CASH MATTERS AND PLACE MATTERS

A Child Poverty Plan That Capitalizes on New Evidence

TIM SMEEDING

SOME CHILDREN ARE THE BLAMELESS VICTIMS OF POVERTY, while others are the lucky beneficiaries of affluence. We use the terms "blameless" or "lucky" because, as best we can tell, children do not choose their parents. It all depends on where the stork happens to drop them.

However, the case against child poverty goes beyond this now-standard point that poor children do not deserve their fate. There is also a strong consequentialist case against poverty. In many countries, both rich and poor, child poverty threatens future national income growth and stability. Societies with lower child poverty rates have higher rates of economic mobility and greater equality of opportunity, and thus better exploit their available talent.[1] It follows that it is in everyone's interest, not just that of poor children, to minimize child poverty.

Whatever the larger macroeconomic effects of poverty may be, it is clear that early-childhood poverty leads to major downstream problems for the children experiencing it. Poverty in early years can have long-lasting consequences for brain development, health status, school performance, labor market outcomes, and future well-being more generally.[2] And family instability, which is frequently linked to poverty, has negative effects as well. When children are raised in households with constantly changing family members, housing, and income, they experience negative consequences across the life course.[3]

The case for taking child poverty more seriously is accordingly strong. Why, then, doesn't our country have a long-term plan to reduce poverty substantially? The purpose of this essay is to discuss what types of anti-poverty plans would be consistent with the social science evidence and also dramatically reduce child poverty.

The First Key Result: Money Matters

There is now ample causal evidence that increasing family income—providing "more money"—matters for the long-term outcomes of poor children, especially when that additional money is provided in the earliest years of life. For instance, when annual family income is increased by $3,000/year over the prenatal period up to age 5, children have a 17 percent earnings increase in their adulthood.[4]

These income effects appear to be mediated in part by cognitive development. When young children raised in low-income families are compared to those raised in middle-income families, there are substantial differences in brain surface area, an important indicator of cognitive ability.[5] Likewise, poverty also has large negative effects on the amount of gray matter, which in turn depresses brain development and reduces school readiness and academic achievement.[6] These and related results suggest that *getting more money into poor households with young children* is the appropriate foundation of an aggressive anti-poverty plan. But how might that money be delivered? The social science evidence suggests that it would be cost-effective to ramp up child allowances, refundable tax credits, and earnings-enhancing policies.

Child allowances: Recent studies suggest that boosting a child's family income by means of child allowances (or refundable tax credits) improves a host of long-term outcomes by expanding opportunity and increasing economic mobility in adulthood. Higher child allowances have substantial positive effects on maternal health, children's physical and mental health, test scores, academic achievement, higher-education enrollment, and adult employment.[7] Giving every child a universal child allowance of $250 per month, or $3,000 per year, would create a universal floor under family incomes, while offering all parents an equal base for raising their children. The allowance could be delivered monthly through the Social Security system to all parents, paid for largely by substituting the child allowance for current child tax credits and the personal child exemption, with a tax-back provision for high-income families. If we are really concerned about young children's well-being, a slightly higher tax credit of, say, $300 per child per month for children 5 or under could also be engineered using this same delivery system. This allowance would eliminate extreme poverty for children, and reduce the current child poverty rate by almost 50 percent. The Earned Income Tax Credit (EITC) would be left largely as is to encourage work for low-income parents as well. It bears noting that there are several existing proposals for child allowances from both conservatives and liberals.[8]

Tax credits: The EITC and its complement, the refundable Child Tax Credit (CTC), are two other well-known programs that reduce child poverty by increasing income. The payoff to these programs is exceedingly well documented. Recent work suggests that a $1,000 increase in the EITC translates into a 7.3 percentage-point increase in the employment of single mothers.[9] Moreover, the EITC reduces cardiovascular diseases and metabolic disorders as well as premature births and low birth weight.[10] Tax credits also raise test scores for elementary- and middle-school children and, by virtue of these increases, lead to higher rates of college attendance. The likelihood of college attendance increases further if parents retain eligibility for the EITC when their kids go to four-year colleges.[11] Moreover, when families receive a *larger* tax credit, their children have higher rates of high school completion and greater adult earnings.[12]

Increasing income from work: The foregoing income supplements should of course complement policies that increase the amount of income from work. For example, without child care subsidies, single mothers cannot afford to work. We need to foster greater labor market participation among single mothers while ensuring the appropriate balance of family and professional lives and access to high-quality child care.[13] It goes without saying that any ramped-up program would have to be designed to maintain (1) incentives for self-support; (2) protection against lack of income from work; and (3) incentives to encourage absent parents, usually fathers, to support their children.

