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WELFARE AND WELFARE REFORM

Throughout U.S. history, efforts to aid the poor have been implemented by national, state, and local governments, as well as private charities. The funding of poverty relief efforts, and the government's role in such aid, has been a contentious political, social, and economic issue since the seventeenth century.

THROUGH THE NINETEENTH CENTURY

As implemented in the Colonies, poverty relief was geared toward providing aid to those who were unable to support themselves financially: the ill, the disabled, the elderly, orphans, and widows with small children. Colonies began to implement relief policies modeled on the British Elizabethan Poor Laws as early as 1642, when the Plymouth Colony adopted such provisions.

Relief efforts during the Colonial period were implemented at the local level, and residents would receive a small monetary allowance for providing aid to the poor. Often, each family would provide care for a destitute person or family for a portion of a year. While this system was effective for helping those already residing in the Colonies, it was more difficult for strangers to the Colonial towns to receive aid. When Colonies implemented residency requirements to receive aid, this difficulty was institutionalized. These requirements were particularly problematic as the number of immigrants to the Colonies continued to increase and employment was often seasonal. Despite attempts to limit the number of aid recipients, public relief efforts strained municipal tax bases and required supplemental funding by private groups. Religious institutions were central to local efforts to aid the poor, and by the late seventeenth century, private relief organizations had been established throughout the Colonies. In 1657 the Scots Charitable Society was established in Boston, providing a model for other ethnoreligious organizations founded throughout the Colonies in the late 1600s.

During the American Revolution, the need for assistance for the poor increased with wartime economic disruption and became too great a financial and administrative burden for localities and private organizations to bear; the Colonies, therefore, established state-run committees on the poor. Such committees emphasized the resettlement of individuals displaced by the Revolution. Soon, however, these agencies were providing services for the blind, deaf, and mentally ill as well. The spread of urbanization and industrialization after the Revolution led to increasing levels of poverty among families and individuals. As the monetary burdens of relief grew, state and local policymakers increasingly disdained the concept of public relief, and the public's commitment to providing monetary and social service aid to the poor declined.

In 1824 the New York State Legislature enacted the County Poorhouse Act, calling for a poorhouse to be erected in each county in the state. This form of "indoor" poverty relief became the prevailing trend during the early nineteenth century. If the poor were to receive publicly funded aid, they would be housed in poorhouses, allowing their behavior to be monitored. Charities and privately funded poorhouses were also widespread during this time. As the number of privately funded charitable organizations grew, philanthropists became concerned with the lack of coordination among local poorhouses, soup kitchens, and free lodging houses.

In 1877, the Rev. Stephen Humphreys established a coordinating Charity Organization in Buffalo, New York. The need for coordinating agencies was considered great, and by the 1900s they were present in most metropolitan areas. The organizations determined individuals' need for relief by sending investigators to interview potential aid recipients. The representatives of the organizations largely sought to limit the amount of aid an individual would receive and advise potential recipients on how they could get themselves out of poverty. These organizations were

CHRONOLOGY

- 1657** Scots Charitable Society is established in Boston, Massachusetts; it becomes a model for other ethnoreligious charities.
- 1775–81** American Revolution causes economic disruptions, overwhelming existing private charities and forcing new states to establish government-run poor relief.
- 1824** New York State Legislature enacted the County Poorhouse Act, calling for a poorhouse to be erected in each county in the state.
- 1877** First Charity Organization is established in Buffalo, New York.
- 1889** Jane Addams establishes Hull-House in Chicago, Illinois, to help impoverished immigrants adjust economically and culturally.
- 1909** President Theodore Roosevelt holds a White Conference on Dependent Children; based on the conference, the administration recommends the creation of an agency to study the needs of indigent children and the government's role in poverty relief.
- 1911** First widows' pension law passed in Missouri, providing cash assistance from the state to women with dependent children.
- 1912** Congress establishes the U.S. Children's Bureau, a result of the 1909 White House Conference on Dependent Children.
- 1931** First unemployment insurance legislation passed in New York.
- 1935** President Franklin D. Roosevelt commissions the Committee on Economic Security to look into ways to prevent poverty through government programs; Congress passes the Social Security Act, establishing the Aid to Dependent Children (ADC) program.
- 1962** Based on President John F. Kennedy's recommendations, Congress passes the Public Welfare Amendments, replacing the ADC program with the Aid to Families with Dependent Children (AFDC) program.
- 1964** Congress passes the Economic Opportunity Act (EOA) as part of President Lyndon Johnson's War on Poverty.
- 1967** Congress amends the EOA, cutting benefits and freezing program expansion.
- 1971** The House of Representatives passes President Richard Nixon's proposed Family Assistance Plan, which would implement a guaranteed income to all poor Americans; the measure fails in the Senate.
- 1978** President Jimmy Carter proposes the Better Jobs and Income Program, similar to Nixon's Family Assistance Plan; it too fails to gain congressional approval.
- 1988** Congress passes the Family Support Act, strengthening financial support for child care and implementing further work and training requirements for recipients.
- 1996** Congress passes the Personal Responsibility and Work Opportunity Reconciliation Act, replacing the Aid to Families with Dependent Children program with the Temporary Assistance to Needy Families (TANF) program.
- 1999** Federal government issues final guidelines on TANF implementation.
- 2003** Policymakers debate increasing work requirements under TANF, as well as the levels of funding for the Child Care and Development Block Grant; but Congress cannot decide on measures and holds off making a decision until after 2004 elections.

