You Decide: What's the Real Poverty Rate?

By Mike Walden: I can remember when President Lyndon Johnson proclaimed the war on poverty in 1964. Since then, a variety of governmental programs have been developed to address poverty with a goal of reducing the number of people who live in poor conditions. By some estimates the total amount spent since the war on poverty was declared exceeds \$20 trillion.

One way to determine if this war is being won is to track the poverty rate or percentage of people who are living in poor conditions. But to do this, we must have a way of measuring poverty. Perhaps surprising to many, there are actually numerous ways of measuring the poverty rate, without total agreement about which is best.

Conceptually, determining if a household is poor should be straightforward. Two items are needed: the amount required for a household to cover basic needs and the amount it has to meet those basic needs. Both the amount of resources needed and the amount of resources available are measured in dollars. Then, determining poverty is just a matter of comparison. If a household has enough resources to cover basic needs, then that household is not considered to be poor. Conversely, if the household's available resources fall short of resource needs, then the household is categorized as poor. The total number of people – including adults and children – in households labeled poor as a percentage of the total population is the poverty rate.

You can probably anticipate why there are disagreements over the best poverty measure. Many questions have to be answered in calculating poverty. How are basic needs determined? How are these basic needs updated each year? What should be included in determining the basic resources of the household? Should only earnings from working be included? How should taxes on work income be handled? And what about the resources a household receives from government programs, such as Supplemental Nutrition Assistance Program (SNAP) benefits, or Medicaid and Medicare for health care? Should these benefits be counted as resources for the household just like earnings from work?

Let me begin with the question of determining basic needs. The U.S. Census Bureau, which publishes the official poverty rate, uses a rather odd calculation. It takes the average yearly expenditure on food for a household of a given size and multiplies it by three to obtain the annual dollar amount required for basic needs. When this method was developed in the 1960s, food expenses were one-third of total expenses for necessities, which included food, shelter, clothing and utilities. The number is updated each year to account for inflation.

Over the last six decades, this methodology has been criticized on two counts. First is the assumption that food costs have remained at one-third (33%) of the total costs of food, shelter, clothing and utilities. Indeed, today's food share has dropped to 30%. The second criticism is that only four items — food, shelter, clothing and utilities — are considered necessities. Notably absent is health care. Addressing both of these issues would increase the basic needs level for households and - everything else being equal — increase the poverty rate. But everything else is not equal because there's also the income side of the poverty equation: what to include as income.

The official poverty measure calculated by the Census Bureau only counts cash earnings as income. The earnings can be from work, investments, Social Security, unemployment compensation and the federal cash assistance program called Temporary Assistance for Needy Families. No tax deductions or tax credits are included.

A criticism of this income calculation is it doesn't include the financial value of noncash programs that provide resources. A good example is SNAP, the successor to food stamps. SNAP benefits are deposited in an electronic account the recipient can only use for purchases at authorized retail food stores.

In 2011 the Census Bureau began issuing a supplemental poverty rate, which includes as income the financial value of programs like SNAP and housing subsidies. Tax credits, like the Earned Income Tax Credit, are also considered as income, but taxes paid and any expenses related to work, child care and out-of-pocket medical costs are now subtracted. Notice that missing from income is the financial value of the two big public medical assistance programs, Medicare and Medicaid. There have been some private efforts outside the Census Bureau to estimate the impact on the poverty rate including the financial value of these programs.

Has there been progress in reducing the poverty rate since the 1960s, and if so, how much? Both Census Bureau measures – the official poverty rate and the supplemental poverty rate - suggest noticeable progress has been made, with the poverty rate falling from 22% in the early 1960s to 12% for the official rate and 8% for the supplemental rate today. The calculation made by some academics outside the Census Bureau indicates a bigger decline, with a current poverty rate of nearly 2% when

the value of all government benefits is included.



The Cameronian Quartet will be in concert

@ SHILOH CHRISTLAN COMMUNITY CHURCH

1752 SHILOH CHURCH ROAD, MORVEN ON SUNDAY JULY 30™ @ 11:00 AM WITH FELLOWSHIP DINNER TO FOLLOW.



Mike Snead, Tommy Criscoe, Dan Allen, and Kenneth Lynch invite you to come and worship our Lord Jesus in song and testimony.

