

Creating an Opportunity Society



Ron Haskins and Isabel Sawhill

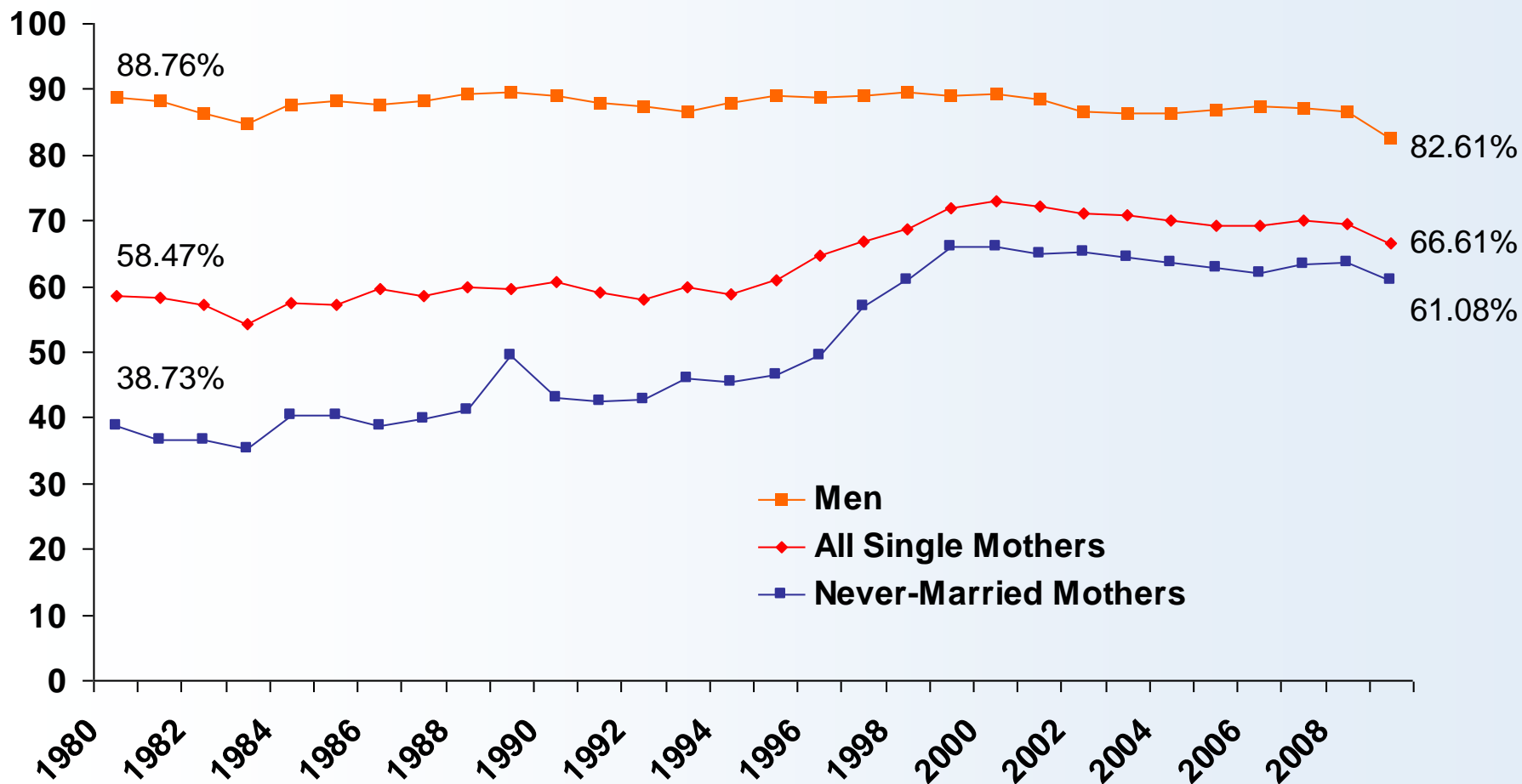
May 11, 2010

Why Are Poverty and Inequality So Stubborn?

- Work Rates and Wages
- Family Composition
- Education
- Immigration

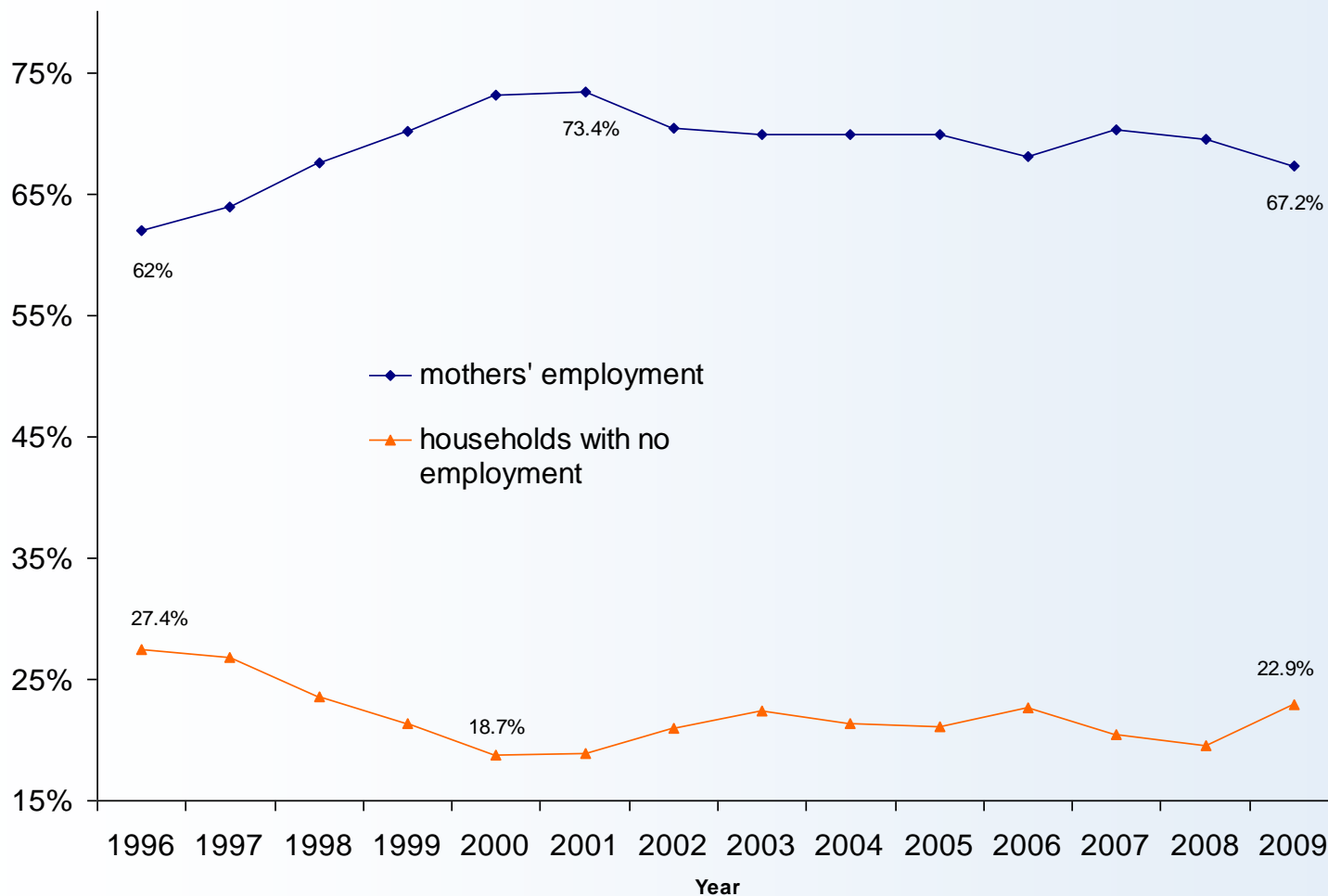
Work Rates & Wages

Employment-to-Population Ratios for All Single Mothers, Never-Married Mothers, and Men, 1980 - 2009



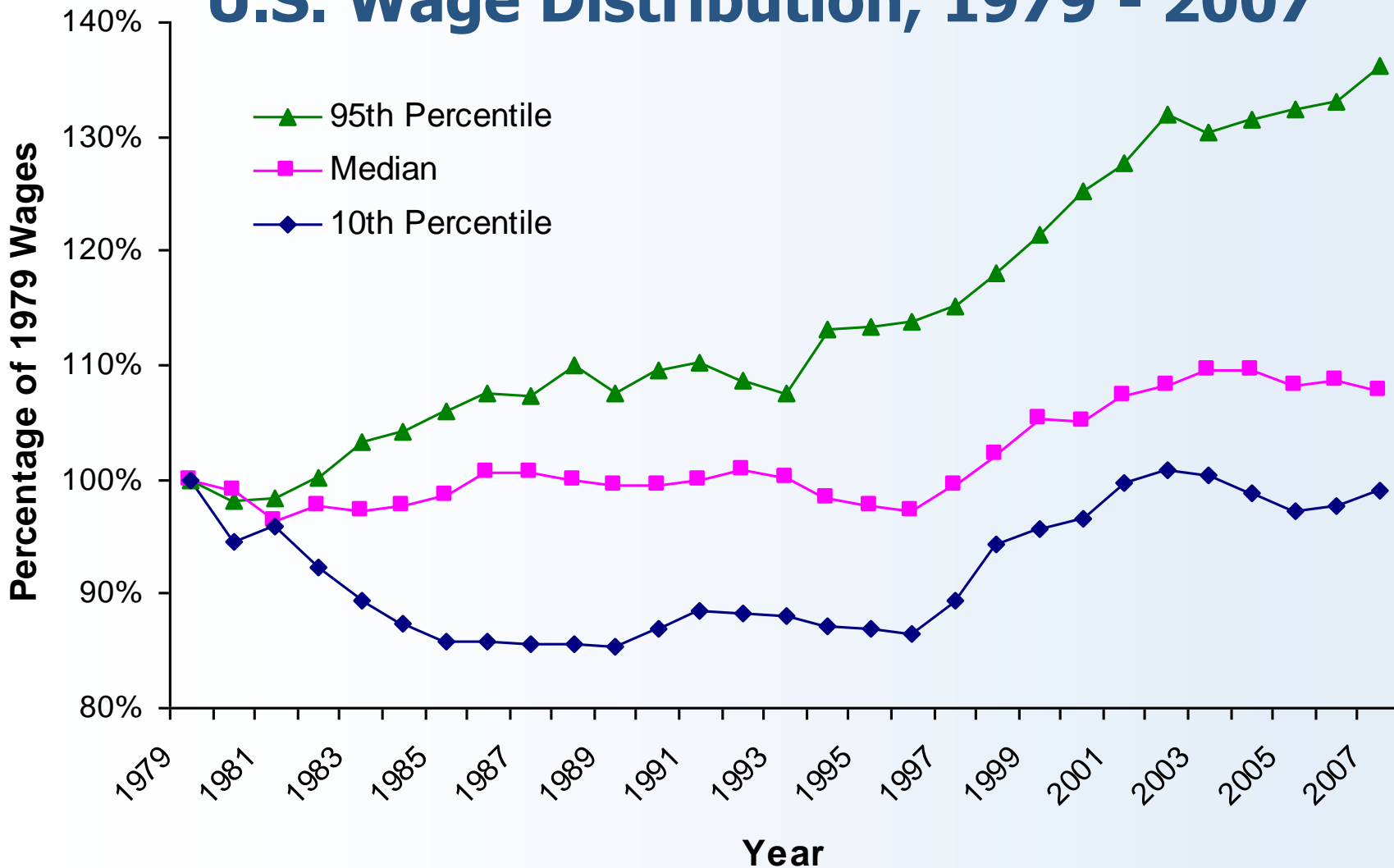
Source: Brookings tabulations of data from the Annual Social and Economic Supplement to the Current Population Survey, 1980-2009.

Employment of Female Family Heads with Children, 1996 - 2009



Source: Calculations by Richard Bavier based on the Current Population Survey. Measures are the percentage of all mothers who are employed or live in households with no employment.

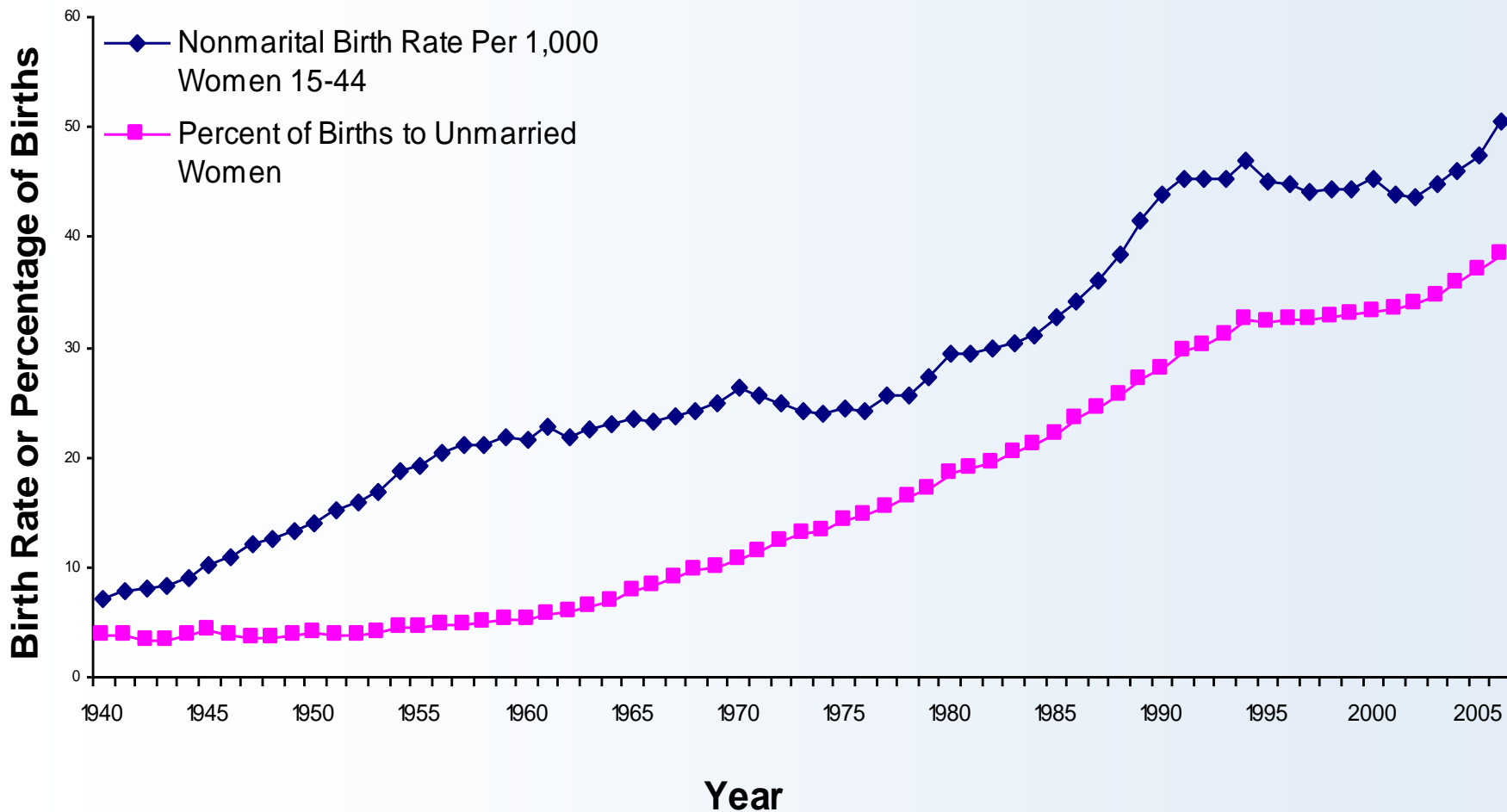
Trend in Real Hourly Wages at Selected Points in U.S. Wage Distribution, 1979 - 2007



Source: Lawrence Mishel, Jared Bernstein, and Heidi Shierholz, *The State of Working America 2008-09*, Table 3.5. Note: Hourly wages based on tabulations of Current Population Survey files, converted to constant dollars using the CPI-U-RS.

