

Financial causes and consequences of child maltreatment

Child maltreatment happens in all kinds of families, but low income is the most consistent predictor. This holds true in the United States and many other nations and the correlation is substantiated by decades of research. But new research goes beyond association to reveal a causal relationship between poverty and child maltreatment. A set of studies published in the journal *Children and Youth Services Review* shows that poverty exists as both a cause and consequence of child abuse and neglect.¹ Just as child maltreatment is most prevalent in poor families, mistreated children often struggle to achieve economic success as adults. This brief describes the latest statistics on child maltreatment as reported to child protective services (CPS) agencies and goes on to highlight related findings from a limited selection of the studies included in the journal.

What are the rates of child maltreatment reports?

Federal mandatory reporting laws require certain professionals and institutions (including teachers, childcare providers, and law enforcement officers) to refer suspected child maltreatment to CPS. Every year the Children's Bureau of the U.S. Administration for Children and Families (ACF) publishes national data on reports received. Child welfare researchers and professionals believe these CPS reports are underestimates, but nonetheless serve as a useful benchmark. The most recent report² reveals the following key findings:

- There was a 9 percent increase in the national estimate of children who received a CPS investigation response or alternative response from 2011 (3,081,000) to 2015 (3,358,000).
- Infants under one year old, the most at-risk age group, had the highest rate of maltreatment at 24 victims per 1,000 children.
- The national estimate of child maltreatment victims increased by nearly 4 percent between 2011 to 2015, from 658,000 to 683,000 (figures are rounded to the nearest thousand).
- In 2015 overall, 43 percent of child maltreatment victims were white, 24 percent were Hispanic, and 21 percent were African American. Compared to their share of all children in the United States, white children are underrepresented and black children are overrepresented in the population of maltreatment victims. Black children experienced the highest rate of victimization of any racial/ethnic group, at 15 per 1,000 children.

- Three-quarters (75 percent) of victims in 2015 were neglected, 17 percent were physically abused, and 8.5 percent were sexually abused.
- An estimated 1,670 children died of abuse and neglect in 2015, at a rate of more than 2 per 100,000 children in the national population. Four-fifths of these fatalities involved at least one parent.

Do family resources affect child maltreatment and CPS involvement?

In a study exploring the extent to which family economic factors are associated with child maltreatment risk, researchers used data from a longitudinal birth cohort study in Australia. Their investigation combined economic and noneconomic measures with retrospective self-reports of maltreatment and poverty once the birth cohort reached adulthood.³ To test whether there is a relationship between poverty and child maltreatment, they looked at the extent to which parent- and family-level economic disadvantage increased reports of child maltreatment, even after controlling for many variables, including demographic factors and parental characteristics, allowing them to isolate the influence of poverty. They concluded that 27 percent of the observed child maltreatment in their sample is attributable to economic factors—poverty and parental unemployment were the strongest predictors—and that physical abuse, sexual abuse, and exposure to domestic violence are the most sensitive to economic disadvantage. This finding stands in contrast to most prior research and may reflect that their measures are self-reported and retrospective. Addressing the generalization of their findings to other contexts, the authors note that the Australian context does differ from that of the U.S. in that it has lower levels of relative and absolute poverty and disadvantage.⁴ This difference suggests that economic factors probably have a greater proportional role in child maltreatment in the U.S. compared with the proportions presented in their study, even if the effects of poverty on child maltreatment are the same.

Do neighborhood socioeconomic factors affect foster care placement?

In this study, researchers explored how poverty reduction policies and family support services in Canada might mitigate the relationship between child maltreatment and placement in out-of-home care. Relying on many U.S.-based studies for background, the researchers note that U.S. and Canadian national incidence studies both found that the risk of

maltreatment is much greater (up to five times) for low-income families compared to families above the poverty line, and that family-level poverty was a significant risk factor in out-of-home placement. For the current study, they used regional variation in poverty and spending on health and social services in Quebec to study differences in the risk of foster care placement among children investigated by CPS for the first time.⁵ Quebec offers generous poverty reduction and family support services and a progressive income tax redistribution system, providing a useful context for the study. In multilevel data spanning eight years, from 2002 to 2010, the team found that younger children are placed in foster care more frequently in regions with higher rates of absolute poverty after controlling for per capita health and social services spending and individual characteristics. The researchers suggest these findings emphasize the importance of the economic context in which families encounter CPS, with children from more disadvantaged families experiencing a greater rate of out-of-home placement.

