Executive Summary

This report focuses on the question of whether and how pilot welfare reform programs launched in five states—Connecticut, Florida, Indiana, Iowa, and Minnesota—affected children's developmental outcomes. We synthesize results from experimental studies (in which follow-up interviews ranged from 2.5 to 6.5 years after random assignment) in the five states, looking first at adult economic outcomes that the programs aimed to change (targeted outcomes), then turning to aspects of young children's lives—including child care and the home environment—that may also have been changed by the programs, and focusing finally on how children themselves were affected by the programs. Through our analysis of impacts, we draw the following conclusions:

- We see little evidence that these welfare reform programs resulted in widespread harm or benefit to young school-age children (those between the ages of 5 and 12 at the time of the study). Overall, impacts for these children were relatively few in number (given the number of measures examined) and small in size. The five welfare reform programs were more likely to have statistically significant impacts on targeted outcomes for adults—employment, earnings, welfare receipt, and income—than on other outcomes for adults, on children's lives, or on children's functioning.
- Positive impacts on children's functioning appear to be related to increases in family income. The welfare reform programs in the two states with the most consistent positive impacts on focal children–Connecticut and Minnesota–also increased family income. Florida's program increased family income more modestly, but had neutral, rather than positive, impacts on children.
- Consistent with the increases in employment noted across the studies, the programs increased children's participation in child care, and in some cases, increased their participation in formal settings such as center-based care and before- and after-school programs.
- Most of the programs showed only a few impacts (given the number of measures examined) on aspects of family life, such as stability or turbulence, parenting, the home environment, and the parent's psychological well-being.
- In two of the states—Florida and Minnesota—the programs had the most favorable impacts on young school-age children in more disadvantaged families, such as those with a longer history of welfare receipt or less work experience. Conversely, for young school-age children in families least at risk of long-term welfare dependency, those impacts that did occur were negative. In the three other states (Connecticut, Indiana, and Iowa), there was little difference in the pattern of impacts on young school-age children by level of family disadvantage.

- Where there were impacts on adolescents' school performance (for whom a more limited number of measures were collected), they were primarily negative.
- Apart from any program impacts, the children in these families are experiencing multiple stressors, including high levels of economic disadvantage, parental depressive symptoms, and domestic violence. The average levels of well-being among the focal children themselves, where different from those for national samples of children (such as in health and behavioral problems), tended to look worse.