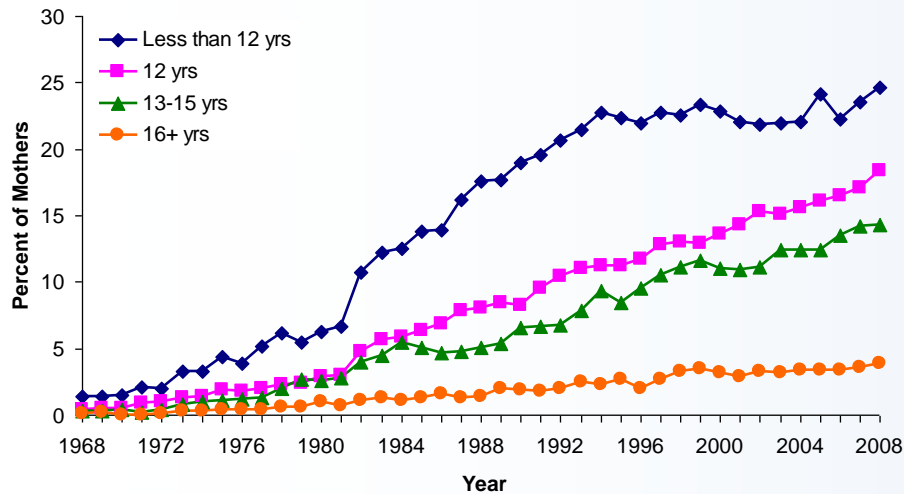
Family Composition

Birth Rate and Percent of Births to Unmarried Women, 1940 - 2007

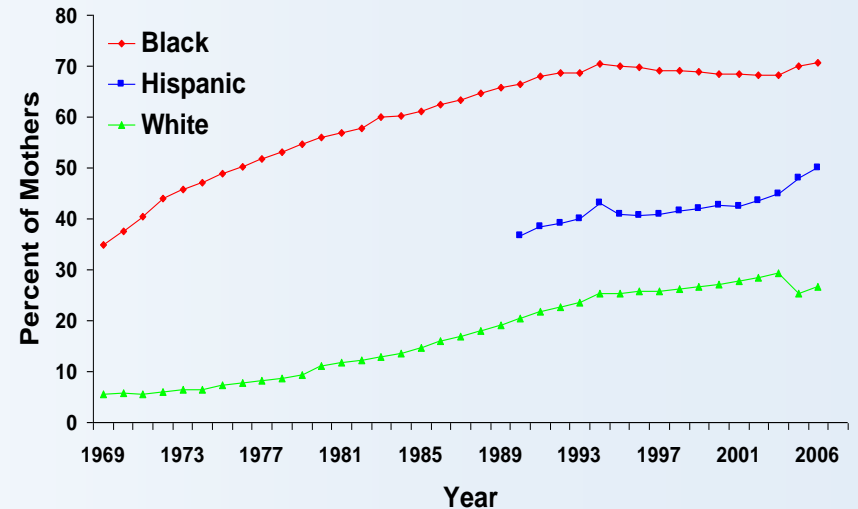


Differences in Non-marital Births by Mother's Education and Ethnicity, 1968 – 2006 or 2008

Differences: Education

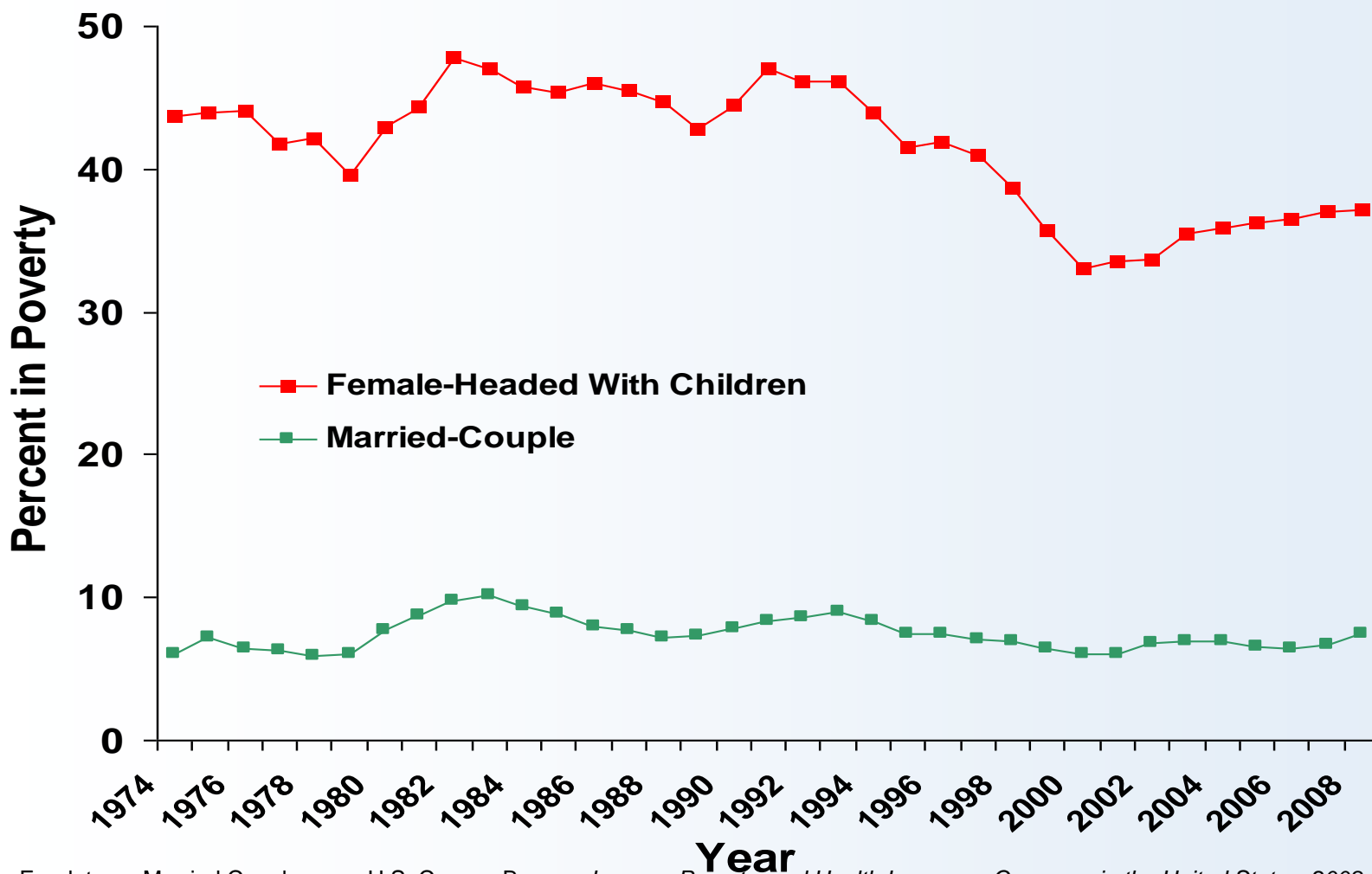


Differences: Ethnicity



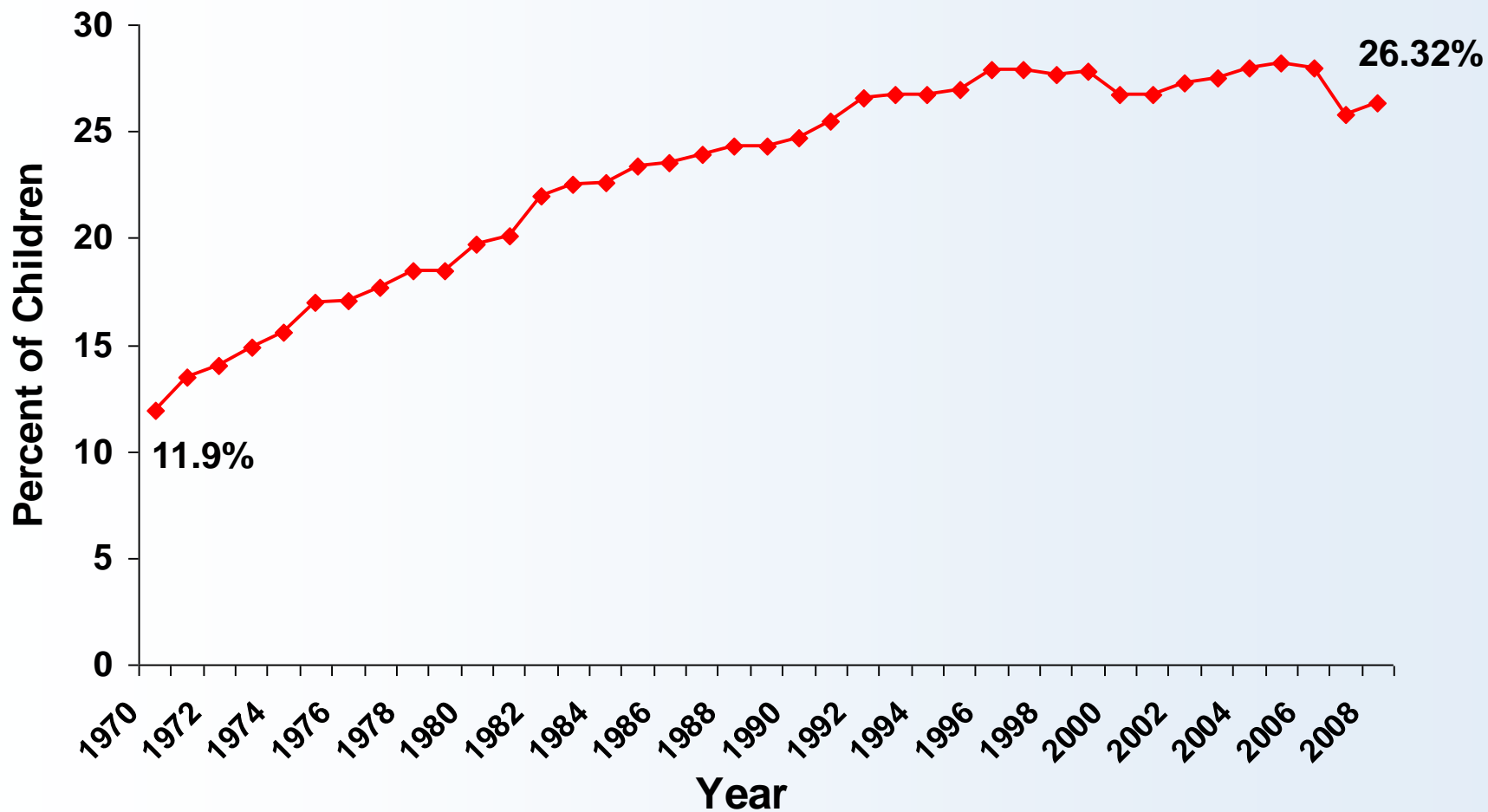
Source: (Education) Authors' tabulations from the March Current Population Survey; (Ethnicity) National Center for Health Statistics, Table 1-17 Number and Percent of Births to Unmarried Women, by Race and Hispanic Origin: United States, 1940-2000; National Vital Statistics Reports, Vol. 56, No. 7, December 5, 2005 accessed at http://www.cdc.gov/nchs/data/nvsr/nvsr56/nvsr56_07.pdf
 Note: 2004 Unavailable

Poverty in Female-Headed and Married-Couple Households with Children, 1974 - 2008



Source: For data on Married Couples, see U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2008*, Table B-3; for data on Female-Headed Households with Children, see: <http://www.census.gov/hhes/www/poverty/histpov/famindex.html>, Table 4.

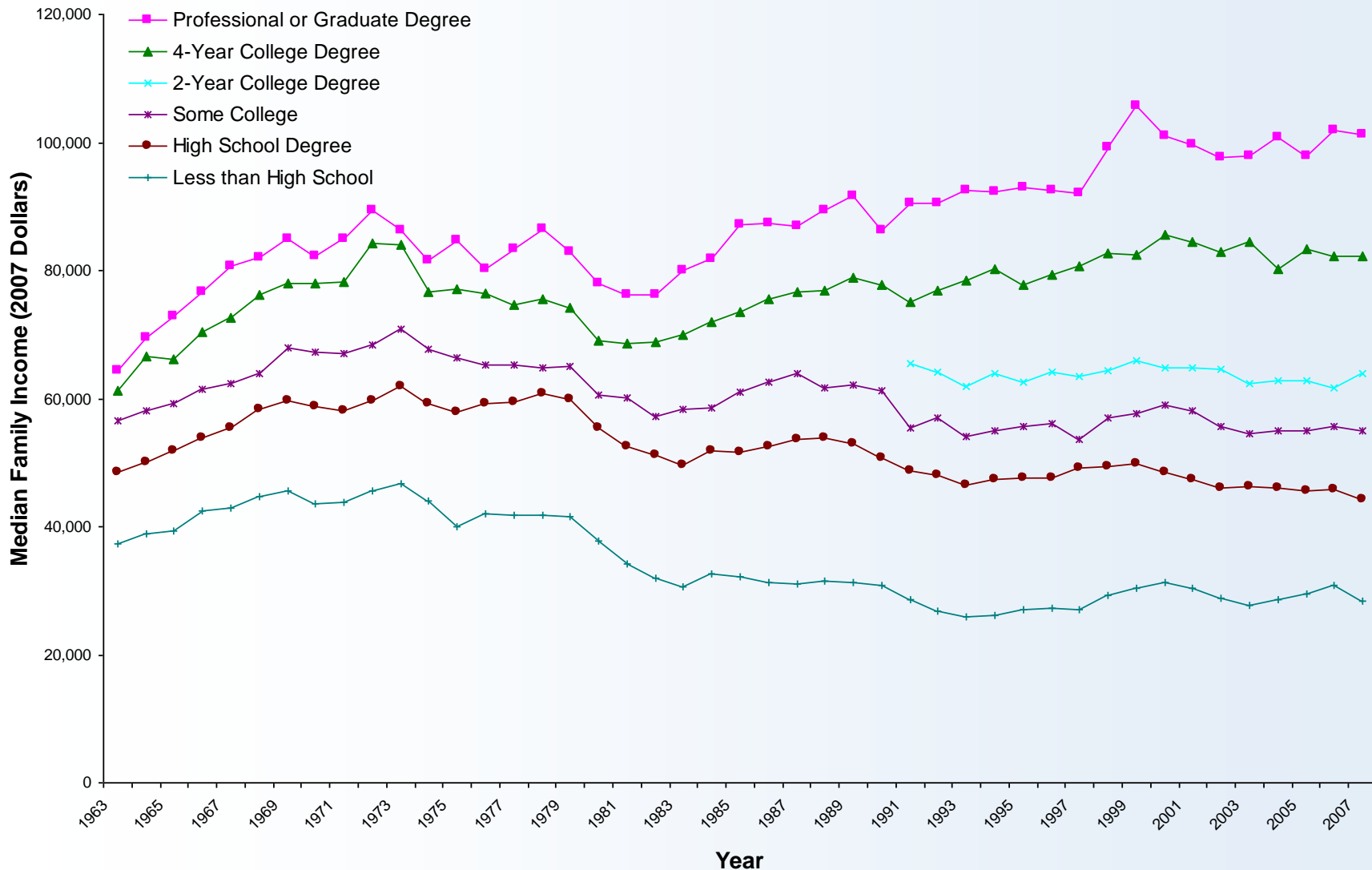
Percent of Children Living in Single-Parent Families, 1970 - 2008



*2007 and 2008 are estimates produced using PELNMOM and PELNDAD, the new parent variables introduced in 2007.
 Source: U.S. Census Bureau, Current Population Survey, March and Annual Social and Economic Supplements, 2007 and earlier data available at <http://www.census.gov/population/socdemo/hh-fam/ch1.xls>.

