

## Peer Review Plan

Preliminary Title: Measuring Farm Household Well-being: consumption is a More Informative Measure for Self-employed Households

Type of Report (ERR, EIB, EB) EIB

Agency: Economic Research Service  Influential Scientific Information  
USDA  Highly Influential Scientific Assessment

Agency Contact: Elise Golan, egolan@ers.usda.gov

Subject of Review: Standard measures of household well-being are constructed from household income. The typical farm operator household's income has exceeded the median income of all U.S. households in every year since 1998, sometimes by as much as 21 percent. Nonetheless, farm household income remains more variable from year to year, and far more farm households report negative income in any given year.. Given these characteristics, the current consumption of goods and services by farm households may provide a more accurate snapshot of current material well-being, as well as a better approximation of lifetime well-being, than does current household income. In the face of temporary increases or decreases in income, households tend to smooth consumption over time in order to maintain their standard of living. Using ARMS data, this report estimates a measure of household consumption to complement the other financial measures of well-being--household income and household wealth. It then compares farm household consumption to and per-person equivalent measures with those of U.S. households in general.

Purpose of Review: The purpose of the review is to ensure the high-quality of the economic analysis, transparent explanation of methods, objective interpretation of results, and effective communication to the intended audience.

Type of Review:  Panel Review  Individual Reviewers

Alternative Process (Briefly Explain):

Timing of Review (Est.): Start: 09/03/08 End: 11/28/08 Completed: 10/15/09

Number of Reviewers:  3 or fewer  4 to 10  More than 10

Primary Disciplines/Types of Expertise Needed for Review: Economists

Reviewers selected by:  Agency  Designated Outside Organization

Organization's Name:

Opportunities for Public Comment?  Yes  No

If yes, briefly state how and when these opportunities will be provided:

How:

When:

Peer Reviewers Provided with Public Comments?  Yes  No

Public Nominations Requested for Review Panel?  Yes  No

