Reforms and Child Development

Aletha C. Huston

SUMMARY

Since their inception in the 1930s, U.S. welfare and income support programs have played an important role in providing benefits to children. Unlike programs directly targeted to children, however, welfare programs are designed to produce economic and employment impacts on adults, so that any effects on children would be indirect. This article explores the influence of such programs on children’s well-being and development, first by defining goals for children’s healthy development, then by proposing a framework for understanding the impact of welfare policies on children. A review of the literature within each component of this framework reveals the following:

- Measures of children’s well-being should encompass physical, intellectual, social, and emotional development.

- The physical and material environment, family environment, and social and community environment can all affect a child’s healthy development.

- Policies designed to increase maternal employment, reduce welfare use, and strengthen families do not necessarily lead to more positive environmental contexts and increased child well-being.

The author concludes that to ensure positive impacts on children, welfare and income support policies must move beyond their exclusive emphasis on adults and include goals that focus on improving children’s social and physical environments at home and in the community.

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When Aid to Dependent Children was established in the 1930s, its principal goal was to promote the welfare of children. Under the assumptions of the day, that meant assuring not only that basic physical needs were met (orphanages could do that), but that children could be cared for by their mothers. Since then, children have been major beneficiaries of U.S. welfare programs for low-income families. In 1995, for example, approximately two-thirds of recipients in the Aid to Families with Dependent Children (AFDC) program were children—many under age three. Children’s health and development is still an implicit goal of welfare programs, and policymakers often assert that program changes will produce benefits for children. For example, one common argument is that employed parents provide positive models of productive, self-sufficient citizenship. At the same time, critics have worried that policy changes made in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 will diminish families’ ability to provide both material and personal resources to their children.

Current federal welfare policy embodied in the new program, Temporary Assistance for Needy Families (TANF), was designed to address the following three major goals: (1) to increase paid employment among parent recipients; (2) to reduce “welfare dependence”—that is, to reduce the number of families receiving welfare over a long period of time; and (3) to influence family structure by encouraging marriage and two-parent families, reducing the incidence of out-of-wedlock childbearing, and requiring that both parents provide for the child. The framers of welfare reform legislation did not make poverty reduction a goal, but in recognition that merely trading welfare for work often does not improve a family’s economic situation, states were given the option to include various financial incentives to encourage recipients to work.

The 1990s also brought major changes in policies designed to help working poor families outside the welfare system, contributing to increased employment and other outcomes observed since welfare reform. For example, the maximum earned income tax credit (EITC) benefit for a family with two children increased from $1,511 in 1993 to $3,888 in 2000. Similarly, both child care assistance and health insurance for children have been extended to more nonwelfare working poor families. These changes are designed to reward employment, but unlike TANF, they also are explicitly intended to reduce poverty among working families with children.

This article begins by examining the goals of welfare and income support policies aimed at the working poor in the context of more general goals for enhancing children’s well-being. A framework is proposed for examining how policies for poor families may influence children’s well-being and development, and the relevant literature is briefly summarized within each component of that framework. A final section discusses the limits of current knowledge and poses questions for future research.

Goals for Enhancing Children’s Development

Economic and employment policies define their goals for children somewhat differently than do policies focused on early childhood education, which are intended to improve children’s lot directly. Welfare and income support policies are based in economic thinking, whereas many child policies are rooted in child development, education, and related fields. The following analysis explores the issues, tensions, and common threads in these different approaches to defining goals for children and suggests a more inclusive set of goals that may be useful in considering existing research and provoking new questions.

Because most welfare policies entail spending public funds, economic considerations are understandably important in evaluating all policies affecting children. The economic perspective has led to the idea that public spending on children is an investment in their future economic productivity. For example, early interventions are evaluated by their long-term effects on adult educational attainment, employment, and income. Although costs and benefits are legitimate issues, there is a danger in requiring that all investments in children be justified by demonstrable “profits” to society in the form of later economic productivity. It puts an enormous burden on any policy to require that it show economic benefits 10 to 20 years later.
Welfare and income support policies are based in economic thinking, whereas many child policies are rooted in child development, education, and related fields.

In contrast, those who specialize in child development regard quality of life during childhood as a legitimate goal in its own right, even though they also stress children’s achievement of developmental aims as preparation for later life. In the United Kingdom and parts of Europe, scholars are bringing a human rights perspective into policy discussions, framing the discourse around children’s rights as embodied in the United Nations’ Convention on the Rights of the Child.6

Several issues underlie these discussions about what outcomes for children should be sought in welfare policies. First, tension stems from the difference between considering a child’s worth in the present and a child’s worth as a future adult. To what extent should a child’s well-being be valued for its own sake? To what extent should policies for children be judged by their contribution to the adult that child may become? One way of crystallizing this issue is to ask: How much public investment would be worthwhile to care for a terminally ill child who would not live beyond age 12?

Second, debate continues about whether public spending on children should be justified on the basis of moral or human rights, or on the basis of present and future productivity. To what extent do children have the right to certain types of protection or benefits from society? To what extent should public resources be concentrated on outcomes for children that are associated with short-term or long-term productivity? Should assistance to poor families be justified, for example, by demonstrating that it enhances children’s well-being by reducing their exposure to violence or low-quality schools? Or should it be justified as a means of increasing the probability that children will become economically productive citizens?