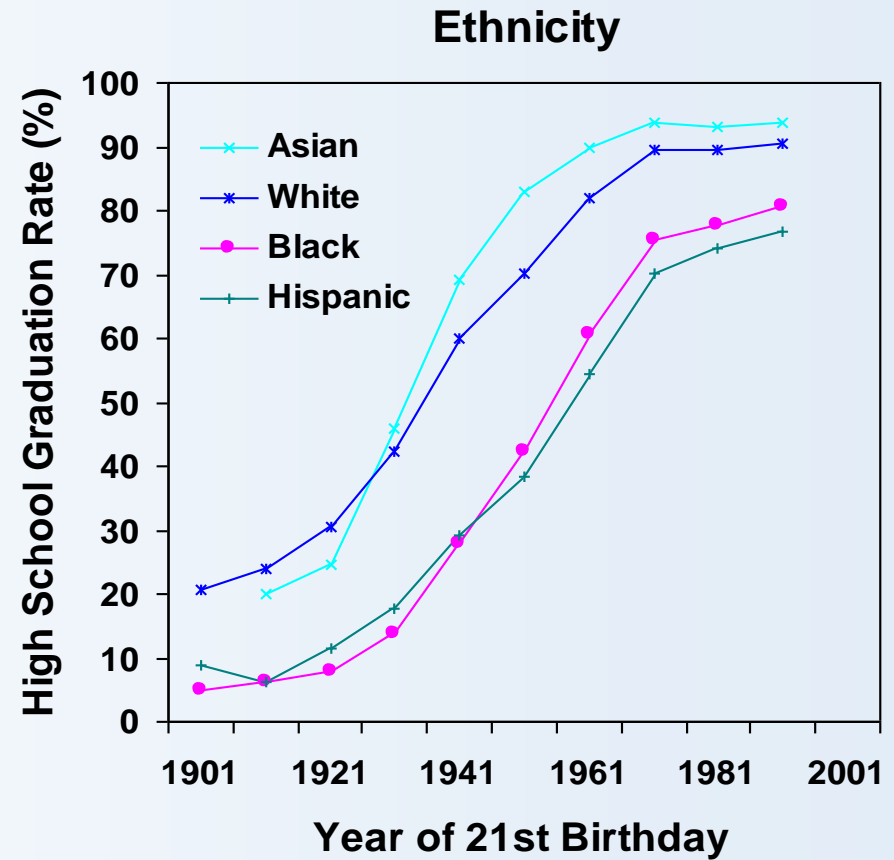
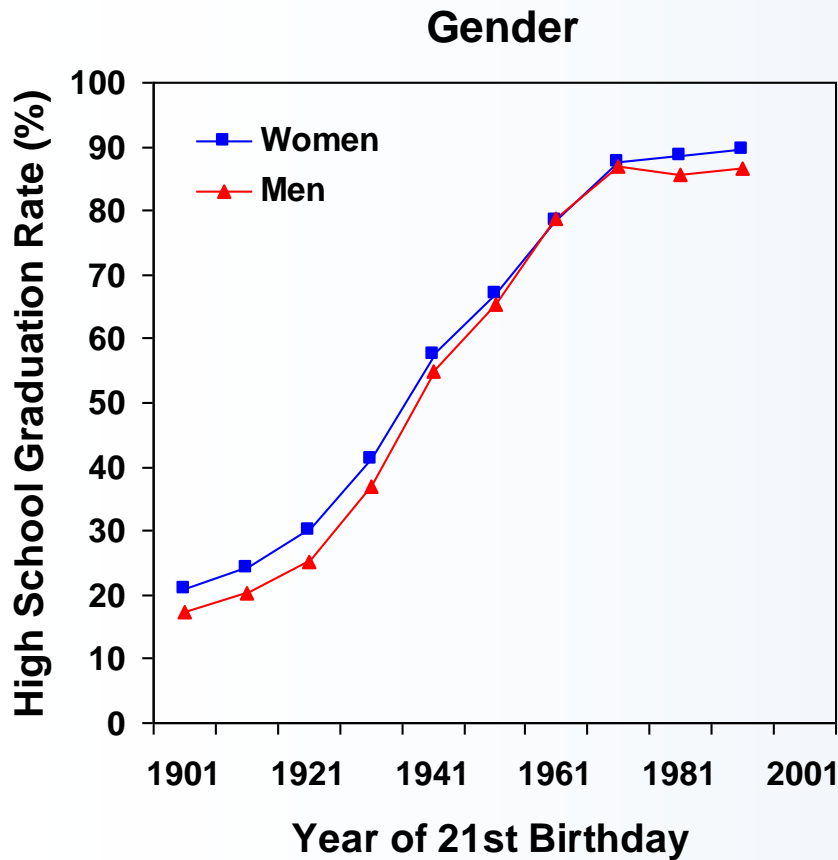
Education

Median Family Income of Adults Ages 30-39 with Various Levels of Educational Achievement, 1965 - 2007



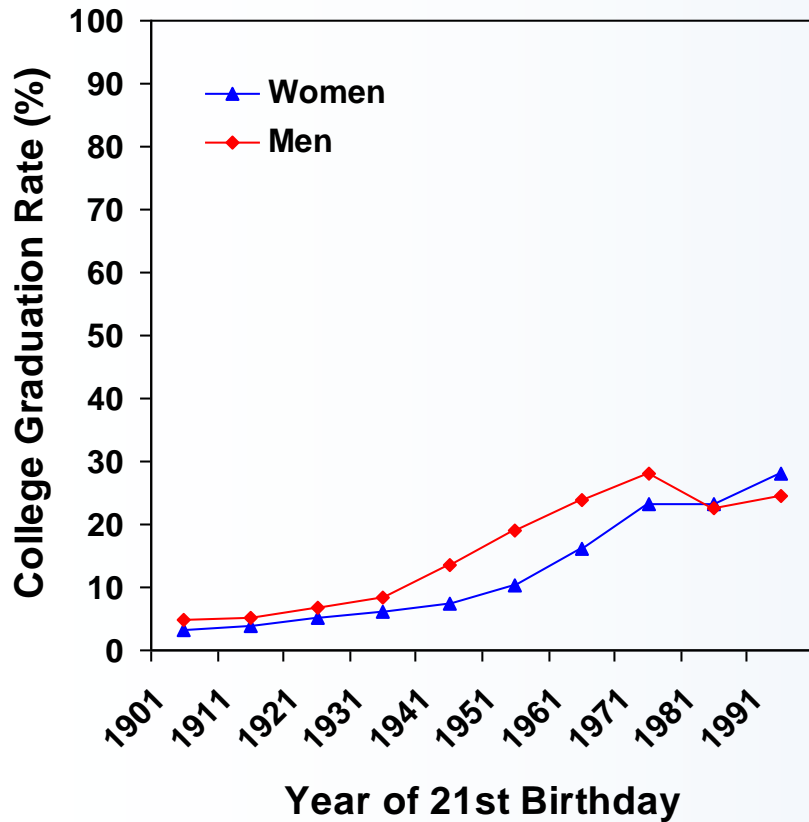
Note: All men and women ages 30-39, including those with no personal income, are included in these estimates.
 Source: Brookings tabulations of data from the Annual Social and Economic Supplement to the CPS, 1965-2006.

