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### Child Abuse & Neglect: Developing an Economic Understanding

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# **Child Abuse & Neglect**

Developing an Economic Understanding

Alexa Prettyman and David C. Ribar

Child & Family Policy Lab

May 2022

## Context

Child maltreatment is a prevalent and costly problem. Millions of children worldwide experience some form of parental maltreatment, and it has lasting consequences, costing society trillions of dollars. Developmental psychologists, family researchers, sociologists, and medical researchers have studied child maltreatment extensively. Increasingly, economists are contributing to our understanding.

## This Report

This report examines child maltreatment and child maltreatment research through an economic lens, building on theoretical approaches for conceptualizing how different types of maltreatment occur. It describes available data sources. It reviews the incidence of child maltreatment and the evidence on risk factors, consequences, and promising interventions.

## Key Findings

- Child maltreatment has lasting consequences, including poor health, delinquency, lower educational attainment, and intergenerational perpetration of maltreatment. These consequences contribute to inequality and reduce the effectiveness of other social investments.
- Theoretical economic models have examined maltreatment through rational-choice approaches that either include maltreatment as an instrumental outcome or consider it as an under-investment in child quality. New models that consider maltreatment as an expressive outcome, possibly associated with stress and a loss of control or as inappropriate parenting, are needed.
- Many administrative and survey datasets are available to study child maltreatment. The National Data Archive on Child Abuse and Neglect is an especially valuable resource. Each type of data has limitations. Administrative data usually only include incidents and allegations of maltreatment that have been reported to authorities; maltreatment rates in these data can vary because of different definitions, reporting processes, and child welfare policies. Survey data are subject to purposeful and inadvertent reporting errors.

- State administrative data are becoming increasingly important as these data can be linked to other administrative data to measure additional causes and consequences of child maltreatment, such as educational attainment, health, employment, delinquency, and welfare participation.
- Many risk factors for child maltreatment have been identified. The evidence is especially strong for parental substance abuse, a history of being abused, and depression and moderately strong for family stresses and poverty. Much of the evidence is associational.
- Two types of interventions have been found to be effective in improving child safety: home-visiting programs for new or expecting parents and intensive trauma-informed services for children who have experienced maltreatment.

## Introduction

Child maltreatment is pernicious and pervasive. In the United States, 4.4 million allegations of child abuse or neglect involving 7.9 million children were reported to authorities in fiscal year 2019, and 656,000 children were determined to be maltreated (U.S. Children’s Bureau, 2021). The United States is not an outlier; across several high-income countries, Gilbert et al. (2009) estimated that 4% to 16% of children were physically abused each year and about 10% were neglected or emotionally abused. Child maltreatment is immediately harmful and damaging. It can also have lasting consequences, including effects on physical and mental health, delinquency and criminality, drug and alcohol abuse, risky behaviors, and the intergenerational perpetration of maltreatment (Gilbert et al., 2009; National Research Council, 2014). Peterson et al. (2018) estimate that the annual economic burden from child maltreatment in the United States is \$2 trillion.

Developmental psychologists, family researchers, sociologists, and medical researchers have studied child maltreatment extensively. Increasingly, economists are contributing to our understanding. The economic analysis of maltreatment poses many challenges. Economists have struggled to incorporate maltreatment—the infliction of a bad—into their standard rational-choice models of household behavior, which generally posit the maximization of well-being and altruistic, rather than malevolent, preferences. As with other social scientists, economists must contend with incomplete and selectively reported data on maltreatment. They also face difficulties—but bring tools and insights—

in developing causal evidence regarding the determinants and consequences of maltreatment.

This report examines child maltreatment through an economic lens. It discusses different types of maltreatment, as these likely have different causes and consequences. It reviews data sources that have been used for research and summarizes information about the incidence of maltreatment. It considers alternative theoretical approaches for conceptualizing how maltreatment occurs, giving special attention to gaps in economists' frameworks. It also reviews evidence on the causes, consequences, and possible preventive measures for maltreatment.

