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IDAs and Asset-Building Policy

Lessons and Directions

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IDAs and Asset-Building Policy: Lessons and Directions

This paper addresses Individual Development Accounts, which feature matched savings for the poor as a strategy for building assets. A large, multi-method, and continuing research project known as "The American Dream Demonstration" provides the empirical foundation for the discussion.[1] Several research methods and key results are summarized and discussed. Evidence is considered in light of current and potential policy, and future research directions are suggested.

Key words: *American Dream Demonstration, Individual Development Accounts, assets, policy*

Asset Building as a Policy Strategy: Context and Motivation

It is a commonplace that asset accumulation and investment are a fundamental pathway to household development. With few exceptions, families must save and invest in education, skills, experience, a house, land, an enterprise, financial securities, or other assets to improve their capabilities, earnings, and life circumstances over time and across generations. Not focusing on assets may do a disservice to understanding poverty and household development, perhaps particularly by race (Conley 1999, Shapiro 2004, Oliver and Shapiro 2006, Lui et al. 2006, Nembhard and Chiteji 2006). Moreover, there is evidence that asset inequality in itself may have negative consequences for well being. For example, Juan Rafael Morillas (2007) finds that asset holding is associated with earnings mobility, and in addition he finds that racial inequality in asset holding is further associated with earnings mobility.[2]

Approximately 20% of Americans have zero or negative net worth, with much higher percentages among people of color. Moreover, asset inequality is much greater than income inequality. For example, looking at inequality by race, at the median whites have average income roughly 50% greater than African Americans and Latinos, which is a large inequality. But whites have median net worth in the range of 1,000% (ten times) greater than African Americans and Latinos (Kochhar 2004; Caner and Wolff 2004; Shapiro 2004; Wolff 2004; Oliver and Shapiro 2006; Mishel et al. 2007; Scholz and Seshadri, this volume).

[1] This paper is supported by the Ford, CS Mott, and FB Heron Foundations, and indirectly by many public and private funders of IDA programs and research. The author is indebted to the Corporation for Enterprise Development for implementing a large IDA demonstration, IDA program staff around the country, IDA participants, and all research respondents, especially experimental controls who have not participated in IDAs but nevertheless have helped to build knowledge, and to numerous research partners, and the research team at the Center for Social Development at Washington University in St. Louis. This report has benefited from suggestions Michael Barr and Rebecca Blank and participants at the pre-seminar and conference on *Access, Assets, and Poverty*, and comments by Mark Schreiner and Margaret Sherraden.

[2] Detail on the current state of knowledge on asset building, measurement, and outcomes will appear in Sherraden & McKernan (forthcoming).

Income, as a proxy for consumption, has been the standard definition of poverty in social policy. Income support is essential to provide basic necessities. But today there is increasing questioning of income as sole definition of poverty and well being. Amartya Sen (1993, 1999) and others are also looking toward capabilities. Asset-based policy can be seen as part of this larger discussion, one measure of long-term capabilities. As public policy, asset building may be understood as a form of "social investment" (Sherraden 1991, Midgley 1999). From this perspective, asset-based policy is a complement to income-based policy, each serving different purposes—income may support consumption or "getting by", while assets may promote development or "getting ahead".

Asset-based policy is not new. Current examples of US asset-based policy include home ownership tax benefits; investment tax benefits; defined contribution retirement accounts with tax benefits at the workplace, such as 401(k)s, 403(b)s, and away from the workplace, such as Individual Retirement Accounts (IRAs), Roth IRAs, State College Savings Plans, and Medical Savings Accounts. These defined contribution policies have all appeared since 1970 and are growing rapidly. Unfortunately, the poor receive almost none of the benefits. Public subsidies operate through tax deferments and exemptions and are tied to income in a regressive way. The United States spends well over $300 billion annually in tax expenditures for asset building in homes, investments, and retirement accounts, and over 90% of this expenditure goes to households in the top half of the income distribution (Sherraden 1991, Howard 1997, Seidman 2001, Corporation for Enterprise Development 2004).

Proposal for Individual Development Accounts

Insight for this thinking came during discussions with "welfare" mothers during the 1980s. The women said that a major part of their challenge was that they could not "get anywhere" because they could not accumulate resources for long-term goals such as better housing, education, starting a small business, or even moving to a better neighborhood. These discussions led to a proposal for Individual Development Accounts or IDAs. IDAs are matched savings for low-income individuals.

As a response to the rapidly-growing and regressive asset-based policies mentioned above, IDAs were proposed as a universal and progressive asset-building policy that would bring the poor into asset-building policies. As originally proposed, IDAs would include everyone, provide greater support for the poor, begin as early as birth, and be used for key development and social protection goals across the lifespan such as education, home ownership, business capitalization, and retirement security in later life (Sherraden 1988, 1991). IDAs have instead been implemented in the form of a short-term "demonstration" programs targeted toward the poor, as yet far from a comprehensive asset-based policy.

Typically, a community organization will work with a financial institution in providing IDAs. Early funding of IDAs was from philanthropic foundations, but today IDA funding comes mostly from government, both federal and state, with significant resources from the United Way and other non-profit organizations.

Features of IDAs vary depending on the funder. Matching rates are typically 1:1, 2:1, or 3:1 (for example, the federal Assets for Independence Act provides a match of 3:1). Allowed uses for IDA savings are typically home ownership, education, or small business capitalization, but sometimes cars or computers are included as allowed uses. The amount of savings that can be matched (the "match

cap") is set on a monthly or annual basis (analogous to a certain level of annual IRA savings receiving a tax benefit); typical annual match caps range from $300 to $600. Sometimes IDA programs offer automatic deposit from earnings. Financial education, both "general" and "asset specific", are required of all IDA participants. For example, an IDA participant saving for a home purchase would receive classes on general financial matters (such as budgeting, credit, and investment options) and classes focused on home ownership (such as mortgages, maintenance, and insurance).

There is a great deal of enthusiasm among IDA program directors and there are many positive stories about participants. Results of IDA programs to date appear to be promising in terms of saving and asset building, but as so often occurs, program level enthusiasm sometimes runs ahead of systematic research results.

American Dream Demonstration

A large study of IDAs known as the "American Dream Demonstration" (ADD) was introduced in the United States in 1997.[3] ADD involved 13 organizations around the country selected through a competitive process to design, implement, and administer IDA initiatives in their local communities. ADD is the first large-scale test of IDAs. ADD IDA programs together established over 2,300 IDAs in low-income communities across the country, with each site starting 50 to 150 accounts and one site expanded to over 500 accounts. The demonstration saving period was from September 1997 through December 2001, with use of savings through June 2002, post-program research through 2005, and additional research currently planned.