How might one rate recent developments in U.S. safety net policy against the foregoing standard? Although refundable tax credits (the CTC and the EITC) were expanded by President Barack Obama in the wake of the Great Recession,[14] several states have since reduced their EITCs instead of expanding them to cover childless adults. Legislation to extend the EITC and CTC expansions that President Obama enacted after the Great Recession is now law.[15] But absent some unforeseen development, a major ramp-up in cash transfers seems unlikely to occur. Although the evidence is clear that such a ramp-up would have a substantial beneficial effect, there is at this point no clear pathway that allows us to exploit that evidence under current political conditions, unless Congress and the administration come to agree that the child allowance would be a valuable tool to reduce child poverty.[16]

The Second Key Result: Place Matters Too

The evidence is also clear that children are harmed not just by growing up in poor families, but by growing up in poor neighborhoods.[17] The bad news in this regard is that poor children are increasingly finding themselves in poor neighborhoods; from 1980 to 2010, residential economic segregation grew, while racial segregation changed very little.[18] The effects of place would also appear to be color-blind; there's a high cost to growing up in poor neighborhoods for both middle-income and poor white children as well as black children.[19]

The contrast between high-income and low-income neighborhoods is stark. In low-income communities, neighborhood amenities (e.g., schools, parks) are poorly funded, and there are high rates of crime, unemployment, single parenthood, and multiple-partner fertility.[20] In high-income neighborhoods, there are clean parks and play spaces, new schools and child care centers, readily available high-quality health care, and little crime. These amenities are "purchased" by parents who pay higher housing and property tax prices to segregate themselves and their families. This purchase is of course partly subsidized by our federal tax policies.[21]

Why does place matter? Although the effects of place are clear, we know less about the pathways through which those effects are exerted. But the evidence is accumulating and suggests that differences in school quality, exposure to community violence, and the physical environment (e.g., air pollution, noise, lead) affect academic trajectories, child cognitive development, and later economic outcomes.[22]

The total effects of place, however they may be generated, are large. A recent study concludes that "neighborhood effects are substantial, especially for children in low-income families. The U.S. county in which a child grows up explains nearly half as much of the variation in his/her earnings as his/her parents' incomes."[23]

What is to be done? The poverty-generating effects of place can be reduced by moving poor children to better neighborhoods. Recent research suggests that moving to a lower-poverty neighborhood significantly improves college attendance rates and earnings for children who were young (below age 13) when their families moved. These children grow up to live in better neighborhoods as adults and are less likely to become single parents. The effects are substantial: Children who move to a lower-poverty area when they are younger than 13 years old have an annual income that is 31 percent higher (in their mid-20s) than that of a control group, and the longer the exposure to good neighborhoods, the larger the gain. In other words, children are better off moving when they are younger, as the gains from moving decline as children get older, a result that is consistent with recent evidence that the *duration* of exposure to a better environment matters.[24]

A Related Plan

Is my proposal too radical? Hardly. It mainly builds incrementally on existing proposals.

A recent proposal by the Children's Defense Fund (CDF) is a case in point.[25] The CDF plan, which would cost only $77 billion per year, would reduce child poverty by 60 percent—and deep poverty (i.e., poverty below half the poverty line) by even more. Although the proposal does not include a child allowance, it is otherwise very comprehensive. It builds principally on the new evidence, as reviewed above, that cash and place matter. It also builds exclusively on programs that work, such as refundable tax credits (e.g., CTC/EITC), while also encouraging more work and self-responsibility, greater neighborhood mobility, and greater responsiveness of absent fathers to their child support obligations. The CDF plan bears a striking resemblance to the AEI-Brookings working group consensus report on reducing poverty and restoring opportunity.[26]

