

# IRP focus

Vol. 36, No. 3

October 2020

ISSN: 0195-5705

## Covid-19 and poverty

### **Introduction**

page 2

### **Administrative burdens in the time of Covid-19**

*Pamela Herd and Donald Moynihan*

page 4

### **Policy and economic factors that affect food security**

*Judith Bartfeld and Fei Men*

page 13

### **Discrimination and African American health inequities**

*Bridget Goosby, Jacob E. Cheadle, and Colter M. Mitchell*

page 26

The Covid-19 pandemic is exacerbating social and economic inequality in the United States, through both direct health and economic pathways. At the same time, inequality is likely worsening the health effects of contracting the virus. The combination of these two effects could create a continuing cycle that may have very long-term consequences.

## **The Covid-19 crisis is exacerbating social and economic inequality**

The Covid-19 pandemic has created a public health crisis that is increasing social and economic inequality. Unequal access to health care may mean that the cost of getting sick is higher for those with the fewest resources to pay for it. Lower-income workers are also considerably less likely to have paid sick leave, so may face lost wages or even loss of employment if they miss work due to illness. The lack of in-person school and other childcare may limit options for parents who rely on these resources to be able to work, and also widen racial achievement gaps in the longer term. Those with fewer resources may be less able to access online education and parents who must work to support their families may have less ability to facilitate their children's education. Taking children out of school may also increase food insecurity for families that rely on free and reduced-price breakfast, lunch, and even dinner.

The economic crisis resulting from Covid-19 is also having profound effects on social and economic inequality. For example, while the federal government did provide economic relief to most working individuals, not everyone can access this assistance in a timely manner. Even with government assistance, lower-income families may not have sufficient savings to weather a lengthy period of low or no earnings. Low-wage, minority, and less-educated workers have also been particularly susceptible to unemployment as a result of the Covid-19 recession.<sup>1</sup> Small businesses that are owned by people of color or other marginalized people may be less likely to have an existing relationship with a bank and may have a harder time applying for and obtaining emergency federal small business loans.

## **Social and economic inequality may contribute to unequal health effects of Covid-19**

The Centers for Disease Control and Prevention (CDC) finds that longstanding inequality has resulted in an increase in the risk of contracting Covid-19 and of experiencing severe illness for some members of racial and ethnic groups regardless of age, including African Americans, Hispanics, and American Indians.<sup>2</sup> These findings are consistent with research on the social determinants of health, which suggests that those with low socioeconomic status are more likely to have the chronic health conditions that exacerbate the effects of Covid-19, and to develop them at an earlier age. Workers in low-paying service jobs are likely to have contact with more people than do those who are able to work remotely—including during their commute, if they rely on public transportation—and thus may be at greater risk of contracting the virus. People with higher incomes may be able to work from home and thus limit their exposure. People with lower incomes may also not always have a safe home to stay in.

## **The articles in this issue cover research on three topics that are relevant to the Covid-19 pandemic**

The first article examines the role of administrative burden—the barriers that people may encounter when dealing with the government—in constraining access to pandemic relief. Pamela Herd and Donald Moynihan argue that the programs through which assistance is extended, such as unemployment insurance and the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program), were set up in a way that

made these benefits challenging to access even before the pandemic. This has resulted in overloaded systems and great frustration for users as so many more people become eligible. The authors explore the consequences of administrative burden and offer suggestions for making social safety net programs easier to access in the future.

The second article summarizes a study looking at how food insecurity is related to public policies and economic characteristics. Judith Bartfeld and Fei Men find that the following are linked to higher food security: (1) policies that increase access to SNAP; (2) policies outside of food assistance—including length of unemployment insurance availability, generosity of EITC and potentially higher minimum wages; and (3) lower unemployment. These findings suggest that strengthening the safety net, including both food assistance and broader programs and policies that raise incomes for low- and moderate-income households, could help reduce disparities in food insecurity risk that have been heightened by Covid-19.

The third article looks at the effects of interpersonal racism on health. Bridget Goosby, Jacob E. Cheadle, and Colter M. Mitchell review research on stress-related biological mechanisms that link interpersonal discrimination to health patterns for African Americans. They conclude that exposure to perceived discrimination triggers a stress response, and when this exposure is chronic, the stress response creates wear and tear on the body, increasing the risk of adverse health outcomes and exacerbating racial health disparities. They suggest that disproportionate risk of adverse health outcomes helps explain the disproportionate effect of Covid-19 on African Americans. ■

---

<sup>1</sup>L. Bauer, K. E. Broady, W. Edelberg, and J. O'Donnell, "Ten Facts about COVID-19 and the U.S. Economy," The Brookings Institution, Washington, D.C., September 17, 2020, available at <https://www.brookings.edu/research/ten-facts-about-covid-19-and-the-u-s-economy/>

<sup>2</sup>Centers for Disease Control and Prevention, "Coronavirus Disease 2019 (COVID-19): Health Equity Considerations and Racial and Ethnic Minority Groups," July 24, 2020, accessed September 15, 2020, at <https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/racial-ethnic-minorities.html>