Experimental Studies of Welfare Reform and Children

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**SUMMARY**

Even prior to passage of federal welfare reform, many demonstration programs anticipated key features of the 1996 law, such as “work-first” strategies, time limits on welfare receipt, and financial incentives to work. Over the past decade, 10 experimental evaluations of these programs have extended their studies to examine the impacts on children. This article provides a synthesis of findings from the first seven of these studies to release results concerning child impacts. Key observations include the following:

- Across the different types of welfare-to-work programs examined, researchers found neither widespread harm nor widespread benefit to young children, but some significant impacts did occur.
- Favorable impacts tended to occur in programs that improved family economic status or maternal education, but these programs still did not bring children to the level of national norms for positive child development.
- Unfavorable impacts tended to occur when families did not show economic progress or when their economic situation worsened, when the children were adolescents, and—unexpectedly—when the families were believed to be at lower risk for long-term welfare receipt.

Thus, although impacts were not widespread, these programs did have the potential to affect children for both better and worse across a range of developmental outcomes. The authors conclude that these findings underscore the importance of strengthening program approaches to enhance developmental outcomes for children in families being served by the welfare system.

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An enduring irony of welfare policy in the United States is that welfare programs launched out of concern for children are evaluated primarily on adult outcomes, such as welfare receipt, employment, earnings, income, and marriage. Fortunately for those concerned with child well-being, within the plethora of welfare studies is a small group of rigorous experimental studies that focus on how welfare programs and policies affect children as well as adults. Experimental studies randomly assign families to either an experimental group that can participate in the program, or a control group that is not eligible to participate. Random assignment assures that any differences that emerge between the experimental and control groups are due to the program and not to other differing characteristics of families and children. Over the past decade, 10 experimental evaluations of welfare programs have extended their studies to examine the impacts on children. Box 1 describes the programs studied in these evaluations, grouped into four categories based on the strength of their work incentives, as well as their barriers or penalties for not working or not leaving welfare.

All the programs were implemented before the 1996 federal welfare reform law was passed, but had provisions that anticipated key features of the new law, such as “work-first” strategies, time limits on welfare receipt, and financial incentives to work. Similar to the welfare-to-work programs being implemented today, these programs generally focused on improving family economic self-sufficiency, and did not include components aimed directly at improving outcomes for children such as screening for child health or developmental problems, or providing high-quality early childhood intervention programs. Nevertheless, many in the field believe that impacts on children should be considered alongside impacts on adults when examining the success of these programs, first because an underlying goal of welfare policies is to protect the well-being of children, and second because changes in adult economic outcomes (or other aspects of family life, such as parenting behavior or maternal psychological well-being) could be important to children’s development. (See the article by Huston in this journal issue.)

To this end, the experimental studies of earlier welfare-to-work programs can provide many useful insights about how various types of welfare-to-work programs affect children. Above all, the experimental design identifies impacts that are attributable to a welfare-to-work program rather than other factors. At the same time, because the evaluations tend to study “packages” of program components, it is difficult to isolate exactly which aspect of the program may be causing an impact. Also, program impacts are affected by general economic conditions and the other benefits available to low-income families (such as food stamps and child care subsidies) at the time and place of the study. The evaluations reveal little about how policies might affect families under different economic conditions or families not directly examined, such as low-income families not receiving welfare. Although these studies examine the major welfare-to-work strategies, the full range of program approaches that have been implemented more recently are not included. Even so, these studies can be very useful in determining how impacts on children differ given different program goals and components and whether programs changed adult factors, such as family economic status, parenting behavior, and maternal psychological well-being, that can in turn affect children.

To date, results are available from 7 of the 10 evaluations. This article provides a synthesis of findings from these seven studies, distilling and presenting the evidence concerning welfare reform’s effects on children. The first section summarizes the impacts on adults and children by type of program. The second section explores patterns related to the favorable and unfavorable impacts for children, and the key factors that appear to be associated with these patterns. Based on these findings, the final section offers recommendations to guide federal, state, and local policymakers as they consider ways to help children in families moving from welfare to work.

**Program Impacts on Adults and Children**

Children are not the primary focus of welfare-to-work programs, so understanding how these programs affect adults is important to understanding the impacts on children. Although programs varied in their expectations regarding such adult outcomes as program par-
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Both programs targeted to teenage welfare recipients—New Chance and the Teenage Parent Demonstration (TPD) program—provided a broad array of services, addressing personal development as well as economic issues, in keeping with concerns about the range of difficulties faced by young parents. For example, both programs included components focusing on life skills and personal development (such as parenting behavior and psychological well-being), in addition to education and work preparation.

At the outset, teen mothers in these programs participated more in education and work preparation activities and received less welfare than control group mothers did, but these initial gains often faded over time. Program enrollment did not generally result in sustained improvements in family economic status. As noted by the researchers, these findings underscore the special challenges of bringing about lasting change for the particularly disadvantaged subgroup of welfare recipients who are teen parents.

Meanwhile, many impacts on children in these programs were neutral—that is, no impacts or weak impacts—and some were unfavorable. In the Newark site of the TPD program, unfavorable impacts were found on two direct assessments of children’s cognitive development as well as a measure of the children’s perception of their school. In addition, mothers in this program rated their children less positively on expressiveness, although their children’s overall social behavior scores did not differ from those of control group children.

It is particularly surprising that the New Chance program also had unfavorable impacts for children in both academic/cognitive and behavioral development. Of all the programs included in this synthesis, New Chance had the most explicitly two-generational focus, seeking to improve outcomes for children as well as mothers by providing parenting education, developmentally appropriate child care, and access to health care. It was expected that the program would lead to increases in maternal education and improvements in family economic status, which would contribute to improved outcomes for children. However,
mothers in New Chance rated their children’s academic performance as significantly lower than did mothers in the control group. In addition, mothers’ reports of children’s behavioral problems were higher in the program group than in the control group, whereas reports of their children’s positive behaviors were significantly lower.