Third, differences exist among those who emphasize prevention of harm and those who emphasize positive development. The youth development movement, for example, stresses the difference between programs designed to enhance skills and those aimed at preventing problems, arguing that prevention is not sufficient. Should welfare policies for parents make positive contributions to children’s well-being? Or is it sufficient to do no harm?

Finally, some maintain that child well-being should be defined solely by the child’s characteristics, whereas others believe the context in which the child lives should also be considered. In models and research investigating policy effects on children, the “child outcomes” are the child’s behaviors and attributes, such as school achievement, social skills, behavioral problems, and health status. Developmental psychologists and policy researchers alike think of the child as the locus of development. But others have begun to focus more on the contexts provided to children. For example, among the rights listed in the United Nations’ Convention on the Rights of the Child is an obligation of the state to provide assistance to parents, such as income supports, child care services, children’s health care services, and education.6 A consortium of state policymakers recently brought together to select a common set of indicators to evaluate welfare reform also focused on contexts, nominating outcomes that included many aspects of children’s environments, such as reduced child poverty and adequate housing.7 Such indicators reflect the view that a policy’s effects on the home environment, for example, are as relevant as effects on a child’s school performance.

These contrasting perspectives illustrate the multiple and sometimes contradictory criteria and objectives for public policies affecting children. The most reasonable approach to assessing the impact of welfare and income support policies on children would keep various objectives in balance: emphasizing a child’s present well-being as well as his or her future as an adult; considering a child’s well-being as well as his or her productivity; expecting policies to promote positive development as well as prevent harm; and defining child outcomes to include healthy contexts as well as skills and behaviors. Goals for healthy child development that encompass all these dimensions are summarized in Box 1.
How Welfare and Income Support Policies Affect Children

Welfare reform and efforts to support working poor families are designed to change the economic and personal behavior of parents. Any effects on children occur indirectly, most likely through an impact on parents’ employment, family resources, use of early education and child care, and other family circumstances. Figure 1 displays a schematic of some of the major pathways by which policies could affect children’s development. Welfare and income support policies are designed to influence parents’ employment (especially maternal employment), income and material resources, and family structure. Changes in employment, resources, and family structure are likely in turn to influence children’s physical and material environment, family environment, and child care, school, neighborhood, and community environments.

The following sections summarize the literature about how the factors in each of these “boxes” might affect children. Rather than beginning with the policies and tracking their potential influence through adult activities and behavior, the first section focuses on the two right-hand columns of the schematic, summarizing what is known about how environmental contexts

Box 1

Goals for Healthy Child Development

- Health and physical comfort, including shelter, nourishment, freedom from pain and abuse, and medical care.
  **Indicators:** housing stability versus homelessness; food sufficiency and nutrition; freedom from child abuse, use of foster care; health care and immunization; absence of physical disability.

- Family or adults who care, are reasonably constant and reliable, and who provide love and encouragement. Consistency of caregivers and settings.
  **Indicators:** child living out of home; parent-child relationship; parenting warmth; social supports from other adults.

- Development of intellectual and other capabilities to their fullest, such as language skill; school achievement; and skill in athletics, music, or art.
  **Indicators:** language; cognitive ability; literacy; school achievement (short- and long-term); achievement in other domains.

- Emotional well-being and mental health, including self-worth, sense of personal control, and freedom from depression and anxiety.
  **Indicators:** low internalizing problems and anxiety; high perceived self-worth; low referrals for mental health problems.

- Skills in relating to others, both adults and peers, including, for example, assertiveness without violence, sociability, cooperation, understanding others’ perspectives, complying with adult expectations, and leadership.
  **Indicators:** positive social behavior; low externalizing or behavior problems; social skills with peers; social skills with adults; social cognitive skills.

- Responsibility and morality, including the ability to guide one’s own behavior and act in accord with societal standards of right and wrong.
  **Indicators:** absence of delinquency and antisocial behavior; conformity to social expectations; sexual responsibility.

- In adulthood, ability to support self and family, be a good parent, contribute to society, be mentally and physically healthy, and not commit crimes or abuse substances.
  **Indicators:** educational and occupational attainment; absence of criminal activity or substance abuse; mental and physical health.

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Relate to children’s healthy development. This approach helps to locate domains of children’s development that have been neglected in research and focuses directly on the well-being of children, especially those in low-income families. Working backward in the model, the second section then summarizes what is known about how parents’ employment, family material resources, and family structure might affect children’s life experiences and development.

