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POTLATCH

The potlatch of the Northwest Coast Indians – a ceremonial gift of a chief and his followers to guests composed of other chief(s) and followers – is a central construct in exchange theory and anthropology. Originally a specific exchange system in a particular culture area, 'potlatch' has now acquired the general meaning of competitive feasting and the ostentatious display of wealth and is also used to describe the pig feasts in Melanesia.

Northwest Coast Indians refers to a number of societies with broad cultural similarities and coastal adaptations that stretched along the coast from southeast Alaska through northern California. Their economies were based on fishing, gathering and hunting, which provided candlefish, salmon, berries, nuts, wild plants, fowl and deer. The seasonality of the coastal climate meant that harvest seasons were short, and that foods needed to be stored for the winter months. Because their mode of production was highly intensifiable due to the prodigious annual runs of salmon, Northwest Coast Indians were able to procure surplus beyond groups' winter needs. This surplus formed the material basis for the redistributive system of the potlatch.

Cultural ecologists have argued that unpredictable fluctuations in resources, which resulted in regular scarcity and famine, made redistribution of food between different groups an adaptive strategy. In addition, it increased a chief's prestige and his following, which was critical because of frequent warfare over fishing and hunting grounds.

The potlatch covers a multitude of different exchanges, ranging from smaller distributions of food at the announcements of births and marriages to the prototypical form in which chiefs engaged in competitive feasting involving the transfer of copper shells, blankets and large quantities of food from one chief and his followers to other chiefs. Recipients had to reciprocate the gifts later with interest to avoid being humiliated. Chiefs gained prestige, status and followers when they outdid others by giving away more.

The potlatch is a classic example of an economic institution that is embedded in a wider social structure, meaning that the exchange of gifts subsumes religious, economic, social and legal aspects that have implications for everyone in the community. This means that the analysis of exchange cannot be divorced from its social context, but also that a society can be described through an examination of transfers and obligations between its members.

The potlatch reached its most elaborate form mid nineteenth century, when goods were deliberately destroyed – due to a sudden influx of wealth and a declining population after contact with Europeans. Early twentieth century the potlatch went underground when it was outlawed by the Canadian authorities who regarded a social system based on redistribution instead of accumulation an obstacle to economic progress. In 1951, the anti-potlatch law was discarded. Today Northwest Coast Indians find renewed pride and identity in the ceremonial traditions of the potlatch.

References and further reading

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POVERTY

Measurement

'Poverty' is a term that represents economic hardship. Individuals are considered poor when their economic resources fall below a pre-specified level, called the poverty line or the poverty threshold. The exact measurement of poverty is complicated and contested. The official definition of the poverty line published by the United States census bureau is considered an 'absolute' measure of poverty. This measure was established in 1963 based on the minimum amount of financial resources a family would require to meet minimum federal nutrition requirements. Poverty thresholds vary by family size, age of household members, and farm versus nonfarm residence. In 2002, the poverty threshold for a four-person household with two children under 18 was \$18,244. Families who earned less than this amount were officially poor. Most sociologists focusing on poverty within the United States utilize the official measure of poverty.

Cross-national researchers, on the other hand, generally establish relative definitions of poverty, measured as 40 or 50 per cent of a nation's median income. Thus, the poverty line is unique to the income distribution in each nation. This measure accounts for variations in standards of living across nations. It represents the percentage of the population with low incomes relative to the population around them.

Research on poverty

Research on poverty falls into multiple schools. Some researchers are interested in studying why individuals fall under the

poverty line. Others are concerned with aggregate poverty rates across nations and over time. In the former school, scholars have historically been divided between individualist and structuralist theories. The individualistic approach focused solely on individual characteristics and how these characteristics are valued in society. For example, these researchers have established that education and skill help individuals acquire higher incomes that allow them to escape impoverishment. Other individual-level characteristics include gender, age, race, ethnicity, nationality, occupation and family structure. Each of these factors represents a vulnerability to impoverishment. For example, in many industrialized nations, single-parent households are at high risk of impoverishment.

Structuralists long criticized individual-level researchers for neglecting the role of structure. A purely structural model assumes that impoverishment is determined solely by the structure of society, including the distribution of occupations, industries, jobs and policies. The basic tenet of this approach is that conditions outside of individuals' control determine their economic situations. For example, if unemployment is high and jobs are unavailable then many households are unable to attain sufficient resources to remain above the poverty line.

More recently, scholars have integrated these once conflicting approaches. Researchers have established that changing individual characteristics, such as education, does not necessarily remove a person from poverty. Similarly, researchers have found that altering structural conditions, for example via welfare reform that alters the policy structure, does not necessarily help reduce impoverishment. In response to these weaknesses, researchers have established that structural and individual-level characteristics interact. Structural conditions (including industrialization, urbanization and economic downturns) may limit the opportunities available to some groups,