



# ASPE

## RESEARCH BRIEF

### Measures of Material Hardship

Researchers have increasingly used measures of material hardship to examine the well-being of low-income families, especially in the context of welfare reform. Despite their common focus on actual living conditions and physical needs, researchers conducting material hardship research in the U.S. have not reached consensus on the definition and measurement of material need.

| <b>Material Hardship in U. S. Research: Definitions and Measures</b> |   | Food Insecurity | Housing Insec. | Basic utilities | Unmet medical | Housing quality | Housing crowd | Durable goods |
|--|---|-----------------|----------------|-----------------|---------------|-----------------|---------------|---------------|
| Author   | Definition  |                 |                |                 |               |                 |               |               |
| Bauman (1998)  | Uses direct measures of economic well being to keep track of how people are getting by  | ✓               | ✓              | ✓               | ✓             |                 |               |               |
| Beverly (1999a)  | Inadequate consumption of very basic good and services such as food, housing, clothing, and medical care.                                 | ✓               | ✓              | ✓               | ✓             | ✓               |               |               |
| Danziger et al. (2000)   | Recent experiences of material hardship and financial strain.   | ✓               | ✓              | ✓               | ✓             |                 |               |               |
| Edin & Lein (1997)   | Items that virtually every American would consider necessities; Living conditions below a standard most Americans would consider adequate | ✓               | ✓              | ✓               | ✓             | ✓               |               |               |
| Federman et al. (1996)   | Summarizes living conditions of individuals living in poor and non-poor families  | ✓               | ✓              | ✓               |               | ✓               | ✓             | ✓             |
| Lerman (2002a)   | General and specific problems in making ends meet as well as the availability of outside help to meet basic needs                         | ✓               | ✓              | ✓               |               |                 | ✓             |               |
| Mayer & Jencks (1989)  | Uses direct measures to examine severity of household's hardship experiences  | ✓               | ✓              | ✓               | ✓             | ✓               | ✓             |               |
| Rector et al. (1999)   | Actual material living conditions   | ✓               | ✓              | ✓               | ✓             | ✓               | ✓             | ✓             |
| Short & Shea (1995)  | Inability to meet basic needs   | ✓               | ✓              | ✓               | ✓             | ✓               |               |               |

To further study of material hardship, ASPE convened workgroup meetings with federal researchers and a subsequent roundtable meeting of experts on measuring material hardship. The project concluded with a final report, written by Abt Associates, Inc., and summarized below.

#### **Why are researchers and policymakers interested in measuring material hardship?**

The proponents of material hardship measures see them as an important complement to income-based measures, providing a different picture of the extent to which families are able to meet their basic needs. Moreover, material hardship measures have been portrayed as “making more sense” to the public than the official poverty statistic, providing more concrete information about the living conditions of the poor and non-poor. As noted by one group of researchers, measuring

material hardship gets at the issue of, “what does it mean to be poor,” by examining families’ living conditions and the extent to which they meet their basic needs.

**What are the challenges associated with defining and measuring material hardship?**

There is neither a commonly accepted definition nor a standard approach to measuring material hardship.

**What practical suggestions can be given for developing measures of material hardship?**

The report suggests some practical guidelines for developing a common definition of material need and identifying a standard below which people experience material hardship. First, direct measures should be used to assess the extent to which people are able to meet their needs. These are different from the income-based measures used to assess poverty. Second, the measures should start with basic physical needs that are related to physiological functioning in order to strengthen the claim that their absence represents a true hardship. Focusing on material needs that are essential to survival – basic levels of shelter, medical care, food and clothing – reduces the influence of personal preferences on observed living conditions.

**What material hardship indexes have been used to date in domestic research?**

A number of researchers have developed material hardship indexes that combine hardships into one single measure. These indexes all define hardship in terms of direct measures of families’ experiences and actual living conditions, and they all include a core set of basic needs and food security indicators. However, there is considerable variability in the number and types of indicators included in the various indexes. Even in cases where all studies use the same basic indicator, researchers use different questions and combinations of questions to construct these indicators. Although many researchers have used data from the Survey of Income and Program Participation (SIPP) in their hardship indexes, not much is known about whether these measures are “valid” measures of material hardship among families with children and how they should be combined to form a hardship index.

**What do recent SIPP data tell us about material hardship among families with children?**

Descriptive analyses of the SIPP measures most frequently used to assess material hardship find, not surprisingly, that:

- Families with children who have low incomes and limited assets experience material hardships more often than their counterparts with higher incomes and assets.
- Families that are headed by a single adult are more likely to experience basic needs or food security hardships than households with married adults or multiple adults.
- Families with children who are in need generally experience multiple hardships; the presence of one hardship is a good predictor of other hardships. This is especially the case among households with incomes under 100% of the federal poverty level.

A full copy of the report can be accessed at: <http://aspe.hhs.gov/hsp/material-hardship04/>