Consensus on redirection—Which direction?

by Joel F. Handler

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The new consensus

There seems to be a consensus today on what changes ought to be made in the Aid to Families with Dependent Children (AFDC) program. This consensus covers five broad themes: responsibility, work, family, education, and state discretion.

The ideology of entitlement is to be replaced by contract whereby recipients have an obligation to try to become self-sufficient in return for income support and services.

Work requirements are the major recommendation. Recipients will be required to participate in employment preparation (if needed) and job search, and must accept jobs. If the recipient is unable to find a job, she must accept a public job in return for benefits; this is the workfare part. As part of the package, recipients will be offered education, training, and job placement services. Day care and health insurance will be extended for a limited period of time to recipients who obtain jobs. It is claimed that probably the most important reason for the consensus on work is that our attitudes have changed—since most mothers of young children are now in the work force, it is only reasonable to expect welfare mothers also to work.

The family issues involve the feminization of poverty. There is a correlation between being on AFDC and problems related to health, mental health, schooling, employment, and subsequent family formation and welfare dependency. This has led to a growing concern about the creation and perpetuation of a more-or-less permanent underclass. While there is little agreement on how to deal with all the causes of the female household in poverty, most agree on strengthening child support mechanisms.

The old consensus

The reform consensus is tough, but it is deeply infused with rehabilitative overtones—responsibility, education, training, the moral values of work and independence, and trying to do something about changing the culture of poverty. Have we turned a corner in AFDC? Are we really going to enact a change that is both responsible and constructive, a program that is aimed at meeting the needs of women and children in poverty rather than the needs of the majority?

I doubt that we have changed our ways. A deep hostility to the female-headed household in poverty has always been present in American social welfare history, and the changes in AFDC over the past decades and especially those being promoted today reflect the reemergence of that hostility.

Social welfare programs reflect fundamental attitudes toward the category of poor to be served. If the category is considered deviant, then the program will be one of social control—it will seek to modify inappropriate behavior—and will look different from a program for the "deserving." All social welfare programs are both inclusive and exclusive. Whom they exclude, and why, may be even more important than whom they include. As we shall see, focusing on those who have been excluded from AFDC will reveal society's attitudes toward the female household in poverty.

Some social welfare programs are financed and administered entirely at the local level, some entirely at the federal level, and some in various combinations. What accounts for the difference is the social control functions of the program. Historically (still true today) the control of deviant behavior even for entry-level jobs. Educational failure also leads to welfare dependency. Accordingly, there are recommendations to improve the quality of public schools and to require teenage welfare mothers to continue their education.

Conservatives have always favored state control over welfare policy; liberals have sought federal power to curb harsh and discriminatory programs. According to Robert Reischauer, liberals are now more amenable to state discretion because conservative Southern states seem more willing to help the poor, and there is a growing agreement that education, training, and employment programs ought to be sensitive to local labor-market conditions.
is primarily a local matter. The moral issues, the dilemmas, the passions, and compassions that arise out of close contact with deviant behavior are most keenly felt at the local level. Communities care about enforcing their values. Welfare has always involved the great moral issues of work, moral redemption, and pauperism. It has overtones of vice, crime, delinquency, sex, and race. The more deviant those needing welfare are considered to be, the more local the program. The current workfare consensus—and the reason behind the "renewed" interest in state discretion—is that welfare recipients are increasingly viewed as a deviant population.

**Principles of work requirements**

There are three major, enduring principles of work requirements for the poor. The first is to make sure that those who can work will prefer work to welfare; the conditions of relief have to be made less desirable than those of the lowest paid work. The second is that the ability to work is an individual rather than a societal responsibility. With rare exceptions, the solutions to poverty are to be sought in individual behavioral changes rather than in structural, societal changes. The third is that failure to earn one's living is a moral failure that leads to other, even more serious forms of deviant behavior. Therefore, welfare policy has to be carefully engineered to avoid encouraging this form of behavior. Relief is to be given only to those who would not be tempted thereby to follow deviant paths.