ADD provides the most thorough research to date on an asset-building program. An intensive, multi-method research agenda has accompanied the demonstration. The purpose of ADD has been to find out whether IDAs are successful, in what ways, and for whom. Because IDAs are new and there is much to learn, research is central to the purpose of ADD. The ADD research design is multi-faceted, designed by the Center for Social Development at Washington University in St. Louis (CSD), with the advice of an expert Evaluation Advisory Committee.[4] ADD research has sought answers to the following questions: What are good design features for an IDA program? What are the barriers and facilitators in starting and operating a successful IDA program? What is the pattern of saving and asset accumulation in IDAs? What affects savings behavior (how do people save) in an IDA program? What are IDA savings used for? What are the impacts of IDAs on asset accumulation and using assets to meet life goals (education, home ownership, starting a business, etc.). What are the possible additional effects (social, psychological, and economic) of asset holding for IDA participants and their families? What are the possible community level effects of an IDA program? What is the cost and financial return of an IDA program?

[3] The ADD demonstration was organized and implemented by the Corporation for Enterprise Development in Washington, DC. The Center for Social Development at Washington University in St. Louis designed the research. Abt Associates undertook data collection and reported on impacts for the experiment. ADD has been funded by 12 private foundations: Ford Foundation, Charles Stewart Mott Foundation, Joyce Foundation, Citigroup Foundation, Fannie Mae Foundation, Ewing Marion Kauffman Foundation, John D. and Catherine T. MacArthur Foundation, Levi Strauss Foundation, Rockefeller Foundation, Moriah Fund, and MetLife Foundation.

[4] Members of the ADD Evaluation Advisory Committee included Margaret Clark, Claudia Coulton, Katherine Edin, John Else, Robert Friedman, Irving Garfinkel, Karen Holden, Lawrence Kotlikoff, Robert Plotnick, Salome Raheim, Marguerite Robinson, Clemente Ruiz, and Thomas Shapiro.

The overall ADD study has employed multiple research methods, each with a different purpose. Research methods have included: an assessment of IDA program implementation, a cross-sectional survey of participants for self report on their experience and effects, program and participant monitoring, an experiment with random assignment to participant and control groups to assess impacts (at one site), in-depth interviews (at the experimental site), cost analysis and plans for cost-benefit analysis (at experimental site), and a study of possible community level effects. Several key methods in ADD research are still in progress. This chapter covers key findings to date, current developments, and future plans in four areas of ADD research: account monitoring, in-depth interviews, cost assessment, and experimental impacts. The chapter also looks ahead to directions for this body of research.

Account Monitoring: Saving in IDAs and Factors Associated with Outcomes

Realizing that we should track all savings transactions, CSD created software known as MIS IDA that would manage IDA programs, with more than 30 management reports, account statements to participants, reports to funders, etc., and at the same time would keep a database of all IDA account transactions (Johnson et al. 2001). Our thinking was that, if the MIS was an effective management tool, then IDA programs would use it, and we the researchers could then have the monitoring data (some might call this administrative data). This has worked out. MIS IDA was used to manage all ADD programs and as a result, account monitoring in ADD produced an exceptionally comprehensive database of all account transactions by all ADD participants for their entire time in the demonstration. To our knowledge, this is the most detailed dataset available on low-income savers, with highly accurate data on all IDA savings transactions for all participants coming from records of financial institutions.

What were the IDA savings patterns and outcomes? To provide an overall picture, the average ADD participant deposited $16.60 net per month. About half of ADD participants (48%) were not "savers" (defined as at least $100 in net IDA savings). The "savers" had average monthly net deposits of $32.44. Match rates varied, with 2:1 being most typical. Home ownership or home repair has been the most popular use of IDA savings in ADD (Schreiner and Sherraden 2007).[5] Sometimes very simple data, rightly or wrongly, can make a difference. The simple descriptive data indicating that low-income people can save in IDAs has had a pronounced influence on policy discussion (see below). When IDAs and asset building by the poor were first proposed, it was common to hear that the poor cannot save and perhaps even should not save, but as the ADD data on average monthly saving were reported, these responses have become less common.

Regarding the account monitoring results, the reader should keep in mind that all IDA participants in ADD are self-selected and program selected. All IDA savings reported are IDA savings alone and do not speak to potential shifting of assets (these issues are better addressed in the experiment that is also part of ADD). The data and analyses reported here enable asking a different but no less important question: What individual and program features are associated with IDA savings? This question is critical for design of public policy as well as savings services and products that aim to include low-income households.

[5] In Schreiner & Sherraden (2007), we describe the ADD project, account monitoring data, and research results in considerable detail.

Many individual and program features are included in the analyses. A two-step regression first estimates the model to sort out the "savers" from the "low savers"—the latter being those with less than $100 net IDA savings (most of whom were close to zero), and can be considered not very successful. The analysis then estimates the model for "savers"—those with above $100 net IDA savings (most well above), and can be considered successful. This strategy is an oversimplification, but allows us first to ask what is associated with IDA success, then to ask, among those who are successful, what is associated with savings outcomes.

Observed individual variables as a whole are surprisingly weak predictors. For example, education, employment, welfare receipt have modest or no statistical ties to saving outcomes. Also, one of the most important findings in ADD is that income (both recurrent and intermittent) is at best weakly associated with savings outcomes. The poorest participants, controlling for other variables, did not have savings outcomes statistically different from those who were not as poor, and the poorest saved a higher proportion of their income. In theoretical terms, this finding suggests that something other than the observed individual characteristics may be leading to savings outcomes.

In contrast to individual variables, program variables are often statistically related to saving outcomes in ADD, and effect sizes are sometimes surprisingly large. Here we review only a few of the most important. Matching rate is positively associated with being a "saver", but among "savers" is negatively associated with average monthly net deposits (AMND). This suggests that the match rate may attract and keep people saving in the IDA program, but once in, participants may find that higher matches substitute for their own effort in reaching asset accumulation goals, and therefore they may not save more in response to higher matches. In other words, matching of savings may create complex influences on savings by IDA participants. These results are similar to savings patterns in 401(k) plans, where increases in matching rate also tend not to increase savings amounts.