## What Is Child Maltreatment?

Child maltreatment is a broad term that is used to describe several forms of behavior that actually or potentially harm children. The World Health Organization (2020) describes maltreatment as including

all types of physical and/or emotional ill-treatment, sexual abuse, neglect, negligence and commercial or other exploitation, which results in actual or potential harm to the child's health, survival, development, or dignity in the context of a relationship of responsibility, trust, or power.

The prevailing federal legislation in the United States, the Child Abuse Prevention and Treatment Act (CAPTA, P.L. 100–294), similarly defines child maltreatment as abuse and neglect that includes

any recent act or failure to act on the part of a parent or caretaker which results in death, serious physical or emotional harm, sexual abuse or exploitation... or an act or failure to act, which presents an imminent risk of serious harm (U.S. Children's Bureau, 2021).

Within the United States, each state's child welfare and legal systems have definitions for investigating child maltreatment, protecting children, and prosecuting perpetrators.

As the definitions indicate, maltreatment incorporates several distinct elements of abuse and neglect. Physical abuse refers to a non-accidental physical injuring of a child; some states extend the definition to include threats to

inflict physical injury. Sexual abuse refers to sexual conduct with a child, the simulation of sexual conduct for pornography, or sexual exploitation of a child, including sex trafficking. Emotional abuse refers to the non-accidental infliction of emotional or psychological injury. Neglect refers to a failure to provide age-appropriate care, goods, or supervision to a child. Neglect can be further decomposed into neglect of children's physical needs, emotional needs, schooling needs, and other needs. Roughly speaking, abusive behaviors tend to be acts of commission, while neglectful behaviors tend to be acts of omission. However, there are exceptions. For example, an extreme form of neglect—abandonment—is an act of commission.

Economists are not always careful in their descriptions of maltreatment, sometimes using the terms maltreatment and abuse interchangeably or not distinguishing among different types of abuse. Although all types of maltreatment are harmful, they have different causes and arise in different situations. An analysis or model for one type of maltreatment may not be appropriate for another.

Differences across states and changes within states over time in their legal definitions of abuse and neglect greatly complicate research, especially research based on administrative reports. For example, the Child Welfare Information Gateway's (2019) catalog of state laws indicates that eight states exclude threats of physical harm from their definitions of reportable abuse, and two states exclude emotional abuse. These differences reduce the comparability of data in cross-state research.

## Data

The National Data Archive on Child Abuse and Neglect (NDACAN), supported by the U.S. Children's Bureau, houses administrative and survey child maltreatment data for the United States. The data are the source of annual official reports in the United States, including the annual *Child Maltreatment* report (see, e.g., U.S. Children's Bureau, 2021). The data can also be used to examine trends, risk factors, and the impact of policy on child maltreatment. The administrative data include report-level details on maltreatment, when and by whom the report was made, who was involved, and the disposition. The survey data available through NDACAN follow up with children, youth, and families who have been involved with the child welfare system. This section describes these and other data, describes their benefits and limitations, and provides examples of uses.

A key NDACAN data resource is the National Child Abuse and Neglect Data System (NCANDS), which has been used in more than 200 studies. NCANDS is a federally-sponsored, national data collection system that contains details about every child-level report of maltreatment submitted to a state agency. States are not required to participate, but as of 2002, the majority have contributed data as their participation is tied to federal funding. Since 2012, all 50 states plus the District of Columbia and Puerto Rico have submitted data to NCANDS, meaning that NCANDS currently provides the universe of reported cases across states. NCANDS consists of two files: a state-level “agency” file that contains aggregate data on maltreatment reports that are made and services that are provided within a state and a report-level “child” file that contains information on each individual maltreatment report that was screened in by the state agency for either investigation or to receive a service. The agency file includes the total annual number of maltreatment reports, reports that are screened out, types of reports, agency staff, children and families receiving services, and other characteristics. The child file, which is available to researchers on a restricted basis, provides report-level details about the alleged maltreatment, including location, date, type of maltreatment, reporting personnel, perpetrator’s relationship, disposition, victims, and follow-up services. The child file also has measures that can be used as covariates and controls, including demographic information, household characteristics, and risk factors, such as alcohol and drug abuse, domestic violence, financial problems, inadequate housing, public assistance, and caregiver disability. In addition, the structure of the data allows children to be linked longitudinally, so researchers can examine multiple incidences of maltreatment.

