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Concepts of need often play an important role in policy analysis, program evaluation, and other thinking about public policy. In order to determine how well a policy is performing, or to establish a criterion for choosing between competing alternatives, it may be necessary to have some conception of the needs of the population one desires to see served. In proper Talmudic fashion, the correct reply to that most fundamental of political questions -- what is to be done? -- is another question -- what needs doing?

The centrality of concepts of need to the performance of policy analysis or policy evaluation is often partially concealed by the use of a surrogate concept, that of demand. While the emphasis on demand, rather than need, may reflect the tendency of policy analysis as a profession to be dominated by economists rather than by practitioners of the "softer" social sciences, it is important to note that according to the tenets of the simplified utilitarian liberalism that underlies most contemporary discourse about public affairs, demand and need are functionally equivalent. One does not impute needs to free, rational, self-interest maximizing individuals. Instead, one accepts their demand functions.

Be that as it may, it is obvious that some notion of demand -- or need -- is essential to sophisticated thinking about public policy. In order to know how medical care delivery should be organized, it is necessary to know the demand for medical care; in order to talk sensibly about income maintenance, one must have a pretty good idea of how many individuals and families "need," by some criterion, additional income; and so forth. Yet thinking about the concept of "need," and about needs, has, it seems to me, been inadequate. It has overlooked at least one important distinction, which will be described here as the difference between "primary" and "derived" needs.

In order to define primary needs, one could start with the basics. Food is a primary need, as are shelter, clothing, sexual expression, and so forth. One could simply reproduce the Maslovian hierarchy. To avoid producing an endless list, it may be easier to simply posit a definition: primary needs are those desires which individuals seek to gratify in and of themselves. They are, in short, what are commonly thought of as needs.

But society is too complex to permit direct gratification of most needs. In order to obtain food, one generally must have money. In order to obtain adequate medical care, one often needs, in addition to money, a certain amount of knowledge, sophistication, and patience. And in order to find adequate housing under certain conditions, one may need not only money and sophistication, but to "know someone." In order to gratify or meet certain needs, in other words, one often needs other things. Those needs one needs in order to meet other needs are those which are being described here as derivative. Put another way, primary needs are intrinsic, "consummatory" in Apter's usage; derivative needs are instrumental.

In modern society, money, of course, is the archetypal derivative need. In order to gratify most other needs, money is necessary. Money can, however, become a need in itself, as is reflected in the behavior of certain hoarders or misers -- or those whose needs merely reflect a high aversion to risk. Marx's discussion of the "fetishism of commodities," or Simmel's of gold fetishism, can thus be viewed as classic accounts of the transformation of derivative needs into primary needs.*

So far, the distinction between primary and derivative needs appears very simple, so obvious as to be hardly worthy of comment or notice. But the distinction contains a number of implications important to the process of discourse about public policy.

To begin with, one needs different strategies to meet different kinds of needs. Primary needs are problems of inadequate capacity, of scarce resources. They can be met by increasing supply. At the global level, there is not enough food to feed adequately the entire population of the earth: the need for food remains a primary need, and can be met only by increasing supply.

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*That raises of course, the question of distinguishing between those needs which are "true" or "natural," intrinsic to "human nature" or the human organism, and those which are "artificial," the products of "false consciousness" or "demand creation." Attempting to determine whether or not such a distinction is logically or anthropologically valid necessarily leads into an extremely sticky philosophical morass, one which I would like to avoid here. It is sufficient, for the purposes of this discussion, to note that it is not necessary to resolve that question in order to make the distinction between primary and derivative needs. To the extent that they may exist, or be thought to exist, "artificial" or "created" needs are just as much primary ones as "true" or "natural" needs. Those things which are necessary in order to satisfy them are just as much derivative needs; and if one wishes to make the distinction, there is no reason why one can't distinguish between "true" and "artificial" derivative needs. The one, philosophically difficult, distinction is entirely independent of the other, much simpler one, and it is only the latter which is being considered here.

Derivative needs, on the other hand, are problems of allocation, of organization, of infrastructure. At the level of analysis of the United States, the need for food experienced by the hungry in this country has become a derivative one, a matter of allocation rather than supply. The food is *there*; it just has to be gotten to those who need it.

