Anna Gassman-Pines:

Hello, and welcome to Policy 360. Every September, the United States gets a fresh understanding of something really important. How many of us in the U.S. are poor? The information comes from the Census Bureau and the report will say something like so many million or some percent of Americans were poor in 2025. My guest today follows the release of this information closely every year, and she is curious about something, not just what the number is, but what the number tells us about the choices we make as a country. Lisa Gennetian is the Pritzker Professor at Duke University's Sanford School of Public Policy, where she directs the public policy PhD program. Lisa, welcome to Policy 360.

Lisa Gennetian:

It's so great to be here with you, Anna.

Anna Gassman-Pines:

Okay, you give a lot of talks about poverty statistics, and I've heard you say that there's something that surprises you. What is it?

Lisa Gennetian:

Yeah. First of all, the answer to that question is there's so many surprises.

Anna Gassman-Pines:

Okay, so there's going to be a lot-

Lisa Gennetian:

There's going to be a lot that we're going to talk about. And I also want to engage with you really actively in this, working on issues around poverty and poverty statistics are completely within your spectrum of scholarship too.

But let me name two things that always happen when I put up some poverty statistics from the U.S. and the audiences that I tend to speak to. And this is not just students, these are all kinds of audiences. One is, "Holy cow, why is poverty rate in the U.S. not the lowest of all OECD countries?", or let's just say globally economies that are roughly categorized similarly to the U.S.

Anna Gassman-Pines:

Right.

Lisa Gennetian:

So that's a very, "Holy cow," kind of reaction, and it inspires all these conversations like, "What is happening? Why is this happening this way?" And then the second is the poverty statistics by age group.

Anna Gassman-Pines:

Okay, so say more. What surprises people about the poverty statistics?

Lisa Gennetian:

Yeah. So this is a very U.S.-specific context because demographics are different for every country, but you can put up data in the U.S. and you can sort of look at different slices of the population. One population that I study the most is children. So let's think about from let's say birth to age 18 and their families, where they reside. The other key population is the elderly. And then let's just chunk out kind of the adult population, working population 18 to 64. And one striking thing over time is we see that the poverty amongst the elderly is pretty low, right, it's under like 10% and it's been pretty flat for decades.

Anna Gassman-Pines:

Yep.

Lisa Gennetian:

So that might not feel like big news, but think about what our economy has gone through in the last few decades. And elderly poverty does not sort of shift up and down in response to that, so there's something that we're doing that is really protecting the elderly. Child poverty is almost double the rate of elderly poverty and it goes up and down, up and down, up and down. So those are two things that I just want to really highlight as we set up this conversation. What does higher levels of poverty among children mean as a country? And then what is the fact that it's not stable? It's just going as low as 5% and as high as 30% for some populations. That instability says something about the economic stability of where children are living and how their households are doing.

Anna Gassman-Pines:

Right. There's so much to dig into here. I want to, just for folks who are listening, I'm hoping we can take a little bit of a step back and just talk about when we say children are living in poverty or the elderly are living in poverty, can you just remind the listeners and help us understand how much money ... What are we actually talking about?

Lisa Gennetian:

Yeah, really great question.

Anna Gassman-Pines:

I think that's something that might surprise people too.

Lisa Gennetian:

I know. I was going to say, let's add that as like-

Anna Gassman-Pines:

As like another surprise.

Lisa Gennetian:

Right, right, right. We're creating all kinds of surprises here, so I think that's another surprise. Let me offer some statistics. One out of 10 individuals roughly in the U.S. count as living in poverty. It's one out of five children, so just have those numbers in mind. We can put lots of millions of people under each of those statistics, we're a big country. For children in poverty, a family of four, this is sort of the official poverty statistic, we should have a conversation about what that is and what it captures, but the simplest form of capturing poverty that started in the 1960s is in today's terms or last year's terms about $30,000 for a family of four.

Anna Gassman-Pines:

So $30,000 for a family of four?

Lisa Gennetian:

Yeah, divide that by 12. What is that?

Anna Gassman-Pines:

That is not right. That's not a lot.

