

**Remarks on Mollie Orshansky's Life, Career, and Achievements
Delivered August 5, 2008,
at a Memorial Panel in Honor of Mollie Orshansky
at the 2008 Joint Statistical Meetings in Denver, Colorado**

by

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Views expressed in these remarks should not be construed as representing the position of the U.S. Department of Health and Human Services or of any other agency of the federal government.

August 2008
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Mollie Orshansky was born on January 9, 1915, in the Bronx in New York City. Her parents were Ukrainian Jewish immigrants who spoke only limited English. Although her father worked hard at various jobs, Mollie and her sisters (like many other immigrant families) grew up poor—in her words, the family could “barely...make ends meet.” The girls slept two to a bed, and wore hand-me-down clothing. Mollie remembered going with her mother to stand in relief lines to get surplus food. As she said later, “If I write about the poor, I don’t need a good imagination—I have a good memory.”

Mollie was both the first high school graduate and the first college graduate in her family. She graduated from Hunter College High School in Manhattan (then a school for gifted young women) in 1931. Two scholarships from the college enabled her to attend Hunter College (at that time a women’s college); she graduated in 1935 with an A.B. in mathematics and statistics. She was a statistician by training and profession, although she has sometimes been referred to as an economist.

Although Mollie graduated from college during the Depression, she soon found a job, working as a statistical clerk in the New York Department of Health’s Bureau of Nursing.

In 1936, Mollie took a job as a junior statistical clerk with the U.S. Children’s Bureau, moving from New York City to Washington. When she first came to Washington, she limited herself to one dollar a day for food. In July 1939, the Children’s Bureau promoted her to research clerk, a job which she held until January 1942, working on biometric studies of child health, growth, and nutrition.

From January 1942 to March 1943, Mollie worked as a statistician for the New York City Department of Health, working on a survey of the incidence and therapy of pneumonia.

In March 1943, Mollie secured a job at the U.S. National War Labor Board as the Chief of the Program Statistics Division of the Research and Statistics Branch. She planned and executed the collection and analysis of data required for the Board’s decisions on wage adjustments and for assessing the effects of the Board’s activities. She stayed in this job until September 1945, when the Board’s operations were being terminated after the end of World War II.

Mollie’s career reflected contemporary conditions in American society. In America during the first half of the twentieth century, work opportunities for women professionals were limited. Most of the good jobs went to men. During World War II, however, large numbers of men left civilian jobs to serve in the military; as a result, a number of female workers were able to get jobs that would not have been open to them under “normal” circumstances. This made it possible in 1943 for a 28-year-old woman—a daughter of Eastern European immigrants—to get a job as a division director in an agency that was not a traditional “women’s agency.” Looking back at the situation for female federal workers, Dorothy Rice, later a colleague of Mollie’s, said, “any female that had anything on the ball really did very well during the war. All the men went to the war and we had to carry on.”

From September 1945 to March 1951, Mollie worked as a family economist in the Bureau of Human Nutrition and Home Economics of the U.S. Department of Agriculture (USDA), conducting research in family consumption and levels of living. She carried out a wide variety of assignments while in this job; I'll only mention a few of them. In 1948, she and a colleague were responsible for responding to letters to government agencies from members of the public asking how they could make ends meet on their existing income in the face of rapidly rising prices after World War II. Mollie and her colleague would send the letter-writers pamphlets about preparing a family budget and about planning low-cost and moderate cost meals using USDA's food plans—hypothetical food budgets providing nutritious diets at different cost levels. (This shows that Mollie was working with USDA's food plans at least fifteen years before she was to use them to develop her poverty thresholds.) About 1949, Mollie carried out an assignment to update a standard budget (an estimate of necessary living costs) for a single working woman in New York. In June 1950, she presented a paper on "Equivalent Levels of Living: Farm and City" which was later published in a volume of the series *Studies in Income and Wealth*.

In March 1951, during the Korean War, Mollie secured a job at the U.S. Wage Stabilization Board as the Director of the Program Statistics Division of the Office of Economic Analysis. She planned and directed the Board's statistical program. She stayed in this job until August 1953, when the Board's operations were being terminated at the end of the war.

In 1952, while Mollie was working at the Wage Stabilization Board, she was elected to membership in the Econometric Society. Of the 73 candidates for election to membership in the Society in 1952, she was the only woman (although the Society had a small number of women members who had been elected in earlier years).