Match cap (the amount of saving that can be matched each month) is not associated with being a "saver", but among "savers" is highly and strongly associated with AMND. This is among the most striking findings in the study. Increasing the match cap by $1.00 results in an additional $0.57 in AMND, a very large effect.

Use of automatic deposits is positively associated with being a "saver", but among "savers" is unrelated to AMND. The automatic feature, once in place, tends to keep people saving, but this "autopilot" feature does not promote higher saving amounts among the "savers". Perhaps the explanation of both results is that participants are on "autopilot" and not cognitively engaged with the saving process.

Turning to general financial education (required of all IDA participants in ADD), one to ten hours is positively associated with AMND, with no statistical relationship after ten hours. Among "savers", for the first ten hours, each hour is associated with an increase of $1.16 in AMND. This is a very meaningful effect. Ten hours of financial education would generate $11.60 in additional savings per month, or $139 per year. If matched at 2:1 (typical in ADD), increased asset accumulation would be $418 per year, and over a period of four years, $1,670. For a low-income IDA participant who is saving for a home, this is amount of money, combined with other IDA savings and homeownership assistance programs, can make a real difference (indeed, we find that home ownership is the most common use of IDAs). However, above ten hours of financial education, we find no significant relationship with AMND. This suggests that the "payoff" in financial education may be in the first

ten hours, which is very good to know for policy purposes because financial education is costly to deliver.[6]

In practical terms, these finding suggests that saving by the very poor should not be dismissed in public policy (Schreiner and Sherraden 2007). As we discuss below, the findings on relationships of IDA program characteristics and IDA savings outcomes are in many ways consistent with a growing body of evidence in behavioral economics. Before exploring these connections let us turn to another quite productive research method in ADD, the in-depth interviews.

In-depth Interviews: What IDA Participants say is Happening

Another key research method in ADD has been the in-depth interviews, with 59 IDA participants and 25 controls drawn from the experiment. While the subject matter for in-depth interviews covered a wide range of topics, one of the most fruitful areas to date has been close examination of how participants think about IDA accounts and saving in IDAs. In this section, we point to only a couple of noteworthy findings. A thorough report on the in-depth interviews in ADD will be presented in Margaret S. Sherraden and Amanda Moore McBride (forthcoming).

First, a note on participants' conceptualization of short-term and long-term savings. While mainstream economics assumes that savings and assets are fungible, it is clear in the case of IDA participants that they have "mental accounts" with savings, and that IDAs are often considered long-term, not available for current consumption (Margaret S. Sherraden 2005a). While this may be true for some, it is also the case that many IDA participants made "unapproved withdrawals", presumably for short-term purposes, thus giving up the saving match at least until they returned the money to their IDA (Schreiner and Sherraden 2007). The financial pressure of living close to the margin makes it difficult for the poor to save, and IDA balances often have to be spent. A key question is what types of saving product features would make it more likely for the poor to deposit, retain, and increase "long-term" savings, if they had this category as a mental account? Would it be helpful (or harmful) if IDAs were to in some way less accessible?

Second, a note on participant responses to the IDA match cap. We know from in-depth interviews with IDA participants in ADD that the match cap is, in the minds of many participants, transformed into a target or goal that they are striving for (Margaret S. Sherraden et al. 2005b). Given the statistical relationship of match caps and saving outcomes, this psychological phenomenon may yield important implications for design of saving products and services. For example, it raises the interesting possibility that a savings target by itself, with no match, might in itself have a pronounced effect on savings. In another study we are considering studying savings targets alone, without a match, to see if there is a positive effect.

Third, turning to potential effects of the IDA, another key area of inquiry is future orientation. If there are "asset effects" it seems likely that they operate in part through envisioning a different future (Sherraden 1991). ADD respondents say that the IDA "creates goals and purpose." Participants can "see more clearly" and "visualize a future." The IDA, because it is for a particular purpose, also provides a "road map" and a "way to reach goals." With these changes in outlook,

[6] This discussion of account monitoring research borrows from a more extensive presentation in Sherraden & Boshara (forthcoming), based on the analyses in Schreiner & Sherraden, 2007.

IDA participants say they are "more able to save," "look forward to saving," and "plan to save in the future" (Margaret S. Sherraden et al. 2005a, 2005b). These findings may support a cognitive approach to understanding "asset effects", that is, it appears that asset holding may change the way people think, which in turn may lead to still more asset holding, etc. While we know little about these dynamics, possibly this is an empirical glimpse of a "virtuous cycle" of asset-building and household development, operating in part through positive cognition about the future.

From Program Features to Institutional Constructs

The above findings can help to inform policy design. However, the program variables discussed are particular to IDAs. In the larger picture, it would be inefficient to build a body of knowledge about saving based on "program characteristics". Instead, the challenge is to seek constructs that are more general and more useful for knowledge building *across a range of saving policies and financial products and services.* In this regard, we have sought to identify "institutional" constructs that may be related to saving outcomes. The term institutions as used here refers top savings strategies that can be purposefully designed and put in place, as in a public policy.

At this stage, we offer eight constructs that we believe are important aspects of institutions designed to promote saving and asset accumulation. The constructs are: (1) access, (2) information, (3) incentives, (4) facilitation, (5) expectations, (6) restrictions, (7) security, and (8) simplicity. These eight constructs have emerged from research on IDAs and other savings programs (Beverly and Sherraden 1999; Rutherford 2000; Sherraden, Schreiner, and Beverly 2003; Schreiner and Morduch 2003; Margaret S. Sherraden et al. 2005b; Sherraden and Barr 2005; Clancy, Cramer, and Parrish 2005; Schreiner and Sherraden 2007; Margaret S. Sherraden and McBride forthcoming.) For example, we understand match rate as an *incentive* (a financial inducement), match cap as an *expectation* (an identified target), automatic deposit as *facilitation* (being helped), and financial education as *information* (learning more about it).

This may not be exactly the right list of constructs, but this list may be a step in the direction of building a practical institutional theory of saving, and knowledge that can guide policy. To illustrate briefly from the IDA research results reported above, if the goal is increased saving by participants, we have considerable reason to believe that *expectations* (in the form of match cap) provides greater policy leverage than *incentives* (in the form of match rate). We have reason to believe that *information* (in the form of financial education) may plateau regarding effects on saving outcomes. We have reason to believe that *facilitation* (in the form of direct deposit) will keep people saving but not increase their savings amount. These findings have direct implications for policy design.

