

A Brookings Press Briefing

ONE PERCENT FOR THE KIDS: New Policies, Brighter Futures for America's Children



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PANEL III: PANEL DISCUSSION WITH AUTHORS OF *ONE PERCENT FOR THE KIDS*

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Panelists: **David Armor** - Professor of Public Policy, George Mason University
Greg J. Duncan - Professor, Institute for Policy Research, Northwestern University
Irwin Garfinkel - Professor, School of Social Work, Columbia University
Andrea Kane - Director of Public Policy, National Campaign to Prevent Teen Pregnancy
Jens Ludwig - Associate Professor of Public Policy, Georgetown University
Scott Scrivner - Research Associates, Public Private Ventures



MS. ISABEL V. SAWHILL: I think we've had a wonderful discussion so far particularly of the British experience and I love the idea that it's a testbed for some future directions that American policy might go in some day. And I very much like the idea that was discussed by the last panel that we can learn from Britain instead of their always seeming to learn from us.

But I want to change the focus now from British policy to U.S. policy and specifically to the chapters written for this book. I want to particularly thank all of the authors. Most of them are up here now. A couple could not be with us, in particular Bob Haveman who wrote one of the chapters on providing more earning supplements to low income working families was not able to be with us. And Gary Burtless, my colleague here at Brookings who was very much involved in our discussions over the last few years of these issues has very graciously agreed to be Bob Haveman today, to talk about the material from his chapter.

Let me start by asking each author to spend two minutes or less simply summarizing the proposal that was in their chapter, very briefly why they are proposing what they're proposing and how much they estimate it will cost to implement that proposal.

Let me mention to all the rest of you in the audience that in your handout there is towards the end of the handout package a table that summarizes all of the proposals and the roughly estimated cost of each. The total is something like \$75 billion a year which is less than one percent of U.S. GDP, but again relates to the title of the book.

With that, let me start with Greg Duncan.



MR. GREG DUNCAN: Thanks Belle.

Before my clock starts let me speak on behalf of all the authors and thank Belle for all her hard work in pulling this volume together.

I'll be speaking from the single sheet that is in your packets. Two minutes is awfully constraining for a normal person and especially for a professor, but let me start.

A whirlwind tour of our policies for preschoolers. Ours is a completely evidence-driven chapter. We're not mindful at all of political realities in coming up with our recommendations. What we try to do is start from the scientific evidence about what preschoolers need and move to policy recommendations from that.

Our point of departure is a book called From Neurons to Neighborhoods, a National Academy of Science book, which summarizes the science of early childhood development. Deborah Phillips who is in the audience here was one of our leaders. I was a member of the

committee. Katherine Magnuson, my co-author in the audience here, was a co-author on a couple of sections.

What we tried to do was to go through the lessons of the book and then relate them to policy.

A first lesson is that fetuses are subject to a host of biological insults. Things like lead, things like alcohol, things like maternal infections. Young children need stimulation -- visual stimulation, audio stimulation. All these things we've known about for years and we have interventions called pediatric care which address these. We don't have universal health insurance coverage, and one of the components of our proposal is to make sure that all infants and preschoolers are covered by universal health care. We've priced that out at \$3.2 billion.

We also know, and this has been mentioned several times already, that early childhood education interventions appear to be profitable. We expand spending on such interventions by \$10 billion. We've learned recently about the mental health problems that very young children can experience depression, can react very adversely to violence in the home. We allow \$5 billion built up gradually through experimentation, for mental health interventions.

We know from research that infants need a caregiver who provides a constant source of care. Evidence now indicates that while maternal employment in general does not harm kids, maternal employment in the very early months of life can indeed be detrimental. That appears to be the case. So that translates into policies both for six month parental leaves and also for exemptions from welfare work requirements -- complete exemptions up to six months and an additional six months worth of exemption from a 40 hour work requirement. Apart from that, the normal kind of TANF system cuts in.

The final recommendation stems from the finding that while family income by and large isn't that important for children's outcomes, it is important for young kids and it's especially important for kids who are in deep and persistent poverty.

