

Child poverty: Why does it matter?

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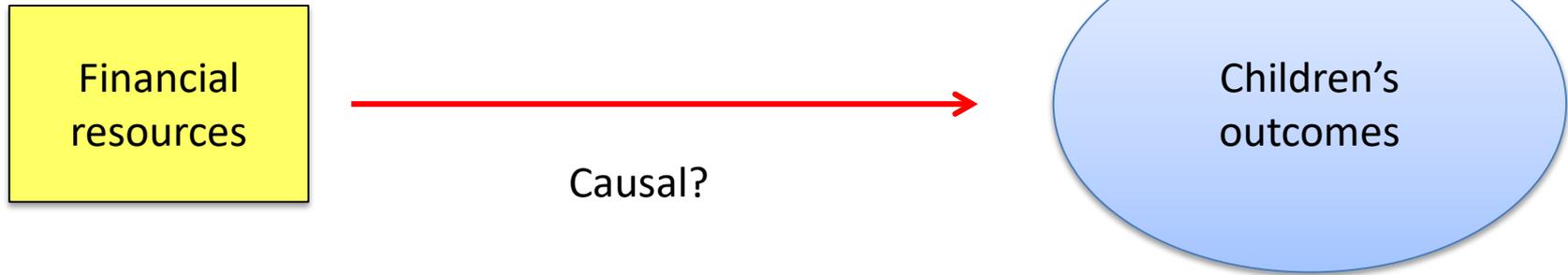
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The relationship between poverty and child development



- **Confounding factors:** Parental education? Aspirations? Parenting style?

We conducted a **systematic review** of the evidence base from OECD countries on the relationship between income and children's outcomes, only including studies that use **credible methods to establish causal links**

(Cooper and Stewart, 2013; updated Cooper and Stewart, 2017)

Outcomes we looked at

Children's Outcomes:

- Cognitive and school achievement
- Social, behavioural and emotional development
- Physical health

Intermediate Outcomes:

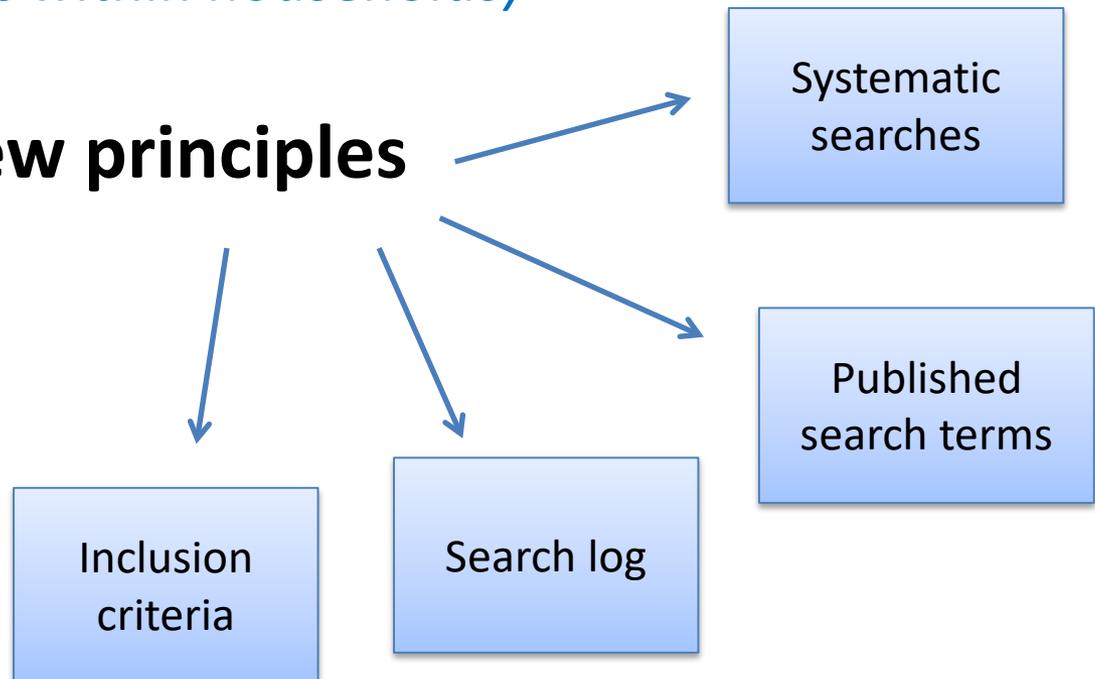
- Home learning environment
- Parenting behaviours
- Parental mental health
- Parental health behaviours (smoking, drinking)

