MAKING WORK COUNT:

STRATEGIES FOR PROMOTING ECONOMIC MOBILITY

Matthew Darling, ideas42
Policy Institute for Governors' Human Services Advisors

9/12/2019

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A STORY…

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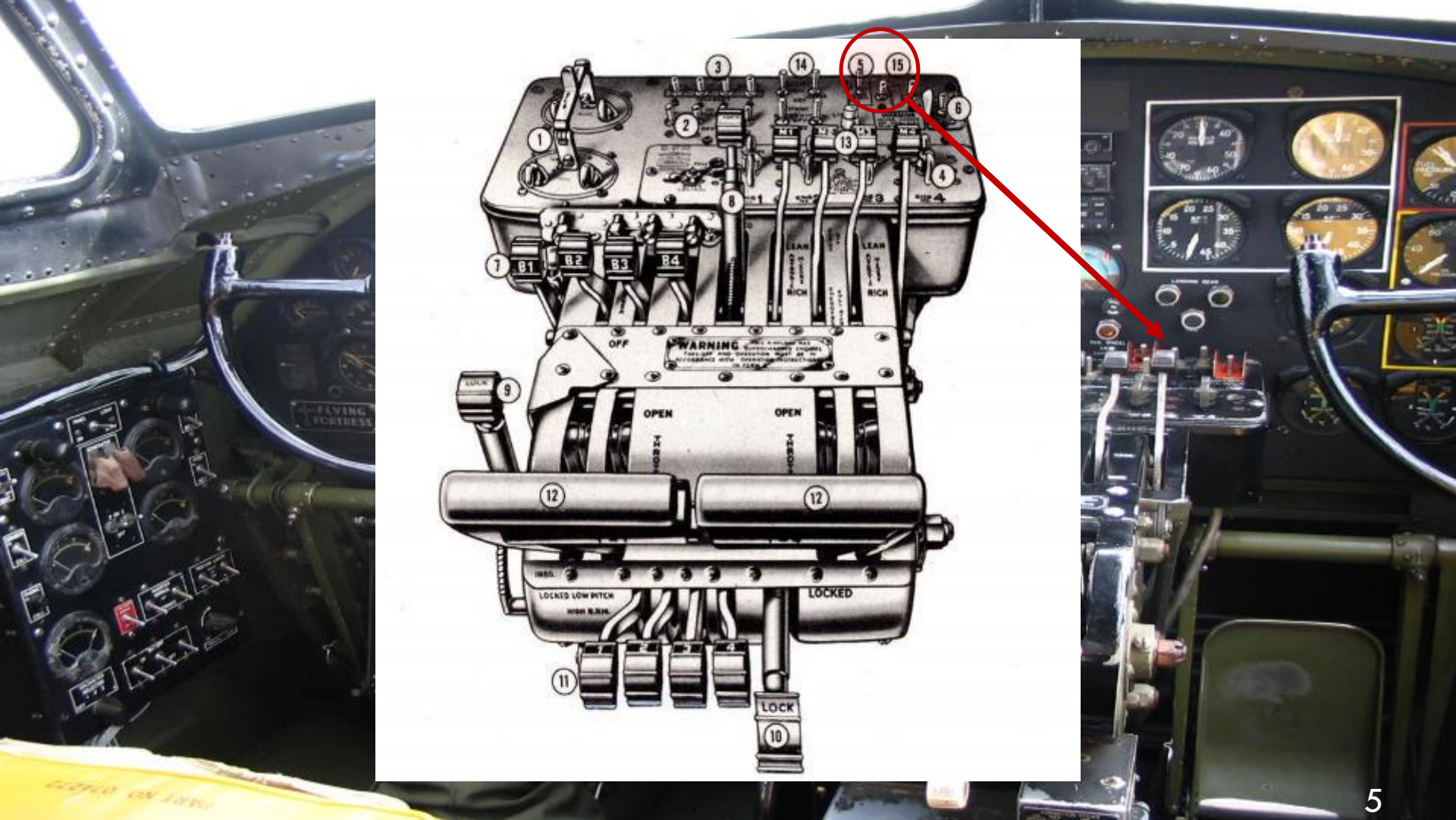
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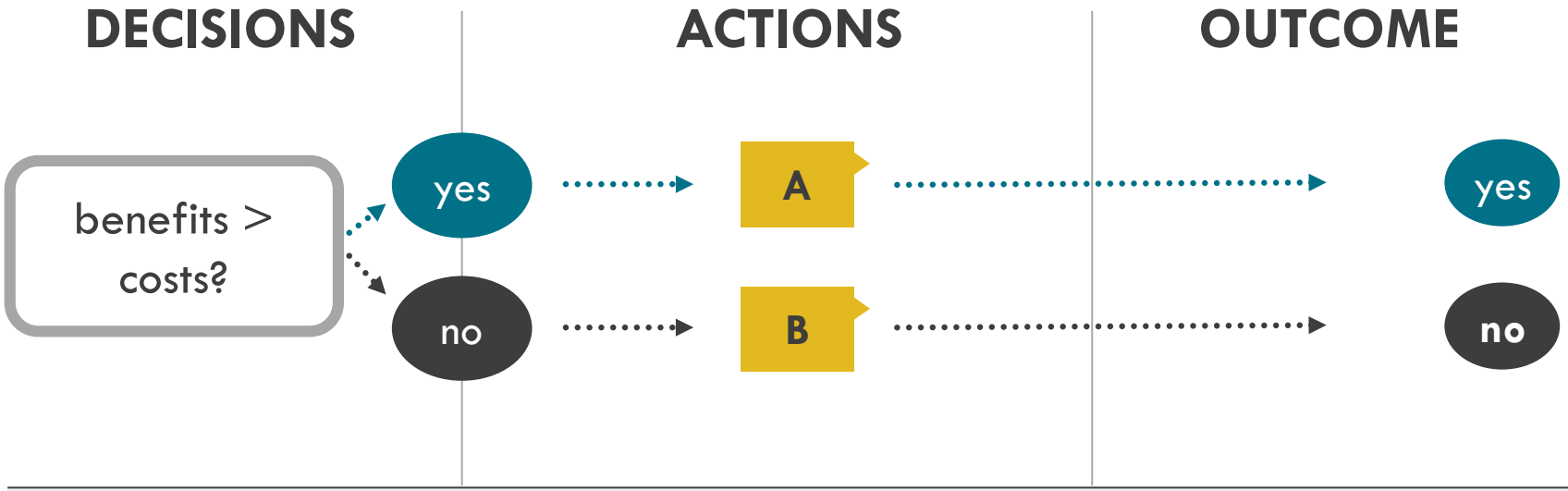
FIX THE CONTEXT NOT THE PERSON