From August 1953 to February 1958, Mollie worked as a food economist in the U.S. Department of Agriculture, in a successor office to the Bureau of Human Nutrition and Home Economics where she had worked before. She planned and directed the collection and analysis of survey data on food consumption and expenditures of American households, and was the senior co-author of two published reports. She also wrote a major section of a summary report on USDA's 1955 Household Food Consumption Survey; this survey was the source from which she would calculate the "multiplier" that she later used to develop her poverty thresholds.

In February 1958, Mollie went to work for the Social Security Administration (SSA), which was then part of the U.S. Department of Health, Education, and Welfare (HEW). She worked in an office which later became the Office of Research and Statistics (ORS). She had several different job titles at SSA, but can best be described as a social science research analyst.

Talking about her career both before and at SSA, Mollie once commented, "I basically always worked with women, except when I was in the war agencies [the National War Labor Board during World War II and the Wage Stabilization Board during the Korean War]." On another occasion, she said that she had worked in the "women's research ghetto." During this

period, women research professionals in the federal government tended to be clustered in research offices dealing with traditional “women’s” issues. During Mollie’s first decade at ORS, both the director and the deputy director of that office were women. When she had worked at the Children’s Bureau, both the chief and the assistant chief of the bureau had been women. When she was working at the Bureau of Human Nutrition and Home Economics in 1949, the bureau’s chief, all five division heads, and about ninety percent of the professional staff were women. (Note also that she attended a women’s high school and a women’s college.)

Mollie performed a number of different assignments during her early years at SSA; I’ll just mention a couple of them. Her first assignment was to prepare an article on standard budgets (family budgets) and on practices in setting fee scales in 21 large cities. She also prepared a medical care standard for the Budget for an Elderly Couple of which the Bureau of Labor Statistics (BLS) was at that time preparing an interim revision.

While Mollie’s development of the poverty thresholds was a major milestone in both social policy history and statistical history, it grew out of ordinary work activities—an “answer for the record” for a congressional hearing and an in-house research project. During a 1960 congressional hearing, a senator asked HEW Secretary Arthur Flemming if he had figures on how much it costs a retired couple to live. Flemming said HEW would provide an answer for the record, and Mollie was the civil servant who anonymously prepared that answer. She mentioned the Budget for an Elderly Couple, which BLS was then revising, and a similar budget prepared by a group in New York. In addition, she provided two rough measures of income inadequacy for an elderly couple that she developed by applying multipliers derived from USDA’s 1955 Household Food Consumption Survey to the cost of USDA’s low-cost food plan (at that time, the cheapest of USDA’s three food plans)—almost exactly as she was to do several years later in her 1963 and 1965 poverty articles.

In early 1963, Mollie was assigned to do an in-house research project on “Poverty as it Affects Children.” At that time (the year before the War on Poverty was declared), there was no generally accepted measure of poverty, so to carry out this research project, she developed her own measure, using the same approach she had used for her 1960 answer-for-the-record. In July 1963, she published results of her research project in a *Social Security Bulletin* article, “Children of the Poor,” in which she also described the initial version of her poverty thresholds (for families with children only). She developed her thresholds by multiplying the cost of the economy food plan (the cheapest of USDA’s four food plans) by a factor of three—the “multiplier”; she chose the multiplier because according to USDA’s 1955 Household Food Consumption Survey, families of three or more persons had spent approximately one third of their after-tax money income on food in 1955.

Mollie told several interesting stories about her development of the thresholds:

- o One major source for Mollie’s July 1963 article was a special tabulation of Current Population Survey (CPS) data that SSA purchased from the U.S. Census Bureau for

\$2,500. The results showed the median annual income of nonfarm female-headed families with children was \$2,340. Mollie was horrified when she realized half of these families had to live for an entire year on less money than SSA had paid for one statistical tabulation. She later commented, “I determined I was going to get my \$2,500 worth.”

- o In the CPS, as in other major surveys, some thousands of sample cases represent millions of families and persons in the general population. When Mollie got the results of her \$2,500 tabulation of CPS data back from the Census Bureau in 1963, the bureau only gave her the unweighted counts of sample households in various poverty and non-poverty categories; SSA’s \$2,500 had not been enough to pay for computing weighted national totals for her. She had to do the work herself—“by hand,” she once said—to calculate weighted national totals from the unweighted sample count. She also calculated the poverty gap “by hand” for her January 1965 article—she didn’t even use a calculator.

