“Is the Social Safety Net a Long-Term Investment? Large-Scale Evidence from the Food Stamps Program”

Summary of research by Martha J. Bailey, Hilary Hoynes, Maya Rossin-Slater, and Reed Walker

Background
Over the past two decades, the Supplemental Nutrition Assistance Program (SNAP) has become one of the most vital pieces of the U.S. social safety net, raising nearly 4 million children out of poverty in 2018 and providing immediate relief to nearly 40 million people experiencing or at risk of falling into poverty each month. The program expanded significantly in the Great Recession, but in recent years caseloads have been falling and lawmakers have begun debating stricter eligibility and work requirements.

In this context, with the immediate success of the program well-documented and with new political debates emerging around the future of the program, it is important to consider the long-term effects of the program in addition to its role as a tool for immediate poverty-alleviation. Toward this end, O-Lab researchers Hilary Hoynes and Reed Walker, along with Martha J. Bailey and Maya Rossin-Slater, examined data on 17.5 million Americans who were born before, during, and after the creation of the Food Stamps program. Specifically, they looked into how childhood access to food stamps affected outcomes well into adulthood.

Research Methods and Findings
The Food Stamps program was first created in 1961 under President John F. Kennedy and was significantly expanded in 1973. The program was not rolled out evenly across the country, however, and different counties enacted programs at different points following its creation and expansion. Certain counties in Kentucky, for example, had a program in place for several years before other counties in Kentucky. This variation, and the fact that the expansion of the program was not directly connected to the rollout of other War on Poverty programs, allows researchers to examine how Food Stamps recipients in one county (say, those who were exposed in 1964) fared as adults in comparison with those who grew up in neighboring counties and who accessed the program at a different time (say, those who were first exposed in 1971).

It is important to consider the long-term effects of nutritional support, in addition to its role in immediate poverty-alleviation.

Figure 1: The Geography of the Roll-Out of the Food Stamps Program, 1961-1975

Notes: Hoynes and Schanzenbach (2009) tabulations based on administrative data from the U.S. Department of Agriculture in various years.
Using census and administrative data on ~17.5 million Americans, the researchers were able to examine a range of adult outcomes for individuals who had access to Food Stamps early in their life, and to compare how they differed depending on the age at which they were first exposed to the program.

The results suggest that access to food stamps in utero and in early childhood leads to significant improvements across a range of outcomes in adulthood. For example, researchers found that exposure to food stamps in each year of a child’s life before age five had positive impacts on adult outcomes. These outcomes include lower adult poverty rates, higher rates of educational attainment, higher earnings, lower incarceration rates, and lower mortality. Children with access to food stamps as young children were more likely to move away from their counties of birth. And while some of the long-term benefits that were observed are driven by this mobility to “better” neighborhoods, individuals who stayed in their birth county also benefitted from early access to Food Stamps.

**Figure 2: Simplified Model of How Food Stamps Could Benefit Children, by Age at Rollout**

Figure 2 shows two hypothetical ways in which Food Stamps could benefit young people: the dotted red line shows a model in which the benefits grow steadily greater the earlier one is first exposed; the solid blue line shows an alternative model in which the benefits accrue at a faster rate early in one’s developmental years. In fact, the researchers found that earlier exposure did matter more (as shown in the solid blue line), and that the beneficial effects of Food Stamps on children’s outcomes in adulthood were cumulative up to age five (meaning those with 4 years of exposure were better off than those with 3, those with 5 years were better off than those with 4, and so on). But interestingly, no additional impacts were observed for access to food stamps after age six, indicating that *early* exposure (during the developmental years of a child’s life) is a key component of the longer-term benefits that were observed.

**Implications for Safety Net Policy**

This research adds an important new consideration to ongoing debates around the value of nutritional support to low-income families. In short, it demonstrates that social safety net programs like SNAP are a long-term investment in combating poverty. Children make up almost a third of poor individuals in the U.S., and receiving SNAP early in life can have significant impacts on their adult economic well-being. As policymakers consider the costs and benefits of social safety net programs such as SNAP, this long-term perspective must be an integral part of any debate. Indeed, the impacts on adult outcomes that were observed, including reduced reliance on public benefits in adulthood, indicate that the social safety net may well “pay for itself.”