High School Graduation Rate by Gender and Ethnic Group, 1900 - 2000

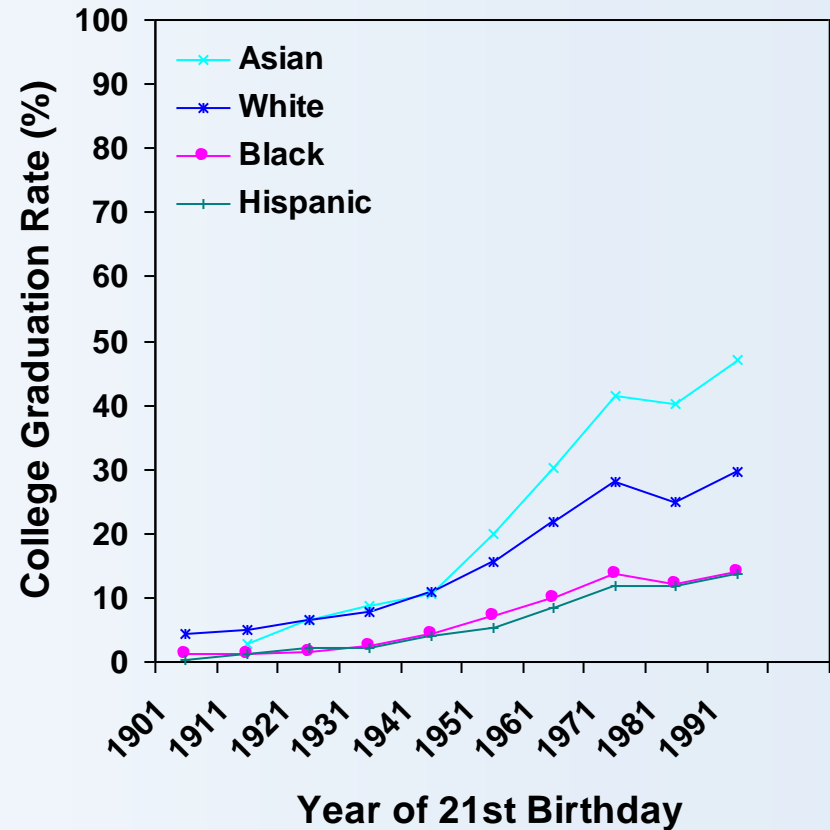


College Graduation Rate by Gender and Ethnicity, 1900-2000

Gender

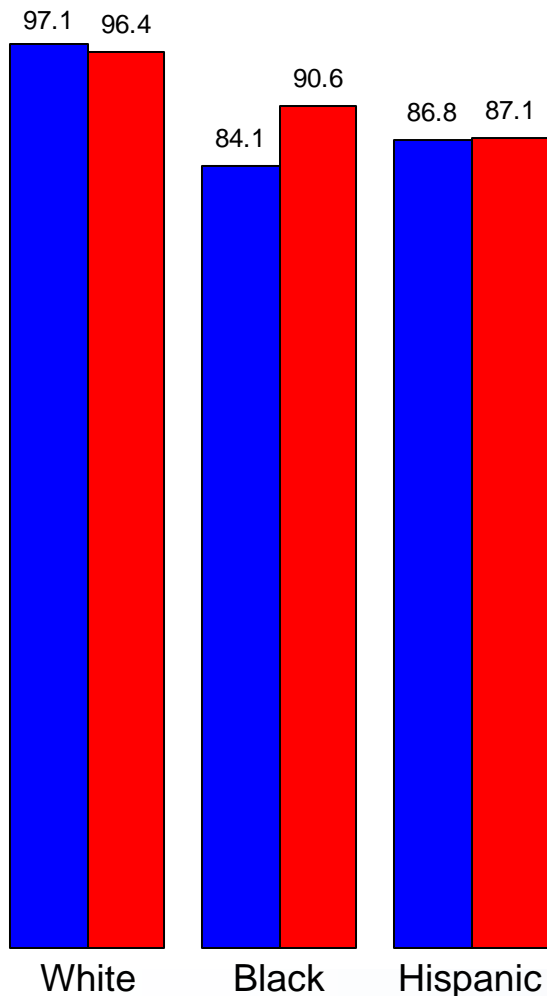


Ethnicity

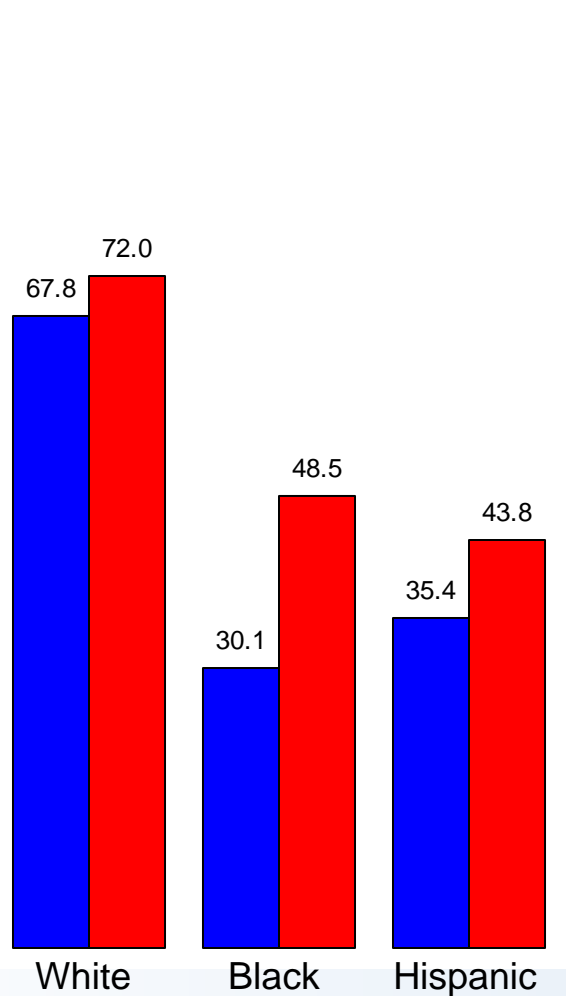


NAEP Scores 1980 vs. 2008, by Race/Ethnicity

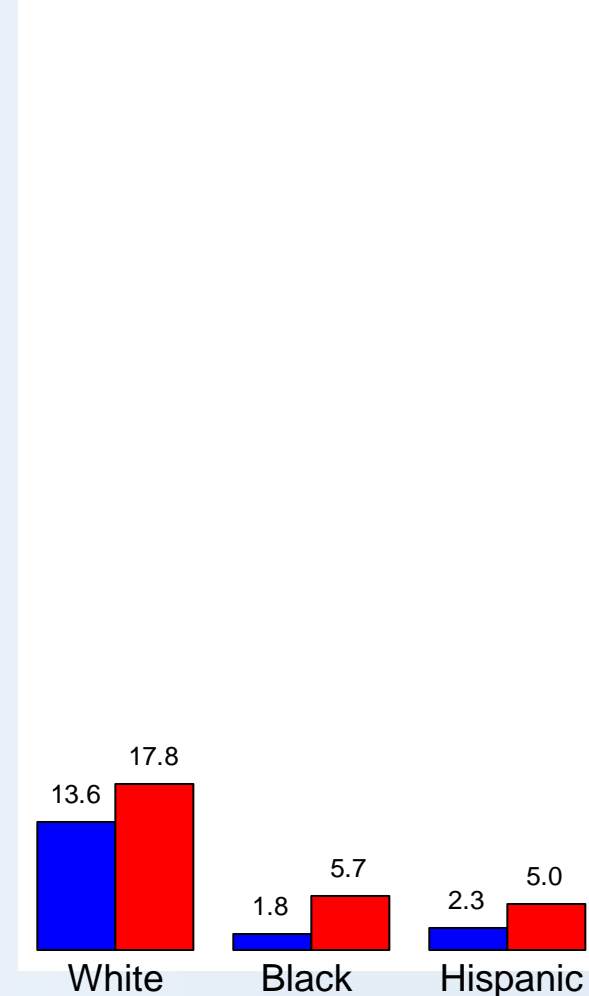
At or above level 200



At or above level 250

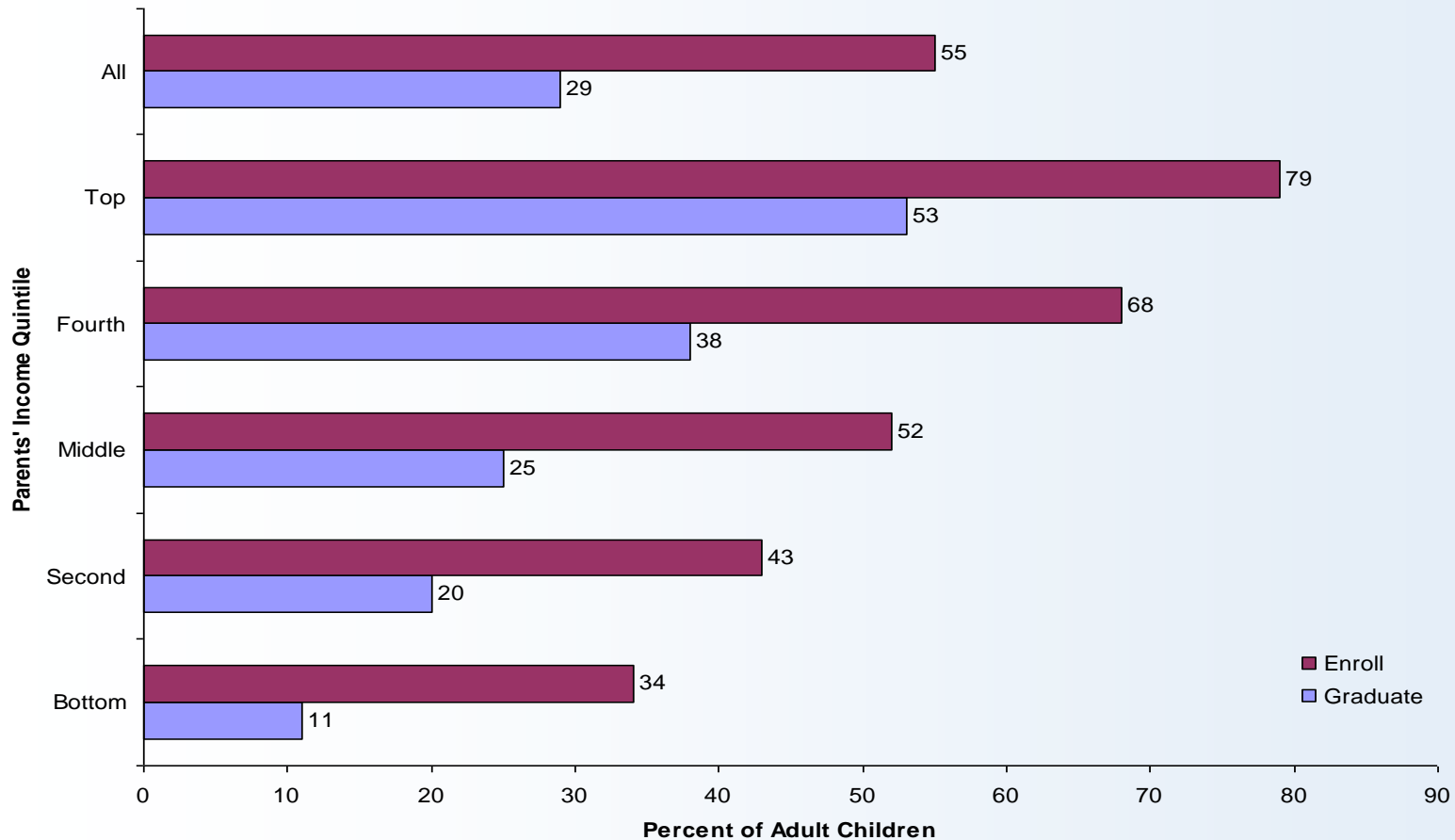


At or above level 300



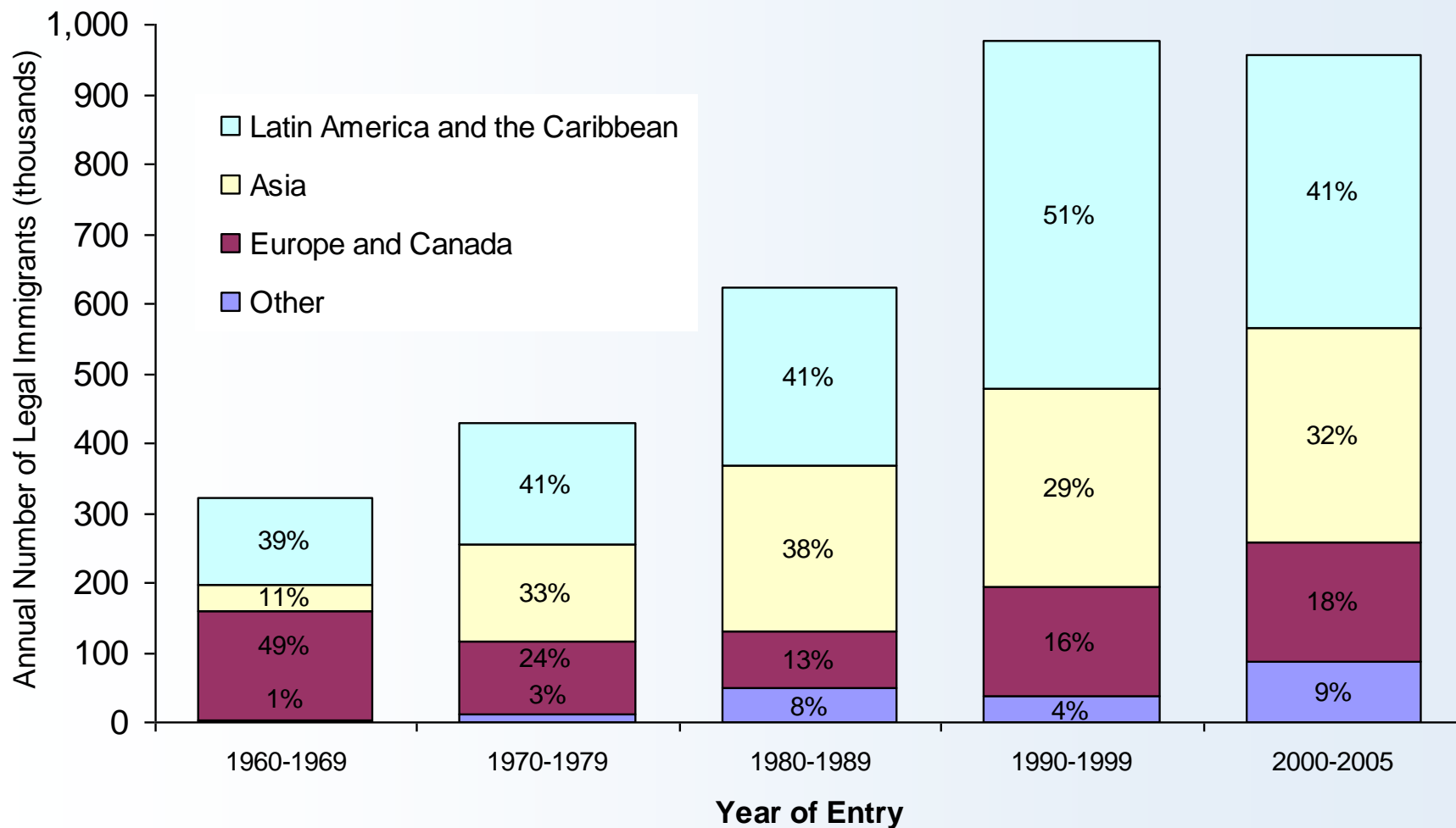
Source: National Center for Education Statistics, NAEP Data Explorer, Long-Term Trend (<http://nces.ed.gov/nationsreportcard/ltrdata/>).

Poor Kids Less Likely to Enroll in College; Even Less Likely to Graduate



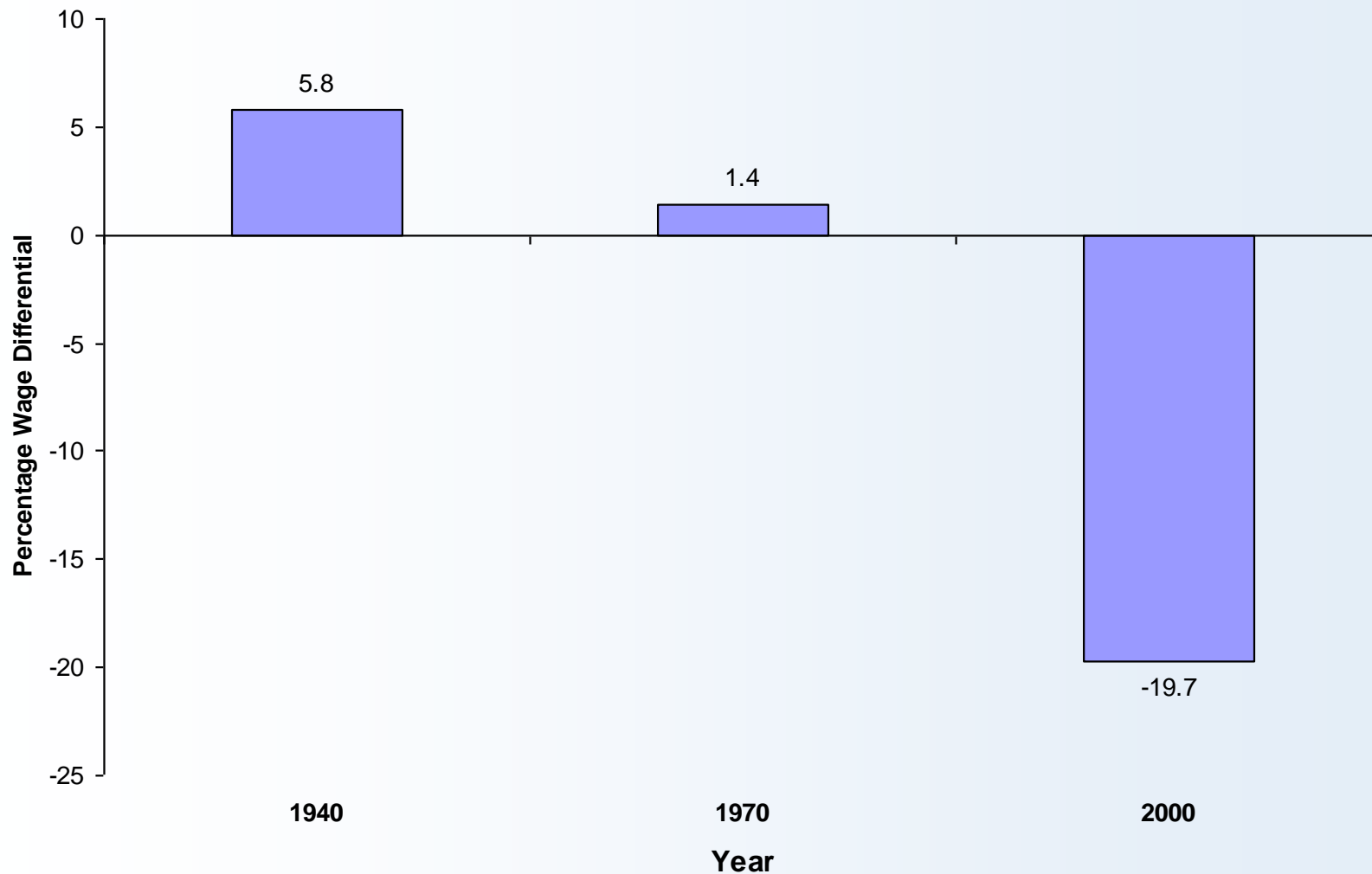
Source: Brookings tabulations using data from the Panel Study of Income Dynamics.

Annual Number of Legal U.S. Immigrants by Decade and Region of Origin, 1960-2005

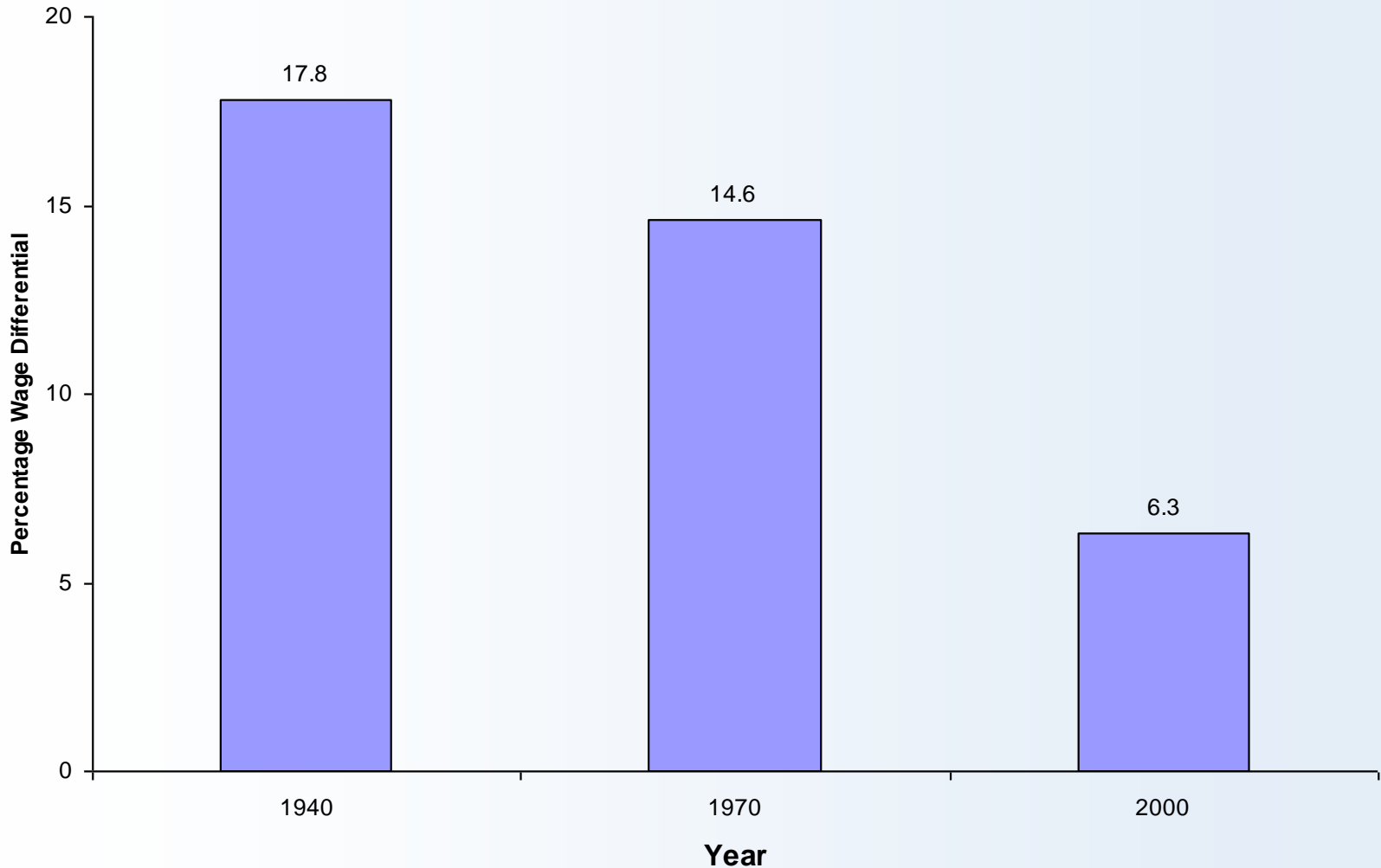


Source: Martin and Midgley, 2006, p. 3.

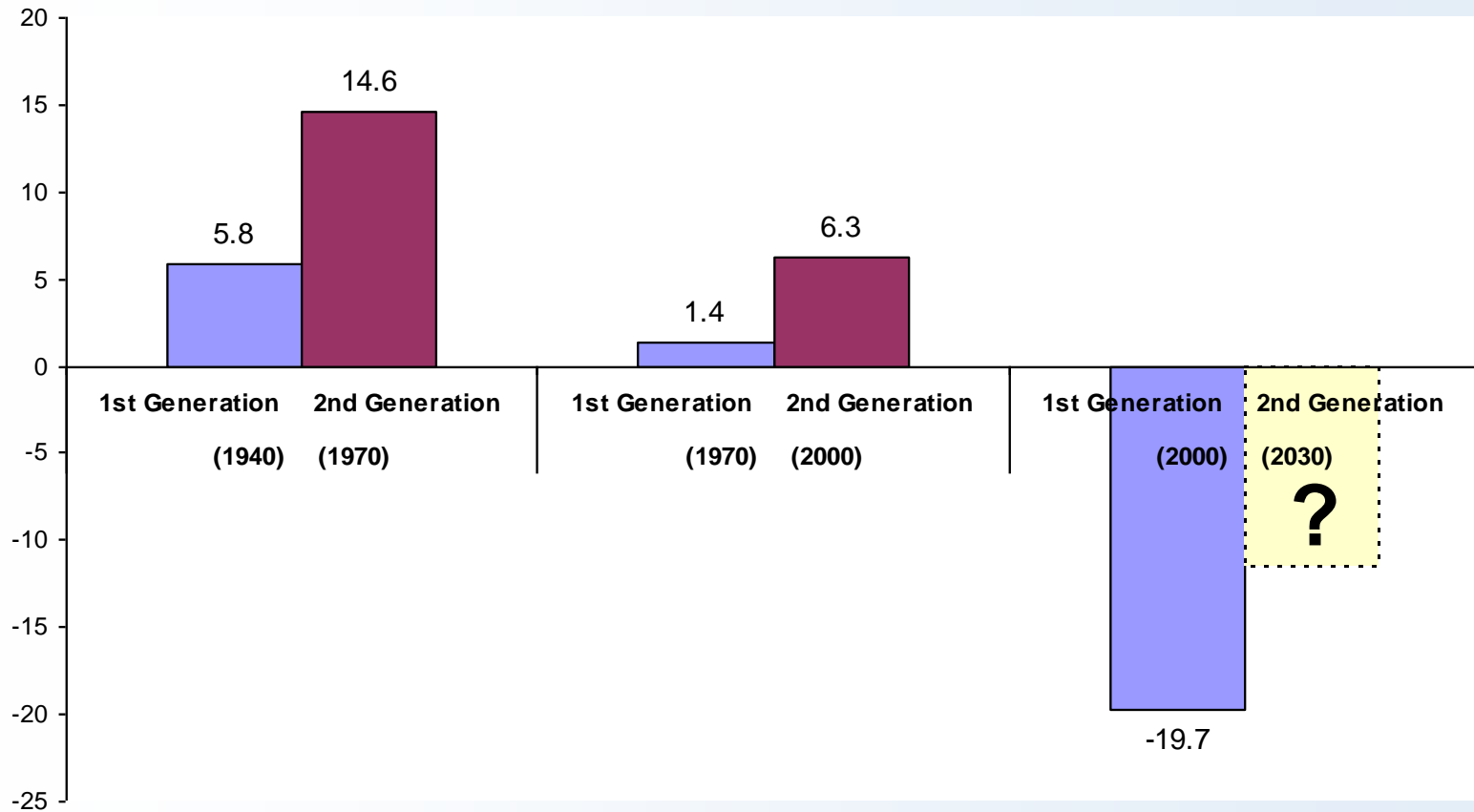
First Generation Age-Adjusted Wages Relative to Wages of Non-Immigrants, 1940, 1970, 2000



Second Generation Age-Adjusted Wages Relative to Wages of Non-Immigrants, 1940, 1970, 2000



