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New Lives for Poor Families?

**Mothers and Young Children
Move through Welfare Reform**



Summary

**Wave 2 Findings—The Growing Up in Poverty Project
California, Connecticut, and Florida**

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New Lives for Poor Families?

Policy leaders in Washington and the states are engaging a new debate over an old question: How can society best aid jobless mothers and enrich their children's lives?

The dramatic reform of family welfare policies in 1996, aided by robust economic growth, has moved millions of women into low-wage jobs. But how to build from this success?

Would stiffer work requirements raise more families above the poverty line? Could educational opportunities for mothers strengthen parenting? How adequate is the current supply and quality of child care?

As these and other policy options are debated, one fact is clear: We know surprisingly little about how state welfare-to-work programs have touched the lives of young children since 1996—and perhaps altered the home and child care settings in which they are now being raised.

This report helps to fill that gap. Our project team followed an initial sample of 948 mothers and preschool-age children for two to four years after the women entered new welfare programs—in California, Connecticut, and Florida. After two rounds of interviews with mothers, assessments of their children's development, and visits to homes and child care settings, these major findings have emerged:

- Many women have moved into low-wage jobs, and their total income has risen significantly. Yet their income remains at just over \$12,000 annually, with most still living below the poverty line.
- Related measures of economic well-being show little improvement. For example, almost one-fifth of all mothers recently cut the size of meals because they didn't have enough money to buy more food, three times the rate reported by all adults nationwide. The average mother reported about \$400 in savings.
- The magnitude of income gains, thus far, is too weak to improve home environments or allow women to move into better neighborhoods. Mothers are spending less time with their preschool-age children as they leave home for jobs. No consistent gains were detected in pro-literacy parenting practices, like reading with their children, establishing dinner-time or bed-time routines, sensitivity toward the child, or for 49 other measures of home qualities.
- Participating mothers displayed twice the rate of clinical depression, two in every five, compared to the general population. Maternal depression sharply depresses their young children's development.
- Many children moved into new child care centers and preschools. Lower-performing children who entered center-based programs displayed significantly stronger gains in cognitive skills and school readiness—moving about 3 months ahead of the children who remained in home-based settings. This positive relationship was significantly stronger for children who attended higher quality centers.

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Mothers and Young Children Move through Welfare Reform

**The Growing Up in Poverty Project — Wave 2 Findings
California, Connecticut, and Florida**

Executive Summary

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NEW LIVES FOR POOR FAMILIES?

Mothers and Young Children Move through Welfare Reform

How to Assist Poor Families? An Evolving National Debate

Throughout our nation's history, Americans have maintained a commitment to help families. Following the Civil War, the citizenry provided support to widows and war veterans. Early on, through successive waves of immigration, private charities and public supports were made available to needy families. The most comprehensive piece of social legislation in its day, the Social Security Act of 1935, continued this history. And major initiatives during the 1960s aimed to combat poverty in America's rural heartland and urban communities.

Most recently, a call "to end welfare as we know it" resounded through the White House and legislative chambers, giving rise to the Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA) of 1996. Heralding in unprecedented changes, this legislation has given rise to much debate and deliberation.

Reflecting a new consensus, the 1996 welfare reforms made cash aid to mothers of children as young as 3 months of age contingent upon work. Beyond new work *rules*, the Clinton Administration and the Congress advanced new *resources* to support work: increasing child care funding, extending child health insurance to working-poor parents, and enlarging tax benefits for low-income parents who remain on the job — all efforts intended to make work pay.

This revolution in family policy — matched by robust growth in labor demand — led to real changes in family behavior inside communities. The number of single mothers drawing cash aid fell from 5.0 million in 1994 to 2.1 million in 2001. Indeed, many women left welfare and gained work experience.

Hoping to build from this success, the White House and the Congress are now revisiting and assessing this massive national experiment in family policy. The 1996 reforms must be reauthorized, along with key work supports.

The Growing Up in Poverty Project: Listening to Families in California, Connecticut, and Florida

As another generation of policy options is being weighed, it is important to learn how mothers and their young children have fared since 1996. The Growing Up in Poverty Project, launched in 1997, aims to help fill this empirical gap.

Our research team has long been interested in how the lives of mothers and *very young children* may be changing as many women move into jobs. We have followed families who entered welfare-to-work programs between 1996 and 1998 in three states — California, Connecticut, and Florida — selected for their demographic diversity and the variety of welfare and child care policies enacted.

