Regional Inequality:
Exploring The Role of Race and Policy

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Poverty & TANF Generosity

• There are strong associations between state demographics, policies, and economic outcomes

• In general, states with a relatively more generous set of safety net policies have smaller Black populations and lower poverty rates
TANF Generosity & Race

• Compared to the Northeast, TANF max benefits were:
  • $297 lower in the South
  • $144 lower in the Midwest
  • $81 lower in the West

• The Black population rate was 15 percentage points higher in the South than the Northeast

• The Hispanic population rate was 8 percentage points higher in the West than the Northeast
UI Benefits & Race

• Compared to the Northeast, UI average weekly benefits were:
  • $72 lower in the South
  • $30 lower in the Midwest
  • $25 lower in the West

• The Black population rate was 15 percentage points higher in the South than the Northeast

• The Hispanic population rate was 8 percentage points higher in the West than the Northeast
Concluding Ideas

- Evidence on the long-term benefits of income support recommends strong federal policy expansions of EITC and child tax credits.
- Recent Census Bureau income and poverty report highlights large poverty reductions from expanded economic assistance programs and stimulus.
- Weaker state safety nets are, on average, more likely to be located in regions with a higher proportion of Black residents.
  - Aggregate measures of safety net provision miss the more granular administrative burdens, bias that occurs.
- How can families and children nationwide benefit from a stronger safety net?