In January 1964—only six months after the publication of Mollie’s obscure article—President Lyndon Johnson declared a War on Poverty. In a chapter on the problem of poverty in its 1964 Annual Report, the President’s Council of Economic Advisers (CEA) presented its own rough measure of poverty: \$3,000 for families of all sizes, and \$1,500 for unrelated individuals. The CEA’s \$3,000 figure was not derived in any way from Mollie’s work. However, the CEA Report did cite two dollar figures from Mollie’s July 1963 article (without giving her name as the author) in order to show that the CEA’s \$3,000 figure was a reasonable level for a poverty line.

When Mollie saw the 1964 CEA Report (including the reference to her dollar figures), she was disturbed by the CEA’s failure to vary its \$3,000 family poverty line by family size, since this resulted in understating the number of families with children in poverty relative to aged persons. In addition, the President’s declaration of a War on Poverty evidently led SSA to give a higher priority to Mollie’s poverty work. As a result, Mollie’s supervisors asked her to do an analysis extending her families-with-children poverty thresholds to the whole population. She completed this analysis by late 1964, and it was published in the *Social Security Bulletin* in January 1965 as “Counting the Poor: Another Look at the Poverty Profile.”

The publication of Mollie’s January 1965 article came at the time when the Office of Economic Opportunity (OEO)—the lead agency for the War on Poverty—was being set up. OEO officials were enthusiastic about Mollie’s poverty thresholds, considering them to be an advance over the CEA’s \$3,000-for-all-family-sizes figure. OEO research chief Joseph Kershaw commented, “Mollie Orshansky says that when you have more people in the family, you need more money. Isn’t that sensible?” In May 1965, OEO adopted Mollie’s thresholds as a working definition of poverty, and in August 1969 her thresholds were made the federal government’s official statistical definition of poverty.

When she developed the poverty thresholds, Mollie was (as someone later described her) “an obscure civil servant” who worked “[d]own a dimly lit hall, among stacks of computer print-

outs [at] a paper-covered desk....” However, after her thresholds were adopted as the federal government’s poverty line, she became much more well-known. Because of frequent citations of her work in academic articles and books, someone once referred to her as “the ubiquitous footnote.”

On five occasions between 1968 and 1980, Mollie participated in federal interagency committees that reviewed the poverty thresholds. Two of these committees made modest revisions in the thresholds.

In the mid-1970s, Mollie was a member of the HEW Technical Working Group on income data and models. This group reviewed and contributed to the plan for the Income Survey Development Program—the research and developmental phase for the Survey of Income and Program Participation.

In 1982, Mollie retired from SSA after a government career that had lasted for over 40 years. She died on December 18, 2006, in New York City.

Mollie received a number of honors for her achievements, including a Commissioner’s Citation from SSA in 1965, and the Distinguished Service Award from HEW in 1976 for her “leadership in creating the first nationally accepted measures of income adequacy and applying them diligently and skillfully to public policy.” In 1974, she was elected a Fellow of the American Statistical Association for her leadership in the development of statistics for the measurement of poverty.

Mollie’s achievements were also recognized in a very different setting; she may be the only statistician to have been discussed in a major television show. In an episode of *The West Wing* broadcast in November 2001, one subplot involved the adoption of a new poverty measure, and one character alluded to how Mollie Orshansky had developed the current poverty measure. While the discussion of issues relating to a new poverty measure sounded plausible, the episode grossly mischaracterized the rationale for Mollie’s methodology for developing the poverty thresholds; her methodology was not “based on life in Poland during the Cold War.”

Mollie Orshansky’s poverty measure has become a major feature of the architecture of American social policy. Despite its shortcomings, the poverty line gives us a means of identifying and analyzing the makeup of the groups in our society with the least resources. Mollie’s thoughtful analyses of the poverty population began a tradition which has been followed by numerous researchers and advocates. Even though people argue about the answers, the question “How does it affect the poor?” has become a test for proposed policies and programs.