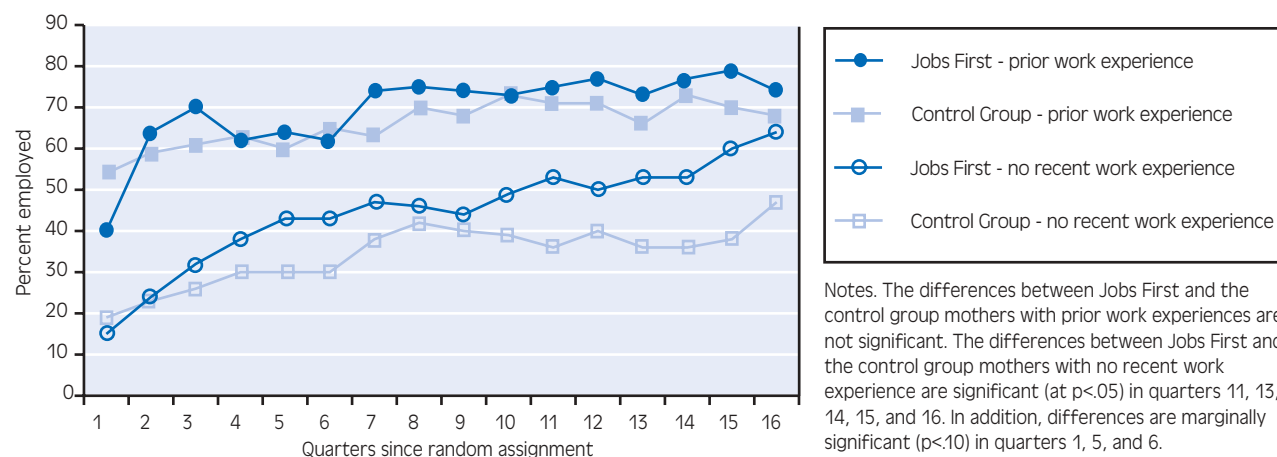
In this report, our research team — based at Berkeley, Yale, Stanford, and Teachers College, Columbia University — reports on the *second wave* of data collected through interviews with mothers, home visits, and assessments of young children's early learning. We have tracked just under 80% of the original 948 families, between two and four years after they entered reformed welfare programs.

Since the Project began, we have been motivated by three major questions:

- As many mothers go to work, has their economic well-being improved with sufficient magnitude to discernibly improve home environments?
- How has more time at work changed mothers' time with their young children, and has this spurred changes in parenting practices?
- If home environments or child care settings are changing, are these new settings affecting young children's early development and readiness for school?

These empirical questions are crucial ones for several reasons. First, despite an expanding literature on the impact of welfare reform on women's economic outcomes, we know little about how their very young children are faring — precisely those youngsters whose lives may have been most profoundly affected by the 1996 reforms.



Figure S1 Mothers' employment status since random assignment by work experience level, Connecticut

Second, many policy makers and advocates have argued for more coherent child and family policies throughout government. In this light, we need to understand how maternal employment is linked to home practices and child care settings, and the subsequent impacts on young children's early learning within the PRWORA framework.

Third, until the quality of children's home environments or child care settings improves, it's unclear how maternal employment alone will reduce the unwanted inheritance of family poverty. In revisiting welfare reform we might evaluate policy options through two lenses simultaneously — first, seeing maternal employment as an important short-term goal and, second, seeing poverty reduction as a means to improve children's life chances.

Our Initial Findings — Soon After Families Entered Welfare-to-Work Programs

Two years ago, we published findings from the wave 1 data, collected through maternal interviews and child care visits in 1998. We talked with mothers extensively about their welfare experience, their job histories, household environments, social support, and a variety of other topics. At wave 1, the average child was about 2½ years old.¹

Working collaboratively with welfare staff and the child care community, we had drawn a random sample of mothers with young children in Manchester and New Haven, Connecticut; Tampa, Florida; and San Francisco and San Jose, California. The Connecticut families were participating in a random assignment experiment, with half moving into the Jobs First program and the other half placed in a control group under prior AFDC rules.

We found that many mothers — 6 to 18 months into welfare-to-work-programs were finding jobs and earning between \$5.45 hourly in Florida and \$7.24 in Connecticut. Many children were in child care settings for at least ten hours per week, and many of these settings, especially home-based settings, were of mediocre to poor quality.

Checking-in with Families — Two to Four Years after Entering Welfare-to-Work Programs

We interviewed participating mothers again about 18-24 months later, during the year 2000—our wave 2 exercise. We visited their homes, pursued more sensitive topics and assessed their young children's cognitive growth, school readiness, and social development. The average child at wave 2 was just over 4 years old (about 50 months of age). Aided by administrative records, we were able to gather data on families covering the period two to four years after they had entered a welfare-to-work program.

Major findings from wave 2 are sketched below and detailed in the Technical Report. The lives of mothers, on average, had changed in these years after entering new welfare programs: Many had found jobs, often working odd-hours and weekends; most reported spending less time with their young child; and most were relying more heavily on child care providers.

Maternal employment gains and upward movement in total income were of modest magnitude, with mothers earning less than \$13,000 per year on average. Home environments changed little and mothers continued to suffer high rates of emotional depression. More children entered center-based programs—just over one-third of all participating children. And low-performing children appear to benefit most from their time in center care.

