

Discussion of:

*Assessing the Long-Run Benefits of
Transfers to Low-Income Families*

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The paper argues that:

- Parent labor supply impacts of transfer programs are second-order concerns if our focus is on children
- Growing evidence from neurobiology that early life experiences can have profound long-run impacts

The paper finds that:

- Empirical studies of long-run impacts are growing in number and very promising
- Studies of the long-term effect of cash transfers, food stamp benefits, health insurance coverage and a particular form of housing subsidy, show “remarkably consistent” evidence of improved long-term health and attainment.

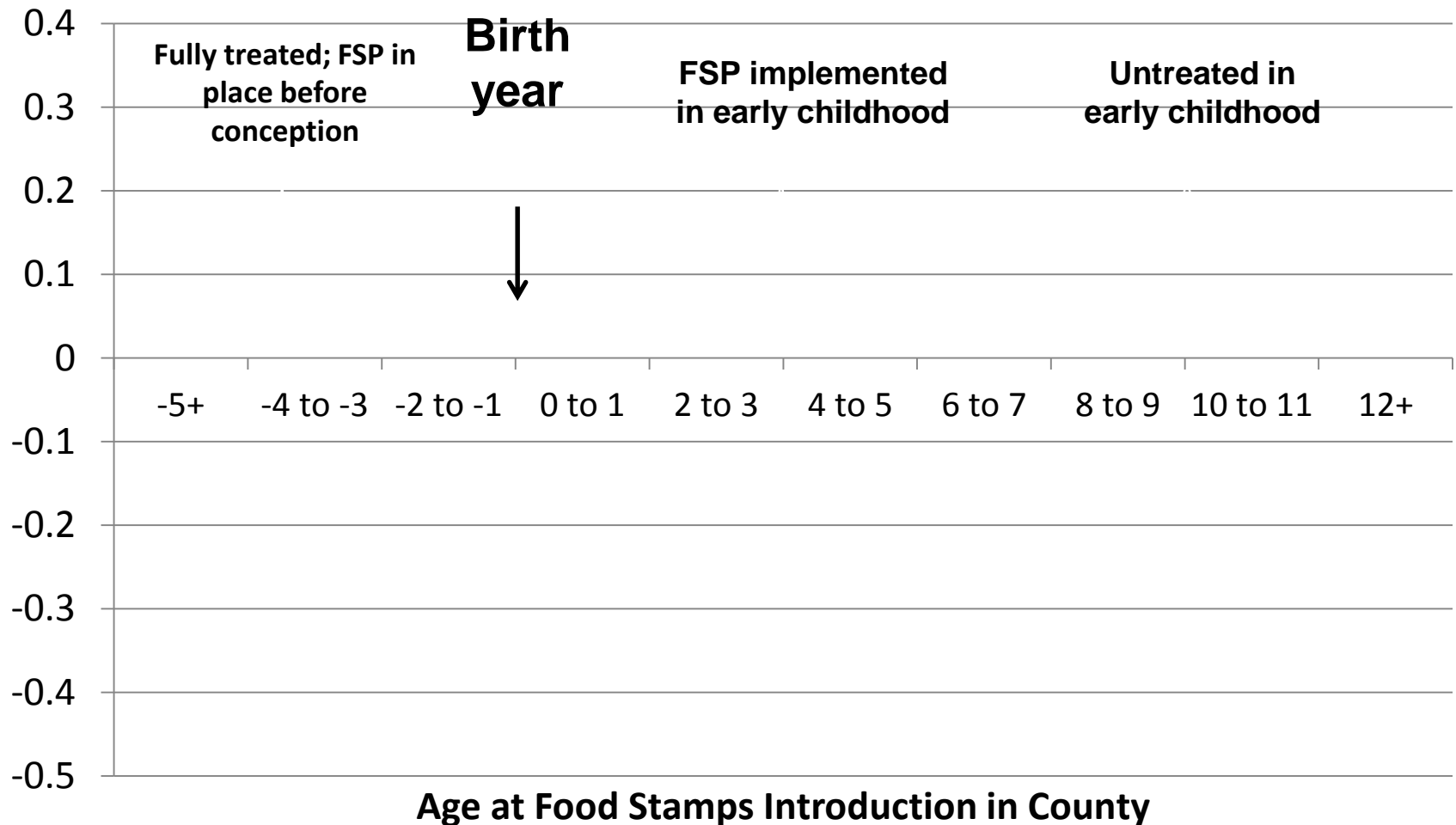
My comments

- It looks like something's there
- The timing of when the transfer is first received appears to matter a lot (early is better)
- If timing matters, then tricky policy implications
- Our reviews need to be as robust as our research papers