The CDF plan increases housing vouchers for relocation of poor children to better neighborhoods. These have been shown to be cost-effective. As argued above, when families with young children use vouchers to move from high-poverty housing projects to low-poverty neighborhoods, there is reduced intergenerational persistence of poverty and thus positive returns for taxpayers.[27]

Three types of work aids are also added to improve self-sufficiency. The CDF plan would make work *available* to unemployed parents by offering "transitional" jobs of last resort to adults who are unemployed or underemployed (via private and nonprofit sector job subsidies). It would make work *accessible* by providing subsidized child care to low-income parents.[28] And it would make work *pay* by raising the minimum wage.

The CDF plan will coordinate well with local and national increases in the minimum wage. While an increase in the minimum wage to $10/hour may reduce the number of jobs by approximately 500,000, this effect would be offset by the 16.5 million workers, most of them in lower- and middle-income families, who would find their paychecks larger and their need for public benefits to enhance these earnings smaller.[29]

U.S. Exceptionalism

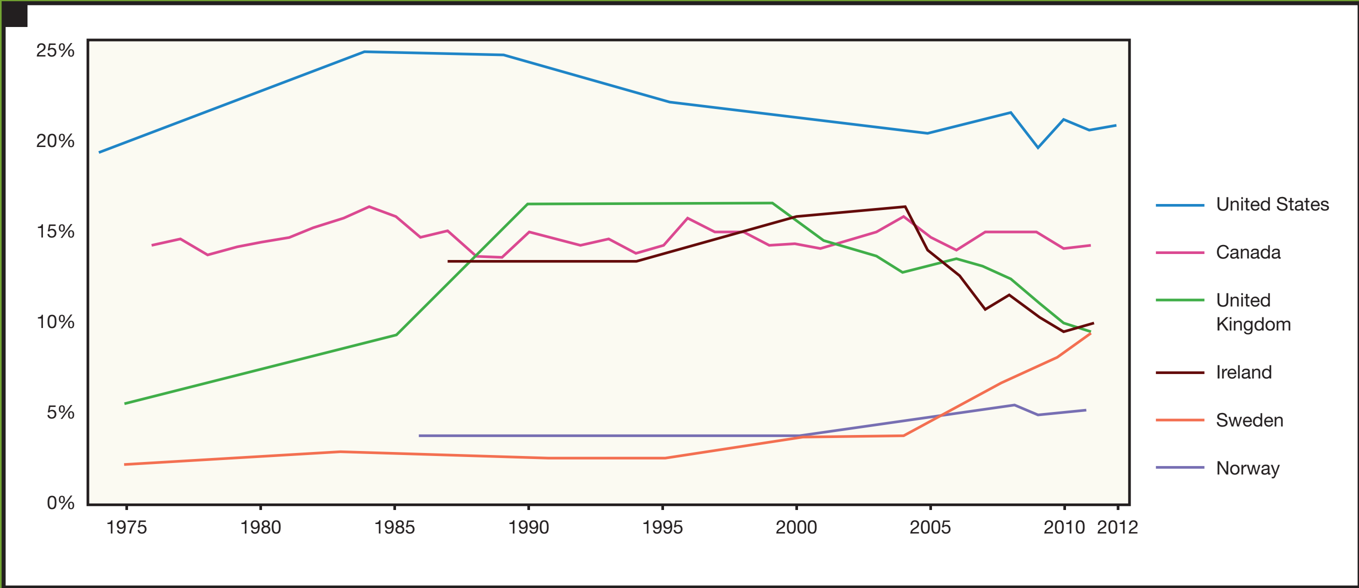
The CDF program is both reasonable and affordable, as is the child allowance. The CDF plan stresses market work and ties benefits to work, which fits with American values as espoused in the AEI-Brookings consensus report. It addresses two of the key lessons we've learned during the last decade of poverty research: that cash matters and that place matters. It builds a second War on Poverty explicitly on these two lessons. And, as with the child allowance, it relies on benefits that, for the most part, are consistent with the Edin-Shaefer "litmus test" that the poor shouldn't have to sacrifice their dignity when they draw on safety-net programs.

