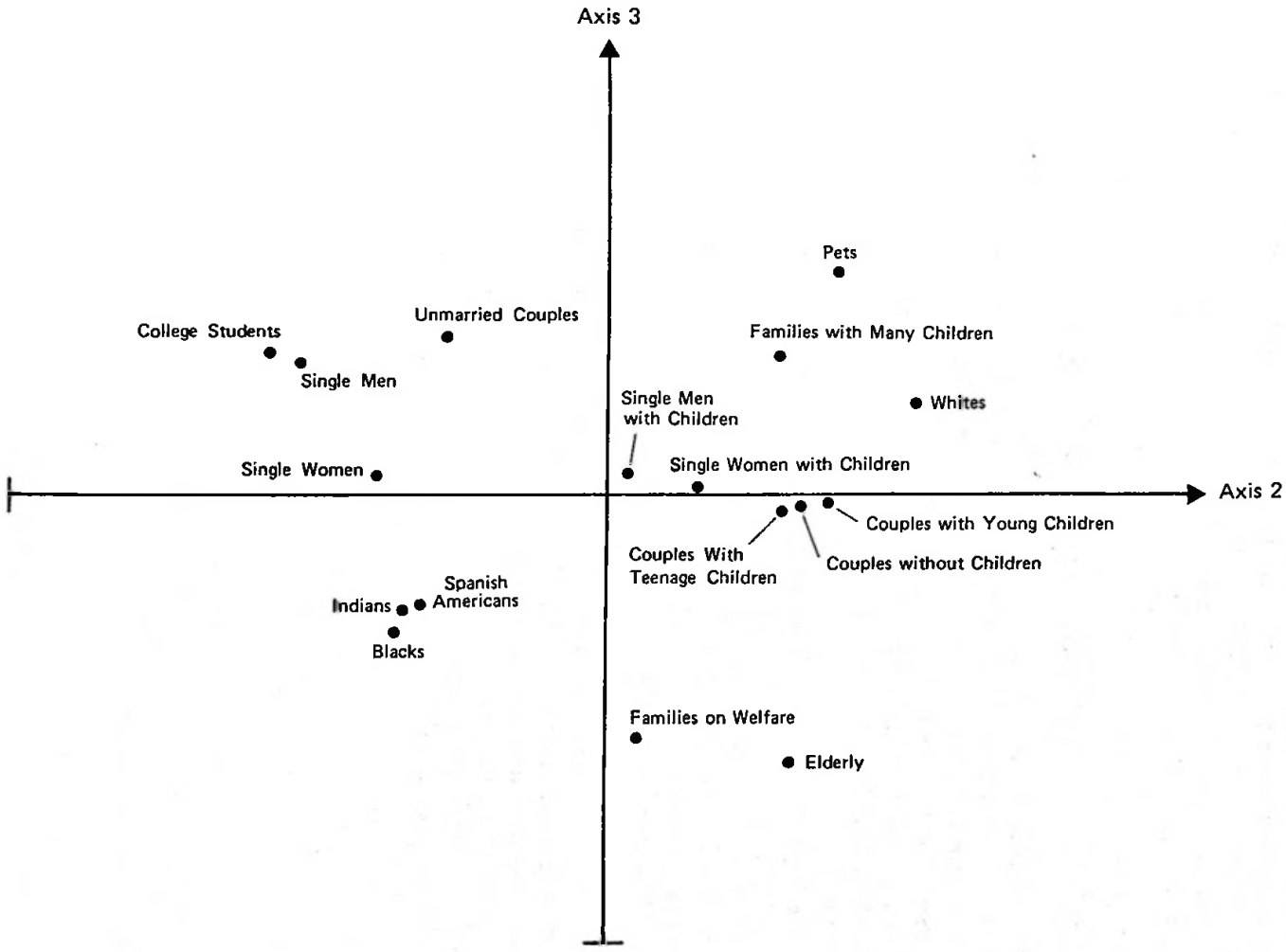

Fig. 6.3—Configuration obtained from KYST analysis of landlord preferences for various types of tenants: axes 2 and 3

childless married couples) against unmarried couples and minority groups in the lower left quadrant.

The third dimension is less clear (see Fig. 6.3), but it seems to separate tenants likely to have low incomes (minorities, the elderly, and families on welfare) from those more likely to be more prosperous. Those below the horizontal axis line are poorer than those above it, but the details of the ranking appear arbitrary as measures of relative prosperity. For instance, it is by no means clear whether tenants with pets are actually more prosperous than other tenants.

IMPLICATIONS FOR THE ALLOWANCE PROGRAM

Our data show that landlord preferences regarding different types of tenants are well defined and widely shared. Those preferences are simple in structure, and fall into three basic categories: Landlords prefer their tenants to be (a) small households, both childless and petless; (b) socially acceptable (i.e., white and conventionally married); and (c) from groups with moderate to high incomes. The latter preference appears to be less strongly held (or else is less clearly revealed by our data).

