SNAP’s Short- and Long-Term Benefits

OVERVIEW
The Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp Program, is the fundamental safety net for American families, lifting 5 million people out of poverty in 2014 (the most recent data available). With more and more families receiving benefits from programs like SNAP, IPR economist Diane Whitmore Schanzenbach is examining the program’s short- and long-term effects. She finds that SNAP improves birth outcomes and long-term health for recipients, and leads to better economic outcomes for women.

FINDINGS
Food stamps increase the ability of the poor to purchase food, and improve short-term health outcomes. This proves beneficial even before a child is born: Mothers who receive food stamps while pregnant have a reduced risk of having a low-birth weight infant. This is particularly true for African-American mothers and mothers living in high-poverty areas. The study (Almond, Hoynes, & Schanzenbach, 2011) is the first to show that although the program did not target pregnant mothers, the introduction of food stamps improved newborn health.

The health benefits of food stamps continue later in life. Individuals who had access to food stamps in early childhood have a lower risk of obesity, high blood pressure, heart disease, and diabetes as adults. These individuals are also more likely to report being in good health. The greatest lifelong gains from food stamps come when children benefit from them starting in utero up to age 5.

Food stamps provide economic benefits. Access to food stamps improved high school graduation rates by 18 percent. Furthermore, women who benefit from food stamps in early childhood are more economically self-sufficient as adults. These women are more likely to be a high school graduate, have a job, and have higher earnings. They are also less likely to participate in the Temporary Assistance for Needy Families (TANF) or food stamp programs.

However, there are modest reductions in employment and hours worked, as predicted by economic theory. Reductions in labor supply were larger for female-headed families, though it is worth noting that the study data were from the 1960s and 1970s. Both societal norms—such as marriage rates and women’s attachment to the labor force—and the broader landscape of the safety net have changed since then.

POLICY TAKEAWAYS
• Food stamps have short- and long-term positive impacts on health and economic outcomes.
• The benefits of food stamps are greatest for young children.
• Food stamps have modest employment disincentives.
The Food Stamp Program, now renamed SNAP, began as a pilot in eight impoverished counties in 1961, expanding to 43 counties in 1962–63, and then growing further with the Food Stamp Act of 1964. Schanzenbach and her colleagues use this gradual, county-by-county rollout as a natural experiment to examine the program’s effect on recipients up to 50 years later.

REFERENCES


FACTS AND FIGURES
- Food stamps lifted 5 million people out of poverty in 2014, putting the program behind only Social Security and the Earned Income Tax Credit in its antipoverty efforts.
- Food stamp benefits average about $126 per person per month, or $1.40 per meal.
- Over two-thirds of food-stamp households include children.
- More than 1 in 9 people received food stamps during the Great Recession.
- Food stamps are the only U.S. public assistance program available to all family types.

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