So how do we come up with a policy that ensure that preschool kids do not suffer from deep and persistent poverty? A work-based system by itself won't address those needs. Therefore our recommendation is for a child allowance, \$300 a month for the first 12 months; \$200 a month after that; that would extend only until age five. There would be no child allowance beyond that.

The gross cost of that is about \$40 billion, but we count it as taxable income, we count it as income for the purpose of food stamps, we count half of it for the purpose of TANF calculations and so forth which reduces the net cost of that child allowance to about \$10 billion.

All told, our package of programs for preschoolers comes to about \$30 billion. Thanks.

MS. SAWHILL: Thank you, Greg. And given the complexity of your proposal or the depth of it, you did a great job of staying within the time limit.

Gary?



MR. GARY BURTLESS: I'm not Bob Haveman, but I'm happy to pretend I am for the next 20 minutes. His proposals in this book are aimed at boosting the incomes and living standards of children who live in families where there is a working parent, and that parent earns very low wages.

As Greg just said, he is also persuaded of the payoff to the well being of children simply of having more money. So his proposals are aimed at boosting the amount of money that flow into these kinds of households.

One way to accomplish this is to raise the minimum wage which is currently \$5.15 an hour, and he proposes boosting it to \$6.15 an hour. That doesn't cost governments at any level very much money, but it does increase the incomes going to low income families, low wage breadwinners.

I would say this is the most politically popular of all the proposals because almost every survey I've ever seen shows that 80 percent of the population favors increasing the minimum wage. It's something the public understands. So this is not undoable from the point of view of public opinion. It is only undoable from the point of view of who is in Congress.

The rest of Bob's recommendations follow lines that you've heard outlined by John Hills in the United Kingdom. They are aimed at tinkering with the tax system of the United States to continue what I see as a 15 year trend in which the tax system has been made more beneficial to families that have low wages and also have children present.

One thing Bob wants to do is accelerate the scheduled increase in the child tax credit. In this regard I guess his wish has already come true, although conspicuously the bill that the Congress just passed specifically exempted precisely the population that Bob was interested in helping, namely low income families containing children.

Bob also wants to top up earning supplementation for low wage earners that have children. And he wants to design this in a particular way, following on experimental evidence in Canada and the United States that if you design the supplementation to give extra money to people who work at least on full time schedules, you will have a bigger impact in preserving work incentives and inducing people to work so that their extra earnings combined with a more generous income supplementation through the tax system do better at boosting the incomes of people in the bottom of the income distribution where there are children present.

The net cost of this is estimated to be \$20 billion.

MS. SAWHILL: Andrea?



MS. ANDREA KANE: Thank you.

The starting place for the chapter that I very much enjoyed co-authoring with Belle is that one of the most effective ways to improve the life prospects of children -- both in this generation, for today's teens -- and the next generation -- their babies if they have babies-- is to prevent early childbearing. So we start from that assumption and lay out in much more detail in the chapter some of the statistics that are probably familiar to many of you, but just to briefly summarize -- teen mothers, and to some extent teen fathers, face a number of challenges in terms of education, employment and marriage, which I think lead into some of the things that Irv will talk about. And there is very strong evidence that their babies are at a disadvantage in terms of their health outcomes, behavioral outcomes, educational outcomes, and in terms of repeating the cycle of teen pregnancy themselves.

We all know there's been a lot of progress in reducing teen pregnancy in the last decade, which is wonderful. I would point out that we still have the highest rates in the industrial world and relevant to this discussion we're followed closely behind by Britain who has just set a very bold goal of reducing teen pregnancy rates by one-half, so we wish them a lot of success and I think we can learn a lot from some of the things they're doing.

We still have a lot more work to do. Four in ten girls get pregnant once before age 20 and that translates into about 500,000 babies born to teens every year.

One of the really encouraging developments over the last few years is that we now have some very solid research summarized by many authors, some in this room and many that we've relied on in the chapter, about what works. One of the very encouraging things is that some of the most effective programs to prevent teen pregnancy happen to be what could be called after school programs, and we certainly refer to them by that term although they are probably more accurately called out of school time programs. They may be before school, after school, on the weekends, during the summer. These programs largely rely on strategies like community service, service learning, and engaging teens in productive activities out of school time. We can talk during the questions about what some of these look like.

