

The Impact of Cash Transfers to Poor Mothers on Family Structure and Maternal Well-Being

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Abstract

We use newly collected data for 16,000 women who applied for Mothers' Pensions, America's first welfare program, to investigate the effect of means-tested cash transfers on lifetime family structure and maternal well-being. In the short-term, cash transfers delayed marriage and lowered geographic mobility. In the long run, transfers had no impact on the probability of remarriage, spouse quality or fertility. Cash transfers did not affect women's well-being, measured by longevity and family income in 1940. Given the lack of significant negative behavioral impacts, the benefits of transfers appear to exceed costs if they have, even modest, positive impacts on children.

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