These findings must be understood within our research design. Since families in Connecticut were randomly assigned to the new program, only in that state can we attribute reported changes to participation in a welfare-to-work program. Note also that the Connecticut families entered the program 12-18 months before the California and Florida mothers entered their respective welfare program. As a result, we have analyzed the Connecticut families separately from the California and Florida sample. Nearly identical interview questions, child care evaluations, and child assessments were conducted across the three states. The Connecticut study was conducted in cooperation with the Manpower Demonstration Research Corporation.

With this backdrop in mind, we detail six important findings based on the new longitudinal data.

FINDING 1

Many Mothers Go to Work

Employment gains. Participation in Connecticut's Jobs First experiment modestly increased women's employment rates — a positive effect that persisted four years after entering the program. Among women randomly assigned to this welfare-to-work effort, 69% were working at least part-time four years after entry, compared to 58% of the control group that lived under the old AFDC rules.

This positive employment effect was enjoyed mainly by women who had no recent work experience, as seen in Figure S1. Four years after entry, for this subgroup, 64% of the Jobs First

participants were employed, compared to 47% of the control group. Jobs First, however, held no discernible effect on employment for women who had been working in the year prior to entry.²

It's important to note that, overall, almost three in five women in the *Connecticut control group* had entered or re-entered the labor force even though the welfare system placed little pressure on them to find a job. This finding is similar to earlier welfare experiments.

Turning to participating mothers in California and Florida, we observed similar gains in employment about two years after they had entered welfare-to-work programs. The share currently employed rose from 22% when we first interviewed them in 1998 (wave 1) to 53% in 2000 (wave 2). Since control groups were not available in these states, we cannot attribute this gain solely to welfare reform. Many women enter welfare at a point of uncharacteristically low earnings; we would expect to see some gains in earnings after rebounding. Yet even women with little prior work experience displayed employment gains.

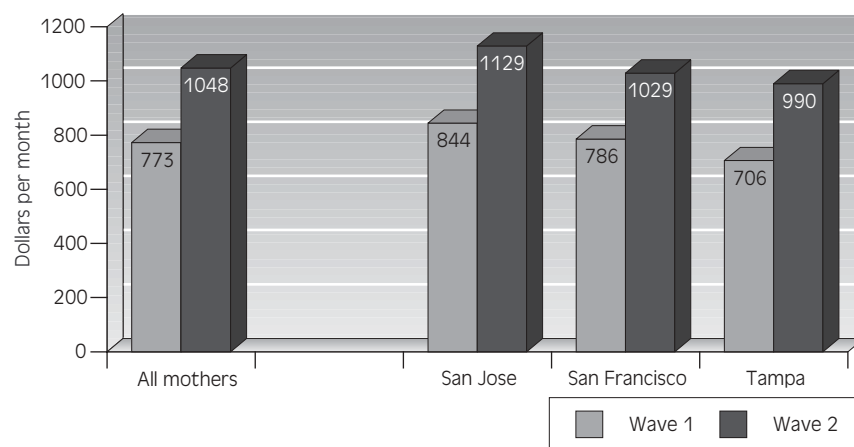
Modest gains in total income. Connecticut mothers participating in the Jobs First program enjoyed gains in net income, taking into account rising earnings from jobs and some loss in public assistance. Welfare-to-work participants were clearing \$135 more per month four years after program entry, compared to the control group. Again, this advantage was driven largely by those women with little prior work experience.³

Mothers in California and Florida enjoyed gains in total monthly income, rising \$275 between entry to welfare-to-work and two years later (Figure S2). Here too, we would expect some improvement as many women moved off welfare, a low point in their economic lives, and back into jobs. Yet a portion of this income gain is likely due to program reforms.

Wage levels ranged from about \$7.80 hourly among Florida mothers to \$9.35 in California. This translated to average annual income of under \$13,000, below the poverty line for most sampled families.