Methodology

1) Studies had to use these methods:

- Randomised Controlled Trials
- Quasi-experimental approaches (e.g. natural experiments; instrumental variables)
- Fixed effects (or other techniques that measure changes in resources and outcomes *within households*)

2) Systematic review principles



Included Studies:

Randomised Controlled Trial example

Cancian, Yang and Slack (2013)

- ‘Wisconsin-Works’ welfare reform: random assignment determined level of ‘pass through’ in child support to mothers in receipt of state benefits.
- Experimental group could keep benefits plus all child support paid; control group kept benefits and 41% of child support.
- Children in families keeping more child support were significantly less likely to be at risk of maltreatment.

Included Studies:

Natural Experiment example

Akee, Copeland et al (2010)

- Opening of a casino on Eastern Cherokee reservation, rural Carolina
- Longitudinal study already in progress when Casino distributes profits to all adult tribal members – increase in income of around \$4,000 per adult/year.
- Researchers tracked outcomes for children in households with and without eligible adults.
- Increased income increased years in education, reduced teenage crime and parental arrests, increased parental supervision and positive interactions with mother.

Results by outcomes measured

(groups of studies using the same experiment or data are counted once only)

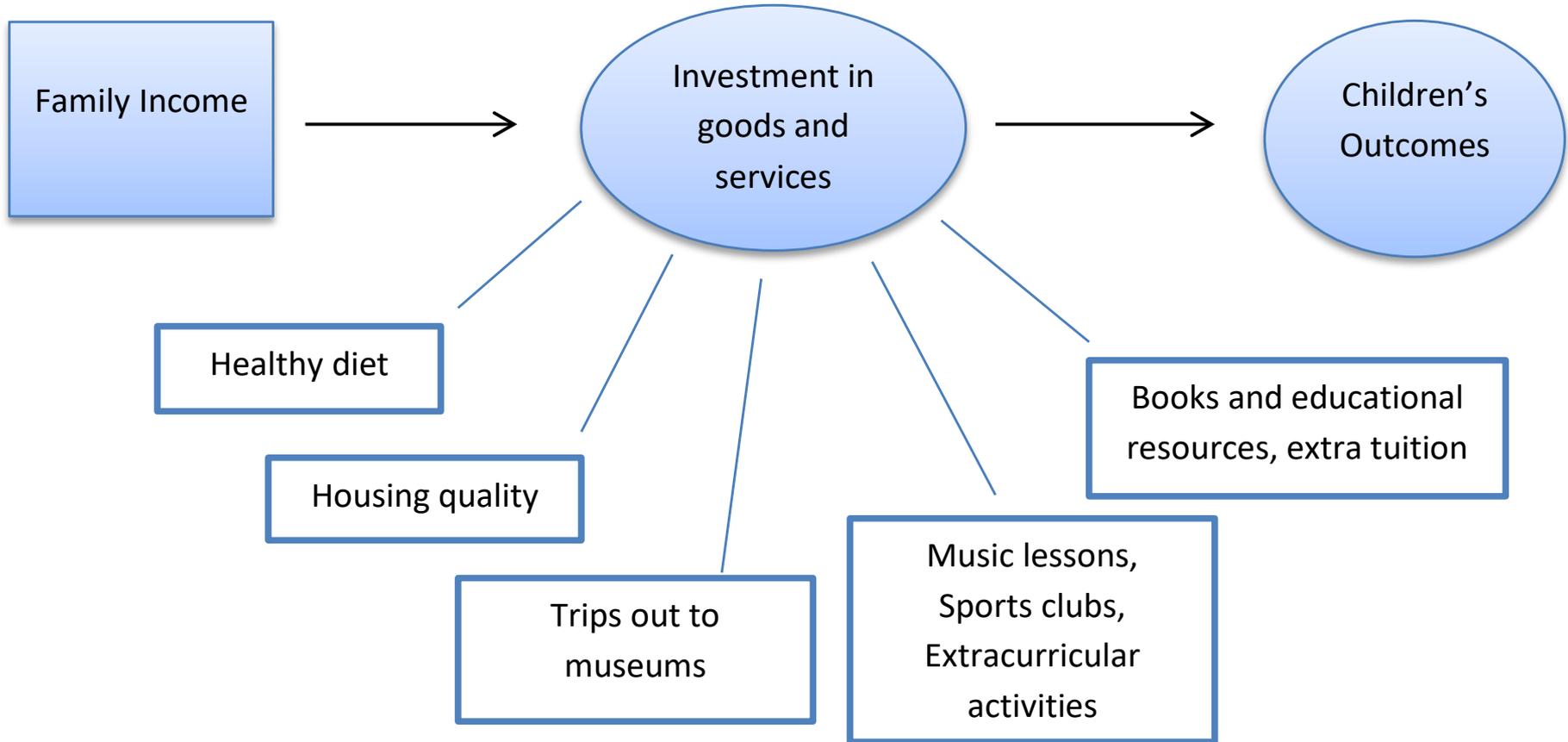
| Nature of outcomes | No effect | Mixed | Positive | Total |
|---|------------------|--------------|-----------------|--------------|
| Cognitive development and school achievement | 1 | 0 | 16 | 17 |
| Social, behavioural and emotional development | 2 | 0 | 10 | 12 |
| Physical health | 2 | 1 | 8 | 11 |
| Potential mechanisms | | | | |
| - Parenting/home environment | 1 | 0 | 4 | 5 |
| - Maternal mental health | 1 | 0 | 5 | 6 |
| - Parental health behaviours | 3 | 0 | 3 | 6 |