It bears noting that, were the CDF or child allowance program adopted, it would push the currently very "exceptional" U.S. policy somewhat closer to the rich-country norm. Other countries that, like the United States, once ran very weak poverty programs have succeeded in reducing child poverty through deliberate public policy to maintain incomes in families with children, to invest in their future, and to provide child allowances. This result is shown in Figure 1.[30] As this figure also shows, cutting back on benefits can produce the opposite result. The Swedish child poverty rate, once very low, has been driven up by a national minimum income benefit freeze and by increases in single-parent families. It is now almost as high as the child poverty rate for the United Kingdom.[31]

The United States is a clear and constant outlier in the child poverty league. We do less to help children and their families than any of the rich countries in Figure 1. It is also clear that policy matters: As the figure shows, our policy successfully lowered child poverty rates during the Great Recession, a reduction that is now threatened as poverty-relief programs are reduced and cut back.

The United States has just experienced a presidential election in which issues of poverty and inequality, as well as a lack

Figure 1. Long-Term Trends in Child Poverty (Children with Family Disposable Income Less than Half the National Median, Adjusted for Family Size)



Source: OECD, Income Distribution Database, as in Smeeding and Thevenot, 2016.

of equality of opportunity and mobility, were major campaign issues. The least costly solution, given the Republican election victory, seems to be to help those at the bottom make better lives for themselves. But of course the United States has not had a history of choosing the least costly solution. Because poverty programming has become so politicized, we instead have a long history of opting for the more expensive route, unfortunately to the detriment of children born into difficult neighborhood circumstances. If nations are judged by the way they treat their children, the United States is currently failing the test. We can make our country great again by reducing child poverty.

Tim Smeeding is the Lee Rainwater Distinguished Professor of Public Affairs and Economics at the University of Wisconsin.

Additional Resources

Almond, Douglas, Janet Currie, and Valentina Duque. 2017. "Childhood Circumstances and Adult Outcomes: Act II." NBER Working Paper 23017. Retrieved from http://www.nber.org/papers/w23017.

Duncan, Greg J., and Katherine Magnuson. 2013. "Investing in Preschool Programs." *Journal of Economic Perspectives* 27(2), 109–131.

Duncan, Greg J., Pamela A. Morris, and Chris Rodrigues. 2011. "Does Money Really Matter? Estimating Impacts of Family Income on Young Children's Achievement with Data From Random-Assignment Experiments." *Developmental Psychology* 47(5), 1263–1279.

Duncan, Greg J., Katherine Magnuson, and Elizabeth Votruba-Drzal. 2014. "Boosting Family Income to Promote Child Development." *Future of Children* 24(1), 99–120.

Heckman, James, Rodrigo Pinto, and Peter Savelyev. 2013. "Understanding the Mechanisms Through Which an Influential Early Childhood Program Boosted Adult Outcomes." *American Economic Review* 103(6), 2052–2086.

Notes

1. Corak, Miles. 2013. "Inequality from Generation to Generation." In *The Economics of Inequality, Poverty, and Discrimination in the 21st Century*, ed. Robert Rycroft. Santa Barbara, CA: ABC-CLIO.

2. See reviews at Almond, Douglas, Janet Currie, and Valentina Duque. 2017. "Childhood Circumstances and Adult Outcomes: Act II." NBER Working Paper 23017. Retrieved from http://www.nber.org/papers/w23017.pdf; White House. 2014. "The Economics of Early Childhood Investments." Retrieved from https://web.archive.org/web/20170120063626/https://www.whitehouse.gov/sites/default/files/docs/early_childhood_report1.pdf; Smeeding, Timothy. 2016. "Gates, Gaps, and Intergenerational Mobility: The Importance of an Even Start." In *The Dynamics of Opportunity in America: Evidence and Perspectives*, eds. Irwin Kirsch and Henry Braun. New York: Springer. Also, Duncan, Greg J., Kathleen M. Ziol-Guest, and Ariel Kalil. 2010. "Early Childhood Poverty and Adult Attainment, Behavior and Health." *Child Development* 81(1), 306–325; Aizer, Anna, and Janet Currie. 2014. "The Intergenerational Transmission of Inequality: Maternal Disadvantage and Health at Birth." *Science*, 344(6186), 856–861.