NCANDS provides many advantages to researchers examining predictors of child maltreatment, the impact of policy on child maltreatment, and the reporting-to-substantiation process, and the data can be used many ways. For example, Paxson and Waldfogel (2002) used the National Center on Child Abuse and Neglect data, NCANDS’s predecessor, to investigate the impact of work and welfare on child maltreatment. More recently, Bullinger et al. (2021) used the data to investigate the connection between income mobility and child maltreatment; Prettyman (2021) examined how changes in the list of mandatory reporters impacts child maltreatment reporting, and Raissian and Bullinger (2017) analyzed the impact of minimum wage on child maltreatment.

One drawback of the NCANDS data is that there is tremendous heterogeneity in outcomes across states and over time, owing to different definitions of maltreatment, reporting tools and procedures (e.g., the introduction of telephone hotlines and web reporting), screening rules, and substantiation

processes. For example, the proportion of maltreatment cases that were substantiated in Georgia plummeted 63% from 2015 to 2019, while the proportion in Montana doubled over these years (U.S. Children's Bureau, 2021). These enormous shifts were mainly due to procedural changes rather than the underlying rates of maltreatment. Procedural heterogeneity makes it difficult to understand the trends in the true level of maltreatment across states and over time resulting from national-level shocks, such as a recession, and other policy responses.

Other drawbacks of the NCANDS data are that they have limited sets of controls, have few measures of subsequent child or family wellbeing outcomes, and lack identifiers that would allow them to be linked to other administrative data. As a result, there is no information about subsequent outcomes for involved children and youth, like their education or health, so these data are not a good source for examining the developmental consequences of maltreatment. Put another way, the data limit the ability of researchers to examine maltreatment as an explanatory variable.

States can fill this void by linking their own administrative data from different departments and sources, and Putnam-Hornstein et al. (2013) have described several promising opportunities. For example, in Michigan, Ryan et al. (2018) linked individual-level child maltreatment and education data to investigate the impact of maltreatment on cognitive achievement, and in California, Putnam-Hornstein et al. (2015) linked birth and Child Protective Services (CPS) records to investigate the prevalence of intergenerational maltreatment among teen mothers. Another advantage of state data is that they can be examined at smaller geographic levels than NCANDS data, which omits detailed geographies below the county level for confidentiality reasons. Many states, including California, Colorado, Georgia, Florida, Illinois, Indiana, Michigan, and New York, have made their administrative data available to researchers; however, confidentiality and data-sharing laws can limit access and use.

Another data resource at the NDACAN, the National Incidence Study (NIS), can be used to overcome the selectivity and reporting idiosyncrasies of the NCANDS. The NIS is a congressionally-mandated collaborative between child welfare agencies, hospitals, schools, and police departments across the country that includes reports from all these sources and more accurately captures the total incidence of child maltreatment. However, these data are only collected every five to ten years. Canada has a similar data source, the Canadian Incidence Study (Esposito et al., 2020).

Survey data provide a way to study child maltreatment with much richer sets of controls and outcomes. The NDACAN houses two surveys—the Longitudinal Studies on Child Abuse and Neglect and the National Survey of Child and Adolescent Well-Being—that use children who were involved with child welfare agencies as their sampling frames. Several other general-purpose household surveys ask information about child maltreatment or related behaviors. For example, the Fragile Families and Child Wellbeing Survey (Fragile Families) was designed to investigate how childbearing influences family formation, especially among unmarried and low-income parents, and the Child Development Supplements of the Panel Study of Income Dynamics were designed to study human and social capital formation in a general sample of children. Outside of the United States, Hillis et al. (2016) catalog population-based surveys that measure violence against children. Over 50 countries have surveys that provide estimates of exposure to violence, and eight countries have surveys that address recent experiences with violence.

