

We need to talk about the NRC/SPM poverty line  
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In the 15 years since the National Research Council's (NRC) poverty report, I've been to many workshops and conferences, but never one where the NRC approach to drawing the poverty line was on the agenda for discussion. The lack of attention is puzzling because drawing the poverty line is the most controversial part of the measure of poverty.

Starting in 1999 (with a short essay titled "Three false steps," that is posted on the Census Bureau working papers web page) I've made many attempts to promote or provoke, such public scrutiny. As the federal statistical system has proceeded further down the path to acceptance of the NRC/SPM poverty measure, my criticisms have become shorter, more direct, and more pointed. Currently, they are available in four paragraphs.

I may be wrong that, although well-meaning, the NRC panel was *condescending* when it contrasted its own expert view that poverty thresholds are subjective and arbitrary with the less discerning view held by the general public, who find, "...some kind of normative or paternalistic concept of 'need' ...," more appealing.

I may be wrong that it was *manipulative* when, rather than rely on facts and reasons to convince the public that its new threshold represents what people need, the NRC panel explained that, like the Orshansky threshold, its "quasi-relative" threshold will appeal to the general public because it, "...retains a normative cast, with its emphasis on food, clothing, and shelter (plus a little more)." The panel understood that there is nothing normative about the 30<sup>th</sup> – 35<sup>th</sup> percentiles of spending on food, clothing, and shelter by two-adult, two-child families where it starts to calculate the poverty line. It counted on gaining public support through misunderstanding.

I may be wrong that the NRC panel employed, to put it gently, *double-talk* to convey its poverty threshold to the general public. The panel wrote:

The official U.S. poverty thresholds should comprise a budget for the three basic categories of food, clothing, shelter (including utilities), and a small additional amount to allow for other needs (e.g., household supplies, personal care, non-work-related transportation)."

I may be wrong when I argue that someone hearing that formula is unlikely to understand:

First, that the "budget for food, clothing, and shelter" is spending by a prosperous group of families with median income above the median for all families.

Second, that the panel did not believe that this level of spending was a measure of what people *need* to spend for these three basics.

Third, that "...a small additional amount to allow for other needs (e.g., household supplies....," actually meant no budget for household supplies. Nothing for the purchase or repair of beds, tables, chairs, appliances, rugs, lamps, light bulbs, pots, pans, dishes, flat wear, towels, blankets, pillows, sheets, or cleaning and laundry supplies.

I may be wrong in these criticisms, but nobody has been good enough to engage my arguments. If I'm not wrong, these arguments warrant the conclusion that, no matter how well-meaning, the NRC/SPM threshold is unfit to be adopted by the federal statistical system. We cannot have a federal statistic even an experimental one, that is carefully designed so that the public will think it is one thing when it really is something else.