

WHAT IS
POVERTY ?

By S.T.Bohee.

Advanced Teachers Training, a course newly designed and introduced for the first time in the Spring Semester got off to a flying start at the very beginning.

The Problem of Poverty was the subject to be dealt with in the first three sessions. Although the concept of poverty is difficult to pin down, the group proceeded to probe into it with a vigor that was encouraging. Discussion and analysis followed some excellent reporting and some clarification was reached.

It naturally developed that if the problem of poverty was to be examined, it would be essential to set up a definition of poverty. A definition that would be acceptable to the present group has not yet been formulated, but presumably further discussion will produce a generally accepted concept.

Presumptuous as it may seem, the intent in this analysis is to present a working definition of poverty, together with certain comments in extension. The premises are founded in George's basic material; the interpretations are naturally subject to criticism and reconstruction.

This definition will assert that poverty is the state of existence, where the returns from labor are inadequate to maintain health, and do not assure a just and proportionate participation in the recognized standard of living in a given social order.

The first comment is, that such a condition of poverty, or relative poverty, is the direct result of the denial of equal freedom, and of equal opportunity, (a) as it applies to the use of land and natural resources, and (b) as it restricts the highest development of the individual and his potential capacities.

The second comment is that this definition should not be construed to mean that happiness is a necessary consequence of material comfort, or that unhappiness is a consequence of relative poverty.

In place of the term happiness, it might be desirable to substitute the terms comfort and discomfort, which in essence means satisfying desires with the least exertion. An excessive amount of exertion in relation to the material reward produces a state of discomfort, both physical and mental. But this is not to say that happiness, or unhappiness, is absolutely a consequence of ample material comfort or lack of it.

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The state of poverty, relative as it may be, can be examined from still another point of view although stated in technical economic language.

Exchange is the basic factor in a modern social order. Individuals must exchange their labor power, or exertion, to obtain goods and services which will satisfy first of all their basic needs, and following that, elaborations of these basic needs. The question is: what can an individual command in exchange for his labor power?

The common denominator of value in this country is one dollar. Taking this unit as a basis for measuring the lowest economic level, it may be reasonably assumed that an individual who can command no more than one dollar as a return for his days labor is indeed in a state of abject poverty, relative to the accepted standards of living in the United States. It may be conceded that he will not starve to death; that he will be compelled to lodge in a flop-house, and that his clothing may be little more than second-hand cast-offs. Such an individual, one could truly say, is in a state of poverty.

Using this low economic level as a yardstick, it will follow that two dollars a day will lower the marginal utility of the first dollar. Now the dire necessity of need is eased and a question of choice and quality enters into the expenditure of income. A little better meal can be eaten; a little more comfortable lodging can be obtained, and perhaps a little better type of used clothing.

From this point on it becomes a matter of measuring the marginal utility of the common denominator of value. As the marginal utility falls, the decision on what is absolutely essential to exist is modified by a choice of variety and quality. The farther the individual progresses from the minimum, the farther he advances from a state of abject poverty.

Turning from the concept of real poverty to the opposite concept of economic well-being,--loosely designated as well to do, or rich,-the analysis is relatively simple. The problem of the well to do is in choosing the quality of goods or services which will conform to the particular standards of the group with which he is identified, or with the effort to surpass its standards and to be regarded as a definitely superior individual.

Nevertheless, for the well to do there is a marginal level which is analagous to the dollar-a-day common denominator of value. It may be that \$50.00 a day will be essential to maintain the economic standard to which he is accustomed, or failing in that, he must be reconciled to falling back into a lower economic bracket.

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It may be also that economic insecurity is as stark a reality for the fifty-dollars-a-day man as it is for the dollar-a-day individual. Of course the latter can sink no farther and continue to function as an economic unit. The well to do man will, however, make every effort to maintain his accustomed economic status, before he is compelled to cut his living standard to a lower level.

The conclusion seems to be that poverty - or economic insecurity - is relative to the recognized standard of living. There is indeed a low level of poverty which is the economic limit. From that point on it is a matter of relative economic standards.

Today's problem of economic insecurity is one that must be faced at all levels. As to whether this problem is solely due to the present distribution of wealth, or whether it is partly due to the conscious choice of the individual to conform to social pressure for economic standards - this is a complex problem about which much remains to be studied. Are we economically insecure by choice, or is it solely because of the unequal distribution system? Probably a measure of both factors are present, and contribute to the problem of poverty.

Evaluation James Higgins (Continued from Page 14.)

the advocate of the author, the other to be the devil's advocate, critically examining the espouser of the author in view of the philosophy of Henry George. The time allotted to this endeavor should consume one-half hour. After this performance the student body should have grasped the author's viewpoint and should then be in a position to intelligently stick to the subject matter and ask pertinent questions, which they desire to have resolved by either advocate. The evaluations should be made by the director or by a non-member of the class, who has his mind set upon the development of worthwhile teachers, capable of creating and sustaining interest in the subject matter, without distracting the student body by personal mannerisms or idiosyncrasies. Lastly, it is suggested that the last fifteen or twenty minutes of the session be devoted to a lecture by the director, on the subject matter of the evening, wherein among other objectives, he would clear up and expound again the theories and philosophy of Henry George, which might have become confused during the evening's discourse.