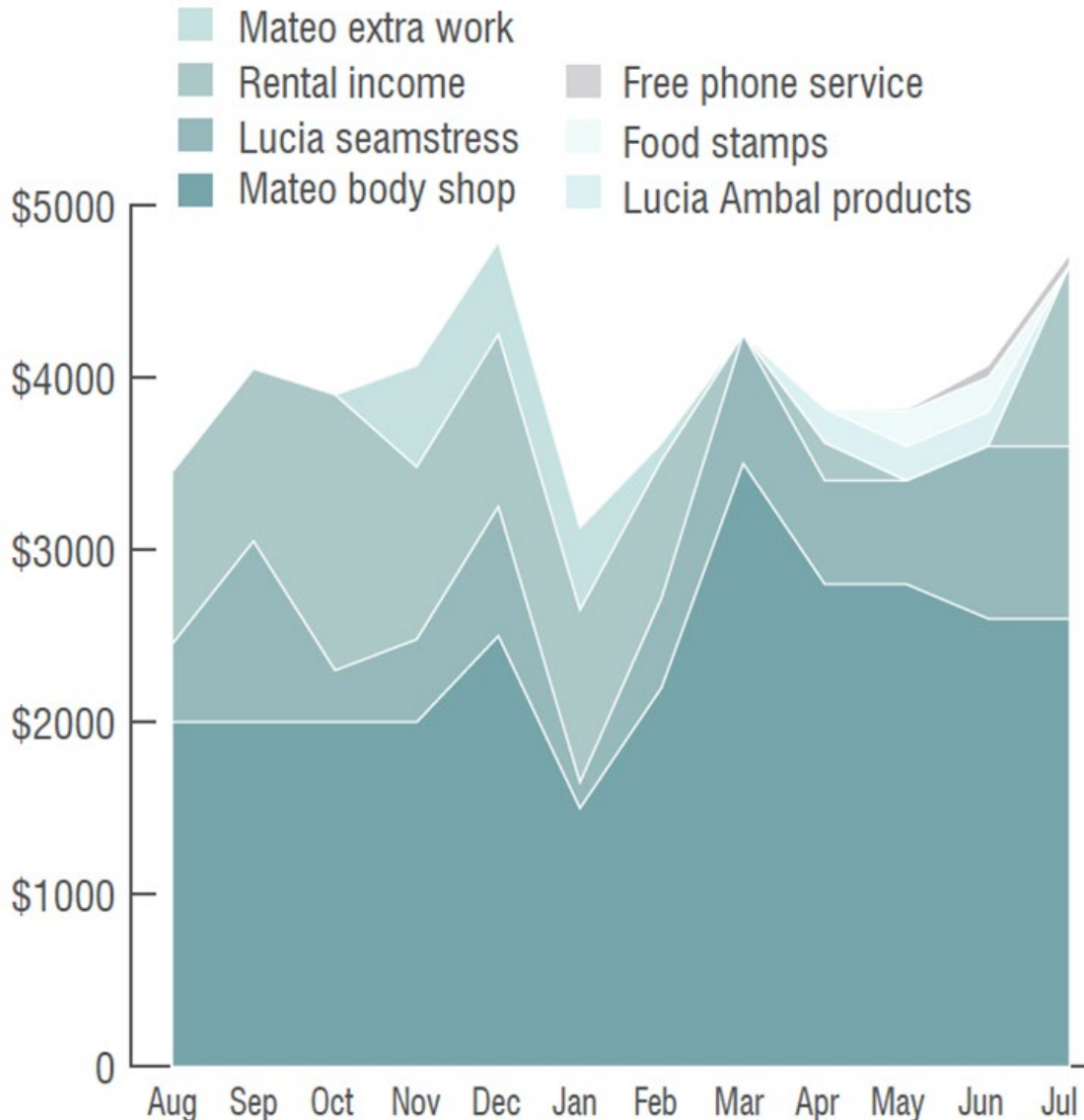


# Income Instability, Child Poverty, and Child Wellbeing:

*Race/ethnicity and informing policies to alleviate poverty*

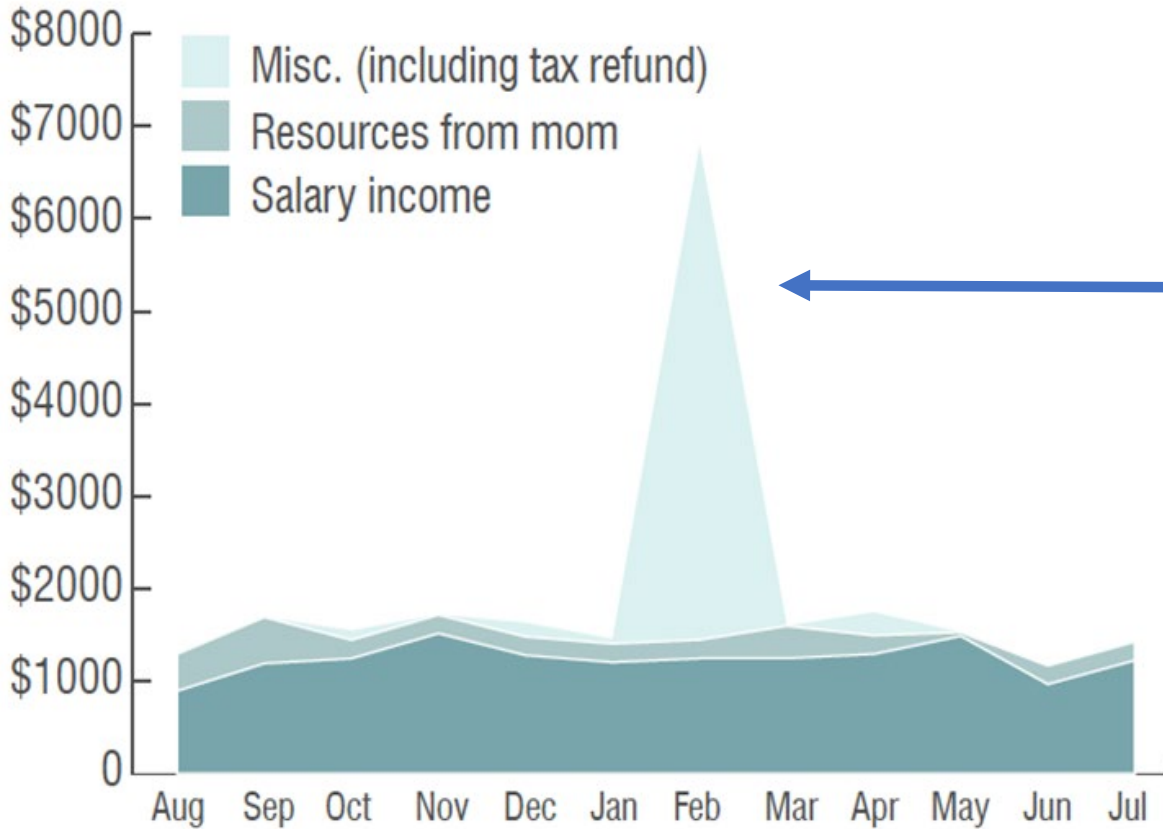
Lisa A. Gennetian

# 4-year-old Pablo's family finances



- Multiple sources of income
- High variation
- \$3,000 set aside in informal savings group

