



The New Hope Project: Milwaukee

Increasing Employment and Earnings—and Reducing Poverty— by Making Work Available, Making Work Pay, and Providing Low- income Workers with Support

New Hope was an experimental program in Milwaukee that was designed by community activists, endorsed by the Milwaukee business community, and operated for three years in the mid-1990s. New Hope was rigorously evaluated by the Manpower Demonstration Research Corporation (MDRC), and the evidence shows that it had important benefits for low-income working families—not only in the form of higher earnings and lower poverty, but also improved health outcomes for the families as well as educational achievement and behavior improvement for their children.

Compared with those in the control group, New Hope participants' employment-based earnings over the three years rose nearly 5 percentage points more. Adults with one or two significant barriers to employment were the big winners. Compared with the control group, their employment rate was 9 percentage points higher and their annual earnings, \$2,500 greater—nearly 30 percent. Taking into account the employment-based earnings and the earnings supplements, poverty rates declined for New Hope participants. For participants with young children, poverty rates were 17 percentage points lower than the control group in the first year, 12 percentage points lower in the second and third years

For a fuller description of the New Hope Project:

- See an excellent [summary](#) of the project (on which the description above is based) by Hans Bos, Greg Duncan, Lisa Gennetian, and Heather D. Hill, entitled “New Hope: Fulfilling America’s Promise to ‘Make Work Pay,’” which the authors prepared for the Brookings Institution’s Hamilton Project (Policy Brief 2007-16, December 2007). A longer discussion paper and slide show can be found at the same [location](#).

- Read a full account of the project’s history and results by Greg Duncan, Aletha Huston and Thomas Weisner in “Higher Ground: New Hope for the Working Poor and Their Children” (Russell Sage Foundation, 2007).

- Check out the [evaluation](#) of the New Hope Project by MDRC, “New Hope for People with Low Incomes: Five-Year Results of a Program to Reduce Poverty and Reform Welfare,” issued in 2003. (Other MDRC [reports](#) on the set-up and preliminary results of the New Hope Project are also available.)