CONTEXT MATTERS

THE STANDARD MODEL



we decide "yes" if benefits > costs

action naturally follows from decision

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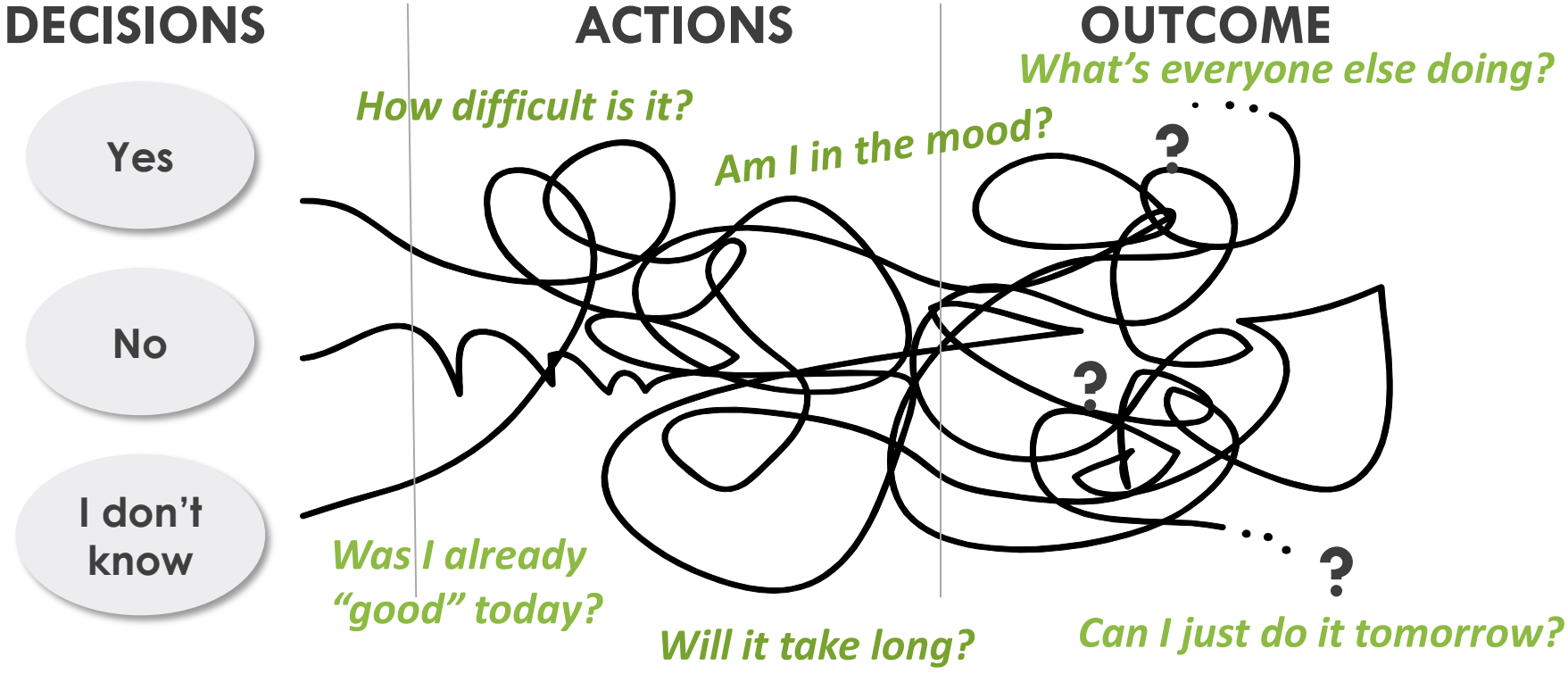
ACTUAL BEHAVIORAL MODEL



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BEHAVIORAL ECONOMICS AND POVERTY

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Erynn Brook @ErynnBrook · May 15

Everyone I've ever talked to who has been poor and is not anymore has the same story of the moment they realized they weren't poor anymore: grocery shopping.

658 6.7K 30K

Erynn Brook @ErynnBrook · May 15

Either at the checkout or in the aisles. I had this moment. I remember it clearly. Mine came when I was loading my groceries onto the cashier belt and I realized I didn't do the math.

29 214 3.2K

Erynn Brook @ErynnBrook · May 15

When I was poor grocery shopping was complex math, holding numbers in my head, constantly remembering pre and post tax prices for the things in my basket, combined with survival math like "if I go to bed before the hunger hits then half a bagel is enough for dinner."

48 352 4.1K

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POVERTY INTERRUPTED: DESIGNING FOR SCARCITY

3 design principles

and

15 recommendations

for reducing the bandwidth tax and addressing the context of poverty

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THE DESIGN PRINCIPLES

Cut the costs

Create slack

Reframe and empower

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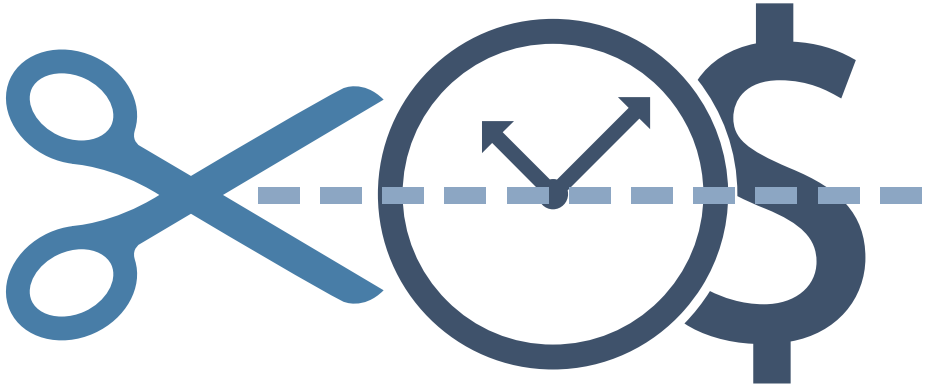
DESIGN PRINCIPLE 1: CUT THE COSTS



Well-meaning programs increase these costs unintentionally

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CREATING SYNERGIES

Among families Tacoma Housing Authority worked with, 100% of college aged student received the scholarship because the **sign-up was integrated** into the standard housing application.