Note: In this table multiple studies are treated as one. Results are coded as 'positive' if positive effects were found for outcomes by at least one measure/in at least one of the studies, and 'no effect' if none of the studies/measures found a significant effect. 'Mixed' means a mixture of positive and negative effects were found.

Source: Cooper and Stewart (2017) *Does money matter for children's outcomes? An updated systematic review*. CASE and Joseph Rowntree Foundation.

Why does money matter?

The Investment Model



I didn't have breakfast - nothing in my house, my mums skint (P6)

Feel like punching the teacher... when I'm hungry (P6)

I'm never, ever full and I can't concentrate (P6)

Dot gives you your lunch and says just pay it the next day if you don't have your money... sometimes I feel bad for asking though so I just don't even bother (S4)

“Parents dilute down milk as they can’t afford formula milk”

“Children are not accessing services and support due to finances – such as parents can’t take them on the bus to appointments, etc.”

“ [I see] children being unwell with back-to-back respiratory illnesses, living in overcrowded shared accommodation”

Paediatricians on their views on how poverty affects physical and mental health of the children they see, in *Poverty and child health: Views from the frontline*, CPAG and RCPCH, May 2017

I work in Early Years and the children ask every morning if they can have food, their mood and concentration picks up as soon as they eat.

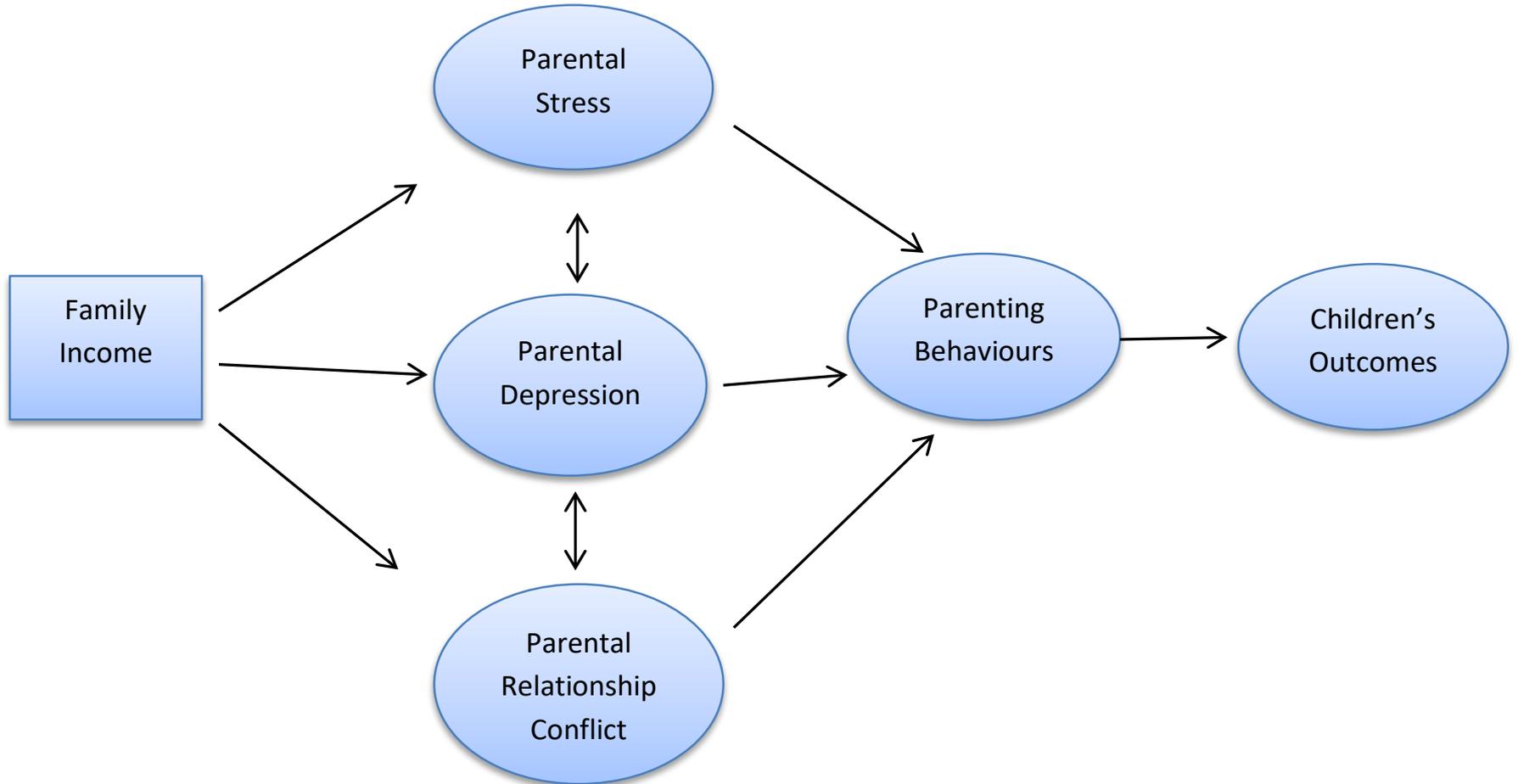
A lot of the times children will have internet access through the phone of a relative, however, some activities and work are not accessible through these platforms (such as reading egg). This then gives children less of an opportunity to develop (in the case of using reading egg, they can't progress in reading development).

None of our children in poverty access music lessons as there is no way it can be funded by parents or school - I know many who would love to.

Teachers, quoted in *Child Poverty and Education: A survey of the experiences of NEU members*. CPAG and National Education Union (2018).

Why does money matter?

The Family Stress Model



“I think that the biggest impact of poverty on the children and parents I encounter is insecurity, inferiority and stress. Through biological and psychological factors these undoubtedly lead to poor health.”

Paediatrician quoted in CPAG and RCPCH (2017).