Despite the research base about what works and very strong support for after school programs, and every public opinion poll that's ever been done shows extremely high support for after school programs, there are still very few children that are actually in high quality after school programs that can increase their chances of avoiding teen pregnancy.

So we argue that with a relatively modest investment of \$2.5 billion we could invest in additional high quality after school programs that would significantly affect the prospect for teen pregnancy and teen childbearing, and we think this would be cost effective. We ran some numbers with Belle's help and Molly Fifer's help, and this would make a huge difference in improving the prospect of this generation of young people and the next.

Referring back to Nancy Johnson's point about targeting, because we were trying to be fiscally responsible and keep this within a relatively modest sum of \$2.5 billion, we decided the money could best be targeted on 13 to 17 year olds in low income neighborhoods or attending low income school districts. I think we can have a lot of arguments about whether that's the most politically viable strategy, but we thought given limited resources that would be the approach we would choose.

We also thought it would be very important given the still limited knowledge base in this area that a modest amount of money be set aside for evaluation to better understand what works, what works best for whom, and probably most important, how much money you really need to spend per child in one of these programs or per adolescent in one of these programs to yield the best results. That's it in a nutshell.

MS. SAWHILL: Thank you.

Irv?

I might just say as a matter of context here that all three -- Andrea, Irv and David, are going to be addressing these family issues that came up in the very first session in the Q&A, and particularly that Nancy Johnson focused on.



MR. IRWIN GARFINKEL: One in three births in the U.S. today are to unwed parents and we have some evidence that children do better if they grow up with two parents than one parent. Consequently, Sarah McLanahan and I have been doing research on what we call fragile families and child well being. We've been, as a consequence of that research, we were asked a few years ago to design an experiment to assist fragile families, unwed parents. Now the Bush Administration is very interested in that, in such an experiment.

Unlike the other papers we have a cheap program because it's an experiment. I want to describe the experiment very briefly and explain why if we went full scale it would be quite costly, which is one of the reasons for having an experiment.

The experiment would involve three components for unwed parents. One would be relationship skill counseling; a second would be services of a wide variety -- job services, mental health services, services for alcoholism, drug addiction; the third component would be changing policies to eliminate marriage penalties. I'm going to focus on that third component.

We have evidence from the fragile families data that there is good potential for relationship skills being productive. There's good potential for all the services that I described, that they could potentially be very productive in assisting these unwed parents and promoting marriage.

The one I want to focus on is the most expensive component which by itself to eliminate marriage penalties. Robert Rector has estimated that could be \$80 to \$90 billion. Sometimes

Robert exaggerates in his estimates. In this case I don't think he's exaggerating. I think that's pretty close. It's at least in the ballpark. So one percent alone would be the cost potentially of eliminating marriage penalties in our tax and transfer systems.

And let me just say there are two elements to the marriage penalties and to the short-changing of married couples. One is that married couples for some programs are literally not eligible. That would have been the case under the old AFDC program. TANF has liberalized that. But the fact is basically TANF is still a program for single parents.

Childcare, similarly. Single parent families are favored. Now the favoritism comes through giving first priority to ex-welfare, ex-TANF participants. Those are single parents.

But in addition to eligibility restrictions and more fundamental, is that all the income-tested programs when you have this series of income tests that are steep and add up from the different programs, what that means is if you take a single mom and you marry her to a low income father, the father of her child, on average these guys are making about \$17,000. They're not making zero. \$17,000. That's in the fragile family. You marry a single mother to a \$17,000 man, they become ineligible for most of these programs. That's the mean, 17. They go up higher as well.

So the income tests are very serious. What that means is the following. There are two negative effects of that. One is that low income married couples don't get the kinds of supports that nourish a family. They don't get child care. They're very unlikely to get Medicaid. They almost certainly will not get public housing or the housing subsidies, will not get TANF. We're not nourishing two parent families.