These findings caution that it may be particularly difficult to achieve not only positive economic impacts, but also positive impacts on children’s development, in families headed by young mothers on welfare. Teen parents now are subject to more stringent requirements than they were under the previous welfare program, Aid to Families with Dependent Children. With limited exceptions,

Box 1

Overview of Welfare Programs Studied

Broadly Targeted Programs for Teenage Welfare Recipients

◮ New Chance Demonstration: A mostly voluntary program for teenage mothers on welfare who had dropped out of school. The program provided comprehensive education, training, and other services intended to increase the long-term self-sufficiency and well-being of teenage mothers and their children. This is the only program examined in this article that was explicitly two-generational, articulating goals for improving outcomes for children as well as their mothers. The program operated in 16 sites across 10 states between 1989 and 1992. Impacts for children ages 3.5 to 10 at the 3.5-year follow-up are aggregated and reported across the 16 sites.

◮ Teenage Parent Demonstration (TPD): A mandatory program for first-time teenage parents applying for welfare, with sanctions for those who did not comply with requirements to participate in education, job training, or employment-related activities. The program provided case management, life skills and personal development workshops, child care assistance, and transportation assistance. The program operated in Chicago and in two sites in New Jersey, Newark and Camden, between 1987 and 1991. Impacts for first-born children ages 5 to 10 (with the majority of children between ages 6 and 8) at the final follow-up (conducted, on average, 6.5 years after intake) are reported separately for the three study sites.

Mandatory Education-First and Work-First Programs

◮ Job Opportunities and Basic Skills Training (JOBS): A welfare-to-work program established under the Family Support Act of 1988. This program aimed to reduce welfare dependency through a combination of intensified case management and participation in work or education activities. Failure to comply could result in a reduction in welfare benefits. The program was implemented nationwide between 1988 and 1996. Impacts for children ages 5 to 7 at the 2-year follow-up are reported from JOBS programs in three sites: Atlanta, Georgia; Grand Rapids, Michigan; and Riverside, California. In each site, two different program approaches were studied: a human capital development or “education-first” approach, and a labor force attachment or “work-first” approach.

Strong Financial Work Incentive Programs

◮ Minnesota Family Investment Program (MFIP): This program included generous financial incentives for work, streamlined receipt of cash assistance and food stamps, and direct payments to child care providers. The program was implemented under waivers to federal rules as a pilot in three urban counties and four rural counties (the study sites) between 1994 and 1998. A modified version of the program was implemented statewide following passage of federal reform. Two MFIP variations were studied: a program with financial incentives only, and a “full” program with both financial incentives and a work mandate. Impacts for school-age children (ages 5 to 12) and adolescents (ages 13 to 18) at the 3-year follow-up are reported separately for the children of long-term welfare recipients and recent welfare applicants in each variant of the program.

◮ New Hope Project: This voluntary demonstration program offered an earnings supplement to raise the income of full-time workers to the poverty level; health insurance; child care subsidies; and community service job opportunities for partici-
the current welfare reform law prohibits states from using federal welfare funds for unmarried teen parents who do not go to school and do not live in an adult-supervised setting. (See the article by Greenberg and colleagues in this journal issue.) It will be critical to determine whether these participation and residence requirements result in more favorable impacts for both mothers and children.

### Mandatory Education-First and Work-First Programs

Various versions of the mandatory “education-first” and “work-first” program, Job Opportunities and Basic Skills Training (JOBS), were implemented nationwide during the late 1980s and early 1990s. Results reported here are from the Child Outcomes evaluation of programs that operated in two low-income areas in Milwaukee, Wisconsin, between August 1994 and December 1998. Impacts for children ages 3 to 5 and ages 6 to 12 at the 2-year follow-up are reported separately by age and gender.

- **Canada’s Self-Sufficiency Project (SSP):** This demonstration program offered substantial financial incentives to participants who worked at least 30 hours per week and left welfare. Individuals could receive the financial supplement within a year of random assignment to the program and could continue to receive the supplement for up to 3 years if they worked full time and did not receive welfare. The program operated in New Brunswick and British Columbia between November 1992 and March 1995. Impacts are reported for children ages 3 to 5, 6 to 11, and 12 to 18 at the 3-year follow-up.

- **Florida Family Transition Program (FTP):** This program included a time limit of 24 months of welfare receipt in any 60-month period for most applicants (36 months in any 72-month period for the least job-ready), along with a small financial work incentive and parental responsibility mandates that included ensuring child immunizations and school attendance. The program operated under waivers to federal rules from 1994 to 1999, initially in Escambia County. Other counties were phased in gradually, and the program then served as a model for the statewide welfare program implemented following passage of federal reform. Impacts are reported for school-age children (ages 5 to 12) and adolescents (ages 13 to 17) at the 4-year follow-up.

- **Connecticut’s Jobs First Program:** This program included a 21-month time limit on benefits; mandatory employment services; earned income disregards; and a partial family cap (limiting benefits for children born to families while on welfare), among other provisions. The program was implemented statewide in 1996 under waivers to federal rules, and with modifications, remained the state’s welfare program following passage of federal reform. The evaluation focuses on Manchester and New Haven. Child impact study results for this program are still pending.

- **Indiana Welfare Reform Evaluation:** Provisions of this program include a focus on “work first” and labor force attachment, time limits on cash assistance, sanctions for not meeting parental responsibilities (including child immunization and school attendance), and a family cap. The program began to be implemented statewide in 1995 under waivers to federal rules, with additional modifications in 1997 in response to passage of federal reform. Child impact study results for this program are still pending.

- **Iowa’s Family Investment Program (FIP):** This program includes financial incentives for employment, as well as components facilitating asset accumulation and family stability by broadening eligibility rules for two-parent working families. Parents must create and adhere to an agreement specifying their steps to self-sufficiency, or their benefits can be reduced or terminated. The program was implemented in October 1993 under waivers to federal rules, and many original FIP provisions were retained following passage of federal reform. The program is being evaluated in nine counties. Child impact study results are still pending.
Study of the national evaluation of this program (National Evaluation of Welfare-to-Work Strategies, or NEWWS). Data gathering focused on mothers who were age 19 or older who had a 3- to 5-year-old at the time of enrollment, and who were participating in either the education-first or work-first components of the JOBS programs in three sites: Atlanta, Georgia; Grand Rapids, Michigan; and Riverside, California.

