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Edward O'Boyle

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ECONOMIC SELF-SUFFICIENCY: DEFINED AND MEASURED IN RELATION TO ECONOMIC POVERTY*

Edward J. O'Boyle

INTRODUCTION

One's judgment of the adequacy of the [unemployment insurance] benefit amount will obviously depend very much on how one defines "adequacy." As a preliminary to any use of the data it is necessary to state as clearly as possible the meaning of adequacy and the norms by which it is to be measured.¹

Economic self-sufficiency is a normative concept. That is to say, it reflects the different value systems of the persons who use the term. Some argue that, since values cannot be compared and ordered, one person's definition is no better than another's and all definitions necessarily are arbitrary. Robert Taggart took that position in his Hardship: The Welfare Consequences of Labor Market Problems, empirically addressing the problem of hardship--the logical counterpart to economic self-sufficiency--at great length.²

A federal interagency task force mandated in the mid-1970s to evaluate the poverty index--conceptually the equivalent of economic self-sufficiency--held a view that was similar to Taggart's. Two statements taken directly from the task force's final report strongly suggest that, among public officials who are most closely associated with defining, measuring, and using the poverty standard, the concept itself is perceived as predominantly arbitrary: "Who is poor and who is not are completely subjective questions."³ "Poverty can be defined in the abstract but whether someone is to be considered poor ultimately depends on who is asking the question and why he wants to know."⁴

There is, for sure, a substantial measure of truth to the argument that the concept "self-sufficiency" is value-laden and arbitrary. At the same time, it is erroneous to assert or imply that it is thoroughly value-laden and arbitrary. Certainly there is agreement that self-sufficiency is a condition wherein, most fundamentally, resources are sufficient to meet needs. Economic self-sufficiency, therefore, is a surplus of economic resources to meet physical needs. Conversely, the person with unmet physical needs is in a state of economic dependency or, to put it differently, is experiencing economic hardship.

*An earlier version of this paper was presented at the Twelfth Annual Meeting of the Southwestern Federation of Administrative Disciplines, New Orleans, March 1985.

A critical presupposition underlying this paper is that a significant reduction in the arbitrariness surrounding the concept "self-sufficiency" is possible. This presupposition rests squarely on the observation that the concept itself has been too little studied because: 1) it has been seen as arbitrary and, therefore, unsuited to rigorous investigation; and 2) its meaning has been taken for granted or has been regarded as self-evident to those who use the term.

Reducing the arbitrariness in the concept "economic self-sufficiency" is more than a demanding academic exercise, although it still would be a worthy undertaking even if it were no more than that. Economic self-sufficiency is central to many programs of aid to the needy, whether those programs are public or private, and any successful attempt that curtails arbitrariness may contribute to program effectiveness. To illustrate, if program officials define economic self-sufficiency in terms of an income level that makes a person ineligible for public assistance, whereas clients see it in terms of income sufficient to save for or maintain a house, clients may transfer the arbitrariness from the concept itself to the officials, thereby undermining the effectiveness of the program.

There are four main sections to this paper. The first section addresses the issue as to whether economic self-sufficiency is properly defined in absolute or relative terms. The second section examines the question "Is self-sufficiency to be defined in terms of the person, the family, or the household?" The third section examines how one selects and evaluates criteria that express the norm of the physical needs of the individual person in measureable form. In the last section two classification matrices are suggested that demonstrate how criteria of economic self-sufficiency may be specified. The first two sections relate to the problem of the definition of economic self-sufficiency; the last two bear on the question of its measurement.

ECONOMIC SELF-SUFFICIENCY: A RELATIVE OR AN ABSOLUTE CONCEPT?

As stated previously, economic self-sufficiency is a sufficiency of economic resources to meet physical needs. A standard of economic self-sufficiency that is defined in relative terms focuses on the economic resources that people actually have in relation to the resources of others. Table 1 presents two versions of a relative standard of self-sufficiency. One defines sufficiency as income above one-half of the median income of all families (including unrelated individuals) of the same type (e.g., same size). The other defines sufficiency as income above the lowest quintile in the income distribution. To simplify the exposition, Table 1 presents hypothetical annual income data for five families of the same type.

