

# Executive Summary: Parenthood in Poverty

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## Background

Pregnancy and childbirth can lead to drastic changes in well-being and economic stability for low-income parents. However, most research on new parenthood focuses on employment outcomes and does not address other important life outcomes such as housing, public assistance use, and mental health. Evidence on these outcomes could help design better policy to aid new parents and improve well-being for their children.

## Method

Using an event study approach, we examine the consequences of having a child on the living conditions of low-income parents. We leverage 15 years of detailed administrative records from a large urban US county from 2005-2019, giving us a sample of 15,000 births to women of low socio-economic status. Our outcomes encompass housing stability (including homelessness), social assistance use (including SNAP, TANF, Medicaid), mental health (including substance use disorder), and crime. We also conduct additional dynamic difference-in-difference analyses that explore natural variation in the outcome of pregnancies as further evidence to support our main study.

## Results

We find that pregnancy and childbirth lead to an increase in public housing usage and may also increase homelessness two years later. New parents also significantly increase their use of government assistance, in line with both their increased eligibility and need for these services. Lastly, we find large decreases in criminal behavior and increases in treatment for substance use disorder, while major mental health disorders are unaffected.

## Conclusion

New parenthood is an event that leads to profound changes in the lives of low-income parents. Our results suggest that these parents rely on government assistance for stability during this time, while also engaging in less crime and accessing important medical treatment.

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