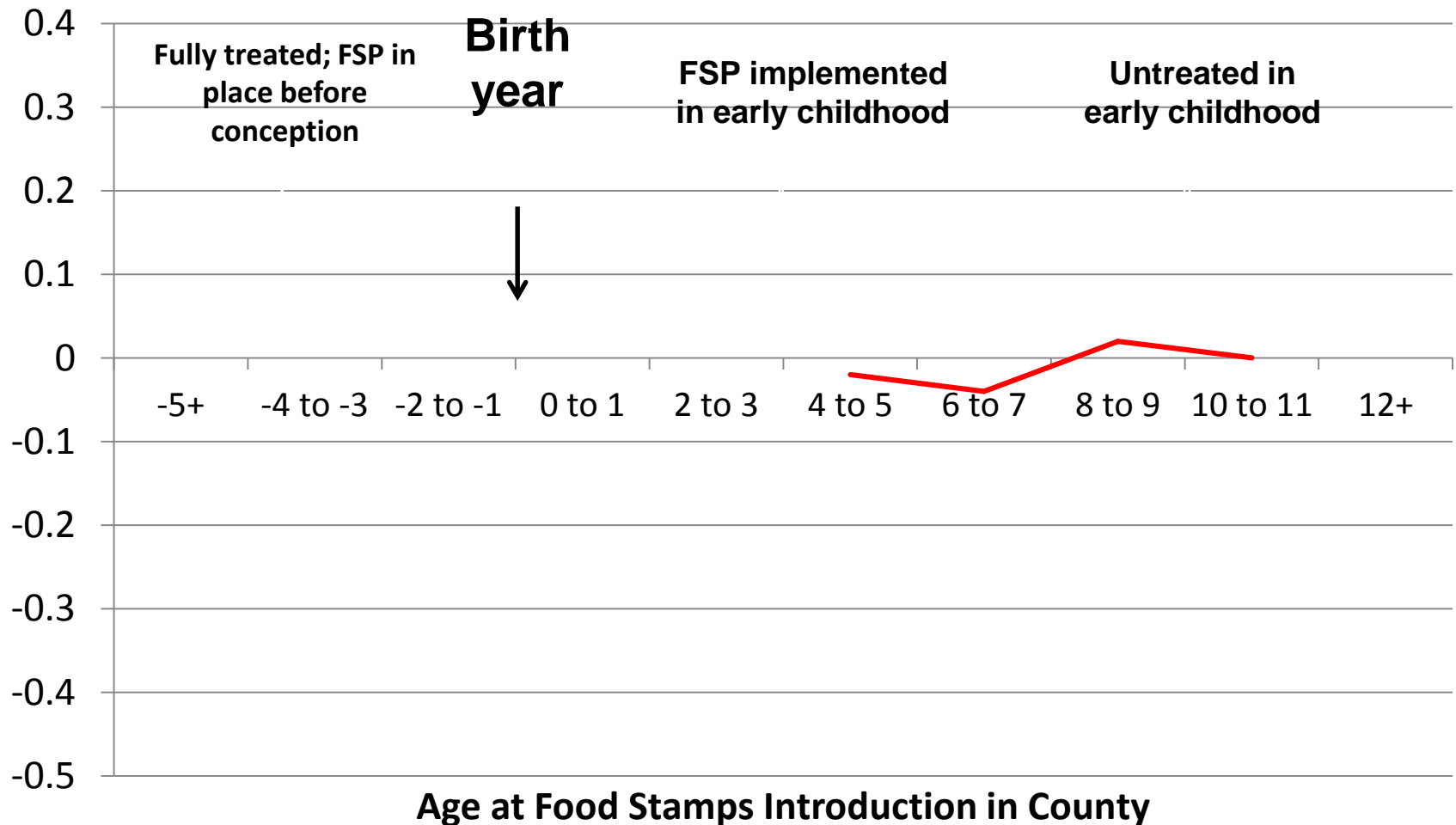
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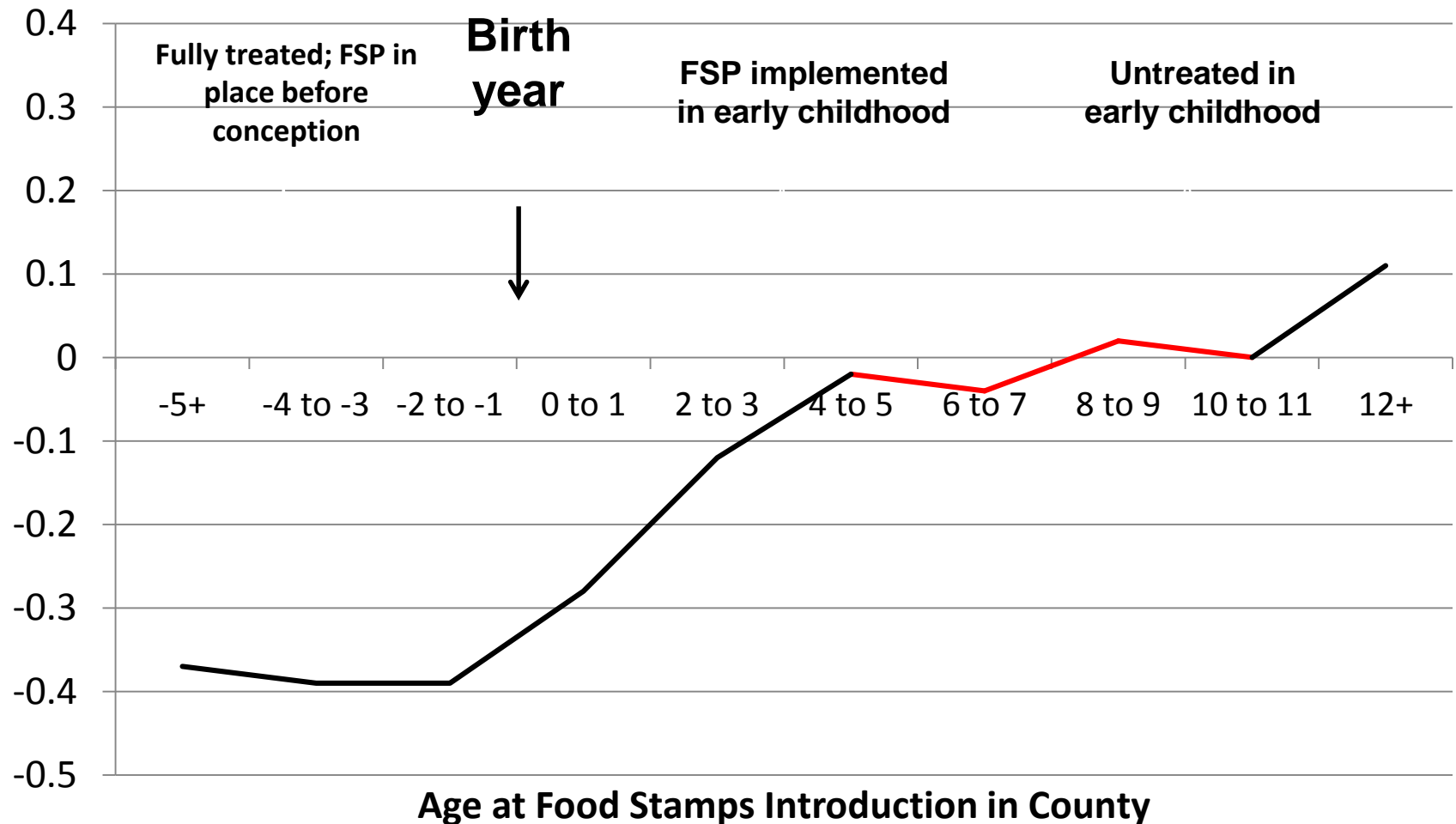
Impact of Food Stamp exposure on Metabolic Syndrome Index at ages 25+ (Hoynes et al.)



