Overview of AEI/Brookings Report on Poverty and Opportunity

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Major Factors that Influence Poverty and Opportunity:

- Family
- Work
- Education
Trends in Family Composition, Work, and Education
Changes in Women’s Family Structure at Age 35, 1970-2010

Employment-to-Population Ratio for Selected Populations, 1980-2013

Median Family Income of Adults Age 30-39 by Education Level, 1964-2014

Note: The CPS changed the phrasing of the educational attainment question in 1992, which accounts for that year’s sudden drop among the less-than-high-school group.
Summary

Trends in family composition, employment, and education are moving in the wrong direction for reducing poverty and increasing economic mobility
Best Bet #1: The Most Successful Way to Reduce Poverty: Combine Work and Work Supports

Note: Abbreviations are as follows: Unemployment Insurance (UI), Supplemental Security Income (SSI), Aid to Families with Dependent Children (AFDC), Temporary Assistance for Needy Families (TANF), Government Assistance (GA), Supplemental Nutrition Assistance Program (SNAP), Earned Income Tax Credit (EITC), Additional Child Tax Credit (ACTC), and Federal Insurance Contributions Act (FICA).

Best Bet #2: Family Stability (Birth Control)
Potential Benefits of Reducing Unplanned Pregnancies

- Reduced poverty rates
- Lower abortion rates
- Better spacing of babies
- Increased likelihood of prenatal care
- Less postpartum depression
- Reduced partner separation rates
- More education for mothers
- Cost savings for government

Unintended Pregnancy Rates after 1, 2, and 3 Years

Source: http://www.choiceproject.wustl.edu/~media/Files/ChoiceProject/Study-Findings-20120917.ashx.
Best Bet #3: Skilled Employment

- 4-year colleges (college prep programs)
- 2-year colleges
- Apprenticeships
- Certificates & Licenses
- Career Academies
- Goal: Prepare kids for skilled jobs available in the local economy
Best Bet #4: Early Childhood Education

• Programs:
  ➢ Home Visiting
  ➢ Head Start
  ➢ State pre-K
  ➢ Child Care

• Spending about $34 billion per year (federal & state)
• Quality Is the Key
• State and Local Governments Have to Step Up