With the first version of the relative standard, sufficiency is defined as annual family income greater than \$12,000 for all families of one specific type. With the second version, sufficiency is income above \$11,000 per year.

TABLE 1. ECONOMIC SELF-SUFFICIENCY DEFINED IN RELATIVE TERMS: TWO VERSIONS

<u>Version 1</u>		<u>Version 2</u>
income above one-half of the medium income is sufficient to meet physical needs	Annual Family Income*	income above the lowest quintile is sufficient to meet physical needs
	\$37,000	
	31,000	
\$12,000 = 1/2 median	24,000	
	19,000	
	11,000.....lowest quintile	

*hypothetical data.

A standard of economic self-sufficiency that is defined in absolute terms focuses on a defined set of physical needs and on the cost of the goods and services that meet those needs. Table 2 presents the most widely used absolute standard of economic self-sufficiency--the poverty index, developed in 1964 at the Social Security Administration. This standard is based on the current cost of the Department of Agriculture's 1961 Economy Food Plan. The cost of the other goods and services needed to meet physical needs is estimated on the basis of a finding from the Agriculture Department's 1955 Survey of Food Consumption that, on average, families spend one-third of their income on food. Thus, the total cost of the full set of goods and services required to meet physical needs at the poverty level is generally set at three times the current cost of the Economy Food Plan.⁵

To illustrate, for a family of four persons, the goods and services sufficient to meet physical needs are estimated to cost \$10,609 per year in 1984. For the two-person family with the head of household being 65 years or age or older, the annual cost is estimated at \$6,282.

Certain difficulties attend the use of a relative standard. For example, how does one define self-sufficiency when income is equally distributed, that is when the income of, say, the lowest quintile and the income of the highest quintile are equal (see Table 3, Example 1)?

TABLE 2. ECONOMIC SELF-SUFFICIENCY DEFINED IN ABSOLUTE TERMS: WEIGHTED AVERAGE POVERTY THRESHOLDS IN 1984

<u>Size of family unit</u>	<u>Threshold</u>
One person (unrelated individual).....	\$ 5,278
15 to 64 years.....	5,400
65 years and over.....	4,979
Two persons.....	6,762
Householder 15 to 64 years.....	6,983
Householder 65 years and over.....	6,282
Three persons.....	8,277
Four persons.....	10,609
Five persons.....	12,566
Six persons.....	14,207
Seven persons.....	16,096
Eight persons.....	17,961
Nine persons or more.....	21,247

Source: U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 152, Characteristics of the Population Below the Poverty Level: 1984, U.S. Government Printing Office, Washington, D.C., 1986, p. 122.

Is everyone's income sufficient or insufficient? Further, notice the anomalies that occur when there are very large differences in the range of the distribution of income from one family type to another and very substantial differences in level of income as between income distributions (see Table 3, Examples 2 and 3). In the distribution shown in Example 2, none of the families have income that is below one-half of the median even though their incomes are much lower than the families shown in Example 3, where 40 percent have insufficient incomes.

There are difficulties with an absolute standard of economic self-sufficiency too. For instance, is it proper to continue to estimate all physical needs other than for food using a finding from a consumption expenditure study that is nearly 30 years old? With regard to the "nutritionally adequate" Economy Food Plan, how does one allow for differences between persons who are alike in every respect except metabolism?

TABLE 3: THREE EXAMPLES OF ANOMALIES ASSOCIATED WITH A RELATIVE STANDARD OF ECONOMIC SELF-SUFFICIENCY

	Example 1	Example 2	Example 3
highest quintile	Annual Family Income* \$14,000	Annual Family Income* \$ 5,000	Annual Family Income* \$80,000
	14,000	2,000	70,000
	14,000	1,000	60,000
	14,000	700	28,000
lowest quintile	14,000	600	21,000
		1/2 median = \$500	1/2 median = \$30,000

*hypothetical data

It can be argued, for sure, that the examples above are "hard" cases and hard cases make bad example. However, even when those examples are put aside, there remains one common deficiency in both standards. The relative standard defines the physical needs of the individual in relation to the economic resources available to all others in the same group. The absolute standard defines the physical needs of the individual in terms of the average individual. This focus on the individual in the absolute standard is made clear in one of the earliest publications on the poverty index by Mollie Orshansky, the main architect of that index.

