

Smart Social Programs

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Do government efforts to support low-income families work? Since the War on Poverty in the 1960s, skeptics have argued that even if these programs provide temporary relief, the only long-term impact is increased dependency — witness, they say, the [persistent lack of mobility](#) in places like inner-city Baltimore.

But a growing body of research tells a very different story. Investments in education, income, housing, health care and nutrition for working families have substantial long-term benefits for children.

Consider Moving to Opportunity, an experiment in the 1990s that gave families housing assistance, in some cases contingent on their moving to less poor neighborhoods. [Initial evidence](#) from the randomized trial was disappointing, finding little or no improvements in test scores for children or earnings for adults. A [new paper](#) by the Harvard economists Raj Chetty, Nathaniel Hendren and Lawrence F. Katz, however, followed the children for another decade. It found that traditional rental vouchers had increased their earnings as adults by 15 percent, and experimental vouchers, which required people to move to less poor neighborhoods, by 31 percent. The additional tax revenue from these higher earnings was enough to repay the program's cost.

This is only the latest in a number of recent studies that use big data to understand the longer-term effects of a range of government programs.

One [intriguing recent study](#) by the economists Anna Aizer, Shari Eli, Joseph P. Ferrie and Adriana Lleras-Muney examined the records of 16,000 children whose families applied for a temporary income-support program that was in effect from 1911 to 1935. By comparing the outcomes of those who received the benefit to those of similar children who were denied, the researchers found that the program resulted in more education, higher earnings and lower mortality. [Social Security](#) data were used to follow program beneficiaries until as late as 2012, allowing researchers to show that the benefits of receiving even a few years of assistance as a child could persist for 80 years or more.

Although we do not have 100 years of follow-on data from today's programs, recent research following children as they entered their 20s and 30s has produced similarly striking findings.

Studies show that the earned-income tax credit, one of the government's largest tools to reduce child poverty, may also reduce the incidence of [low birth weight](#), [raise math and reading scores](#) and [boost college enrollment rates](#) for the children who benefited. The Supplemental Nutrition Assistance Program, formerly known as food stamps, has been shown to have similar benefits for child recipients that can [last decades](#).

Receiving [Medicaid](#) in childhood makes it substantially more likely that a child will [graduate from high school](#) and [complete college](#) and less likely that an African-American child will [die in his late teens](#) or be [hospitalized at 25](#). For women, Medicaid participation in childhood is [associated with increased earnings](#).

A body of research on the long-term effects of high-quality preschool programs and other early-childhood interventions, like home visits by health professionals, consistently finds that they improve a range of adult outcomes, [from higher earnings to reduced crime rates](#). Other research has [found](#) that Head Start achieves similar results.

There are three noteworthy elements in this new research. First, the benefits often are not captured by short-term outcomes like improvements in children's test scores, which typically last only a few years before fading.

Second, while program design certainly matters — and can matter a lot — much of the benefit appears to derive from helping low-income families pay for basic needs like food, housing or health care, or simply reducing the intense economic pressure they face. This relates to findings that poverty may [increase intense stress](#), inhibiting young children's cognitive development.

Third, in many cases, the additional tax revenue from the higher long-run earnings generated by the program is sufficient to repay much or even more than all of the initial cost.

In addition to long-term benefits, the safety net, of course, supports many Americans right now. In 2013, income and nutrition assistance programs lifted 46 million people, including 10 million children, out of poverty, while health programs benefited tens of millions more. As a result, the [proportions of Americans who are poor](#) and uninsured have fallen over the past several decades.

Moreover, safety-net programs do not discourage work in any big way. Instead, the E.I.T.C. [rewards low-income parents for working](#). And child care and pre-K programs make it easier for parents to work in the first place, while also putting children in a better position to succeed.

President Obama's goal is greater mobility and higher incomes. We know that the large cuts to nutrition assistance, health care, housing vouchers and other programs contained in the recent congressional budget resolution would not only hurt the poor today but also shortchange our economy's future. In contrast, the evidence strongly supports making child care and preschool available to all families with young children, restoring housing vouchers that were cut during the sequester and expanding tax credits for working families.

We cannot solve poverty or lack of mobility overnight, but contrary to what the skeptics say, investing in families works — not just for them, but for all of us.