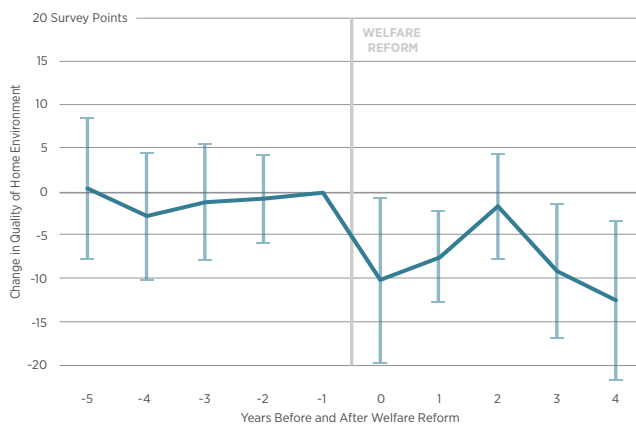


Effects of Welfare Reform on Parenting and the Quality of Young Children’s Home Environments

Based on BFI Working Paper 2022-119, “[Welfare Reform and the Quality of Young Children’s Home Environments](#),” and BFI Working Paper No. 2020-163, “[Effects of Welfare Reform on Parenting](#),” by Ariel Kalil, UChicago; Hope Corman, Rider University; Dhaval M. Dave, Bentley University; Nancy E. Reichman, Rutgers University; and Ofira Schwarz-Soicher, Princeton University

Welfare reform did not affect the amount of time and material resources mothers devoted to cognitively stimulating activities with their young children, but did have significant negative effects on mothers’ provision of emotional support, with stronger effects for mothers with low human capital. Among older children, welfare reform had adverse effects on engagement in parent-child activities, children feeling close to their mothers, and mothers knowing their children’s whereabouts, with the effects generally concentrated among boys.

Figure 1 • Effects of Welfare Reform on Young Children’s Home Environments



Note: This figure shows the average quality of young children’s home environments before and after welfare reforms were implemented. Overall scores of home environment are from the Home Observation Measurement of the Environment-Short Form section of the 1979 National Longitudinal Survey of Youth. The vertical lines show 90% confidence intervals.

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, often referred to simply as welfare reform, represented a major revision to welfare law in the United States. The new legislation ended entitlement to welfare benefits under Aid to Families with Dependent Children (AFDC) and created a block grant for states to provide time-limited cash assistance for needy families, with work requirements for most recipients. While much research has focused on the economic circumstances of families following these reforms, much less is known about how the policy-induced increases in women’s employment affected children’s home environments. Prior to 1994, the labor force participation rate of unmarried mothers between 25 and 34 was 66%, with 58% employed. By 2000, when welfare reform was fully implemented, those figures increased to

80% and 75%, respectively. How did this change impact mothers' relationships with their children?

This is more than an empirical question. The quality of the home environment and the emotional support and learning opportunities that parents provide in that setting are key inputs into children's development and long-run success. This work addresses this important knowledge gap by estimating the effects of welfare reform in the US—a major policy shift that established the current cash assistance landscape in the country—on parenting.

This Research Brief unifies results from two closely related working papers: [Effects of Welfare Reform on Parenting](#) (2020) and [Welfare Reform and the Quality of Young Children's Home Environments](#) (2022). Both use data on children's home environments from the 1979 National Longitudinal Survey of Youth, with the 2022 paper focusing on younger children (ages 0-5) and the 2020 paper focusing on older children (ages 10-14). The authors exploit differences in when the reform was implemented in different states, and find the following:

- Although welfare reform led to substantial increases in maternal employment and the labor supply of low-income mothers, it did not significantly affect the amount of time and material resources mothers devoted to cognitively stimulating activities with their young children.
- However, welfare reform had significant negative effects on mothers' provision of emotional support to young children, with stronger effects for mothers with low human capital (often

those that were most disadvantaged). Higher stress, demanding schedules, and less "passive" time when mothers can just be alone with their children, are among the possible reasons for these negative effects.

- Among older children, welfare reform had adverse effects on parents' engagement in activities with children, children's feelings of closeness to their mothers, and mothers knowing their children's whereabouts. These effects were generally concentrated among boys.
- These effects on older children do not appear to be explained by mothers working more than full time, having multiple jobs, working in service jobs, or having non-standard work schedules. Rather, the authors infer that they are likely due to maternal stress.

This work provides evidence that maternal work incentives as implemented by welfare reform came at a cost to children in the form of lower quality parenting. Likewise, this research underscores the importance of considering quality, and not just quantity, in assessing the effects of maternal work incentive policies on parenting and children's home environments. Finally, these lessons apply not only to existing programs but they can also inform policymakers who face decisions about changes to, for example, state Temporary Assistance for Needy Families (TANF) programs and future welfare reform efforts.

READ THE WORKING PAPERS

NO. 2022-119 · AUGUST 2022

Welfare Reform and the Quality of Young Children's Home Environments

bfi.uchicago.edu/working-paper/2022-119

NO. 2020-163 · NOVEMBER 2020

Effects of Welfare Reform on Parenting

bfi.uchicago.edu/working-paper/2020-163

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