# 4-year-old Riley's family finances



*EITC*\* refund  
creates income  
instability while  
improving income  
level

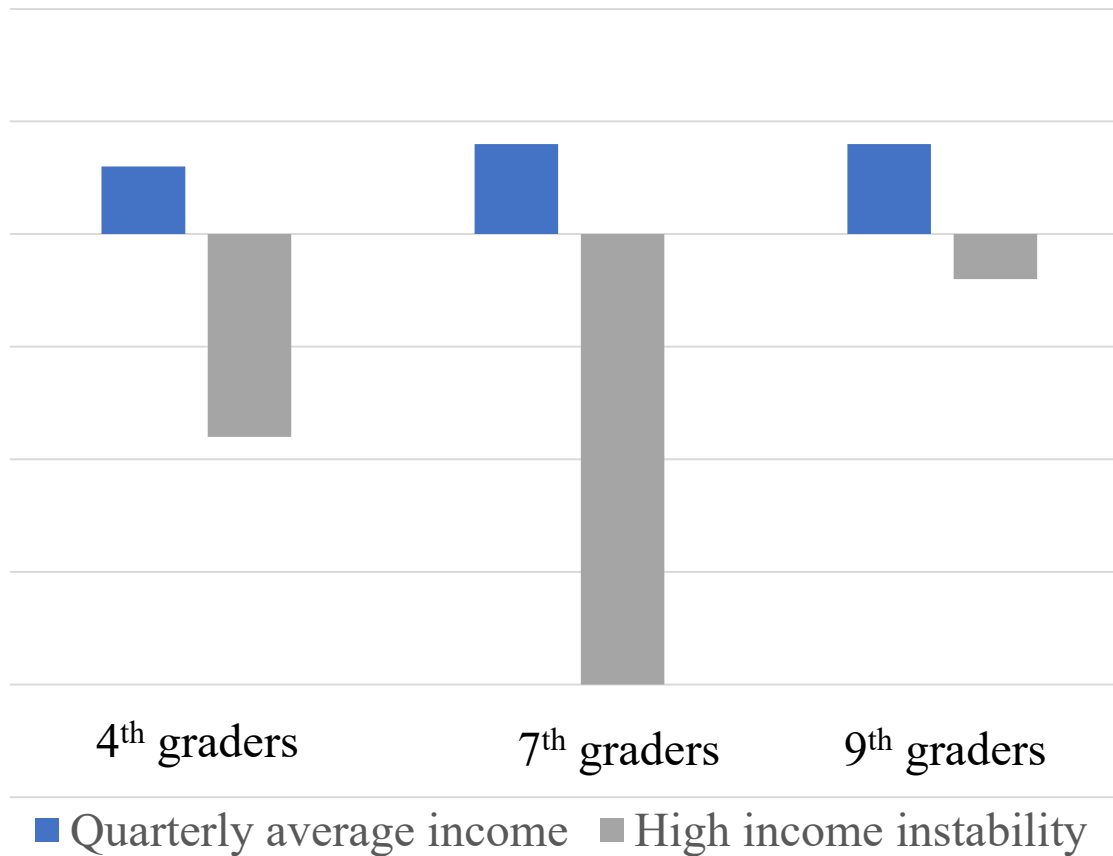
\**Earned Income Tax Credit*

## Key Takeaways

- Two important dimensions of U.S. child poverty
  - Level of income *and* stability of income
- Both reduce children's wellbeing
  - Effects pronounced among non-White children
- Income instability is higher for low income children