Like the programs targeted to teens, this set of programs increased adult participation in work preparation activities, and also in a number of programs (primarily the education-first programs), educational attainment. Overall, these programs more consistently increased employment than did the teen-targeted programs, at least through the follow-up two years after mothers were enrolled in the evaluation. The programs did not affect income levels, however, and results were mixed with regard to the proportion of families living in poverty. In one of the six programs studied, the percentage of families living at or above the poverty line increased, whereas it decreased in two other programs.

Moreover, evaluations of these programs detected mostly weak or no impacts on children ages five to seven. When impacts did occur, they sometimes resulted in improved outcomes, and sometimes in worsened outcomes. Positive impacts were found in academic/ cognitive development, based on improved scores in direct assessments of children's cognitive skills. Children in Atlanta and Grand Rapids scored higher on these assessments. Interestingly, the favorable impacts on cognitive development all occurred in programs in which mothers showed increases in educational attainment, though one program (the education-first program in Riverside, California) increased maternal education, and this did not result in favorable cognitive impacts on children.

While impacts on cognitive development, when they occurred, were all favorable, impacts on behavioral outcomes were mixed. For example, mothers assigned to Atlanta's work-first program reported that their young children had more positive behavioral/ emotional outcomes in terms of less frequent externalizing behavioral problems, on average, compared with the control group. However, mothers in Grand Rapids' work-first program reported that their children had more behavioral problems of this kind, on average, compared with the control group. Moreover, unfavorable impacts were found for children's health outcomes in two programs. In Riverside, mothers gave lower overall health ratings to their children in both the education-first and work-first programs, and were less likely to rate their children's health as very good or excellent.

In the present policy context, welfare-to-work programs have more stringent employment requirements and consequences for noncompliance than was the case in most JOBS programs. Yet impacts on children in JOBS programs, especially programs requiring quick entry into the labor force, may be particularly informative with respect to current programs that seek to increase employment without attempting explicitly to increase income. While some unfavorable impacts occurred, at least some of the impacts among JOBS programs were favorable, in contrast to the broadly targeted programs for teenage recipients, which showed no favorable patterns of impacts on children.

Strong Financial Work Incentive Programs

The three strong financial work incentive programs—Minnesota Family Investment Program (MFIP), New Hope Project, and Canada's Self-Sufficiency Project (SSP)—all provided financial incentives and other supports to "make work pay." They all had an explicit goal of reducing poverty by providing a generous cash supplement tied to work, though the programs differed in the form and source of the supplement. These programs stand apart because they not only increased employment, but they also improved income and reduced poverty (albeit not for all subgroups). Furthermore, with only a few exceptions, these positive impacts had not faded when follow-up assessments were conducted two to three years later.

The patterns of impacts on children within these programs varied considerably by the age of the child. Among children under age five at the time of the follow-up, only weak or no impacts were found. However, among children ages 5 to 12 at follow-up, clear patterns of favorable impacts emerged in the areas of academic/cognitive development and, to a lesser extent, behavioral/emotional adjustment. For example, in SSP, school-age children in the program group scored higher on a test of math achievement, and their
mothers rated their academic achievement higher, compared with school-age children in the control group. In New Hope, teachers gave school-age boys in the program group higher ratings for academics, as well as for classroom behavior and independence. In both versions of MFIP, long-term recipient mothers in the program group rated their school-age children higher for school performance and school engagement, and reported fewer behavioral problems. Confidence in the findings of favorable cognitive and behavioral impacts for school-age children is bolstered by the varied sources showing these impacts—from achievement test scores and teacher ratings to child self-report measures and maternal ratings.

However, impacts were not uniformly favorable across all the strong financial work incentive programs studied. In particular, unfavorable impacts were found for adolescent children ages 13 to 18 in MFIP and ages 12 to 18 in SSP, and in some instances, for school-age children of recent MFIP applicants. For example, in MFIP, the proportion of adolescents whose mothers rated their school performance as above average was significantly lower among both recent applicant families and long-term recipients compared with the control groups. Also, a higher percentage of recent applicant mothers reported having been contacted by their teen's school about a behavioral problem. In SSP, mothers in the program group rated their adolescent children's academic achievement slightly less favorably, and reported more school behavioral problems for their adolescents, compared with mothers in the control group. Adolescents themselves reported more frequent smoking, drinking once a week or more, and drug use, compared with adolescents in the control group, and older adolescents reported more delinquent activity. SSP researchers caution that there was attrition in the adolescent sample, and that overall sample size for the adolescent-reported impacts was small and perhaps biased. Still, these findings raise the possibility that unfavorable impacts on adolescents may occur even when the same programs have favorable behavioral impacts on younger children.

With respect to health, very few significant impacts were found in this set of programs, and the few that did occur were in opposite directions. Among long-term recipients in MFIP, an increased proportion of families reported that a child had suffered an accident or injury requiring a visit to an emergency room or clinic. This might indicate either an increase in accidents or injuries among these children or an increase in the use of emergency rooms by program group families. By contrast, in SSP, program group mothers gave their school-age children higher overall health ratings and were less likely to indicate that their children had long-term health problems, compared with control group mothers.

In general, these studies help to identify the effects on children when both employment and income increase in the context of strong financial work incentive programs, and when such changes are fairly strong and sustained. In the new policy context, numerous states are using financial incentives to reward work. But because current state welfare programs generally do not provide incentives as generous as those offered in the demonstration programs, the impacts on both adults and children may be different. Nevertheless, the findings emerging from these evaluations highlight the potential of financial incentive programs to bring about positive impacts for school-age children though perhaps leading to negative impacts for adolescents.
Across the different welfare-to-work programs studied so far, there was neither widespread harm nor benefit to young children. Yet some significant impacts on children did occur.