3. Morris, Pamela, Heather D. Hill, Lisa A. Gennetian, Chris Rodrigues, and Sharon Wolf. 2015. "Income Volatility in U.S. Households with Children: Another Growing Disparity between the Rich and the Poor?" Institute for Research on Poverty Discussion Paper 1429-15. Retrieved from http://www.irp.wisc.edu/publications/dps/pdfs/dp142915.pdf; Carlson, Marcia J., and Lawrence M. Berger. 2013. "What Kids Get from Parents: Packages of Parental Involvement across Complex Family Forms." *Social Service Review* 87(2), 213–249.

4. Duncan, Ziol-Guest, and Kalil, 2010; Duncan, Greg J., Ariel Kalil, and Kathleen M. Ziol-Guest. 2013. "Early Childhood Poverty and Adult Achievement, Employment and Health." *Family Matters* 93, 27–35. Retrieved from https://aifs.gov.au/publications/family-matters/issue-93/early-childhood-poverty-and-adult-achievement-employment-and; West, Rachel, Melissa Boteach, and Rebecca Vallas. 2015. "Harnessing the Child Tax Credit as a Tool to Invest in the Next Generation." Center for American Progress. Retrieved from https://www.americanprogress.org/issues/poverty/report/2015/08/12/118731/harnessing-the-child-tax-credit-as-a-tool-to-invest-in-the-next-generation/; and Almond, Currie, and Duque, 2017, in note 2.

5. Noble, Kimberly G., Suzanne M. Houston, Natalie H. Brito, Hauke Bartsch, Eric Kan, Joshua M. Kuperman, Natacha Akshoomon, David G. Amaral, Cinnamon S. Bloss, Ondrej Libiger, Nicholas J. Schork, Sarah S. Murray, B. J. Casey, Linda Chang, Thomas M. Ernst, Jean A. Frazier, Jeffrey R. Gruen, David N. Kennedy, Peter Van Zijl, Stewart Mostofsky, Walter E. Kaufmann, Tal Kenet, Anders M. Dale, Terry L. Jerniga, and Elizabeth R. Sowell. 2015. "Family Income, Parental Education and Brain Structure in Children and Adolescents." *Nature Neuroscience* 18, 773–778. doi:10.1038/nn.3983.

6. Hair, Nicole, Jamie L. Hanson, Barbara L. Wolfe, and Seth D. Pollak. 2015. "Association of Child Poverty, Brain Development, and Academic Achievement." *Journal of the American Medical Association Pediatrics* 169(9), 822–829. Retrieved from http://archpedi.jamanetwork.com/article.aspx?articleid=2381542.

7. Milligan, Kevin, and Mark Stabile. 2011. "Do Child Tax Benefits Affect the Well-Being of Children? Evidence from Canadian Child Benefit Expansions." *American Economic Journal: Economic Policy* 3(3), 175–205. Retrieved from http://www.aeaweb.org/articles.php?doi=10.1257/pol.3.3.175; Hoynes, Hilary, Doug Miller, and David Simon. 2015. "Income, the Earned Income Tax Credit, and Infant Health." *American Economic Journal: Economic Policy* 7(1), 172–211; Aizer, Anna, Shari Eli, Joseph Ferrie, and Adriana Lleras-Mune. 2014. "The Long Term Impact of Cash Transfers to Poor Families." NBER Working Paper 20103. Retrieved from http://www.nber.org/papers/w20103; Cooper, Kerris, and Kitty Stewart. 2015. "Does Money Affect Children's Outcomes? A Systematic Review of the Evidence." Joseph Rowntree Foundation. Retrieved from http://sticerd.lse.ac.uk/dps/case/cr/casereport80.pdf; Chetty, Raj, John N. Friedman, and Jonah Rockoff. 2011. "New Evidence on the Long-Term Impacts of Tax Credits." Internal Revenue Service Working Paper. Retrieved from https://www.irs.gov/pub/irs-soi/11rpchettyfriedmanrockoff.pdf; West et al., 2015.