A key point in this discussion is that *more than incentives are involved.*[7] Indeed, incentives in an economic sense may not be the most important factor in increasing saving. Expectations and information may matter more. In any saving policy or program, individuals are interacting with a complex pattern of institutional constructs that could be affecting outcomes. To take another example, *access* to a saving opportunity can be fundamental. If a 401(k) or similar retirement plan is not offered in the workplace, the odds of retirement saving are greatly reduced. For productive

[7] Regarding incentives and savings pertinent to this discussion, see also Engen, Gale, & Scholz (1996), and Hubbard & Skinner (1996).

work in this area, knowledge should be built for multiple and sometimes interacting constructs that may be associated with saving outcomes.

Another way to think about this is that economics, in both neoclassical and behavioral versions, addresses individuals (or other units) and how individuals make choices. These choices are made in the context of "constraints", though constraints are seldom specified, with little knowledge development in economics about the nature of "constraints". One way of understanding the institutional context of saving is as a *specification and testing of constraints* related to saving, for the purpose of building systematic knowledge that can inform policy design (Sherraden and Barr 2005).

Linking with Behavioral Economics: Getting the Institutions Right

Traditional theories of saving have not been very effective in explaining saving behavior, especially among the poor.[8] Promising recent developments are occurring in behavioral economics, suggesting that people may not have perfect knowledge and are not always rational (for example, Sherfin and Thaler 1988; Maital and Maital 1994; Madrian and Shea 2000; Thaler 2000; Choi et al. 2001, 2004; and Mullainathan and Shafir, this volume). Aiming for a theoretical approach somewhat closer to the data on how people think and behave, and to serve as a guide for public policy, the perspective in this study is institutional—that saving and asset accumulation may occur in large part because of explicit access, rules, information, assistance, restrictions, and subsidies—for example, as in a 401(k) plan. It seems likely to us that the poor are not very different from the non-poor in this regard (see also the chapters by Scholtz and Seshadri, and Mullainathan and Shafir in this volume). If they are not able to save, what they may lack is not so much individual virtues but rather institutional opportunities.

Many applied scholars have made important contributions in understanding savings and financial services for the poor.[9] However, product and service innovations, no matter how well designed, are probably not sufficient. If saving and asset building are to be inclusive, the overarching policy should have characteristics of a *savings plan*, such as a 401(k) or 403(b) plan, the Federal Thrift Savings Plan, or a College Savings (529) plan. Such plans are in fact how most Americans are able to save for the long-term. Savings plans (contractual savings) have important features that lend themselves to reaching a large portion of the population. These features may include: centralized and efficient accounting, outreach and education, simple and low-cost investment options, low initial and on-going deposit requirements, automatic deposits, and opportunities to establish "defaults" and other practices that increase participation and saving performance. These desirable practices may include include automatic enrollment, a savings match, a match cap (amount of savings that can be matched, which becomes a target), a default low-cost fund, and automatic increases in savings deposits with pay raises. Such plan features are practical expressions of institutional constructs for saving, discussed above.

[8] The traditional neoclassical models focus on preferences for consumption over time; see especially Friedman (1954) and Modigliani & Brumberg (1954). Overviews of savings theories and evidence are presented in Korczyk, 1998; Beverly & Sherraden, 1999; Carney & Gale, 2001.

[9] See especially the contributions of Caskey (1994, 2005) and Barr (2004), and several key chapters in this volume, especially the survey research by Barr, the marketing research of Tufano, and the discussion of financial services by Brobeck and colleagues.

To illustrate, experience with the "Auto 401(k)" (which is about *access*) finds large increases in participation when going from an opt-in to an opt-out format (opt-out means that everyone is automatically put into the plan, but people can choose to get out). For females, participation rose from 35% to 86%; for Hispanics, from 19% to 75%; and for those earning under $20,000 annually, from 13% to 80% (Beshears et al. 2006). Similarly, precommitment to saving more later (*restriction* of future choices) in the "Save More Tomorrow" program has led to substantial increases in contribution rates over time (Thaler and Benartzi 2003). Overall, 401(k) plan features can have large influences on savings outcomes.[10]

In our view, there is potential in using College Savings (529) plans as a platform for inclusion in asset building, especially for children's savings accounts. To be sure, some state 529 plans have high fees and high investment costs, and such high cost plans are undesirable. But some state 529 plans keep costs low, have very low deposit requirement, provide outreach to state residents, and match savings for the poorest savers. These state plans, or something like them, have the potential to be a platform for an inclusive Child Development Account (Clancy and Sherraden 2003; Clancy, Orszag, and Sherraden 2004; Clancy, Cramer, and Parrish 2005). It is encouraging that the overall trend in 529 plans, as they mature, appears to be toward offering simple choices with lower annual fees.

Ultimately, saving outcomes result from the interaction of individual and institutional characteristics. But in our view the policy effort should be primarily toward creation of effective institutions for saving, and to a lesser extent toward improving individuals so that they save more effectively. To take an example of highly institutional saving, most everyone on university faculties saves regularly and successfully in a TIAA-CREF retirement plan, and this has very little to do with individual behavior. Once we have signed up, it happens regularly and automatically month after month and year after year, regardless of what information we may know or how rational or prudent we may think and behave. Those of us who enjoy these paternalistic and subsidized benefits, and may even feel accomplished in our saving, should ask in our research programs whether the poor might also be able to save successfully under such conditions.

The Cost of IDAs in ADD: Expensive in the Form Demonstrated?

ADD has featured one of the most thorough cost assessments of a social demonstration. All identifiable costs, including volunteer time of board members, are included (Schreiner 2002, 2006; Schreiner, Ng, and Sherraden 2006). The key finding is that IDA programs as implemented in the demonstration form of ADD are costly to operate. A thorough assessment of program costs (not counting matching funds) is $64 per participant per month. Arguably, this figure is distorted by the cost of demonstration research, inefficiencies of starting something new, requirements for communication and policy involvement in a national demonstration, and other special circumstances (Sherraden 2000). Perhaps over time and at a larger scale, the per month cost of IDAs would decrease. Some IDA programs are reporting costs much less than this figure, though the research might not be as thorough.

