

TRANSCRIPT

“Sons and Daughters of Working Mothers: Successes and Challenges”

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Vinnie Santoro: So, without further ado, let me get to our second speaker who is Katharine Stevens. Katharine has done a lot of studies on childcare, child grieving and various problems that crop up when parents work. She was with the American Enterprise Institute for, I believe, six years and did numerous studies there. And at some point, she was inspired to establish her own nonprofit, think tank, I think you're qualified as, only in November of last year. So, this is an opportunity for you, Katharine, to let us know all about this new organization. Maybe we will find some clients for you today. And you're going to focus a little bit more on some of the challenges that occur. And I for one, am very much concerned about our government here in the United States pushing for more and more childcare and having more and more women out in the labor force. Yes, we do have two jobs available for every person that's unemployed, which is a very unusual situation. Sorry to put that in, but I'm an economist and I just can't avoid <laugh> mentioning certain things at times. But enough for me. Let me bring on Katharine Stevens and let her say quite a bit about her past studies and her new organization. So, Katharine, please take it away.

Katharine Stevens: Thank you so much, Vinnie. And thank you all for being here in our "virtual here" today. My name is Katharine Stevens and I have recently founded the Center on Child and Family Policy that is, as just Vinnie explained, focused specifically on these issues, particularly for families with young children. That's the arena that a lot of our current policy questions are focused on. So, today I am going to be talking about maternal employment and childcare for preschool age kids. For older kids, there are afterschool childcare programs, but mostly, as many parents found out during the pandemic, the childcare function is really played by the public schools, and people really noticed that when the schools were closed. I'm going to focus on the policy questions around what we, at least in this country, think of when we think of childcare, which is caring for young children before they enter school.

So let me do this whole screen sharing thing that's always a little nerve wracking. Did that work? Yes, it did. Perfect. Okay. So, just a quick word about my own, background. Kathleen has just pointed out people's own home experiences as children shape, for one way or another, a lot about who they are and what they care about. And I'm actually, I would say a very consistent data point with Kathleen's research in that my own mother was a professor of music

history. And when I was growing up in Seattle, Washington in the sixties, she was the only mother that I knew who was working full-time. So, I was definitely a child of a very employed mother, her work has always been very important to her.

It's also interesting, just as a side note, I don't have children. I am a total career person. My younger sister was a lawyer and then when she had children has ended up staying home with them full-time. So, my mom somehow managed to produce both those kids. That whole dimension of this issue is very fascinating to me. So, the key policy question that's really central, certainly in the United States, and I think in many countries now, is around these questions of maternal employment. Should we aim to increase publicly funded childcare? There's been, as people are probably aware, a growing push for publicly funded childcare as essential to maternal employment and advancing gender equality, as Kathleen's been discussing. Advocates argue that increasing childcare is a crucial policy goal to enable women to pursue their careers, increase family earnings and boost national economies. Yet the desirability of increasing maternal employment through expanding childcare remains hotly debated as many continue to worry that it may have an adverse effect on children. So, the key question is, "Should we aim to increase publicly funded childcare?" And the question of childcare is fundamentally about, it has very serious implications, clearly for women, for families, but fundamentally it's about with whom and in what environments young children are spending the very first years of their lives. So, while women's careers and family income and GDP are clearly of great importance, in this policy area I argue that advancing the well-being of children has to be our primary policy goal. So I think the core policy question is, will expanding childcare be good for children?

The really fascinating work that Kathleen's done, isn't able to shed light on the question that I'm focusing on as she explained, the analyses rely on data from two surveys asking, "Did your mother ever work for pay for as long as one year after you were born and before you were 14?" And "What was your mother's occupation when you were 15?" So, this definition of maternal employment obviously enables researchers to get at a lot of really interesting questions like the ones she was discussing. But it includes everything from a mother of a ninth grader working part-time, and a mother of an infant working 50 hours a week. And the whole range in between that. So, in other words, the survey's definitions of maternal employment are too broad to provide useful information about the effects of childcare.

So, what has research found? Research on childcare has found positive effects for some children, but also raises cause for concern. In a broad range of studies across multiple countries, researchers have found positive impacts of high-quality childcare, but those findings don't tell us about effects on specific children. Rather, they describe average effects on large numbers of children. And what we aren't paying enough attention to is that effects reported as

averages in studies are almost always heterogeneous. That is, when you look at the findings closely, you see that impacts vary considerably among subgroups of children. Researchers Christina Felfe and Raphael Lalive who do research on childcare have put it this way, understanding affect heterogeneity is essential because early childcare may both help and harm children. Similarly, two researchers Michael Kottelenberg and Steven Lehrer have done a lot of work on a universal childcare program that was launched in Quebec, Canada in 1987.