The category of the potentially eligible—the able-bodied—was presumptively "undeserving" of public relief. This is not to say that all persons within the category were to be denied, since the relief of misery was also a goal, but welfare administrators had to pick and choose carefully as to who would be helped, how much help would be given, and under what conditions.6

**Application of the work requirement**

There are three aspects to the work requirement that have continuing importance. One is the test that is administered as part of the relief system. This is the determination of who will be expected to work for receipt of aid. But there is another work requirement that is often ignored. If we consider the category of potential applicants for relief, then a market work requirement is also imposed on those who are denied entry to the program, the unworthy poor. In fact, the market work requirement is much more common than the administrative work test, since most of the poor are not on welfare. A final aspect is that the administration of the work requirement is built upon a hostage theory: those who are truly needy are given relief under such conditions as to deter those capable of work.7

Historically, most poor children in families have been part of the undeserving. The vast majority of single mothers of these children survived as best they could, as most of the rest of the poor did. The mothers worked where they could, taking in laundry or boarders, doing domestic work, or whatever work they could find, and more important, their children worked. These families, as a category, were in no sense excused from work.

The situation of this category of the poor did not change with the enactment of the first mothers' pensions in 1911.9 Despite the political rhetoric, between that time and about 1960, when AFDC began to expand, the programs were small and basically restricted to white widows. The excluded families were still lumped with the mass of undeserving and subject to the market work test. But even recipients were not deserving. Most states had work tests that were enforced.9 The mothers' pension movement was not "a clear reversal of previous expectations that poor mothers should work."10

**The present era**

In the 1960s, AFDC took two contradictory paths. The program expanded rapidly. The basis for dependency widened to include the deserted and never-married, and the program became increasingly black. However, costs rose steadily and produced a counterrrend.

**WIN**

In 1967, Congress passed the first federal work requirement, the Work Incentive program (WIN). It was a carrot and stick approach—there would be both incentives to seek market work and a coercive, administered work test. Congress believed that welfare undermined family stability and work incentives, that jobs were available, but recipients had inappropriately high standards of what constituted acceptable work. The economy could absorb those able to work, and recipients could obtain jobs and leave the rolls.11

What happened after 1960 was that the formerly excluded part of the category of single parents now entered the program. Local administrators could no longer exclude the "undeserving" female-headed households, those always considered deviant and clearly obligated to work. WIN marked the start of the counterchange in AFDC, but not because attitudes toward mothers changed; rather, to reflect constant attitudes. In 1967 the program started its long process of reasserting social control.

Despite congressional assumptions, WIN failed. Most recipients were either excused from participation or otherwise deflected. Of those who got jobs through WIN, there is serious question whether the placements would have occurred anyway.12 The WIN work requirement was never effectively enforced. The budget was never adequate to handle the number of registrants. There were always more volunteers than available slots.13 The lack of resources, the wide discretion at the local level, and the unwillingness to enforce sanctions strongly suggest that the program served mainly symbolic functions. Local WIN offices faced too many obstacles beyond their control: labor market conditions, employment barriers for AFDC recipients, and lack of resources.14
Workfare

Faced with the failure of WIN to reduce dependency, the Reagan administration responded by toughening the work test. The administration sought, unsuccessfully, to mandate workfare. Congress refused, but in the compromise states were given authority to establish a variety of options including their own workfare programs. Federal funds for public service jobs and training were slashed. By 1985, thirty-seven states had implemented one or more of these options.15

GAIN

The California GAIN (Greater Avenues for Independence) program is an example of one state’s workfare program. First comes job search. The idea is that some recipients need only a little organized effort and they will find a job without education or training assistance. If a job is not found, the participant is assessed and a contract is written that specifies the reciprocal obligations of the county and the participant. The liberals view the contract as a form of empowerment; it will allow the recipients to play a responsible role in their future.16 It is also a centerpiece of the conservative approach, a reaction to the legal-entitlement ideology of the 1960s and 1970s.17