  - More income stability among lowest-income Hispanic child households
  - Stability of Black lowest-income households improved by social assistance
- Policies to alleviate child poverty must address income level and stability to improve success

# Higher income level *and stability* support student attendance and educational outcomes

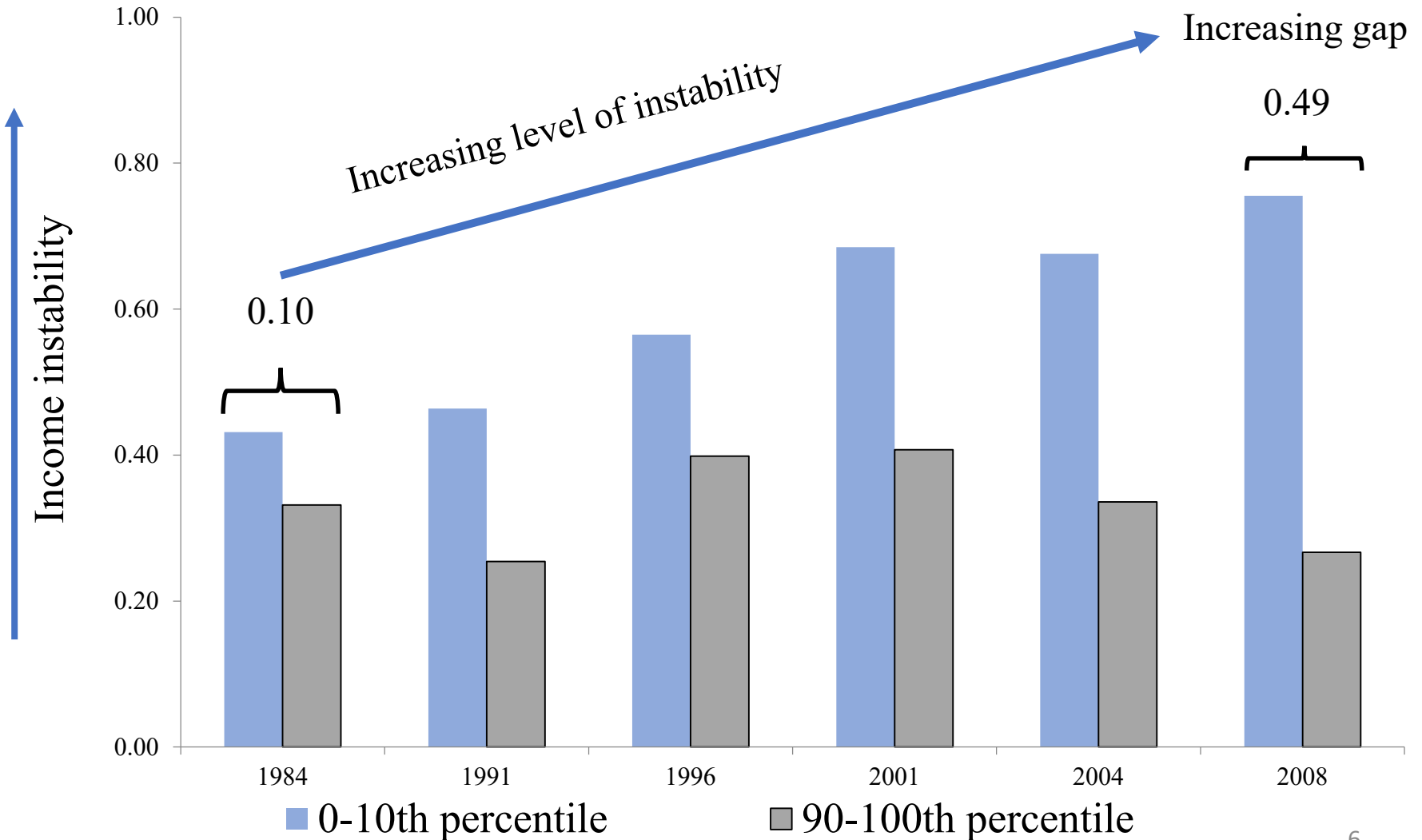
Indicative standardized effects on attendance