The program aimed to ensure "a healthy start for all children by providing high quality, early care and education while simultaneously enabling larger numbers of mothers to join the workforce". And the workforce part worked. Women's workforce participation increased a lot from 74% in 1997 when the program started to 87% by 2018. So that is a huge jump, but longitudinal effects, studies, a number of researchers have been looking at the long-term effects of this universal program and have found mixed effects on children. And these two researchers have emphasized, have studied that specifically, they specifically looked at heterogeneity in effects that they're finding, writing, "Despite traditional emphasis in the applied literature to report only mean effects of a policy, the existence of treatment effect heterogeneity in education programs is now over overwhelming. Policy changes generate both winners and losers and as such, it is important to report distributional treatment effects in empirical work." And researchers are finding that the effects of childcare, these heterogeneous effects, vary depending on multiple factors. In general, researchers have found positive impacts for children from low income and single parented households, children with less educated mothers and children with immigrant parents. On the other hand, they found negative effects for children whose mothers have higher education for children from two parent households across the income spectrum. Kottelenberg and Lehrer found particular variation in the effects of Quebec's Universal Childcare Program based on whether children were living in one or two parent households. They found large developmental gains for children from lower socioeconomic backgrounds, from single parent families, but children, even from lower socioeconomic backgrounds, from two parent families, were generally affected adversely. So the takeaway here is even high quality childcare is neither good nor bad across the board. What research is telling us is that for some children, the effects of high-quality group care are positive, while for others the effects are negative. Findings of adverse effects do not mean that childcare harms all children. On the other hand, findings of positive or neutral effects don't prove that high quality childcare is always harmless. So, I think this nuance is something that's really critical in considering policy questions around childcare. And this is what researchers are finding, are arguing is the key drivers of this variation, children's home environments. Childcare increases parental workforce participation by decreasing the time that children spend at home and with parents. And in order to determine the effects of childcare, we have to understand the

quality of the alternative. So, the effects of childcare don't exist in a vacuum. They exist relative to what the effects would be of an alternative environment for children.

Children from unstable home environments have been found to benefit considerably from attending high quality care. At the same time, even high-quality programs have an adverse effect on children when they displace or diminish higher quality home care. That is, in order to understand the impact of childcare on young children, we have to look both at what we're replacing and what we're replacing it with. The Quebec researchers found variation in home environments to be a particularly striking cause of the variation and the effects of the program. So they found that there were positive effects for lower SES children from single parent families, arguing that that was because childcare appears to substitute for lower levels of parental care or informal care arrangements. The negative effects they found, even for children from lower socioeconomic backgrounds who were from two parent families, they argued, was because childcare was, as they put it, less than a perfect substitute for investments that were previously made in the home. In other words, even if the childcare was pretty good, what children were experiencing in particular kinds of stable homes was actually better for them.

This is consistent with the findings of well-known economist James Heckman, a Nobel Prize winner at University of Chicago, who's done a lot of work studying the effects of early childhood programs. And he's written, "The intervention that a loving, resourceful family gives to its children has huge benefits that unfortunately have never been measured well. Public preschool programs can potentially compensate for the home environments of disadvantaged children, but no public preschool program can provide the environments and the parental love and care of a functioning family and the lifetime benefits that ensue." In particular, I think we need to be especially concerned about early and extensive care.

Birth to age three has been well established as the most crucial period of development. And the developmental needs of infants and toddlers are unique and critically different from those of preschoolers and older children. But most of the research that's been done on childcare and childcare's effects has been done on programs for preschoolers—three and four year olds. And there's a real dearth of research on childcare's effects on infants and toddlers in particular, and especially infants and toddlers who are spending large amounts of time 30, 40, 50 hours a week in group non-parental environments. The largest study on this question to date found that extensive hours for infants and toddlers in non-parental group care were problematic. This was a longitudinal investigation that followed a group of almost 1400 children from birth onwards started in the 1970s, and researchers found that on average, high quality childcare increased children's basic academic skills at kindergarten entry. But over several decades of research, they've also found that extensive hours and a childcare program, during infancy and

toddlerhood in particular, predicted negative social emotional outcomes from preschool well into adolescence.