The second thing is, we're creating an incentive to be a one-parent family or to cohabit rather than to marry.

At birth, half of unwed couples in the United States are cohabiting. It's not a very stable relationship. Marriage is more stable, we know that. It would be good to encourage that.

It's very costly to provide these benefits to two-parent families. I think we should do it both because we would nourish them and because we would eliminate that disincentive.

That's the rationale for doing an experiment. Experiment is cheap, to do in the real world is costly.

What the political feasibility is, I don't know, but I have hope because I'm from the left and I have been working with Robert Rector on the right. Now that's an odd couple if you think about it. And the fact is he supports this. After a conference the other day he came up to me and he said Irv, we're going to have to find something to disagree about. Which actually I don't think is that difficult. [Laughter] But I said I agreed with him that it was essential for both our reputations that we find something to disagree on, but the fact is we agree on this. [Laughter]

MS. SAWHILL: Thank you.

David?



MR. DAVID ARMOR: Thank you.

My proposal is only \$400 million. I think it's the cheapest proposal except for Irv Garfinkel's which is an experiment and not a full proposal. But the reason is because it's a national campaign. Basically I call it a whole family campaign designed to reduce the ten most important risk factors for a child's IQ and academic achievement.

Too often government programs try to fix problems after, or try to remedy the situation after a problem has occurred. That's certainly true that we see in crime, in education, in smoking problems, drug problems and so forth. Prevention is believed by many of us working in social policy to be a less expensive and more efficient way to go. I think that's especially true with the problem I'm focusing on which is IQ.

I focus on IQ especially because it's so important to future education, to ultimate career options, and it's a phenomena that occurs very very early in the child's life.

I've come to believe that, and my research has shown that these ten risk factors that affect IQ, aside from parents' IQ, all occur in the family, all occur at very very early ages. The effects of these things taper off as a child grows, which is why it's been so hard to raise a child's IQ with interventions that happen -- at least interventions for that purpose that happen after a child has already started school.

These ten risk factors are the usual list. They wouldn't be new to anybody. Parents' education; parents' income; family structure -- two parents versus a never-wed parent, and that's a very important one; size of family; teenage moms or the age of mother at birth; low birth weight; nutrition; and then finally the two most important are parenting behaviors of cognitive stimulation and emotional support which basically are instruction and nurturings.

These occur early in life. It is my belief that because they're early the family is the predominant institution or agency that's going to be able, that needs to fix them. And we try to fix them later it's not as efficient. The national whole family campaign basically is aimed to change values because the causes of the family change and the fact that we have single parent families and that we have poverty and moms that drop out of school and have children is because of the values of our society in which the importance of the family has been diminished.

So my proposal is basically one, and it's consistent with what I think welfare reform is trying to do, and that is to basically convince parents that they're really the ones in control of their child's fate, particularly their future academic success, and through that motivation, let that be the key to motivate parents to change their behaviors.

MS. SAWHILL: Thank you.

Scott?



MR. SCOTT SCRIVNER: Let me begin by thanking Bobbie Wolfe who was kind enough to include me in our contribution to this wonderful forum. I know she's saddened not to be here today, which given the fact that she's enjoying the Mediterranean climate at the University of Sienna is really saying something. [Laughter]

In brief, we too built on the findings that children benefit from being in a high quality and stimulating early education program and argue for major new investment in preschool for our nation's four year olds. We acknowledge that the largest per child gains are likely to be realized among four year olds who come from low income families. We want to somewhat broaden the focus and recognize the developmental gains that all four year olds stand to realize from a high quality, early education preschool program.

We know from some of the evidence that Greg Duncan mentioned that this is a vitally important time during which children develop the cognitive and linguistic and social skills that affect later development and functioning and propose a universal preschool program designed to help all four year olds take advantage of this key time in their lives.

The universal program that we have in mind would be year round and full day, both to serve as a work support and to provide a consistent learning and care environment. We imagine the program as having half a day of education focus with the latter half focusing on less intensive care-based activities appropriate for children of this age. Participation would be voluntary, and we imagine implementation might take a shape similar to that used for the state children's health insurance plans with the federal government establishing some guidelines, particularly around quality, and states choosing from options and expansions as they might prefer.

