



Using Holistic, Multigenerational Strategies To Alleviate Poverty

By Arohi Pathak August 12, 2021

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This issue brief is part of a series on comprehensive and intergenerational investments in poverty alleviation that results in improved family stability and income security outcomes.

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Poverty in the United States is a policy choice that leaves millions of families and children struggling to meet basic needs, build family economic security, and access opportunities to create their American dream. Research shows that a child’s economic position is strongly influenced by that of their parents—that is, individuals who were poor during childhood are much more likely to be poor in adulthood as well. This generational poverty is a direct result of structural barriers and policies rooted in systemic racism designed to keep certain individuals, families, and communities out of the economic and social mainstream.¹ Moreover, COVID-19 and the subsequent recession have exacerbated poverty over the past two years.²

The truth is that poverty in the United States is wholly preventable, yet efforts that keep people in poverty persist. As a nation, we know how to address poverty, and policymakers have a host of program solutions and interventions to effectively alleviate poverty, including early education, the earned income tax credit (EITC), Supplemental Nutrition Assistance Program (SNAP), housing vouchers, and Medicaid. What America needs now is a different approach to deploying those tools and resources to better meet the unique needs of various marginalized communities.

It is obvious that America is a stronger country with more sustainable economic growth when fewer people live in poverty. As Congress considers how to rebuild the nation’s economy, it has the unprecedented opportunity to take a more equitable and resilient approach, centering the needs of the most marginalized communities. The Biden administration’s Build Back Better agenda makes necessary investments in the American people, applying the lessons from such effective anti-poverty and economic security programs as Social Security, economic stimulus, and other safety net programs to build economic security, grow the economy, and secure positive outcomes and impacts for individuals, families, communities, and future generations.

The Center for American Progress recommends leveraging current and new investments, including through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the American Rescue Plan, and the Build Back Better agenda, to create intersectional frameworks that examine poverty and develop solutions to specifically address the unique needs of individuals, families, and communities in poverty. Such multigenerational approaches seek positive outcomes for entire families, simultaneously addressing the unique needs of parents, caregivers, and children. By offering state and local governments new investments as well as the flexibility to intentionally coordinate funds, programs, and service delivery to support marginalized individuals, families, and communities in myriad ways, the U.S. economy can better work for all, giving everyone a pathway to more stable and secure lives.

America can and must do more to end poverty

The United States is one of the wealthiest nations in the world, yet it has struggled with alleviating poverty for decades. In 2019, more than 10 percent of the American population, or 34 million people, lived in poverty, including 10.5 million children.³ According to researchers at Washington University in St. Louis, 60 percent of Americans between the ages of 20 and 75 will spend at least one year of their life in poverty.⁴ Poverty overwhelmingly affects people of color, those with disabilities, seniors, children, and women more acutely. Those with multiple marginalized identities, such as women of color or women with disabilities, tend to be at even greater risk.

Alleviating poverty is not only the moral thing to do, it is also integral to making the economy stronger and more sustainable in the long run. As already noted, poverty is not inevitable; in fact, the United States has a plethora of economic security programs in its arsenal that are incredibly effective at reducing poverty and racial disparities, including Social Security, unemployment insurance (UI), nutrition assistance, and low-income tax credits. Social Security, for example, is one of the most effective anti-poverty programs, helping more Americans gain financial stability than any other program. Without Social Security benefits, nearly 40 percent of people ages 65 and older would be living in poverty.⁵ Similarly, increased investment in direct cash transfers and expanded benefits, including UI and SNAP, have helped blunt the harshest impacts of COVID-19 and the economic downturn over the past year.⁶

Such targeted interventions to both reduce poverty over the past 60 years or so and help Americans weather major crises such as a pandemic, climate disaster, or economic recession, have the potential to be felt for generations. When individuals and families, especially the most marginalized, are able to participate in the labor force, access quality jobs, receive child care support, and take paid family and

medical leave, they can better meet their family needs, save for the future, spend their hard-earned dollars in their communities, and bolster the economy. When children grow up in communities with access to safe and secure homes, nutrition, quality schools, community services, parks, and recreational opportunities, they get a strong start in life, helping them to thrive in later years.