These clear-cut tenant preferences do not establish how or even whether landlords actually discriminate against any of the less preferred types of tenants. They merely indicate the likely targets of such discrimination. With respect to the allowance program, the data show that landlords are apt to feel very differently about different subgroups in the population of eligible renters. Their cooperation (or lack of it) with tenants who apply for allowances may hinge on these other characteristics as much as on how they feel about the program itself. And ultimately, their image of the allowance program and its recipients may also depend on the characteristics of "their" enrollee tenants. The data that we have presented contain few real surprises. No one supposes that toddlers and terriers are dear to the hearts of most landlords. Rather, the value of the data lies in their underscoring the importance of considering these variables in future analyses of how landlords react to the program and how renter households succeed or fail in meeting program requirements.

VII. CONCLUSIONS AND POLICY IMPLICATIONS

This study has documented that few of St. Joseph County's landlords knew about the housing allowance program before it began. Among those who did, few seemed to have strong views about its merits, or firm expectations about its likely effects. Instead, most landlords who were aware of the program seem to have adopted a cautious, wait-and-see attitude. We suspect that both the lack of widespread knowledge and the absence of strong views among landlords reflect the fact that the county's landlords are not organized. Lacking real estate organizations and landlord associations that might disseminate information about the program, landlords found out about it not at all or from other sources—sources not attuned to their special interests as rental property owners. Thus, there was no focal point around which landlord support or opposition could crystallize. To be sure, landlords' views of the program, like those of other household heads, were weakly influenced by certain of their personal characteristics and attitudes. But their special status as property owners seems to have made little difference.

What are the implications of these findings? The lack of strong landlord views about the program and the absence of organizations that might help crystallize them have implications for how later opinions may develop. First, later views of the program are likely to be formed by individual landlords in isolation rather than collectively (i.e., through meetings or mass mailings from organized lobbies). Second, because most landlords seem to lack polarized a priori views, the opinions they form are apt to reflect their actual experience with the HAO and with participating tenants. If so, then landlords' opinions on subsequent survey waves should provide an accurate indication of their perceptions of how the program really works and whom it really serves.

This is not to say that if the program does a good job at what it is intended to do, landlords will necessarily like it. A well-run program may conflict with landlords' interests. Our confidence in the *meaning* of landlords' attitudes, however, is greater if we can be sure that these attitudes reasonably reflect their individual and collective experience with the program rather than their exposure to highly politicized informational campaigns. The effects of such campaigns can be difficult to measure and still more difficult to generalize to other settings, where circumstances will necessarily be different. But we can more confidently generalize our findings to other communities having the same program.

The openness of St. Joseph County's landlords may in part reflect the fact that the housing allowance program was new, and different from other HUD programs with which landlords had some experience. If so, then the data suggest that landlords are willing to give a new program a chance before they form a final judgment as to its merits.

The results, however, should caution us about future efforts to assess the response of landlords to new or existing programs. First, the data show that the opinions of landlords with large rental holdings can be quite different (in the present instance, less favorable) than the opinions of landlords operating on a smaller scale. We suspect that a program manager wanting to obtain landlords' opinions regarding program policy would be more likely to seek out the former

than the latter, and thus introduce a possible bias into the results. Although conducting communitywide landlord surveys is scarcely a practical day-to-day solution to this problem, the results of such surveys should alert program managers and policymakers to possible sources of bias, which can often be minimized or compensated for in other ways.

Finally, our baseline data underscore the potential importance of landlords' attitudes toward the different types of tenants that a program may serve. Data from future survey waves will permit us to assess how these attitudes affect the way in which landlords respond to the allowance program. Meanwhile, the existence of strong and widely shared preferences for certain types of tenants alerts us to the possibility that these preferences may have as much to do with how a given enrollee fares with a landlord, and how that landlord views the program, as do the characteristics of the program itself.

Appendix A

FEATURES OF THE HOUSING ALLOWANCE PROGRAM

by Phyllis L. Ellickson

The Housing Assistance Supply Experiment operates identical experimental allowance programs at each of two sites; and within each site, housing allowances are available to all eligibles on essentially the same terms and conditions.

Features to be tested in the experiment were chosen as a first approximation to those of a national program with fullscale participation. By selecting sites with contrasting market characteristics, we hope to learn how different housing markets will respond to the same general program. The key features of our experimental sites and program are summarized below.

EXPERIMENTAL SITES

The experiment is being conducted in two contrasting metropolitan housing markets: Brown County, Wisconsin—a Standard Metropolitan Statistical Area (SMSA) whose central city is Green Bay—and St. Joseph County, Indiana, a portion of an SMSA whose central city is South Bend.[1] Both are self-contained housing markets in that their boundaries are drawn through thinly populated territory at some distance from their own central cities and from other population centers.

Those places were selected from all the nation's SMSAs by a multistage screening process reflecting basic requirements of experimental design and constraints on program funding. Design considerations led us to search for housing markets that were likely to respond differently to the experimental allowance program, yet were each typical in certain respects of a substantial portion of all metropolitan housing markets. Available program funding limited the choices to markets with populations of under 250,000 persons (about 75,000 households) in 1970, the size and cost of the experimental allowance program depending on the number of eligible households within the program's jurisdiction.