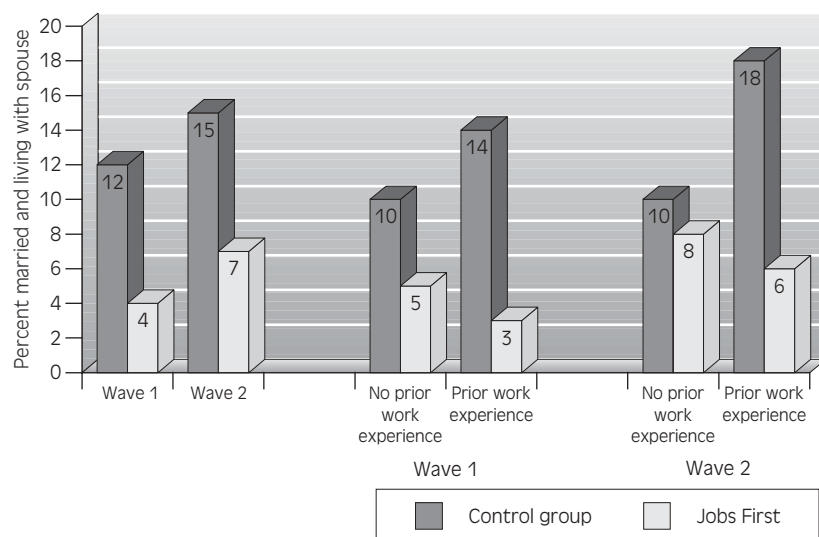
Just under half of all women worked irregular hours, including evening and weekend shifts. This holds telling implications for when mothers can spend time with their children and the kinds of child care needed to accommodate these irregular work schedules.

Figure S2 Total income from all sources, Wave 1 and Wave 2, California and Florida



Notes. Gains in total income between wave 1 and wave 2 are significant ($p < .001$), based on 405 mothers (n) reporting income at both waves. Between-site differences are significant at wave 1 ($p < .02$) and marginally significant at wave 2 ($p < .08$).

Figure S3 Percent of mothers married and living with spouse, Wave 1 and Wave 2, Connecticut



Notes. The differences between the mothers in Jobs First and the control group are significant ($p < .05$) when looking across all mothers in wave 1 as well as when looking at mothers with prior work experience in both waves 1 and 2. In addition, differences are marginally significant ($p < .10$) when comparing Jobs First and control group mothers in wave 2. Analysis based on 253 mothers (n) with complete data.

FINDING 2

Few Gains in the Family's Broader Economic Well-being

Hunger and food rationing. Despite these gains in employment, and corresponding income effects, other indicators of economic well-being did not improve over time. Among women in California and Florida, for example, 29% reported that they had to buy cheap food for their children to get by, twice the national average and unchanged since wave 1. One in six were still visiting food banks. Among Connecticut mothers participating in Jobs First, a significantly larger share (26%) reported having to cut the size of meals at home “because they could not afford more food” than the control group (14%).

Economic insecurity and optimism. A larger share of welfare-to-work participants in Connecticut reported that they were unable to pay their rent on time in the prior year (46%), compared to the control group (31%). Women in the Connecticut sample reported having \$425 in savings and just over \$4,700 in debts. Gains in employment certainly created a sense of optimism: three in four women across the three states felt that they were “better off than a year ago” when they had been working, compared to one-third of those who remained unemployed.

FINDING 3

Family Structures Display Modest Changes

Marriage rates. As total income moves upward, some women appear to be taking self-reliance quite seriously. In Connecticut, fewer mothers were married three years after entering the Jobs First experiment (7%), compared to the control group (15%; Figure S3). For better-off women — those with stronger employment histories — the gap in marriage rates is wider: 6% of this Jobs First subgroup was married, compared to 18% of the control group. We observed little change in marriage rates among California and Florida mothers over time.

Birth rates. We observed no change in birth rates among women in any of the three states between waves 1 and 2. Neither participation in welfare reform nor gains in economic well-being appear to have been of sufficient magnitude to affect rates of child bearing.

Household structure. Between one-third and 40% of the mothers lived with at least one other adult, be it a kin member, unrelated roommate, or male partner, depending on the state sample. Women with more work experience and stronger earnings were more likely to live in smaller households than those with weaker employment histories and earnings. This is another indication that gains in employment may lead to greater independence from kith and kin, including breaking away from male partners. More research is needed to examine this working hypothesis.

Social support. We detected very few changes in mothers' reported levels of social support, nor did the experimental data from Connecticut reveal any significant gains for Jobs First participants. For just two of seven social-support measures (and only for California and Florida samples) did mothers report marginally significant gains in the informal aid that they received from kith and kin in raising their young child. Two in five mothers report that they “feel alone as a parent” in wave 1 and wave 2 interviews. We also found strong correlations between the mother's social support and levels of maternal depression, particularly important because a mother's mental health strongly influences the child's early development.

Geographic mobility. Study families moved quite often. Over half of the mothers reported moving their residence in the year

prior to the wave 2 interview; one-third of the California families had moved during this time period. Three out of four Connecticut families moved at least once during the three years after entering the welfare experiment. We found no indication, based on mothers' reports, that they were able to move into better neighborhoods.

FINDING 4

Women Spend Less Time with their Children — While Home Environments Change Little

Searching for quality time? As many mothers moved into jobs, it's not surprising that they report spending less time with their young children (Figure S4). Almost half of all women employed at wave 2 in California and Florida, for example, reported that they now spent less time on weekdays with their preschool-age child each day, compared to 25% of unemployed mothers. Similarly, employed mothers reported spending much more time with other adults during the week. The share of employed mothers who spent more than seven hours a day with other adults rose from 35% at wave 1 to 70% at wave 2. For jobless mothers, time allocations between being with children or other adults remained constant between waves 1 and 2.