The Links between Environmental Contexts and Children’s Development

Environmental contexts and child characteristics are both potentially important, albeit indirect, outcomes of public policy directed at families. Environmental contexts that support a decent quality of life can be justified on that basis alone, but they are also important because they can affect children’s physical, intellectual, and socioemotional development. Random-assignment experiments, which randomly assign some participants to the program and others to a control group, have established the causal influences in some instances—that is, whether the context affects the child, the child affects the context, or both are caused by other factors. But it is also recognized that children often play a role in both selecting and responding to available contexts, and they in turn are influenced by their experiences. Thus, most current child develop-

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**Figure 1**

**Conceptual Model for Policy Effects on Children**

<table>
<thead>
<tr>
<th>Welfare and Income Support Policies</th>
<th>Intended Direct Effects on Parents</th>
<th>Indirect Effects on Child’s Contexts</th>
<th>Indirect Effects on Child Development</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Work requirements</strong></td>
<td><strong>Parental employment</strong></td>
<td><strong>Physical and material environment</strong></td>
<td><strong>Physical development</strong></td>
</tr>
<tr>
<td>› Sanctions</td>
<td>› Increased income and material resources</td>
<td>› Adequate standard of living</td>
<td>› Healthy, normal growth</td>
</tr>
<tr>
<td>› Time limits</td>
<td>› Strengthened family structure</td>
<td>› Health care services</td>
<td>› Healthy behavior</td>
</tr>
<tr>
<td><strong>Human capital development</strong></td>
<td>› Reduced teen childbearing</td>
<td>› Safety</td>
<td><strong>Intellectual development</strong></td>
</tr>
<tr>
<td><strong>Resources</strong></td>
<td>› Marriage</td>
<td>› Parent well-being</td>
<td>› School performance</td>
</tr>
<tr>
<td>› Earning supplements</td>
<td>› Paternal responsibility</td>
<td>› Parenting practices</td>
<td>› Adult attainment</td>
</tr>
<tr>
<td>› Disregards&lt;sup&gt;a&lt;/sup&gt;</td>
<td></td>
<td>› Father involvement</td>
<td>› Life skills</td>
</tr>
<tr>
<td>› Subsidies for health care</td>
<td></td>
<td><strong>Social and community environment</strong></td>
<td><strong>Social and emotional development</strong></td>
</tr>
<tr>
<td>› Subsidies for child care</td>
<td></td>
<td>› Child care and after-school settings</td>
<td>› Mental health and emotional well-being</td>
</tr>
<tr>
<td>› Housing assistance</td>
<td></td>
<td>› Neighborhoods, schools, and communities</td>
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<td><strong>Fertility and parenting</strong></td>
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<td><strong>Social and emotional development</strong></td>
<td>› Morality</td>
</tr>
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<td>› Family caps</td>
<td></td>
<td>› Child support enforcement</td>
<td>› Responsibility</td>
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<tr>
<td>› Adolescent residence with parents</td>
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<td></td>
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<tr>
<td>› Child support enforcement</td>
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<sup>a</sup>“Disregards” refers to policies that allow recipients to earn more before losing benefits.
<sup>b</sup>“Adult attainment” refers to the process of maturing mentally and physically.
For infants and preschool children, the cognitive and social environment provided in the home predicts children’s language development, intelligence, school readiness, and school achievement in reading and math.

Context and environmental theories maintain that effects on children and context are bidirectional—that is, they are mutual and intertwined.

**Physical and Material Environment**

Three key elements contribute to a healthy physical and material environment for children: (1) an adequate standard of living (particularly sufficient food, clothing, and housing); (2) health care services, including prevention and treatment (such as immunization); and (3) safety from injury, violence, and environmental hazards. In contrast, the physical and material environments that poor children experience are often characterized by hardship, hunger, homelessness, exposure to toxins and other dangerous substances, exposure to violence and other hazards to physical safety, and inadequate preventive health care. When families and communities do not have—or do not provide—the necessary preventive resources, children are at greater risk of injuries, failure to thrive, mortality, untreated medical and dental conditions, and health problems such as asthma.10,11

Policies that improve family income or provide assistance with food, housing, and child care increase families’ material resources. Income is often used as a proxy for material resources, but it is not a direct index of the material goods and services available to children.12 Although intensive qualitative interviews with mothers living in poverty show that most families budget money in ways that will benefit children,13 families vary in how much of their income they spend on children. By middle childhood, and certainly in adolescence, children’s perceptions of their family’s economic strain or material hardship can be an important influence on their sense of well-being.14

**Family Environment**

Parenting and the quality of the home environment play an extremely important role in children’s lives. For healthy development, children need adult family members and other adults who are mentally healthy, responsible, constant, and reliable to provide them with love and encouragement. The parent–child relationship should be characterized by warmth, open communication, and firm (but not harsh) discipline. And children benefit when both parents assume responsibility for their emotional and financial support.

Welfare and income support policies that change parents’ employment status, family resources, and family structure could affect children’s home environments by changing parents’ time at home, parents’ personal sense of well-being, and the relationships among family members. Experimental evidence has shown that the quality of the home environment can be improved by interventions that teach mothers about child rearing, but no evidence documents the effects of interventions less directly focused on child rearing.15

In the very large amount of research relating parenting and the home environment to children’s cognitive and intellectual development, some consistent patterns have emerged. First, although children who develop strong intellectual skills also tend to demonstrate positive social and emotional behavior, the home and family characteristics associated with intellectual versus social development are somewhat different. For infants and preschool children, the cognitive and social environment provided in the home predicts children’s language development, intelligence, school readiness, and school achievement in reading and math, even when controlling for numerous other family and demographic characteristics.16–19 Maternal intellectual ability also is a strong predictor of children’s academic performance, a finding that suggests both genetic and environmental contributions to a child’s performance.