Do small income boosts reduce child maltreatment reports?

Researchers in this study looked for causal evidence of a relationship between poverty and an increased risk for child maltreatment by examining changes in CPS reports from 2004 to 2013 and their relationship to a state's increases in the minimum wage—an external (that is, not associated with an individual's behavior) increase in family income.⁶ They note that the minimum wage is a policy tool intended to increase incomes of workers in low-paying jobs and that although some studies find no effect of the minimum wage on overall poverty rates, numerous other studies show that minimum wage increases can significantly improve the financial well-being of people in poverty and extreme poverty. Results of their comparisons of CPS reports to states' minimum wage increases show that a change in the minimum wage led to fewer child maltreatment reports. These results did not differ across racial groups. A disaggregation of study results by children's age finds the drop in child neglect among young children (ages 0–5) and school-age children (ages 6–12) was even larger, showing that a \$1 increase in the minimum wage reduces neglect reports by 9.6 percent, a statistically significant effect. Among adolescents, the effect wanes and is not statistically significant.

Do resource reductions from child support orders affect out-of-home placement (OHP) outcomes?

Federal and state policies call for parents to offset some of the costs of foster care placements when their children are taken into care. These offsets can occur through the redirection of a pre-existing child support order, or the establishment of new orders. If paid, these orders reduce the resources available to one or both parents. To the extent that resource limitations impede children's reunification with either parent, these offset policies

may lengthen the time spent in foster care. In this study, the researchers used a unique dataset that merges administrative data from several state programs to determine the scope of these child support-related delays in reunification. The paper finds sizable reductions in available resources due to child support orders: 38 percent of fathers and 22 percent of mothers are ordered to pay offset child support. The researchers exploit large regional variation in child support referral policies to estimate the effect of child support orders on time spent in out-of-home care. Their causal model suggests \$100 per month more in child support ordered extends time spent in foster care by 6.6 months. The researchers suggest that this unintended effect should be considered in the setting of offset policies, since longer foster care spells are expensive for taxpayers, and extended placements in foster care may have consequences for child well-being.

Does experiencing foster care and child maltreatment affect adult socioeconomic outcomes?

This study sought to show the effects of extending foster care from age 18 to 21 in an effort to improve outcomes by age 26.⁷ In 2008, legislation was passed allowing states to claim federal reimbursement for up to age 21 after studies showed that former foster youths who transition to adulthood without either reunifying with their family or being adopted have low academic achievement and difficulty getting and keeping a job. Using data from a longitudinal study of 732 youths who transitioned to adulthood from foster care, the study takes advantage of between-state policy variation in the age at which youths are required to leave care to assess the relationship between extended foster care and educational attainment at age 26. After controlling for a number of baseline characteristics (e.g., youth's gender and race), the researchers found that each additional year spent in foster care beyond age 18 increases the odds that former foster youths will progress to the next level of educational attainment by 46 percent. After controlling for time in care after age 18, state of residence was not associated with these young people's continuing education, which supports the idea that time in care after age 18 is what connects state of residence to foster youths' educational advancement.

Conclusion

Understanding the role of economic disadvantage in CPS involvement as either a risk factor or an outcome is key to developing effective prevention and intervention efforts. The results described in this brief are just a few of the studies in a new volume on the “Economic Causes and Consequences of Child Maltreatment” that advance understanding by addressing new aspects of the relationship between poverty and child abuse and neglect. Some of the studies provide evidence for the first time of a causal relationship between economic disadvantage and child abuse, and between experiencing child maltreatment and foster care placement and low educational attainment, employment, and earnings in adulthood.

For a list of the sources used for this brief and further reading, visit www.irp.wisc.edu/publications/fastfocus.htm.

The Institute for Research on Poverty (IRP) at the University of Wisconsin–Madison is a center for interdisciplinary research into the causes and consequences of poverty and inequality and the effectiveness of policies and programs designed to address them. As the National Poverty Research Center sponsored by the U.S. Department of Health and Human Services, IRP integrates research, training, and dissemination activities to effectively build and apply research evidence on key policy questions and develop a broad and diverse cadre of researchers addressing poverty and low-income populations.

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