

## Financial Incentives Within Social Assistance. Comparing Current Strategies in the U.S. and Germany

Author: DORIAN R. WOODS, LAURA CHADWICK, and JURGEN VOLKERT Published in GPS, Vol. 2 No. 1

In this paper we rule out general financial incentives such as the negative income tax or a U.S.-American Earned Income Tax Credit for feasible implementation and the improvement of employment in German social assistance. Instead we provide a description of alternative targeted financial incentive experiments in both the U.S. and Germany designed to encourage employment among social assistance recipients. The programs are the German Einstiegsgeld in Baden-Württemberg and Hessen, and in the U.S. the Minnesota Family Investment Program and the Wisconsin New Hope program. In describing evaluations of the programs we explore what one country could learn from another.

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