



INSTITUTE *for*  
RESEARCH *on*  
POVERTY

UNIVERSITY OF WISCONSIN-MADISON

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# RESPONSES TO POVERTY: An Historical Overview

## Poverty 101

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# TITLES FOR TODAY'S TALK

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“An overview of anti-poverty themes”

or

“There really isn't anything new under the sun”

or

“The history of poverty policy in 10 minutes”

# PRE-HISTORICAL THEMES

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- Religious injunctions to help the poor
- Henrician and Elizabethan Poor Laws
  - Worthy vs. unworthy
  - Less eligibility
  - Personal and family responsibility
  - Community responsibility [warning out]

# 18<sup>th</sup> and 19<sup>th</sup> CENTURIES

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“Nothing-new-under-the-sun” category

Speenhamland plan [late 1700s], a wage-rate subsidy

American colonies tried everything, including tax abatement for the poor.

Poor Laws of 1832 — indoor vs. outdoor relief

Post-Civil War period

- Saving families [friendly visitors, fore runner of social work]
- Saving children – sending them off to the farm
- Saving communities – settlement houses

# EARLY 20<sup>TH</sup> CENTURY

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## Progressive Era:

Tax and workplace reforms

State welfare support for mothers... mothers' pensions

## New Deal

Keynesian stimulus policies

Federal assumption of some welfare programs

### **Tripartite approach:**

Worthy poor, more federal control e.g., social security

Unworthy, left to locals, e.g., general relief

Ambiguous, mixed e.g., ADC, then AFDC, and now TANF

# POST-WORLD WAR II: The 1940s and 1950s

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New Deal was NOT dismantled

Macro-economic tools improved

Slow expansion of programs for the worthy poor

Moralistic approach for the rest

- Man in the house, midnight raids, 'fit' parent criterion

# MODERN ERA: The 1960s

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## The War On Poverty

### Institutional Initiatives

- Community action
- Redistributing power

### Investment Initiatives

- Health
- Education
- Human capital

# INCOME TRANSFER SOLUTIONS: The early 1970s

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Negative Income Tax schemes

Welfare as an entitlement

Federalization of welfare for worthy poor.

Universal Food Stamps



# LABOR MARKET SOLUTIONS

## [mid 1970s to early 1980s]

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Wage rate subsidies [EITC]

Wage bill subsidies [NJTC & TJTC]

Job market linkages [Job Clubs]

Public service employment

Human capital enhancements [skills training]

# RETURN OF THE MORALISTS: The 1980s

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## The New Social Contract approach

- Learnfare
- Bridefare
- Workfare

Devolution or waiver-based solutions

Child support reforms

# STRUCTURAL REFORMS: The 1990s

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National Welfare Reform in 1996

End of cash welfare as an entitlement

Work replacements for welfare [W-2]

# POST WELFARE ERA: The 21<sup>st</sup> CENTURY

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From *'what does it do for the poor?'* to *'what does it do for the top tenth of 1 percent?'*

## New service models

- Coherent
- Holistic
- Preventative