We estimate the universal preschool program would cost between \$15 and \$20 billion based on participation. In our chapter we advance a financing approach under which the major share of financing would come from parents based on the ability to pay. That would greatly reduce those costs.

Our hope is that in addition to our nation's four year olds reaping the developmental gains from this program, a universal program would have the long term effect of bolstering support and funding for early childhood education as these developmental gains are observed. Our hope is that the program would be viewed not just as one serving poor children, but one from which all children might benefit. As the support base increased you'd see greater quality and participation as well as less stratification by income.

MS. SAWHILL: Thank you.

Jens?



MR. JENS LUDWIG: Thanks Belle.

My proposal is motivated by short term results from an ongoing randomized housing voucher experiment which suggests moving poor families from high to low poverty neighborhoods might be important for children along a variety of developmental dimensions, and most importantly it reduces the exposure of low income parents and poor children to criminal victimization which is one of the top priorities of the families themselves who live in these high poverty neighborhoods.

I should note that these findings are short term results. It's not clear how they generalize to the larger population of public housing residents. At this point in time we don't know much of anything at all about the effects of mobility programs for poor families on the non-poor parents and children who live in the destination neighborhoods.

With that said, I think there still may be some value in at least beginning to take seriously the notion of thinking about ways to reduce the number of poor children who live in very high poverty neighborhoods. One way to do this is to think about expanding the number of housing vouchers that we fund and have in circulation.

We could think about using new vouchers to gradually move families who are living in the highest poverty public housing projects in our country as these buildings reach the end of their useful working lives, and we can think about ways to use mobility counseling and changes in the subsidy payment levels for vouchers to help these families move into more economically integrated communities.

Our hope is this sort of incrementalism might mute the political opposition to this type of program. I should mention that the number of families that we're thinking about is large in an absolute sense, but small as a proportion of all families in the country. So we're not talking about massive mobility, but moving the families who are most disadvantaged.

I think the big benefit of this proposal, or one of the big benefits of this proposal from a larger political standpoint, is that the financial costs may be quite modest in practice. Most housing economists believe that housing vouchers are actually cheaper than public housing programs, so I think my proposal actually wins the cheapest contest on this panel with a cost, if you believe the housing economists, of about zero at least in terms of government budget.

MS. SAWHILL: Weren't they tremendous to talk about all of these chapters in such a brief period of time? I'm very impressed.

Let me just raise a few additional questions for various of you to address.

I think we heard a lot from Nancy Johnson this morning about targeting. You've just heard Scott say that in their chapter they decided against a targeting strategy. They want their pre-K program to be universal. When this has been raised in the political sphere it often has been

viewed as a universal education program which I think the polling shows has a lot more support than a program that might be targeted to low income and might be called something like child care. The public reacts very differently even though the line between these things gets a little blurred at times.

So Scott, you might want to say a little more about that.

Greg, you talked about most of your proposals being focused on the preschool years. I wonder if you want to say a little bit more about why you end the children's allowance at age six, because I assume in most countries it goes well beyond that age.

MR. SCRIVNER: Let me start with addressing the targeting of the preschool program. Largely the motivation from this comes from the notion that to build support and maintain and sustain such a program, we need to move beyond a narrow conception of the program as being only targeted towards the poor, of being the type of child care program that Belle mentioned. We know this is important in the other developed nations who have already put in place such universal programs, particularly the French programs where public support is a very important part of that.

We've also seen in this country states bring about universal preschool programs but largely struggle with financing, so from the federal level we would hope to bring about a more stable source of financing, and then also build the support necessary to maintain such a program.

MR. DUNCAN: We tried to follow the evidence as closely as we could. If you look at studies that have tracked children from birth until early adulthood, and try to relate how much schooling they complete, for example. Take an achievement type of outcome, to family income in the first five years of life, the second five years of life and the third five years of life, what you find that really only the first five years of life matter in terms of the importance of economic deprivation for children's eventual attainment.