Recently the Department of Agriculture began to issue an "economy" food plan, costing only 75-80 percent as much as the basic low-cost plan, for "temporary or emergency use when funds are low." In January 1964 this plan suggested foods costing \$4.60 a week per person, an average of only 22 cents a meal per person in a 4-person family.

.....

The food costs for individuals according to this economy plan, at January 1964 prices, were used as the point of departure for determining the minimum total income requirement for families of different types.⁶

The common deficiency is that each standard fails to recognize the (partial) validity in the other. In other words, neither standard is entirely right and neither one is entirely wrong. Rather, each is incomplete. The proof of this proposition follows.

Most fundamentally, the proponents of the relative standard and the advocates of the absolute standard, unbeknownst to one another and very probably unbeknownst to themselves at the conscious level, have rooted their different definitions of economic self-sufficiency in radically different conceptualizations of Man himself. To answer the question "Who is Man?" the "relativists" implicitly respond that Man is a social being whose nature is shaped and formed by the environment in which he exists and, most especially, by the other human beings in his environment. On the other hand, the "absolutists" implicitly answer that Man is a unique being who by nature is self-made and self-determining. In a single word, the "relativists" define Man as social and the "absolutists" define him as individual.

If probed directly and deeply on this question, both sides of the controversy could supply strong evidence as to the validity of their implicit premises about Man's nature. The "relativists" might suggest that Man's faculty of speech and his human sexuality establish him as a social being. The "absolutists" might argue that Man's fingerprints and dentalprints are evidence as to his individual nature.

The foregoing evidence, if evaluated separately, would tend to validate both premises separately. However, when the evidence is seen side by side, it is manifest that, strictly speaking, neither premise is right and neither one is wrong but both are incomplete. That is, Man's nature is dual. He is, at once, social in nature and individual.

It follows that economic self-sufficiency is properly defined neither as a relative concept alone nor as an absolute concept alone. Indeed, just as price in a market system is determined by both supply and demand, economic self-sufficiency is to be defined in relative terms and absolute terms. Thus, economic self-sufficiency, properly understood, is a condition wherein economic resources are sufficient to meet the physical needs of man as determined by his social nature and his individual nature.

ECONOMIC SELF-SUFFICIENCY: A PERSON-CENTERED, FAMILY-CENTERED OR HOUSEHOLD-CENTERED CONCEPT?

Economic self-sufficiency can be defined from the perspective of the person, the family, or the household. That is, self-sufficiency focuses on the person alone, or the person in the context of either the family or the household. Some examples as to how these three perspectives are incorporated in various standards of economic self-sufficiency follow.

Taggart defines economic hardship--the conceptual companion of economic self-sufficiency--in terms of three primary indicators: individual earnings, family earnings and family income.⁷ Clearly, the three are interrelated, but Taggart defines each one separately and applies them independently. The results are three primary sets of statistics as to the extent of hardship in the labor market. The standard based on individual earnings is person-centered. The other two are family-centered.⁸

One of the oldest and most widely accepted criteria of economic self-sufficiency is found in the unemployment insurance area. This criterion asserts that unemployment benefits are adequate⁹ if they equal half or more of wages. The (unemployed) person is the central focus of this criterion of self-sufficiency.

At first glance, the best-known criterion of economic self-sufficiency in the U.S. for the last 20 years--the poverty index--is family-centered and person-centered. For persons who live in a family,¹⁰ self-sufficiency is determined not on an individual basis, taking into account only the resources of that person, but on a group basis, taking into consideration the resources of the whole family. This means that a person is classified as living in poverty by virtue of being a member of a family where family resources (i.e., the pooled resources of all individual family members) are insufficient to meet the needs of that family. However, for individuals who are at least 15 years of age and are not living with any relative(s), whether the individual lives alone or with other nonrelatives (even when some or all of those non-relatives form their own family), the poverty index is person-centered, at least on the surface. This means that a nonfamily person¹¹ is classified as living in poverty by a determination that his personal economic resources are insufficient to meet his own physical needs, even in a situation where he lives with one or more nonrelatives and together they meet their needs from pooled economic resources. Thus, the poverty index is person-centered even for those unrelated individuals who reside together and behave in a family-like manner but do not meet the birth, marriage, or adoption requirements to be designated a family.¹²