But simply throwing funds at crises is not enough; being intentional about using tools and resources to create intersectional frameworks to examine poverty and develop solutions that address the unique needs of various marginalized communities is imperative. Take, for example, low-income mothers who are interested in joining the labor force to better meet family needs. The pandemic has been particularly brutal for mothers—and especially women of color, many of whom are single mothers—who play a vital role in maintaining the economic stability of their families and communities.⁷ Women lost a net 3.8 million jobs during the COVID-19 recession, bringing their labor participation rate to low levels not seen since 1988. In order to support many of these women as they go back to work, an interconnected suite of policy interventions is needed to meet the varied needs that parents might have, including job quality measures, paid family and medical leave, child care, and tax credits for children.⁸

Measuring poverty

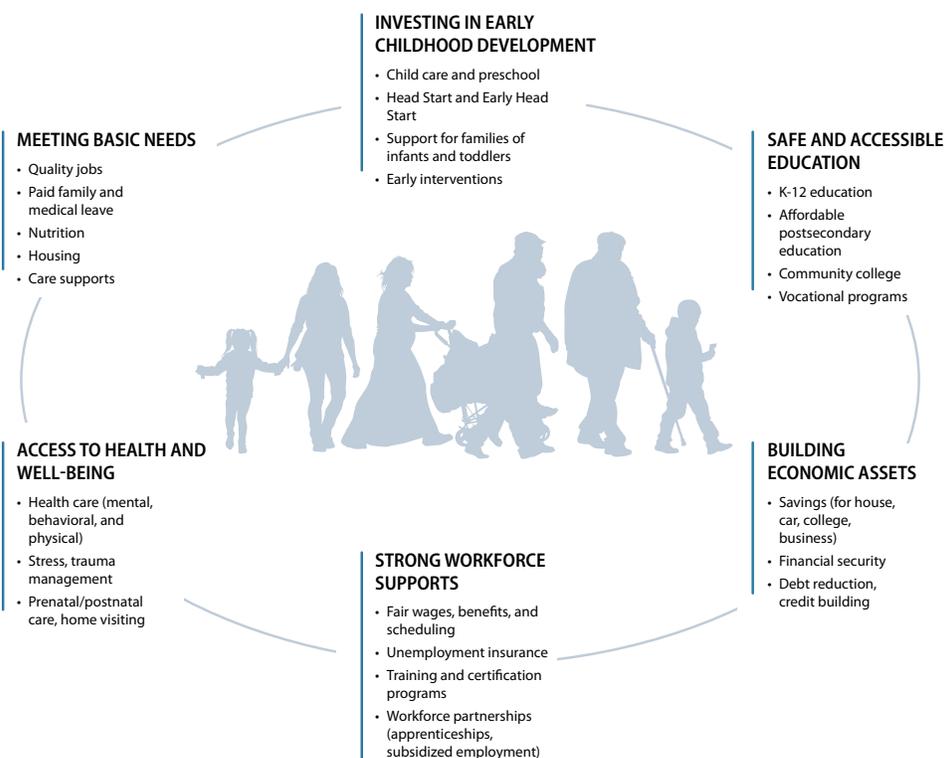
Poverty is defined by the federal government's official poverty threshold, which was about \$25,750 in 2019 for a family of four.⁹ However, experts have long criticized the official poverty measure, as calculated by the U.S. Census Bureau, for being narrow and outdated, in large part because it determines the resources a family needs based on a bare-bones food budget from the 1960s.¹⁰ It does not account for geographical differences in costs of living or major expenses such as housing or child care.

To address this limitation, in 2011, the Census Bureau began publishing another measure, known as the supplemental poverty measure (SPM). The SPM determines the poverty threshold by using a more diverse set of necessary expenses and metrics, including nutrition benefits and housing subsidies, along with such costs as taxes and out-of-pocket medical expenses. The SPM for two adult renters with two children in 2019, for example, was \$28,881. While the SPM is not a perfect measure for poverty in the United States, it does help to show the possible impact of government programs on reducing poverty.¹¹

Taking a multigenerational approach to poverty alleviation

Because the impacts of poverty can be felt over multiple generations, approaching poverty as a generational crisis is imperative. Thus, policymakers and practitioners need to employ multigenerational approaches to poverty alleviation that seek positive outcomes for entire families, simultaneously addressing the unique needs of parents, caregivers, and children. Multigenerational strategies that deliberately combine different funding streams, programs, and services can be more effective than a single service intended to address just one challenge in supporting both healthy child development as well as parent and family economic security.

