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RECOVR Roundup Vol. 37: Social Protection in the Time of COVID-19

In this thirty-seventh installment of our RECOVR Roundup series, we are sharing new findings and analyses from the <u>RECOVR Research Hub</u> and from our partner organizations, as well as links on what is happening in the Social Protection landscape in response to COVID-19. Read the <u>previous installment</u> if you missed it, and <u>sign up for our mailing list</u> if you'd like to receive this roundup series directly to your inbox.

As always, we encourage you to write to our team with ideas for features.

New Findings & Analysis

United States: The old baby-as-tax-deduction joke turns out to be a useful study

A child tax credit makes a lifelong difference

In a <u>newly published study</u> (summarized at the link below), Andrew Barr, Jonathan Eggleston, and Alexander A Smith use a natural experiment of firstborn children born just before vs. after the cutoff for eligibility for the Earned Income Tax Credit (EITC). The tax credit (which refunds cash if the family doesn't owe taxes) and child exemptions amounted to an average of \$1,300 for lower-income families who'd had a new baby in the 1980s and 1990s. Researchers tracked down data from adults whose families had received that extra money during their first year of life, and found it translated to a 1-3 percent increase in annual earnings for them as adults, with slightly more for the cohort born during the 1991-1992 year when the EITC was higher. Linking it to education data from one state suggests that those kids also had higher academic achievement and fewer suspensions. The researchers calculate the program paid for itself through higher taxes paid on a lifetime of increased earnings. Read more here.

What We're Reading & Watching



- A decade ago working with researchers, IPA in Liberia found a program which seemed to help curb violence among high-risk young men in Liberia—a homegrown cognitive behavioral therapy program (to which researchers added a cash grant to help them get on their feet). <u>A new 10-year follow-up</u> showed the one-time program kept working, reducing crime in the group that got the program, at a cost of \$1.50 per crime averted.
- A new <u>Campbell Collaboration review</u> of 70 systematic reviews (3,289 studies in total) of social protection programs in 121 countries finds that **social protection programs have higher impacts for women and girls than boys and men, though they recommend designing programs with gender in mind.** They also find programs with more specific goals are more effective.
- Here is an interesting Poverty Research and Policy Podcast, in which Professor Amy Castro speaks about the concept of basic income, and what she and her team are learning from data coming in from pilot projects around the United States. For example, in a well-known California pilot, at the beginning, everyone in both treatment and control groups met the criteria for depression or anxiety, but after a year of basic income in addition to reducing financial hardship and increasing employment, those symptoms were reduced.
- One consistent barrier to social protection in lower-income countries has of course been how to pay for it. A solution which has been gathering interest is a global fund for social protection funded by wealthy countries, and this podcast from socialprotection.org discusses many of the interesting questions about what such a fund might look like and how it might work.

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