Lisa Gennetian:

That's not that much.

Anna Gassman-Pines:

What? Less than $3,000 a month for poor people for everything you need. That's all of a family's basic needs.

Lisa Gennetian:

Yeah.

Anna Gassman-Pines:

Yeah. So I got an advanced copy of an op-ed you're working on and I think there's a second surprise in there. One of the things that you're sharing in that op-ed is that poverty is not synonymous with not working. So when we think about ... I think a lot of us, when we kind of imagine, we look around maybe our community and we imagine, "Who are the poor people in my community?", we are thinking about people maybe who aren't working or aren't working enough, but that's not actually right. So can you say a little bit more about that?

Lisa Gennetian:

Yeah, I love this question. So the reality is that the far majority of people that fall within this poverty threshold, that we still haven't defined but we'll get there, are working. So let's see, the latest statistics I dug up, it's over 60% of there's at least one worker in that household. And actually the other chart that I put up when I talk to audiences is I show where income is coming from if you're at or below the poverty line, and the largest source of income is earnings.

So I think it's a really important point that we associate not working with being poor, and a lot of assumptions about what that means from people are being lazy to the other view, the labor market is cruel and not rewarding people. We can go down those kind of tracks. So I think we need to sit with the fact that there are lots of working people in the U.S., working parents in the U.S., who do not have enough income to get them above the poverty line.

Anna Gassman-Pines:

Right.

Lisa Gennetian:

Yeah.

Anna Gassman-Pines:

And so what do you think knowing that tells us about what we should be doing, what questions we should be asking, maybe what policies we should be thinking more seriously about?

Lisa Gennetian:

Yeah, I know. We can go down-

Anna Gassman-Pines:

So many.

Lisa Gennetian:

Yeah. Should we talk first about the poverty statistic a little bit?

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

Yeah, let's do that for just a second.

Anna Gassman-Pines:

Absolutely.

Lisa Gennetian:

And then I think that'll open up the conversation about, well, how do we capture wellbeing in our country? Which to me is the really important, I think, ultimate question here, especially for generating data on statistics that's going to shape government choices and decisions.

Anna Gassman-Pines:

Yeah, yeah, yeah. Right.

Lisa Gennetian:

So the poverty statistics started in the 1960s and you and I were talking about this a little bit on our walk over, what inspired that was actually someone's real experience on the ground and seeing hungry children, really hungry children. And that was a shock. Does this exist in the U.S.?

Anna Gassman-Pines:

Do we have children in our country who are going hungry?

Lisa Gennetian:

Hungry, yeah. So it was really surprising at the time, it was President Kennedy who was sort of getting wind of this picture and then Lyndon B. Johnson of how real people were doing on the ground. That raises this question, well, is it pervasive? How many people? Does it merit a government response? And from there was the birth of a statistic, right? And in fact, that first statistic developed by Mollie Orshansky was based on a food budget.

Anna Gassman-Pines:

She actually went around, I think she went shopping. She took her shopping [inaudible 00:08:22].

Lisa Gennetian:

Right, Mollie went shopping.

Anna Gassman-Pines:

Mollie went shopping.

Lisa Gennetian:

She did real field work.

Anna Gassman-Pines:

She was out in grocery stores.

Lisa Gennetian:

I love that.

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

I love that.

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

So Mollie had to come up with statistic, this is like frontier at the time. It's based on the food budget. It's also based on some assumptions about who's living in the household, because you worry about how much food is available for the number of people in the household. So that is the actual history of the poverty statistic. Over time, we have done a couple of things in this country.

Anna Gassman-Pines:

So wait, sorry, can I just interrupt?

Lisa Gennetian:

Yes.

Anna Gassman-Pines:

So for folks who don't know about Mollie Orshansky and what she did, she went shopping. She actually did some meal planning, I think.

Lisa Gennetian:

I love it.

Anna Gassman-Pines:

She was thinking about what is a thrifty meal plan, what are basic meals that can feed a family? And then at the time, food was about a third of a family's budget, so she had these numbers from her grocery trips and then she just multiplied them by three. And that was the number that the government set for how we decide who's living in poverty.