In comparison to cognitive and academic outcomes, children’s social behavior and emotional well-being are more strongly related to the quality of parent–child interactions, and less strongly to income and cognitive environment.20 Maternal depression is associated with behavioral problems much more con-
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Sistently than with problems in cognitive or intellectual functioning, probably because of its effects on parenting practices. Children and youth who demonstrate positive social behavior and low levels of psychological distress perceive their relations with parents positively, and they tend to have mothers who are warm and who avoid harsh punishment. Young people who engage in deviant and delinquent behavior tend to have parents who provide low levels of supervision, monitoring, and control.

Virtually all of this literature is subject to some methodological problems that should be of concern in evaluating policy effects. First, links between parent and child characteristics are probably due, at least in part, to genetic similarities. Second, children's behavior elicits and influences parenting and parent well-being as well as responds to it, so the association of parent and child behaviors probably indicates bidirectional causation. For example, in one recent series of studies, better "outcomes" were found among adolescents whose parents monitor their whereabouts. Investigators argue persuasively that these outcomes are not due to parents' vigilant supervision, but instead are due largely to the fact that better-adjusted adolescents volunteer such information about their whereabouts. Finally, in many of the studies evaluating welfare policies, children's social behavior is measured by maternal report only, so the measure reflects the mother's reaction to the child as well as the child's behavior. (For a more detailed discussion of this topic, see the article by Chase-Lansdale and Pittman in this journal issue.)

Social and Community Environment

Child care, schools, out-of-school activities, mass media, social supports, and neighborhoods are sources of formative experiences for children in general. Such resources may be especially important for children with a single, employed parent. Research suggests that healthy development can be promoted by child care that is reliable, safe, and of high quality; by education and out-of-school activities appropriate to a child's ability and culture; and by neighborhoods and communities that are safe and that have resources for serving children.

Child Care and After-School Programs

From the time children are infants through their school-age and teen years, the environments they experience while their parents work can play an important role in their development. Federal, state, and local programs provide child care assistance to low-income families, especially those moving from welfare to work, in a variety of ways, including subsidies and resource and referral services. Research suggests that the impact of these policies depends on the age of the child, and the quality, type, and stability of care. (See the article by Fuller and colleagues in this journal issue.)

Even very young children are now spending a large amount of time in child care. Current welfare policy permits states to require parents' participation in work-related activities when children are infants, leading to concerns that a mother's time away from her infant will interfere with early development of a positive mother-child relationship and a secure attachment. Some evidence suggests that mothers who return to work very early in their infants' lives (before about three months of age) or whose infants have extensive early child care are less sensitive to their children than are their counterparts. Maternal sensitivity is associated with the development of secure attachments for infants, but there is little evidence that time with a child per se affects the development of secure attachment.

The quality of care is important, however. An abundance of evidence shows that high-quality child care—care that provides intellectual stimulation, social involvement of adults with children, and language interactions—can have a positive influence on children's intellectual development, particularly among
children in low-income families.26 Longitudinal, correlational studies consistently show a relationship between high quality of care and small but significant gains in children's cognitive and language development, even with controls for demographic characteristics and parenting behavior.17,29,30 Some have argued that these results could be due to unobserved characteristics that differentiate families who choose high- and low-quality care,31 and that some of the results do not endure into later childhood and adolescence.32 Nevertheless, experimental studies show that high-quality programs for low-income infants and preschoolers lead to short-term and, in some cases, long-term improvements in school performance.33

The type of care is also important. Studies suggest that preschool children who receive care in formal center-based settings show better cognitive and language development on average than do those cared for by relatives or nonrelatives in home-based settings.17,34,35 Similarly, somewhat older children, especially those living in low-income areas, who participate in formal after-school programs have been shown to perform better in school compared with those in other types of after-school arrangements.36 Between about third and fifth grade, many children phase out of formal child care programs and spend less and less time under the direct supervision of their parents.37 During this transition, organized youth activities offer opportunities to build skills and interact with peers with at least some adult supervision. Youths who participate in structured activities approved by adults have better school performance and less deviant behavior than do those who spend after-school time in unsupervised activities with peers, especially in low-income families and neighborhoods.38
Stability of care appears to be more consistently related to social and emotional well-being than is quality or type of care. Low-income children who experience unstable child care—frequent changes and multiple arrangements—tend to have more behavioral problems than do those with more stable child care. Changing child care arrangements may be a sign of instability in other facets of family life, including housing, parental employment, and family composition—a pattern that has been described as “turbulence.” Also, mounting evidence suggests that children who enter care early or spend many hours in care throughout the preschool years may have more behavioral problems than do those who spend more time in the care of parents.

As children get older, they have increasing control over where they spend their time, whom they associate with, and what activities they experience. Thus, the links between their out-of-school environments and any positive development probably reflects bidirectional influences—that is, youths who are more attached to school and nondeviant peers select more positive activities, which in turn reinforce positive behavior. An important developmental “outcome” may be the choices that young people make about how and with whom they spend their time.

Neighborhoods, Schools, and Communities

Although most research shows that the effects of neighborhoods and communities are considerably smaller than family influences, children’s development nevertheless is influenced by where they live. Young children and adolescents who live in middle-class neighborhoods perform better in school than do children from comparable families living in less affluent neighborhoods, even with controls for individual family characteristics.