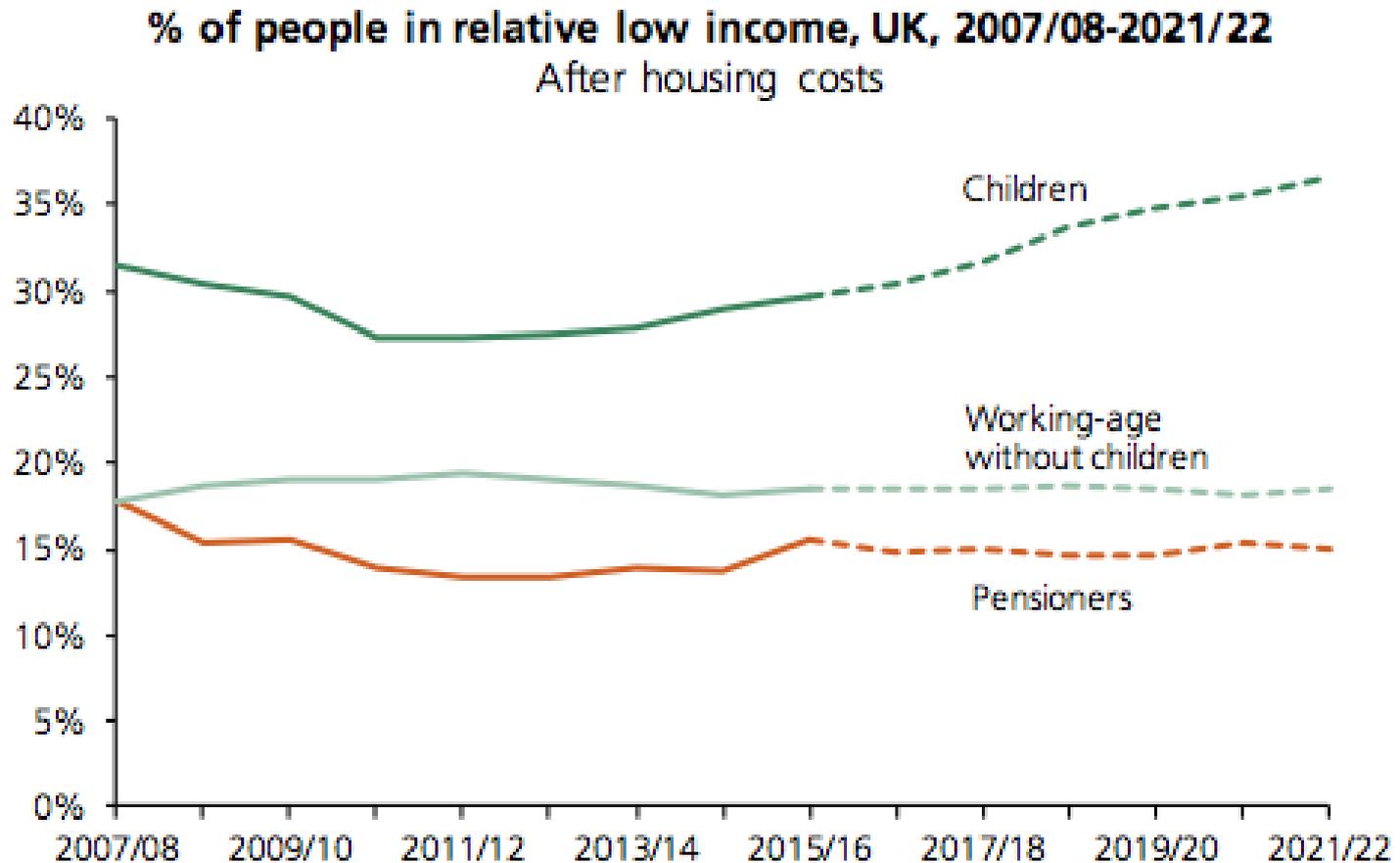
“Parents are in crisis and not managing their children's emotional or physical needs as they are so stressed about money. The support we need to provide for these families cannot be underestimated.”

Teacher quoted in CPAG and NEU (2018)

I was just trying to make her laugh and she was quite stressed because she had like no money at that moment and she said, she said stuff like “Go up to your room now” and “Would you stop it please” and “I don’t like the way you joke with me most of the time” and stuff. But I was only trying to make her feel better instead of being stressed.