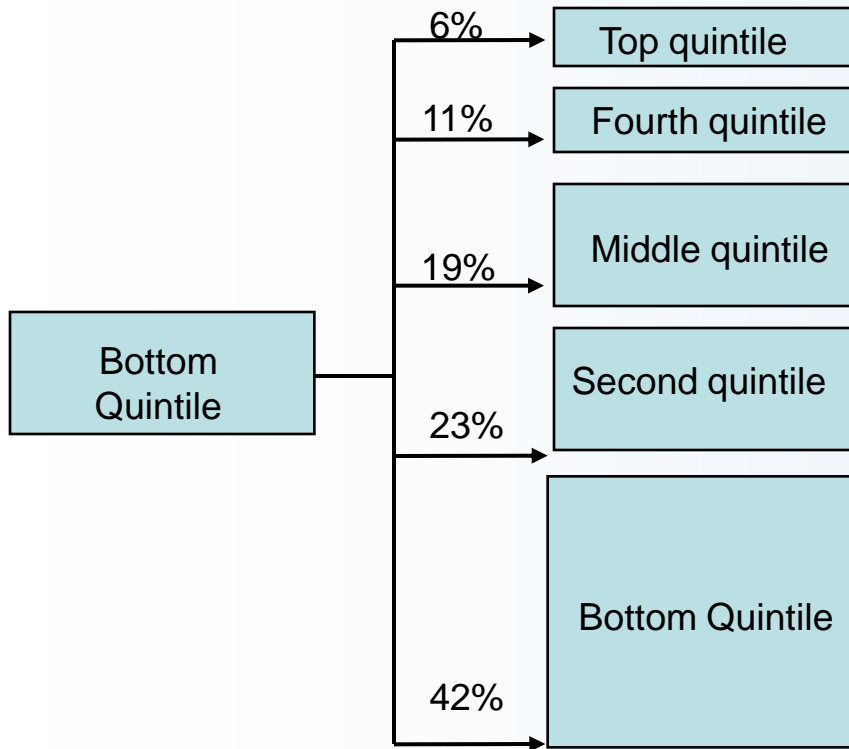
First and Second Generation Age-Adjusted Wages Relative to Wages of Non-Immigrants



Generation and Year

Opportunity and Mobility

Family Background Matters



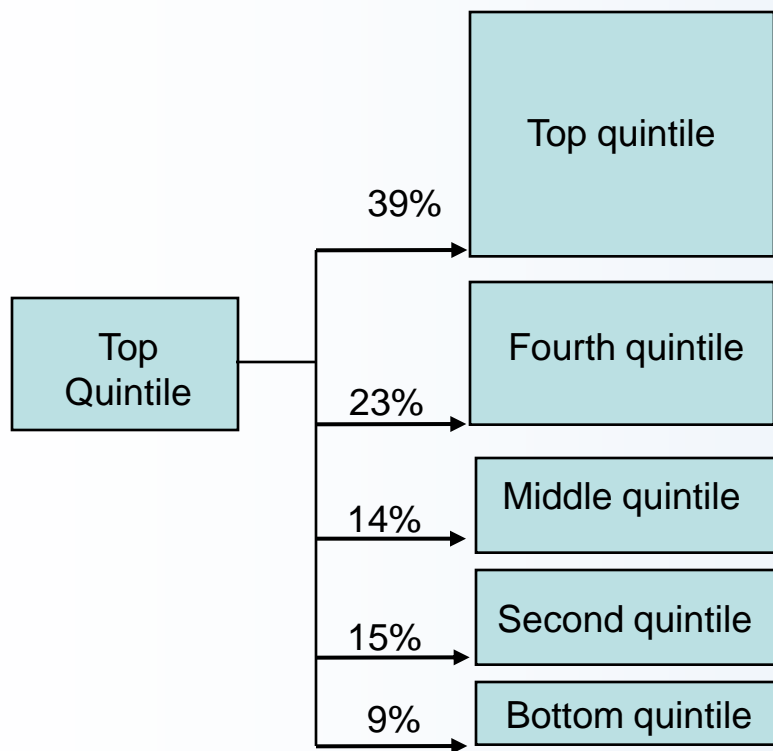
Only 6 percent of those born into a family in the bottom quintile climb to the top quintile as adults.

On the other hand, 42 percent of those born into a family in the bottom quintile remain in this quintile as adults.

Source: Julia B. Isaacs, Isabel V. Sawhill, and Ron Haskins. Getting Ahead or Losing Ground: Economic Mobility in America (The Brookings Institution and The Pew Economic Mobility Project, 2008), figure 4 p 19.

Note: Family incomes are five-year averages from the Panel Study of Income Dynamics for 1967-1971, when parents were 41-years-old on average, and again in 1995-2002 when their adult children were 39-years-old on average.

Family Background Matters



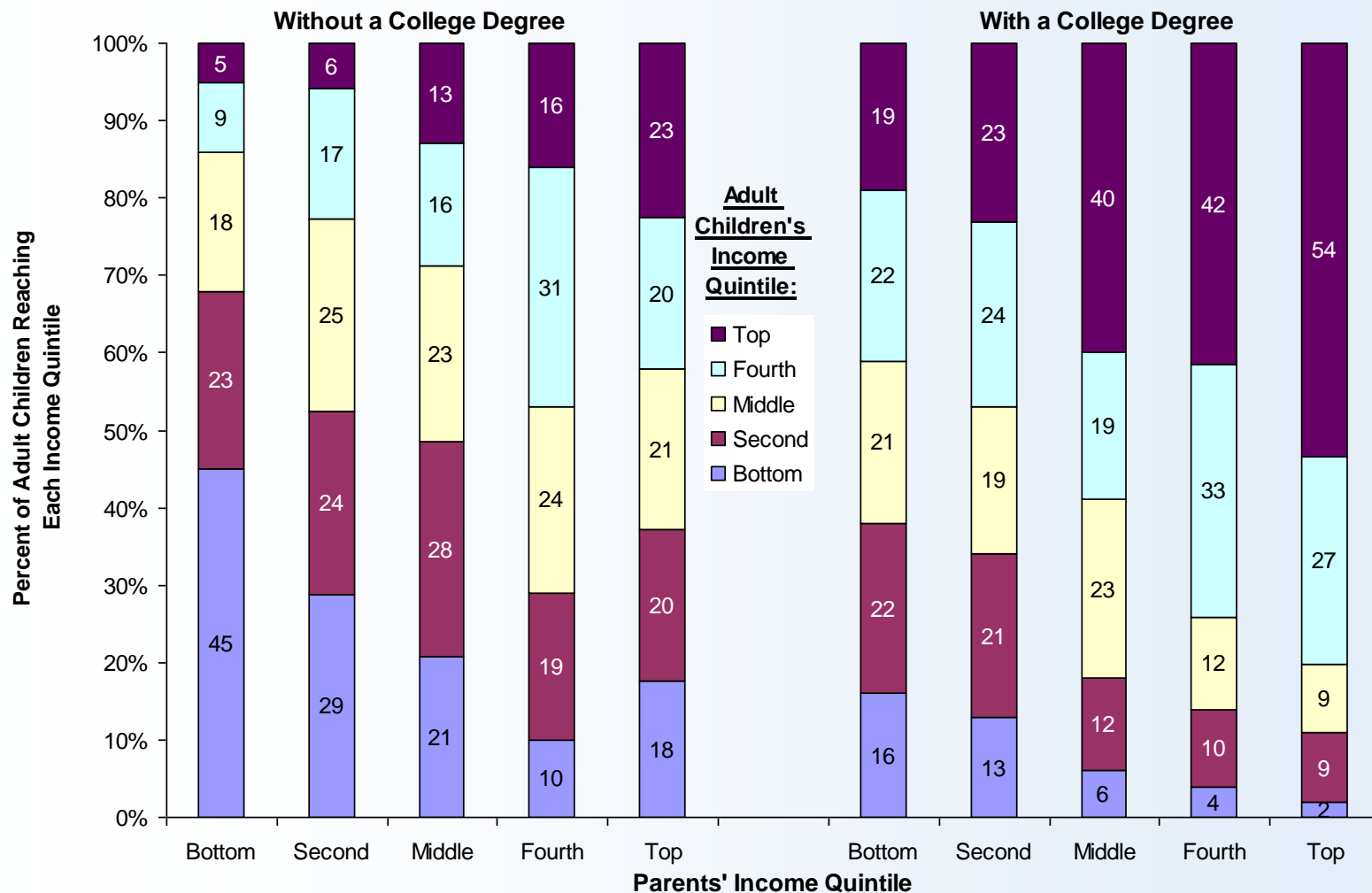
Of those born into a family in the top quintile, 39 percent remain in the top quintile as adults.

Only 9 percent of those born into a family in the top quintile fall to the bottom quintile as adults.

Source: Julia B. Isaacs, Isabel V. Sawhill, and Ron Haskins. Getting Ahead or Losing Ground: Economic Mobility in America (The Brookings Institution and The Pew Economic Mobility Project, 2008), figure 4 p 19.

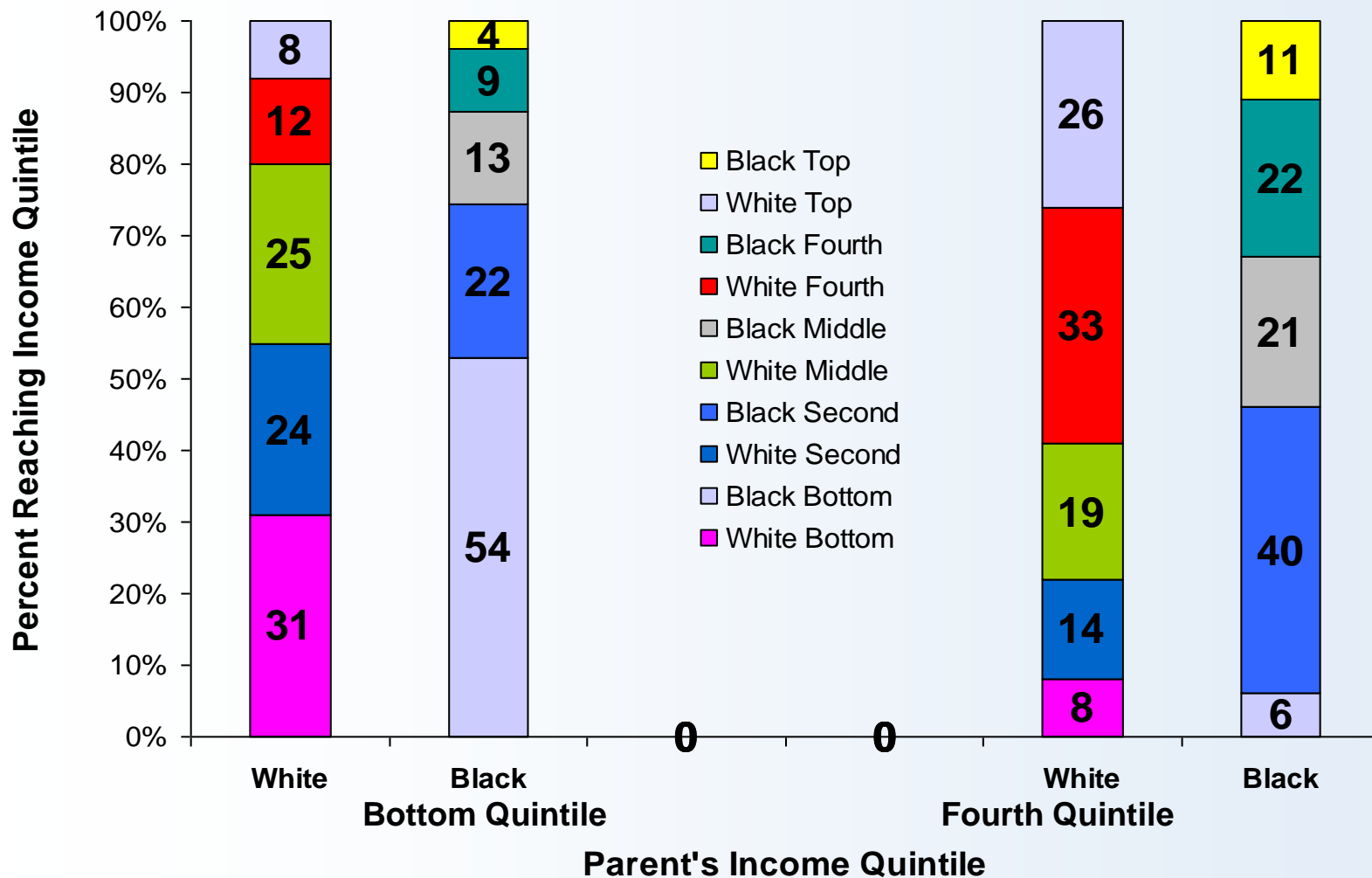
a. Family incomes are five-year averages from the Panel Study of Income Dynamics for 1967-1971, when parents were 41-years-old on average, and again in 1995-2002 when their adult children were 39-years-old on average.

Chances of Getting Ahead for Adult Children with and without a College Degree from Families of Varying Income



Source: Brookings tabulations using data from the Panel Study of Income Dynamics; See Ron Haskins, "Education and Economic Mobility" in *Getting Ahead or Losing Ground: Economic Mobility in America*, edited by Julia Isaacs, Isabel Sawhill, and Ron Haskins (Washington, D.C.: Brookings-Pew Economic Mobility Project, 2008), p.91-104.

Chances of Black Children Getting Ahead



Source: See Julia Isaacs, "Economic Mobility of Black and White Families" in *Getting Ahead or Losing Ground: Economic Mobility in America*, edited by Julia Isaacs, Isabel Sawhill, and Ron Haskins (Washington, D.C.: Brookings-Pew Economic Mobility Project, 2008), Figure 6. *To few observations to estimate.

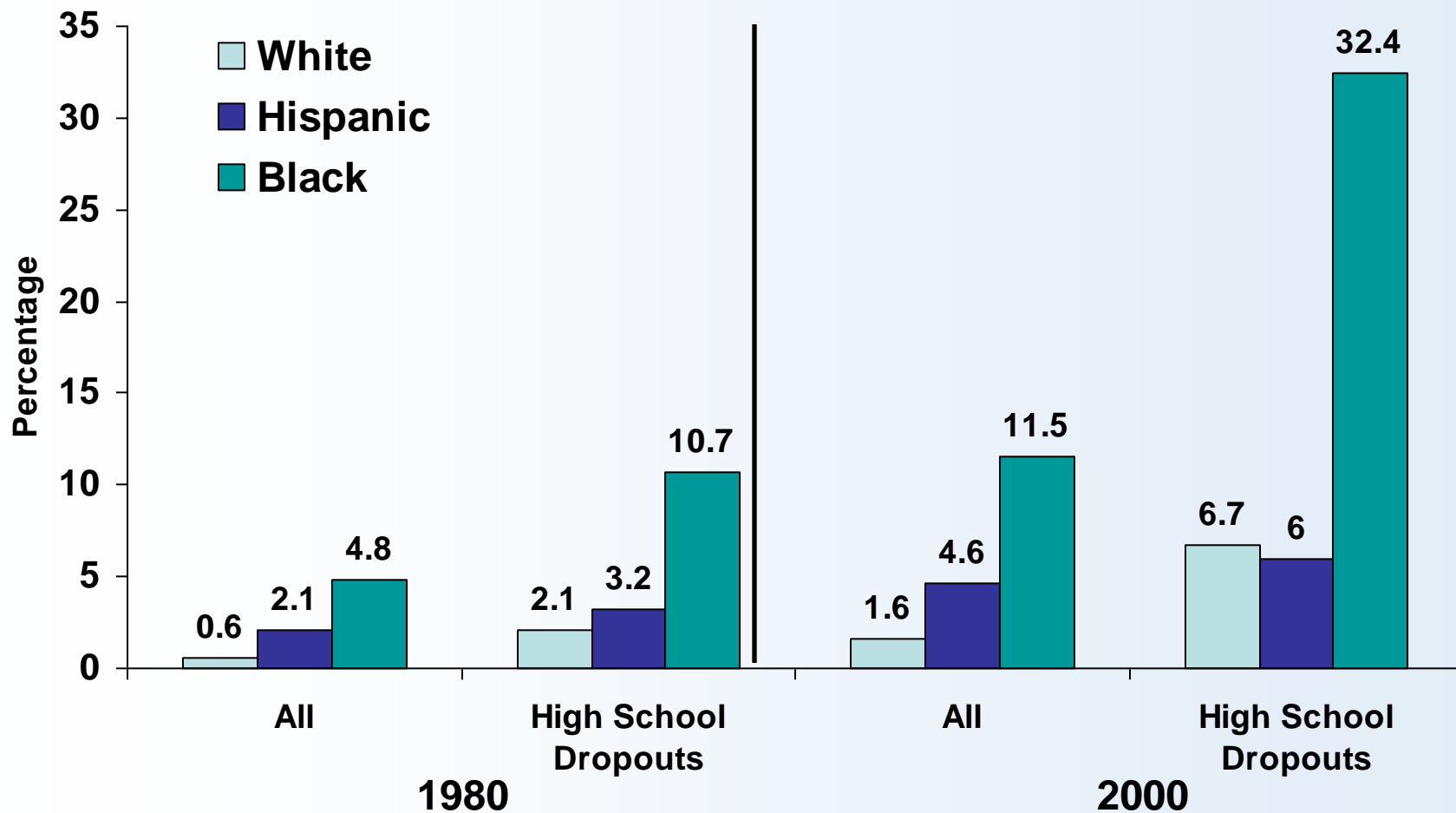
Substantial Individual Mobility over the Life Course