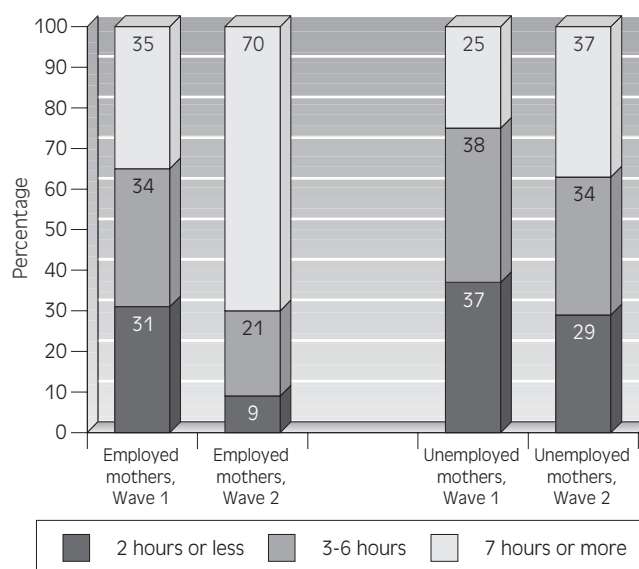
This shrinking time spent with one's young child may hold implications for a mother's capacity to translate economic gains into stronger home environments, and for the rising amount of time young children spend in child care.

Few gains in parenting practices. Overall, we detected few changes in children's home settings. This was true when looking over time in the three states; we also detected almost no home effects in Connecticut for women who participated in Jobs First.

Two tentative signs of deteriorating household conditions, from the standpoint of child development, were apparent for mothers who moved into jobs, including a weakening of pro-child development activities. First, a statistically significant decline in the frequency with which mothers told stories, sang, or played games with their young children was observed between wave 1 and wave 2 in California and Florida. A portion of this decline is linked to child age, suggesting that parenting practices change as children mature. We observed a significant decline in reading to one's child in the San Francisco sample, but this can not be generalized to the other sites.

Second, a growing reliance on the television to occupy young children was observed. As children grew older between waves 1 and 2 — from 2½ to 4 years-old — they watched more television. This increase averaged 20 minutes more viewing time during weekdays, as reported by the mother.

Figure S4 Change in mothers' time with adults, per weekday, Wave 1 and Wave 2, California and Florida



Notes. Differences by employment status are significant at wave 2 ($p < .001$), but not at wave 1. Analysis based on 398 mothers (n) with complete data.

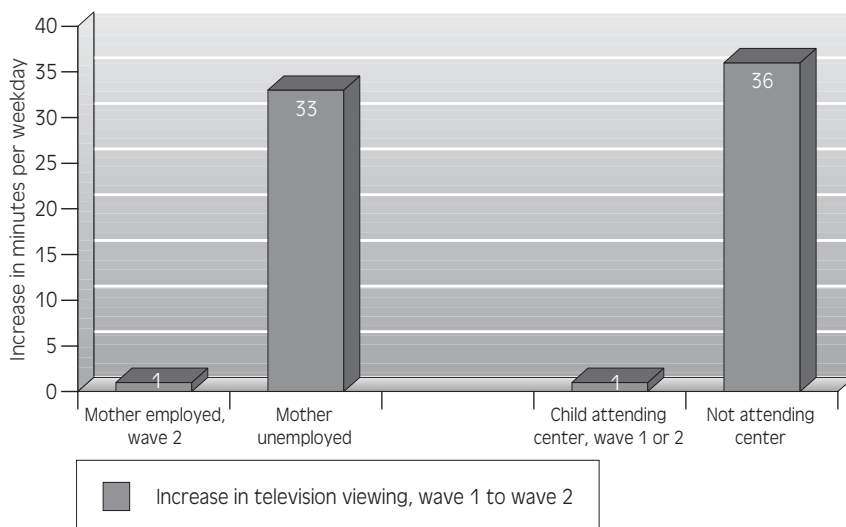
Children of *unemployed* parents increased their TV viewing by 33 minutes each day, compared to a 1 minute increase among children whose mothers were *currently working* at wave 2.⁴ The association with maternal employment is linked to child care, as illustrated in Figure S5. Those youngsters attending a center-based program increased their TV viewing by 1 minute per day, on average, compared to 36 minutes more each day among children who remained in home-based settings.

Overall, the lack of improvement in parenting activities is worrisome, given the low baseline level of parenting practices exhibited by many mothers. Among women participating in California and Florida, for instance, just 43% reporting reading with their child at least three times a week. This compares to an estimated 69% of all parents who live below the poverty line who read to their 4 year-olds with this level of frequency, according to a national survey. Among parents above the poverty line, 85% report reading with their 4 year-old at least three times a week.⁵

Two other domains — mothers' mental health and their cognitive and language proficiencies — raise similar questions about how to improve home environments for young children.

