Anna Aizer  
Research Statement  

The focus of my research is understanding the intergenerational transmission of poverty. In particular, I have studied how the following six aspects of the lives of impoverished families translate into worse outcomes for their children and greater likelihood of poverty in adulthood: 1) poor families’ greater exposure to violence, 2) their worse health, 3) the greater psychological strain or stress they experience, 4) the lower levels of investments in children made by poor families, 5) poor children’s interactions with the juvenile justice system and 6) disproportionate exposure to harmful environmental toxins. While these phenomena may not strike one as an obvious object of economic inquiry, I show in my work that economic concepts can help explain much of what we observe.

**Violence:**
In two separate analyses, I have examined the consequence of higher rates of violence among the poor with respect to child well-being. In “Poverty, Violence and Health,” I find that being assaulted while pregnant (a not uncommon occurrence in violent relationships) significantly reduces newborn health which has been linked with worse outcomes later in life including, but not limited to, worse health, lower IQ, less schooling and fewer earnings. In “Neighborhood Violence and Urban Youth,” I explore the impact of exposure to neighborhood violence, which is also much higher for the poor, on child outcomes. These results show that exposure to violence has a negative effect on child development. Together with previous work linking women’s lower wages with domestic violence (“The Gender Wage Gap and Domestic Violence”), these results help us to better understand the role of violence as a mechanism behind the intergenerational transmission of poverty.

**Health:**
A number of hypotheses have been put forth to explain why the poor suffer worse health in the US. One is that poor families are in worse health because they lack health insurance (an issue of considerable policy relevance in the US). In the US, poor families are eligible for Medicaid, the publicly provided health insurance program for low-income families. However, not all eligible families enroll which has puzzled those who consider Medicaid a “free” public program. In my paper “Public Health Insurance, Program Take-up and Child Health,” I show that there are indirect or opportunity costs of enrolling in a “free” public program that are substantial, especially for immigrant groups and that relatively simple efforts to reduce these costs are very effective. In related work with Janet Currie (“Networks or Neighborhoods,”) we find evidence that institutions, including hospitals, may also play an important role in determining which poor women take-up public health insurance. Moreover, I find that the consequences of failing to enroll in free public health insurance are great with respect to the health of low income children who, as a result of the lack of insurance, are more
likely to be hospitalized for conditions that are preventable. While low take-up of public health insurance is not relevant in Europe, these results have implications for other safety net programs in which poor eligible families may fail to enroll.

**Stress:**
In a third line of inquiry ("**Maternal Stress and Child Well-Being: Evidence from Siblings**") I focus on the role of a factor not previously considered by economists to explain why the children of poor mothers have worse outcomes: stress. Specifically, I examine the role of prenatal exposure to stress as a mechanism by which parents affect the economic outcomes of their children for two reasons. First, poverty is associated with greater levels of stress. The poor, on average, report a greater number of stressful events in their lives and researchers have observed higher levels of the biological markers for stress in low socio-economic status adults. Second, recent evidence in neuro-biology based largely on animal experiments suggests that exogenous exposure to stress in-utero negatively affects the cognitive, behavioral and motor development of offspring. Given that cognition and physical health are important determinants of human capital and economic status, greater in-utero exposure to stress among the poor has the potential to explain, in part, the intergenerational persistence of poverty in the US. Using a unique dataset that contains information on maternal prenatal cortisol and adult outcomes, we find empirical support for this: siblings who have been exposed to greater stress in-utero have lower childhood IQ and less completed years of schooling than siblings exposed to normal levels of stress in-utero. These results point to an important factor, stress, heretofore not considered by economists, that can explain, in part, why the children of the poor are more likely to grow up to be poor themselves.

**Parental investments:**
I explore the relationship between poverty, parental investments in children and child outcomes in two separate projects. In **The Impact of Child Support on Fertility, Parental Investments and Child Well-being** with Sara McLanahan, I explore the impact of child support enforcement among poor families on investments in children through an economic lens. We find that increasing child support payments improves child outcomes through two mechanisms. The first, recognized already in the literature, is that it increases the money available for investment in children (these can consist of time and/or maternal investments such as medical inputs, nutrition and schooling). The second derives from a model of economic incentives: when the state increases enforcement of child support and there is no way to monitor whether payments are spent on children or mothers, men have an incentive to father children with women who have a greater propensity to invest in their children (assuming fathers prefer their payments to go to their children, not their ex-partners).

In joint work with Flavio Cunha (**Child Endowments, Parental Investments and the**}
Production of Human Capital”) we explore the incentives of parents to invest in their children as a function of the children’s initial abilities. We study theoretically and empirically whether parents compensate or reinforce initial differences.

Finally if poor parents are credit constrained and unable to invest optimally in their children, cash transfers to poor families have the potential to increase family investments in children. In joint work with Adriana Lleras-Muney, Shari Eli and Joe Ferrie (“The Long Term Impact of Cash Transfers to Poor Families”), we find that moderate cash transfers to poor families in the early part of the century improved longevity, increased educational attainment and reduced the likelihood of being undernourished in adulthood.

Juvenile justice system:
Disadvantaged children are more likely to interact with law enforcement and the juvenile justice system. In work with Joe Doyle (“Juvenile Incarceration, Human Capital and Future Crime: Evidence from Randomly Assigned Judges,”) we explore the impact of incarceration as a juvenile on future outcomes such as high school completion and adult recidivism. Using a unique dataset of all juveniles with a criminal case in a major US city, we find that incarceration as a juvenile, even for periods as short as 2-3 months, significantly reduces their likelihood of completing high school and increases their likelihood of recidivating as an adult.

Exposure to toxins:
Finally, in joint work with Peter Simon, Patrick Vivier and Janet Currie (“Poverty, the Environment and Child Well-being: Lead Exposure in Early Childhood and Educational Outcomes”), we explore the role of poor children’s greater exposure to the environmental toxin lead in explaining disparities in educational outcomes. Using a unique dataset of all children born in the state of Rhode Island that links early childhood blood lead levels with their educational outcomes – cognitive test scores and disciplinary infractions through grade eight, and exploiting drastic declines in lead levels over time, we find that exposure to lead in early childhood can explain a significant share of disparities in cognitive test scores and disciplinary infractions and that these results are particularly great for boys.