General-purpose surveys are not subject to the same selection issues of administrative or administratively-derived data processing. Importantly, they therefore can be used to investigate the individual risks of being maltreated. However, survey information on maltreatment might be subject to misreporting, social desirability bias, and recall bias because they rely on parents self-reporting on their behaviors and disciplinary actions. In addition to legal and social incentives to misreport, respondents may simply misremember incidences or misinterpret meanings of abuse and neglect. Moreover, infants and young children are not capable of self-reporting. This is problematic because they appear to be at the highest risk of maltreatment (U.S. Children’s Bureau, 2021).

Another advantage of survey data is that they include questions beyond the incidence of child maltreatment, about family structure and relationships, for example. These rich data provide other covariates to examine causes and consequences of maltreatment. For example, Hamby et al. (2010) and Finkelhor et al. (2019) used the National Survey of Children’s Exposure to Violence (NatSCEV) to investigate the association between intimate partner violence and child maltreatment, and Fletcher and Schurer (2017) used the National Longitudinal Study of Adolescent to Adult Health (Add Health) to examine how adverse child experiences (including maltreatment) influence adulthood personality. However, often sample sizes in surveys are modest, ranging from 1,300 to 5,800 children. Add Health is the largest survey, with a sample size of 15,701 children surveyed in the waves that included questions about care and maltreatment by adults. In addition, few surveys have a complete set of questions that cover all dimensions of maltreatment or that directly cover

maltreatment. Usually, they just provide a few measures, often proxies for maltreatment, such as spanking. For example, Brooks-Gunn et al. (2013) used Fragile Families and showed that hardships brought on by the Great Recession were associated with increased spanking.

## Incidence of Child Maltreatment

Over 7 million children are referred to CPS each year in the United States, and the number of referrals has been increasing over time (U.S. Children's Bureau, 2021). The referral rates range from 17.1 referrals per 1,000 children in Hawaii to 171.6 in Vermont. There is considerable heterogeneity in the referral rate across states with no clear pattern. Of the children referred to CPS, just under half (44%) are involved in a report that gets investigated. The proportion of referrals that are screened out also varies considerably across states. For example, South Dakota screens out as many as 84% of their referrals, and Alabama screens out as few as 2%. The change in the victimization rate from 2015 to 2019 ranges from a decrease of 65% to an increase of 100% across states. Like the referral rate, there is no clear pattern; neighboring states and states of similar political affiliations have different trends.

Nationally, over 650,000 children are found to be victims of child maltreatment in the United States; 380,000 receive post-response services and 142,000 receive foster care services. Child maltreatment victimization has steadily declined over the last three decades from 12 victims per 1,000 children in 1990 to nine per 1,000 children in 2019 (Finkelhor et al., 2018; U.S. Children's Bureau, 2021). This decline is driven by declines in physical and sexual abuse, while neglect rates have persisted (Finkelhor et al., 2018). Bullinger et al. (2020) attribute this pattern to a lack of understanding the causal mechanisms of neglect. Despite considerable declines in abuse victimization, more than 1,500 children die each year from abuse and neglect. Child maltreatment is also a persistent problem world-wide. Gilbert et al. (2012) document the (lack of) progress that has been achieved in reducing child maltreatment across six developed countries.

## Conceptualizing Child Maltreatment

To conceptualize why child maltreatment occurs and under what circumstances, we first need to identify who is involved. Maltreatment necessarily involves one or more perpetrators and one or more victims. Conceptualizations would explain why perpetrators would act in this way, making characteristics of perpetrators relevant. Characteristics of the victim would also be relevant, as some children, such as infants, might be more vulnerable than others. We would further need to consider the relationship between the perpetrator and child. For maltreatment from caregivers, the perpetrator and victim would live together within a family or household which is situated within a community, institutional, economic, and social context. Thus, the conceptualization should include characteristics about relationship, family/household, and contexts.