Quintile-to-Quintile Transitions

Years	Overall Mobility Rate	Mobility Rate out of Bottom Quintile
1967-1976	61%	44%
1977-1986	61%	47%
1984-1994	60%	47%
1994-2004	61%	45%

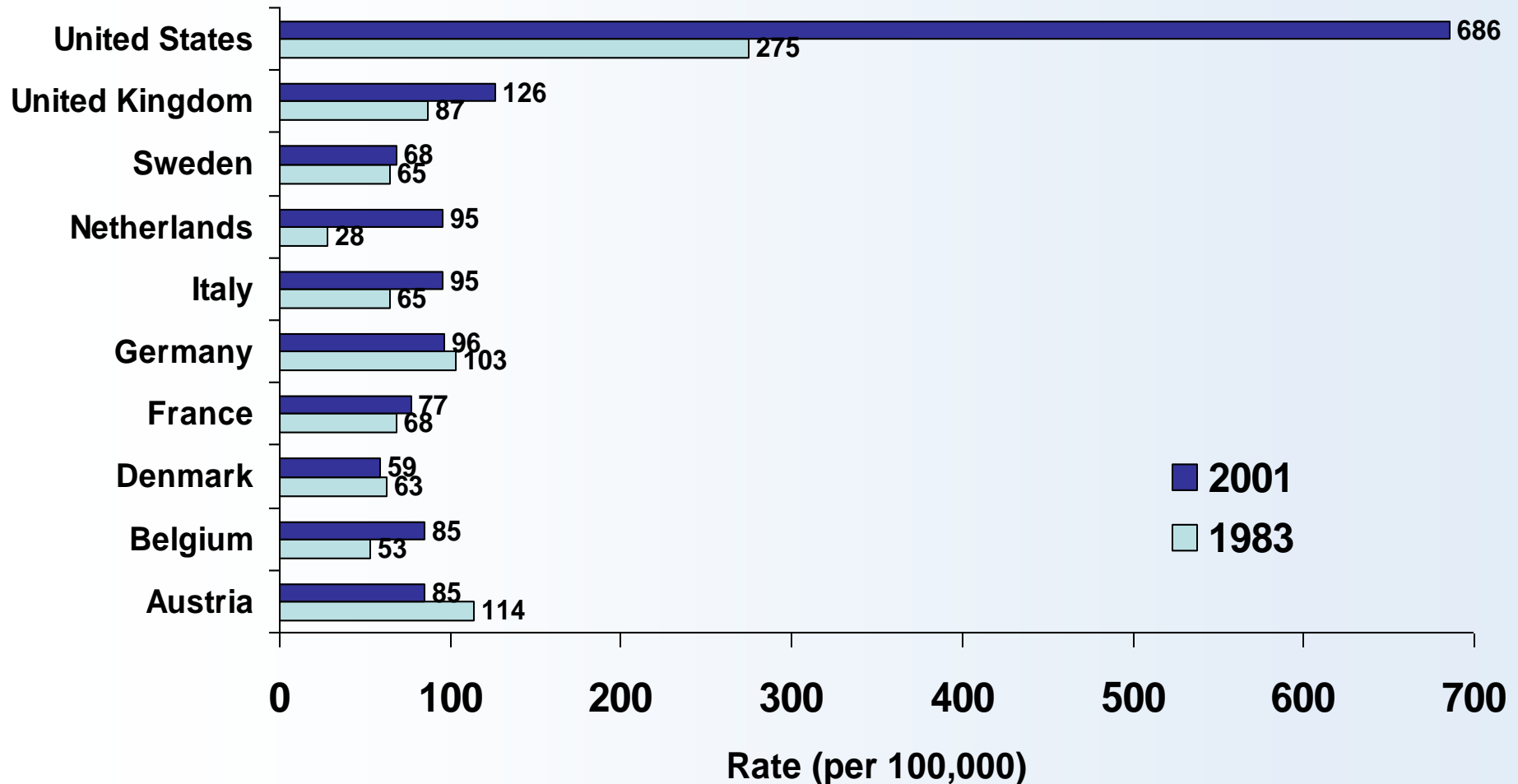
Sources: Isabel V. Sawhill and Mark Condon, "Is U.S. Income Inequality Really Growing? Sorting out the Fairness Question," Policy Bites 13 (Urban Institute, 1992); Gregory Acs and Seth Zimmerman, "Like Watching Grass Grow? Assessing Changes in U.S. Intragenerational Economic Mobility over the Past Two Decades," (The Urban Institute and the Pew Economic Mobility Project, 2008), Table 1, p. 22.

Percentage of White, Hispanic, and Black Males in Prison or Jail in 1980 and 2000, Ages 20-40



Source: Bruce Western, *Punishment and Inequality in America* (New York: Russell Sage Foundation, 2006), Figure 1.1.

Incarceration in the United States and Western Europe



Summary of Our Problems

- Wages and income are stagnant or falling at the bottom
- Work rates for men are falling, especially for blacks
- Marriage rates have been declining, especially among the poor
- Nonmarital birth rates have been increasing, especially among the poor
- Incarceration rates for blacks have exploded
- Average wages and probably skills of 1st and 2nd generation immigrants have been declining
- Educational achievement is stagnant

What To Do

Launch a Three-Front War

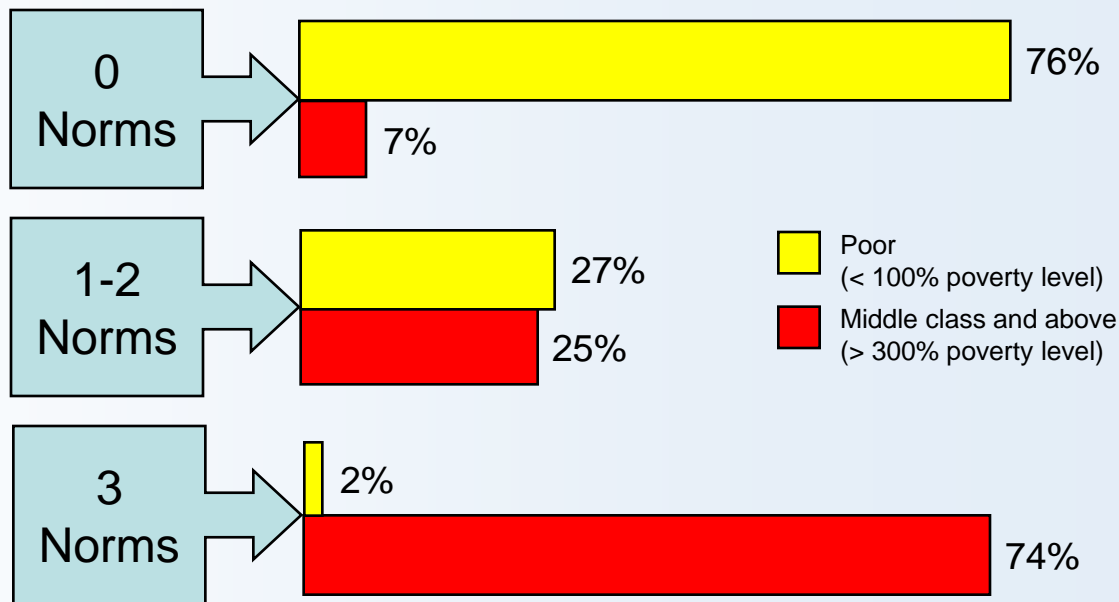
- Improve Education
- Expand Work
- Strengthen Families

Personal Responsibility and Economic Success

Income Class, by Adherence to Social Norms, 2007

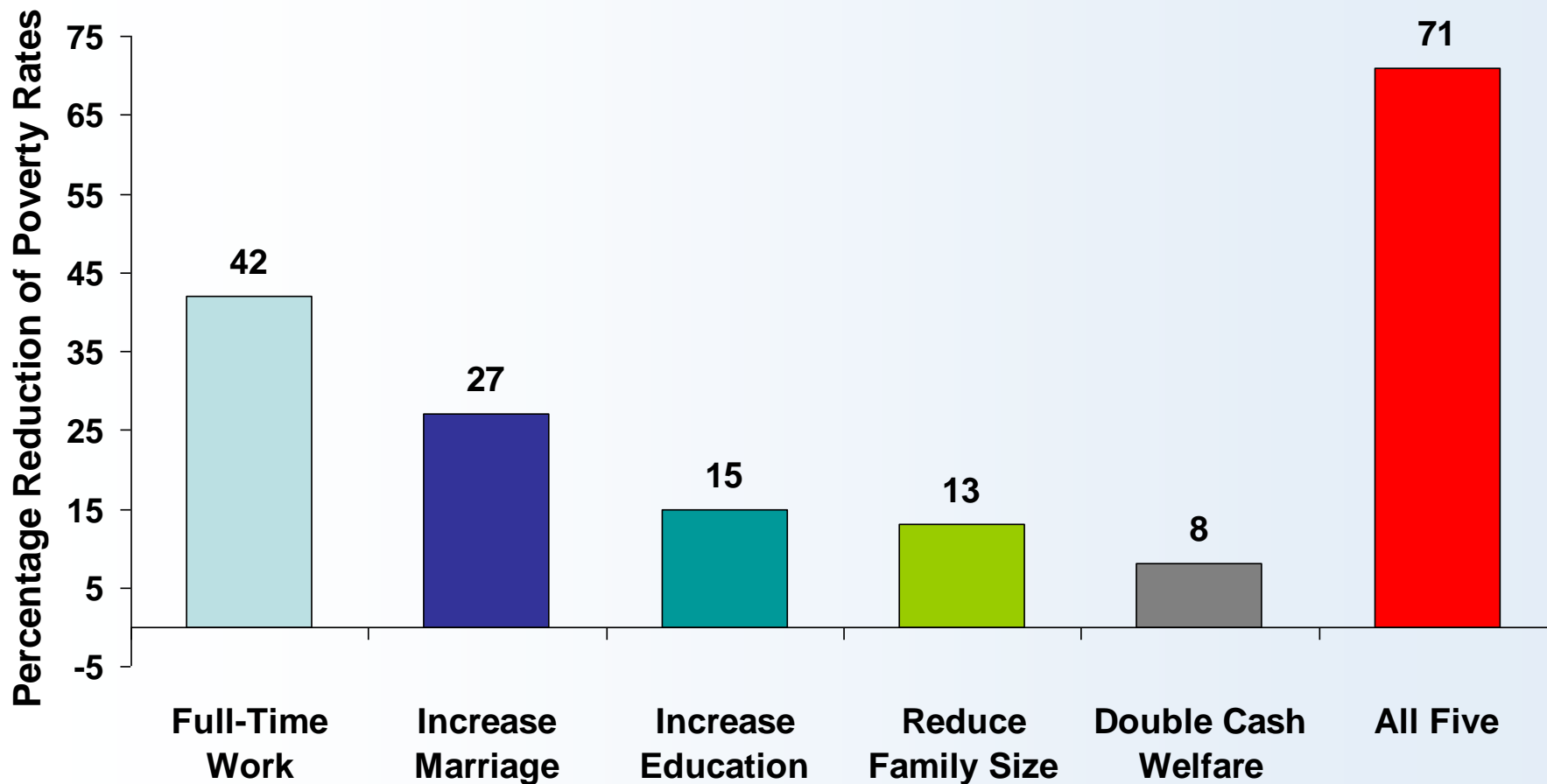
The Three Norms

- Complete high school
- Work full time
- Wait until age 21 and marry before children



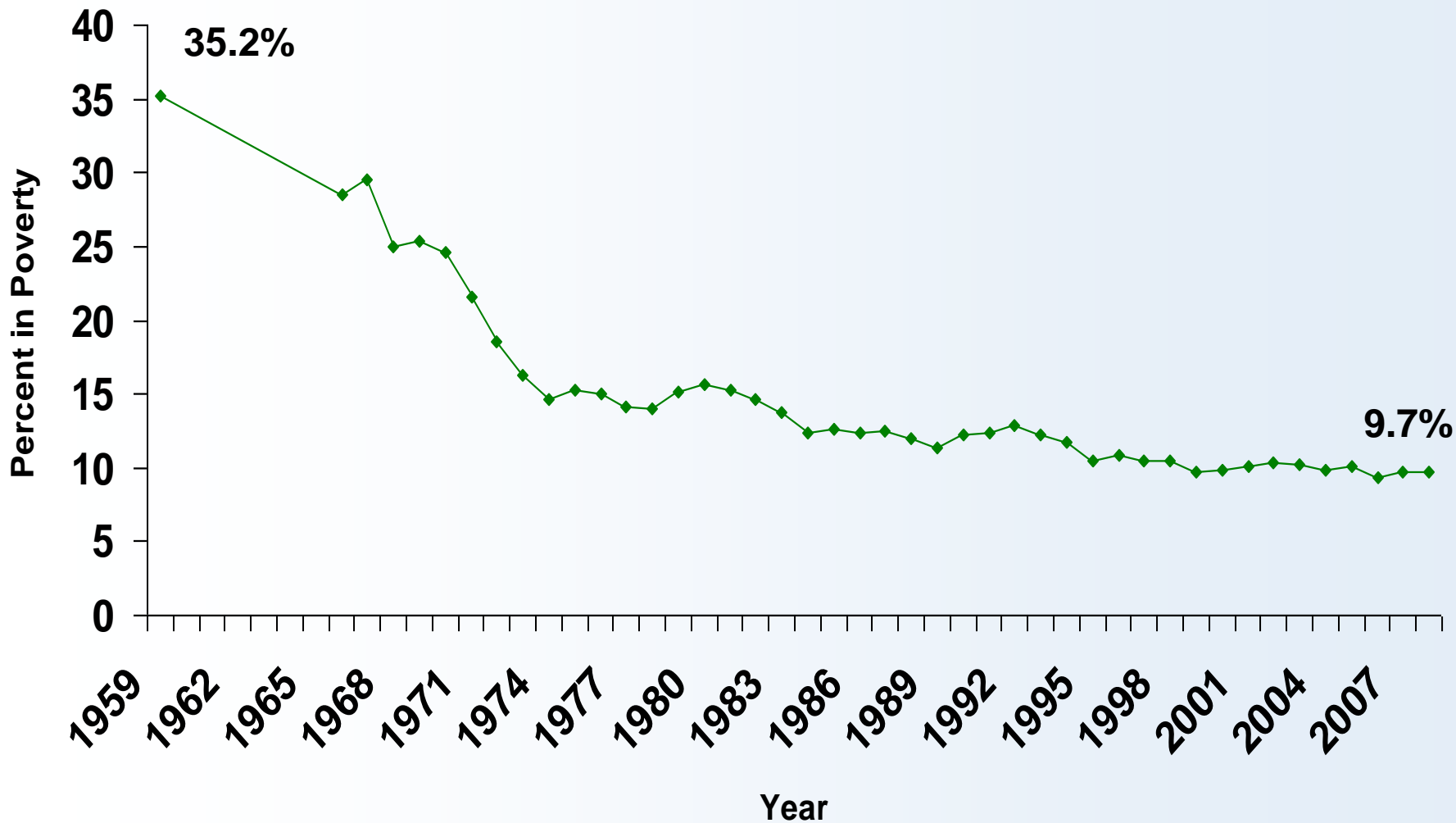
Source: Authors' calculations based on the U.S. Census Bureau, Annual Social and Economic Supplement to the Current Population Survey.