Lisa Gennetian:

So that poverty statistic has holds a lot of traction for good reasons because it gives us historical information. At the same time, it doesn't capture everything, right? There was a policy response with this statistic.

Anna Gassman-Pines:

That's right.

Lisa Gennetian:

Right? We had the emergence of a pretty robust safety net that came out of this, so food subsidies, housing subsidies, cash assistance, and so on. It's a long list. And those programs really, really help families. And so there was this debate in the 2000s kind of period, well, should we do a better job measuring poverty that acknowledges

these types of transfers? So that was one thing that was an innovation, and that's called a supplemental poverty measure so it counts income from these programs and gives us a fuller picture of how the government is contributing to support families.

Anna Gassman-Pines:

So we can tell, is it helping?

Lisa Gennetian:

We can tell, that's right. That's right. Super important. And then the other big change that I want to name is that our households have become really complicated. Mollie kind of made, let me just say, kind of a 1950s assumption of what family structure looks like, and we know it's much, much more complicated. And so this new measure considers in a more nuanced way a full set of these complexities of who's living in the household, who's permanently living in the household, what are their relationships and so on. And we've had two more iterations of this. This has become important enough that there are three, four, five, maybe six National Academy of Scientists consensus reports with experts from all over the country thinking about how do we best capture poverty and wellbeing around poverty in our nation. But what we'll see from the census released in September is the official poverty statistics, so the original one.

Anna Gassman-Pines:

Right, we've still got Mollie's ...

Lisa Gennetian:

We still got Mollie-

Anna Gassman-Pines:

[inaudible 00:11:29] number, right?

Lisa Gennetian:

Yeah, exactly. And the supplemental measure that does consider all these other programs that are supporting families.

Anna Gassman-Pines:

Right.

Lisa Gennetian:

Yeah.

Anna Gassman-Pines:

So can you maybe give another example of how policymakers use that supplemental poverty measure? Maybe let's loop back to the elderly for a second here. So we have this program for-

Lisa Gennetian:

Social security.

Anna Gassman-Pines:

Social security for elderly. How would it work to understand whether that program is working or not using this measure? Because sometimes statistics I think can seem, we know they're important, they get a lot of write-up in the newspaper.

Lisa Gennetian:

Well, some of them do.

Anna Gassman-Pines:

Some of them.

Lisa Gennetian:

Yeah.

Anna Gassman-Pines:

Yeah. And I think part of your point is, but how do they help us understand our world? How do they help us understand what's going on in our country and our community or not? So maybe we can just talk about one example of this supplemental poverty measure and how it helps make sense of what's going on.

Lisa Gennetian:

Yeah, I love that, and you're going to be really unsatisfied with my response, which is we have not fully incorporated the supplemental poverty measure when we make decisions about a lot of our safety net programs. And what I mean by that is some of our food subsidies, Supplemental Nutrition Assistance Program, an area of expertise that you also have, is based on the official poverty level. And there are lots of reasons for that. Some of it is the complexity of dynamics that the supplemental poverty measure incorporates versus steady state.

So what the supplemental poverty measure is designed to do is give us a fuller picture of how the country is responding given policy decisions. It is not right now, as far as I know, really informing how those policy decisions are changing. However, I suspect it will, and I might argue it should because it is, as we just talked about, it gives us a bigger picture of how government is investing, whether that's having impact on people's lives in terms of overall income, and we should make those adjustments.

So social security, I want to go back to that for a second because this will go back to statistics. Really fascinating to think about this, I hadn't thought about your question before, but at the end of the day, I'm not super confident that small changes in elderly poverty are really going to change social security. I think that the country is sitting in a place of, oh, that really, really worked.

Anna Gassman-Pines:

That worked.

Lisa Gennetian:

We have a very robust elderly population, a voting population, and the steady state of low elderly poverty is a good thing. It reduces demands on caregiving and other ways that we can think about benefits to society. The big issue on social security has to do with the debt and deficit, and how are we going to sustain that program given that it draws on earnings of young people? So it's a really interesting dilemma. It brings us back to statistics though.