Contracts in social welfare settings are not a new idea. They exist in a wide variety of forms.18 How are these social contracts likely to work out in the current welfare reform? The county has a variety of enforcement mechanisms. If the participant does not perform, the county can impose sanctions. But what can the participant do? Suppose that the participant needs particular training to upgrade her skills but that training is not available and instead she is offered training for a lower-skilled job or a workfare slot? The participant has three options: she can accept what is offered; she can leave welfare; or she can invoke the formal grievance procedure. The grievance procedure, however, is not an effective remedy for most recipients.19 This means she has only two options—accept the conditions or leave welfare. What she cannot do is hold the county to its part of the bargain.

Two major constraints affect what the county will offer. One is substantive, and the other is administrative. Substantively, limited resources will be made available.20 Available resources will have a serious impact on the recruitment, assessment, and placement of the participants.

This tendency will be reinforced by the administrative constraint. The social contract was the social work strategy of the 1950s and 1960s. Then, social workers were expected to carefully assess clients and determine what services would be needed. This strategy never worked. In addition, Alvin Schorr notes how different human services departments have become since then: “Many human services departments cannot manage to answer the telephone, let alone conduct a civilized interview. They have been stripped of staff; the staff they have has been downgraded—some have only an eighth- or ninth-grade education; and they have been buffeted, blamed, and drowned in impossible regulations and requirements.”21 And whatever training these employees have, it is not in employment assessment. These understaffed, undertrained workers will be under severe pressure to process large numbers of participants—to make assessments, to get contracts signed, to move participants through the system. It is in this environment of scarce resources and severe administrative constraints that contract as empowerment and contract as moral obligation are supposed to take root. The reality is that recipients will be given a set of requirements. The only difference is that at the top of the page there will appear the word “contract” and at the bottom a place for the signature.

Whenever there is a surplus of applicants and discretion in the selection process, there is the likelihood that the staff will select those most likely to succeed, that is, those most likely to obtain unsubsidized employment, as distinguished from those in greatest need of education or training. GAIN tries to counteract this “creaming” by its priority system, which favors those who are likely to be longer-term welfare recipients. On the other hand, its performance standards for the training program provide that 30 percent of the “fixed unit price” for job training will be withheld until the participant not only has obtained an unsubsidized job but has also lasted in that job for 180 days. While the state is to be commended for trying to promote real long-term jobs, this particular incentive may be too high. It may deter trainers from participating or emphasize creaming. Faced with the lack of unsubsidized jobs, counselors will discourage participants from considering components with long waiting lists, and will attempt to channel them into the cheapest, most readily available positions—which brings us to workfare, or California’s Pre-Employment Program (PREP).

When all else fails—job search, education or training, additional job search—the participant enters workfare for a period of one year. This is a source of free labor for public and private nonprofit employers. Hours are computed on the basis of the state average for entry-level positions, currently slightly in excess of $5.00 per hour. The PREP participant is an employee as far as the task is concerned, but for nothing else. She does not qualify for social security, unemployment benefits, sick or vacation leave, and other aspects of employee status. There are sanctions for “failure to participate”; thus, work discipline is important.

What is the work experience in these workfare jobs likely to be? Some workfare jobs have been good: participants learn, they move on to regular jobs, and they value the experience. Others have been mindless, low-skill work, without any pretension of training. Such jobs are punitive in the sense that participants are forced to perform them as if it is their fault that no jobs exist in the economy for them after they have fulfilled all of the program’s requirements. In California, the workfare job does not have to be the one for which the participant was trained. Recipients may well be required to take workfare jobs that will not necessarily enhance their employability, even though they will have conscientiously
fulfilled all of the program's requirements. If there are no unsubsidized jobs available, they are stuck.