8. Shaefer, H. Luke, Greg Duncan, Kathryn Edin, Irv Garfinkel, David Harris, Tim Smeeding, Jane Waldfogel, Chris Wimer, and Hiro Yoshikawa. 2016. "Transforming the Child Tax Credit into a Universal Child Allowance for American Children," under review; Hammond, Samuel, and Robert Orr. 2016. "Toward a Universal Child Benefit." Niskanen Center. Retrieved from https://niskanencenter.org/wp-content/uploads/2016/10/UniversalChildBenefit_final.pdf.

9. Hoynes, Hilary, and Ankur Patel. 2015. "Effective Policy for Reducing Inequality? The Earned Income Tax Credit and the Distribution of Income." NBER Working Paper 21340. Retrieved from http://www.nber.org/papers/w21340.

10. Hoynes, Hilary W., Douglas L. Miller, and David Simon. 2015. "Income, the Earned Income Tax Credit, and Infant Health." *American Economic Journal: Economic Policy* 7(1), 172–211; Evans, William N., and Craig Garthwaite. 2014. "Income and Health: Evidence from the EITC Expansions." *American Economic Journal: Economic Policy* 6(2), 258–290.

11. Manoli, Day, and Nick Turner. 2015. "Cash-on-Hand & College Enrollment: Evidence from Population Tax Data and the Earned Income Tax Credit." Retrieved from http://www.daymanoli.com/wp-content/uploads/2014/04/Manoli_Turner1.pdf; West et al., 2015.

12. Dahl, Gordon, and Lance Lochner. 2012. "The Impact of Family Income on Child Achievement: Evidence from the Earned Income Tax Credit." *American Economic Review* 102(5), 1927–1956. Retrieved from http://dx.doi.org/10.1257/aer.102.5.1927; Hoynes, Hilary, Diane Whitmore Schanzenbach, and Douglas Almond. 2015. "Long Run Economic and Health Impacts of Participation in the Food Stamp Program" *American Economic Review*, in press.

13. Ziliak, James P. 2014. "Supporting Low-Income Workers through Refundable Child-Care Credits." Hamilton Papers on Improving the Safety Net and Work Support. Retrieved from http://www.hamiltonproject.org/assets/legacy/files/downloads_and_links/child_care_credit_ziliak.pdf.

14. Fox, Liana, Irwin Garfinkel, Neeraj Kaushal, Jane Waldfogel, and Christopher Wimer. 2015. "Waging War on Poverty: Poverty Trends Using a Historical Supplemental Poverty Measure." *Journal of Policy Analysis and Management* 34(3), 567–592. Hardy, Bradley, Timothy Smeeding, and James P. Ziliak. 2015. "The Changing Safety Net for Low Income Parents and Their Children: Structural or Cyclical Changes in Income Support Policy?" Retrieved from http://www.bradleyhardy.com/wp-content/uploads/2015/03/Hardy_Smeeding_Ziliak_030215.pdf.

15. West et al., 2015.

16. AEI-Brookings Working Group. 2015. "Opportunity, Responsibility, and Security: A Consensus Plan for Reducing Poverty and Restoring the American Dream." Retrieved from https://www.aei.org/wp-content/uploads/2015/12/opportunity_responsibility_security_doar_strain_120315_FINAL.pdf.

17. Sharkey, Patrick. 2013. *Stuck in Place: Urban Neighborhoods and the End of Progress toward Racial Equality*. Chicago: University of Chicago Press.

18. Reardon, Sean F., Lindsay Fox, and Joseph Townsend. 2015. "Neighborhood Income Composition by Race and Income, 1990–2009." *Annals of the American Academy of Political and Social Science* 660(1); Reardon, Sean F. 2011. "The Widening Academic Achievement Gap between the Rich and the Poor: New Evidence and Possible Explanations." In *Whither Opportunity? Rising Inequality and the Uncertain Life Chances of Low-Income Children*, eds. Richard Murnane and Greg Duncan. New York: Russell Sage Foundation; Reardon, Sean F., and Kendra Bischoff. 2011. "Income Inequality and Income Segregation." *American Journal of Sociology* 116(4), 1092–1153.

19. Murray, Charles. 2012. *Coming Apart: The State of White America, 1960–2010*. New York: Crown Publishing; Putnam, Robert. 2015. *Our Kids: The American Dream in Crisis*. New York: Simon and Schuster.