Safety and school quality are neighborhood features with important potential consequences for children’s development. Results from the Boston site of “Move to Opportunity,” a random-assignment experiment in which families were given vouchers to move from public housing to low-poverty neighborhoods, suggest benefits for children. Children and youths in the experimental groups had lower levels of behavioral problems (boys only), fewer asthma attacks and injuries, and were less often the victims of violence than were the children in the control group. Parents reported less gunfire and less drug activity in the neighborhood. No measures of cognitive or academic performance were reported, but in an earlier quasi-experiment (the Gautreaux Project) in which families moved from inner-city public housing to suburban communities, positive effects on children’s school performance were found.

In sum, the evidence linking environmental contexts to child development, especially among low-income families, is quite strong. Children who are deprived of adequate physical and material resources, who lack attention from a warm and loving family, or who spend lengthy hours in low-quality child care settings tend to show negative intellectual and behavioral outcomes. Thus, policies that work to ameliorate these conditions are likely to have a positive impact on children’s development.

The Links between Effects on Parents and Effects on Children

The direct goals of welfare and income support policies— affecting parents’ employment, income, and decisions about family structure—are shown in Figure 1 as potential influences on children’s environmental contexts. This section discusses briefly what is known about the effects of parental employment, income, and family structure (in conjunction with parents’ age) on children’s life experiences and development in low-income families.

Parental Employment

Since 1996, federal welfare policy has been designed to move welfare recipients quickly into employment and, in the context of a strong economy and other income support policies, it has succeeded. Major welfare policy strategies include work requirements, time limits on welfare receipt, sanctions for failing to participate in work-related activities, casework, financial incentives such as increased income disregards, which allow recipients to earn more before losing benefits, quotas and incentives for states, and transitional Medicaid and child care assistance. States can and do use federal dollars and their own funds for a wide range of other strategies. And, of course, the EITC, the largest federal antipoverty program, provides a strong work incentive for low-income families. Because single mothers are much more likely to be poor than are single fathers or married parents, these policies are especially likely to increase maternal employment in single-mother families.
Although there is little disagreement that families fare better when the father is employed, researchers have long debated the effects on children when a mother is employed.

Although there is little disagreement that families fare better when the father is employed, researchers have long debated the effects on children when a mother is employed. The effects of maternal employment on children in low-income families probably depend on whether overall family resources increase, characteristics of the job(s) (benefits, stimulation, schedule), characteristics of the child (age, sex, temperament), characteristics of the mother (health, mental health, attitudes and beliefs), and available support (family, child care, community programs).

If maternal employment increases material resources, its effects on children are likely to be positive. Data indicate, however, that trading welfare assistance for employment earnings does not always change family income, and resources may decline when the costs of employment, such as transportation, child care, payroll taxes, and clothing, are considered. Mandatory employment in conjunction with time limits could result in reduced disposable income in some families. Some types of employment might increase parents' skills (human capital) or contacts with adults (social capital), which in turn could have positive effects on the home environment.

Proponents of welfare reform emphasize the value of parental modeling; children who see parents going to a job regularly and bringing home a paycheck will accept employment as the norm of adult life. Parents' work lives can serve as a model for their children, but both positive and negative messages could be conveyed. Mothers who have a positive attitude about combining work with family are more satisfied and report less role strain than those who believe they should be at home with their children. When parents' jobs are routine and repetitious or have very low wages, their children may infer that work is dull and boring. Parents' employment reduces the time they have available for child care and activities with the child. Young children are in someone else's care when mothers are at work, and the quality of that care is likely to mediate effects of parental employment. But many school-age children and youths are in "self-care" while their mothers work. Although parents often monitor their children by telephone and through neighbors, children without direct supervision are vulnerable to antisocial peers or, if they stay home, to many hours in front of the television set. Self-care in late childhood and early adolescence does not appear to pose risks for middle-class children, but, for those who live in poverty and in dangerous neighborhoods, the odds of behavioral problems increase when young adolescents are unsupervised. In fact, parents appear to recognize the differential risk; middle-class and white children are more likely than poor and minority children to be in self-care. (See Figure 2 in the article by Fuller and colleagues in this journal issue.)

The effects of maternal employment vary with a child's age, but potential harmful effects do not necessarily decline as children get older. In fact, researchers have found that maternal employment during the adolescent years is associated with adolescent delinquency, lowered educational attainment, and low adolescent well-being. One reason may be that, unlike younger children, adolescents with employed mothers are generally not in supervised alternative settings.

Maternal employment can also affect children's responsibilities and family routines. Policymakers often assert that employment will provide a structure for family schedules of getting up, having meals, and going to bed. If a parent has a regular work schedule, this result might occur, but many low-income jobs have irregular and unconventional hours, and many parents work more than one job. In addition, studies suggest that unconventional and extended work hours may result in children assuming more responsibility for household tasks or caring for siblings, rather than spending more time in child care. Such a shift in responsibility could lead to either positive or negative consequences for children.