So, in addition to these studies of children in childcare, there's a been a growing body of developmental science. It's really exploded over the last 10 -20 years, which is also a really important source of knowledge to inform these kinds of policy questions. And what that developmental science tells us is that children are hardwired to develop within a small group of familiar people, a small stable group of familiar people, and require a great deal of one-on-one nurturing to develop well. In fact, for most of human history, children's early development unfolded in the context of homes with families, usually with full-time maternal care. A surge of findings from neurobiological research over the past 10-20 years has shown that the ongoing nurturing interactions that occur within young children's one-on-one relationships with parents and other close loving caregivers are literally shaping the child's growing brain.

But researchers are increasingly concerned that very young children's separation from a primary caregiver can cause stress and anxiety with potentially adverse effects on children's development. There's a fairly new body of research looking at this question that compares children's stress levels when they are in childcare and when they are at home. And this sheds new light on a potential driver of the negative impacts that have been found in studies of childcare. So, the researchers assess the levels of children's stress by measuring their salivary levels of the stress hormone cortisol that is produced in response to psychological or physical stress, and that when we're stressed, the stress the hormone cortisol, appears in our saliva and can be easily measured. A growing number of studies using this method have found that some, not all, again, these studies can report averages, but there's variation. Some children's stress levels increase significantly when they are in childcare and in particular, full-time center-based care as indicated by persistently elevated cortisol levels when they're in the childcare setting that disappear over the weekend, say when they're at home. And the effect of this very new body of research, the effect of this phenomenon is not precisely known, but we do know that persistently elevated stress during early childhood is a major risk factor for adverse developmental outcomes. So, this is really important research to be paying attention to.

In 2020, a group of researchers published an article in the journal *Epigenomics* discussing what they see as the growing conflict between this increasingly large body of science, and at the same time increasingly widespread use of childcare for children under age three and argue that this conflict has remained unexamined because of what they've described as "taboo on open debate" on the question. They wrote, "We have identified around a thousand research reports in different sciences spread over 30 years that separating small children from their mothers has

a variety of adverse effects. However, we have not identified a systematic review in any leading medical journal. And as far as we know, this is the first editorial on this topic."

So, a few concluding thoughts. First of all, there's a strong body of research that shows very clearly that high quality childcare has significant benefits for children from lower socioeconomic backgrounds and less stable home environments, particularly from single parent households. And those are the very children that have the very least access to high quality care. Boosting access to high quality care for those children is a really important policy goal, and I think merits substantially increased public funding. At the same time, though, the available evidence, both from childcare research and developmental science, suggests that a large non-targeted expansion of publicly funded childcare for young children won't be in the best interests of young children overall. It's also really important to remember that certainly the people who are presenting in these kinds of forums are career-oriented people. That's why we're here.

But lots and lots of parents don't have careers. They have jobs, and they would prefer to raise their own children, whether full- or part-time or even, I would say my sister, she had a career, she was a lawyer and her preference was to raise her own children. And that's a really important piece of this picture. As sort of underscoring this, a group called Public Agenda did a major survey of parents several years ago who had children aged five or under, so that's a very particular group, parents with young children, and found that a high-quality childcare center was the least preferred arrangement for almost half of the parents who were surveyed. Four out of five said that young children were less likely to get sufficient affection and attention from caring well-trained professionals in a high-quality center than they would at home.

And parents overwhelmingly said that they preferred parental care for their young children. Nine out of 10 said that if a family can afford it, it is almost always best for young children if one parent stays home with them full-time, more than one third said that for children under age two, it is absolutely essential. Eighty percent of mothers and half of fathers in this survey said they would prefer to stay home themselves to care for their young children rather than work full-time outside the home. At the same time, I've noticed that increasingly the project of raising young children is described as though it were a kind of an especially consuming household chore. But we need to remember that it actually means developing new human beings. That's not to say that mothers specifically must solely or even primarily carry it out. Increasingly fathers are willing and eager to play a much larger role in bringing up young children. But nor is it something that can be outsourced to paid strangers like house cleaning or washing the car. We need to remember that human development is a time and intention intensive process by its very nature. And I worry that our growing focus on related policy goals

like gender equality, increasing family income and raising GDP is leading us to leave out this especially essential piece of the family picture.

Thanks very much.