Belsky (1980) developed an integrated conceptualization that incorporated all these elements. His model combined elements of developmental theories of the caregiver with ecological theories (e.g., Garbarino, 1977) that considered the interactions with the child, the family/household system, and the external environment at the community and broader levels. Human development models have further considered how the external environment acts through personal and family characteristics, such as parental inexperience, parental conflict, and child difficulties (e.g., Baumrind, 1994), and how family stresses work through these processes (e.g., Warren & Font, 2015). Models from developmental and family researchers tend to be comprehensive but stated without formal mathematics.

In contrast, economists have developed formal models of child maltreatment based on rational-choice principles. Their models have followed two general approaches. The first approach has focused on abuse (usually physical abuse) and modeled that abuse as an instrumental good—that is, as something that has direct or indirect value to the perpetrator. Markowitz and Grossman (1998) proposed a framework based on crime models in which caregivers have direct preferences over committing violence, and those preferences may be affected by alcohol consumption. Their framework does not explain why caregivers hold these preferences or carefully consider the behavior or reactions of the child. Akabayashi (2006) and Weinberg (2001) have addressed these shortcomings through principal-agent models in which parents value the development and behavior of their children and use corporal punishment as a disciplinary device, with child abuse being an extreme form of punishment. In these models, parents abuse children because they have unrealistically-high expectations

for them or because they lack the resources to provide monetary or other incentives to encourage wanted behaviors.

The second economic approach has been to analyze maltreatment through standard household production models of child “quality.” For example, Seiglie (2004) examined maltreatment through a child quality-quantity framework. In these models, child maltreatment results from low levels of household investment or is viewed as a low-quality outcome. This framing is consistent with some forms of neglect but not with abuse.

Neither economic approach addresses maltreatment as bad or incorrect parenting. Cobb-Clark et al. (2019) have recently developed a model that may be helpful. They extend the household production framework to incorporate goods, parental time, and parenting approaches, such as parental warmth and consistency, into production of child quality. They conjecture that parenting approaches require inputs of effort that are distinct from other time inputs and that low levels of resources or family stresses can interfere with parents’ ability to contribute that effort.

Another shortcoming of the economic models is that they consider maltreatment as instrumental and rational rather than as something that is expressive or that results from a loss of control. Card and Dahl (2011) found strong evidence for expressive family violence by studying the rates at which men physically abused their partners following unexpected losses by local professional football teams. They hypothesized that these unexpected losses could add to stress and create uncontrolled bursts of anger that resulted in violence. Their findings align with elements of the family stress approach.

## Risk Factors

Research has uncovered scores of characteristics that are associated with higher risks of children being maltreated. The Child Welfare Information Gateway (2022) categorizes the risk factors into six groups: parent or caregiver factors, child factors, family factors, community or environmental factors, factors for recurrence, and co-occurring factors. Unfortunately, the evidence regarding risk factors comes from many studies, which not only vary in their findings but also in their populations and samples, the types of maltreatment they examine, the risk factors they include as explanatory variables, and other methodological elements. To systematically evaluate these findings, Stith et al. (2009) conducted a meta-analysis of 155 comparison-group studies of child physical abuse and

neglect that included 39 potential risk factors. They uncovered statistically-distinguishable associations for nearly all the risk factors. When they considered the sizes of the associations, they found that parental anger or high reactivity, family conflict, and problems with family cohesion were especially strong risk factors for physical abuse and that poor parent–child relationships, parents who perceive their child as a problem, parental stress, parental anger or high reactivity, and parental self-esteem were especially strong risk factors for child neglect. Economic factors, such as parental unemployment and low socio-economic status, were moderately associated with physical abuse and neglect.

The National Research Council (2014) reviewed studies and more carefully considered the *quality* of the evidence regarding risk factors. They assessed that the evidence was strongest for three characteristics of parents: parental substance abuse, a history of being abused, and depression. They also assessed that evidence regarding the roles of family stresses and poverty was moderately strong. In a review focusing on economic determinants, Berger and Waldfogel (2011) similarly found that low levels of resources raised the risks of maltreatment and especially of child neglect. Their review pointed to evidence from observational studies but also to several social experiments that exogenously altered families' levels of public assistance and led to changes in maltreatment. Bullinger et al. (2021) have additionally discussed quasi-experimental evidence on income effects from United States studies that examined changes to the Earned Income Tax Credit and minimum wage regulations.