Mental health. One of the strongest predictors of young children's early learning and development is the mother's level of mental health or emotional depression.⁶ Despite the

Figure S5 Increase in television viewing for children in different settings, Wave 1 to Wave 2, California and Florida



Notes. Difference between children in centers and those not attending is significant at ($p < .07$). Analysis is based on 397 mothers and focal children (n) with complete data.

economic gains enjoyed by many mothers, the incidence of depression did not improve in any state between waves 1 and 2. Over four in 10 participating mothers in all three states reported significant symptoms of clinical depression.

Depression levels were lower for employed women, compared to jobless women, as they were for better educated mothers and those with stronger social support. In Connecticut, those mothers who remained unemployed after entering the Jobs First program experienced significantly higher rates of depression than jobless control-group members. Overall, the major finding across all three state samples is that maternal depression levels are high for this population. Additional analysis is needed to understand whether work hours or job quality and stability directly affect levels of stress and the onset of depression.

Mothers' cognitive and language proficiencies. During our home visits at wave 2, we conducted an assessment of each mother's acquired cognitive and language skills. These scores, correlated closely with school attainment, consistently predict children's early development. Sampled women scored between the 25th and 30th percentile, on average, depending on the state family sample. That is, about three-quarters of all adults given this assessment have scored above the study mothers (based on large national samples).

Overall — static home environments. We had difficulty detecting any other statistically significant changes, between wave 1 and wave 2 across the three states, or as a consequence of the welfare-to-work experiment in Connecticut. To put this in context: we assessed nine different dimensions of the home

settings that potentially could affect children's well-being; this involved 53 separate interview or direct maternal assessment items. We have just outlined the only statistically significant changes over time that we could discern. The home environments display steadfast continuities that do not appear to be sensitive to the mother's short-term employment situation. This finding is consistent with a recent review of several random assignment evaluations.⁷

FINDING 5

Young Children Spend More Time in Child Care

Child care hassles, getting to work.

Women's employability was severely hampered by the lack of adequate child care. Just under one-third (30%) of all unemployed mothers reported that they had quit a job because of child problems in the year preceding the wave 2 interview. A similar percentage said they had decided against taking a job or enrolling in a training program because they were anxious about their child care options.

Rising use of center-based programs. Despite this, the most dramatic change in children's daily lives relates to the rising number who now spend time in nonmaternal child care arrangements. By wave 2, averaging across all three states, 79% of all children were attending a child care setting of any kind for at least 10 hours per week, up from 63% at wave 1.

The mix of child care types also changed, between waves 1 and 2, with the share of children enrolled in formal centers climbing significantly in two states: rising from 14% to 34% in Connecticut, and moving from 28% to 41% in California. This may be attributed to children growing older during the time period. The use of center-based care started at a high mark in Florida, 69% at wave 1 and declined slightly at wave 2.

About one-half of all mothers continued to rely on kith or kin members at wave 2, with this proportion remaining higher in Connecticut, than in California and Florida. About 9% from all three states selected family child care homes for their youngsters at wave 2.

Uneven gains in child care support. Mothers in the two California sites benefited from a rising use of child care subsidies, climbing from 56% at wave 1 to 78% at wave 2 among women using child care. In Connecticut, one in four women continued to draw child care subsidies, showing no change between waves

1 and 2. Administrative data tell us that almost 3 in 5 women in Connecticut drew aid for short periods during the year. The take-up rate in Florida held steady at about 62%.

Since our three participating states aim to provide child care support for at least two years after women leave cash aid, assuming they don't hit income ceilings, these take-up rates may be viewed as low but improving, at least in the case of the California counties.

Paying for child care. A significant share of women continue to pay some amount out-of-pocket for care. The highest incidence was observed in the Florida sample: the share of mothers paying cash rose from 46% at wave 1 to 66% at wave 2. This was largely due to a rising proportion of women contributing co-payments for child care as they moved from welfare to work. The duration of receiving child care support remains quite short, 2 – 3 months of support two years after program entry, on average. About one in six women, across the three state samples, drew child care services from kith or kin at no monetary cost.

Mothers' views of child care providers. Women who rely on kith and kin in California and Florida rate them higher on organizational flexibility and ease of communications, compared to those who enroll their children in formal centers. This is linked to the fact that almost one-third of all mothers, across the three states, worked evening shifts at wave 2; four in ten worked on weekends. While they saw clear advantages in kith and kin arrangements, when asked what type of child care they would select if available close-by and affordable, 60% of the mothers said they would select a center-based program.

