cation and other informational media and through experiences gained in different situations, the wants of people are changed and they are motivated to seek higher incomes.

Most of the recent discussion which has taken place over low incomes has been concerned with poverty. Poverty is a relative concept. It is most meaningful when defined with reference to a community norm of ability to purchase goods and services. Some families own so few resources that they are unable to purchase the goods and services generally considered to constitute a socially acceptable minimum level of living even when their resources are employed in their most productive uses. This condition describes real poverty—the ownership of too few assets to yield an income high enough to sustain a level of living considered to be minimal in the society under consideration.

The people of poverty are poor not by choice and not because they fail to employ their resources profitably, but by virtue of the fact that they have too few resources to generate the income needed to sustain a minimum level of living.

The poverty problem generally is considered to be reflected in the consumption pattern of families. This accounts for the willingness of many people to use levels of living as an index of poverty. Implicit in this criterion of poverty, however, is the valuation that all persons should consume some minimum specified bundle of goods and services. Many persons are not willing to subscribe to this view. Consequently, poverty has come to be defined in terms of the possession of sufficient assets to purchase those goods and services which are regarded as constituting a socially acceptable minimum level of living. Therefore, it is sometimes difficult for people who own their homes to obtain welfare assistance.

In our society there is a great deal of evidence of concern over the poverty problem. Although it may be difficult to define a minimum level of living, most persons readily identify those among them who are considered poor and are sufficiently concerned to be willing to contribute to charitable organizations. Furthermore, this concern extends beyond the national boundaries. Private and public contributions in vast amounts are made to meet the needs of poverty-stricken groups throughout the world.

DYNAMIC ASPECTS OF POVERTY

The discussion to this point has treated poverty in a static context. Certainly, there are those among us who are physically and mentally handicapped or who are disadvantaged in other respects and who are considered poor. Although there is a great deal of public concern for people who are classified in the poverty category at any point in time, there is an even greater concern that this condition shall not prevail through time. How does poverty develop and why does it tend to perpetuate itself through time?

Our economy is highly dynamic. It is characterized by rapidly changing technology, automation, creation of new occupations, destruction of old occupations, obsolescence in skills, changing education and skill requirements for jobs, rapid growth in some communities and stagnation and degeneration in other communities. The effects of these changes vary greatly among individuals and among communities. These changes are the source of poverty for some individuals and communities and they give rise to the hope of overcoming poverty in other communities. As a result of changes in technological and economic conditions some skills and investments are rendered obsolete while the demand for other skills and forms of investment may be increased sharply. Some communities may be bypassed and may find their social institutions degenerating; others may experience increased demand for social services and increased ability to provide them.

Several years ago, Schultz put forth the hypothesis that poverty in agriculture is largely the result of the manner in which the economy developed.[1] It was his thesis that some communities were favored by economic progress while others were bypassed. The bypassed communities failed to participate in the income growth associated with economic progress. Consequently, incomes in those communities lagged behind those of the favored communities. Economic and cultural impediments emerged to impede the flow of labor and other resources among communities and enhanced the income differentials.

[1] T. W. Schultz, "Reflections on Poverty in Agriculture," Journal of Political Economy, February 1950.