Effectiveness of Five Factors in Reducing Poverty Rates



Strategy I: Give 'Em Money

Poverty Among the Elderly, 1959 - 2008



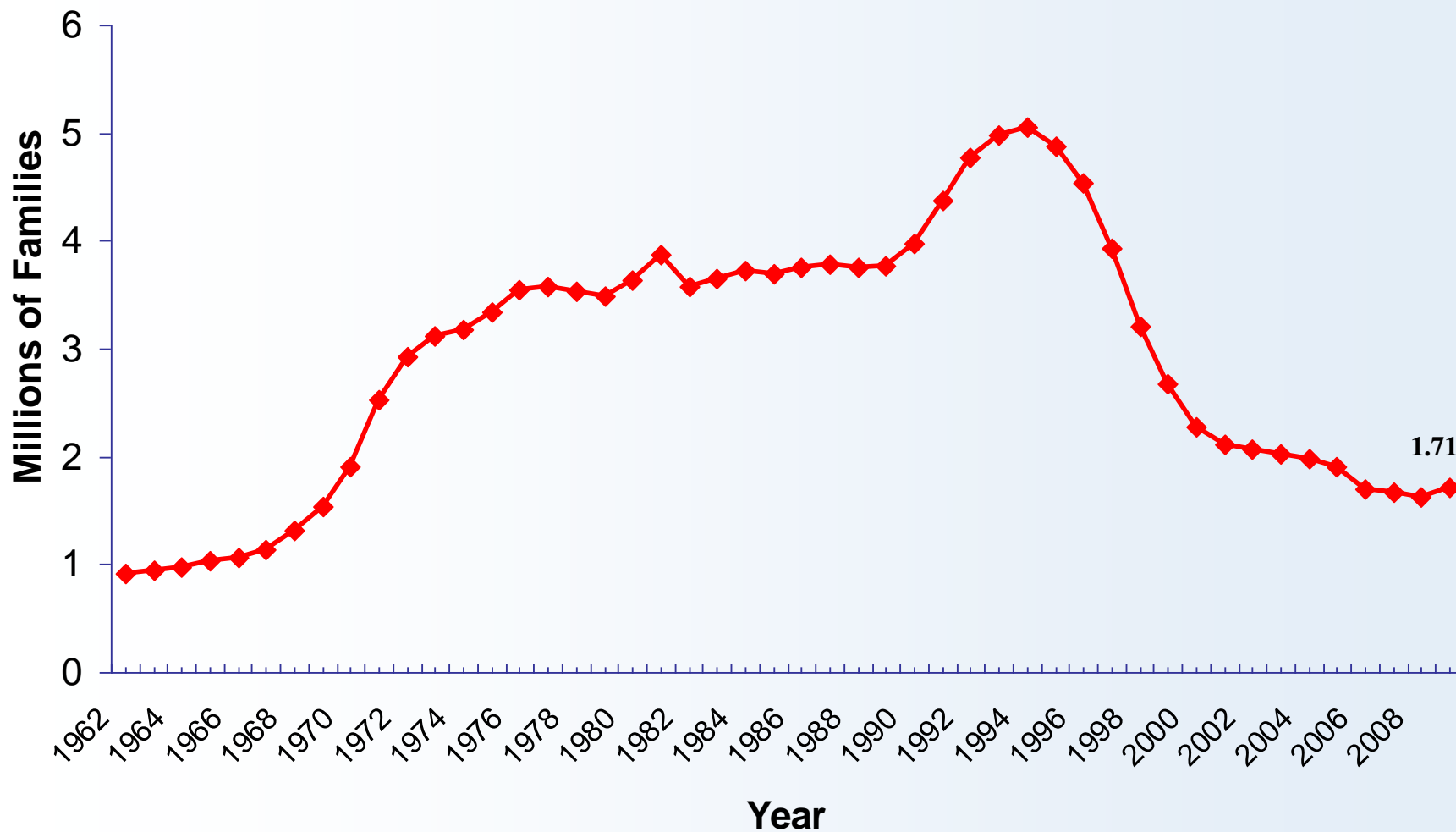
Source: U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2008*, Table B-2.

Strategy II: Promote Work

Five Components of Temporary Assistance for Needy Families

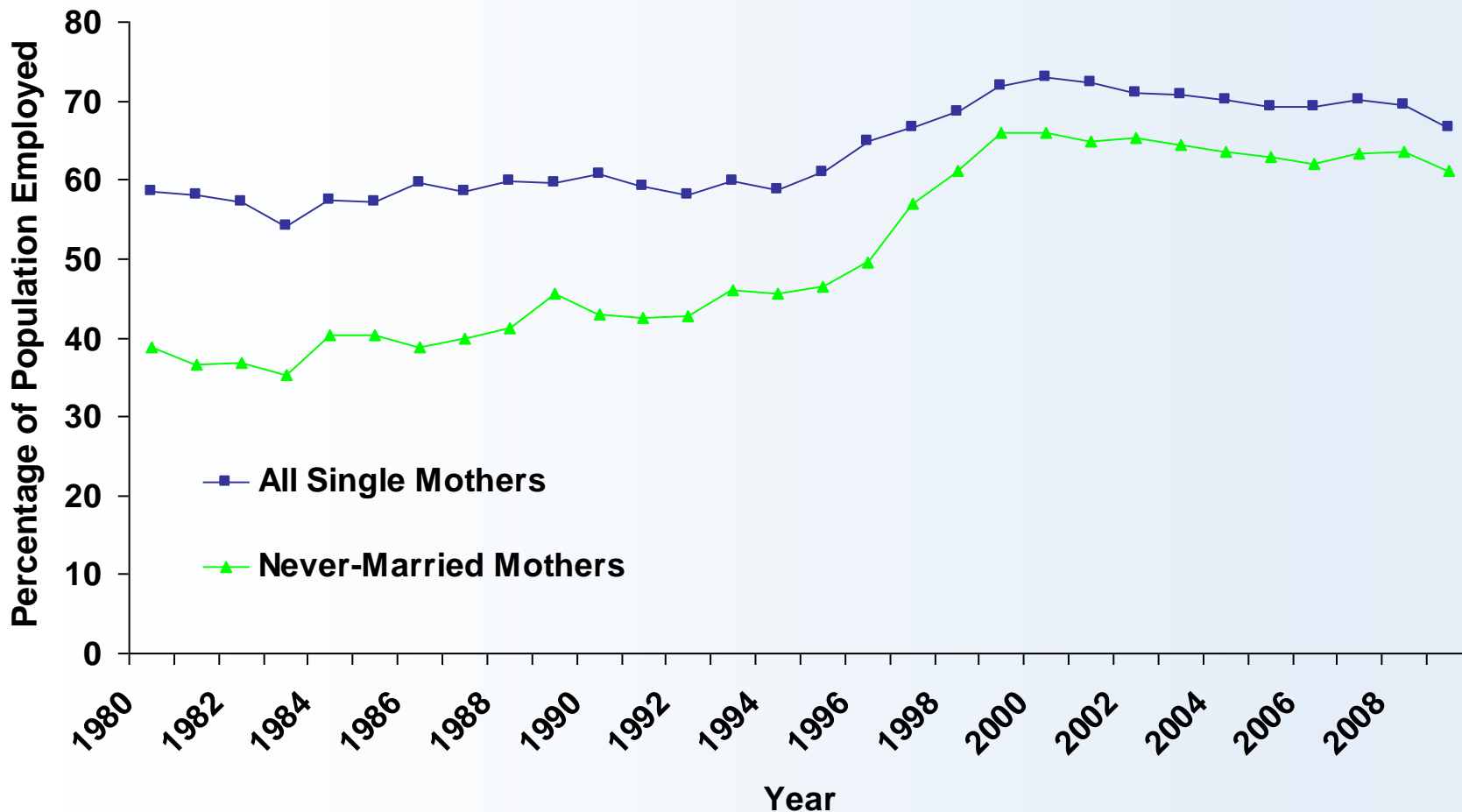
1. End Cash Entitlement
2. Block Grant Funding
3. Work Requirements
4. Sanctions
5. 5–Year Time Limit

AFDC/TANF Caseload, 1962 – 2009



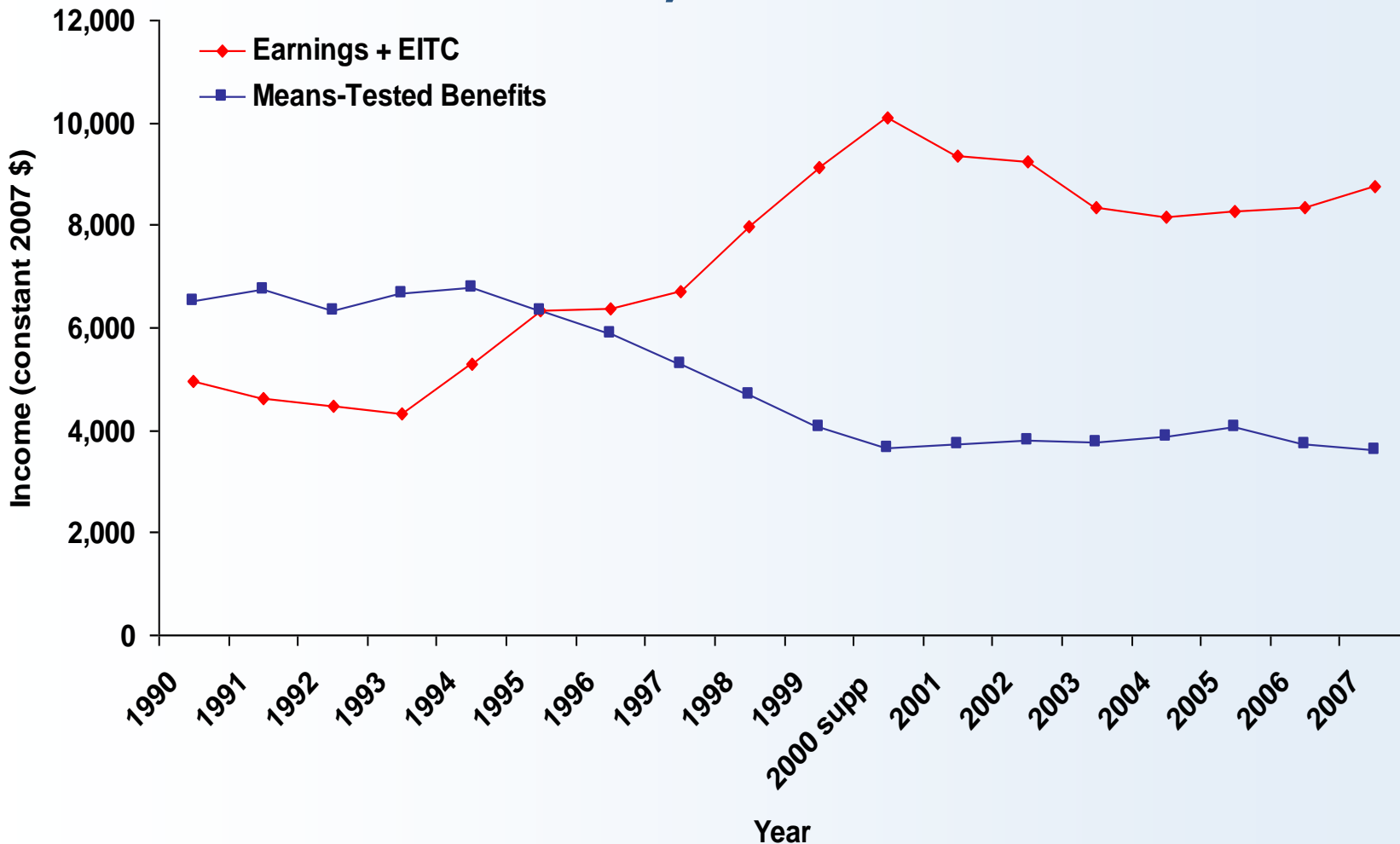
Sources: Congressional Research Service, U.S. Department of Health and Human Services, http://www.acf.hhs.gov/programs/ofa/data-reports/caseload/caseload_recent.html#2007 (2002-2008), <http://aspe.hhs.gov/HSP/indicators03/apa.htm#ttanf1> (1962-2001)

Employment-Population Ratio for All Single Mothers and Never-Married Mothers, 1980-2009

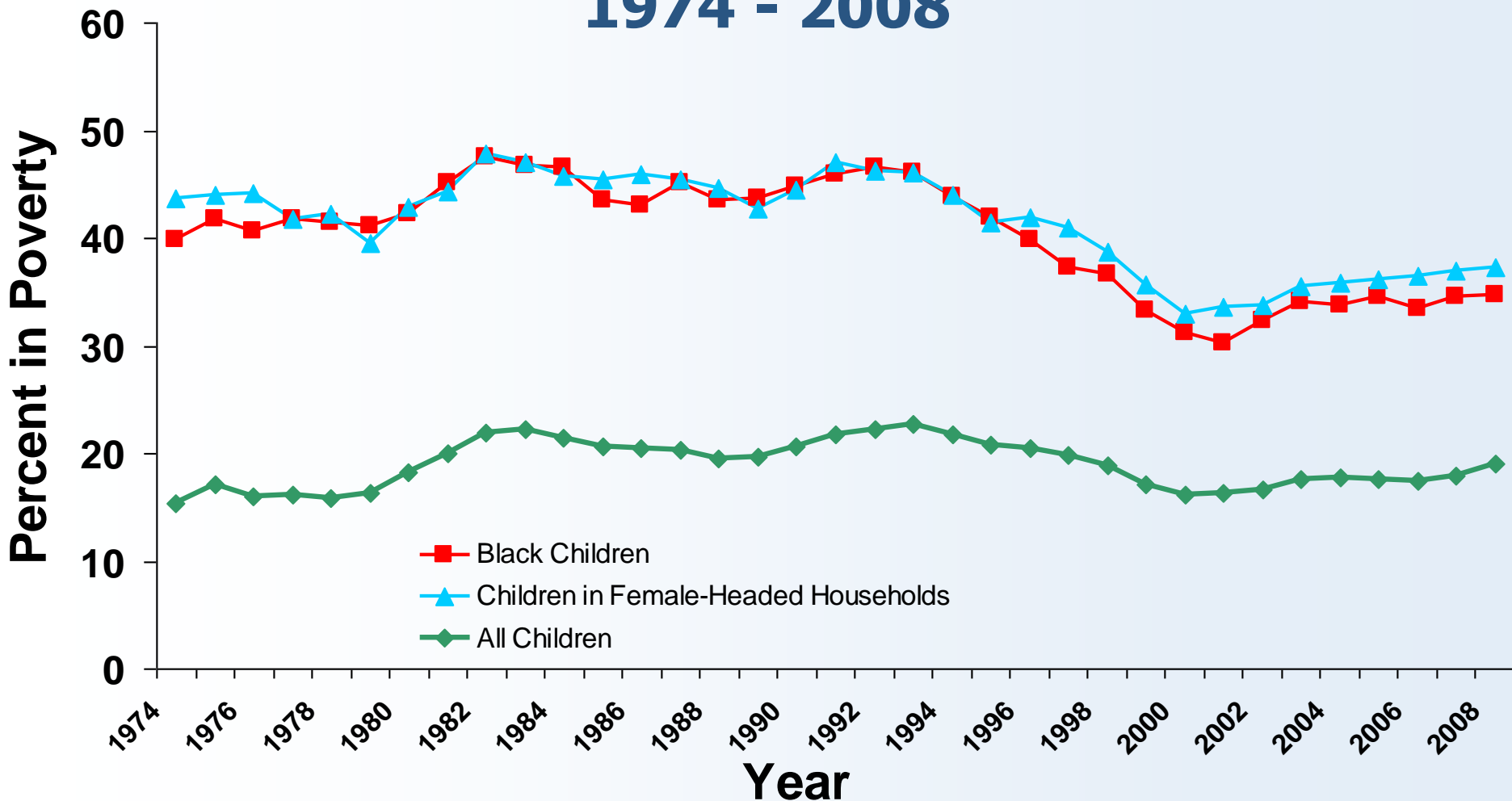


Source: Brookings tabulations of data from the Annual Social and Economic Supplement to the Current Population Survey, 1980-2009.