controversial because of their conservative estimates of appropriate levels of aid for the indigent. Despite the criticisms levied against them, the Charity Organization's conception of the poor as not necessarily deserving of aid and needing investigation was popular at the time. The organization's conservatism

declined as the investigators came to realize that poverty was not simply a moral problem. As the structural barriers to economic advancement became clear to caseworkers, organizations began to understand the necessity of providing relief to the indigent.

During the same period that charity organizations

Table 1. Aid to Families with Dependent Children and Temporary Assistance to Needy Family Recipients, 1970–2002
(in thousands)

Year	Total recipients	Child recipients	Recipients as % of total population	Recipients as % of poverty population	Child recipients as % of total child population	Child recipients as % of children in poverty
1970	8,303	6,104	4.1	32.7	8.8	58.5
1975	11,131	7,928	5.2	43.0	11.8	71.4
1980	10,599	7,295	4.7	36.2	11.4	63.2
1985	10,672	7,073	4.5	32.3	11.3	54.4
1990	11,497	7,781	4.6	34.2	12.1	57.9
1995	13,241	9,013	5.0	36.4	13.0	61.5
1996	12,156	8,355	4.5	33.3	11.9	57.8
1997	10,224	7,340	3.7	28.7	10.4	52.0
1998	8,215	5,781	3.0	23.8	8.1	42.9
1999	6,709	4,836	2.4	20.5	6.7	39.4
2000	6,043	4,406	2.1	19.1	6.1	38.0
2001	5,633	4,138	2.0	17.1	5.7	35.3
2002	5,529	4,048	1.9	16.0	5.6	33.4

Source: *Indicators of Welfare Dependence: Annual Report to Congress, 2004*, Office of the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services.

By the early 1990s, policymakers of both political parties focused their attention on the problem of welfare recipients considered dependent on government assistance. While most welfare recipients had been receiving aid for less than 2 years, some had been receiving benefits for over 8 years. As the number of welfare recipients increased throughout the 1980s and 1990s, legislators became concerned with the burden of welfare programs on the states. Additionally, the morality of welfare recipients became a concern for many legislators. Republican lawmakers of the so-called new right argued that AFDC encouraged women to have children for the purpose of receiving increased levels of assistance.

Welfare reform became a priority for policymakers, and in 1992, Democratic presidential candidate Bill Clinton campaigned on a promise to “end welfare as we know it.” When the Republicans gained control of the House of Representatives in 1994, they promised to implement their *Contract with America* within their first hundred days in office. Plank 3 of this ten-point program stated: “The government should encourage people to work, not to have children out of wedlock.” The focus on morality implied by this position was hardly new, but it did gain new prominence during the 1990s. Congress began considering welfare reform legislation in 1995, and the White House and Capitol Hill fought doggedly over specific provisions—most notably which programs would be included in block grants to the states. Finally, in August 1996, Congress

passed and the president signed into law the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). Clinton’s 1992 promise to “end welfare as we know it” required him to focus on welfare reform, and, like President Reagan, eventually to sign a bill that included provisions the administration opposed. With a sense of urgency to reform welfare, opponents of the legislation were willing to compromise. The not on that the system must be reformed trumped concern about specific provisions.