**Programs with a Time Limit**

Florida’s Family Transition Program (FTP) was the single program among those discussed here to include a time limit on welfare receipt. Within this program, mothers increased their employment, earnings, and overall income, but the impact on income was modest, and by the time of the final follow-up four years later, the impacts on employment, earnings, and income had all disappeared. There was even some indication that the proportion of families with extremely low income may have increased.

Findings regarding FTP impacts on children were few and mixed. For children ages 5 to 12 at the follow-up, there were no impacts on academic/cognitive development, a slight indication of unfavorable impacts on behavioral/emotional adjustment, and favorable impacts on health and safety, according to maternal reports. Researchers hypothesized that the favorable health impacts may be related to the program group’s fewer reported housing problems, such as exposure to dust or pollution that could trigger asthma.

As was the case for the programs with financial work incentives, however, some unfavorable impacts emerged for adolescents at the follow-up. Adolescent children of mothers assigned to FTP were more likely to have been suspended from school; however, they were no more likely to have had contact with the police, to have been arrested or convicted, or to have had a baby. In addition, their mothers rated their achievement slightly lower, although the adolescents were not more likely to be below average in achievement or to be in special education.

Although no consistent or strong pattern of impacts emerged among young children in families in FTP, only about one-fifth of the families in the FTP study had reached the time limit when follow-up interviews were conducted. Moreover, results come only from a single study, so that the consistency of findings across programs could not be assessed. In the future, results from two additional studies of programs with time limits will be available to help clarify the effects of this type of program on children.

Nevertheless, this first look at child impacts in a program with a time limit is particularly important when considering the effects of programs that combine enforcement strategies with incentives and services. Such combinations are increasingly prevalent under the current welfare law, which requires that states mandate employment participation and place time limits on welfare receipt. In addition, this study sheds light on outcomes for children when families experience a period of modest improvement in economic status that is not sustained, a common experience among families transitioning off welfare in the current policy and economic environment. (See the article by Zedlewski in this journal issue.)

In sum, many of the results in the evaluations of these different programs point only to weak impacts or an absence of impacts for young children. Given the limited emphasis placed directly on services or program components for children, perhaps this is not surprising. Nevertheless, some impacts did occur that were both favorable and unfavorable in each of the three aspects of children’s development examined: academic/cognitive, behavioral/emotional, and health and safety. Thus, the programs did have the potential to affect children’s outcomes for both better and worse. Moreover, the magnitude of these impacts, when they did occur, fell within the range of impacts for programs that target children directly, but were not as strong as the largest impacts found in some of the most successful early intervention programs.

As explored further below, various patterns emerge from this synthesis of findings that help explain the programs’ impacts on children.

**Patterns Related to Favorable and Unfavorable Impacts**

Overall, this synthesis of findings suggests that across the different welfare-to-work programs studied so far, there was neither widespread harm nor benefit to young children. Yet some significant impacts on children did occur. The question of whether and how different types of programs and different patterns of economic impacts correspond to different patterns of
impacts on children is of critical importance to policymakers. Of central concern is whether impacts on children correspond more closely to the type of program (the program’s “blueprint”), or to the actual economic results in terms of mothers’ employment and income, regardless of a program’s orientation or intent.

In the studies reviewed here, four sets of factors appear to “tip” program impacts on children toward favorable or unfavorable: (1) program goals and components, (2) the patterns of economic impacts, (3) family characteristics, and (4) child age. Favorable impacts on children tended to occur in programs that improved family economic status or maternal education. Unfavorable impacts on children tended to occur when families in the program did not show economic progress or experienced a setback, when the children were adolescents, and—unexpectedly—when the families were believed to be at lower risk of long-term welfare receipt. (See Box 2.) In addition, preliminary work suggests that nontargeted family factors, such as parenting and maternal mental health, also may play a role. These influences differed across developmental areas, with patterns generally similar for academic/ cognitive and behavioral outcomes, but not for health and safety.

**Program Goals and Components**

The findings show relatively few impacts for children in three of the four program types. Programs targeted to teenage mothers, mandatory work-first or education-first programs, and the program with a time limit all had limited impacts on child outcomes. Where patterns of impacts did emerge, they were unfavorable in the teen programs, but mixed in work-first and education-first programs as well as in the time-limited program.

Favorable impacts were found much more consistently for young children in the programs involving strong financial work incentives, but even in these programs,

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**Box 2**

**Favorable and Unfavorable Impacts on Children**

**Favorable impacts tended to occur:**

- For school-age children in programs that resulted in improvements in family economic status, not only in terms of employment and earnings, but also in terms of overall family income and proportion of families in poverty. This pattern of economic impacts occurred most consistently, though not only, in programs that had strong financial incentives and supports for working.

- On cognitive and academic outcomes for school-age children in programs that resulted in increased maternal educational attainment. This pattern of impacts for adults usually occurred in programs that included education and training components as precursors to job search and employment.

**Unfavorable impacts tended to occur:**

- When families in the program did not show progress, on average, or experienced setbacks on any of the core economic outcomes (employment and earnings, overall income, or proportion of families in poverty), despite program supports and requirements.

- When children of the adults targeted by the programs were adolescents. Unfavorable impacts for adolescent children of welfare recipients occurred in programs taking very different approaches for example, programs emphasizing financial incentives and supports for working, and programs focusing more heavily on enforcement strategies such as sanctions and time limits.

- For children in families that were at lower rather than higher initial levels of disadvantage. This unexpected pattern cut across different ways of defining the initial level of disadvantage, and also across different program approaches.
The findings on economic patterns underscore the importance of efforts to support sustained economic progress for families in order to increase favorable impacts for children.

A consistent pattern did not emerge for all families. As discussed further below, it is important to take into account economic impacts and family and child characteristics to understand the variation in findings within and across program types.