As part of the California compromise, the liberals extracted improvements in child care funding. What is supposed to distinguish GAIN from most other workfare and training programs is that it promises to pay market rates for child care and has appropriated significant amounts of money to do so—though not enough. When GAIN is fully implemented, it is estimated that $118 million per year will be spent on child care. This is based on a rate of $1.50 per hour to provide care for 50,000 to 90,000 school-age children of the mandatory participants.

GAIN's designers expect recipients to use relatives and other care exempt from state licensing laws. The administration refused to use the well-regarded child care programs currently run by the state Department of Education on the grounds that GAIN could provide cheaper "basic" child care rather than quality care. GAIN requires counties to "encourage" care by relatives. The real problem with day care will be the supply. No area has sufficient day care to meet the needs of GAIN participants once the program is fully implemented. For example, approximately 8,000 latch-key children will be receiving day care services under a separate appropriation, but the state estimated that between 620,000 and 815,000 children needed this service, and, as noted, GAIN will add between 50,000 and 90,000 children.

Sanctions apply to any failure to participate in GAIN. The sanction for the first infraction is money management for a period of three months; financial sanctions—cuts in the size of the grant—are used for second and subsequent infractions, initially for three months, then for six months. In a single-parent household, the adult portion of the grant is lost: For a typical family of three, in California, the grant would be reduced from $587 to $474. In a two-parent household, the grant is terminated.

For all infractions, participants can raise a "good cause" defense, but experience has shown that most recipients lack the ability to take advantage of legal protections.

The welfare reform bill

Increased work requirement

The Senate's "Family Welfare Reform Act of 1987" has bipartisan support. It covers a number of issues, but we are primarily concerned with its work requirements. A big change is lowering from 6 to 3 the ages of children whose parents are required to participate, where day care is guaranteed and the work is part time; in addition, the states could lower the age to 1 if the infant care did not exceed the dollar limits set by the statute.

The Reagan administration wants mandatory work requirements. It has proposed that unless at least 25 percent (75 percent after three years) of eligibles in each state are involved in a program (workfare, job search, or work supplementation), the state will face a financial penalty.

Space does not permit discussion of child support and education reforms. There are strong, nonwelfare reasons behind these moves. It is doubtful whether child support will do much for welfare recipients or reduce welfare costs; wages, court-ordered amounts, and collections seem to be declining. Some proposed education reforms may actually do harm. Increased competency standards and curriculum changes are to be made at the high school level. Educationally disadvantaged students—a category that includes AFDC children—are already too far behind to gain from these reforms and will be further discouraged from completing their schooling.

Increased state discretion

The Reagan administration has long been in favor of shifting responsibility to the states. It initially tried, but failed, to turn over to the states complete control of AFDC and food stamps. When its effort to require states to institute workfare also stalled, it encouraged the states to seek waivers, and by now most states have extensive permission to modify AFDC. In the meantime, federal funding for WIN declined by 70 percent from 1981 to 1987, forcing many states to replace the lost funding with state funds and to develop new programs. On the other hand, the federal government paid 50 percent of AFDC administrative costs. The states took advantage of the options.

The simultaneous reductions in federal funding and grants of more autonomy to the states mobilized local interest groups and, as anticipated, a significant number of states adopted workfare. States vary in their responses depending on their economic and political conditions. States with higher economic growth and lower unemployment tend to emphasize job placement, training, and supportive services, whereas economically depressed states tend to emphasize straight work relief.

Decentralization has further ramifications. Shifting responsibility to the states makes it more difficult to sustain national political action on behalf of the poor, to enforce the legal rights of the poor, and, by shifting costs, to sustain generous programs. Local communities will have a greater incentive to reduce costs by requiring work.

This shift in responsibility is strong evidence of our tendencies toward poor mothers and children. AFDC has always been substantially state and locally controlled, and the current waiver policy shifts the balance even more. The states lost on categorical eligibility—they can no longer exclude women on the basis of race or moral behavior—but slowly, over the years, they have been given the authority to regulate and, if necessary, exclude these people for a variety of other reasons. Increasing the work requirements for AFDC recipients and delegating administration to states make it clear that
poor mothers and their children are still part of the undeserving poor.