Baumrind (1994) reviewed evidence regarding the mechanisms of how economic circumstances and other aspects of families' social contexts can result in maltreatment. She described how low levels of resources increased stresses for families and increased household conflicts. Parents in these situations tended to rely on more harsh and less consistent parenting. Low resources were also associated with negative parental affect and negative attributions by parents regarding their children's behavior. In her analysis, family conflict, harsh and inconsistent parenting, parental affect, and parental attributions were proximate causes, and resources and the social context were more distal causes.

The evidence regarding causes of child maltreatment comes from observational data, and nearly all of it is developed through non-experimental designs. There are many potential risk factors for child maltreatment, and the relevant factors frequently co-occur. Datasets—particularly administrative sources—often lack direct measures of these factors. This leads researchers to substitute indirect proxy measures for the factors that are actually of interest, such as substituting

county or state economic conditions for a household's economic status. Even with adequate measures, the co-occurrence of factors makes it difficult to isolate one from the others. Additionally, many of the factors are endogenous. Thus, much more research is needed to establish causes. Social experiments involving public assistance and social service programs provide one tool for developing rigorous evidence, and natural experiments involving exogenous changes in policies provide another.

## Consequences

Similar methodological challenges affect efforts to determine the consequences of child maltreatment. Maltreatment is a behavioral outcome and tends to co-occur with many other conditions that have consequences for children's development. This complicates the analysis of maltreatment as a cause of other outcomes. Consequences in several domains may also appear long after maltreatment occurs, necessitating that longitudinal data be collected or developed.

Immediate and indisputable consequences of maltreatment include the physical injuries suffered by children, including fatal injuries. In fiscal year 2019, the U.S. Children's Bureau (2021) estimated that 1,840 American children died from abuse or neglect, or about 2.5 for every 100,000 children. Infants were at especially high risk with a fatality rate that was 10 times higher than other children. Among the children with non-fatal injuries, Peterson et al. (2018) reported that the average short-term medical cost was just over \$35,000 per victim.

Gilbert et al. (2009) evaluated research on other consequences of child maltreatment. Focusing on the studies in which maltreatment was reported or recorded prospectively, they concluded there is strong evidence that maltreatment increases post-traumatic stress disorder (PTSD), behavioral problems in childhood and adolescence, obesity, and criminal behavior. They also concluded that there is moderate evidence that child maltreatment lowers educational achievement and employment opportunities and increases depression, suicide attempts, and sex work. The National Research Council (2014) also concluded that there are consequences for physical health, psychological well-being, neurological development, relationship skills, and risky behaviors. They further found that the consequences are worse the longer children are maltreated.

Beyond the direct implications for children's well-being, Berger and Waldfogel (2011) have raised two additional economic arguments regarding why policymakers should address child maltreatment. The first argument is that maltreatment contributes to inequality. Maltreatment and its consequences are experienced by some children but not others, leading to an unequal distribution of the burden of maltreatment. Moreover, the higher incidence of maltreatment among children in households experiencing disadvantage, coupled with the educational and occupational consequences of maltreatment, likely contributes to intergenerational inequality. The second argument is that maltreatment reduces the efficiency and effectiveness of other social investments. Society invests substantial amounts in children's education and health care—investments that may be undermined or negated by maltreatment.