Unrelated individuals in the U.S. population number in the millions. The Census Bureau estimated that, in March 1985, 30,268,000 persons, or 12.9 percent of the total population¹³ of 234,066,000 persons, were unrelated individuals 15 years of age and older. There were an estimated 250,000 additional unrelated individuals below age 15. The rest of the population, an estimated 202,288,000 persons, resided in families. The Census Bureau data also show that, in March 1985, 20,602,000 persons, or 68.1 percent of all unrelated individuals, lived alone.¹⁴ Using the Census Bureau's own definition of a household,¹⁵ 86.4 percent of all persons in the U.S. lived in family households and 8.8 percent were unrelated individuals residing in one-person households.

Clearly, the practice of pooling resources is deeply embedded in the concept "economic self-sufficiency." Equally as clearly, pooling resources is done in family households by tradition and by definition in one-person nonfamily households. Thus, defining economic self-sufficiency in terms of the household, where household means a pooling of resources to meet needs and the family household is differentiated from the nonfamily household of one person, is conceptually superior to defining it in terms of the family and the unrelated individual. Further, "household" understood thusly encompasses at least 95.2 percent of the population,¹⁶ whereas "family" covers 86.4 percent.

The official poverty index differentiates families and unrelated individuals and provides estimates of both. Even so, the index by definition compares pooled resources and needs. Whereas the poverty index at first glance is primarily family-centered and secondarily person-centered, it is in fact most fundamentally household-centered. Thus, in principle and in practice, economic self-sufficiency is properly defined as a household-centered concept.

Before turning to the problem of how to select and evaluate criteria of economic self-sufficiency, it is instructive to incorporate "household centeredness" into the definition of self-sufficiency as presented at the end of the preceding section of this paper. Economic self-sufficiency is a condition wherein the economic resources of the household are sufficient to meet the physical needs of all of the members of that household as determined by each member's social nature and his individual nature.

CRITERIA OF ECONOMIC SELF-SUFFICIENCY: HOW ARE THEY SELECTED AND EVALUATED?

To properly address the problem of selecting and evaluating criteria of economic self-sufficiency, it is instructive to begin with a (re-)statement of the question we seek to answer:¹⁷ "Is the individual person self-sufficient?" A full appraisal of self-sufficiency proceeds in terms of the individual person and all of his needs which, manifestly, are many and varied. One of these needs is physical and as such constitutes one of the several norms by which self-sufficiency is appraised. Since physical needs relate specifically to economic self-sufficiency, prescinding from all but the physical needs narrows the appraisal from full to partial and reduces the ultimate question to the following: "Is the individual economically self-sufficient?" In the

preceding two sections of this paper we have attempted to define with greater clarity what is meant by economic self-sufficiency and its one and only norm--the physical needs of the individual person.

Before the norm of the physical needs of the individual person can be used to address the question of economic self-sufficiency empirically, it is first necessary to express that norm in measurable form. A criterion of economic self-sufficiency expresses the norm of the physical needs of the individual in measurable form by assigning a critical value to the amount of unmet physical need that is incompatible with self-sufficiency. When "criterion" is used in this fashion, the poverty index is seen as a set of critical values (thresholds) that express the norm of the physical needs of the individual person in measurable form. Whenever economic resources are insufficient to purchase the goods and services that would meet the physical needs as specified in the threshold, unmet physical needs are said to exist and the person is classified as living in poverty. Stated differently, the poverty standard is a criterion of economic self-sufficiency.