Anna Gassman-Pines:

Yeah, right.

Lisa Gennetian:

And so that's a statistic that has been talked about a lot.

Anna Gassman-Pines:

Which one?

Lisa Gennetian:

Debt.

Anna Gassman-Pines:

Debt, right.

Lisa Gennetian:

And how to sustain social security. So it's not about poverty, it's about debt. And the other statistics that tend to have a lot of news coverage and people can, I think, think about those statistics and translate it pretty easily to their everyday lives. One is inflation, so this is about how much are prices changing. Why is gas price so high?

Anna Gassman-Pines:

Right. Why is the price of a dozen eggs so high?

Lisa Gennetian:

…egg so high, and my favorite, coffee. And that really, I love coffee. Really, it affects me when the price is high. I'm making different shifts and you probably have your own preferences and how you react to prices. So we pay attention to prices, they can really affect us on an individual and societal basis.

So debt is the other big one that feels a little abstract, but when it's connected to programs where a lot of people benefit, it becomes less abstract. The other big statistic is unemployment or employment, right? So we care a lot about jobs, how the economy is mapping onto jobs because earnings are important for lots of reasons. So those statistics and overall growth really take center stage, they're really important. They give us a sense of the economic health of the U.S. And I think the curious question for me is how does poverty fit into that? Poverty doesn't get the same play.

Anna Gassman-Pines:

It doesn't.

Lisa Gennetian:

So let's talk about that.

Anna Gassman-Pines:

Yeah. Why do you think, why not? I mean, if we're relying on the government to collect these statistics, to share them publicly, as a way of understanding what's going on, why do you think the poverty numbers don't get as much traction in the public imagination as the unemployment rate or consumer price index or something about inflation?

Lisa Gennetian:

Yeah, I want to explore this with you is where I'm sitting in my land of curiosity here. The poverty statistic and the statistics that will come out in September are unique relative to those other statistics because they tell something about the distribution of resources. And that feels like a mouthful, but let's think about it in the following way. Who is winning and who's not? Who's benefiting and who's not from a robust economy. Great, the economy's growing.

Anna Gassman-Pines:

Right, jobs we added ...

Lisa Gennetian:

We added jobs.

Anna Gassman-Pines:

We added [inaudible 00:17:29] jobs last month, I remember, right.

Lisa Gennetian:

We added jobs. That's really important and we really need statistics to measure that. And then we need something else in addition to that. Who are they growing for?

Anna Gassman-Pines:

Yes.

Lisa Gennetian:

Who are they not growing for?

Anna Gassman-Pines:

Yes.

Lisa Gennetian:

Who's losing jobs? And what's in place for the people who are trying to find a job, but can't find a job or a job that can't align with other responsibilities like caregiving. So poverty gives us a little bit more of that second piece, right?

Anna Gassman-Pines:

Right.

Lisa Gennetian:

So what's happening for people across the income distribution and that might be really uncomfortable. That's just one thing. I think also there's something that's a little invisible about poverty.

Anna Gassman-Pines:

Yeah, so say more about that.

Lisa Gennetian:

Yeah. Well, here's a statistic that I was really surprised by that I'm just going to name during this conversation. So we'll do this as a little bit Q&A and I'm not trying to test you here, but I think this is just a good practice run.

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

All right. So let's start with how many counties are in the United States? You probably know this.

Anna Gassman-Pines:

It's something like 3,000-

Lisa Gennetian:

Oh my gosh, how do you know this? Incredible. All right, over 3,000 counties in the U.S. Amazing.

Anna Gassman-Pines:

Okay.

Lisa Gennetian:

Okay. How many of those counties don't have a household that would be considered poor according to poverty statistics?

Anna Gassman-Pines:

Okay ...

Lisa Gennetian:

Zero poverty individuals or households?

Anna Gassman-Pines:

It can't be ...

Lisa Gennetian:

Give a wild guess.

Anna Gassman-Pines:

Yeah, I would think it's just maybe there's a handful.

Lisa Gennetian:

Guess what?