Perhaps it should not be surprising that available data provide no simple answers about the effects of maternal employment on children's environments and development. Most of the literature on low-income families suggests that children's cognitive and social development is
Policies that require single mothers to seek and hold employment are likely to vary in effect, depending on the child’s age, the child’s experiences when the mother is employed, and the mother’s individual beliefs and characteristics.

more positive in families with employed mothers than in those with unemployed mothers. But it appears that much if not all of this difference is a function of preexisting differences in demographic attributes, skills, personality, and child-rearing practices between employed and unemployed mothers rather than being a product of employment. In a large sample of mothers and infants, employed mothers provided a higher-quality home environment than unemployed mothers did, but these differences were entirely accounted for by maternal characteristics. Parents with more skills, and better psychological and physical health, are probably more likely to find and maintain paid employment. Parents with those same qualities are also more likely to provide better environments for their children.

In short, policies that require single mothers to seek and hold employment are likely to vary in effect, depending on the child’s age, the child’s experiences when the mother is employed, and the mother’s individual beliefs and characteristics. Children might benefit if the job pays decent wages and provides some opportunity for social or cognitive stimulation; if children are in good-quality child care, youth programs, or neighborhoods that support positive development; if the mother does not feel excessive role strain, depression, or conflict about her dual roles; and if family economic or social resources are improved. Children might suffer, however, when these conditions do not pertain. Moreover, the consequences of a mother not being employed may be more negative under welfare reform because the time limits on receiving welfare threaten seriously reduced income and because people may be discouraged by their failure to meet society’s expectation that they support their families.

Income and Material Resources
Welfare policies that include wage supplements, income disregards (which allow recipients to earn more before losing benefits), and subsidies for necessary expenses such as child care increase overall family income and resources. If income disregards or other subsidies are part of states’ new welfare programs under TANF, however, they end when a recipient reaches a time limit or leaves welfare for any reason. Programs outside the welfare system, such as the EITC, improve family resources with no time limit as long as the parent is employed. Although there is considerable debate about the influence of income per se on children’s cognitive and social development, to the extent that increased resources improve a family’s material circumstances, the quality of the home and child care environments, opportunities for children to participate in beneficial activities, and the neighborhood in which a family lives, results for children are positive. Family income during the preschool years appears to be particularly important in predicting cognitive and educational attainment, probably because income affects the quality of the home and child care environments. The home is an important source of intellectual stimulation before children enter formal schooling, and analyses show that the degree of cognitive and social stimulation at home varies with family income. Higher-income families also are more likely than low-income families to use center-based care or higher-quality home-based care for preschoolers.
A series of income-maintenance experiments, conducted in the 1960s and 1970s, tested the effects of a guaranteed minimum income. Income guarantees led to slightly better school achievement for elementary-school-age children (but not for high school students) and to better nutrition for a very disadvantaged rural sample. Income supports also led to a higher probability of separation and divorce for couples experiencing high levels of conflict, but not for those with low levels of conflict. Environmental contexts were not assessed, but families in the experiment did buy homes or improve the quality of their rental units more often than controls did, probably leading to better neighborhood conditions for their families.

Poverty and income loss affect the socioemotional climate of the home, which in turn influences children's psychological well-being and behavior. Studies of poor families and families that experienced large reductions in income indicate that the effects on children are mediated primarily by parents' psychological distress, which may be reflected in practices such as low warmth and frequent use of harsh punishment.

Policy researchers not only debate how much good might come from raising poor families' income, some argue that welfare income has harmful effects. Comparisons of families receiving welfare with comparable poor families not receiving welfare show that long-term welfare recipients provide lower-quality home environments than do other poor families. Although many studies show little or no relation of welfare receipt to children's cognitive and social development when differences in demographic and family characteristics are taken into account, some studies have shown that welfare predicts higher rates of grade retention, lower academic achievement, and lower completed schooling among children. By contrast, adolescents in welfare families placed more importance on school than did those in poor, nonwelfare families.

It is clearly important for policymakers to understand why and how families receiving welfare differ from other poor families, and why welfare income may not confer the same benefits as other income. But it is very difficult to find samples with truly comparable material resources and parental characteristics. People receiving welfare by definition have almost no assets, whereas other people with low incomes may have more resources of various kinds. Also, unlike other income supports (such as the EITC), welfare carries a stigma that may affect the way others treat parents and children, as well as the way they think about themselves. The poor are not immune from the value placed on work in U.S. society and from the strong implication of failure for those who receive public assistance. Children as young as second grade express negative stereotypes about poor children's behavior and motivations.

In addition, entry into and out of welfare is often associated with other transitions and changes, such as job loss or entry, parents separating or acquiring new partners, and changes in child care. Such changes affect parents' and children's well-being, parenting, and the family environment. Mothers report high levels of behavioral problems among children in families who have made a transition either into or out of welfare, compared with families whose status has not changed.

To understand how policies that affect family material resources also affect child development, studies are needed to examine how a family's overall resources are perceived and deployed, and how these behaviors affect the contexts experienced by children. Experimental studies that randomly assign participants to different types of programs are extremely important; otherwise it is difficult to isolate which differences are a result of policies and which are due to personal characteristics. (See the article by Zaslow and colleagues in this journal issue for a detailed review of experimental studies.)