Now that the bulk of poor mothers and their children are AFDC recipients, that program is moving closer to General Relief—the historic male program—rather than toward the deserving poor programs. General Relief is extremely varied. There is no federal participation, and in many states, there is not even state-level participation and supervision. In some jurisdictions, there is no program at all. Benefits are minimal, usually for a short term, highly discretionary, and there is a tough work requirement. Most able-bodied are simply denied aid, except perhaps some temporary emergency assistance. Others are granted aid, but then subject to a stiff, stripped-down work relief test.\(^{31}\)

**Which direction?**

There are three likely paths for AFDC. The least likely is that the current consensus will be enacted and will work—that there will be sufficient energy, political will and patience, and resources to implement the programs at a reasonable sustained level, and there will be reasonable levels of unsubsidized employment in the general economy.

Robert Reischauer is doubtful that this will happen. First, while there is broad agreement on the major elements of the consensus, there is sharp disagreement on the details. Second is the fundamental problem of cost. In the short run, any kind of serious work and training program can be quite expensive, especially when day care and transportation are included. Given the present pressure on public budgets, costs will be a serious obstacle. Third, these kinds of people-changing programs are difficult to administer. The results of even the best of the work programs, ones that probably could not be replicated nationwide, show only modest success. In recessionary periods, there is little that work requirements can do to increase the employment and earnings of welfare recipients.\(^{32}\)

The second path is that the current consensus will resemble the history of the WIN program—the laws and regulations will remain on the books for symbolic reassurance; the overwhelming majority of recipients will somehow be deflected, and the bureaucrats will go on as before. Faced with reduced options because of declining funds, bureaucrats will either have to force recipients into unpleasant choices or impose sanctions. But imposing sanctions also involves costs. GAIN, for example, has a very complex sanction and hearing process, requiring a lot of paperwork and energy by the staff. The top has to believe that these costs are justified. The easier course of action for the staff would be to take the WIN route—declare the recipients “inappropriate for referral” or place them on hold.

The third alternative is the one that I foresee: the services and support, which were crucial to obtaining a consensus, will be reduced and then disappear—the governor of California has already reduced the GAIN appropriation request by about 20 percent—but the work requirements will remain and become more stringent. The administered work test will be simplified to a few alternatives. There is already pressure to require below-minimum-wage jobs. Work relief will spread as public agencies need more free labor. The sanctions will be strengthened and imposed more readily for infractions—for example, failure to perform the required number of job searches, or reporting late for work. This is where the real cost savings come in—the number of recipients that are off the rolls during the penalty period. In this sense, AFDC will become more like General Relief. There will be no pretense at skill enhancement or preparation for the general economy; rather, the administered work test will be used to apply the market requirement.

General Relief not only applies its tough work test to those on the rolls; it also denies entry to the able-bodied. AFDC may also be moving in this direction. One of the early signs was President Jimmy Carter’s stillborn Program for Better Jobs and Income. Carter proposed dividing AFDC recipients into those who were considered employable and those who were not. The former were to be given only one-half of the AFDC benefit; this would provide a sufficient incentive for them to choose work and training over welfare. To make that plan work, under a more liberal political climate, there had to be a guarantee of a job, and it was the expense of funding those jobs that sank the proposal.

Was this legislative division of AFDC mothers into the two categories—one of which was presumed to be able-bodied and therefore subject to a lower benefit—a straw in the wind? Will we eventually see large segments of poor mothers legislatively declared employable and then treated differently from those who are not employable? We are already seeing “employability” redefined by the requirement that women seek work when their children are under school age. WIN, and most current workfare programs, use age 6, but this cut-off excludes most welfare recipients. So the move is under way to lower the age of the children.

