A Brief History of Work Expectations for Welfare Mothers

Susan W. Blank
Barbara B. Blum

Abstract

The best known of the nation’s welfare programs, Aid to Families with Dependent Children (AFDC), has from its inception reflected a tension between the desire to support children in poor, lone-parent families and the belief that parents should be held responsible for providing for themselves and their children. Against that backdrop, this article reviews the history of the AFDC program and traces the emergence of policies and programs intended to encourage employment of the parents (almost exclusively mothers) who receive benefits. The article examines in detail the Work Incentive Program (WIN) launched in 1967 and the Family Support Act of 1988, comparing these to each other and to the outlines of welfare reform signed into law in 1996. The article emphasizes the importance of sustained attention to the implementation of policy goals in concrete programs and shows that the merits of those early programs have not been fully tested because they were never funded or implemented at the scale intended. The article also outlines ways in which welfare-to-work programs can be used to assist children as well as parents, and urges that children’s well-being remain the core purpose of welfare policy.

The main purpose of this country’s public assistance system is to ensure basic income support for poor children. Debate about the system has been long-lasting and contentious, in part because provision of this support for children has often seemed impossible without also affecting the lives of their parents. Throughout much of the time the system has operated, strong doubts have been raised about whether its benefits to children work at cross-purposes with society’s expectations of how parents should behave. One set of questions has centered on whether the system encourages family dissolution and out-of-wedlock births (which themselves can pose risks to children). A second set of questions, more central to the topic of this paper, asks whether the support undermines parents’ work ethic.

This article traces the history of efforts to reconcile the desire to provide basic assistance to children with the perception that cash welfare discour-
ages parents from working. That history has seen a program that was
designed to help widows and abandoned wives stay home with their chil-
dren subsequently transformed by policies mandating that parents take part
in job training and employment programs in exchange for their benefits.
The article examines the translation of these mandates into practice, ques-
tioning whether adequate attention has been paid to the funding, opera-
tion, and management of welfare-to-work programs.

Maintaining a focus on children, the article also touches on another
theme. Welfare-to-work programs are intended to resolve the tension
between helping children and demanding parental responsibility. By requir-
ing mothers to work or attend training, these programs also necessitate deci-
sions about whether and how children will be cared for outside the home.
These programs face the challenge of encouraging parents to work in a way
that will not expose children to harm (in poor-quality child care, for
instance). A few innovative welfare agencies, briefly mentioned here, have
turned this challenge into an opportunity to meet family needs by both pro-
moting employment and supporting children’s health and development,
but they are the minority.

The article opens with an overview of the early history of the Aid to
Families with Dependent Children (AFDC) program. The next section con-
siders how that basic cash assistance program was supplemented with efforts
to establish welfare-to-work programs for recipients. Following is a brief dis-
cussion of programs that emphasize not employment but income transfers to
poor families. The fourth section focuses on the Family Support Act of 1988,
which until the welfare reform legislation signed in 1996 was the most recent
federal law designed to engage welfare recipients in work-related activities.
The article concludes with a discussion of the directions welfare-to-work poli-
cies appear likely to take as the Personal Responsibility and Work Opportunity
Reconciliation Act of 1996 replaces the Family Support Act with a new set of
policies and assumptions about how to structure the welfare system.

**Early History of AFDC**

When future historians review the evolution
of U.S. income-support policies, they may
well treat the 60 years between 1935 and
1995 as one discrete era. The year 1995 was
marked by a major challenge to the federal
government’s role in guaranteeing income
support for low-income families. That role
began in 1935 when AFDC—then called
ADC (Aid to Dependent Children)—was
enacted into law. A modest initiative under
the new Social Security Act, ADC provided a
subsidy to families with fathers who were
deceased, absent, or unable to work. While
the law was not limited to families headed
by widows, it was viewed as a means of
extending help to these families, who had
had the misfortune to lose a breadwinner
and who, it was widely believed, should not be
forced to rely on the paid work of a mother,
who belonged at home. ADC was to give children “assistance at least great enough to provide, when added to the income of the family, a reasonable subsistence compatible with decency and health.” The original legislation set ceilings on assistance levels: In contrast to the $30 monthly then provided to elderly individuals, the maximums were $18 a month for the first child and $12 for the second.