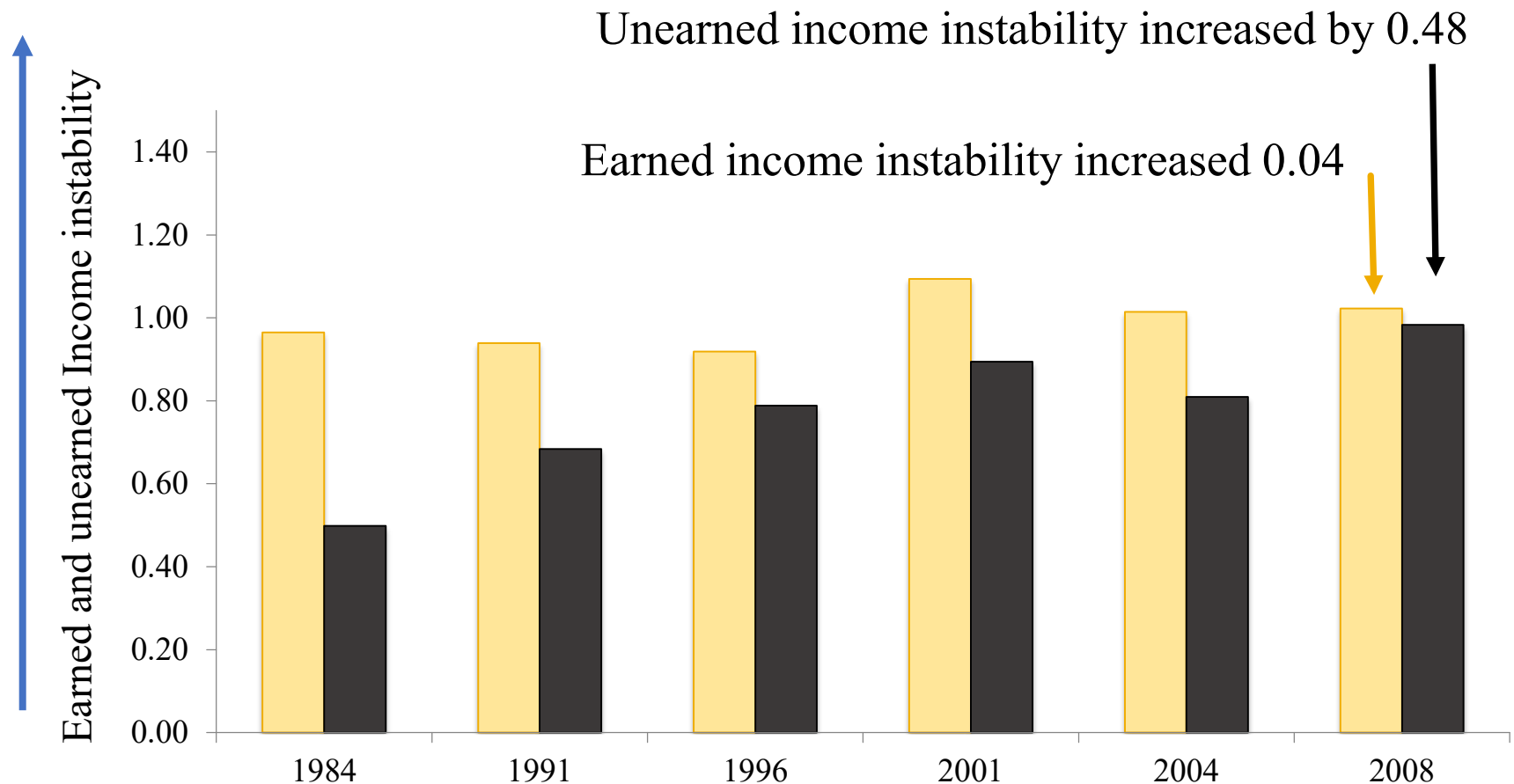
## Similar patterns:

- Student disciplinary infractions
- Expulsions and suspensions
- High school graduation
- Adult educational completion
- Exacerbated for minority/nonwhite students

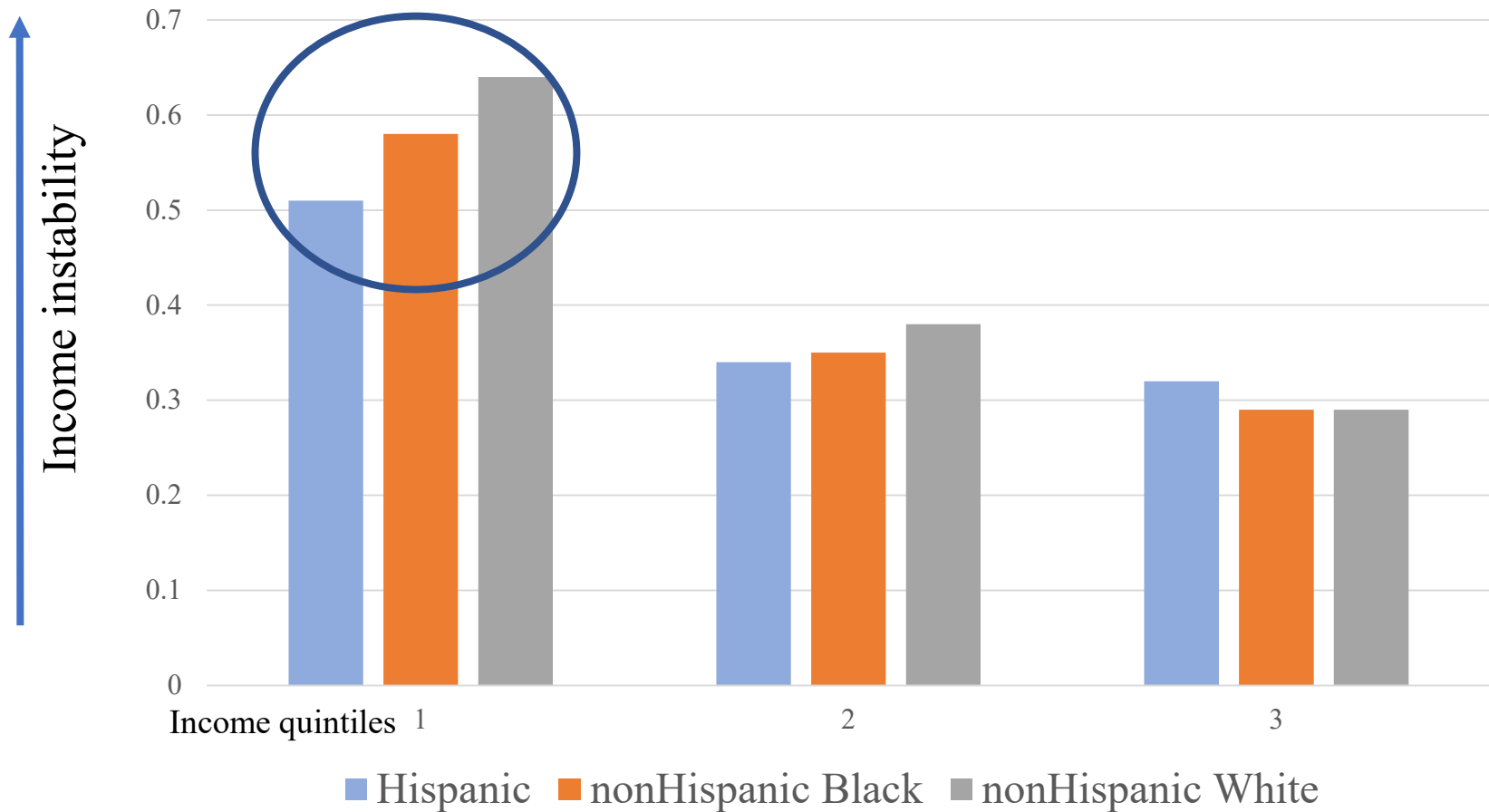
# Striking increases of income instability over time, especially for the lowest-income households with children