**Patterns of Economic Impacts**

The correspondence between program type and pattern of economic impacts was not perfect for the programs examined here. Even within a single program type, economic impacts for specific sites or program variants sometimes differed. Similarly, the correspondence between patterns of economic impacts and child outcomes also varied. The findings suggest that favorable impacts on income facilitate, but do not assure, favorable child outcomes.

In general, young children in families making stronger economic progress showed more favorable impacts on their academic/cognitive and behavioral/emotional outcomes, whereas children in families making no economic progress or experiencing a setback showed less favorable impacts. However, for children in families whose economic progress was somewhere in between—that is, with improvements that faded over time, or increases in employment without increased income—the impacts on children tended to be weak. At the same time, an unfavorable pattern of economic impacts did not always correspond to unfavorable child impacts, and similarly, a favorable pattern of economic impacts did not always correspond to favorable child impacts. For example, unfavorable impacts for adolescents cut across different patterns of economic outcomes.

In addition, when mothers made progress in educational attainment, favorable child academic/cognitive impacts were sometimes found even in the absence of positive economic outcomes. For example, favorable academic/cognitive impacts occurred in three of the four JOBS programs in which mothers achieved higher levels of education. One of the TPD programs in which there were impacts on mothers’ education, TPD Chicago, also showed a weak pattern of favorable impacts for child academic/cognitive outcomes. Not all programs in which mothers made educational progress resulted in favorable impacts on child academic/cognitive outcomes; for example, no impacts were found in the JOBS education-first program in Riverside and the TPD program in Camden. Nevertheless, these findings suggest that improving the educational levels of mothers receiving welfare may have positive implications for their children’s academic/cognitive development.

For the most part, however, the findings on economic patterns underscore the importance of efforts to support sustained economic progress for families in order to increase favorable impacts for children. The results also show that in some instances, welfare-to-work programs have had no or unfavorable economic impacts for families (especially families headed by teenage recipients), and that such programs sometimes have had unfavorable impacts for children. It is equally important to understand when and why these less-favorable economic impact patterns occur and to seek alternative approaches.

**Family Characteristics**

Results taking into account family characteristics revealed a pattern contrary to expectations. Findings suggest that unfavorable impacts on children are more likely in families traditionally considered at lower risk for long-term welfare receipt, such as families new to welfare, or those who had received welfare for less than two years. In contrast, findings for children in families traditionally viewed as higher risk, such as those who had received welfare longer, show more favorable impacts for academic/cognitive and behavioral/emotional outcomes.

Various explanations have been suggested as to why lower family risk might be associated with unfavorable child impacts. One hypothesis is that families traditionally viewed as lower risk are, in fact, experiencing acute as opposed to chronic stress. For example, families new to welfare may be applying because of a fairly recent crisis, such as loss of a job, separation or divorce, or domestic violence, or because of a major life change, such as a baby’s birth. If such families are then encouraged or pushed toward work, this may add further transitions to the lives of children already adapting to
major changes, leading to unfavorable impacts. Another hypothesis is that applying for welfare may be associated with greater stigma for lower-risk families. As a result, these families may have a greater sense of obligation and anxiety about needing to fulfill program requirements, or a greater sense of shame about any difficulty in meeting requirements. Such responses could affect children, resulting in unfavorable impacts.

**Child Age**

Unexpected findings were revealed at both ends of the age range, for the youngest and the oldest children in these studies. Other research suggests that changes in family economic well-being, especially movement into and out of poverty, as well as length of time in deep poverty, appear to have the strongest effects on children in the first years of life, particularly in the area of cognitive development. Thus, favorable impacts for children, especially in the studies involving favorable economic impacts, might be expected to be particularly evident for very young children. Similarly, some evidence suggests that maternal employment during infancy may sometimes have negative effects on children. However, results pertaining to the youngest children in these studies do not support this hypothesis. In general, whereas school-age children tended to show either favorable or unfavorable impacts, the younger children in these studies showed little indication of significant impacts.

At the other end of the age continuum, some researchers expected that adolescents would be the least affected by their mothers' involvement in a welfare-to-work program. Yet this set of evaluations points fairly consistently to unfavorable patterns of impacts for adolescents across program types and economic impact patterns. Possible explanations for these impacts range from an erosion in parenting quality and monitoring to a substantial increase in adolescent responsibilities within the household. Each of these possibilities has different implications for programs aimed at helping adolescents; therefore, careful consideration of the processes at play is warranted to mount the most effective programs to address these issues.

At the same time, data are limited with respect to both age groups. The very limited evidence of impacts on the youngest children in these studies reflects a lack of detailed and direct assessments of the children in this age range, and the greater difficulty of obtaining reliable measures of their development. Similarly, the impacts on adolescents were examined in only a minority of the studies. Still, these findings suggest that the child’s age is an important consideration across a range of program approaches. Further investigation is needed of the impacts on infants and toddlers, as well as adolescents, of differing welfare-to-work approaches.

**Nontargeted Family Factors**

Although these programs directly attempted to improve adult economic outcomes such as employment, earnings, and income, an important question is whether nontargeted aspects of family life, such as parenting behavior or maternal psychological well-being, also were affected by the programs. Overall, nontargeted aspects of family life appear to have been affected less frequently than targeted economic outcomes, yet such impacts did occur in these studies. Further, some of the impacts occurred on outcomes that could be very important for the quality of children's experiences in the home, such as harsh parenting, maternal depressive symptoms, residence of mother apart from the child, and domestic violence.

Researchers are exploring whether and how impacts on these nontargeted aspects of family life help to shape program impacts on children. Preliminary work suggests that such impacts may play a role in determining...
outcomes for children. Different programs appear to activate different pathways of influence, however, and results do not point to a single pathway across all studies. Indeed, it appears that child impacts for any one program may reflect the simultaneous influences of impacts on multiple targeted and nontargeted family outcomes, sometimes functioning in opposing directions. (See the article by Huston in this journal issue.)