Anna Gassman-Pines:

Maybe there's ...

Lisa Gennetian:

Guess what?

Anna Gassman-Pines:

What?

Lisa Gennetian:

It's zero.

Anna Gassman-Pines:

It's zero? Not one county?

Lisa Gennetian:
Not one county.

Anna Gassman-Pines:
Okay. So not even Silicon Valley.

Lisa Gennetian:
Not even Silicon Valley.

Anna Gassman-Pines:
Okay. Okay. Yeah.

Lisa Gennetian:
I mean maybe it's small.

Anna Gassman-Pines:
Sure.

Lisa Gennetian:
It is small.

Anna Gassman-Pines:
But it's not zero.

Lisa Gennetian:
It's not zero.

Anna Gassman-Pines:
So that might surprise some listeners.

Lisa Gennetian:
I think that should ... That surprised me.

Anna Gassman-Pines:
Yeah.

Lisa Gennetian:
It basically means no matter where you live in the United States ...

Anna Gassman-Pines:
There's someone nearby.

Lisa Gennetian:
-There's someone within your county, which could be pretty nearby, who is poor according to the U.S. government statistics. That feels like a really important fact, and let's go back to what is visible and invisible.

Anna Gassman-Pines:

Right.

Lisa Gennetian:

So I don't know, how did you react to that? Were you like, "Oh wait, someone in my neighborhood, someone who I maybe shop in the same store with or my children go to the same school."?

Anna Gassman-Pines:

Yeah. I mean I think what it makes me think of is I think a lot of folks might be thinking of people who are in really extreme circumstances, like someone who is homeless and who perhaps doesn't have a place to sleep at night. And so they're seeing someone in their community or when they go downtown or something who's in a public park, for example. So I wonder if a lot of folks are thinking that is the face of poverty in the United States, but when you put these numbers together, how ubiquitous this is everywhere, that most people in poverty are working, it really changes. I mean I think that has the power to really change how we imagine who poor people are in our country.

Lisa Gennetian:

Yeah, yeah, and what are these statistics telling us? Get under the hood of a really important number because it does shape policy choices. I'm appreciating this conversation because also to the extent that people are paying attention, potentially it could shape how we're also viewing poverty, regular people in our everyday lives, or in the kind of society that we want to support and what is visible and what is invisible. Can I share another fact that I think might be a little surprising?

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

So you talked about the images that we have and how we associate that with income, and those are all accurate. I choose to believe that people do not prefer to sleep on the street. And so if there's someone that's homeless and on the street, there's got to be a variety of factors that could be ... It's a result of a variety of things. The other statistic is I think this is part of our image and our stereotype is number of families or children that are being raised in two parent households that are poor, and so that's almost 40%.

Anna Gassman-Pines:

Wow.

Lisa Gennetian:

Yeah.

Anna Gassman-Pines:

Okay, yeah.

Lisa Gennetian:

And that's just one statistic from the last few years.

Anna Gassman-Pines:

Right. But the point is this isn't just single parent households who are struggling because there's only one adult.

Lisa Gennetian:

Yep. It's not because people aren't working necessarily.

Anna Gassman-Pines:

Right, right.

Lisa Gennetian:

So it does really complicate or it gives a richer picture of many households with children that are trying to do all the things, right?

Anna Gassman-Pines:

Be good workers.

Lisa Gennetian:

Be good workers.

Anna Gassman-Pines:

Be good parents.

Lisa Gennetian:

Be good parents, do the best for their children, and they're residing in poverty according to our measures.

Anna Gassman-Pines:

Right. I mean the fact that the government is keeping these statistics is a lot like kind of a report card on us.

Lisa Gennetian:

Yeah. I love that.

Anna Gassman-Pines:

As a nation, right? This is telling us something really important about where we are as a country I think.

Lisa Gennetian:

Yeah. Can I pick up on that report card thing?

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

So the other element of curiosity I'm trying to lean into is, so what do we do?

Anna Gassman-Pines:

Right.