The 1935 Social Security Act, however, was not the first government income support provided to poor children in the United States. In most cases, ADC added federal aid to state mothers’ pension programs, which were already assisting “deserving” poor lone mothers. Several features of the new ADC program kept states from abandoning their efforts following the passage of the Social Security Act. Federal ADC aid was contingent on state contributions, and states were given considerable discretion to determine ADC eligibility and grant levels. For example, a state could continue to require that only children living in so-called “suitable homes” could receive assistance. Until they were struck down in 1960, these requirements were used to exclude “undesirable” families from aid, particularly children of never-married or African-American mothers.

Although the ADC subsidy was originally intended to allow mothers to stay at home to care for their children, a series of cultural, demographic, and policy shifts related to marriage, poverty, and women’s employment began to undermine public support for that goal. Concerns about whether the ADC subsidy inadvertently encouraged unwed motherhood arose early on in some states. From a federal perspective, these concerns were short-circuited by the perception that ADC was a program for families headed by widows. In 1939, however, Survivors Benefits were added to the mainstream Social Security program that separately aided widows—the most “deserving” of mothers—and left the ADC program to serve a caseload of apparently less deserving single mothers.

The impact of this policy shift on the image of the ADC program was reinforced by changes in the nation’s marriage patterns, as rates of divorce and unwed childbearing began to rise. As early as 1942, the proportion of ADC families in which the mother was divorced, separated, or not married was roughly equal to that headed by widows. To limit the program’s support of this politically unpopular group, at least 19 states moved in the 1950s to exclude children from the program on the basis of their birth status, typically denying eligibility to any child born to an unwed mother after she began receiving the subsidy.

Another demographic change focused attention on the dilemma concerning mothers’ work and child care that has also attracted recent attention (see the article by Kisker and Ross in this journal issue). Large numbers of U.S. mothers began to enter the paid workforce during World War II, and many placed their children in child care programs. As this trend escalated through the 1950s and 1960s, it began to alter public assumptions about women’s work, child care, and the merits of helping poor mothers stay home with their children.

In the 1960s simmering concerns about ADC began to boil over into national public policy debates. Intensified criticisms of the program coincided with a sharp increase in its size: Between 1960 and 1970, its caseload almost doubled. This growth partly stemmed from the effects of a 20-year migration from the rural South to northern cities that brought millions of Americans (especially African Americans) to cities to seek work just as the urban need for unskilled labor began to decline. These migrants and others were helped to gain access to ADC benefits by the court-ordered cessation of discriminatory state regulations like the “suitable homes” rules, by the influence of a growing welfare rights movement, and by welfare officials and social workers who encouraged the poor to take advantage of public assistance. Together with the changes in divorce and out-of-wedlock childbearing, these factors expanded the size of the welfare population.
In response to these growing caseloads and cultural and demographic changes, the ADC program was modified in the 1960s. Partly reflecting concern that the program’s benefits and eligibility rules discouraged marriage, the program was renamed AFDC—Aid to Families with Dependent Children—in 1962. By 1967, federal law required state efforts to establish paternity for AFDC children and allowed aid to go to unemployed male parents with a work history. Although small, these changes were the first in a series of federal realignments of the program aimed at better resolution of the dilemma of assisting children while stressing parental responsibility. Nevertheless, until the late 1960s, mothers were not expected to work outside the home in order to “deserve” benefits.


Propelled by the demographic and cultural changes discussed above, Congress moved away from the principle of providing support to enable mothers to stay at home, toward the theory that adults who received welfare benefits should make good-faith efforts to become economically self-sufficient. The Work Incentive Program (WIN), created in 1967, for the first time required states to establish employment and training programs for welfare recipients. These programs provided a mix of services, including job training, education, and structured job search—in which recipients carry out and report back on efforts to find work. Some WIN programs also used so-called work experience components, putting participants to work at public service agencies.