How does the cost of IDAs compare to other similar programs? The cost is high compared to 401(k)s and similar financial plan products, which are under $10 per month. The cost is low

[10] For further discussion of the effects of 401(k)s on saving outcomes, see Joulfanian & Richardson (2001), and Poterba et al. (1996).

compared to many intensive family service programs, which can reach $400 or month (Ng 2001). As another useful comparison, the administrative cost of the Food Stamps Program—which operates "at scale" and with no financial education—has been assessed at $34 per household per month (Abt Associates 2002). Ultimately, whether the cost of IDAs is high or low depends upon documented impacts of participation compared to costs. If "asset effects", both economic and social, turn out to be substantial, it could be that even $64 per month is a good public investment, we do not yet know.

It is useful to bear in mind that IDAs as proposed and demonstrated are more than matched savings, including a high level of staff involvement especially in financial education. We have seen evidence that about ten hours of financial education is associated with positive saving performance in IDAs, but we do not know yet if this positive result is worth the policy investment. We also know that much of the high cost of IDAs is in community agencies *de facto* serving as financial service providers by running MIS IDA and calculating the match, sending out statements, and so on. This is a dysfunction of IDAs in the demonstration format (see below) and should be avoided in an IDA policy at scale. We do not yet know if a more streamlined IDA formats would have the same outcomes and impacts as the IDA demonstrated in ADD.

In the next phase of ADD research (see below), there will be a cost-benefit analysis. Looking ahead, it seems unlikely that survey research can document benefits that can be monetized (and therefore included in the cost-benefit analysis) that will exceed the measured $64 per month. Perhaps "asset effects" do not even exist, and if they exist, measurement challenges are great. Moreover, even if an IDA program at $64 per month were determined to be "cost-beneficial", allocating public resources in these sums to tens of millions of people in an inclusive IDA policy might be politically unlikely.

CSD has published these IDA cost figures without hesitation, often to the consternation of our policy colleagues who work on Capitol Hill and in the states. So far, the cost figures do not seem to have impeded resource flows to IDAs. Apparently there is enough positive information and sentiment for public and private resources to create a "social market" that supports IDAs at current levels. But the resources supporting IDAs are not very great—in total not more than $2 billion per year from all sources, and a major increase from this level is not on the immediate horizon.

In short, IDAs are probably not scalable in the form demonstrated—they are likely to be too costly, and CSD has been making this point for some time. The initial proposal for IDAs was for a large-scale, efficient public policy, not the small, intensive, community-based applications in ADD and elsewhere. Especially, it is inefficient (and unwise) to have community-based organizations undertaking financial service functions; they are not trained for it and the costs and risks are too great. The ideal direction is to create an overarching saving plan structure with centralized accounting, simple investment options, and low fees. Then community organizations can interact with this structure when interests and resources permit, but the core policy itself should not depend on community providers (Sherraden 2000).

IDA Experiment: Impacts on Homeownership, Assets, and Net Worth

For some policy scholars, only experimental impacts matter. While I do not believe in experiments alone, we can all agree that a clear claim of impacts can only be made when there is a proper counterfactual. In this regard, ADD has featured an experiment at one program site in Tulsa,

Oklahoma. ADD was the first large-scale test of impacts of IDAs. ADD experimental data were collected using a longitudinal design where 1,103 participants were randomly assigned into a treatment or control group after they completed a baseline interview (Wave 1). The treatment group participated in the IDA program, while the control group participants did not.[11] The experiment ran for four years (1998 to 2002), with the first follow-up interviews conducted at 18 months (Wave 2), and the second follow-up interview (Wave 3) conducted at the end of the program. Abt Associates was responsible for collecting data and reporting impacts for the first three waves of ADD. Details of this study are in Gregory Mills et al (2004). In this space, we discuss three key areas of experimental impacts: homeownership, assets and liabilities, and net worth.

Regarding homeownership, to date experimental results from ADD indicate that, compared to a randomly assigned control group, IDA participants compared to controls have increased their rate of homeownership from 6 to 11 percentage points, which would be a large impact in the context of national policy. The positive impact on homeownership appears to be stronger for African Americans, depending on how analyses are conducted (Mills et al. 2004, 2006, forthcoming). While encouraging, this may or may not turn out to be a positive result. If IDA participants in ADD keep their homes over time, this would be positive. But it is possible that the IDA merely rushed a few extra people into homeownership who would have done so eventually even without the IDA (Mills et al. 2006). It is also possible that the subprime mortgage lending market that exisited during the first waves of ADD may have enticed IDA participants into home ownership with undesirable mortgage loans, and their homeownership might be at risk. Especially during this subprime and aftermath period, it will be interesting to know if the increased homeownership of the IDA group in ADD is sustained. Regarding home ownership over time, Wave 4 of ADD (see below) will contribute one more piece of useful information to this larger picture.

Increased asset holdings may lead to positive effects—economic, psychological, and social. This is the underlying rationale of IDAs and inclusive asset-building policy (Sherraden 1991). One way to think about this is that increased asset holding represents a higher level of economic functioning and possibly better quality of life. For example, an individual might own a home and have little net equity, yet she may enjoy the quality of the home and residential stability. In terms of human capital, the experience of owning is probably a valuable learning experience, and in terms of psychological and social impacts, home owning may be positive—certainly many people believe it to be so, including ADD participants. In this regard, one of the important results of ADD to date is impacts on assets and liabilities. Mills et al. (2004) find positive impacts on real assets overall (+$6,310, $p<.10$), and on real assets and total assets for blacks and those over age 36, but also positive impacts on liabilities for these groups. (For IDA balances that are not yet matched—that is, still in the IDA account—matching funds are not included in impact calculations.) Mills et al. (2006) report positive impact on home equity for black renters (+$4,073, $p<.05$), but also negative impact on financial assets for this group (-$1,348, $p<.10$). Mills et al. (forthcoming) report negative impact on financial assets for the IDA group (-$1,925, $p<.05$). These findings taken together are consistent with a view

[11] The ADD experiment, as all experiments in the field, encountered deviations from purity. Because housing programs were integrated with IDAs at CAPTC (the organizational provider), the control group did have access home ownership counseling but was not to have access to the home buyer assistance program (though 30 reported that they did so anyway). Controls could participate in any other home buyer programs in Tulsa or elsewhere. Also, controls agreed not to participate in IDAs or matched savings, but four reported that they did so at locations other than CAPTC. While these deviations are not ideal, this is the reality of experiments outside the lab. Because the deviations are recorded, there is potential to make appropriate adjustments in analyses.

that IDA participants have shifted some of their financial assets into real assets in the form of home ownership. While home ownership has been the traditional pathway to the American Dream, whether this turns out to be so for IDA participants in ADD over the long run remains to be seen.[12]

Economists appropriately want to know if there is an impact of a saving policy not just on saving, but on net worth—although impact on net worth is not tested in most saving initiatives and policies. Prior to enactment, impact on net worth was not systematically assessed for 401(k)s and other asset building policies serving primarily the non-poor. Existing experiments on saving (most of which are not in the United States, but in developing countries) fail to test impact on net worth even in the short term, much less over a period of years. ADD provides one of the few experimental tests of a saving strategy on net worth over time.