Take another example. In order to grow, crops need water. In order to survive, farmers need adequate supplies of water for their crops. In arid regions, where the rainfall is insufficient for the successful growing of food, water is a primary need. There is not enough to go around. That need can be met by the construction of an irrigation system. A dam can be built, and irrigation ditches and machinery supplied to distribute the water it stores. But individual farmers -- indeed, potentially all the farmers in the region -- may still have an unsatisfied need for irrigation water. They may not be able to afford the irrigation fees, or they may lack the knowledge or sophistication to use the water. Or they may simply be frozen out by the more powerful farmers in the area, who keep all the water to themselves, even though it is more than they need. Building another dam to further increase the water supply won't help. Attention must instead be devoted to problems of organization, allocation, and infrastructure.

A final example, to begin with the policy area from which the idea of distinguishing between types of needs was generated. Poor people in the United States have, in general, unmet needs for primary medical care. For the rural poor, theirs is basically a primary need; the areas in which they reside simply do not have enough physicians. Some fairly sizable rural communities have no physicians at all. On the island of Manhattan, on the other hand, there are plenty of physicians, and plenty -- indeed, from the standpoint of efficient allocation, too many -- of hospital beds. But the urban poor, by and large, still don't get adequate primary care. Theirs is a derivative need. An adequate supply of medical resources exists, but it is poorly matched to demand. In order to make use of available resources, the poor need more money, more time, more sophistication, more luck and more patience than they tend to have.

The primary health care needs of the rural poor can be met, then, by increasing supply, by finding a means of attracting physicians to rural communities or something of the sort. But even substantial increments in the supply of physicians will not help the poor in Manhattan. What they need is a way of finding them, paying them, and getting them to pay attention.

Unmet primary needs are problems of supply. They are also, by extension, problems of scarcity. Put another way, they are, therefore, economic problems. As such, they are probably best met by economists, or at least by economic modes of analysis and action. The unmet needs for adequate housing in New York City are primarily a result of insufficient supply. The best strategy to meet them may well entail increasing the supply through the use of incentives normally preferred by economists: subsidies of one sort or another and the like.* Instead, New York's housing problem has been treated as a political and allocational problem, without notable success. On the other hand, Medicaid has acted as little more than a direct subsidy to physicians in a situation where the need was primarily derivative rather than primary, and thus has done little to meet the health care needs of the poor.

If primary needs are intrinsically economic, derivative needs, which result from structural problems of allocation and distribution, are essentially political. They therefore demand political solutions. The provision of subsidies or other economic incentives is not likely to be enough. It is necessary, instead, to create or alter institutions or other political entities. To meet the primary health care needs of poor New Yorkers, one needs not more doctors but different kinds of political institutions and regulations -- in the form of comprehensive community health centers, HMO's, licensing of paraprofessionals, and the like.

In anything approaching a perfect market, as any economist will gladly tell you, supply and demand will eventually achieve equilibrium all by themselves. But in the distribution of goods (in the broadest sense) in the real world, supply and demand often remain out of kilter. There are, in the broadest sense, market imperfections. Those imperfections are political and sociological phenomena which can only be dealt with politically. Even if the economists are correct, and everything

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*For purposes of completeness, it should be pointed out that preventing the deterioration of adequate existing stock is functionally equivalent to increasing supply by creating new housing.

would work itself out if only market imperfections could be removed, that removal is necessarily a political process.

If primary needs, then, are problems of supply and scarcity, and therefore essentially economic problems, derivative needs result from market imperfections, and thus require a political approach. Either the imperfections must be removed, through a political process, or countervailing imperfections must be created, through the development of political institutions or practices. In recessionary times, when unemployment is created by an inadequate supply of jobs, "economic" fiscal measures may constitute the best anti-unemployment policy; but when substantial unemployment remains in boom times because, even though many jobs go begging, the unemployed lack the skills or mobility or geographical location to take advantage of them, manpower development and training programs may be more in order.

Debate over the recent so-called "energy crisis" provides a perfect example of the significance of the distinction between primary and derivative needs, and the extent to which that decision often has overwhelming political content. In the expressed opinions of the major oil producers and their apologists in the Nixon Administration, the shortage of petroleum products represented a classic primary need. There simply was not enough gasoline to go around. In order to remedy the crisis, it was necessary to increase supply through the classically economic approach of permitting the consumers to subsidize the producers at an exorbitant level, thus compelling them to make gestures in the direction of increasing supply in order to avoid being embarrassed.