Lisa Gennetian:

How do we think about this? So if we think how and who is getting resource and how that's distributed is maybe a fuller capture of societal wellbeing, what can we do? And how can we offer a fuller picture for those important government choices? What are the options to offer people, the public, a fuller picture of those options?

Anna Gassman-Pines:

Do you have ideas?

Lisa Gennetian:

Well, report card kind of like for some people that's like, "Oh my gosh, that's school and that feels very negative." I want to build on that.

Anna Gassman-Pines:

Okay.

Lisa Gennetian:

One thing I was thinking about earlier this week is we actually receive report cards in other types of behavior. The thing that I'm thinking about is our electricity bills.

Anna Gassman-Pines:

Okay. Okay.

Lisa Gennetian:

Right?

Anna Gassman-Pines:

Yeah. We as individuals you mean?

Lisa Gennetian:

We as individuals, right? So whatever electric company, you're usually getting some statement and that statement gives a history of your use. It gives a variety of prices based on the timing of your use. I mean there's so much data, right? And then there's been some innovations in the spirit of shifting people's electrical use. Those innovations include information about, well, how are your neighbors doing? How are the other households that have similar characteristics to you doing? And those kinds of innovations, so this is a sort of report card, I mean I don't know if you can call it an invoice that's sort of giving you feedback.

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

And so that feedback has actually changed people's behaviors.

Anna Gassman-Pines:

To be more energy efficient I think.

Lisa Gennetian:

More energy efficient. Small changes. It could be a good job, bad job. It could be like, "This is how you're faring relative to your neighbors," or like, "Hey, did you know that your electrical use was all at peak time last week?" Is

there a version of that that could be a byproduct of our big government statistic? Like I don't know, simple mailing, old-fashioned simple mailing that's like, "Hey, here's poverty in your county," just making it a little bit more personal, a little bit more, "These are people in your everyday life."

Anna Gassman-Pines:

A little closer to home.

Lisa Gennetian:

Closer to home. So yeah, I've been kind of playing with that idea of translating the information, more bite size, a little more context-specific.

Anna Gassman-Pines:

Yeah. No, I mean I also wonder sometimes about whether we could also do the same thing with state policymakers. We've got 50 states, they are often trying different approaches to solving problems, and I think they are sometimes a little competitive with each other, right?

Lisa Gennetian:

Yeah.

Anna Gassman-Pines:

And could that be harnessed in a way that ends up benefiting families? So if states innovate in a way that reduces poverty and makes them look better-

Lisa Gennetian:

Might be attractive for other kinds of investments, firms?

Anna Gassman-Pines:

Right, right.

Lisa Gennetian:

Yeah.

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

I love that. Yeah. As we're talking, I'm realizing there are similar types of report cards and other metrics, like March of Dimes has a report card on various child health measures at the state level.

Anna Gassman-Pines:

Yeah, I think Amnesty International does a human rights report card kind of thing.

Lisa Gennetian:

And we do have state poverty statistics, so it's not about that. That exists. Just like we had the number about zero counties, right? So it's about how you communicate that and how do you put texture around it so that people care? I mean we should care.

Anna Gassman-Pines:

We should care.

Lisa Gennetian:

I would like to live in a place where people are being taken care of by society.

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

Yeah.

Anna Gassman-Pines:

So I want to ask you, because I want to make sure that our listeners get a chance to hear, this could be a whole other podcast, but what could change lives substantially for those living in poverty? Or maybe on the edge, I mean, but for sure for those living in poverty. And maybe let's start with families with children because as you later-

Lisa Gennetian:

Yeah, it goes up and down so much. It's really not great for children's health and wellbeing.

Anna Gassman-Pines:

Yeah. The instability is really-

Lisa Gennetian:

Instability is really not great. Yeah.

Anna Gassman-Pines:

So what could change?

Lisa Gennetian:

Yeah. I mean so one way to think about this is what are the policies that are really working? We have some really great evidence at this point because it's 40, 50, 60 years later, and thanks to the scholarship of you and others and me, we're learning a lot about what works and what doesn't work well. And I would say one of the things that seemed to work really, really well is our food subsidy program, so Supplemental Nutrition Assistance Program, mouthful SNAP, used to be food stamp program, and derivatives of that so the Women, Infant, Children's Program has been just very successful. And school meals, the whole bundle of supporting people from experiencing food insecurity and hunger. Lots of successes there. Room for innovation? Yes.