What are the results? Mills et al. (2004, 2006, and forthcoming) find non-significant impacts (ranging from +$29 to +$1,339; calculations of net worth impacts do not include matching funds for IDA balances that are not yet matched). If we take the most apparent conclusion, no impact, one possible interpretation is that investment of IDA assets, for example, in a home would incur closing and moving costs, using the participant's ADD savings, and over a short time horizon might not be overcome by increased equity in the home. This might be even more so in the case of educational use of IDAs—money saved and then spent on education would have no short-term positive effect on net worth, and indeed might reduce it (Mills et al 2004, 2006). In the case of both home ownership and education, we might expect that net worth would be positively affected over time, though this remains to be seen. It is possible that home purchase in a declining neighborhood and education from marginal schools lead to depleted rather than increased assets. Along these lines, a key question in ADD is whether IDAs might in fact "push" participants to make unwise asset purchases. We do not yet see evidence of this, but it could be happening and if so should show up at Wave 4.

As another consideration, it is possible that out of range and extreme values in the ADD experimental data create large standard errors that make statistical relationships hard to find. For a large number of ADD respondents (all of whom are in low-income households), the measured value of a particular asset, and hence of net worth, implausibly changes by a hundred thousand dollars or more over a relatively short period of time. Under these circumstances, one analysis strategy is to adjust or remove out of range or extreme data values. The Abt team did this in a "sensitivity analysis" but did not publish the results. One of the Abt sensitivity analyses, where 3% of the most extreme net worth values are deleted (top 1.5% and bottom 1.5%), and out-of-range independent variable values are imputed to the mean, finds a positive impact on net worth (+$5,390, $p<.01$). Thus, when out of range and extreme values are removed or imputed to the mean as described, a meaningful positive impact on net worth appears to emerge. Bill Gale at Brookings Institution has undertaken numerous alternative regression specifications on these data (Mills et al. forthcoming) and does not find a pattern that would suggest an impact on net worth. In light of all this, the latest version of impact analyses concludes that the data do not permit a clear assessment of the impact on net worth in ADD at this time. Fortunately, Wave 4 of ADD may help to sort out this important question going forward.

[12] Another IDA experiment has taken place in Canada's Learn$ave program (see Leckie et al. 2008). The major findings related to assets are increased bank savings and liquid assets. The researchers do not find evidence of shifted assets or borrowing.

Influence of IDAs and ADD Demonstration

Since asset-building and IDAs were first proposed, there has been modest policy progress in the United States. Perhaps most noteworthy, there have been increases in welfare asset limits in nearly all states, in part influenced by the changed discussion of assets and public policy. Regarding direct public resource allocation, IDAs were included as a state option in 1996 "Welfare Reform Act". The federal Assets for Independence Act, the first public IDA demonstration, became law in 1998. Other bills to extend IDAs are regularly before the US Congress (Boshara 2003; Cramer, Parrish, and Boshara 2005). Over 40 US states have adopted some type of IDA policy (Edwards and Mason 2003). All of this signals a change in thinking, though not yet a major change in policy. Most IDA programs in the United States are in a demonstration mode and very small.

Perhaps the most important contribution to date is that saving and asset accumulation by the poor, which was seldom discussed 15 years ago, is today almost a mainstream idea in the United States, and political support is bipartisan. Both Republicans and Democrats use the language of "asset building", "asset-based policy", "stakeholding", and "ownership society". The policy environment is jostling with variations on this theme, and the contribution of IDAs is that the poor should be included.

Research in ADD has been important for policy development in IDAs and similar matched saving policy, contributing to state and federal policy in the United States (Sherraden 2001). IDA research results from CSD contributed to President Bill Clinton's 1999 proposal for Universal Savings Accounts and 2000 proposal for Retirement Savings Accounts (Clinton 1999, 2000)[13]. Beyond the United States, research on IDAs has considerably influenced asset-based policy developments, including the Saving Gateway and Child Trust Fund in the United Kingdom (H.M.Treasury 2001; H.M. Treasury 2003; Sherraden 2002; Paxton 2003; Kempson et al. 2003, 2005; Kelly and Lissauer 2000)[14], Family Development Accounts in Taipei (Cheng 2003), IDAs and "Learn$ave" demonstration in Canada (Kingwell et al. 2004, Leckie et al. 2008), and asset-building programs for the poor in Australia, Uganda, Peru, China, Korea, Hungary, and elsewhere.[15]

IDA and other matched savings policies, services, and products continue to develop in the United States. Examples are very common, part of a widespread discussion. To take some recent examples, FDIC Chairman Sheila C. Bair suggests that "IDAs are a relatively low-risk way for banks to introduce underbanked individuals to the financial mainstream. IDAs can help people of modes means build assets and can help banks tap into new markets" (Federal Deposit Insurance Corporation 2007). In the 2008 Presidential campaigns, Hilary Clinton and John Edwards proposed matching savings in 401(k) plans of middle- and low-income workers. The United Way of America has announced a $1.5 billion initiative on Family Financial Stability that includes IDAs and savings.

[13] CSD provided IDA data to the White House prior to these speeches by the President.
[14] The Labour Party's "Saving Gateway" is based on Individual Development Accounts in the United States, and ADD research informed the Offices of the Prime Minister and Chancellor of the Exchequer on the Child Trust Fund.
[15] In each of these cases there has been reference to IDA research in the United States and advising by CSD.

Next Step: Wave 4 of ADD Experiment

Wave 4 of ADD will be an assessment of the long-term impact of participation in an IDA program for low-income individuals.[16] The proposed investigation will conduct follow-up interviews with both the experiment and control groups who participated in ADD between 1998 and 2002. Wave 4 of ADD will be guided by four research questions: What effects do IDAs have on long-term asset-building and net worth? What percentage of IDA graduates who use their savings to invest in an asset have been able to maintain and sustain that asset? What factors are associated with the ability of these low-income households to maintain their assets? And what are the long-term social, psychological, economic, and health effects of IDAs and asset holding for low-income families? Wave 4 is particularly important because, at the time of the Wave 3 interviews, many ADD participants either had not yet invested their IDA savings in a home, education, or business, or had only recently done so.

