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**Excerpts from: “How to Bet Big on the American Dream”**

**Debby Beilak and Jim Shelton, May 5, 2016**

Give $1 billion to initiatives that spark upward mobility for people trapped at the bottom—then get a 300 percent return on investment.

"Is the American Dream even realistic anymore? It’s possible, and Bridgespan believes it is. Here’s why: Thanks to the Social Genome Project, researchers now have a much clearer idea of what it takes to put a low-income child on an upward life trajectory. With data drawn from the National Longitudinal Survey of Youth, the project traces the life journeys of children from 1986 through 2010 and uses a statistical model to predict where they’ll land on the income ladder by age 40….”

“The model makes a powerful case that kids must hit a majority of make-or-break milestones as they grow, including: acceptable pre-reading and math skills and “school appropriate” behavior in early childhood; basic reading, math, and social skills by middle childhood; a high-school diploma with at least a 2.5 grade-point average by late adolescence; and a college degree or a family income of $45,000 by the end of their 20s. Great swaths of low-income children [fall behind](http://www.brookings.edu/~/media/Research/Files/Papers/2012/9/20-pathways-middle-class-sawhill-winship/0920-pathways-middle-class-sawhill-winship.pdf?la=en) at each of these milestones. Just 17 percent of less-advantaged kids meet *every* benchmark (compared with 37 percent of their more-advantaged peers). But for those who do, their chances of becoming ‘middle class by middle age’ (a family income of at least $68,000 by age 40) are almost as high as their better-off peers. This means there’s a yawning opportunity for philanthropists to have a transformative impact.

**"…. There are a number of stumbling blocks that can pull people off the path, but one of the most disruptive is unintended pregnancy.**

“In 2014, nearly 1.5 million births were “unplanned”—that is, the mother was not actively trying to conceive. Many of those accidental parents drop out of high school and community college—dramatically decreasing their chances of ever making it to the middle class—at far higher rates than their peers. Staff workers at the New York City branch of Young Life, a nondenominational Christian ministry that mentors teenagers, have a close-up view of the social and economic consequences of unplanned births on teen moms: “Their own mothers are absent from their lives, so they’re trying to learn how to mother when they themselves are kids,” says Genevieve Smith, a Young Life staffer who works in Brooklyn’s Red Hook projects. “They’re living with enormous trauma, and they just can’t deal.”

“Some reproductive-health experts have a proven, low-cost solution: intrauterine devices (IUDs) and birth-control implants, known as Long-Acting Reversible Contraceptives (LARCs). For six years, Colorado administered a privately funded program, the Colorado Family Planning Initiative, which offered young, low-income women access to LARCs at little or no cost and provided counseling. Between 2009 and 2014, Colorado saw a stunning 48 percent decline in both the birth rate and the abortion rate for women ages 15 to 19. ‘Their own mothers are absent, so they’re trying to learn how to mother when they themselves are kids.’

“LARC methods last up to 10 years and have a less than 1 percent failure rate; and the American College of Obstetricians and Gynecologists has deemed them safe. However, just 30 percent of federally qualified public-health centers, which comprise much of the health-care safety net, administer long-acting contraceptives. That’s an opportunity for philanthropic capital to give low-income women and their partners a much better shot at the middle class. A $1 billion bet could take Colorado’s model national. The investment could also fund awareness campaigns targeting teenagers and could increase counseling services. Bridgespan estimates this bet could generate a $3.2 to $6.4 billion return in increased lifetime earnings for children born at a time when their parents are financially prepared to raise them.

“Of course, any effort that supports greater access to contraceptives will likely encounter blistering political attacks. Despite the Colorado initiative’s success, last year state lawmakers killed a bill that would have invested $5 million in public money to keep the program going. (Private foundations stepped up and donated $2 million to continue the program; and this past April, state lawmakers agreed to allocate additional funding.) It’s likely this will continue to be a lightning-rod issue in many states. The backlash extends beyond traditional politics, too. Some African Americans and Hispanics are deeply suspicious of LARCs, which they equate with efforts to control their communities’ populations. ‘A new birth-control method for teenagers is not the answer, ‘says Samantha Seminario, a Young Life staffer based in Harlem. ‘Building relationships with caring adults is what makes the difference.’

“That’s why attempts to spread the use of LARCs must also focus on promoting awareness as well as access. Promotional campaigns cannot be perceived as coercive. At the same time, the data are undeniable: Women are far more likely to make it to the next rung on the income ladder when they are able to decide when to become pregnant. This past January, Delaware Governor Jack Markell said as much when he announced a statewide initiative that’s similar to the Colorado effort. (Delaware has the highest rate of unintended pregnancies in the nation.) Working with the national nonprofit Upstream USA, Delaware has lined up $10 million in private funding to train providers to prescribe LARCs and other forms of birth control to women, even without insurance.

“’The agenda [for LARCs] is relatively easy, and it saves money,’ [says](http://democracyjournal.org/arguments/arguments-qa-isabel-sawhill-author-of-generation-unbound/) Isabel Sawhill, a Brookings Institution economist. ‘The benefit-cost ratio is very high.’’’

https://www.theatlantic.com/politics/archive/2016/05/billion-dollar-bets/481320/