Approaches to poverty alleviation should focus on the whole family



Multigenerational strategies that offer a continuum of services and supports is not a novel concept. Many state and local governments already layer, blend, and braid¹² various funding streams to maximize aid for a common priority or initiative. New York City, for example, reorganized its system of subsidized child care, braiding funding from child care, Head Start, and state universal pre-K to improve access and continuity of early education supports for low-income children and their families.¹³ Researchers have consistently found that programs and services for low-income children pay for themselves. In fact, a recent Harvard University study of economic

and social policies from the past half-century found that investments in low-income children's health and education through Medicaid expansion, early childhood education, and college spending offered the overall best value for government, with social and economic benefits that vastly outweigh their costs.¹⁴

The strategic braiding and/or blending of the various anti-poverty federal, state, and local funds can be an effective and efficient means of addressing the needs of entire families, resulting in multigenerational outcomes that improve family stability and economic security over the long run. The design and implementation of multigenerational programs and policies should include:

- **Securing a family's basic needs** by ensuring that all individuals and families, especially low-income and marginalized ones, have access to basic resources and supports such as safe housing and healthy nutrition, affording them opportunities to focus on building or strengthening their financial security.
- **Boosting family income** by ensuring that anyone who wants to work has access to quality jobs that pay at least a minimum wage and include such benefits as paid leave. Additionally, providing access to programs designed to supplement or boost family income when families are grappling with short- or long-term economic issues, such as Temporary Assistance for Needy Families (TANF), the EITC, and the child tax credit (CTC), can be critical lifelines, helping families to build their financial stability in the long run.
- **Easing financial burdens** by ensuring that marginalized individuals and communities have access to health care, safe and affordable child care, and universal preschool, all of which offer children a quality start in life no matter their family's income.
- **Supporting a strong, modernized safety net**, which can help families weather a crisis such as a job loss, health issue, or the incarceration of a loved one. Modernizing safety net programs such as UI and SNAP to automatically increase eligibility and/or benefits based on the economic climate and/or a family's economic needs can ensure that the safety net is responsive, in real time, to the needs of the most marginalized.
- **Fostering place-based policies** that are aimed at improving neighborhoods and communities, such as the Harlem Children's Zone. These policies hold promise in addressing the specific and unique needs of rural, low-income, underserved, and communities of color.
- **Addressing systemic racism in program and policy creation** by prioritizing structural reforms that address generational poverty and historic marginalization with policies that target the racial wealth, health, and social gaps in the country.

Funding streams for multigenerational approaches to supporting the whole family

Multigenerational program strategies rely on a mix of federal, state, local, and private sector funding. State and local policymakers, as stewards of budgets, play a critical role in funding these approaches as well as in legislating, convening, partnering, and championing the coordination of funding to create better child and family outcomes in the long run. Likewise, federal and philanthropic investments can infuse additional and much-needed support, prioritizing family and financial stability for the nation's most marginalized.

Federal funding streams

- Temporary Assistance for Needy Families (TANF)
- Child Care and Development Block Grant (CCDBG)
- Workforce Innovation and Opportunity Act (WIOA)
- Maternal, Infant, and Early Childhood Home Visiting (MIECHV)
- Supplemental Nutrition Assistance Program (SNAP)
- Head Start/Early Head Start
- Title I school funding
- Medicaid
- Social Services Block Grant (SSBG)
- Children's Health Insurance Program (CHIP)
- Subsidized housing
- McKinney-Vento Homeless Assistance Grant
- Community Development Block Grant (CDBG)

State and local funding streams

- Maintenance of effort for federally funded programs, including TANF, CHIP, and UI
- General funds
- Dedicated funds
- State workforce funds
- State child care funds

Private sector funding streams

- Community Reinvestment Act (CRA) funds
- Philanthropic funds
- Private investments

Conclusion

The pandemic and subsequent economic recession have laid bare an economic system that has failed too many Americans at precisely the time when they most needed its support. With federal investments, initially made through the CARES Act and more recently through the American Rescue Plan, an opportunity exists to learn from past challenges and build back better and more equitably. As Congress continues to debate future investments in the American people through the Build Back Better agenda,¹⁵ CAP recommends the following:

- The federal government should continue to invest in:
 - » Support for the most marginalized and underserved through family stability supports
 - » Modernization of the safety net programs to trigger automatic support during times of emergencies
 - » Support for the American workforce through the creation of quality jobs with high wages and benefits
 - » Measures that address racial inequities in America's policymaking, public systems, and institutions
- State and local governments should consider how they leverage federal investments with state and local funding to maximize family security and economic mobility, particularly targeted to those who are struggling to recover.

To put the economy back on track, we need to rebuild better and smarter. America has an opportunity in this moment to consider how it can leverage investments, resources, and tools to create intersectional interventions that examine poverty and develop solutions to specifically address the unique needs of individuals, families, and communities. A chance exists now to apply the lessons learned from past investments in anti-poverty, economic security programs, coupling them with fresh resources and modernized systems that address past racial, social, and economic inequities. The opportunity to do right by individuals, children, and families living in poverty can have lasting impacts for future generations, strengthening the economy and society and realizing the promise of America for millions.

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Endnotes

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