Wave 4 will be conducted approximately 84 months after initial enrollment in the IDA program. For treatment group participants, Wave 4 interviews will take place at least three years after graduating from the program and purchasing assets. Collecting these additional data will enable us to test crucial questions about the long- term effects of IDAs and asset accumulation for low-income households by building on the advantage of the original randomized experimental design. Dependent variables will include measures of asset ownership such as homeownership or home improvement, business ownership, education advancement, retirement savings, and net worth. Additional measures related to housing will include housing tenure, stress related to housing payments, trends of deferred maintenance, home equity and its uses, and incidence of mortgage default.

To date, research on IDAs has focused on the more immediate performance and outcomes for IDA participants during the program. As a result, we know very little about long-term effects of IDAs. Following IDA graduates beyond program graduation will inform not only the research knowledge base, but also the broader field of asset building and social policy. There is a need for long-term studies that use experimental designs (Scanlon and Adams 2005). In addition, since asset building is a relatively new field, few studies include measures to test asset effects. Will Paxton (2001) offer a persuasive argument that, because of the possible temporal nature of asset effects, a longitudinal approach should be used to study their influence.

Next Step: SEED, Testing Child Development Accounts

Asset building policy makes the most sense across a lifetime, beginning with children.[17] In this regard, a visionary and bipartisan ASPIRE Act, which would create a savings account for every newborn in the United States, has been introduced in the Congress since 2004.[18]

[16] The research partnership for ADD4 consists of the University of North Carolina, Research Triangle Institute, the Brookings Institution, and the Center for Social Development at Washington University.

[17] Discussions of Child Development Accounts (CDAs) in the United States go back at least to the George H.W. Bush administration. Goldberg was a proponent of CDAs in the Bush senior administration, and at the request of the Bush White House, Sherraden outlined a plan for a CDA with an initial deposit of $1,000 for all children in the United States.

As mentioned above, a serious discussion of asset-based policy began in the United Kingdom in 2000 (Blunkett 2000, Kelly and Lissauer 2000, Nissan and LeGrand 2000). In a major policy development in April 2001, Prime Minister Tony Blair proposed a Child Trust Fund for all children in the United Kingdom, with progressive funding. In April 2003, Blair announced that he would go forward with the Child Trust Fund. Beginning in April 2005, each newborn child has been given an account, retrospective to children born from September 2002. The children receive an initial deposit of at least 250 pounds, and children in the bottom third of family income will receive 500 pounds. Additional government deposits are not yet specified. In addition to the United Kingdom, other countries are expanding or adopting CDAs (Loke and Sherraden 2007). Currently Yunju Nam at CSD is working on Child Development Accounts with the government of Korea, where the plan is to cover the bottom half of the population by 2010 (Nam 2007, Sherraden 2006). In the United States, universal and progressive accounts for all children at birth have been proposed in the United States for some time (Sherraden 1991, Lindsey 1994, Boshara and Sherraden 2003, Cramer 2004, and Goldberg 2005). Policy discussion on children's accounts is bipartisan and active (Boshara et al. 2005, Cramer et al. 2007, New America Foundation 2006).

Children's Development Accounts (CDAs) may be a promising pathway to inclusive asset building in United States. As one perspective on this, the United States is one of the few economically advanced nations without a children's allowance (monthly cash payment to all families with children). The average children's allowance in Western Europe is 1.8 percent of GDP. The United States is unlikely, for ideological and political reasons, to adopt a children's allowance, but a CDA is ideologically and politically much more likely. Even 0.1 percent of US GDP would be enough for $3,000 in a start in life account for every newborn (see Curley and Sherraden 2000).

What do we know? In-depth study of first and second graders in applied research in a child development accounts (CDA) program, finds that young children so engage is saving behavior for the long-term goal of college education (Margaret S. Sherraden et al. 2007). Based on this study, there is empirical evidence that young children can articulate that the purpose of their saving is for college (Elliott and Margaret S. Sherraden 2007), and that this is associated with their aspirations and expectations (Elliott 2007).

Studies using the Panel Study of Income Dynamics, looking at the impact of wealth on child developmental outcomes, find that, controlling for many other factors, parental wealth is positively associated with cognitive development, physical health, and socio-emotional behavior of children (Williams 2003, Williams Shanks 2007). Using the PSID Child Development Supplement, looking at 3 to 12 year olds, household wealth is associated with improved math outcomes and reduced problem behaviors. These results support the proposition of assets leading to better well-being of offspring--in this case, above and beyond economic well-being. The study finds that the effects occur even among very income-poor families, and that wealth seems to be a better predictor of well-being as children grow older. A study using the National Survey of Families and Households finds that asset accumulation in low-income, single-parent families is associated with higher educational expectations on the part of the mother, and later on higher educational achievement of the children (Zhan and Sherraden 2003). In this research, when assets are included in regression models, the

[18] An important background paper for what became the ASPIRE Act was written by Reid Cramer (2004). Ray Boshara and his team at the Asset Building Program at the New America Foundation have been very instrumental in organizing the introduction of the ASPIRE Act.

effects of income become non-significant, indicating that studies predicting social outcomes of economic conditions, but do not include assets (which is the vast majority), may be underspecified.

Amy Orr (2003), using the National Longitudinal Survey of Youth, looks at the influence of household wealth on math achievement scores and finds significant positive results. Orr's interpretation is that wealth may influence "cultural capital" (being culturally appropriate in the Bourdieu sense), which tends to enhance academic achievement over time. She suggests that household wealth may explain a good portion of the black-white achievement gap. From a somewhat different perspective, Thomas Shapiro (2004), relying on in-depth interview research, documents that many parents use wealth, sometimes even modest amounts, to create "transformative" opportunities for their children, e.g., moving to a better school district. Consistent with this, Dalton Conley (1999) uses the PSID to look at the influence of childhood household wealth on adult outcomes. He finds that parental wealth in childhood helps to predict both high school graduation and college graduation. Effects of wealth are stronger than the effects of income. In sum, wealth appears to influence both outlook and behaviors of parents regarding their children's education, both early education and subsequent education.