Differences across Developmental Areas

The patterns of influence relating to program type, economic impacts, family characteristics, and child age differed across developmental areas. In general, patterns were similar for academic/cognitive and behavioral/emotional outcomes, but not for health and safety.

Impacts on child academic/cognitive outcomes were the most pervasive. Previous research suggests that children's academic/cognitive development may be particularly affected by the cumulative influence over time of family economic status. Thus, the greater impacts for academic/cognitive outcomes may reflect the fact that children's academic and achievement outcomes were influenced by economic change over the follow-up period.

Impacts on child behavioral/emotional outcomes were somewhat less consistent. Some evidence indicates that behavioral outcomes in children are sensitive to transitions and can change more rapidly. This sensitivity to change may help explain the generally less pervasive patterns of behavioral/emotional outcomes in this set of studies.

Impacts on child health and safety outcomes, such as overall health ratings and incidence of accidents and injuries, were rare for this set of evaluation studies. When impacts did occur, they showed a very different pattern from the other developmental areas, both in terms of their frequency and their relationship to adult economic impacts, suggesting different factors may be at play. For instance, a significant factor that may influence health and safety measures may be whether parents have access to health care either through employment or public assistance. Thus, the economic patterns that help to explain the pattern of impacts for academic/cognitive and behavioral/emotional functioning may be less important in explaining health and safety outcomes; instead, health coverage, which was not examined in detail here, may be key.

Different methods of measurement may also contribute to the different patterns across areas of development. Measures of academic/cognitive development, for example, included standardized assessments and reports from teachers and children, as well as from mothers. In contrast, behavioral/emotional development was most often measured only through maternal report. More or different impacts might have been detected in the behavioral/emotional area if information had been obtained through other means, such as teachers' reports, or direct observation of children's behavior. Similarly, it would also be helpful to go beyond maternal report measures of health and safety to include, for example, a physician's assessment of the child's overall health and of any limiting conditions.

Policy Implications

As reauthorization of welfare reform approaches, several implications from this synthesis of findings may be of interest to policymakers at the federal, state, and local levels who look to welfare policy as a means to benefit children. In particular, the research suggests that it may be useful to:

- Focus on welfare programs that lead to sustained financial gains for families. This analysis, along with others, suggests that programs leading to sustained financial gains have the potential to improve young children's well-being, whereas programs that fail to increase employment and income over the long term are more likely to have neutral or negative implications for children.
- Take steps to identify and implement programs to help families that have only recently begun receiving welfare or are considered to be at lower risk of long-term welfare dependency. Somewhat surprisingly, children in these families seem to benefit least, and indeed sometimes show unfavorable impacts, when their mothers participate in welfare-to-work programs. It is therefore important to consider ways to minimize these unintended negative consequences for the families traditionally considered at lower risk, and to reexamine the concept of risk among families applying for welfare.
- Explore the underlying causes of the initial indications of negative impacts of welfare-to-work...
programs on adolescent children and use this information to implement better programs or policies to help this age group. Few data are available to explain why adolescents score lower on various academic/cognitive and behavioral/emotional measures, including their own self-reports of delinquent activities, when their mothers participate in a welfare-to-work program. Before steps can be taken to help, it is important to understand what is leading to these negative effects.

- Focus on how the new residence and education requirements for teen parent recipients are affecting these families. Very little is known about how these provisions are affecting teen parent families. This is an important area for future experimental and nonexperimental research.

- Obtain more data on the effects on infants and toddlers. Very little is known about how the youngest children are affected when their mothers are required to fulfill work requirements as a condition of welfare receipt. It would be extremely informative to systematically examine any variation in impacts on infants and toddlers based on varying policies concerning the age of the child when parents’ work requirements commence (for example, varying the timing when recipients are required to work to earlier versus later in an infant’s first year) and the number of hours of work required for recipients with infants and toddlers.

- Explore further the possibility that programs that increase mothers’ education may benefit children. Some programs studied in this analysis did not increase family income during the time frame examined, but did increase mothers’ education and children’s academic/cognitive skills. Hence, these findings suggest another way that children might benefit from their mothers’ participation in a welfare-to-work program. The implications for children of programs combining education- and work-first strategies may also be worth exploring.

Even when welfare-to-work programs have favorable impacts on children, a high level of risk for poor developmental outcomes remains. The favorable impacts occurring in these programs did not bring children to the level of national norms on measures of academic/cognitive development or behavioral/emotional adjustment. Thus, these programs by no means offer a panacea for the developmental problems faced by many low-income children or children whose parents receive welfare. Further, unfavorable impacts worsened already elevated levels of risk in some children. These findings underscore the importance of strengthening program approaches that enhance developmental outcomes for children in families being served by the welfare system. Although improving child outcomes is not typically the direct goal of welfare-to-work programs, much can be done to improve the way these programs are structured to help ensure more positive impacts for children.

The authors gratefully acknowledge the Edna McConnell Clark Foundation and The David and Lucile Packard Foundation for their support for preparation of this article and the longer paper on which it is based.

ENDNOTES

3. One of the programs studied, New Hope, was not restricted to families receiving welfare, but many of the families had applied for or were receiving welfare at the start of the evaluation. Thus, for the sake of brevity, all programs considered here are referred to as welfare programs.
4. Weil, A. Program redesign by states in the wake of welfare reform:


6. A common set of child outcome and family process measures across 5 of the 10 evaluations was created by Child Trends based on the conceptual framework developed by the Project on State-Level Child Outcomes team, building on work in the Child Outcomes Study of the National Evaluation of Welfare-to-Work Strategies (NEWWS). The Project on State-Level Child Outcomes includes evaluations of waiver policies in Minnesota and Florida (results included here), and Connecticut, Indiana, and Iowa (results still pending). The evaluation teams for these waiver studies include researchers from the Manpower Demonstration Research Corporation (for programs in Minnesota, Florida, and Connecticut), Abt Associates (for the program in Indiana), and Mathematica Policy Research (for the program in Iowa). Together with staff from the U.S. Department of Health and Human Services and the NICHD Family and Child Well-Being Research Network, researchers from Child Trends coordinate the Project on State-Level Child Outcomes and have provided starting points for discussions on conceptualization, measurement, and analysis.