In social affairs, it is difficult to reach ultimate agreement on the norms to use in addressing certain questions. For that reason, intermediate norms are used in place of ultimate norms. To illustrate, as regards the question "Who is to provide leadership?" the ultimate norm for selecting a leader in a democratic system is universal agreement. However, in a democracy rarely does everyone agree on who is best qualified to lead. In democratic elections, therefore, a simple majority commonly is accepted as decisive in selecting a leader that replaces the ultimate norm of universal agreement, because such agreement is difficult to achieve. Even so, the larger the majority (i.e., the closer the voting approaches unanimity), the greater the mandate for leadership. Similarly, an intermediate norm is established as the more acceptable as it approaches the ultimate norm in its own line.

Returning to the question "Is the individual person self-sufficient?" the long-standing disagreement as to how the physical needs of the individual person are defined means that all definitions currently in use at best are intermediate norms. Our purpose in attempting to clarify the meaning of economic self-sufficiency in the preceding sections of this paper has been to achieve wider agreement among those who use the concept and thereby move closer toward a norm that is ultimate.

It is a mistake to expect that an ultimate norm of economic self-sufficiency will eliminate all of the arbitrariness surrounding the concept. Consider the question of the correct time. Historically, the sundial, the hourglass and more recently the watch have been used as norms of the correct time. All three are intermediate norms, although the watch is closer than the other two to the ultimate norm of the correct time--the movement of the earth and stars. Even so, the division of the day into hours, minutes, and seconds is fundamentally arbitrary. So too is the division of the year into months of different lengths. The replacement of the sundial and the hourglass as intermediate norms of the correct time with the more reliable watch has not eliminated these arbitrary divisions of the time. Rather, their basic arbitrariness remains but is less relevant to the ultimate question of the correct time because they are universally accepted.

The remainder of this section is not an articulation of new criteria of economic self-sufficiency that can be used for appraisal purposes. Rather, it is a specification of the four qualities that a criterion of economic self-sufficiency should have in order to produce wider agreement: directness; comprehensiveness; consistency; convenience. There is no special significance to the order in which they are presented here.

A direct criterion measures unmet physical needs directly rather than estimating them indirectly. To illustrate, the poverty index directly measures the cost of food and indirectly estimates the cost of the other items included in the standard by applying a multiplier of 3 to the cost of the Economy Food Plan. A direct criterion is superior because direct measurement probes more deeply into the question of economic self-sufficiency.

A criterion of economic self-sufficiency is comprehensive if it encompasses every relevant aspect of unmet physical need. It is selective whenever it leaves out some aspect of either physical needs or economic resources. A criterion that does not include, for instance, net worth or transfer payments or noncash benefits is selective as regards economic resources. A comprehensive criterion is the better of the two for the same reason that a direct criterion is superior: a comprehensive criterion probes economic self-sufficiency more deeply than does a selective criterion. The relative criterion referred to in the first section of this paper, which assigned the critical value of income below one-half of the median income of all families as being inconsistent with economic self-sufficiency, is an example of a criterion that lacks comprehensiveness.

A consistent criterion assigns everyone in the same circumstances relative to unmet physical needs in the same classification as to economic self-sufficiency. Notice the lack of consistency as between Example 2 and Example 3 in Table 3. A family with annual income of \$10,000 is classified as economically self-sufficient when it is compared with the families in Example 2 and is classified as not self-sufficient when it is compared with the families in Example 3. Any criterion that is indirect or selective may be inconsistent as well.

Finally, a criterion of economic self-sufficiency ideally is convenient; that is, it is relatively simple to apply to the data and to arrive at a conclusion as to economic self-sufficiency. The criterion which states that unemployment insurance benefits are adequate if they equal at least 50 percent of wages is a good example of a criterion that is convenient. All that one needs in order to apply this criterion is information on the average wages of insured workers and average benefits. Among criteria that otherwise are identical, except that one is more convenient than all the others, the convenient one is superior. Of course, this is not the case when convenience is achieved by sacrificing one or more of the other desirable qualities of a criterion of economic self-sufficiency.

