

lent degree of need or relative adequacy for households of different size and composition.

*Available standards for food adequacy*

Despite the Nation's technological and social advance or, perhaps because of it, there is no generally accepted standard of adequacy for essentials of living except food. Even for food, social conscience and custom dictate that there be not only sufficient quantity but sufficient variety to meet recommended nutritional goals and conform to customary eating patterns. Calories alone will not be enough.

The food plans priced by the U.S. Department of Agriculture for nonfarm families today include both the low-cost one well known to welfare agencies and one at a newer economy level which costs about one-fourth less and is designed for short-term use when funds are extremely low. Most families spend considerably more. In 1955, the latest year for which we have details, only one-tenth of all nonfarm families spent less than the plan calls for. Today, 12 years later, the number with such meager food outlays is not doubt even fewer. If a family follows this plan exactly, adequate nutrition is attainable, but in practice nearly half the families that spent so little fell far short: of families spending at this rate in 1955, over 40 percent had diets that provided less than two-thirds the minimum requirements of one or more nutrients.

*The SSA poverty index: the rationale*

The Social Security Administration poverty index is an attempt to specify the minimum amount required to support an average family of given composition at the lowest level consistent with standards of living prevailing in this country. At best, it can stipulate only the income at which an acceptable level of consumption may on the average be possible, not necessarily plausible. Useful as a broad gauge, it cannot be applied automatically to each individual family without additional study. Not even as a screening device ought it be considered to yield an exact count of the poor in absolute numbers; but it can delineate the relative extent of privation among defined population groups and serve to outline a target for action programs.

To ensure this it is essential that the incomes selected represent equally well large families and small, children as well as grownups, and insofar as possible, families living on farms as well as in cities. The latter relationship, indeed, is but an extreme variant of the need to approximate the differences in cost of living from one place to another, a problem perennially difficult to resolve.

Failing a market basket to demarcate the line below which deprivation is almost inevitable and above which a limited measure of adequacy is at least possible, an adaptation was made of a principle most of us learn by heart: as income increases, families spend more dollars for food, but this larger amount takes a smaller share of income, leaving proportionately more money for other things. Accordingly, a low percentage of income going for food can be equated with prosperity and a high percentage with privation. Economists looking for a quick way to assess relative well-being of dissimilar groups have long resorted to this device.

This procedure was followed but with an important modification. It was assumed that equivalent levels of adequacy were reached only when the proportion of income required to purchase an adequate diet was identical. The fact that in practice large families often seem to spend more of their income on food turns out, on analysis, to come about only because, on the average, large families, particularly those with several children, have lower incomes than small families.

*The index level*

The procedure had the important merit that for food, a measure of adequacy is available in the Agriculture Department food plans, whereas adequacy standards for other categories of family living are not.

The starting point for the SSA poverty index is the amount of money needed to purchase the food for a minimum adequate diet as determined by the Department of Agriculture. The food budget is the lowest that could be devised to supply all essential nutrients using foods readily purchasable in the U.S. market (with customary regional variations). The poverty line is then calculated at three times the food budget (slightly smaller proportions for one- and two-person families) on the assumption—derived from studies of consumers—that a family that has to spend a larger proportion of its income on food will be living at a very inadequate level. The food budgets and the derivative poverty income cut-off points are estimated in detail for families of differing size and composition