Originally WIN was voluntary, but in 1971 the federal government mandated participation for welfare recipients with no special responsibilities at home or no preschool-age children (this latter provision meant that mothers were allowed to remain at home until their children entered elementary school). However, as would often be the case for federal welfare-to-work programs, limited resources permitted only partial translation of the mandate into practice. With a peak funding level of $395 million in FY 1980, WIN provided on average about $250 to serve each potential registrant. Operating the WIN employment and training programs cost welfare agencies more than issuing monthly benefit checks, so WIN became little more than a registration requirement for many recipients. The fact that mandating employment and training activities in exchange for benefits—and actually providing these activities—demands more resources than simply providing benefits has frustrated proponents of mandatory approaches ever since.

Administratively, WIN’s combination of employment preparation with welfare created uncertainty about whether management responsibility for welfare-to-work programs should rest with the welfare system or the employment system. At both the federal and state levels, authority over WIN was divided between employment services departments that focused on work-related activities for welfare recipients, and social service departments that brokered support services such as child care to the same individuals. These cumbersome arrangements made WIN difficult to administer and awkward for families.

Between 1979 and 1986, federal funding for WIN declined by a precipitous 41%, but state welfare-to-work programs gained new prominence. The heightening of visibility began with the passage of the Omnibus Budget Reconciliation Act (OBRA) of 1981. The legislation handed states some authority to reshape their individual WIN programs. For example, OBRA sharpened the definition of WIN work experience, under which recipients performed unpaid work in public agencies. Under the new rules, the number of hours participants were required to work was calculated by dividing the welfare grant amount by the minimum wage, arguably establishing a closer link between the welfare grant and the work obligation. OBRA also allowed states to use the recipient’s grant funds to subsidize on-the-job training with a public or private employer.

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States were also permitted to centralize program management under the sole authority of either their welfare or employment services agency. By 1986, at least half of the states had adopted single-agency management. Vesting responsibility for welfare-to-work initiatives clearly in one agency gave managers an impetus to pay attention to the structure and operation of welfare-to-work programs, which also became more visible to the public. Some programs became signature initiatives for welfare commissioners or governors, and some such as Greater Avenues for Independence (GAIN) in California and Employment and Training Choices (ET) in Massachusetts attracted national media attention.

The visibility of these programs was further heightened when the private nonprofit Manpower Demonstration Research Corporation (MDRC) undertook a research demonstration to study eight programs that had been reorganized under OBRA. The demonstration relied heavily on experimental design, marking the first major effort to bring state welfare-to-work programs under this kind of scrutiny. The eight states studied varied in the mixture and sequencing of their welfare-to-work services, although most emphasized low-cost structured job search. Early results reported in 1986 indicated that although the gains were not dramatic, work-focused programs for welfare recipients could increase employment and be cost-effective (see the article by Nightingale and Holcomb in this journal issue). Wide dissemination of these research findings further helped to publicize new state activism on welfare-to-work issues.

Despite the increased interest in welfare-to-work programs during the early and mid-1980s, welfare reform was not a major topic on the national policy agenda. The main national change in this area was a benefit reduction enacted shortly after President Reagan took office. Thus, it was somewhat unexpected when President Reagan’s 1986 State of the Union address called for a study of how the welfare system could be changed. The administration’s specific proposals attracted little support, but the President’s endorsement of reform prompted the creation of influential welfare reform task forces at the American Public Welfare Association (APWA) and the National Governors’ Association. These initiatives, in turn, fed a new wave of reform that culminated in the Family Support Act of 1988.

The APWA recommendations, published as a report called One Child in Four, were noteworthy for insisting on the centrality of children’s well-being to welfare reform. In the 1970s and early 1980s, welfare reform discussions had focused mainly on parents’ work efforts. By linking recommendations on welfare-to-work policies back to concerns about children, APWA was able to make something of a breakthrough in the way the topic was framed in national debates, at least at the time. Keeping a focus on children in welfare reform discussions has proved to be an ongoing challenge.