CRITERIA OF ECONOMIC SELF-SUFFICIENCY: SOME SUGGESTIONS AS TO MAKING THEM SPECIFIC ENOUGH FOR APPRAISAL PURPOSES

The next two stages in the process of appraising economic self-sufficiency are the selection of specific criteria of economic self-sufficiency and the application of those criteria to the best available body of information. No attempt is made herein to apply any specific criteria to the available data in order to estimate the extent of economic self-sufficiency. Instead, certain central issues in the selection of specific criteria of economic self-sufficiency are examined. Even so, what follows should be instructive as to the types of available data that are best suited for appraisal purposes.

The conventional poverty standard creates two levels relative to economic self-sufficiency: insufficient and sufficient. In his massive study of economic hardship, Taggart created three levels: severe (100 percent of poverty level or minimum wage); intermediate (125 percent higher than severe); and moderate (150 percent higher than severe).¹⁸

For purposes of achieving wider agreement on specific criteria, four levels of economic self-sufficiency, differentiated on the basis of three living standards, are proposed here. The levels are: insufficient; marginally sufficient; sufficient; and supra sufficient. These four levels are created by using three independently-derived absolute standards of living as follows:

<u>Level</u>	<u>Standard of Living</u>
insufficient.....	below poverty budget
marginally sufficient.....	above poverty budget but below BLS lower budget ¹⁹
sufficient.....	above BLS lower budget but below BLS intermediate budget ²⁰
supra sufficient.....	above BLS intermediate budget ²¹

Each of these living standards is built around its own food plan as follows:

<u>Standard of Living</u>	<u>Food Plan</u> ²²
poverty budget.....	economy food plan
BLS lower budget.....	low cost food plan
BLS intermediate budget.....	moderate cost food plan

Each of the four levels also incorporates a relative standard of economic self-sufficiency as follows:

<u>Level</u>	<u>Standard of Living</u>
insufficient.....	lowest quartile
marginally sufficient.....	second quartile
sufficient.....	third quartile
supra sufficient.....	highest quartile

Using a relative standard along with an absolute standard in the same criterion of economic self-sufficiency neutralizes the criticism of the relative standard to the effect that "in the absence of a major shift in the income distribution, the proportion of persons in poverty would remain constant over time."²³

Table 4 shows the 16-cell classification matrix that results. The four levels of economic self-sufficiency appear diagonally. There is no compelling reason to "flesh out" this table until there is agreement that economic self-sufficiency is multi-leveled by virtue of the fact that physical needs are to be understood in an absolute sense and in a relative sense. Without such agreement, labelling the remaining cells is wasted effort and diverts us from the central problem.

Stating one criterion in detail is instructive as to how Table 4 can be used to work out the specifics relative to all four levels of economic self-sufficiency. Resources are insufficient to meet physical needs when household income is below the poverty level or household income is in the lowest quartile of the income distribution. A stricter specification would be that resources are insufficient when household income is below the poverty level and is in the lowest quartile.

A 4 x 2 classification matrix can be created by defining the relative standard in terms of one-half of the median income in an income distribution. See Table 5 for the way in which the four levels of economic self-sufficiency can be specified.

In conclusion, the appraisal process does not end with the application of specific criteria to the available data in order to determine the extent of economic self-sufficiency. The empirical findings themselves amount to more than just an appraisal of economic self-sufficiency. They provide valuable information as to the correctness of the criteria that have been selected and applied. That is, the final test of any specific criteria of economic self-sufficiency is found in a comparison between what we expect to find and what we actually find in any given application. A criterion can be said to be correct only after it has been used in an investigation and a judgment emerges that it moves us in the direction of an ultimate norm of economic self-sufficiency. Stated differently, given the uncertainty and disagreement that currently characterize the problem of economic self-sufficiency, the process for determining its extent is not linear but circular.