Politicians, political analysts, interest groups, and the media agreed that the PRWORA included the most sweeping reforms in the history of welfare in the United States. The effort to pass welfare reform legislation was bipartisan, and the differences between the parties arose based on specific requirements in the legislation. The PRWORA replaced the AFDC program with the Temporary Assistance to Needy Families program (TANF). Provisions in the legislation included time limits and work requirements, as well as an increase in the child care and development block grant, which funds child care for low-income individuals. The emphasis on time limits and work requirements grew out of the legislators’ concerns over the recipients’ dependency on the welfare system and the work ethic of the poor. Policymakers debated increasing work requirements and the levels of funding for the Child Care and Development Block Grant during the TANF program’s reauthorization in 2002 and 2003.

Because the federal government did not issue final guidelines on TANF implementation until 1999, the effects of the program on welfare recipients are difficult to measure. It is unclear, for example, whether time limits for receiving welfare have substantially decreased the number of families getting aid. Many families are just reaching their time limit for assistance, depending on the state in which they live. The PRWORA also sought to decrease nonmarital pregnancies and encourage marriage and two-parent households. Although nonmarital birth rates fell in the 1990s and the number of children living in two-parent households rose, it is unclear whether TANF programs contributed to these changes.

During the debates surrounding TANF implementation, policymakers made it a priority to decrease the number of families receiving assistance, end welfare dependency, and increase employment opportunity for former recipients. According to TANF caseload numbers, it appears that the first two goals have been met. The number of families receiving assistance has decreased by more than 50 percent. Although the number of families receiving cash assistance has declined, the TANF program also provides work supports and other services to families who are not counted in the caseload statistics. Thus, it is unclear how many families currently benefit from the federal aid program. While some policymakers argue that the federal block grant to states should be decreased because the number of recipients has declined, others argue that funding levels should not be reduced without consideration of the number of families benefiting from TANF-funded programs, such as child care, transportation assistance, and job training.

Approximately 60 percent of those who have left the TANF rolls have found employment. According to the Center for Law and Social Policy, former recipients generally earn between \$6 and \$8.50 per hour at their jobs. It remains unclear whether the new welfare reform law has actually decreased poverty, however, since many individuals earning minimum wage remain poor. Of the remaining 40 percent of former TANF recipients, many were denied benefits because they did not comply with state-imposed requirements for assistance, such as employment. Strict work requirements make it difficult for those who face obstacles to employment—such as the disabled, victims of domestic violence, and individuals with low literacy and skill levels—to receive assistance. It appears that policymakers have achieved

their goal of increasing employment among welfare recipients, but the program's effect on the levels of poverty among former recipients remains unclear.

CONCLUSION

Throughout the history of welfare reform legislation in America, few interest groups have advocated on behalf of adult welfare recipients. Since the activism surrounding the Family Assistance Plan, the groups involved in welfare reform battles have primarily been representative of intergovernmental interests. National grassroots organizations, such as the Arkansas Community Organizations for Reform Now (ACORN), founded in 1970, continue to advocate on behalf of welfare recipients. However, no national group devoted solely to the interests of welfare recipients has existed since the early 1970s. Groups such as the National Governors' Association, the American Public Welfare Association, and the National Conference of State Legislatures have been involved in welfare reform attempts. During the debates on the PRWORA, such organizations were joined by research and advocacy groups, such as the Center on Budget and Policy Priorities, the Center for Law and Social Policy, and the Children's Defense Fund. During the 1990s, conservative organizations emphasizing the importance of family values became involved in welfare reform politics. Groups such as the Christian Coalition, the Family Research Council, and the Eagle Forum argued that the welfare system encouraged women to have children outside of marriage. Welfare reform continues to be a highly controversial and complex issue, gaining the constant attention of policymakers, advocates, and the media.

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WEB SITES

- Arkansas Community Organizations for Reform Now (ACORN):** www.acorn.org
- Brookings Institution:** www.brookings.edu
- Center for Law and Social Policy:** www.clasp.org
- Child Welfare League of America:** www.cwla.org
- Children's Defense Fund:** www.childrensdefense.org
- Grassroots Organizing for Welfare Leadership:** www.ctwo.org/growl
- Urban Institute:** www.urban.org
- U.S. Department of Labor, Employment and Training Administration:** www.doleta.gov
- Welfare Information Network:** www.financeprojectinfo.org/TANF

GLOSSARY

Aid to Dependent Children (ADC). Passed as part of the 1935 Social Security Act, a federal program to provide aid to impoverished widows and children, but not to unmarried women and their children.

Aid to Families with Dependent Children (AFDC). An expanded version of the Aid to Dependent Children that offered more aid to single and unmarried women and their children.