Brown County was selected as representative of metropolitan housing markets with rapidly growing urban centers (hence with relatively tight housing markets) and without large racial minorities (hence with minimal problems of residential segregation or housing discrimination). St. Joseph County was selected as representative of another group, metropolitan housing markets that have declining urban centers that contain large, growing populations of blacks or other disadvantaged minorities. That combination characteristically leaves low-income minority households concentrated in deteriorating central-city neighborhoods that have an excess supply of older housing, while new housing is built mostly in surrounding all-white surburbs.

[1] The remainder of the SMSA is Marshall County, which contains no large cities.

Although no two metropolitan areas can reflect all the important combinations of housing-market features, we believe that these two offer powerfully contrasting environments for the experimental housing allowance program. By observing and analyzing similarities and differences between the sites in market responses to the program, we expect to be able to judge the pertinence of the housing allowance concept to housing problems in other metropolitan markets.[2]

PROGRAM ADMINISTRATION

The experimental allowance program is administered in each site by a housing allowance office (HAO), a nonprofit corporation whose trustees include members of The Rand Corporation and local citizens. At the end of a five-year monitoring program, it is expected that the HAO will operate entirely under local control.

Funds for the program come from a ten-year annual contributions contract between HUD and a local housing authority, pursuant to Sec. 23 of the U.S. Housing Act of 1937, as amended. The local housing authority, in turn, delegates operating authority for the program to the HAO.

ASSISTANCE FORMULA

The amount of assistance offered to an eligible household is intended to enable that household to afford well-maintained existing housing with suitable space and facilities for family life, free of hazards to health or safety. Periodic market studies conducted by Rand in each site provide estimates of the "standard cost of adequate housing" for each size of household. Allowance payments fill the gap between that amount and one-fourth of the household's adjusted gross income, with the constraint that the amount of assistance cannot exceed the actual cost of the housing services consumed by a participant.

ELIGIBILITY FOR ASSISTANCE

A household is eligible to participate in the allowance program if it consists of (a) one person, either elderly (62 or over), handicapped, disabled, or displaced by public action,[3] or (b) two or more related persons of any age; provided also that current income and assets are within specified limits and that the household does not already receive equivalent assistance under another federal housing program. The income limit is set by the assistance formula itself: When adjusted gross income exceeds four times the standard cost of adequate housing for a given household

[2] To assist in the application of experimental results to larger SMSAs, we suggested that HUD consider a third experimental site, consisting of a low-income neighborhood in a large metropolitan area, with enrollment in the allowance program restricted to that neighborhood. However, we were advised that funding for any such addition would be difficult to obtain.

[3] Beginning 1 August 1977, the HAOs were authorized to enroll *any* single person under 62 who lived alone and met other program requirements. However, such persons may not constitute more than 10 percent of the number of households authorized for assistance by the annual contribution contract in each site. Eligibility was thus broadened pursuant to a provision of the Housing Authorization Act of 1976 (Public Law 94-378), which applies specifically to public housing and Sec. 8 housing assistance. The HAOs will give priority to single persons aged 40 and over.

size, allowance entitlement drops to zero. During the period covered by our data, the net asset limit was $32,500 for households headed by elderly persons and $20,000 for others.

Adjustments to gross income generally follow those of the federal public housing program, with deductions for work-related expenses and for dependents and elderly persons. Transfer income (e.g., public assistance and social security) is included in gross income. An unusual feature of the program is that the asset ceiling has been set relatively high, so as to avoid excluding homeowners with low current incomes. However, gross income is calculated to include imputed income from home equity and other real property that does not yield a cash flow, so that allowance entitlement decreases for larger holdings of such assets.

HOUSING CHOICES

Program participants may be either renters or homeowners, and they may change their tenure or place of residence (within the boundaries of the experimental site) without affecting their eligibility for assistance. Participants are encouraged to seek the best bargains they can find on the private market, negotiating terms and conditions of occupancy with the landlord or seller. They are provided with market information (if they request it) and with equal opportunity assistance (if necessary); but they are neither directed to particular neighborhoods or types of housing nor required to spend specific amounts, except as noted below.

The use of allowance payments by program participants is constrained in two ways. First, in order to receive monthly payments, a participating household must occupy a housing unit that meets standards of adequacy, a requirement enforced by periodic evaluations conducted by the HAO. Second, the participant must spend at least the amount of his allowance for housing services (contract rent and utilities for renters; mortgage interest, property taxes, insurance, maintenance and repairs, and utilities for homeowners).

Since the allowance entitlement for all but the poorest households is less than the estimated standard cost of adequate housing, the first provision is the more significant. A participant who finds certifiable housing at less than standard cost will not need to contribute a full 25 percent of his nonallowance income to cover his housing costs. On the other hand, if he chooses a unit with costs that are above standard, he will not receive any additional payment but must bear the excess cost from nonallowance income. The allowance formula thus provides an incentive to seek housing bargains, while the minimum standards provision ensures that the program's housing objectives will be met by all participants.

