

Can parents' Disability Insurance boost children's economic mobility?

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New research published in *Contemporary Economic Policy* indicates that Disability Insurance (DI) may improve economic opportunities for children whose parents have health conditions that limit work.

The study included 52,575 parent-child pairs in the United States. When investigators examined economic mobility patterns for children whose



<u>parents</u> reported work-limiting disability, they found that children had less upward economic mobility and more downward mobility relative to children of non-limited parents.

Children of parents initially awarded DI experienced a negligible mobility gap relative to peers whose parents never applied for DI but more <u>upward mobility</u> than peers of parents who were initially denied, but later awarded, DI benefits.

"Around 25% of our sample kids have a parent reporting a work-limiting disability," said corresponding author Katie Jajtner, Ph.D., of the University of Wisconsin-Madison. "Our findings provide suggestive evidence that earlier access to income support through Disability Insurance for parents with chronic and severe work limitations may mitigate economic mobility disadvantages their children typically face."

More information: Social Security Disability Insurance and Intergenerational Economic Mobility, *Contemporary Economic Policy* (2023). DOI: 10.1111/coep.12617

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