Earnings & Means-Tested Benefits for Bottom Two Quintiles of Female Family Heads with Children, 1990 - 2007



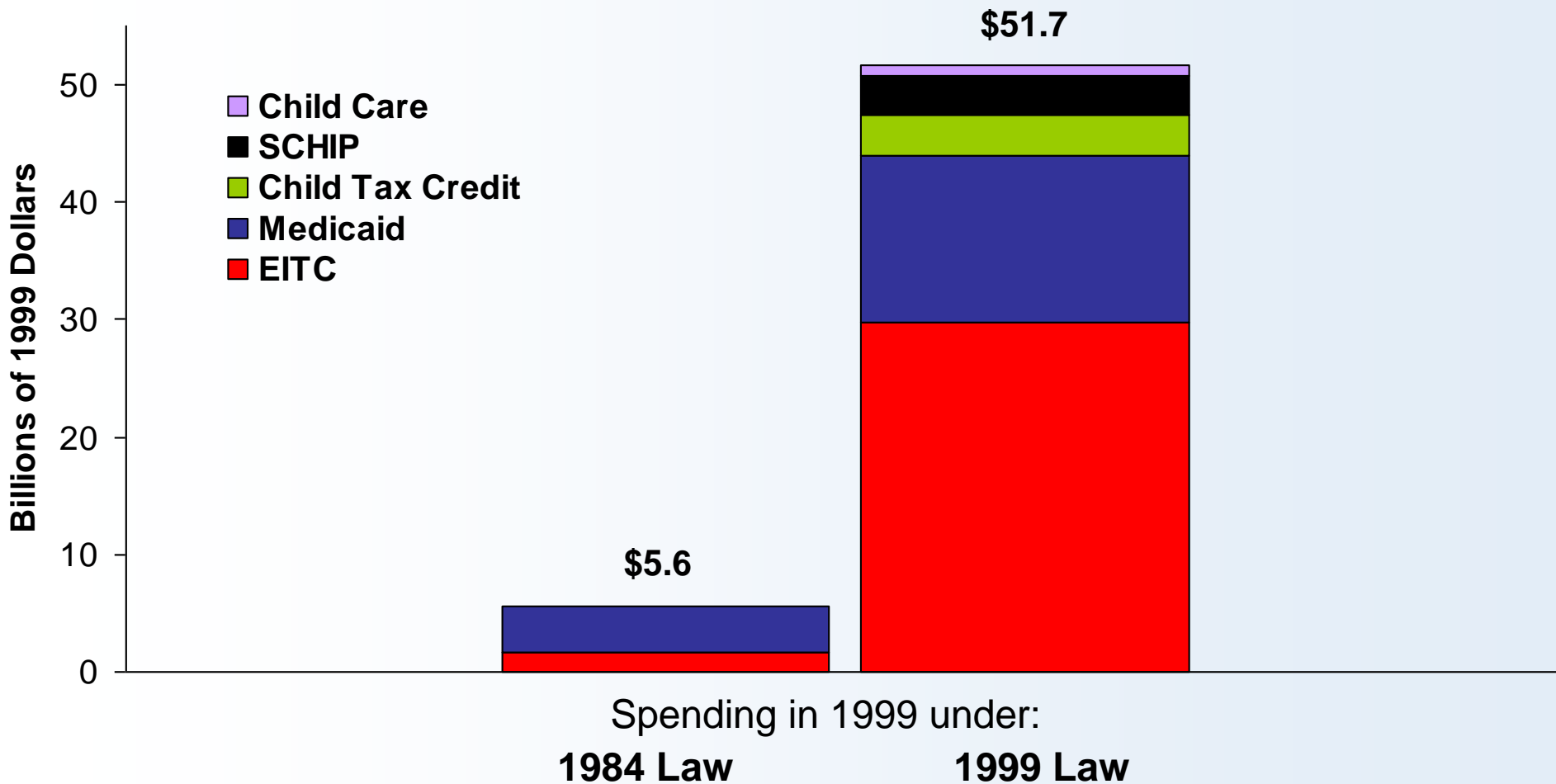
Poverty Rates for Black Children, Children in Female-Headed Households, and All Children 1974 - 2008



Source: For data on Black Children and all Children, see U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2008*,

Table B-2; for data on Children in Female-Headed Households see, *Poverty Status, by Type of Family, Presence of Related Children, Race and Hispanic Origin 1959 to 2008, Table 4* <http://www.census.gov/hhes/www/poverty/histpov/famindex.html>

Support for Working Families Increases Dramatically, 1984 - 1999



An Agenda for Increasing Work to Reduce Poverty

- I. Increase Work Requirements:
 - Food stamps
 - Housing
- II. Bring Back Industrial Arts in High School (Career Academies)
- III. Strengthen the Work Support System:
 - Day care
 - Employment and training

Strategy III: Promote Education

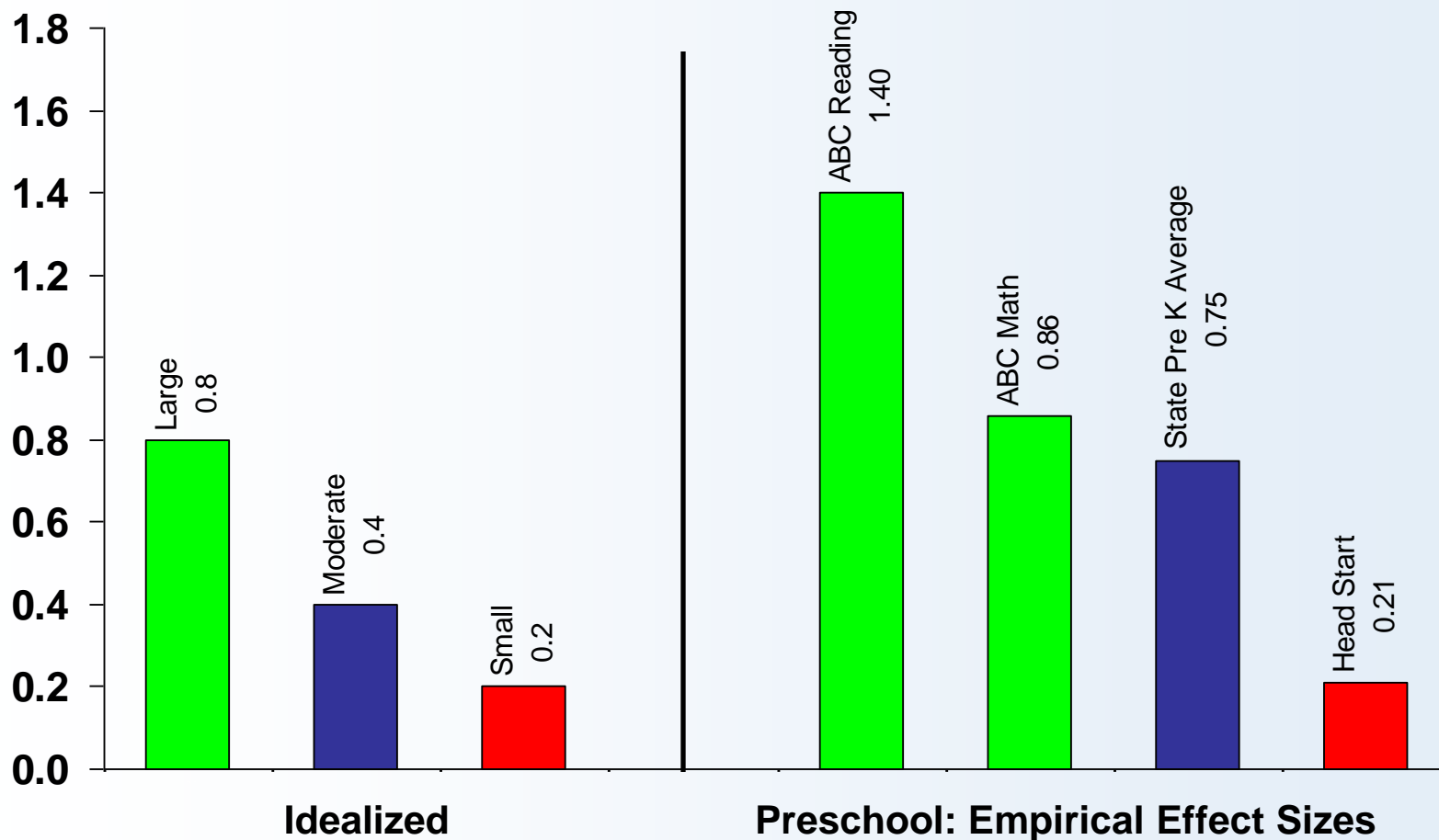
Effects of Selected Early Childhood Programs on Adolescent and Adult Behaviors

Intervention and Outcomes:	Control or Comparison Group	Group Receiving Program
Teenage Parenting Rates (Abecedarian)	45	26
Health problem (Perry Preschool)	29	20
Drug user (Abecedarian)	39	18
Needed treatment for addiction (Perry Preschool)	34	22
Abortion (Perry Preschool)	38	16
Number of felony violent assaults (Perry Preschool)	0.37	0.17
Net Earnings Gain from Participating in Early Childhood Programs:		
Abecedarian	\$35,531	
Perry Preschool	\$38,892	
Chicago Child-Parent Centers	\$30,638	
Head Start	No effect	

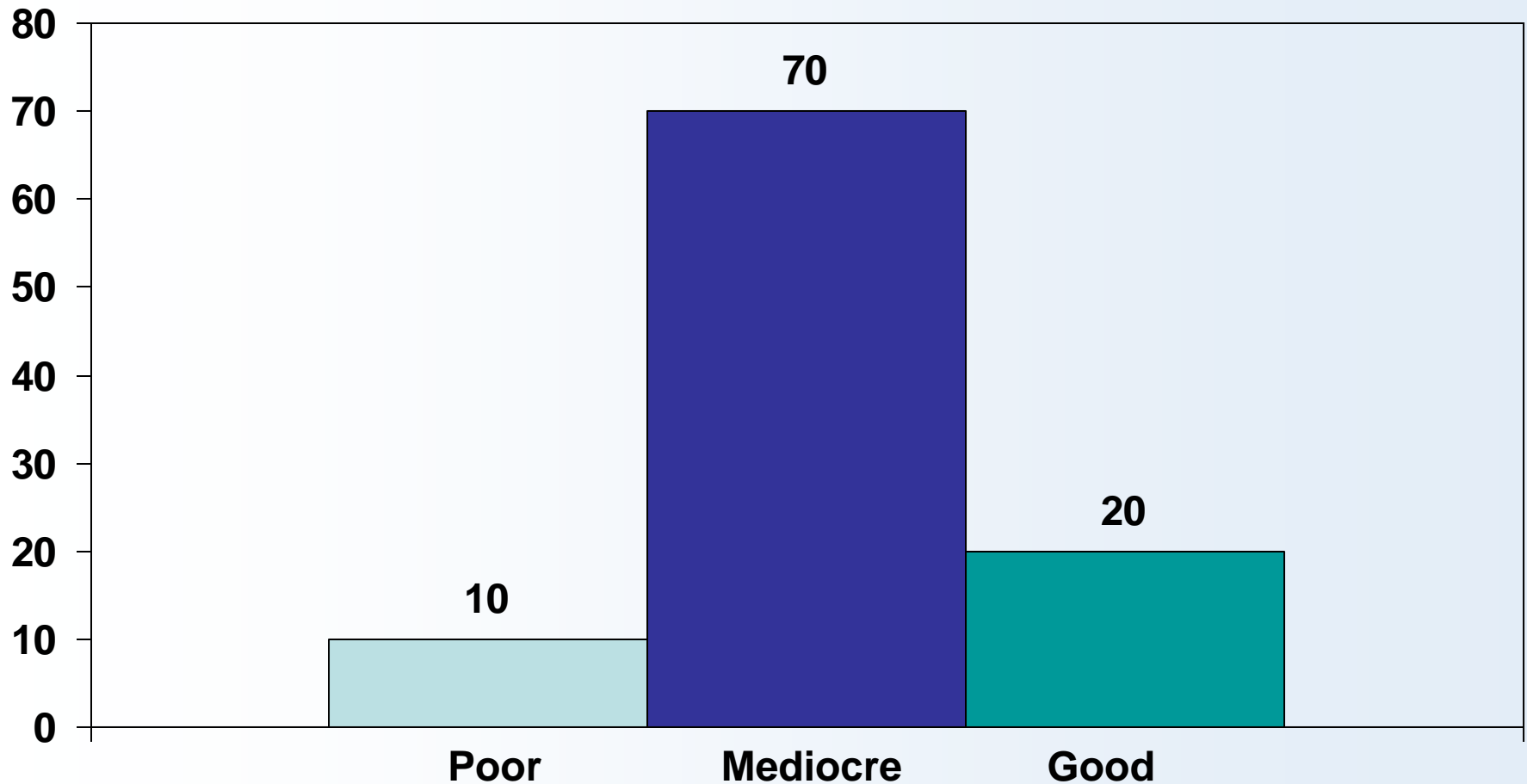
Note: Table entries are percentages unless otherwise noted.

Source: W. Steven Barnett and Clive Belfield, "Early Childhood Development and Social Mobility," *The Future of Children* 16, no. 2 (Fall 2006): 85.

Comparison of Selected Effect Sizes from Preschool Programs



Average Quality of Child Care Facilities in the U.S.



Federal and State Spending, 2005

Program **Cost (Billions)**

Day Care Programs

Discretionary Child Care Development Fund (CCDF)	2.1
Mandatory CCDF	2.7
TANF transfers to CCDF	2.1
TANF direct child care	1.6
State CCDF Match and Maintenance of Effort (MOE)	2.2
TANF MOE in excess of CCDF MOE	1.0
Social Services Block Grant	0.2
Child and Development Care Credit (DCAPS)	0.8
Subtotal	\$12.7

Preschool Education Programs

Title I Grants to Local Education Agencies	0.3
Reading First (Reading Excellence before 2002)	1.1
Early Reading First	0.1
Special Education	1.9
Head Start	7.0
	3.0

Subtotal **\$13.4**

Total **\$26.1**

Sources: U.S. Budget, Fiscal Year 2005; W. Steven Barnett and Others. 2003. The State of Preschool: 2003 State Preschool Yearbook. New Brunswick, NJ: National Institute for Early Education Research, Rutgers University; W. Steven Barnett and others. 2006. The State of Preschool: State Preschool Yearbook. New Brunswick, NJ: National Institute for Early Education Research, Rutgers University.

The Preschool Program We Need

Goal: All Groups Enter School Performing at Average Level on Socioemotional and Intellectual Measures

- Components:
 - Home visiting
 - Early education; 0-3
 - Preschool program; 4
 - School age follow-up
 - Day Care
- Local Coordinating Group
- Integration of current funding streams
- Local standards/Federal standards
- Competition and parent choice
- Teacher Quality
- Testing; Especially at school entry

Strategy IV: Strengthening Marriage

- Reduce nonmarital births (including to teens)
- Increase marriage rates

Ten Characteristics of Effective Teen Pregnancy Prevention Programs

- Focus on one or more sexual behaviors that lead to unintended pregnancy
- Employ behavioral goals, methods, and materials appropriate for the age, sexual experience, and culture of the students
- Theory-based programs with evidence of impacts on risky behaviors
- Sufficient length of program
- Consistent emphasis on messages about abstaining from sex or using condoms
- Multiple teaching methods (not just lecture)
- Provide accurate information about risks of pregnancy and methods of avoiding
- Address social pressures to have sex
- Teach and practice refusal skills
- Teachers believe in program

Bush Administration Marriage Initiatives

- Marriage education included in several existing programs (child protection, Head Start, refugee)
- Separate initiatives for Hispanic and Black marriage
- Research and Demonstration:
 - Building Strong Families
 - Supporting Healthy Marriage
 - Community-Wide Initiatives
- Marriage and Fatherhood Grant Program



A program that strengthens couple relationships and prepares both parents for the transition to parenthood

Who Participates in FE?

- **Both Unmarried and Married couples, where the mom is currently pregnant or the baby is 3 months of age or younger (at enrollment)**
- **Both mom and dad separately consent to participate in the program and they have to assert that they intend to stay together, and are available, to participate in a year-long program**



Who Participates in FE?

- **Financially Vulnerable Families:** the majority of FE parents are funding their birth with Medicaid, so their income is 200% of poverty or less
- **Couples where Mom does not disclose domestic violence issues** that would result in the couple being screened out of the program



What Does It Mean For Couples To Participate In FE?

They attend workshops!

- **Learn Skills to Strengthen Their Relationships**
- **Get Information About The Baby's First Months of Life**
- **Connect with Other Couples**
- **30 Hours of Core Curriculum**
- **Additional Workshops To Build Their Family Tool Box (parenting, finances, early childhood education)**



What Does It Mean For Couples To Participate In FE?

They Have A Family Support Coordinator!

- Participate in Regular 1 on 2 Meetings
- Receive Resources To Meet Family Needs
- Receive Referrals To Other Community Resources
- Set, Work Toward and Achieve Family Goals
- Practice Skills Learned In Workshops



What Does It Mean For Couples To Participate In FE?

They Spend Time Together and With Peers!

- **Date Nights**
- **Community Outings**
- **Holiday Events**
- **Moms' and Dads' Groups**



FE By The Numbers

- 2,452 couples have participated since 2005, currently about 670 couples currently enrolled
- 1,800 parents and children attended the 2009 FE holiday party
- 745 workshops and/or extended activities since Aug 2005
- In 2009, over 29,000 hours of direct service hours with couples
- 2,000 couples enrolled in two national random assignment studies – researchers will be evaluating the effect of the program on parents and children over the next five years

A Final Word From FE Participants

“My family has been involved in countless programs over the years, and this is the first time I’ve been treated like I’m a part of my family.” – FE Dad

“We look back on the first couple of years of our relationship and just laugh and say, ‘What exactly was the problem?’ It’s so strange because all we needed were the tools to communicate, which we got through Family Expectations.” – FE Mom

“We love the atmosphere and the cool setting for workshops and office visits. We always feel like everyone is glad that we are here. We don’t feel judged when we walk through the door. We just love to come...and the information we are learning through Family Expectations is helping equip us to be good partners and parents.” – FE Dad

Well-Being of Adolescents Aged Twelve to Eighteen, 2002 Estimates

Problem	2002 Estimate	Estimated change based on two-parent families in:		
		1980	1970	1960
Repeated Grade	6,948,530	-299,968	-643,264	-746,587
Suspended from school	8,570,096	-485,165	-1,040,410	-1,207,523
Delinquency	11,632,086	-216,498	-464,269	-538,841
Therapy	3,412,678	-247,799	-531,392	-616,745
Attempted suicide	636,164	-28,693	-61,350	-71,413