There are now some welfare reform experiments that also indicate that if you have an income boosting welfare reform it appears to benefit achievement, but again only for preschool kids.

So from this and from a number of other studies it seems that the income dimension of low socioeconomic status matters much more in the early years than later, and it matters more at very low income levels than at higher income levels.

So our translation of policy [inaudible] dramatically reduces the cost relative to a 15 year or 18 year child allowance, and it focuses most directly on the policy which is to ensure that young children enjoy the situations [inaudible].

MS. SAWHILL: There's clearly a presumption here, backed up as you just said, by some pretty good research that family income matters to children's future development.

In the British context we talked a lot about the goal of reducing child poverty, but I think there's a second implicit subset which is if you reduce child poverty you will also improve children's life chances and their developmental success.

But I really want to raise the question to anybody on the panel on how solid is the evidence here, and what do we really know about this assumption?

MR. BURTLESS: [inaudible] set of proposals. Certainly youngsters who come from better socioeconomic backgrounds do better [inaudible]. Not just in the United States but in all industrialized societies I know of.

The question is, however, if we imagine a program that can [inaudible] lots of extra money [inaudible] youngsters, what is the evidence that that additional set of resources [inaudible] will boost the developing of the children?

There I think the evidence really is [inaudible]. The authors of these proposals are very persuaded that [inaudible] but there are very good, committed, liberal people who are not [inaudible] that's true, [inaudible] because things that many parents [inaudible].

MS. SAWHILL: Yes?

MR. DUNCAN: I just want to make it clear that by and large I don't think that income matters that much. I think the nature of income effects are highly selective. They're more important for the achievement domain of child development and not so much for behavior and health. It doesn't matter much in middle childhood and adolescence, and it doesn't matter much in the middle and upper end of the income distribution. The evidence isn't ironclad. We review it in our chapter.

I think policy always has to be developed on the basis of the preponderance of evidence, and our judgment was that that preponderance of evidence standard had been met.

MS. SAWHILL: David, did you want to come in on this?

MR. ARMOR: Yeah. I think income has an effect. I think it's hard to sort the effects out in a lot of studies unless you have a measure of parents' IQ, because parents' IQ is very highly correlated with economic and educational status. Once you parcel that out I think you find that there are a cluster of things that are very important. Income sort of goes hand in hand with various things, especially two-parent families. If you have a two-parent family you almost automatically, given the rate of two parents working, you almost automatically double the income and it's very hard to sort out is it the income or is it the two parents. My analysis suggests that the two parents is a lot more important. It may go hand in hand with the income, but the two parents and the overall parenting resources seems to be the key for academic performance.

Other things of course might have different etiology, but for IQ and academic performance, that set of parenting resources, both the number of parents, how that impacts upon their ability to instruct their infant, the very young child, and how that improves the emotional

support and the nurturance in the family, I think they're all tied together. I don't think it's specifically income, income, simply giving income to a single mom with all the other problems and say with three children, might help a bit. I don't think it goes to the root of the problem which is really the family structure.

MS. SAWHILL: Andrea, I don't want to throw you a curve ball here, but since our chapter was written and the book went to press there has been a new evaluation that's come out on after school programs suggesting that the current after school program, the 21st Century Learning Centers program, was not terribly effective.

How do you respond to that new evidence and how does it relate if at all to our chapter?

MS. KANE: There was a simple matter of timing which I think is worth explaining which is simply that the new report came out after we had already put this to press so we couldn't address it in the chapter.

Having said that, the Mathematica evaluation has sparked a lot of controversy among researchers, advocates, practitioners, and it's probably a topic for a whole other meeting.

But I think there have been some serious questions about the methodology of that research, and I think we shouldn't -- I don't think that dismisses the findings that we point to in our study. I think the important point is that there's a lot of variation in after school programs. Some are funded by the 21st Century money, some aren't. There are a number of models that we identified as being effective that aren't in the evaluation that the Mathematica 21st Century evaluation did.