Church JULY 16 & 18-21

Revival Services

At Divine Unity H.O.R.M., 6090 Hwy Sun-Pastor Wadesboro. Renwick Fisher of True Holiness COG in Kannapolis at 11am & Pastor Louis Blakeney of Solid Rock Baptist Church in Marshville at 2:30pm. Tue-Pastor Betty Tillman of Expected End Ministries, Wadesboro, Wed-Pastor from Pee Dee MBC in Lilesville, Thu-Bishop Arvestor Lindsey of New Jerusalem Holiness Church of God in Morven, Fri-Pastor Terry Little of West Deep Creek MBC, all at 7:30pm.

JULY 21 - 23 Revival At

Wadesboro Church of God, 809 N. Greene St in Wadesboro with Bishop Wayne Miller, State Evangelist. Fri & Sat at 7pm. Sun 11am & 6pm. <u>JULY 23</u>

9th Appreciation

Service for Elder Gary Gaddy at Johnson Chapel Holiness Church, 3:30pm with Apostle Marvin Leak of Sound Doctrine Fellowship in Rockingham. All are invited!

Trustee Program At New Grove Missionary

Baptist Church, 1782 Poplar Hill Church Rd, Polkton, 2pm with Rev. Roy Lisenby of Garris Grove MBC. <u>JULY 23 - 26</u>

Revival At White Oak Grove Baptist Church, White Oak St. in Morven. Pastor Dr. Johnny Campbell. Sun-11am service followed by dinner. Mon-Wed at 7pm nightly. All are welcomed!

THE EXPRESS • July 19, 2023 • Page 4

Williamson Wrecker Service

704-694-4545

PIEDMONT FLOORING

All Major Brands

of Floor Covering

Serta & Orderest Bedding

214 West Main Street in Marshville

UWHARRIE

BANK

704-694-2122

Glenn Trexler & Sons

Logging, Inc.

"Freedom of Worship is a

Precious Commodity

WADESBORO

Henry's Body Shop

704-848-4989

4225 Stanbackferry

Ice Plant Rd • Lilesville

Owner: Robbie Henry

ADVERTISE HERE! Call The Express

to find out how...704-694-2480

704-624-2211 MAYTAG • FRIGIDAIRE • 0

FDIC

Since 1972

THE CHURCH CALENDAR IS BROUGHT TO YOU BY THESE SPONSORS

C&M

to Plus AUTO SUPPLY

Your locally owned

Auto Parts Store

Hwy 74, Wadesboro • 704-694-5167

Badcock

Hwy. 52, South • P.O. Box 856

Wadesboro, NC 28170

Ph: 704-694-4178

Anson Station Shopping Center

Wadesboro • 704-694-6666

Serving Anson County for over 100 years

"On The Square"

Wadesboro • 704-694-2218

H. W. Little

& Company

Hardware & More!

Uptown Wadesboro

704-694-2214

From Your Friends At

PARSONS DRUG

&more

Revival Services At Rock Hill Missionary Baptist Church. Sun-11am. Mon-Wed at 7pm Free Household Items & Paper Products during the Lamb of God Community

Outreach Tent Meeting, 11am at the Wadesboro IGA parking lot. Words of inspiration from Pastor Antonio Patterson. 1st come, 1st served. Info 843-623-3777. Celebrating 10 Years In the Gospel Ministry Rev. Quatavis Liles at New Life

Christian Faith Church, 641 Johnson Melton Rd, Morven, 5pm with Pastor Jakeem Bowman. Carry out dinner after service. All are invited. Missionary Conference At Ebenezer Missionary Baptist Church teaching & training

on missionary & missions, focusing on community missions. 9am-12noon with classes for adults, young adults & youth 3 & up.

<u>JULY 30</u>

Who knew

calculating

poverty would

be so difficult

and could pro-

dramatically

different re-

However,

just like bak-

ing a cake.

the result will

be determined

by the ingredi-

ents. Which

ingredients

should go into

calculating

poverty? You

Mike Walden

is a William

Neal Reynolds

Distinguished

Professor

Emeritus at

North

Carolina State

University.

decide.

such

duce

sults?

Live Concert The Cameronian Quartet at Shiloh Christian Community Church, 1752 Shiloh Church Rd in Morven, 11am, followed by fellowship dinner. Band members, Mike Snead, Tommy Criscoe, Dan Allen & Kenneth Lynch invite you to come and worship our Lord Jesus in song and testimony.

Men's Day Service

At Johnson Chapel Holiness Church, 11:45am with Elder Gaddy. All are invited! JULY 30 - AUGUST 3

Homecoming & Revival At Rocky River Baptist Church. Homecoming Sun with Rev. Johnnie McCullers at 10:30am followed by covered dish meal. Revival: Mon-Johnny Williams of Brown Creek Baptist Church; Tue-Kevin Ricketts of Pleasant Grove Baptist Church; Wed-David Ross, Associational Mission Strategist; Thu-Jerome Cash of Peachland Baptist Church, all at 7pm.