The increase in income instability over time for the lowest-income households is from unearned, not earned, income.

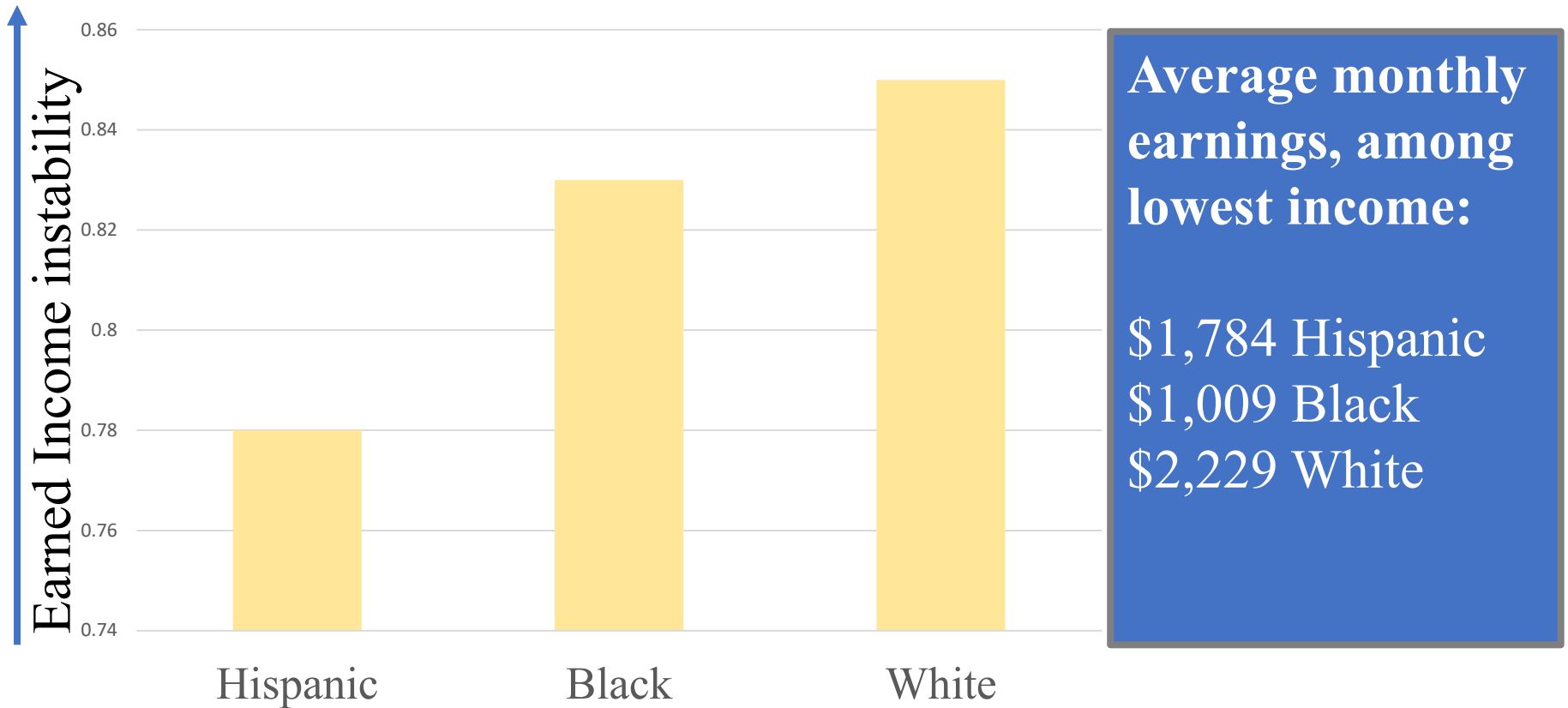


# Hispanic low-income households with children have more stable income than White or Black households with children

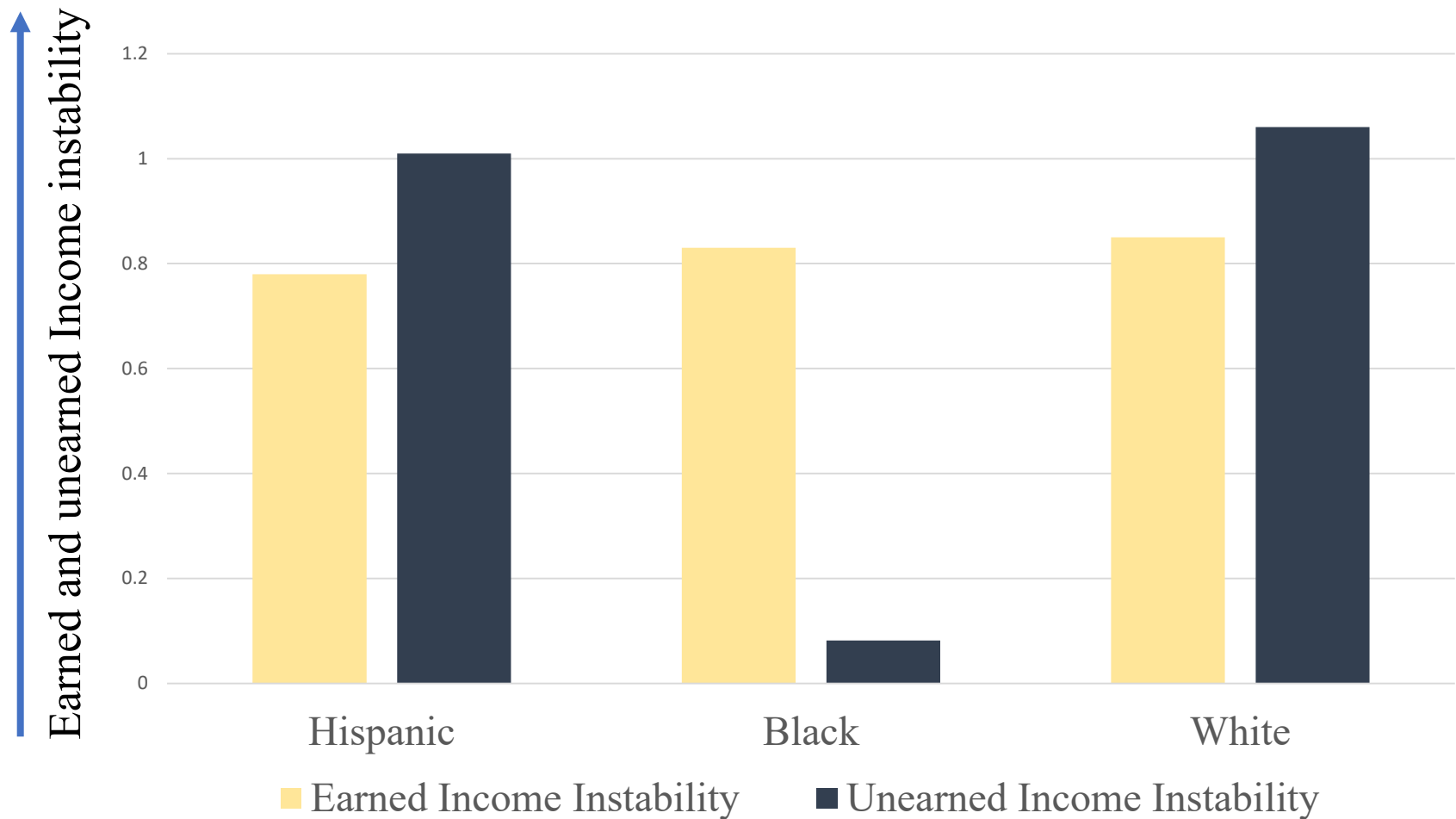