## Policies and Interventions

Economists around the world have become increasingly interested in the role mandatory reporters play in detecting child maltreatment (e.g., Fitzpatrick et al., 2020; Cabrera-Hernandez & Padilla-Romo, 2020). This interest was most likely spurred by the drastic decline in reporting during school closures and stay-at-home orders at the start of the COVID-19 pandemic and will undoubtedly persist with the release of the NCANDS 2020 data. Baron et al. (2020) and Prettyman (2021) used real-time data from Florida and Colorado, respectively, to predict the number of unreported allegations because of school closures, using counterfactual rates generated by previous years. Mandatory reporting legislation, such as universal reporting laws, training requirements, and lists of mandatory reporters, is relatively easy to implement and modify. However, there is limited conclusive research, and thus no consensus as to which policies are most effective. Prettyman (2021) investigated how changes in the list of mandatory reporters within a state over time impacted child maltreatment detection. She found modest impacts and provided potential explanations. Mathews and Kenny (2008) conducted a review of mandatory reporting legislation in Australia, Canada, and the United States. They found that mandatory reporting legislation increased the detection of maltreatment; however, it is unclear that this detection translated into improved child wellbeing. It is important to understand how maltreatment is detected, as detection is half of the puzzle in understanding the underlying incidence of child maltreatment.

A number of interventions have been developed to reduce the incidence of child maltreatment and to improve outcomes for children and in families where maltreatment has occurred. Many of these interventions have been subjected to rigorous experimental analyses, and several appear to be effective. The use of rigorous evidence was also codified into U.S. federal policy through the Family First Preservation Services Act (FFPSA) in 2018. The FFPSA is reforming the child welfare system by directing services towards keeping maltreated children with their families in situations where this is safe and appropriate, rather than being placed out-of-home. The FFPSA further requires that services it funds be shown to be effective, either through existing research evidence or through states conducting rigorous studies of their services. It mandated the creation of a repository, the Title IV-E Prevention Services Clearinghouse, that catalogs the research evidence for different interventions and assesses how well the evidence supports their effectiveness (Abt Associates, 2022).

Several skill-based home-visiting interventions for new and expecting parents have well-supported evidence for preventing child maltreatment. The Nurse-Family Partnership involves regular visits by trained nurses, who help with health practices, parenting skills, and other outcomes, from early pregnancy until the child reaches two years of age. Healthy Families America similarly provides regular visiting services but with trained staff that continue for three years. The Parents as Teachers program provides biweekly or monthly visits by parent educators who teach child development and parenting skills, with services that can last from before birth to entry into kindergarten. In addition to improving child safety, all three programs also appear to lead to better developmental outcomes and better parenting practices. Separately, Gubbels et al. (2019) conducted a meta-analysis of 51 studies of parenting programs that do not involve home-visiting. They concluded that the programs had modest effects in reducing child maltreatment and that the effects did not vary greatly with the duration of services, service setting, or delivery location.

Interventions for children who have already been maltreated need to be different from standard preventive and parenting-skills interventions. Rates of PTSD among maltreated children are very high: Pecora et al. (2009) estimated that the rates are near those of combat veterans. PTSD and other trauma-induced problems affect the ways that children interact with caregivers and their environment and necessitate alternative trauma-informed parenting and treatment approaches (U.S. Substance Abuse and Mental Health Services Administration, 2014), which are increasingly being incorporated into interventions. The Title IV-E Prevention Services Clearinghouse assesses that there is well-supported evidence that two trauma-informed interventions are effective in reducing the need for out-of-home

placements or helping placed children successfully reunite with their families. The Homebuilders - Intensive Family Preservation and Reunification Services program provides intensive in-home services over a short interval of four to six weeks to children who are at imminent risk of an out-of-home placement. During that interval, therapists provide assessments, cognitive and behavioral strategies, teaching, and other services; a therapist is also available on-call 24 hours a day. Intercept® similarly provides comprehensive, intensive services through a family intervention specialist over periods that range from four to nine months. The program also has on-call support 24 hours a day. More generally, Zhang et al. (2021) undertook a meta-analysis of 15 experimental or quasi-experimental impact studies of trauma-informed care interventions and concluded that the interventions had modest positive effects on child wellbeing.