(Nine year old in Hooper et al, 2007, p.58)

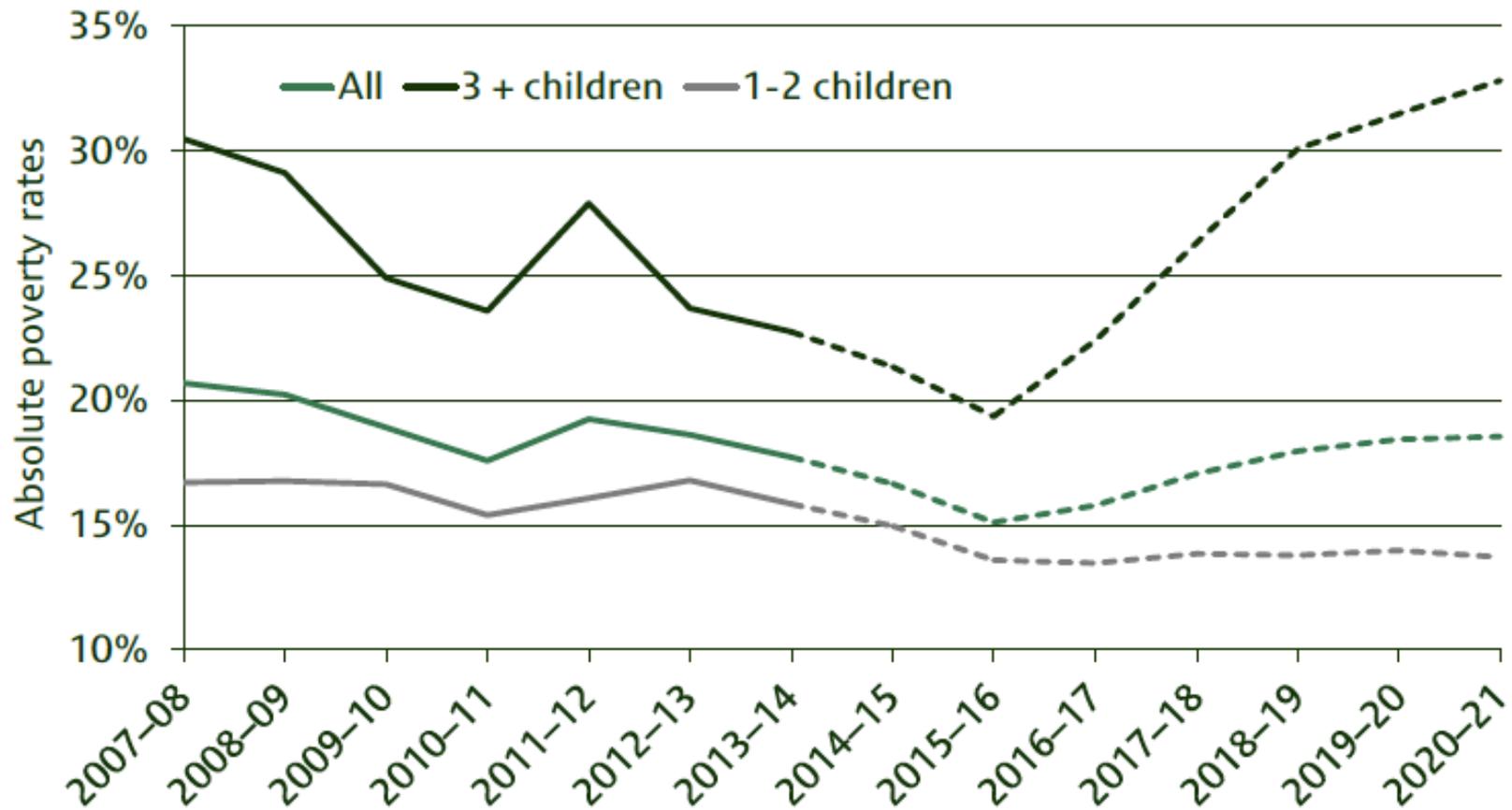
Projections for poverty to 2021/22



Solid lines are actual percentages of people in poverty, dashed lines are projections

Source: Hood and Waters (2017), *Living Standards, Poverty and Inequality in the UK*, Institute for Fiscal Studies.

Absolute child poverty by family size: 2007–08 to 2020–21



Summary

- Poverty affects all aspects of children's development – in part because of what money can buy, and in part because poverty is a cause of stress, anxiety and depression for parents.
- Child poverty is set to rise significantly in the next five years, with particularly sharp increases for children in larger families.
- These increases are heavily driven by national policy reforms – in particular, the freeze on working-age benefits, the transition to Universal Credit and the new two-child limit.
- Health care, education and wider children's services are left with a much more difficult task to do: **How can these services best respond?**