Anna Gassman-Pines:

Right.

Lisa Gennetian:

Always room for innovation. We have so much data, we can keep thinking about that. How do we make this more efficient, more equitable, etc.? I'm going to name the other area is housing, and I think we're a little stuck actually in housing policy. There's a whole bazillion podcasts we can talk about housing supply and regulation and how do we support more infrastructure. But the other reality is that we have lots of people that are really struggling to pay

rent to stay housing stable, meaning don't get evicted or threatened to be evicted. Good quality housing, meaning like ...

Anna Gassman-Pines:

Safe, right.

Lisa Gennetian:

I don't know how people are thinking about this in general, but without bugs, without rodents, without lead-

Anna Gassman-Pines:

Without a leaky roof.

Lisa Gennetian:

-Without asbestos, without a leaky roof, and yeah, safe. And we've had public housing and mixed income housing. We have lots of innovation, but not a lot of stability around how to support housing and subsidize housing. And the reality is a lot of people are on a lot of wait lists to get support, so I feel like that one is really ripe and important for innovation.

And then the third area which we're learning quite a bit about is around income support, just direct income support. Our tax credits and the way we think about rewarding earnings in our country, the earned income tax credit has been wildly successful, I would say. I mean there's not a lot of evidence that shows that it has not worked well, so I think I feel pretty confident with that statement. We've had various experiments, policy experiments, around innovating. One of the areas of innovation that happened in 2021 is you didn't have to have positive earnings to get something through to get a tax credit. It was called the expanded child tax credit, specific for families with children. We've learned that that has, well, mechanically reduced child poverty. People are getting more money.

Anna Gassman-Pines:

Sure.

Lisa Gennetian:

But also learned how people have used that money and they've used it in really good ways. And I want to hold onto that for a couple of reasons. One is to live healthfully in society today, you need a few things. Let's talk about technology and how expensive that is.

Anna Gassman-Pines:

Yeah, right.

Lisa Gennetian:

I mean we're sending children to school now, this was a reality when I was raising my own children, thousands of dollars of technology are in their backpack just to be a child in the school system.

Anna Gassman-Pines:

In a public school. Yeah.

Lisa Gennetian:

We just talked about the poverty rate and that was a few thousand dollars a month. Where is the money to pay for phones and data and being connected to just be a citizen in our society?

Anna Gassman-Pines:

Right, it's such an important part of participating in any way-

Lisa Gennetian:

Exactly, exactly.

Anna Gassman-Pines:

-In society nowadays. Right, absolutely.

Lisa Gennetian:

So that cash, that flexibility, that's just one example of how that flexibility can really work for people. The other is ... I mean we can talk about a variety of goods. We haven't even talked about how policy and poverty, that intersection, can also think strategically about investing in kiddos. We know that income is especially low up to the time of birth and then right after, because guess what? It's a lot of work, you can't actually work and be in the workforce and raise a baby. Those are hard things to do. And so related to that, there are a lot of goods that are significant for children's health and family health. So reproductive health, there's a whole bunch of stuff there. Children's health. I mean, diapers are expensive.

Anna Gassman-Pines:

Dippers are expensive.

Lisa Gennetian:

Wipes are expensive. And these are consequential for infants in terms of getting infections, etc. And we don't have right now a robust kind of system for subsidizing those costs, and we know prices change a lot. There are lots of good examples of that. Remember the infant formula crisis that happened a few years ago?

Anna Gassman-Pines:

Yeah, right.

Lisa Gennetian:

So again, this is how cash can really be helpful. More income, direct income to families.

Anna Gassman-Pines:

Right. And this is very common in other countries. I think it's important to just name that.

Lisa Gennetian:

Going back to the child poverty statistic across in the U.S. versus other nations.