Mollie’s achievements were based not on academic prominence or high official position but on her knowledge and the skill with which she used it. Her knowledge of poverty was not only technical and academic but also experiential; she knew first-hand what it was like to grow up poor. It was probably this combination of types of knowledge that enabled her to develop a

poverty line that was not only technically plausible but also “sensible.” She was motivated to apply her knowledge to the problem of poverty by a deep concern for the well-being of children in particular and the poor in general. She did not view her poverty measure as an end in itself. “Unlike some other calculations, those relating to poverty have no intrinsic value of their own. They exist only in order to help us make them disappear from the scene....With imagination, faith and hope, we might succeed in wiping out the scourge of poverty even if we don’t agree on how to measure it.”

When Mollie began her research project on “Poverty as it Affects Children,” she was not intending to develop a new national poverty line. But when others put forward a poverty line that she thought was unsatisfactory, she prepared and presented an alternative that she believed remedied the shortcomings of the other poverty line. One of the best measures of the quality of her work is the fact that when OEO selected a working definition of poverty in 1965, what it chose was not the poverty line presented by the prestigious Council of Economic Advisers but the poverty line presented by the “obscure civil servant.”

One of the things we’re talking about in this session is how Mollie inspired or influenced our careers. In my case the influence didn’t quite take the traditional form of my seeing what Mollie had done and deciding that I wanted to do similar things. Instead, it was a little more complicated.

I learned about Mollie and her work after I began my government career at the end of the 1960s. After I began preparing the poverty guidelines (the program-eligibility version of the poverty measure) in 1982, I started getting questions from members of the public about how the poverty line was developed. After my verbal explanation, some people would also ask for something written. This made me realize during the 1980s that there was no entirely satisfactory secondary account of the development and subsequent history of the thresholds. One account was accurate, but only went through 1973, and gave less detail than some people wanted. Most other secondary accounts, I was frustrated to find, contained errors and inaccuracies.

If secondary sources about the poverty thresholds weren’t satisfactory, people could consult primary sources—Mollie’s published articles. But I became aware that there were also a number of unpublished primary sources—for instance, internal government memos, and records of federal interagency committees that even most government employees didn’t know about—that most interested persons could not consult. Fortunately, various federal employees had preserved a number of these items in old files. But no one was actively conserving and gathering all of this material into a single collection. As time went on and employees retired, much of this historical material was in danger of being lost, piece by piece.

I decided that preservation of this historical record was important—both to answer people’s questions and for its own sake. Since my office worked with the poverty guidelines, not

the thresholds, my official responsibilities did not include collecting and preserving historical material about the poverty thresholds. But I felt strongly that this work of historical preservation ought to be done, so in 1987 I began doing it. Colleagues graciously let me copy material from their files. I also collected copies of Mollie's published and unpublished papers, and Congressional testimony that she had given. And I learned a lot from a number of conversations with Mollie about her work on the poverty thresholds and other aspects of her career. When the editors of the *Social Security Bulletin* asked me in 1992 to write an article on the origin of the poverty thresholds, I took advantage of the opportunity by writing a first draft much longer than what they needed, so as to get down on paper as much of the historical material as possible; the editors were willing to edit my 75-page draft down to the 12-page length that they needed.

While researching the early history of Mollie's poverty thresholds, I encountered some references to earlier, unofficial U.S. poverty lines. These ultimately led me to writing a long historical paper on unofficial poverty lines and minimum subsistence budgets in the U.S. between 1870 and 1965, and another long historical paper on the inflation-adjusted levels of poverty lines in the U.S., Britain, Canada, and Australia during the twentieth century.

So Mollie influenced my career not by inspiring me to try to imitate her, but by inspiring me to spend a significant portion of my career documenting the history of her major achievement—the poverty thresholds.

There is one more topic which I believe is appropriate to raise at a session that is in memory of Mollie.

In papers that discuss the poverty thresholds, some writers seem to believe that it is somehow more dignified or more fashionable to be impersonal in writing about the thresholds. They write that the poverty line was developed by “the Social Security Administration,” or “Social Security Administration researchers,” or “Social Security Administration staff.”

I won't try to guess what their intent is in writing like that. But regardless of their intent, the *effect* of writing like that is to write out of history—to expunge from history—the fact that it was a woman who made this major contribution to public policy. I don't think that the contributions of women should be written out of history.

If anyone is here today from Canada, you may be aware that the same phenomenon affects Statistics Canada's Low Income Cut-Offs. One can read a number of accounts of the Low Income Cut-Offs without learning that they—like the U.S. poverty thresholds—were developed by a woman civil servant working during the 1960s. Her name was Jenny Podoluk.