Critics of the oil industry contended, on the other hand, that the problem was essentially derivative, in at least two senses. First, reserves of petroleum, and capacity to produce petroleum products were potentially adequate, but attributes of the oil industry and government regulation prevented the existing oil from reaching the consumers who desired it. The oil was *there* in storage or in the gound -- but wasn't getting to those who needed it because the owners of the oil didn't feel like providing it. Second, the more general need for "energy" could be met, in part, by alternative sources of energy and alternative technologies for using it, but these sources and technologies had been sabotaged by those with a vested interest in petroleum products and internal combustion engines. The problem of mass transportation illustrates that second kind of derivative need. In terms of the need for people to get work, adequate alternative supplies could, historically, have been easily generated (indeed, at one time they had existed, but had been allowed to deteriorate), but various political social forces had significantly altered the balance between supply and demand.

Those who took the view that the energy crisis was the product of a derivative need sought, of course, alternative solutions in keeping with their diagnosis. Most important was political intervention in the process of getting oil from the ground to the consumer, whether it took the form of government-sponsored search for oil, stricter regulation of oil producers, establishment of a competing government oil company to serve as a "yardstick" on the model of the electric-power industry, or even nationalization of the oil companies. The fact that gasoline, which was almost impossible to find at forty cents a gallon, is now, only months later, abundant at sixty cents, provides some clues as to which understanding of the energy crisis was correct. and which won out politically.

Making the correct distinction between primary and derivative needs is important not only to making correct policy choices, but also to developing theory about public policy which itself may have an important impact on policy choices. In other words, incorrect thinking about needs may create problems not only directly, when it leads to wrong policy choices, but indirectly, when it supports the creation of misapprehensions or ideologies which in turn contribute to bad policymaking. That contention can be illustrated by describing two alternative ways of looking at Community Action Programs, the keystones of the "War on Poverty."

When they worked well, the best of the CAP's functioned largely as devices to meet the derivative needs of the poor. Resources to meet many of the primary needs were available -- in other OEO programs, in already-existing institutions, and so forth -- but they weren't getting to the poor. So the CAP's created food cooperatives, provided transportation to health and education facilities, created political pressure on local governments to provide services, and instructed poor people in their rights relative to welfare, food stamps, landlords, and the like. As such, they were essentially political organizations, devoted to meeting the derivative needs of poor people through the only effective way of meeting those needs, political action. One suspects that many of those responsible for designing and leading the CAP's knew that all along, even if their understanding was not so explicit, and the terminology in which they thought not so cumbersome.

But other observers — and even, one suspects, some of the designers -- of CAP's failed to make the distinction between primary and derivative needs. Because resources to meet the needs of poor people existed, but those needs still weren't being met, these observers hypothesized that the poor must have certain attributes -- resulting, perhaps, from a "culture of poverty," — which made them somehow different from you and me, and somehow incapable of taking advantage of what was available to them. The poor, in other words, were thought to have a primary need that no one else had, a need to overcome the pathology inherent in matriarchal family structures or some such nonsense.

If such a need exists, and is central to the problem of poverty, that implies, of course, a very different strategy for helping the poor. Assistance begins to take the form of, or at least to be thought of as, a kind of therapy, or at least of hand-holding. An already humiliating welfare system should be replaced with an even more degrading system in which ADC mothers are forced into dead-end jobs to the accompaniment of training on "proper work habits," "dependability," and so forth.

It is, in other words, important, both intellectually and politically, to think clearly about the distinction between primary and derivative needs. Incorrect judgements, whether the product of ignorance or willful political choice, can have important consequences for public policy and, as a result, for the lives of individual citizens. When needs are misapprehended, they do not get met; worse, attempts to meet misconceived needs may do more harm than good.

In an affluent society like the United States, the needs of the poor are primarily derivative, not primary. The poor share the two most fundamental and basic of derivative needs; for money and for power. Supplies of goods to meet primary needs are generally available; there is plenty of income in the Gross National Product to go around. The problem is one of getting the goods to those who need them, and that is a political problem of allocation and redistribution.*

Everyone knows that poverty in the United States has different causes, and requires different solutions, than poverty in India or Sub-Saharan Africa. But the logical distinction underlying those differences is often overlooked, not only in discussions of poverty, but in other discourses on problems of public policy. The consequences of that oversight for policy, for policymakers, and for citizens, are often considerable.

*Does that imply that the traditional liberal solution of abolishing poverty by "increasing the pie" is, in and of itself, doomed to failure? Yes.