20. Kneebone, Elizabeth. 2014. "The Growth and Spread of Concentrated Poverty, 2000 to 2008-2012." Brookings Metropolitan Studies Research Brief. Retrieved from http://www.brookings.edu/research/interactives/2014/concentrated-poverty#/M10420; Carlson, Marcia J., and Daniel R. Meyer. 2014. "Family Complexity, Poverty and Public Policy." *Annals of the American Academy of Political and Social Science* 654(1).

21. Brodmann, Stephanie, and Douglas Massey. 2014. *Spheres of Influence: The Social Ecology of Racial and Class Inequality*. New York: Russell Sage Foundation; Kirkegaard, Jacob F. 2015. "The True Levels of Government and Social Expenditures in Advanced Economies." Peterson Institute, Policy Brief 15-4. Retrieved from http://www.piie.com/publications/pb/pb15-4.pdf.

22. Reardon, Sean F., and Ann Owens. 2014. "Sixty Years After Brown: Trends and Consequences of School Segregation." *Annual Review of Sociology* 40, 199–218; Burdick-Will, Julia, Jens Ludwig, Stephen Raudenbush, Robert Sampson, Lisa Sanbonmatsu, and Patrick Sharkey. 2011. "Converging Evidence for Neighborhood Effects on Children's Test Scores: An Experimental, Quasiexperimental, and Observational Comparison." In *Whither Opportunity? Rising Inequality, Schools, and Children's Life Chances*, eds. Richard Murnane and Greg Duncan. New York: Russell Sage Foundation, 255–276; McCoy, Dana Charles, C. Cybele Raver, and Patrick Sharkey. 2015. "Children's Cognitive Performance and Selective Attention Following Recent Community Violence." *Journal of Health and Social Behavior* 56, 19–36; Sharkey, Patrick, and Felix Elwert. 2011. "The Legacy of Disadvantage: Multigenerational Neighborhood Effects on Cognitive Ability." *American Journal of Sociology* 116, 1934–1981; Aizer and Currie, 2014.

23. Chetty, Raj, and Nathaniel Hendren. 2015. *The Impacts of Neighborhoods on Intergenerational Mobility: Childhood Exposure Effects and County-Level Estimates*. Cambridge, MA: National Bureau of Economic Research. Retrieved from http://scholar.harvard.edu/files/hendren/files/nbhds_paper.pdf.

24. Crowder, Kyle, and Scott J South. 2011. "Spatial and Temporal Dimensions of Neighborhood Effects on High School Graduation." *Social Science Research* 40(1), 87–106; Wodtke, Geoffrey T., David J. Harding, and Felix Elwert. 2011. "Neighborhood Effects in Temporal Perspective: The Impact of Long-term Exposure to Concentrated Disadvantage on High School Graduation." *American Sociological Review* 76(5), 713–736; Chetty, Raj, Nathaniel Hendren, and Lawrence Katz. 2015. "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Project." *American Economic Review* 106(4).

25. Children's Defense Fund. 2015. "Ending Child Poverty Now." Retrieved from http://www.childrensdefense.org/library/PovertyReport/EndingChildPovertyNow.html.

26. AEI-Brookings Working Group, 2015.

27. Chetty, Hendren, and Katz, 2015.

28. Ziliak, 2014.

29. Congressional Budget Office. 2014. "The Effects of a Minimum-Wage Increase on Employment and Family Income." Retrieved from http://www.cbo.gov/sites/default/files/44995-MinimumWage.pdf.

30. Waldfogel, Jane. 2013. *Britain's War on Poverty*. New York: Russell Sage Foundation; Joyce, Robert. 2015. "Child Poverty in Britain: Recent Trends and Future Prospects." Institute for Fiscal Studies Working Paper 15/07.

31. Palme, Joachim, and Axel Cronert. 2015. "Trends in the Swedish Social Investment Welfare State: 'The Enlightened Path' or 'The Third Way' for 'the Lions'?" ImPRovE Working Paper No. 15/12, Herman Deleeck Centre for Social Policy; Smeeding, Timothy, and Céline Thévenot. 2016. "Addressing Child Poverty: How Does the United States Compare With Other Nations?" *Academic Pediatrics* 16(3).