ASSISTANCE TO RENTERS

A renter household enrolling in the allowance program must submit evidence of income and household size, on which the amount of its allowance entitlement is based. The household may continue to reside in the unit it occupies at the time of enrollment or it may seek another unit, as long as the unit meets program standards. Once the HAO has certified the housing unit and has received a copy of the lease agreement between the tenant and landlord, it begins issuing monthly allow-

ance checks to the head of the household. It reviews income and household size every six months, adjusting allowance payments accordingly, and it reevaluates the housing unit annually, suspending payments if the unit falls below program standards.

The amount of contract rent and the responsibility for utility costs are a matter between the landlord and tenant, as are the enforcement of lease provisions and the resolution of disputes. The HAO has no contractual relationship with the landlord. In the event that a housing unit becomes uncertifiable while it is occupied by a program participant, it is the participant's responsibility to work with the landlord to correct the deficiencies or else to find other quarters that meet program standards.

ASSISTANCE TO HOMEOWNERS

Assistance to homeowners follows, as nearly as possible, the format of assistance to renters. However, prior to October 1975, a nominal landlord-tenant relationship between the HAO and the homeowner was created by means of a lease-leaseback agreement. That agreement did not alter the locus of title to the property and could be terminated by the homeowner at any time. While it was in effect, the homeowner received monthly assistance checks subject to the same conditions that applied to renters and had full responsibility for the maintenance of his property and for insurance, property taxes, and any outstanding mortgage obligations; the HAO had no obligations to the mortgage holder.

The lease-leaseback agreement was designed so that homeowners could be assisted under the provisions of Sec. 23 of the U.S. Housing Act of 1937, as amended prior to the time the allowance program was implemented. However, the Housing and Community Development Act of 1974 amended Sec. 23 in a way that allows direct assistane to homeowners in the experimental program. In October 1975, the lease-leaseback requirement was accordingly terminated and homeowners now receive monthly allowance payments without that formality.

ASSISTANCE TO HOME PURCHASERS

Although home purchase is an option open to those enrolled in the allowance program, we do not expect it to be exercised often, because of financial constraints. Even with program assistance, eligible households will not ordinarily be able to afford new single-family homes; their ability to purchase older homes will depend on their liquid assets and on the availability of mortgage credit on terms they can afford.

The experiment will test whether lenders will consider ten years of allowance entitlement a sufficient income supplement and stabilizer to warrant extending mortgage credit to households for whom it is not now usually available. In addition, local or state assistance to low-income home purchases may be used to supplement the housing allowance.

Appendix B

DESCRIPTION OF THE CODING STRATEGY

by Phyllis L. Ellickson

Since Converse's (1963, 1964) pioneering work on nonattitudes, survey researchers have generally recognized that it is important to determine whether a respondent has opinions on an issue before probing the nature of those opinions. Particularly for questions about a social innovation such as the housing allowance program, it is important not to lead the respondent into voicing uninformed views.

To prevent such an outcome, the attitude module of our survey instrument was designed with a series of screening questions. The first asked if the respondent had heard of the allowance program. The second asked those who said they had heard of it to describe what the program is about. Only those respondents who could provide some details about the allowance program, and who had not obviously confused it with another government program, were considered to have program knowledge. These and only these were then questioned about their sources of information, their attitudes, and their expectations.

USE OF OPEN-ENDED QUESTIONS

The questions dealing with program beliefs and attitudes all follow a general format for filtering out respondents with no opinion and then asking for open-ended clarification. For example, the sequence of questions about anticipated program effects on a respondent's neighborhood is as follows:

1. Do you think the housing allowance program will affect your neighborhood in the future?

Only if the answer was yes did the interviewer ask question 2:

2. How do you think the program will affect your neighborhood?

The interviewer recorded the response verbatim.

To elicit as complete a response as possible, the interviewers also used nondirective probes, examples of which were supplied for each question to avoid introducing interviewer bias. In question 2 above, the probes were

- How else will the program affect your neighborhood?
- Anything else?

Our approach has the advantage of avoiding an arbitrary definition of the universe of accurate and inaccurate beliefs about the program and how it works. It reveals how people actually perceive the program, as opposed to whether they share our theories. And it avoids introducing ideas that might bias future responses —both in the present wave of interviews and over the next four years.

CODING OPEN-ENDED RESPONSES

To devise a coding scheme for the answers to open-ended questions, we first selected more than 300 questionnaires and keypunched all the verbatim responses.[1] Codes for each question were based on those responses. In general, we began with broad coding categories, then broke them into discrete components. The amount of detail was a function of the data analysis plans, tempered by the evidence (what people actually said). Many of the codes have more than a hundred separate categories, and all required detailed coding instructions.

One category for coding descriptions of the allowance program was program requirements (see Table B.1). That group was divided into two subcategories: requirements related to household eligibility, and other requirements. Within the first division, separate codes were provided for responses about such issues as income eligibility, asset limits, household size and age requirements, and restriction of participation to residents of South Bend. Within the second, separate codes were assigned to ten responses, including comments on the requirements for a lease, for inspection of each housing unit, and for documentation of an applicant's income. A code was also provided for unanticipated responses. Lists of such responses were regularly updated and a new code devised whenever an unanticipated response was given by 5 percent or more of the sample.

