

Panel 2: Overview of Poverty Measurement Research



Interagency Technical Working Group on Potential Improvements to the SPM for 2021 – Liana Fox, Census

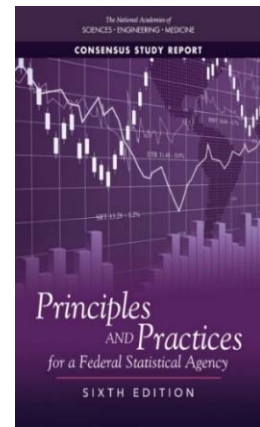
Interim Report from the Alternative Measures of Poverty Working Group – Thesia Garner, BLS

Consumption Poverty: Alternative Measures Based on the SPM – John Fitzgerald, Bowdoin College

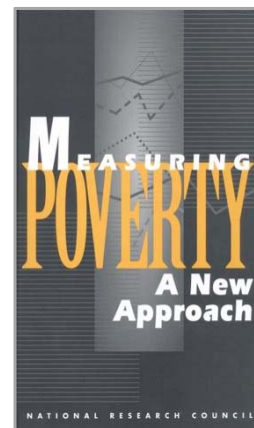
Implications of Improved Measures for Child Poverty – David Johnson, University of Michigan



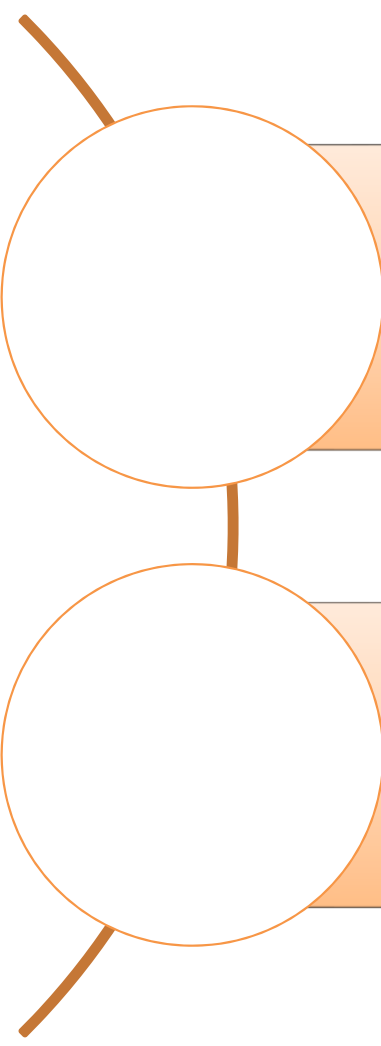
Committee on National Statistics



- Established in 1972, with mission to:
 - ✓ provide independent review of federal statistical activities
 - ✓ provide scientifically based advice to improve statistical methods and information for public policy
 - ✓ advance quality of statistical information, contribute to federal statistical policies and coordinating activities, and provide forward-looking vision for federal and national statistics in service to the public good



Good Measures Essential for Good Policy



Official Poverty Measure (OPM) known to be flawed and wholly inadequate for understanding poverty reduction effects of noncash benefits or tax-based programs; but has never changed!

Considerable research in motion now toward improved poverty measures – important for us all to understand and contribute to the discussion



Timeline – 1



1900 – WWI: Efforts to develop budgets for cities to set relief payments, et al.

1945: Congress charged BLS to revamp old WPA budgets for cities
(discontinued in 1981)


1960s: War on Poverty gave real push to poverty measurement

1963, 1965: Mollie Orshansky (SSA) provided OEO with poverty thresholds

1969: Budget Bureau adopted for official use (Statistical Policy Directive 14)



Timeline – 2



1970: SSA/Census suggestions to revise thresholds in real terms turned down; OPM frozen because tied to program benefits

1980s: First efforts to value noncash benefits to include in resources

1990: Pat Ruggles, *Drawing the Line*, seminal book toward OPM revision

1995: CNSTAT Panel, *Measuring Poverty—A New Approach*

1995 – 2010: Census/BLS experimental measures using CNSTAT report (variations for, e.g., MOOP)



Timeline – 3

1996 – 2005: Numerous meetings to showcase/advise on Census/BLS work on experimental measures at Brookings, et al., but no movement toward new measure

2006: Mayor Bloomberg wants poverty metric to evaluate tax credits et al.; 2008: NYC/CEO publishes poverty measure based on 1995 report; other states follow suit

2010: Finally, *federal* Interagency Technical Working Group issues “observations” to Census Bureau to publish SPM separate from OPM beginning in 2011

Now: Interagency group to recommend improvements to SPM; Interagency group to look at alternative poverty measures (e.g., consumption); more states doing their own

Ideally: Census would publish SPM as Statistical Income Poverty Measure (could also publish Statistical Consumption Poverty Measure); no longer publish OPM

