REPORT AT A GLANCE

Tackling Child Poverty and Improving Child Well-Being:
Lessons from Britain

FIRST FOCUS
MAKING CHILDREN & FAMILIES THE PRIORITY

In the United States, it is often thought that child poverty is an intractable problem. Clearly the causes of child poverty are complex and multi-faceted, and there is no magic bullet that would eliminate poverty or its adverse effects. But there is evidence that policies that raise family incomes can lead to improved child and family well-being.

Jane Waldfogel's recent paper describes the recent efforts of the United Kingdom (UK) to end child poverty by 2020. Over the last decade, the UK government carried out an ambitious and multi-faceted anti-poverty campaign – with significant results as they reduced child poverty by more than half. Remarkably, their success in reducing child poverty continued even during the recession, as child poverty fell again in the last year – in sharp contrast to the pattern for the US, where child poverty has now reached its highest level in 20 years.

How did the UK manage to make such a substantial reduction in child poverty? And what lessons can the US learn from their experience?

Britain's Anti-Poverty Initiative

Britain's ambitious anti-poverty initiative consisted of three strands:

- a set of measures to promote work and "make work pay";
- increased financial support for families; and
- a series of investments in children.

Impact on Child Poverty in Britain

When the UK declared war on child poverty in 1999, 3.4 million children (one in four) were in poverty, using both the absolute and relative measures of poverty.

Ten years later, absolute poverty (as we measure it in the US) had fallen by more than half, or 1.8 million children, and relative poverty (measuring poverty as 60 percent of average income) had fallen by 15 percent, or 600,000 children.

Lessons for the US

Policy

Making Work Pay: Examples of policy in this area include raising the minimum wage and indexing it to inflation and making permanent expansions and improving access to in-work credits, such as the Earned Income Tax Credit.

Increase Financial Support for Families: Examples include making the Child Tax Credit fully refundable and targeting scare resources to families with the youngest children.

Investing in Children: Examples include work-family policy such as paid parental leave and "right to request" flexible work hours, as well as education investments in both early childhood investments and K-12.

Process

Targets: Stating a goal and setting targets (such as cutting poverty in half in ten years) can mobilize government and drive the development of specific strategies.

Measuring Poverty: Having an appropriate and up-to-date measure of poverty is critical. Steps in this direction are now underway, with the US Census Bureau planning to release a supplemental poverty measure alongside the official poverty measure in Fall 2011.

Politics

Promoting Opportunity: US leaders should make the case for tackling child poverty, publicize the actions they are taking, and make sure the public knows when they have been successful.