Anna Gassman-Pines:

Right, there are many countries where the public acknowledges it's important for these kids to grow up healthy, it's important for our society to have healthy children, that raising children is expensive, and so we have an interest in helping families raise children. And cash I think really helps parents make the kind of choices for their families that they're trying to make. They can personalize it.

Lisa Gennetian:

In the context in which they're in.

Anna Gassman-Pines:

Right.

Lisa Gennetian:

Right? We know that local economies look really different. Buying an apple in one place is a possibility within budget and it's not a possibility in other places for all the reasons. And so it allows that kind of match with the local economy. And I love that we're coming back to this because the other thing we're learning in the case of income and people in poverty is they are buying things that you and I buy. They are spending money in the economy to take care of themselves and their children, and that's also good for the local economy. So there's this concern or this tension around are poor people behaving responsibly? I think that's one thing that's another kind of visual and image that the newspapers tend to spend a lot of time on, but it's not typically what happens at all. And the other is, are they spending the money that they have available to them responsibly?

Anna Gassman-Pines:

Responsibly, right.

Lisa Gennetian:

Yeah, and it's not universal yes, but it's mostly universally yes.

Anna Gassman-Pines:

Right, because everyone needs soap.

Lisa Gennetian:

Everyone needs soap. I love the laundry example, that's another example. Should we agree? It's sort of a basic need. I mean we could think about it as a basic need, kind of cleanliness of clothing. It's expensive.

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

Yeah. Laundry detergent's expensive. Going to laundromat is expensive.

Anna Gassman-Pines:

Right, right. What other innovations do you think we should be thinking about?

Lisa Gennetian:

As a social scientist, working in this field and thinking about people in poverty in the U.S. and children in poverty in the U.S., these statistics are really important.

Anna Gassman-Pines:

They're really important, yeah.

Lisa Gennetian:

And continual investment by the government about how to capture officially in a number the lives of people according to income that they have is really important. So it's really great that the National Academy of Sciences has this history of innovation and they are bubbling up to official government statistics and will inform policy

choices. I think that's great. I think it's also important to think about what are the measures of wellbeing that we want to incorporate into our national databases.

Anna Gassman-Pines:

And our national conversation.

Lisa Gennetian:

And our national conversation. It's easy to devolve into happiness there. Are you happy? That feels really tough for me. I don't know. I mean I might be happy right now, I'm enjoying this conversation, but it's a mood-based emotion. How much is it really capturing how the household is doing? We're really good at protecting our own emotions from our children, for example. So that feels like not satisfactory to me so a broader conversation about capturing wellbeing, how to incorporate that into our statistics, I think would be really terrific.

And then the third is how do we, in a more micro level where we live, how we experience life, how do we make poverty visible without making it shameful? That is a really tough needle to thread.

Anna Gassman-Pines:

Yeah. But if we could crack that, I think that would make a really big difference in a lot of ways.

Lisa Gennetian:

Yeah. And then ask ourselves those hard questions. Is this how I want to live? Is this consistent with my values?

Anna Gassman-Pines:

Right. And in a democratic society, how can I use this information as a citizen to hold my elected officials to account?

Lisa Gennetian:

Yes.

Anna Gassman-Pines:

Right?

Lisa Gennetian:

Yes.

Anna Gassman-Pines:

What are my representatives in Congress doing about this problem in my county? Or what is my local board of county commissioners doing about this problem in my community or this challenge that we're collectively facing?

Lisa Gennetian:

Yeah, I like the word challenge.

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

Yeah, I like that a lot. The last thing I think to note that seems really important these days is who is and not represented in our data. We haven't talked about that a lot, but there are a lot of pressures and it's costly to

collect this information. So how do we stay mindful of who's being represented? You mentioned the homeless earlier, it's a hard population to collect data and there are great innovations happening there, how do we get that to bubble up and become part of our statistics?

Anna Gassman-Pines:

Yeah.

Lisa Gennetian:

Yeah.

Anna Gassman-Pines:

Yeah. Well, Lisa Gennetian, thank you so much for joining us today. I really appreciated this conversation.

Lisa Gennetian:

Yeah, me too. Thank you for having me.