<u> AUGUST 6 - 8</u> Homecoming & Revival

At Parsons Grove Missionary Baptist Church. Homecoming Sun with Pastor Rev.

Dr. J.W. Parsons at 11am & Rev. Donnie Bennett of Mt. Sinai Baptist Church of Rockingham at 3pm. Revival Mon & Tue with Bishop John Baldwin of Living Water Worship Center of Laurinburg, 7pm nightly. Come out and be blessed! <u>AUGUST 6 - 9</u>

Homecoming & Revival At East Rock Missionary Baptist Church. Homecoming Sun with Pastor Taylor at 11am followed by dinner. Revival Mon-Wed with Rev. David Gaddy of East Macedonia Baptist Church in Norwood at 7:30pm nightly.

Homecoming At New Grove Missionary Baptist Church, 1782 Poplar Hill Church Rd, Polkton. Sun-morning service 11am followed by lunch. Mon-Rev. Tobias Wall, Tue & Wed speakers to be announced, all at 7pm.

AUGUST 6 & 9-11

Homecoming & Revival At Savannah AME Zion Church. Homecoming Sun with Rev. Dr. Linwood Carver at 10am & Rev. Dr. Margo Gaddy at 2pm. Revival Wed & Thu-Rev Ricardo Leak. Fri-Rev. Joletha Dockery, all at 7pm.

AUGUST 20 - 24

Homecoming & Revival At Garris Grove Missionary Baptist Church. Homecoming Sun with Dr. R.A. Lisenby at 11am followed by dinner. Revival Mon-Thur with Rev. Samantha Brown, Pastor of Red Hill Baptist Church at 7pm nightly. All are

Events

Gospel Benefit

For Bowman High School Class of 1973 at White Pond Community Center, 2549 Sandy Ridge Church Rd, Morven. Doors open 4pm, program 5pm. The public is invited. Info Brenda S. Rorie 704-695-

5196 or Rev. Jasper Powe 704-244-1297. Reunion Meeting

Bowman Senior High School Class of 1971, 2-4pm at the Hampton B. Allen Library. Info Winnie Brown 704-475-0755 or Patricia Little 704-848-8165.

Food Pantry Free food every Wed, 9-11am at Burnsville Recreation & Learning

Ctr. 704-826-8182 Book Club 1st Thursday each month, 10am-12 noon at Grace Senior Center, 199

Highway 742 South, Wadesboro, just past IGA. Info 704-694-6616.

Craft & Workshops 3rd Thursday each month, 12-2pm at Grace Senior Center, 199 Highway 742 South, Wadesboro, just past IGA. Info 704-694-6616.

Popcorn & a Movie 4th Thursday each month, 1-3pm at Grace Senior Center, 199 Highway 742 South, Wadesboro, just past IGA. Info 704-694-6616. Chair (seated) Exercise

Every Tuesday & Thursday, 10-11am at Grace Senior Center, 199 Highway 742

South, Wadesboro, just past IGA. Info 704-694-6616. **Learning Center Hours** Burnsville Recreation & Learning Center, Mon-Fri, 10:30-5:30pm. Computer lab

(children & adults), copy service, fax service & resource library. All available to the public for a small fee

Kids Expo Scheduled for Saturday, August 26

The Anson County Chamber of Commerce's Kid Expo will be held on Saturday, Au-

gust 26, from 10 a.m. to 1 p.m. This event offers kids (grades K-12) an opportunity to create, develop and market a product or service that they are passionate about. Strictly for kids only, adults are not allowed to help sell or market the child's product

The event is not only a showcase for the children, but an opportunity to understand the elements of owning one's own business. The kid vendors will learn and use real life skills such as math, communication, and creative thinking. Development and marketing of their product or service will have an impact on their sales at the event and

offer them some insight into what it takes to own their own business. The public is invited to come browse, shop, and stay for the awards presentation as the Chamber acknowledges Most Original Business Idea, Highest Business Potential

and Best Presentation/Creativity in each age group.

AIR CONDITIONERS ALL SIZES HEAT+COOL UNITS

10 INCH GEL MATTRESS IN A BOX. ALL SIZES IN STOCK. NEW BEDROOM WITH MARBLE TOP PIECES.

KING OR QUEEN.





MARTIN FURNITURE FACTORY OUTLET Highway 74 West in Wadesboro • 704-694-3185

VISIT OUR SLEEP SHOP