Poverty Interrupted white paper.

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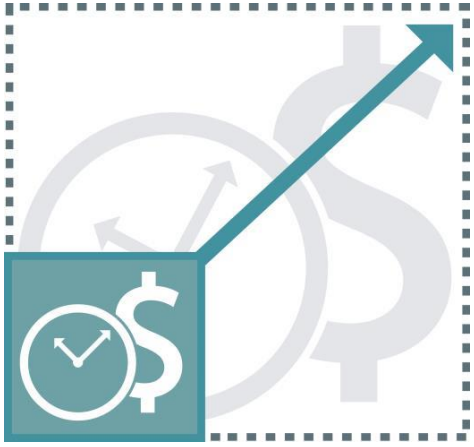
DESIGN PRINCIPLE 2: CREATE SLACK



Poverty is unforgiving, leaving no room for error or risk.

Even minor unanticipated “shocks” can be catastrophic for families.

Building resilience to these shocks to support families.

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BUILDING BACKSTOPS

offers "stackable" trainings, each of which leads to a workplace credential,

so **participants get credit even if they can't complete the whole program**.

Poverty Interrupted white paper.

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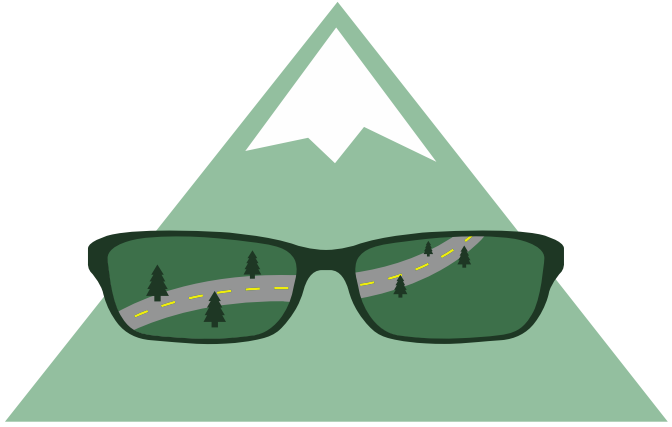
DESIGN PRINCIPLE 3: REFRAME & EMPOWER



Living in poverty carries a powerful social stigma.

Many systems and programs unintentionally reinforce this stigma rather than affirm autonomy and dignity.

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BUILDING PLAUSIBLE PATHS TO SUCCESS

invites successful participants back

to work with younger students and **hires from within the community**

Poverty Interrupted white paper.

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POLICY IMPLICATION: WORK REQUIREMENTS

