

Children Need Money

How Financial Aid to Families Helps Children

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This is a book about economic assistance to families, its effects on children and how it can be accomplished. It was inspired by research work of more than 30 years, which involved individuals and families experiencing financial difficulties. The primary aim is to demonstrate that the economic status of families is related to outcomes in the lives of children including their cognitive abilities, their health, their emotional stability, their safety and general welfare and their ongoing development, and to show that assisting families with income, wealth and material resources improves such outcomes. *How* this occurs is complex and multilayered, but *that* or *whether* relief of economic hardship has positive effects can be demonstrated conclusively. The emphasis is on the kinds of studies that do this most directly and with greatest certainty, namely field experiments.

Chapter 1: The Problem of Economic Hardship

In the first chapter, economic hardship and poverty in the United States are briefly examined along with certain illustrative correlational studies looking at outcomes in the lives of children. Correlational studies look at variations and changes in families and their environments and corresponding changes in the

development and welfare of children. The problem with correlational research is that it is often difficult to distinguish cause and effect in them. It is argued that experiments are a way of overcoming this limitation.

Contents:

Economic Hardship among Families with Children
Does Poverty Really Exist in the United States
Minimum Wage, Poverty Wages and Living Wages
Savings and Debt
Do Poor Parents Work?
The Upward Mobility Myth
Designs and Explanations
Levels of Explanation
Two Types of Questions
Experimental Approaches
The Complexity of the “How” Question
Illustrative Correlational Studies
Enough Food and a Healthy Diet
Housing
Mother-Only Families
Stress

Chapter 2. Can Money Prevent the Neglect and Abuse of Children?

The second chapter concerns studies of extreme danger to children. Four large multi-year and multi-method field experiments evaluating programs addressing child maltreatment are described. A number of illustrative case descriptions of families in need are presented. Is there any evidence that cash infusion or directly supplying the material needs of families accused of child maltreatment has positive consequences for their children?

Contents:

What is Child Abuse and Neglect?
Economic Hardship, Poverty and Child Maltreatment
Economic Hardship as a Cause of
Child Maltreatment
Economic Hardship and Poverty are Sometimes
Mistaken for Child Neglect
Experimental Studies
Experiments in Minnesota and Ohio: Flexible Funding for Low and Medium Risk Families
Material Services in Minnesota and Ohio
Case Examples
Outcomes in Minnesota and Ohio
Experiments in Indiana and Mississippi: Flexible Funding for High Risk Families
Indiana Design and Case Examples
Services and Outcomes in Indiana
Mississippi Design and Case Examples
Services and Outcomes in Mississippi

Chapter 3. Field Experiments in which Money was provided over Time

In the third chapter other experiments that provided payments to families on a more regular basis are reviewed. In some cases these were directed to families in or near poverty. In others, the programs addressed families without regard to current income or wealth. If families receive regular and ongoing financial support do positive improvements in the welfare and development of children result?

Contents:

1. Studies of Welfare Reform
 2. Minimum Wage
 3. Earned Income Tax Credit (EITC)
 4. Basic Income
 - 4a. Cherokee Children
 - 4b. The Canadian Mincome Project
 - 4c. Experiments in the United States
- Summary of Outcome Findings of Field Experiments
The Economic Hardship-Child Outcome Model

The implication of findings reported in Chapters 2 and 3 is not that money solves all problems. Rather it is that financial deprivation aggravates other problems in families and makes positive outcomes among children less likely. On the other hand, the findings demonstrate that financial assistance can relieve those problems making positive outcomes for children more likely.

Chapter 4. Contexts

If it makes sense to help children by providing financial assistance to families how might it be accomplished? This question cannot be approached simplistically. In the fourth chapter certain currently changing and in some cases highly dangerous environmental, social and economic contexts are examined. Solutions only make sense when considered in context.

Contents:

- Changing Context 1: Climate Change
- Changing Context 2: The End of Fossil Fuels and the Green New Deal
- Changing Context 3: Income and Wealth Disparity or Welfare for the Rich
- Changing Context 4: Jobs and Joblessness
- The Optimists

Chapter 5. Solutions

In the fifth chapter, solutions are presented, along with plans and possible ways of paying for them. The goal is to show practical solutions and elements of solutions that might relieve the economic hardship experienced by so many families in US society today and to demonstrate that it is feasible to pay for them.

Contents:

- Solution 1: Direct Service Programs
 - Universal Health Care
 - Universal Higher Education
 - Universal Preschool
 - Guaranteed Housing
 - Food Programs
 - Cash to Families with Children
- Solution 2: Public Service Employment and Public-Private Employment
- Solution 3: Universal Basic Income (UBI)
 - Arguments for Universal Basic Income
 - Objections to a Basic Income Plans
 - A. Green New Deal (GND) Jobs
 - B. Universal Health Care
 - C. Universal Basic Income
 - D. Relief of Student Debt
 - E. Free Higher Education
 - F. Free Universal Preschool
 - G. Family Economic Hardship-Child Outcome Evaluation Projects

Financing

Private Sector Financing

A. Banks, Insurance Funds, Pension Funds

B. A Private Universal Fund

Government Financing

A. Carbon Tax

B. Reductions in Rent Seeking

Chapter 6. Conclusions

The sixth chapter examines potential support by Americans for the solutions. Surveys indicate that majorities are in favor of enacting such changes. The problem of unequal political representation, however, stands in the way. Possible solutions to this problem are presented.

Contents:

Could the Proposed Programs be created?

Solutions to Unequal Representation