And I think the sort of key finding --

MS. SAWHILL: The programs that we suggest, correct me if I'm wrong, are more expensive, more intensive, more targeted programs.

MS. KANE: That's exactly the point I was --

MS. SAWHILL: I'm sorry if I'm jumping the gun.

MS. KANE: I think that's sort of the point. I think part of what Mathematica identified was that a number of the programs that were evaluated had an average intensity and duration that were relatively short. When you look across the evaluations that we looked at and also at others that we didn't look at and that aren't part of the 21st Century, I think that's sort of the take home message in general, is that the programs are more intense, and the longer duration seems to produce better results.

Which means that we may have to spend more and serve fewer children with the limited number of dollars and that raises a lot of tough questions I think for policymakers.

MS. SAWHILL: Jens, you talked about the effects on crime of moving people to higher income neighborhoods but you didn't say too much about school achievement. I was really struck

by the school achievement effects in the research that you reviewed. Do you want to just say a word about that?

MR. LUDWIG: Sure.

The Center of Developmental Outcomes that we have evidence for so far from housing voucher experiments suggests that moving poor families from very high poverty public housing projects, giving them housing vouchers and enabling them to move to low poverty neighborhoods may substantially reduce teen involvement in violent criminal offending.

With that go a series of other family changes that I think are consistent with reductions in teen involvement and problem behavior including improvements in mental and physical health for both parents and kids, improved structuring of parenting and reduced harshness in parenting. If you take those family changes as a whole you might not be surprised that there's also some suggestive evidence, again at least in the short run, that there are changes in achievement levels for children. Although so far they only have evidence on this in the short term, as I say, for younger children. In part because the study from which we're drawing this evidence does not provide us with achievement tests for older kids.

This experiment is ongoing right now and HUD is set to release the mid-term evaluation of this experiment I think sometime in the fall of this year and I think there's going to be a lot of interest to learn more about the degree to which these initial changes persist over time.

MS. SAWHILL: Irv, you focused heavily on the marriage penalty issue and it's obvious that you feel quite passionately about that. You said less given your time limits about what we know about relationship skill building and education and counseling programs that address relationship issues. Would you say just a little bit more about that, what we know now and what we need to learn?

MR. GARFINKEL: What we know from fragile families is that the probability of getting married if you're cohabiting or cohabiting as opposed to visiting, so having some kind of relationship, getting a stronger relationship, one of the critical determinants of that has to do with how supportive each partner is of one another. That's something that can be taught.

Skills training can improve supportiveness. How big an effect that will be, we don't know. There have been some programs, the PREP program and a couple of other programs that have been evaluated but the evaluations are based on, mostly they serve middle class families and we haven't really had an experiment that looks at evidence with unwed parents -- middle class married families. We haven't had these kinds of services be offered to unwed parents and low income parents which are kind of an overlapping group.

MS. SAWHILL: Why don't we open this up for questions and comments.

QUESTION: In the last few years we've had a wave of strong experimental studies of the effect of different welfare reforms on children's outcomes, and it strikes me that if you look at a program like MFIP where they had an intervention that focused on welfare to work, an intervention that focused on that plus income, and a control group, the researchers really tried to piece apart what was the income effect. They were fairly confident in saying the income effect on children is strong and good for this population, and there are a number of other experimental results that kind of backed that up.

I was wondering if you could respond to that difference between the non-experimental and experimental findings in this area.

MR. DUNCAN: I actually tried to refer to some of the experiments in my comments. I view them as rather consistent with one another. I'm part of a group that's taking the MFIP Minnesota experiment and pooling it with information from six other experiments that MDRC is running and trying to draw more global lessons about the impacts of these programs on children of different ages.

If you divide the programs into those that -- they all boosted earnings, they all promoted work. About half of them also boosted family income by about \$1,000 to \$2,000 a year. And in the subset that boosted family income what you observe were significant impacts, positive impacts on child achievement for children who were ages two to five or six at baseline. So this is maybe two years after or three years after on average, the experiments actually started.