A complex coding system of this kind necessitates special data analysis techniques. First, each respondent may give several responses to a single question. For example, he may say that he likes the program "because it helps poor people and the elderly but, on the other hand, it will probably be abused by welfare cheats." Each part of this response would receive a separate code, and the entire statement would yield four separate binary variables: "helps the poor," "helps the elderly," "helps the undeserving," "potential for abuse."

The possible number of derived variables under this scheme is clearly several hundred. To keep down the total, we created new variables only for broad categories, such as "helps people." Within such a category, we would then calculate the total number of times each group was mentioned. Our results might first be presented as a percentage based on the total number of respondents who mentioned that the program helps people; then as percentages based on the total number of responses in that category, with details of the kinds of people who are helped.

MEASURING PROGRAM KNOWLEDGE

Our most difficult analytic task was deciding whether those who said they had heard about the program actually knew something about it. Earlier studies have shown that many people have no difficulty providing opinions about nonexistent social issues, policies, or groups. In the 1940s, three-fifths of a sample of the California public told interviewers whether they were for or against a nonexistent "Metallic Metals Act." In other studies, experimental subjects have also had no trouble describing positive and negative qualities of fictitious nationalities. But those findings do not apply to opinions about actual programs and policies. If it is easy

[1] In order to maximize variation in the keypunched responses, instruments from both experimental sites were selected.

Table B.1

CODES FOR RESPONSES ABOUT PROGRAM REQUIREMENTS

Code	Responses
	Household Eligibility Requirements (300-399)
300	People must qualify (no details about criteria)
301	Based on income (e.g., salary, earnings)
302	Based on assets
303	Based on household size or age (number of persons in household, number of children; singles under 62 not eligible)
304	Based on residence (must live in South Bend: people outside South Bend but in St. Joseph County not eligible, Mishawakans not eligible)[a]
305	Can't participate if moved into county after a certain date[a]
306	Can't live in subsidized housing[a]
	Other Requirements (320-399)
321	Must have a lease, landlord must sign paper
322	Must sign lease-leaseback agreement[a]
330	Must have house evaluated (house must meet standards--be liveable, safe, sanitary, decent)
331	Specific unit requirement (e.g., ceilings, windows)
340	Allowance pays amount of rent/mortgage greater than a fourth of income (or adjusted income)
341	Allowance (payments) computed on size of household (or assets or income or standard cost of housing)
350	Must allow income to be checked; must bring in documents on income
351	Must have interview
352	Must have house or income checked more than once (i.e., every 6 months household eligibility is checked = semiannual + annual recertification; every 12 months apartment or house is checked = housing reevaluation)
353	HAO doesn't intervene between landlord and tenant (to help negotiate lease, see to repairs, etc.)
399	Other program requirements or features (list)

SOURCE: Compiled by Ellickson. All codes are documented in Phyllis L. Ellickson, David E. Kanouse, and HASE Survey Group, *Codebook for the Attitude Module of the Landlord Survey, Site II, Baseline*, The Rand Corporation, WN-9801-HUD, April 1978.

[a]This program requirement was subsequently relaxed.

for a respondent to give an opinion about a nonexistent program, it is that much harder to determine whether his opinions about an actual program are valid.

Distinguishing Informed from Uninformed Claims of Knowledge

One approach is to check an individual's ideas against a true-false list. But that strategy often fails to account for the lucky guesser. It also tends to irritate a respondent and provide him with statements that may bias his later evaluations. When the same people are to be interviewed several times, as in our study, neither consequence is desirable.

Another approach is to ask respondents to describe an issue, program, or event in their own words. That method has the advantage of not providing a respondent with information that may bias his overall evaluation but, instead, uncovers ideas that are truly salient to him. But it also involves the complex and tedious task of coding free responses—a prospect that dissuades most researchers from the attempt.

Nevertheless, we decided on the latter approach. We asked respondents, "Have you heard of the housing allowance program which is going to be introduced in South Bend?" If they said yes, we then asked them to describe the program. The interviewers used the probing techniques described earlier to elicit a detailed response.

Coding Responses

The next problem was to devise a coding scheme that would capture the separate elements of informed respondents' descriptions and still distinguish people who were clearly talking about some other government program from those who were talking about the allowance program. The difficulty was that a respondent might say several things that could apply to the allowance program, but then indicate he was thinking about another housing program altogether. One, for example, said, "It helps low-income people get better housing," then added, "but people like me can't get in to those projects on Chapin Street [public housing]." Another claimed to be familiar with the allowance program: "Oh yes, that's the Southeast project to help people fix up their homes [a neighborhood rehabilitation program]."

It was often impossible to tell which program a respondent had in mind based on the separate elements of his response; only the whole description would yield the answer. We therefore used two types of coding: judgmental coding of an entire response, and detailed coding of single items of information. We used the judgmental coding to determine when respondents were talking about some other program, and reserved coding of details for the descriptions of potentially aware respondents only.