TABLE 4. CRITERIA OF ECONOMIC SELF-SUFFICIENCY BASED ON THREE ABSOLUTE STANDARDS OF LIVING AND FOUR RELATIVE STANDARDS OF LIVING

Household income is:	Household income is in:			
	highest quartile	third quartile	second quartile	lowest quartile
below poverty budget	xxx	xxx	xxx	insufficient
above poverty budget but below BLS lower budget	xxx	xxx	marginally sufficient	xxx
above BLS lower budget but below BLS intermediate budget	xxx	xxx	sufficient	xxx
above BLS intermediate budget	supra sufficient	xxx	xxx	xxx

person has income that, relative to his needs, is:

TABLE 5. CRITERIA OF ECONOMIC SELF-SUFFICIENCY BASED ON THREE ABSOLUTE STANDARDS OF LIVING AND TWO RELATIVE STANDARDS OF LIVING

Household income is:	Household income is:	
	above one-half of median	below one-half of median
below poverty budget	xxx	insufficient
above poverty budget but below BLS lower budget	xxx	marginally sufficient
above BLS lower budget but below BLS intermediate budget	sufficient	xxx
above BLS intermediate budget	supra sufficient	xxx

person has income that, relative to his needs, is:

NOTES

¹J.M. Becker, The Adequacy of the Benefit Amount in Unemployment Insurance (Kalamazoo, Michigan: W.E. Upjohn Institute for Employment Research, May 1961), pp. 9-10.

²R. Taggart, Hardship: the Welfare Consequences of Labor Market Problems (Kalamazoo, Michigan: W.E. Upjohn Institute for Employment Research, 1982).

³U.S. Department of Health, Education, and Welfare, The Measure of Poverty: A Report to Congress as Mandated by the Education Amendments of 1974 (Washington, D.C.: U.S. Government Printing Office, April 1976), p. 1.

⁴Ibid., p. 2

⁵U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 152, Characteristics of the Population Below the Poverty Level: 1984 (Washington, D.C.: U.S. Government Printing Office, 1986), p. 121.

⁶M. Orshansky, "Counting the Poor: Another Look at the Poverty Profile," Social Security Bulletin, January 1965, p. 6.

⁷See Taggart, op.cit., p. 16.

⁸It is not entirely clear if Taggart really means "household" when he uses the word "family" in his study and if he includes the nonfamily household in his analysis and findings.

⁹In unemployment insurance, "adequacy" is the preferred term for "economic self-sufficiency." The two, however, are conceptually equivalent.

¹⁰Defined as "a group of two or more persons related by birth, marriage, or adoption who reside together." See U.S. Bureau of the Census, op.cit., p. 123.

¹¹Officially referred to as "an unrelated individual," ibid.

¹²Ibid.

¹³More precisely, "the population total for the CPS universe." See U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 151, Money Income of Households, Families, and Persons in the United States: 1984 (Washington, D.C.: U.S. Government Printing Office, 1986), pp. 3 and 7.

¹⁴Ibid.

¹⁵The Census Bureau defines a household as "all persons who occupy a housing unit." See Taggart, op.cit., p. 16.

¹⁶Some of the 4.8 percent of the population who were unrelated individuals living with at least one other nonrelative may share expenses and actually constitute a nonfamily household. With the exception of one-person households, there are no separate estimates of the number of unrelated individuals who pool economic resources.

¹⁷This section of the paper draws heavily from J.M. Becker, op. cit., pp. 9-22 and, to a lesser extent, S.G. Johnson, Economic Hardship of Unemployment: A Case Study of Louisiana, Texas, Oklahoma, and Arkansas, unpublished doctoral dissertation, (Louisiana Tech University, August 1983), pp. 81-83.

¹⁸See Taggart, op.cit., pp. 16-17.

¹⁹The BLS program that provided estimates for these budgets was eliminated in 1982 in compliance with overall budget reduction requirements. See "Final Report on Family Budgets: Cost Increases Slowed, Autumn 1981," Monthly Labor Review, July 1982, p. 44.

²⁰Ibid.

²¹Ibid.

²²As developed by the U.S. Department of Agriculture with nutritional standards formulated by the Food and Nutrition Board of the National Academy of Science--National Research Council. See U.S. Department of Labor, Three Standards of Living for an Urban Family of Four Persons, Spring 1967, BLS Bulletin No. 1570-5 (Washington, D.C.: U.S. Government Printing Office), p. 41.

²³U.S. Department of Health, Education, and Welfare, The Measure of Poverty, Technical Paper XIII, "Relative Poverty" (Washington, D.C.: U.S. Government Printing Office, November 1976), p. 2.

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