FINDING 6

Exposure to Centers Positively Impacts Low-Performing Children

Low yet variable levels of child development. We administered four different assessments of children's cognitive development, school readiness skills, and social behavior during our home visits at wave 2. Overall, sampled children performed at about the 30th percentile across all three state samples, meaning that seven in 10 children nationwide display stronger cognitive proficiencies, after adjusting for age.

Youngsters displayed variability in their school readiness skills, including familiarity with children's books, reading comprehension, the ability to write letters correctly rather than scribble, and knowledge of numbers. On average, children across the 3 states showed marked developmental delays at age 3 and 4. Among our participating 4 year-olds, for example, 30% could count to 20 out loud and about the same percentage could write their first name correctly. This compares to a national sample of Head Start children of which 53% could count to 20 and 66% could write their first name (Figure S6). Among a nationally representative sample of 4 year-olds, 62% could count to 20 out loud and 70% could write their name.

Center attendance is associated with positive development for low-performing children.

We studied the growth in children's cognitive and language proficiencies over the 18-24 month period between wave 1 and wave 2 child assessments. These growth trajectories were then plotted for children with

different characteristics. For example, we split the sample between lower and higher-performing children. Lower-performing children scored in the bottom half of the wave 1 cognitive proficiency assessment. Figure S7 pertains to these low-performers.

The blue line, demarcated by square endpoints, shows cognitive and language growth for children who attended center-based child care at wave 1 or wave 2. These children scored over half a standard deviation higher by wave 2 than children who did not attend centers. This magnitude equals just over four months of exposure to kindergarten.⁸

We must also take into account prior factors that could influence both center attendance and higher rates of early learning. Yet the positive association for lower-performing

Figure S6 Basic pre-literacy indicators for 4-year-olds

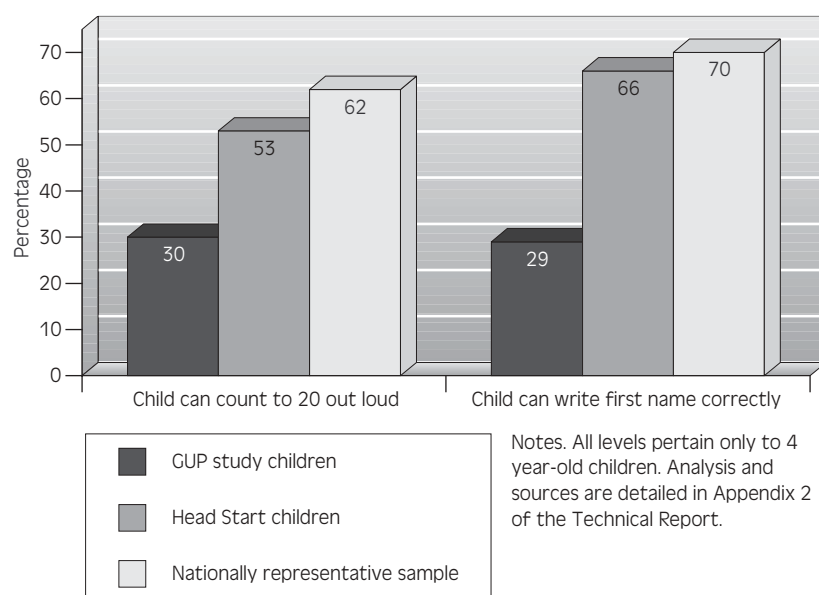
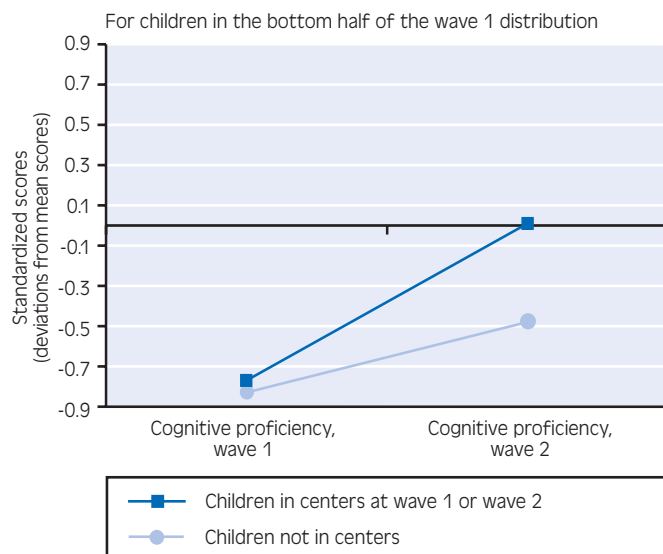


Figure S7 Cognitive development for low-performing children by exposure to child care centers



Between-group differences for children in a center at wave 1 and/or wave 2, compared to those in homes, are not significantly different at wave 1. But gains at wave 2 are highly significant (top curve, $p < .001$). Analysis based on 293 matched children with complete data.

children between center attendance and cognitive growth persists even after taking into account the family's home language, ethnicity, the mother's school attainment and own cognitive proficiency (PPVT), and parenting practices in the home.⁹ The magnitude of the relationship decreases to one-third of a standard deviation, after taking into account these prior factors, equaling about three months of exposure to kindergarten. Mothers' participation in Connecticut's Jobs First program yielded no discernible gains in children's development for lower or higher-performing children three years after entry.