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Studies with generally:

positive impacts of transfers for early income and
null to negative transfer impacts in adolescence

- Food stamps (Hoynes et al.)
- NIT experimental impacts on achievement
- Welfare to work experiments in the 1990s (Morris et al.)
- Section 8 (Chetty et al., but not Jacob et al.)
- Health insurance

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Why should receipt early in life matter the most?

- Children's stress, immune and self-regulatory systems get wired up, which provide the foundation for later healthy development
- Family (as opposed to schools and neighborhoods) is all important
- Careers are youngest; income is lowest
- Parents are most overwhelmed and least mature

Policy conundrums

- Apart from programs like WIC, we don't differentiate by age of children
- Should programs be structured with higher benefits to families with young children?
 - Redistribute (e.g., EITC) with more going to families with young children?
- Should Section 8 be restricted to families with young children?

Is there “remarkably consistent” evidence of improved long-term health and attainment?

- For Section 8:
 - Chetty found uniformly positive results for children <13 and uniformly negative results for children >13
 - for families living in public housing
 - and bases his benefit/cost calculations only on younger children
 - Jacob et al. evaluate a more typical Section 8 population (Chicago) and find no long-term results

So...

- Expand the discussion of mechanisms
- Pay more attention to the timing of the receipt of income during childhood
- Be more skeptical of null results for other outcomes and subgroups
- Grapple with the policy implications of age-specific results

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