Family Structure

Some of the major goals of the federal welfare reform law of 1996 were to discourage women, particularly adolescents, from having children outside of marriage; to encourage people with children to marry; and to promote paternal financial responsibility for children. The strategies intended to advance these goals include incentives to states to reduce their out-of-wedlock childbearing rates without increasing abortions; family caps; a requirement that adolescent welfare recipients attend school and live with a parent or responsible adult; and a requirement that applicants for cash assistance identify the father of the child, and cooperate with efforts to collect child support. (See the article by...
Greenberg and colleagues in this journal issue for an overview of these policies.

Both adolescent and single parenting are associated with developmental risks for children and lowered educational and occupational attainment by mothers and children. Young women who delay childbearing receive more education and have fewer children than those who give birth early, but poor school achievement can be a motivation for pregnancy as well as a consequence. Although preexisting differences between unwed teen mothers and other young women account for most of the differences between them, some of the negative effects on their children can be attributed to early childbearing and single parenthood.76

Young and single mothers provide home environments that are, on average, less stimulating and supportive than do older and married mothers. In an investigation of mothers ranging in age from their late teens to their forties, older mothers spent more time with their infants, were more sensitive and stimulating to them, and provided higher-quality home environments than did younger mothers, even after controlling for demographic and marital status. Single mothers also were less sensitive and provided lower-quality home environments than did married mothers, but these differences were largely accounted for by differences in age, ethnicity, and maternal education.77 In a sample of children ages 4 to 16, those with single mothers spent more time watching television on weekends, but also spent more time in school or preschool on weekdays than did children of married mothers.78

Despite these variations in home environment, few differences in young children’s cognitive or social behavior are associated with single parenting per se. For example, in one study of low-income families, marital status was not a significant predictor of school readiness or behavioral problems.18 In another study, a large sample of children of single mothers performed slightly better than those from two-parent families, after controlling for income and demographics.79 When children reach adolescence, however, those with single mothers are more likely than those living with both biological parents to drop out of school and to have low educational attainment.80

Because single mothers are at high risk of poverty, many children in these families are subject to material hardship. Numerous analyses have been designed to separate the effects of poverty from those of family structure on adolescent school completion, pregnancy, and deviant behavior. One summary of the literature concluded that about half of the difference between children of single-mother and two-parent families was explained by income.76 In a later analysis of several longitudinal studies, poverty was relatively more important than family structure in explaining differences in intellectual performance, but family structure was rela-
To connect welfare policies, children’s environmental contexts, and healthy child development, ... a closer look at a complex set of links is needed.

Policies designed to promote paternal responsibility for children, through either marriage or child support, are motivated in part by the high risk of poverty for single-mother families, but many observers also consider father involvement important for children’s socialization and well-being. (See the article by McLanahan and Carlson in this journal issue.) Child support reform began in the mid-1970s, but by 1990, only 6 of every 10 eligible mothers had child support awards, and the rate was much lower for those with children born out of wedlock than for those who had been divorced. Of mothers with awards, about 25% did not receive any payments. A recent demonstration program, Parents’ Fair Share, was designed to spur low-income fathers to provide for their children. The program increased employment and formal child support payments, but in some cases, informal supports to children were reduced. Moreover, paternal involvement was found to be a double-edged sword. Slight increases in fathers’ efforts to be active parents led to increased disagreements with mothers.

Although much is known about how family structure, maternal age, and child support relate to children’s development, some major questions remain about how welfare and income support policies designed to change fertility patterns, family formation, and decisions about marriage might affect children. First, do policy variations have any effect on decisions about fertility and marriage, particularly for adolescents? In the United States, the availability of AFDC may have provided an incentive for adolescent childbearing. In contrast, Sweden’s family leave and other policies provide incentives to begin work before having children, and the teen birthrate is low compared with that of older women. Sweden is one of the few countries where the probability of having a child is higher for more-educated women, controlling for other background variables.

Second, if adults were induced to marry before having children, would benefits accrue for their children? Children in two-parent stable families generally show more positive development than do those in never-married, divorced, and remarried families, but these differences may be due to preexisting differences in parents’ individual characteristics or the degree of conflict between adults who remain married and those who do not. Both domestic violence and physical abuse of children occur in a large number of low-income families. For example, in one large sample of welfare recipients, some 28% had been abused by an intimate partner in the previous year. Most research on divorce shows that family conflict, including domestic violence, before and after a divorce is a major predictor of children’s emotional and behavioral problems. Even for couples who do not engage in high conflict, one cannot infer that inducing parents to marry or to stay married would provide conditions comparable to those in families where parents choose marriage without inducement.

In addition, children do not appear to be better off when their mother marries someone other than their father, even though family income is, on average, substantially greater. In a longitudinal analysis of children ages 5 to 10, those from blended families did not perform better on intellectual tests than did those in single-mother families. Similarly, children in stepparent and single-mother families have similar rates of dropping out of school and adolescent pregnancy.

In sum, the available literature offers provocative hypotheses, but results are limited in several respects. Virtually all of the findings are correlational, so selection effects and unobserved confounding variables make it difficult to establish causal explanations. In addition, much of the information predates 1996, so parents’ decisions about employment and fertility were made in a different policy context than the current one. Policies that attempt to improve parents’ employment, resources, and family structure probably affect children’s development, but the effects can be either positive or negative.
To ensure positive impacts for children, welfare and income support policies must move beyond their exclusive focus on adults and include goals that aim to improve children's social and physical environments at home and in the community. To connect welfare policies, children's environmental contexts, and healthy child development, however, a closer look at a complex set of links is needed. There is currently a "black box" quality about some of the data relating economic and family structure variables to child and adult behavior; not much is known about the processes underlying these connections. To gain a better understanding, it is important to consider the array of policies for working and nonworking people with low incomes instead of focusing solely on welfare programs involving cash assistance. It is also important to examine whether and for whom policies have the intended effects. Who benefits? Who is left out?