## Summary

Child maltreatment is a prevalent and costly problem. Millions of children worldwide experience some form of parental maltreatment. Maltreatment has lasting consequences, including poor health, delinquency, lower educational attainment, and intergenerational perpetration of maltreatment. These consequences contribute to inequality and reduce the efficiency and effectiveness of other social investments, costing society trillions of dollars. Considerable work among scholars across disciplines has gone into understanding the risk factors of maltreatment and successful protective policies and interventions. As a result, child abuse has declined over the past three decades in the United States. However, neglect rates have persisted, and there is more work to be done.

This report examines child maltreatment through an economic lens, building on theoretical approaches for conceptualizing how different types of maltreatment occur. For example, early work proposed a principal-agent model with a utility maximization framework, which implies physical abuse provides “utility” to the perpetrator. As an opposition to this model, abuse can be modeled by a loss of control that arises from stress. Alternatively, neglect stems from a lack of resources and can be explained by a standard household production model with a child quality-quantity framework. Extensions to this model, such as parental time and parenting techniques, can be incorporated into the production of child quality, but these inputs can be impacted by low levels of resources. Understanding how different types of maltreatment arise is important because they have different policy implications. For example, criminal

charges for loving parents struggling to provide food and adequate shelter are unlikely to benefit the children. Alternatively, financial resources, like conditional cash transfers, might.

This report also provides researchers with an overview of available data sources, spotlighting the National Data Archive on Child Abuse and Neglect. Administrative data contain the universe of children that are reported to child welfare agencies and are used to examine trends, risk factors, and policy impacts on child maltreatment. In addition, these data can be used to understand the administrative processes that take place as a referral becomes a substantiated report. Researchers using these data should be mindful that the incidence of maltreatment is a function of actual maltreatment and the reporting process, which varies substantially across states. Alternatively, survey data provide self-reported accounts of maltreatment in addition to rich covariates. These data can be used to measure actual incidences of maltreatment and family-level risk factors. Longitudinal surveys and linked administrative data have the benefit of providing outcomes, such as educational attainment and criminal activity, which are advantageous in investigating the developmental consequences of maltreatment. Finally, this report reviews evidence on risk factors and promising interventions. Parent or caregiver factors, such as substance abuse, history of being abused, and depression, are the strongest predictors of child maltreatment, and family factors, such as poverty, are moderately strong predictors of child maltreatment. Two key components of promising interventions include regular, home visits and targeted, trauma-informed services.

Future research has two main directions for economists. First, Bullinger et al. (2020) call attention to the persistent neglect victimization rate and urge researchers to investigate mechanisms of neglect so that policy can be better informed. In general, more causal evidence is needed to better understand the incidence of maltreatment and effective policies. Some of the casual analyses are limited by the lack of available data, so longitudinal and linked data are needed. Second, in light of the COVID-19 pandemic—with stay-at-home orders and school closures and the increased awareness of racial inequalities, especially in the child welfare system—many researchers have started investigating the role mandatory reporters play in detecting child maltreatment. Mandatory reporter legislation will undoubtedly remain a focus for research, as the findings have policy-relevant and feasible implications. For example, modifying mandatory reporter and training requirements is relatively simple compared to subsidized, universal day care. Child welfare, with a particular focus on child maltreatment, is a growing body of research among economists. With increased diversity

in scholars, data, and approaches, we can address many of the shortcomings discussed in this report to ensure all children grow up in a safe and loving household.

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The Georgia Policy Labs is an interdisciplinary research center that drives policy and programmatic decisions that lift children, students, and families—especially those experiencing vulnerabilities. We produce evidence and actionable insights to realize the safety, capability, and economic security of every child, young adult, and family in Georgia by leveraging the power of data. We work alongside our school district and state agency partners to magnify their research capabilities and focus on their greatest areas of need. Our work reveals how policies and programs can be modified so that every child, student, and family can thrive.

Housed in the Andrew Young School of Policy Studies at Georgia State University, we have three components: the Metro Atlanta Policy Lab for Education (metro-Atlanta K-12 public education), the Child & Family Policy Lab (supporting children, families, and students through a cross-agency approach), and the Career & Technical Education Policy Exchange (a multi-state consortium exploring high-school based career and technical education).

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