7. For a detailed summary of impacts, see note 5, Zaslow et al., tables and appendices.


11. The tools used in these assessments were the Woodcock-Johnson-Revised Letter-Word Identification test and Calculation test.

12. Based on children’s evaluations of their teachers.

13. Based on mothers’ ratings using the Adaptive Social Behavior Index.

14. In New Chance, teachers reported on a similar range of child outcomes for a select subset of the sample. Interestingly, teachers reported no impacts on the children’s behavioral or academic functioning. The discrepancy in reports by teachers and mothers might indicate that the program-related differences in children’s behavior and indications of academic functioning occurred only in the home, but not at school. Alternatively, the differences may reveal changes in mothers’ perceptions of their children’s performance as a result of the program, rather than differences in the children’s actual functioning. Although the latter explanation suggests that the impacts are not “real,” in the sense that they do not capture actual changes in child functioning, parents who perceive their children as behaving problematically or performing poorly in school might treat their children less positively, which may have important implications for their development.


17. A second follow-up, five years after enrollment, has just been released.

18. These impacts reflected higher mean scores on the Bracken Basic Concept Scale School Readiness Composite for Atlanta’s work-first component, and better distributional scores on this measure (that is, fewer children scoring at the low end of the distribution or more at the high end) for Atlanta’s education-first and work-first components, and for Grand Rapids’ education-first component.


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22. For example, MFIP generally provided earnings supplements within the welfare system so that both income and welfare receipt increased. In contrast, New Hope and SSP provided earnings supplements outside the welfare system so that income increased while welfare receipt decreased.

23. Only the recent applicant group within MFIP (who did not experience income gains or poverty reduction) and the participants in the New Hope Project (who showed fade-out of the income impact over time) depart from this pattern.

24. These ratings were from the Academic Subscale of the Social Skills Rating System. Boys in the New Hope Project group were also more likely to indicate that they expected to attend college, and were more likely to have higher occupational expectations. For girls in the program group, however, little impact on measures of cognitive development was found.

25. However, researchers found no favorable behavioral impacts for school-age children of recent welfare recipients in the MFIP variant involving incentives only. See note 5, Zaslow, et al.

26. The most common financial incentive to reward work is the earned income disregard, whereby a portion of earned income is not counted when determining eligibility for benefits or calculating a family’s welfare benefit. (See the article by Zedlewski in this journal issue.)


28. See Cohen, J. Statistical power analysis for the behavioral sciences. 2nd ed. Hillsdale, NJ: Lawrence Erlbaum Associates, 1988. Cohen offers statistical guidelines for estimating the practical significance of a relationship based on its effect size (here, the difference between the program and control group divided by the standard deviation of the control group). He recommended that, when comparing two groups, an effect size of .20 might be considered “small,” an effect size of .50 might be considered “medium,” and an effect size of .80 might be considered “large.” Under these guidelines, when welfare programs do have impacts on children, the impacts generally are in the small to medium range, the same range as found for impacts in two-generational programs and some child-focused programs.

29. This hypothesis is being explored further in work taking into account factors that influence which mothers obtain further education in the context of the JOBS welfare-to-work programs. Findings to date support the hypothesis that increasing mothers’ educational attainment may be another means of improving outcomes for children in welfare-receiving families, specifically in the area of academic/cognitive development. See Magnuson, K., and McGroder, S.M., from ABLEto1, 2, 3. The effects of maternal education on young children’s school readiness. Poster presented at the annual meeting of the Population Association of America. Washington, DC. March 29–31, 2001.

30. Further findings from the Child Outcomes Study (within NEWWS) and from FTP, not included in the synthesis, point to similar conclusions.

31. This hypothesis was suggested by Kate Marsland, Laura Sosinsky, and Sean Moudas of the Department of Psychology, Yale University, in response to a presentation by Martha Zaslow at the Bush Center in Child Development and Social Policy, Yale University, March 2, 2001.

32. See, for example, Duncan, G.J., and Brooks-Gunn, J., eds. Consequences of growing up poor. New York: Russell Sage Foundation, 1997. However, few studies have investigated this point, and those that exist are not all in agreement. For instance, another study suggests that, whereas cognitive skills are most affected by poverty in early childhood, academic achievement is more sensitive to poverty in adolescence. See Guo, G. The timing of the influences of cumulative poverty on children’s cognitive ability and achievement. Social Forces (1998) 77:257–88. Yet another study suggested that the relationship between early poverty and children’s outcomes is an artifact of the relationship between the timing and duration of poverty, with those experiencing poverty at younger ages more likely to experience it for longer periods of time. See Brooks, J.L., and Shanahan, M.J. The impact of family economic history on pre-adolescent achievement. Unpublished manuscript, 2000.


34. In two of the three programs with negative impacts on adolescents, MFIP and FTP, data were not available to indicate whether the pattern of economic impacts differed for families with adolescents than for families with younger children. However, the SSP findings suggest that economic and employment impacts are identical in direction (though perhaps somewhat smaller) in families with older children and in families with younger children. Hence, in the absence of data specific to families with adolescents, the pattern of economic impacts for families with younger children is used here.


39. Teachers’ reports for behavioral and emotional outcomes were collected in two of the studies included in this synthesis of findings (New Hope and New Chance). However, the majority of studies included in this synthesis relied solely on mothers’ reports of children’s behavioral and emotional outcomes.
Profile of Welfare Studies’ Favorable and Unfavorable Impacts on Children

The following table displays the net proportion of statistically significant favorable and unfavorable impacts on children’s academic/cognitive, behavioral/emotional, and health and safety outcomes, by patterns of impacts on family economic resources and parental education. Proportions are based on the number of favorable impacts, minus the number of unfavorable impacts, divided by the total number of child outcome measures examined within the domain of development. An impact refers to the difference in the average level of functioning of children in the program and control groups. (Ages of children at the time of the follow-up study in parentheses.)