Santoro: Wonderful. Katharine, thank you very much for a very illuminating presentation. I'm sure everybody listening in has benefited a lot from what you had to say. Moderator usually gets the privilege of asking the first question, so I'm going to do that. Let me ask you, Katharine, you mentioned high quality care and high quality was repeated quite a few times and brought to mind a study that I saw just the other day from the US Department of Labor. So, this applies only for the United States that outside childcare is really very expensive. And they did a study, actually county by county for most US states, and as best as I can recall just offhand, it varied like from \$4,000 a year to 16,000 and counting in a place like Cook County, which includes Chicago.

Can you say something about childcare and how expensive it is and how that may be a consideration? And also, in providing childcare to what extent, as far as, I don't know if it can be measured or not, do grandparents come in and provide the care while the parents are working? I know this happens a lot in other countries. You know, I'm of Italian background and I have some cousins in Italy and one for example, retired at 57, as soon as her children had children to mind, you know, while the daughter pursued a law career, for example. So, if you can address those points, I'd appreciate it. Thanks.

Stevens: Yeah. So, I guess what I would underscore is that the research is pretty clear that age segregated, non-parental group settings are simply not optimal for young children's development. We're not born in litters. We're not hardwired to develop, but again, I'm talking about young children. I'm not talking even about four- or five-year-olds, right? We're not hardwired to develop in those settings. The optimal conditions are small familiar settings with loving, I'm going to say, 'family members.' It doesn't have to be a family member, but people who are like family to you as a very young child. And so what I <missing audio> quality childcare is enormously expensive. And one policy solution is, I mean, so K-12 is also very expensive.

We're spending on average across the country, I think \$13,000 a year per kid. Education's expensive. So, one policy solution could be, well, we'll just pay that money. The problem with that is that even the very highest quality group care still is not providing the optimal developmental conditions. Most of the wealthy, by saying wealthy, I mean wealthier, right? More affluent people that I know, including people who work in childcare advocacy, when they have the money, they hire a nanny by themselves or a shared nanny, which is an increasing

phenomenon, a shared nanny. So, it's your kid and one other kid that ends up costing about the same as high quality care. But it's more consistent with what children need to develop well. And from the point of view of young children, I mean, they're not doing DNA tests and gender tests to figure out who it is who's taking care of them. So, it does not have to be a blood relation, and it doesn't have to be, it certainly doesn't have to be the mother. Certainly, there are people who are very focused on that dimension of the situation. But I don't think that's the crucial issue. It is a great tragedy for young children in this country that there are not more grandparents available, because that's kind of ideal. And as a matter of fact, Elizabeth Warren is well known for these days promoting universal group childcare.

But when she talks about it, it's very interesting because when she describes how she herself managed to go on with her career, which is of enormous importance to her, as mine is to me, she didn't put her children in group childcare. She had Aunt Bea. She was sobbing on the phone to Aunt Bea explaining that she was not able to put the pieces together as many, many women are not. And Aunt Bea got on the airplane with six suitcases and her beagle and stayed with them for 12 years. So, if the policy proposal on the table was an Aunt Bea in every home, that to me would make a lot of sense and would be worth spending money on. If you have a society that's set up so that grandparents can play a bigger role that's also ideal. But those Aunt Beas and grandparents are radically different for young children than non-parental group settings, that are on top of it, age segregated, even in small groups, it's still just not the right conditions for young children.

Santoro: Mm-hmm. Okay. Thank you very much. As we all know, the labor force has changed dramatically since the pandemic. And you know, more men were forced to work from home, just like a lot of women had an arrangement to work part-time or full-time from home. And when the men joined that particular, joined the women at home, they decided, hey, this is great. We like it. We don't want to go back to the office. And even today, you walk around Park Avenue or Wall Street and you just don't see the crowds that you used to see four years ago. So things are generally changing and we probably are going to need some analysis on that, going into the future.

Stevens: Vinnie, could I make a quick comment?

Santoro: Sure.

Stevens: Yeah. So, I just wanted to underscore, kind of building on exactly what you just said, I think the way economists, as you probably know, tend to have this conversation is with a very strong bias towards paid employment. And that bias hurts men and women. So, in both

genders, there are many women for whom staying at home is a choice. It is something they want to do. It's not something they feel forced into. It's something that they feel it's what they want to do. And frankly, the pressure towards valuing adults in terms of their paid employment, which has long affected women's status, has this downside for men, which is that they haven't been allowed to consider the option of staying home with children. So, I think that in general, it will be helpful to both genders to elevate the importance, the value of being at home, raising young children, rather than framing the issue entirely in terms of the value of working for pay out outside the home.