Relatively little is known about variations in policy impacts across the many diverse ethnic groups affected. Many legal as well as illegal immigrants are being excluded from welfare benefits. Even for people who are eligible for welfare or income support, important ethnic and cultural variations may influence the relation of policies to children's environments and, as a result, to children's development. For example, it is widely believed that African-American parents are more favorably disposed to putting their children in child care centers, whereas Hispanic Americans prefer to rely on family members for child care. If that is true, then people in these ethnic groups might react differently to policies mandating employment or offering child care assistance. (See the article by Fuller and colleagues in this journal issue for further discussion of this topic.)

Individual differences in parents' academic and intellectual skills, psychological adjustment, and beliefs also play a role in determining their responses to policies and how these policies affect children's environments. Both low levels of literacy and high levels of depression are implicated as barriers to achieving the goal of self-sufficiency envisioned by welfare reformers. Many mothers have disabled children or family members for whom alternate care is not readily available. With a better understanding of individual and group differences, policies can be tailored to meet different needs and circumstances.

A more complete understanding of the impact of certain policies targeted to parents will require more rigorous research identifying and isolating the causal links inside the "black box." Much of the current research suffers from problems inherent in naturalistic studies and survey methods. When comparing people with different incomes, employment levels, or welfare histories, it is always possible that differences are due to unmeasured differences in ability, personal qualities, health, or other characteristics. In fact, the literature suggests that such "selection" variables are very important. Random-assignment experiments can ensure that differences are due to the policy "treatment" and not to other factors. Similarly, surveys provide valuable information about large, representative samples, but measurement alone is necessarily a superficial way of looking at important processes. Such data are much more useful if complemented by direct observation, in-depth testing and interviewing, and ethnographic techniques, all of which help in understanding process as well as outcome.

Most important, however, is the need to keep children in the foreground. Although two-thirds of welfare recipients were children in 1996, the consequences of welfare reform for children get scant attention. The 1996 welfare law eliminated the word children from the name of the new program, Temporary Assistance for Needy Families, signaling a shift in emphasis from children to adults. But children's well-being should not be an afterthought. Healthy development of happy children should be a front-line goal, along with establishing whether policies have the intended consequences for adult behavior. The welfare of children is the true barometer of our success as a society.
ENDNOTES


5. About 70% of adults claiming the EITC are single parents, many of whom have received welfare. See Smeding, T.M., Ross, K.E., O’Connor, M., and Simon, M. The economic impact of the Earned Income Tax Credit (EITC). Unpublished manuscript, Syracuse University, Syracuse, NY, 1999.


9. The topic is vast, and because the relations differ considerably for children of different ages, for boys and girls, and so on, this summary is by definition incomplete.


14. For example, in studies of African-American single-mother families, adolescents’ feelings of psychological distress were related even more strongly to their perceptions of family economic strain than to the objective levels of family income. See McLoyd, V.C., Jayaratne, T.E., Ceballo, R., and Borquez, J. Unemployment and work interruption among African American single mothers: Effects on parenting and adolescent socioemotional functioning. Child Development (1994) 65:562–89. See also note 10, McLoyd.


20. For example, one study found that cognitive competencies in children appeared to be linked to family income, but socioemotional competencies appeared to be associated with quality of time spent with parents. See Amato, P., and Ochiltree, G. Family resources and the development of child competence. Journal of Marriage and the Family (1986) 48:47–56. Similarly, another study found that although socioeconomic status (SES) and mother’s mental health predicted both cognitive outcomes and social competence, SES explained more variance in cognitive outcomes than social competence, whereas mother’s mental health explained more variance in social competence. See Sameroff, A.J., and Seifer, R. Familial and child competence. Child Development (1983) 54:1254–68.

21. Leadbeater, B.J., and Bishop, S.J. Predictors of behavioral problems in preschool children of inner-city Afro-American and Puer-


25. See note 3, Raikes.


41. In a large-scale study of adolescents in Philadelphia, for example, two patterns of successful development were identified. One of these was defined by active involvement in organized community and school activities. See Furstenberg, F.F.; Cook, T.D.; Eccles, J.S., et al. Managing to make it: Urban families and adolescent success. Chicago: University of Chicago Press, 1999.


43. Kling, J.R., Liebman, J.B., and Katz, L.F. Bullets don't get no


52. See note 38, Pettit, et al.


60. Quality based on assessments using the HOME and observed maternal sensitivity and cognitive stimulation. See note 16, Bradley, et al, and note 58, Aronson and Huston.


62. See note 16, Duncan, et al.


71. See note 69, Smith and Brooks-Gunn.


80. See note 76, McLanahan and Sandefur.


90. See the article by Zaslow and colleagues in this journal issue for a summary of the results of experimental studies testing the effects of such new policies as time limits, mandatory participation, and financial incentives.