The procedure was as follows. First, we compiled a dossier on other government programs operating in St. Joseph County, complete with examples of responses describing other housing programs. If a response in its entirety described any of those other programs, it was so coded. Otherwise, the response was separated into its cognitive elements. For example, each element separated by a slash in the following response received a unique code: "It's an experiment/to help low-income people/move into better neighborhoods/and pay their rent."

That procedure allowed the coder access to all the respondent's words in deciding whether he was talking about something other than the allowance program. It also preserved each bit of information from respondents for whom there was no unambiguous evidence that they had another program in mind.

Evaluating Claims of Program Awareness

Thus far, our coding procedure allowed us to determine that some respondents were definitely talking about a program other than the allowance program. But we still could not separate respondents who were clearly describing the allowance program and no other from those who could be describing it or any of several housing programs.

The problem of estimating public familiarity with a new social policy is not solely to discount those who claim awareness without being able to supply any information or who have confused the program with something else. It is also to decide how to rank responses describing features the program in question shares with long-standing domestic policies. Shall we say that someone is familiar with the allowance program if he knows it helps low-income people get better housing—a description that applies to several other housing programs as well? Shall we say that he is unfamiliar if all he can remember is that it helps old people? Clearly, either/or decision rules are arbitrary.

To deal with ambiguous responses, we distinguished levels of program awareness based on increasingly rigorous definitions of program knowledge. The least exacting level is based on claimed awareness—people who said they had heard of the allowance program. The second eliminates those who were clearly talking about some other government program or who could supply no details whatsoever about the allowance program—such as whom it helps, what it helps them do, or how it might affect households. The remainder is the maximum number of respondents who were aware of the program at baseline.

The third and most rigorous level includes only those who could identify unique aspects of the allowance program—that it provides cash payments to renters and homeowners, that it allows people to choose where they will live, that it is an experiment, that it does not provide funds for construction. Those who met this test are the minimum number of respondents who were familiar with the program.

Appendix C

MODULE J OF THE BASELINE LANDLORD SURVEY

Now I'd like to ask you some questions about government housing programs.

1. First, have you heard about the new Housing Allowance Program which is going to be introduced in South Bend? RECORD VERBATIM ANY ADDITIONAL COMMENTS AND CODE.

_____

_____

_____

YES..... 1 *24/*

NO...(GO TO Q.19, P.219)..... 2

DON'T KNOW, NOT SURE...
(GO TO Q.19, P.219)..... 3

2. Suppose somebody asked you what this program is all about--how would you describe the program? What else would you tell (him/her) about the program? Anything else? RECORD VERBATIM.

_____ (OFFICE USE)

_____ A1 [ ][ ] *25-26/*

_____ A2 [ ][ ] *27-28/*

_____ A3 [ ][ ] *29-30/*

_____ A4 [ ][ ] *31-32/*

3. INTERVIEWER, CIRCLE ONE:

R HAS DESCRIBED THE HOUSING ALLOWANCE PROGRAM.... 1 *33/*

R HAS NOT DESCRIBED THE HOUSING ALLOWANCE PROGRAM...(GO TO Q.19, P.219).....2

4. Where have you gotten most of your information about the program? RECORD VERBATIM AND CODE UP TO 3 SOURCES. IF PERSON, ASK: What is (PERSON'S) relationship to you? IF R GIVES MORE THAN 3 SOURCES, PROBE FOR 3 SOURCES FROM WHICH R GOT THE MOST INFORMATION.

_____

_____

_____

34-39/

PRIVATE SOURCE	RELATIVE	01
	FRIEND	02
	FELLOW WORKER	03
	TENANT	04
HAO, RAND OR WESTAT	WESTAT EMPLOYEE-SURVEY INTERVIEWER	05
	HAO EMPLOYEE (INFORMAL)	06
	HAO OFFICE	07
	RAND EMPLOYEE	08
MEDIA	NEWSPAPER	09
	RADIO STATION	10
	TV CHANNEL	11
GOVERNMENT AGENCY	AREA PLANNING COMMISSION	12
	ST. JOSEPH COUNTY HOUSING AUTHORITY	13
	DEPARTMENT OF SOCIAL SERVICES	14
	OTHER	15
	SPECIFY: _____	
OTHER ORGANIZATIONS	CHURCH	16
	TENANT GROUP	17
	REALTOR GROUP	18
	HOMEOWNER ASSOCIATION	19
	OTHER	20
	SPECIFY: _____	
	OTHER	88
	SPECIFY: _____	

5. How long ago did you first hear about the program?

ENTER # OF MONTHS ☐☐ *40-41/*

OR

ENTER # OF WEEKS ☐☐ *42-43/*

6. Some people think the Housing Allowance Program is a good idea. Other people think it is a bad idea. And others don't have any opinion about it yet. How about you--do you have an opinion about the allowance program?

44/

YES	1
NO...(GO TO Q.8)	2

7. Here is a card which has a line for people to place their opinion on. People who think the Housing Allowance Program is a good idea would place their opinion towards this end of the line (POINT TO SECTION OF LINE BETWEEN "1" AND "3"). People who think the program is a bad idea would place their opinion towards this end of the line (POINT TO SECTION OF LINE BETWEEN "5" AND "7"). Where would you place your opinion about the Housing Allowance Program? PROBE: What number would you choose? CIRCLE NUMBER BELOW.