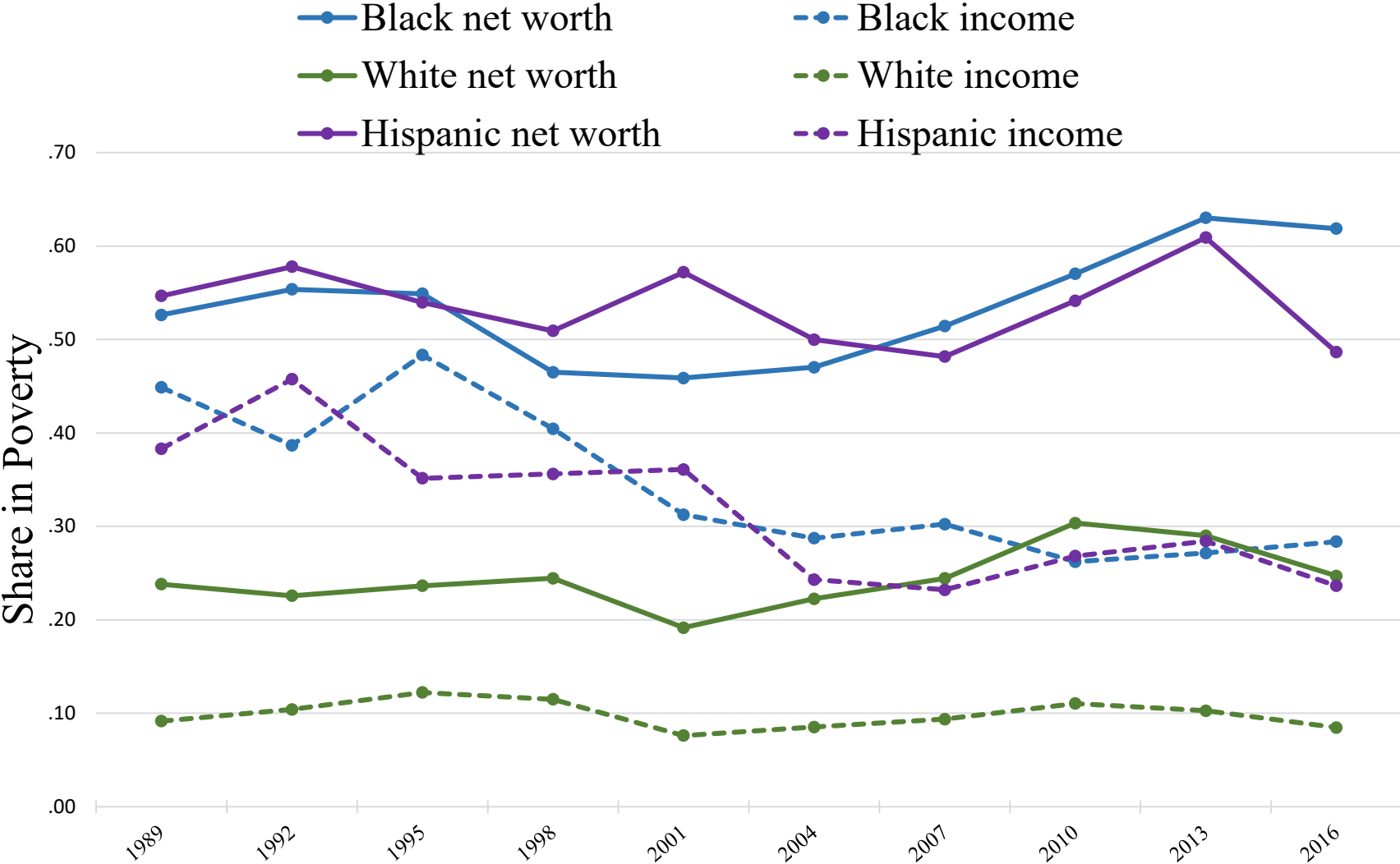
# Low-income Hispanic households have lower average monthly earnings but greater earned income stability



Monthly social assistance benefits are vital to income stability, especially among lowest-income Black households.



# Limited net worth exacerbates the effects of income instability



Grateful to colleagues: *Heather Hill, Pamela Morris, Christopher Rodrigues, Christina Gibson-Davis, Lisa Keister*

Grateful to funders:



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