**Efforts to Supplement Family Income**

Running parallel with efforts to increase the work effort of welfare recipients, federal policymakers have, since the 1960s, attempted to alleviate family poverty by supplementing income through less restrictive methods than the AFDC program. Examples include the negative income tax, the Earned Income Tax Credit (EITC), child support assurance, and the Food Stamp Program. The tension discussed earlier between support for the poor and an emphasis on self-reliance affected the political fates of these initiatives, as well.

For example, Presidents Nixon and Carter unsuccessfully put forward negative income tax proposals that would have replaced the welfare system with small income guarantees that did not depend on family structure. Liberals criticized the proposals for providing too little income to families, while conservatives were concerned that any guaranteed income proposal would weaken the work ethic by widening the pool of families eligible for the subsidy. A tax-based program that proved to be far more popular among liberals and conservatives was
the Earned Income Tax Credit. First enacted in 1975 and significantly expanded in the 1980s and 1990s, the EITC provides refundable offsets to income taxes for low-income workers with dependents, operating alongside AFDC as a response to family poverty. Along with initiatives promoting employment, these and related efforts to identify less stigmatizing ways of delivering on the AFDC promise to support poor children have shaped the recent history of welfare reform.

The Family Support Act

By 1987, Congress was ready to take up the issue of welfare reform, passing in the next year the Family Support Act (FSA). The law called upon states to operate programs that would be successors to WIN. These were generically known as Job Opportunities and Basic Skills (JOBS) Training Programs and were to provide education and training services and at least two of four additional activities—job search, on-the-job training, work supplementation, and community work experience. If services (including child care) could be made available to them, all AFDC recipients who were not specifically exempted were obliged to participate in welfare-to-work activities or face financial sanctions. In practice, however, states have lacked the resources to offer services to all who are eligible for them.

Federal funding for JOBS programs was available under a “capped entitlement” system; from 1991 to 1993, states could claim up to a total of $1 billion annually as reimbursement for the costs of JOBS operations. These resources were considerably more generous than what had been available through WIN, but FSA also called on states to step up their own commitment to welfare-to-work programs: While the federal government had paid 90% of the cost of WIN programs, its contribution dropped to between 60% and 80% of JOBS costs.

The FSA legislation reflected both an impulse to engage more mothers in welfare-to-work programs and an interest in expanding support services to facilitate their participation. States were to require participation for a recipient when her youngest child turned three (or earlier, at state option). To help defray child care costs, Congress for the first time agreed to match state contributions for child care, substantially increasing the availability of child care subsidies (see also the article by Kisker and Ross in this journal issue). FSA also allowed most participants to continue to receive child care and Medicaid subsidies for a year following a transition from welfare to work.

While political considerations dominated many decisions about FSA, to a far greater degree than usual, the legislative process behind the law was shaped by research. The MDRC’s findings that the impacts of state demonstrations were generally positive,
if small, helped to persuade lawmakers to expand welfare-to-work programs (see the article by Nightingale and Holcomb in this journal issue). Studies showing that subgroups of the AFDC population use the program for very different lengths of time influenced decisions about how the new program should define eligibility and target resources.22–25 Consistent with MDRC’s findings that different state welfare-to-work models were feasible to operate and yielded positive results, FSA gave states a fair amount of discretion in determining, for instance, the proportion of resources devoted to different activities and their sequencing.23

FSA established targets for states to meet in enrolling JOBS participants, which over a four-year period rose from 7% to 20% of all eligible AFDC recipients. Evaluations of earlier programs had shown there to be less payoff to society when programs focused on the most employable recipients—that is, those most likely to leave the rolls without extra help. As a result, the FSA funding formula encouraged states to target hard-to-serve groups like teen parents and women who had been on welfare for many years.2,15,23

When enacted in 1988, FSA was hailed by many as landmark legislation. Proponents of the new law cited its emphasis on engaging mothers of preschoolers in JOBS, its targeting of teen parents, its requirements that states provide education and training in their mix of services, and its provisions for transitional child care and Medicaid benefits. Even at the time, however, some were less enthusiastic. Policy analyst Robert Reischauer wrote in 1989 that, while the changes wrought by FSA “represented important shifts of policy and direction,” they were modest in relation to the nation’s problems of poverty and dependency. According to Reischauer, “Future administrations and Congresses will thus be compelled to revisit the same policy battleground.”26