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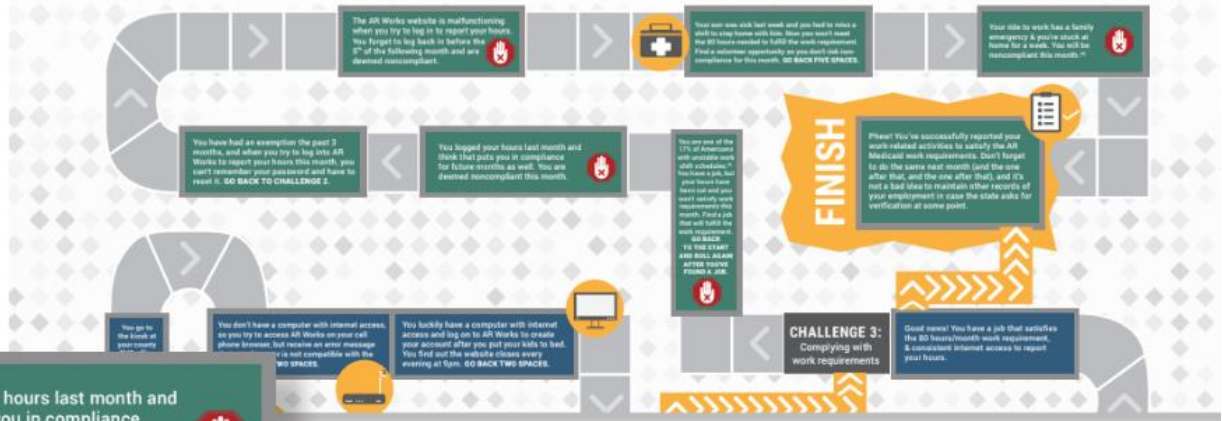
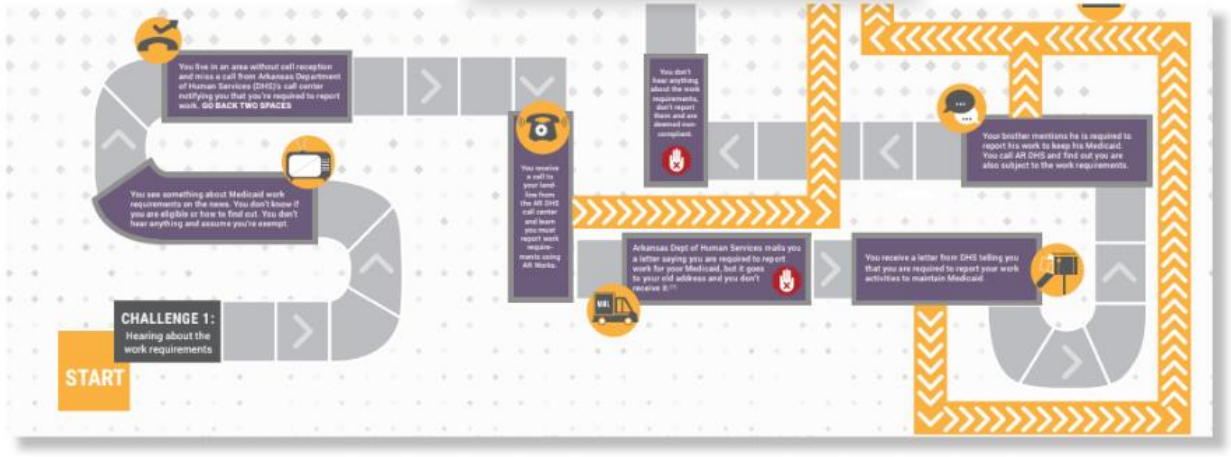
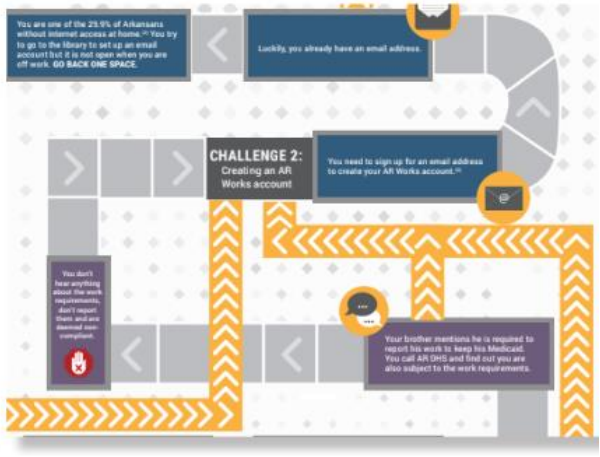


You logged your hours last month and think that puts you in compliance for future months as well. You are deemed noncompliant this month.





WORK REQUIREMENTS…

INCREASE COSTS

ELIMINATE SLACK

MALIGN AND DISEMPOWER

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FALSE *moral narratives around poverty in the United States*

The poor are individually and solely responsible for their circumstances

Those living in poverty lack the agency to manage their lives

Exceptional rags-to-riches stories show that people can move out of poverty with hard work

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RECOMMENDATIONS for increasing labor market participation

- Expand effective employment and training programs that meet clients where they are
- Subsidize (or provide) child- and elder care
- Increase take-home pay

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