So for that preschool group, the group of kids who aged into the school years during the program itself, there were highly significant, although the effect sizes were not very large, positive impacts. It's not a pure income effect because it's mixing together income with work and you really can't separate out how much was pure income as opposed to combining income and work, but in contrast, the set of experiments that did not boost income, it merely boosted work, had no significant positive impact. But that's only again for the preschool years, the group of kids who are making the transition.

So I think it very much complements the non-experimental studies that pinpoint the preschool years as being the most important for achievement-related child development.

MS. SAWHILL: Ray?

MR. RAY SUAREZ: I wanted to ask Professor Ludwig about the results he reported. I have no doubt that it's absolutely true that there's positive effects for families that are able to move into a lower concentration of poverty areas, but given the meager results from the Gatreaux Decision which was supposed to help accomplish exactly that, and given the number of suburban jurisdictions that have inoculated themselves against movement of lower income families by using very restrictive zoning regimes, refusing to allow permits for multiple dwellings and row houses and lower cost real estate; I'm wondering how widely those kinds of good results are replicable when it's only the communities that do in fact have lower poverty levels but are also less well able to organize against such inflows that end up getting the inflows of poorer families and in effect just moving the ghetto somewhere new.

MR. LUDWIG: That's a great question. Let me explain, by way of answering that let me explain a little bit more about the randomized housing voucher experiment from which I based my proposal. It's called Moving to Opportunity and it's been funded by the U.S. Department of Housing and Urban Development.

Families who live in very high poverty public housing projects who volunteer for this program are randomly assigned into three groups. The first group, the experimental group, they're offered housing vouchers and under the program design they're required to move to very low poverty census tracts -- less than ten percent poverty rate in 1990. Those families assigned to that group, they begin to bump up against the constraints that you're talking about. Those families wind up trying to move to the suburbs to find census tracts that fall beneath the poverty cutoff, and I think your concerns are very real for thinking about how those families would move.

The second group into which families could be assigned in the Moving to Opportunity experiment are offered housing vouchers but they're not constrained, at least by the program design, in terms of where they move. The third possibility is families stay in the control group.

The reason that I lay out the program design is when you look at the short term results from the Moving to Opportunity experiment, for a number of developmental outcomes, not all, but for a number of the developmental outcomes where we see effects on the experimental families who move to the lowest poverty census tracts, you also see quite beneficial changes in the developmental outcomes of children in the unconstrained voucher group. These are families that tend to stay clustered around the baseline high poverty public housing projects. So they are not making very dramatic moves in terms of geographic distance out into the suburbs where they may run up against some of the constraints that you highlight, but they are moving just enough within the city jurisdiction themselves to get themselves out of the very highest poverty neighborhoods, and that seems to translate into some developmental improvements for the kids.

MR. DUNCAN: I'm a little bit puzzled by your characterization of Gatreaux as showing few impacts. Actually one of my projects is to revisit some of the Gatreaux families 15 to 20 years after their initial moves to find out how they're doing now. And the story is really rather positive. Gatreaux is a Chicago program set up in response to a Supreme Court judgment against the Chicago Public Housing Authority and it moved families from public housing, half to the suburbs, half to the city. Fifteen years later, most of the families that moved to the suburbs are still in the suburbs, and if you look at the kind of neighborhood conditions, it's every bit as affluent. They move around within the suburbs, but it's every bit as affluent, their new neighborhoods, as their placement neighborhoods, and much much better than their origin neighborhoods.

So they are continuing to enjoy the kind of safer, more resource rich environments that Jens talked about.

Outcomes for the individuals themselves, the moms, their labor force activity, welfare dependence and the kids came out about ten years ago by my colleague Jim Rosenbaum, which

showed rather dramatic gains. The 15 year look shows less dramatic gains, but there are still substantial advantages to having been moved to relatively more affluent areas as part of the program placement.

MS. SAWHILL: I think we probably need to leave it there and move on to our final panel, so we're going to do a little bit of shifting of seats but please don't disburse because we are going to move on.

I'm very very pleased that Ray Suarez who just asked the last question has agreed to moderate this last panel. Ray, it's great to have you here. Thanks for agreeing to do this.

[Applause]