SHOW CARD J-7	GOOD IDEA	1	2	3	4	5	6	7	BAD IDEA	NO OPINION 9	45/

7A. Why do you feel that way? What else about the program makes you feel that way? (Anything else?) RECORD VERBATIM.

_____ (OFFICE USE)
A1 [ ][ ] 46-47/
_____
A2 [ ][ ] 48-49/
_____
A3 [ ][ ] 50-51/
_____
A4 [ ][ ] 52-53/

7B. IF MORE THAN ONE ANSWER TO Q.7A:
Which of these things was most important in forming your opinion of the program? (Which is next most important?) (And next?)

(OFFICE USE)
#1 _____ [ ][ ] 54-55/

(OFFICE USE)
#2 _____ [ ][ ] 56-57/

(OFFICE USE)
#3 _____ [ ][ ] 58-59/

8. Do you think the Housing Allowance Program will affect how you manage this property in the future?

YES..... 1 60/
NO...(GO TO Q.9)..... 2

8A. How do you think the program will affect how you manage this property in the future? What other way? (Anything else?) RECORD VERBATIM.

_____ (OFFICE USE)
A1 [ ][ ] 61-62/
_____
A2 [ ][ ] 63-64/
_____
A3 [ ][ ] 65-66/
_____
A4 [ ][ ] 67-68/

9. Do you think any of your present tenants will apply for the program?

YES..... 1 69/
NO..... 2
NO TENANTS AT THIS TIME..... 3

10. CHECK MODULE G, Q.1, P.169 AND CIRCLE ONE:

PROPERTY IS BLOCKED AREA...(READ A)..... 1 *70/*

PROPERTY IS LARGE COMPLEX, AREA WITHOUT BLOCKS, OR MOBILE HOME PARK...(READ B)..... 2

A. Please think about the block your property is on--that is, the property up and down the street between the two nearest cross streets.

B. Please think about the area around the property--that is, the area which includes the nine or ten properties closest to your property.

11. Do you think the Housing Allowance Program will affect this (block/area) in the future?

YES..... 1 *71/*

NO...(GO TO Q.13)..... 2

12. How do you think the program will affect this (block/area)? How else will the program affect the (block/area)? Anything else? RECORD VERBATIM.

_____

_____

_____

_____

(OFFICE USE)

A1 [ ][ ] *72-73/*

A2 [ ][ ] *74-75/*

A3 [ ][ ] *76-77/*

A4 [ ][ ] *78-79/*

13. We've been talking so far about the effect the Housing Allowance Program might have in the future on your property and the neighborhood it's in. How about the effect of the program on St. Joseph County generally--do you think the program will affect St. Joseph County? *CARD 55*

YES..... 1 *13/*

NO...(GO TO Q.15)..... 2

14. How do you think the program will affect St. Joseph County? How else? Anything else? RECORD VERBATIM.

_____

_____

_____

_____

(OFFICE USE)

A1 [ ][ ] *14-15/*

A2 [ ][ ] *16-17/*

A3 [ ][ ] *18-19/*

A4 [ ][ ] *20-21/*

15. Who do you think will benefit from the program? RECORD VERBATIM AND CIRCLE ALL THAT APPLY.

_____

_____

_____

HOMEOWNERS	01	22-23/
LANDLORDS	02	24-25/
ELDERLY	03	26-27/
RENTERS	04	28-29/
POOR PEOPLE	05	30-31/
PEOPLE EMPLOYED BY PROGRAM	06	32-33/
OTHER	88	34-35/

SPECIFY:_____

15A. IF MORE THAN ONE ANSWER TO Q.15: Which of these groups do you think will benefit the most? (And the next most?) (And next?)

(OFFICE USE)

#1 _____ [ ][ ] 36-37/

(OFFICE USE)

#2 _____ [ ][ ] 38-39/

(OFFICE USE)

#3 _____ [ ][ ] 40-41/

16. Many people in St. Joseph County are already planning to apply for the program. Do you think your household might apply for a housing allowance under this program?

YES...(GO TO Q.18)	1	42/
NO...(ASK A)	2	

16A. Why wouldn't your household apply for the program? Anything else? RECORD VERBATIM.

_____

_____

_____

_____

(OFFICE USE)

A1	[ ][ ]	43-44/
A2	[ ][ ]	45-46/
A3	[ ][ ]	47-48/
A4	[ ][ ]	49-50/

17. Do you think the program will affect your household? IF NECESSARY, PROBE: Even though you aren't planning to apply, do you think the program will affect your household?