The importance of quality. This analysis simply focuses on children's minimal threshold of exposure to center-based programs, independent of center quality (which we know is quite variable from our wave 1 observations). To address the quality issue we examined whether centers that displayed higher quality at wave 1 further contributed to this relationship with children's cognitive growth. We did find that children who attended higher quality centers in California or Florida displayed even steeper growth in cognitive proficiency at wave 2 (within a multiple regression framework). An insufficient number of Connecticut children were enrolled in centers to yield any discernible effects.

Positive child development effects from mother's language and cognitive proficiency. We also split children by their mother's own level of cognitive and language proficiency

(measured by the Peabody Picture Vocabulary Test, PPVT). Children being raised by mothers with scores in the top quartile displayed higher cognitive growth, compared to those with mothers falling in the bottom quartile. The gaps equals about 0.7 of a standard deviation at wave 2, equal to what the average 5 year-old learns over six to seven months in kindergarten in terms of emerging literacy skills.

Children show moderate levels of aggression and behavior problems. Overall, mothers reported average levels of behavioral and emotional problems. On specific items related to aggression, damaging toys and household objects, and displaying stubborn and irritable behavior, mothers reported greater rates of incidence than a national sample of children.¹⁰ The severity of these behavioral and emotional problems eased somewhat as children aged, between waves 1 and 2. Mothers' employment levels neither improved nor worsened these worrisome shortfalls in social development.

Policy Implications: Building from Success to Improve Children's Settings

If the unwanted inheritance of family poverty — transmitted from parent to child — is to be broken, youngsters' daily environments must improve. Our findings show, as does earlier research, that the 1996 reforms have encouraged women to take one important step: many have left home for jobs. During the robust economic times of the 1990s, many were able to raise their net income as they transitioned off cash aid.

Yet these modest economic gains were not of sufficient magnitude to discernibly alter the character and quality of home environments. Many families remained below the poverty line and in debt; few reported being able to move into better neighborhoods; and as mothers spent less time with their young children, we saw no consistent signs that *home settings* were becoming more nurturing places, or that mothers could find more time or wherewithal to read with their children, develop deeper attachments, or shake the debilitating effects of emotional depression.

The story around the increased use of nonparental *child care* unfolded quite differently. As participating mothers went to work and their children turned 3 or 4 years of age, many more entered center-based programs, rather than remaining in homes with kith or kin. Low-performing children who were in centers displayed stronger learning trajectories in terms of cognitive proficiencies, language, and school readiness skills. These associations remain robust after taking into account maternal attributes, parenting practices, and home environments.

So, are these families benefiting from “new lives,” a fresh start with their young children? We certainly discovered that most have succeeded in finding a job and sticking with it, even women who reported very little work experience before entering welfare. Yet whether these economic gains have produced a new life, replete with new possibilities, remains questionable for these mothers.

Our new evidence suggests that working low-wage jobs alone has yet to improve the daily settings in which children are being raised. If welfare reform is to be truly successful, somehow work must pay — for children, as well as for their mothers.

Endnotes

¹ Fuller, B., Kagan, S.L., et al. (2000). *Remember the Children: Mothers Balance Work and Child Care under Welfare Reform*. Berkeley: University of California and Yale University.

² We define prior work experience as holding a job at any point within 12 months prior to entering welfare. Any significant finding is at the $p < .05$ level.

³ MDRC’s recent evaluation of the overall program, drawing from a broader sample of families, showed no sustained gains in total income. Yet our subsample of mothers with young children did benefit significantly, at least those with little prior work experience.

⁴ This finding remained significant for employed mothers even after taking into account the focal child’s age.

⁵ This analysis and sources appear in Appendix 2 of the Technical Report.

⁶ See the Technical Report for evidence on this point.

⁷ Chase-Lansdale, L., and Pittman, L. (2002). Welfare reform and parenting: Reasonable expectations. *Future of Children*, 12, 167-186. David and Lucile Packard Foundation

⁸ The magnitude of gains over time or differences in mean values between two groups often are expressed as fractions of standard deviations. A simple explanation of this approach appears in the Technical Report.

⁹ Multiple regression analyses are detailed in the Technical Report.

¹⁰ This analysis of comparative national data from the National Longitudinal Study of Youth appears in Appendix 2 of the Technical Report.

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Additional papers from the Growing Up in Poverty Project

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