There is today a growing body of evidence that early childhood education may be among the best investments in long-term development (Barnett 1995 reviews 36 studies of early childhood programs and finds evidence of long-term improvements in grade retention). CDAs would not provide early childhood education, but rather create assets for education, which we hypothesize would change how parents think about and engage with their children's early development (see studies cited above). Whether these hypotheses will be supported by the evidence we cannot say at this time. If so, then early asset accumulation for children's education might take its place alongside early childhood education as a policy tool for educational development.

In applied research, the Ford Foundation and several other foundations are supporting a large demonstration of CDAs in the form of the SEED (Saving for Education, Entrepreneurship, and Downpayment) initiative. The goal of SEED is to model, test, and inform a universal and progressive CDA policy for the United States. SEED is a demonstration and research partnership among CFED[19], CSD, the School of Social Welfare at the University of Kansas, the New America Foundation, Research Triangle Institute, Institute for Financial Security of the Aspen Institute, and others. The goal of SEED is to model, test, and inform a universal CDA policy for the United States.[20] SEED has several components, including SEED accounts at 12 community-based sites, one of these quasi-experimental, a true experiment (see below), multiple research methods, federal policy, state policy, and communications.

Universal, progressive CDA has been a longstanding interest of CSD, going back to the original proposal for IDAs. In this regard, SEED for Oklahoma Kids, or SEED OK, also known as the "Universal Model", is a large experiment to test this important idea. It may be important to emphasize three points: First, this study is about long-term investment and development of children; it is not about short-term amelioration of income poverty. Second, we anticipate

[19] CFED is the official name of the organization formerly known as Corporation for Enterprise Development.

[20] At CSD we are especially grateful to the Ford, Charles Stewart Mott, FB Heron, MetLife, and Lumina Foundations for funding SEED, CDA, 529, and related research so that we can learn as much as possible from the SEED demonstration and other research that may inform a future policy if Child Development Accounts.

meaningful positive outcomes within the seven-year horizon of this study. In addition, we anticipate longer-range outcomes, beyond the seven-year period. Third, this is a true experiment in a population, without any selection in the initial sample. Experiments in a population are uncommon, and therefore this project will be of considerable interest to policy scholars, and research results will directly inform the potential of a universal policy of CDAs in the United States.

By the end of seven years, we hypothesize positive impacts of SEED OK savings for parental attitudes and behaviors related to education, and cognitive and educational development of children, and within the seven-year widow of the study, children's educational achievement. The key impacts to be tested are: savings for children's education; total household savings; other household assets, liabilities, and net worth; parents' financial knowledge; children's financial knowledge; parents' aspirations for children; children's aspirations, especially for education; children's cognitive development; children's socio-emotional development; and children's pre-school and early school performance

The SEED OK experiment, in a competitive RFP process, has selected the State of Oklahoma as the research site. Oklahoma was selected because of a very good State College Savings (529) plan, which is the policy vehicle for SEED OK; large subpopulations of African Americans, Hispanics, and Native Americans; and dedicated interest from the State Treasurer and other Oklahoma State officials. Approximately 1500 randomly-selected SEED participants will receive $1,000 at birth, with an additional $1,000 available in matching funds. Families will be encouraged to make additional deposits. The same number of randomly-selected controls will receive no treatment but are free to enroll in the State 529 plan as they choose. At this writing, the baseline SEED OK survey is in the field. The current plan is to follow the respondents for seven years, but other researchers may follow later. Ideally, researchers will re-survey this group when they are older, perhaps at 12, 18 , and 24. With quality data collection at Wave 1, SEED OK will be set up as a long-term public good yielding useful knowledge over time. This is the beauty of a social experiment.

Conclusions

This body of work is in the early stages of development. A new policy direction—in this case, asset building by the poor—requires many years to articulate, design, implement, study, and, as the evidence warrants, change policy in a meaningful way. Based on IDA research thus far, there is reason to believe that the poor can save if they are embedded in institutional conditions that promote saving. In this regard, incentives may not be as important as several other institutional constructs, especially access, facilitation, and expectations. In this regard, the body of IDA research fits hand-in-glove with findings from behavioral economics.

Overall, there is reason to be cautiously optimistic about long-term saving outcomes and impacts of IDAs or similar saving strategies that include the poor. But administrative costs are high, and very likely we will have to create lower-cost versions if asset-building policy is to include tens of millions of low-income, low-asset households. A key implication is to use centralized provider for all of the financial services, as in a 401(k) plan, 529 plan, or other saving plan structure, rather than community-based organizations. Community organizations can then add value through financial education and other supports where funding is available to do so.

As a policy strategy, it is challenging to suggest a whole new policy instrument—in this case IDAs. On the plus side, this has served the very positive purposes of, first, defining a discussion of saving and asset building by the poor, and second, focus and clarity in research. The resultant body of knowledge and accompanying policy discussion have put asset building by the poor "on the table" for policy consideration. This might not have happened without IDAs.

On the minus side, defining, testing, and implementing a whole new policy is an uphill endeavor, especially in the American constitutional system of governance. Passing laws is very difficult, as the Founding Fathers intended. So IDAs have been legislated as a demonstration, and this takes on its own reality. IDAs are now understood in the public mind in their demonstration mode—as short-term savings programs, targeted to the poor, operating out of community-based organizations. An entire "field" now exists to support IDAs in this mode, and it seems likely that IDAs will continue to play a meaningful role in many community-based projects. This is by and large a positive outcome, even if not the one originally intended.

In thinking about an inclusive asset-based policy, however, a different tack will be necessary. Going forward, it may be wiser to build on a large and existing asset-based policy and extend it to the poor. For example, one approach would be to take steps toward a more inclusive 401(k) plan, or a more inclusive 529 College Saving Plan. Regarding the latter, a universal 529 plan in the United States might one day include all newborns, as in the UK Child Trust Fund. With this potential in mind, current research of CSD and our partners in SEED builds on 529s as a promising structure for a universal CDA in the United States.

In the larger picture, it seems likely that asset-building will continue to play an expanding role in social policy in the United States and many other countries. For those concerned about the poor, it would be very unwise to ignore this trend. IDAs have served the purpose of articulating, and providing a beginning body of evidence, that the poor can be successfully included in this policy direction. Research on access to financial services and building assets of the poor is very likely to continue. This research will be all the more useful as scholars from different disciplines, with different research questions and methods, contribute evidence and understanding to inform policy development. In this regard, the authors in this volume provide the best current thinking and research.

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