YES	1	51/
NO...(GO TO Q.19)	2	

18. How do you think the program will affect your household? How else will the program affect you? Anything else?

_____

_____

_____

_____

(OFFICE USE)

A1	[ ][ ]	52-53/
A2	[ ][ ]	54-55/
A3	[ ][ ]	56-57/
A4	[ ][ ]	58-59/

19. Now, we would like to get your feelings about different groups of people in this country. Here is a card which has a line for people to place their feelings on. People who approve of or feel positively towards a group would place their feelings towards this end of the line (POINT TO SECTION OF LINE BETWEEN "1" AND "3"). People who disapprove or feel negatively towards a group would place their feelings towards this end of the line (POINT TO SECTION OF LINE BETWEEN "5" AND "7"). Of course not everyone is familiar with all of these groups. If you aren't familiar with a group I mention or just don't have any feelings about it, tell me and we'll go on to the next one.

SHOW CARD J-19

19A. The first group is renters--where would you place your feelings towards renters: PROBE: What number would you choose? CIRCLE NUMBER BELOW.

									NO OPINION	
POSITIVE	1	2	3	4	5	6	7	NEGATIVE	9	*60/*

19B. How about people with low incomes--where would you place your feelings towards them? PROBE: Which number would you choose? CIRCLE NUMBER BELOW.

									NO OPINION	
POSITIVE	1	2	3	4	5	6	7	NEGATIVE	9	*61/*

CONTINUE ASKING FOR GROUPS IN Q.19C-19E BELOW:
What about (GROUP)? Where would you place your feelings toward them?

									NO OPINION	
19C. Whites.....	1	2	3	4	5	6	7		9	*62/*
19D. Landlords.....	1	2	3	4	5	6	7		9	*63/*
19E. Blacks.....	1	2	3	4	5	6	7		9	*64/*

20. Some people say they would like to see white and black people live in the <u>same</u> neighborhoods. Other people say they would like white and black people to live in <u>separate</u> neighborhoods. Here is another card with a line on which people can place their opinions. People who would like whites and blacks to live in the <u>same</u> neighborhoods would place their opinions towards this end of the scale. POINT TO SECTION "5" TO "7". People who would like the two groups to live in <u>separate</u> neighborhoods would place their opinions toward this end of the line. POINT TO SECTION "1" - "3". Where on this line would you place your opinion? CIRCLE NUMBER BELOW.

SHOW CARD J-20

									NO OPINION	
SEPARATE NEIGHBORHOODS	1	2	3	4	5	6	7	SAME NEIGHBORHOODS	9	*65/*

21. You've told me a lot about owning this property--your revenues, expenses, tenants, and so forth. Now, I'd like to ask what you think are the biggest problems facing landlords. RECORD VERBATIM. PROBE. IF NO PROBLEM, GO TO END.

22. What are the main things you think could be done to help solve these problems? RECORD VERBATIM. PROBE.

END: Now we have finished the interview. We want to thank you for your time and your contribution to our study of housing in St. Joseph County.

As you may know, this study is scheduled to continue for the next few years. Next year we will be asking some of the owners of rental property who participated this year to be interviewed again. If (you/your firm/OWNER) should be selected for this next part of the study we hope you will be able to participate again.

ENTER TIME ENDED [ ][ ] : [ ][ ] *66-69/*

AM..... 1 *70/*

PM..... 2

(OFFICE USE)

MODULE STATUS

COMPLETE..... 1 *71/*

REFUSAL OR BREAKOFF..... 2

Appendix D

SCALE OF PROGRAM SOPHISTICATION

by Phyllis L. Ellickson

To measure the sophistication of program information acquired by respondents, we developed seven categories of respondents and coded their comments from most to least sophisticated, as follows:

Code	*Meaning*
7	Respondent gives 1, 2, or 3 definite yes responses
6	Respondent gives 2 or more possible yes responses
5	Respondent gives 1 possible yes response recoded to a definite yes
4	Respondent gives only 1 possible yes response
3	Respondent gives 4 or more responses (no definite or possible yesses)
2	Respondent gives 2 or 3 responses (no definite or possible yesses)
1	Respondent gives 1 response (no definite or possible yesses).

DEFINITION OF DEFINITE YES

A definite yes response is defined as one of 22 codes that apply only to the allowance program. For example, if the respondent says that payments are made directly to homeowners or renters or mentions such unique features as the lease, the housing evaluation requirement, the experimental nature of the program, or the recipient's freedom to choose where he will live, he receives a definite yes code of 7.

DEFINITION OF POSSIBLE YES

A possible yes response is defined as 1 of 15 codes that indicate the respondent has some specific knowledge of program features or personnel. But his knowledge does not definitely indicate program awareness for one of the following reasons:

1. The feature is not unique to the allowance program (sample responses include the following: affects private housing, not public; eligibility is based on income or assets or household size and age; program allows people to stay in their own homes).
2. The feature is pertinent only to the research aspects of the program (e.g., respondent mentions Rand or the research effort).
3. The respondent mentions specific HAO employees, personal expertise, or his own relationship to the program, but the information by itself does not clearly indicate knowledge of program operations.

DEFINITION OF RECODED POSSIBLE YES

Out of the set of all possible yes responses, we identified those that were empirically associated with knowledge of unique program details and recoded them to a definite yes. Possible yes responses that occurred simultaneously with definite yesses at least 50 percent of the time were so recoded.

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