Reischauer’s prediction that FSA would not settle the welfare reform debate was accurate. When political leaders engaged in a new round of welfare reform seven years later, they made minimal reference to FSA. Clearly, the law did not mark a decisive turning point in U.S. responses to welfare policies. While it changed the structure of welfare-to-work programs, the law left AFDC eligibility rules and benefit levels undisturbed. But FSA’s low profile in the mid-1990s should not obscure its place in the evolution of U.S. welfare-to-work policy. The shifts that FSA brought about were not seismic: The principle of balancing mandates and supports established under WIN remained intact, but the law stimulated state welfare departments to expand and invigorate their employability services.

The Implementation of the JOBS Program

A number of criteria can be applied to the JOBS experience to assess the extent to which the law measured up to expectations for effective welfare reform. In addition to ongoing studies of the impacts of the JOBS program on participants,27,28 one can examine such program implementation questions as whether FSA expanded the availability of welfare-to-work services and education and training programs, whether the legislation changed the culture of welfare offices, and whether FSA benefitted AFDC children.

Regarding the first implementation question, clearly, FSA expanded welfare-to-work activities. Total JOBS and child care expenditures for 1992 were almost triple the WIN expenditures for 1981, the peak year of WIN spending. Findings from a 10-state study of JOBS implementation show that state programs, which devoted from 18% to 45% of their JOBS funds to education, also reflected the FSA emphasis on education.29

At the same time, it should be noted that JOBS was never implemented at the scale intended by federal legislation. JOBS funding depended on states’ willingness and capacity to allocate their own resources to the program in order to draw down the matching dollars from the federal government. In part due to the national recession of 1990, which followed closely on the heels of the JOBS start-up period, states tended not to claim their full federal entitlement. In 1992,
for example, they failed to draw down about one-third of the $1 billion in federal funds to which they were entitled, and in 1993, only 16 states completely claimed their match.

Besides examining funding patterns, another way to assess state JOBS programs is to consider rates of participation by eligible recipients. FSA required states to engage increasing numbers of recipients each year in JOBS (7% to 20% were to be active for an average of 20 hours per week). The General Accounting Office (GAO) reported that in 1992 about one-fourth of nonexempt recipients—those not excused from JOBS for such reasons as illness, advanced age, or residency in an area where JOBS is unavailable—engaged in some JOBS activity each month, though not necessarily 20 hours per week. Citing those figures, GAO concluded that “JOBS reaches a relatively small percentage of all AFDC households.”

While this conclusion has not been disputed, it is best considered in the context of realistic expectations for welfare-to-work programs. In two mandatory demonstration programs studied by MDRC, at most 50% to 60% of nonexempt clients participated in a typical month. A number of the reasons that clients failed to participate are built into the structure of welfare-to-work initiatives and include waits to begin the program, exemptions due to temporary illness, and sanctions imposed for noncooperation. Such findings suggest limits for the participation rates welfare-to-work programs like JOBS can hope to achieve: While it seems many states could reach the 50% to 60% range achieved by the most vigorous programs studied, near-universal participation is unlikely.

FSA’s legacy may extend beyond the nature and extent of JOBS participation. Did the law succeed in changing the culture of the welfare system from eligibility determination to helping families become economically self-sufficient? The researchers who studied 10 JOBS programs between 1990 and 1992 concluded that “few local administrators appeared to exert sufficient leadership to change the culture within their welfare office so that the JOBS program, and the expectation for employment, became the highest priorities for both workers and recipients.” Still, there is evidence that such changes are feasible. For instance, evaluators observed that in the successful Riverside County site, California’s GAIN program succeeded in conveying an upbeat “message of high expectations” and in making welfare feel “more temporary.”

