Subsequently, information from a 1961 food consumption study showed that by 1961 home food production had dropped to no more than 31 percent the total value of food used by farm families. It would seem more appropriate, then, to peg the income required by a farm family at the poverty line at about 70 percent of the equivalent nonfarm figure rather than 60 percent and the procedure was amended to correspond. Among the farm families studied in 1961, average expenditure for food represented 20 percent of money income. Families with $1,000–2,000 averaged 35 percent, and those in the next higher income class 28 percent. Food purchases by families spending 33 percent of income were estimated by interpolation at $3.62 per person per week, with $3.13 going for food at home. This figure represents 69 percent of the amount spent by the nonfarm families devoting the same proportion of income to food.

For farm families spending this way, the average family size was the same as for the parallel nonfarm families (3.1), and family income averaged $1,838, or 71 percent that of the nonfarm families. For the year 1963 the incidence of poverty among farm households increased by about 733,000 persons when the higher income cutoff point is used and raised from 1 in 11 to 1 in 9 the proportion of the poor who lived on a farm.

By way of caution about the general applicability of the farm-nonfarm ratio developed, it must be recognized that the manner in which the Bureau of the Census obtains its income data tends to understate farm income and therefore to overstate poverty to a greater degree for farm families than for nonfarm families. The farm family, asked for a quick estimate of its income (including operating expenses), is likely to assign al utilities, transportation, and shelter costs to the farm side of the account rather than prorate a share as the cost of family living. In approximating farm-nonfarm equivalence on the basis of Census income distributions—which must provide the basis for the poverty index, one may therefore postulate a lower ratio of farm to nonfarm money income than would apply if the income data were obtained by methods similar to those of the Department of Agriculture household expenditure studies.

HOW ADEQUATE IS THE STANDARD?

The measure of poverty thus developed is arbitrary. To be sure, it applies only in America. Few could call it too high. Many might find it too low. Assuming the homemaker is a good manager and has the time and skill to shop wisely, she must prepare nutritious, palatable meals on a budget that for herself, a husband, and two young children—an average family—would even today come to about 70 cents a day per person.

For a meal all four of them ate together, she could spend on the average only 95 cents, and to stay within her budget she must allow no more a day than a pound of meat, poultry, or fish altogether, barely enough for one small serving for each family member at one of the three meals. Eggs could fill out her family fare only to a limited degree because the plan allows less than two dozen a week for all uses in cooking and at the table, not even one to a person a day. And any food extras, such as milk at school for the children, or the coffee her husband might buy to supplement the lunch he carries to work, have to come out of the same food money or compete with the limited funds available for rent, clothing, medical care, and all other expenses. Studies indicate that, on the average, family members eating a meal away from home spend twice as much as the homemaker would spend for preparing one for them at home. The 20–25 cents allowed for a meal at home in the economy plan would not buy much even in the way of supplementation.

There is some evidence that families with very low income, particularly large families, cut their food bills below the economy plan level—a level at which a nutritionally good diet, though possible, is hard to achieve. Indeed, a study of beneficiaries of old-age, survivors, and disability insurance—limited to 1- or 2-person families—found that only about 10 percent of those spending less than the low-cost plan (priced about a third higher than the economy plan) had meals furnishing the full recommended amounts of essential nutrients. Not more than 40 percent had even as much as two-thirds the amounts recommended. Only when food expenditures were as high as those in the low-cost plan, or better, did 90 percent of the diets include two-thirds of the recommended allowances of the nutrients, and 60 percent meet them in full. Few housewives with greater resources—income and other—than most poor families have at their disposal could do better. Many might not do as well.