<table>
<thead>
<tr>
<th>Programs for Teenage Welfare Recipients</th>
<th>Adult Outcomes</th>
<th>Child Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Economic resources&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Educational attainment&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>New Chance (ages 3.5–10)&lt;sup&gt;f&lt;/sup&gt;</td>
<td>No improvement/setback</td>
<td>No difference&lt;sup&gt;d&lt;/sup&gt;</td>
</tr>
<tr>
<td>TPD (Camden) (ages 5–10)</td>
<td>Sustained improvement</td>
<td>More</td>
</tr>
<tr>
<td>TPD (Chicago) (ages 5–10)</td>
<td>Employment only</td>
<td>More</td>
</tr>
<tr>
<td>TPD (Newark) (ages 5–10)</td>
<td>No improvement/setback</td>
<td>Less</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>Mandatory Education-First and Work-First Programs</th>
<th>Adult Outcomes</th>
<th>Child Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>J OBS/education-first (Atlanta) (ages 5–7)</td>
<td>Employment only</td>
<td>More</td>
</tr>
<tr>
<td>J OBS/education-first (Grand Rapids) (ages 5–7)</td>
<td>Employment only</td>
<td>More</td>
</tr>
<tr>
<td>J OBS/education-first (Riverside) (ages 5–7)</td>
<td>Employment only</td>
<td>More</td>
</tr>
<tr>
<td>J OBS/work-first (Atlanta) (ages 5–7)</td>
<td>Employment only</td>
<td>More</td>
</tr>
<tr>
<td>J OBS/work-first (Grand Rapids) (ages 5–7)</td>
<td>Employment only</td>
<td>Less</td>
</tr>
<tr>
<td>J OBS/work-first (Riverside) (ages 5–7)</td>
<td>Employment only</td>
<td>No difference</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>Strong Financial Work Incentive Programs</th>
<th>Adult Outcomes</th>
<th>Child Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>MFIP/LT/F (ages 5–12)&lt;sup&gt;e&lt;/sup&gt;</td>
<td>Sustained improvement</td>
<td>No difference</td>
</tr>
<tr>
<td>MFIP/LT/I (ages 5–12)</td>
<td>Sustained improvement</td>
<td>More</td>
</tr>
<tr>
<td>MFIP/LT/F (ages 13–18)</td>
<td>Sustained improvement</td>
<td>No difference</td>
</tr>
<tr>
<td>MFIP/R/F (ages 5–12)</td>
<td>Employment only</td>
<td>No difference</td>
</tr>
<tr>
<td>MFIP/R/I (ages 5–12)</td>
<td>No improvement/setback</td>
<td>No difference</td>
</tr>
<tr>
<td>MFIP/R/F (ages 13–18)</td>
<td>Employment only</td>
<td>No difference</td>
</tr>
<tr>
<td>New Hope/boys (ages 3–5)</td>
<td>Sustained improvement</td>
<td>No difference</td>
</tr>
<tr>
<td>New Hope/boys (ages 6–12)</td>
<td>Sustained improvement</td>
<td>No difference</td>
</tr>
<tr>
<td>New Hope/girls (ages 3–5)</td>
<td>Sustained improvement</td>
<td>No difference</td>
</tr>
<tr>
<td>New Hope/girls (ages 6–12)</td>
<td>Sustained improvement</td>
<td>No difference</td>
</tr>
</tbody>
</table>
Experimental Studies of Welfare Reform

The Future of Children

Adult Outcomes | Child Outcomes
---|---
Economic resources | Educational attainment | Academic | Behavioral | Health and Safety
---|---|---|---|---
Sustained improvement | 0 | 0 | 0 | 
SSP (ages 3–5) | 0.29 | 0 | 0.5 | 
SSP (ages 6–11) | -0.33 | -0.63 | 0 | 
SSP (ages 12–18) | 

Programs with a Time Limit Component

FTP (ages 5–12) | Fade-out | 0 | -0.13 | 0.67 | 
FTP (ages 13–17) | Fade-out | -0.33 | -0.2 | 

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a Economic resources refers to the pattern of impacts on average parental employment and average family income.
No improvement/setback: The program group did not have a higher average level of employment or income, or had a lower level of employment or income, than the control group.
Employment only: The program group had a higher average level of employment, but not income, than the control group.
Fade-out: The program group had a higher average level of both employment and income than the control group, but at least one of these effects faded out by the end of the follow-up.
Sustained improvement: The program group had a higher average level of both employment and income through the end of the follow-up period.

b Educational attainment refers to the pattern of impacts on average parental educational advancement.
More: The program group had a higher average level of educational attainment than the control group.
Less: The program group had a lower average level of educational attainment than the control group.
No difference: No statistically significant difference was found between the average level of educational attainment in the program and control groups.

Includes results from all program sites: 16 locations across 10 states.

New Chance had a positive impact on General Educational Development (GED) completion, but a negative impact on high school completion. These mixed results are summarized here as no impact.

MFIP data are reported separately for mothers who had been receiving welfare for 24 of the 36 months immediately prior to random assignment (long-term recipients/LT) versus those who did not meet this criterion (recent applicants/R); also, data are reported separately for mothers who received financial incentives only (incentives/I) versus those who were enrolled in the full program with both financial incentives and a work mandate (full/F). For long-term recipients, the work mandate in the full program went into effect immediately upon assignment to the program. For recent applicants, however, the work requirement did not go into effect until the recipient had been receiving welfare for 24 months. The MFIP results are presented for single-parent recipients in urban counties only.

No assessment of this indicator in this study.

Acronyms: FTP = Florida’s Family Transition Program
JOBS = Job Opportunities and Basic Skills Training
MFIP = Minnesota Family Investment Program
SSP = Canada’s Self Sufficiency Project
TPD = Teenage Parent Demonstration

For a more detailed discussion of these findings, see the Child Trends Web site at http://www.childtrends.org.