As noted earlier, another important aspect of FSA was its focus on reforming the welfare system to better meet the needs of children. On the whole, a family-oriented approach was not a major theme in the implementation of JOBS. But efforts were made to promote the concept of JOBS as a “two-generation intervention” that links families simultaneously to two sets of services: (1) employment and training help for parents and (2) developmental supports for children, like high-quality child care and preventive health care. Although JOBS was focused on employment and training services for adults, proponents of the two-generation approach argued that it could simultaneously facilitate access to benefits for AFDC children. For instance, the program’s child care subsidies could help JOBS participants to choose quality child care, and JOBS case management services could address the family needs of participants, not just their employment needs. A report issued during the early implementation stages of JOBS cited examples from around the country of innovations that capitalized on features of FSA to benefit children. (See Box 1.) These innovations were embraced locally as a means of reducing the fragmentation of services for low-income families, even if national evaluations have not yet shown two-generation programs to have clear positive effects on children’s development.

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**New Directions**

By the early 1990s, JOBS implementation had been overshadowed in many states by new actions designed to increase the work effort of welfare mothers and to decrease rates of out-of-wedlock births. States began to request waivers from the federal government
to deny increased AFDC benefits to recipients who bear additional children or to increase work incentives by allowing employed recipients to keep more of their earnings and benefits. (See the Appendix to this journal issue for examples.) These proposals bypassed the JOBS welfare-to-work strategy, focusing instead on the rules of the mainstream AFDC system.

Coming close on the heels of the waiver requests was a new round of debate over national welfare reform. In combination with strong interest in deficit reduction, critiques of AFDC by political conservatives and a Democratic President stimulated proposals before the 104th Congress to place lifetime limits on the amount of time a family can receive benefits and to return major responsibility for income support to the states. Very little imprint of the JOBS welfare-to-work strategy can be detected in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. In fact, the new law eliminates a separate allocation for JOBS, requiring that high proportions of families receiving benefits be engaged in work-related programs, but not obliging states to expend funds to provide those programs.

The welfare reform legislation makes it clear that only nine years after the passage of FSA, the government is rethinking the balances struck in 1988 between the desire to assure income support for children, on the one hand, and fears that benefits undermine parents’ work effort and encourage out-of-wedlock births, on the other. Capped funding for child care subsidies suggests a retreat from the principle of ensuring good care for children. Reductions in state expenditures for welfare-to-work programs will likely derail efforts to rely on long-term education strategies to reduce welfare dependency. Welfare recipients will face more stringent demands for work, but they will receive far less assistance in securing employment.

From one perspective, movement away from welfare-to-work programs is understandable. Research thus far has indicated that these programs have made only modest differences in employment and earnings outcomes. Yet some argue that it is our society’s failure to follow through on welfare-to-work legislation by seriously implementing welfare-to-work programs that has limited the contribution these programs have made. As discussed here, JOBS was tried only for a
brief period of time, was seldom fully funded by states, and was quickly eclipsed by the movement to change core AFDC eligibility rules. In recent congressional testimony, MDRC’s president argued that, “The history of reform in the nation’s employment and training system is one in which the structure is changed but the real action—the interaction between welfare recipients and the quality of employment services—is neglected.”

The same testimony cautioned, however, that welfare-to-work programs are not “miracle cures” for family poverty. Many economists observe that former welfare recipients face great difficulties in finding employment at wages that adequately support their children (see the article by Burtless in this journal issue). Such conclusions, combined with our knowledge of the risks that poverty poses to the development of children, argue for income supplementation strategies that “make work pay.”

Similarly, research showing that the quality of child care matters for children’s healthy development and school readiness suggests that if welfare families are pressed to use low-cost, substandard child care arrangements in order to work, the harm to children may outweigh benefits of mothers entering the paid workforce (see the article by Kisker and Ross in this journal issue).

Almost all of the policy changes described in this article were undertaken in hopes of solving the problem of welfare dependency. But the very length and complexity of the story of successive waves of reform suggest that the hope for a single “solution” is unfounded. A more realistic goal may be to achieve a steadier balance between the opposing values and concerns that complicate welfare reform. While Americans want to protect and nurture poor children, they have a sterner message for the parents of those children. In the view of these authors, one prerequisite of a credible and stable welfare reform policy is that it remain true to the original AFDC goal of protecting children.

4. See note no. 3, Gordon.


38. See note no. 34, Gueron, p. 11.

39. See note no. 34, Gueron, p. 15.
