

IRP focus

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A roadmap to reducing child poverty

Measuring child poverty in the United States

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Millions of American children live in families with incomes below the poverty line.

A wealth of evidence suggests that a lack of adequate family economic resources compromises children's ability to grow and achieve success in adulthood, hurting them and the broader society as well. In an omnibus appropriations bill signed into law in December 2015, Congress included a provision directing the National Academies of Sciences, Engineering, and Medicine to conduct a comprehensive study of child poverty in the United States, and to identify evidence-based programs and policies for reducing the number of children living in poverty by half within 10 years. The National Academies appointed a committee of distinguished scholars from a range of disciplines with diverse perspectives and areas of technical

expertise to conduct this consensus study (see text box for committee members). The committee was given five specific charges:

1. Briefly review and synthesize the available research on the macro- and micro- economic, health, and social costs of child poverty, with attention to linkages between child poverty and health, education, employment, crime, and child well-being.
2. Briefly assess current international, federal, state, and local efforts to reduce child poverty. The committee will provide an analysis of the poverty-reducing effects of existing major assistance programs directed at children and families in the United States, as well as relevant programs developed in other industrialized countries, such as the United Kingdom, Canada, and Ireland.
3. Identify policies and programs with the potential to help reduce child poverty and deep poverty (measured using the Supplemental Poverty Measure or SPM) by 50 percent within 10 years of implementation.
4. For the programs the committee identifies as having strong potential to reduce child poverty, the committee will provide analysis in a format that will allow federal policymakers to identify and assess potential combinations of policy investments that can best meet their policy objectives.
5. Identify key, high-priority research gaps the filling of which would significantly advance the knowledge base for developing policies to reduce child poverty in the United States and assessing their impacts.

A report on this two-year effort, *A Roadmap to Reducing Child Poverty*, is now complete and is available at https://sites.nationalacademies.org/DBASSE/BCYF/Reducing_Child_Poverty/index.htm.

As discussed in the report, many studies show that child poverty has negative effects on a wide range of outcomes across the life course including birthweight, brain development, and child physical and mental health, and leads to diminished education and employment outcomes in adulthood. This is especially concerning because in 2015 more than 9.6 million children lived in families with annual incomes below the poverty line (about \$26,000 for a two-parent, two-child family, based on the SPM); and approximately 2.1 million of those children lived in “deep poverty,” with family resources below half of the poverty line. The highest rates of poverty and deep poverty were found among families of color, children living with parents without a high school degree, and children in immigrant households. The overall high rate of childhood poverty comes with a big price tag: the committee estimated that child poverty costs the United States between \$800 billion and \$1.1 trillion annually. Estimates

The National Academies of Sciences, Engineering, and Medicine

The National Academies of Sciences, Engineering, and Medicine are private, nonprofit institutions that provide expert advice on some of the most pressing challenges facing the nation and the world. For more than 150 years, the Academies have been advising the nation on issues of science, technology, and medicine; ever since an 1863 Congressional charter signed by President Lincoln authorized this nongovernmental institution to honor top scientists with membership and to serve the nation whenever called upon.

Each year, more than 6,000 of the nation's foremost scientists, engineers, health professionals, and other experts are selected to serve on hundreds of study committees that are convened to answer specific sets of questions. All serve without pay. Federal agencies are the primary financial sponsors of the Academies' work. Additional studies are funded by state agencies, foundations, other private sponsors, and the Academies' endowment.

The Academies provide independent, objective, and nonpartisan advice; external sponsors have no control over the conduct of a study once the statement of task and budget are finalized. Study committees gather information from many sources in public meetings but they carry out their deliberations in private in order to avoid political, special interest, and sponsor influence. The Academies produce 200–300 authoritative reports each year. Many reports influence policy decisions; some are instrumental in enabling new research programs; others provide program reviews.

include reduced adult productivity, increased costs of crime, and greater health expenditures.

While halving child poverty appears daunting, the committee concluded that it is an achievable goal. In fact, child poverty fell in the United States by nearly half between 1970 and 2016, in part due to government tax and transfer programs such as the Earned Income Tax Credit (EITC) and increases in government benefits, such as Supplemental Nutrition Assistance Program (SNAP) food assistance. Furthermore, the report documents the significant impact that the social safety net already has on child poverty and deep poverty. In particular, the EITC and SNAP are the most important programs for reducing child poverty and SNAP and Social Security are the most important programs for reducing deep child poverty. Robust research evidence shows that many of these programs designed to alleviate poverty—either directly by providing income transfers, or indirectly by providing food, housing, or medical care—improve child well-being.

The three articles in this issue draw from *A Roadmap to Reducing Child Poverty*. The first article presents the current state of child poverty in the United States, including a discussion of issues related to measuring poverty. The second article presents sets of policy and program alternatives for meeting the goal of major child poverty reduction. The final article provides an explanation for how the calculations of poverty reduction discussed in the second article were adjusted to account for any anticipated employment effects of the recommended policy changes. ■

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