Garfinkel and McLanahan propose that AFDC be converted from a cash-relief into a work-relief program. Under their proposal, AFDC mothers would be legislatively assigned into employable and unemployable (disabled) categories. The former would receive a cash benefit for a limited period (they think two or three months would be a reasonable time), after which the grant would be cut off if they did not find a job.\(^{33}\) In fairness to Garfinkel and McLanahan, they make their proposal only on the condition that other income support is available and that jobs are guaranteed. But that’s the rub. Looking at the economic future, where are the resources for the income support and the guaranteed jobs?

Garfinkel and McLanahan arrive at their position from the standard liberal analysis—mothers in poverty were the deserving poor, but now that our attitudes toward working mothers have changed, poor mothers of young children should work. Under this conceptual framework, poor mothers are still considered to be in the same category as nonpoor mothers—at first excused from work, but now considered
employable with changing norms. The Reagan administration comes to the same position from an entirely different route. As I have argued, the dominant view is that the vast bulk of poor mothers were always considered undeserving, that is, subject to the market work requirement. Through liberal excesses, they were let into the AFDC program, but now that program must be changed to reflect its clientele and become more clearly a program for the undeserving poor. AFDC mothers must be subjected to a clear, simple, effective administered work test, or better still, a market work requirement. Under the conservative view, poor mothers were never, and are not now, the deserving poor.

The path that I foresee will not happen tomorrow. Social welfare policy is a complex process. There are many different voices seeking changes and directions. Much depends on the state of the economy. In good times, we seem to be more generous with the poor. In hard times, the calls for reducing welfare costs and enforcing the work ethic become more insistent. What I am impressed with are the durability of basic values toward the moral issues of work and welfare, and the lack of purchase that the lower social classes, the unfortunates and deviants, have on the larger society. The deinstitutionalization experience is a grim reminder. From the late 1950s until mid-1970, the liberals and conservatives united to remove the mentally ill from the institutions; this would save money, and we would provide humane treatment in the community. The coalition fell apart when the mentally ill came home, and community care never materialized. We are seeing another consensus now between liberals and conservatives. The conservatives will firmly place poor mothers in the employable category, and the liberals only have the promise of services and support. In time, the AFDC program will work itself pure again: a few of the clearly unemployed (the disabled) will be supported, and the rest will be back with the underserving poor, primarily subject to the market work requirement.

5Reischauer, “Welfare Reform.”
7Ibid., Chap. 1.
8See Winifred Bell, Aid to Dependent Children (New York: Columbia University Press, 1965), for a review of the period prior to 1935. The Social Security Act established Aid to Dependent Children (ADC), subsequently changed to AFDC, as a grant-in-aid to the various state programs, some of which were called mothers’ pensions or ADC.
9Ibid., pp. 15–19.
14Hasenfeld, “Welfare and Work.”
17Reischauer, “Welfare Reform.”
20In Los Angeles, 40 percent of mandatory participants do not speak English, and almost 80 percent have less than a high school education. Among the first 6,000 GAIN participants, 55 percent needed some form of remedial education before they could enter the labor market (Joshua Bernstein, Mark Greenberg, and Esther Epstein, “Comments on Proposed Los Angeles County GAIN Plan,” submitted at Public Hearing, Los Angeles, July 29, 1987). Los Angeles County responded by asking the state for $200 million for services and day care for only one-half of the participants. Yet the state is planning only $407 million for services and day care for the entire state.
23Ibid.
24When it comes to day care, however, a participant can refuse both offers before being penalized.
29Ibid.
30Ibid.
31In Los Angeles County, for example, the able-bodied are immediately handed work assignments, and failure to meet the requirements (such as reporting late) results in prompt 60-day suspensions, during which time there can be no reaplication for any aid. There are almost no appeals. The program is cost-effective in that roles are reduced.
33Garfinkel and McLanahan, Single Mothers and Their Children, p. 185.