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### Review of *The Poverty of Welfare Reform*. Joel F. Handler. Reviewed by Howard Karger, University of Houston.

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experts on these complex issues from a wide range of nations. Both the editors have had extensive experience in studying international matters and have written about international social welfare issues before. One would hope that future books on this subject are forthcoming and that they will cover other developing nations as well as Asian nations, which are not discussed in this volume.

The book is well-written, well-edited and full of fascinating information for those who want to know more and want to explain more about social security. The subject is specialized but it deals with the most important social welfare field in the world and, therefore, deserves the excellent treatment it has been given in this volume.

Leon Ginsberg  
University of South Carolina

Joel F. Handler, *The Poverty of Welfare Reform*. New Haven, CT: Yale University Press, 1995. \$25.00 hardcover, \$12.00 papercover.

The *Poverty of Welfare Reform* has its roots in the genre of "welfare state philosophy" books typified by such authors as Richard Titmuss, Neil Gilbert, Ramesh Mishra, Gosta Esping-Andersen, Richard Cloward, and Frances Fox Piven, to name a few. While Handler shares a common purpose with these authors, his limited focus on the AFDC program differentiates his book from those with broader implications.

Handler argues that a convergence of opinion exists around the AFDC program between Democrats and Republicans. In fact, he argues that there is little difference between the two camps on welfare reform, with the exception of rhetoric. The common tenet between Democrats and Republicans (on both the national and state levels) is that paying public funds to the poor—particularly to single mothers and their children—perpetuates dependency, undermines self-sufficiency, and erodes the work ethic. Handler points out that this welfare toughness is now new, but an extension of a cycle that has dominated American politics since the turn of the century. AFDC policy continues to lie in the shadow of the sturdy beggar.

This is a book about dispelling myths. As such, Handler points to a common fallacy in all current welfare reform proposals; namely, they recycle old remedies that have proven to be ineffective. He argues that trying to move large numbers of recipients into full-time employment will fail since most welfare programs exist on the state and local level, where government is unwilling to pay for comprehensive work and training programs. For Handler, national welfare reform efforts should focus less on welfare reform and more on restructuring the labor market and reducing poverty through legislation such as Earned Income Tax Credits (EITC) and universal health care. Welfare reform will do little to reform welfare without widespread changes in the labor market, including the provision of high-paying jobs with full benefits.

Getting tough on welfare is popular on national, state, and local levels. According to Handler, this get tough attitude represents a mixture of economic and moral factors, including: (1) increases in public costs, (2) threats to the work ethic, (3) an emphasis on family values, and (4) concerns about social order. These factors have been present in one form or another in social policy since the English Poor Laws of 1650. For Handler, the issue of welfare reform is essentially moral in nature since it is based on the view that welfare benefits encourage dependency and thereby compromise the work ethic. He maintains that the new consensus forged around these principles include left liberals who now endorse the issue of "responsibility." In effect, liberals now believe that while the truly needy must be helped, they must also contribute something by supporting themselves and their families.

In the second chapter, Handler analyzes aid to single mothers in the development of the welfare state. He convincingly argues that single mothers were never really considered "unworthy poor" and thus never excused from labor market participation. In the third and fourth chapters, Handler maintains that while welfare has problems, the essential problem is poverty, which is much broader than welfare reform alone. He then examines Manpower Development Research Corporation (MDRC) reports on the success rates of work training programs, concluding that these reports are exaggerated since most graduates do not approach self-sufficiency. Chapter five looks at state welfare reform efforts designed to strengthen family values. In an oversimplification,

Handler claims that while programs for the “deserving poor” are handled at the federal level, programs for the undeserving poor are handled on the state and local levels. Even AFDC is primarily a state program, with little real federal involvement. In the sixth chapter, Handler argues that welfare programs misinterpret the nature of those on AFDC—who the recipients are, what their needs are, and what they really want. The seventh chapter is essentially a summary of the book. Here Handler argues that past welfare reform efforts have made little difference in the lives of the poor. After welfare reform, life for the poor essentially went on as before. Finally, Handler argues that welfare policy has never been directed at the poor, but at the middle classes. In effect, welfare policy was an affirmation of majority values through the creation of deviants.

Although well-written and argued, this highly readable book will not dramatically alter the discourse on AFDC policy. First, this book does not break new ground. Much of what Handler examines has been addressed in other places—including his previous books. Secondly, while well-argued, this book is not empirically-based. What Ellwood, Bane, Mel Duncan and others have tried to change by relying on numbers, Handler is trying to change through argument. While the book is impressively argued, it lacks the authority of hard data. Thirdly, Handler considers AFDC apart from the matrix of programs that make up income support for the poor, including Medicaid, Food Stamps, housing and energy assistance, and so forth. Arguably, the AFDC program is only a small part of the entire income maintenance package. For example, AFDC payments for a family of three in Mississippi are only about \$122 a month, a sum clearly inadequate for survival. On the other hand, when Food Stamps and Medicaid are added, the gross income of these families significantly increases. By focusing almost exclusively on AFDC, Handler loses sight of the larger picture of public welfare. Moreover, it can be argued that the real threat to poor is not AFDC reform, but Medicaid changes. In many states, the value attached to Medicaid is far greater than paltry AFDC grants.

Despite these limitations, Joel Handler should be complimented for writing a contemporary and up-to-the-minute examination of AFDC policy. Although it somewhat revisits existing

literature and arguments, this book is a useful volume on one of the most misunderstood parts of the American welfare state.

Howard Jacob Karger  
University of Houston

Melvin L. Oliver and Thomas M. Shapiro, *Black Wealth/White Wealth: A New Perspective on Racial Inequality*. New York: Routledge, 1995 \$22.95 Hardcover.

Since the passage of the Civil Rights Act in 1965, it has been assumed that blacks have made great gains in racial equality. This has been evident, supposedly, in the increase of the black middle class and the growing number of African-American penetrating corporate America. Yet, according to *Black Wealth/White Wealth: A New Perspective on Racial Inequality*, written by Melvin Oliver and Thomas Shapiro, the rise of the black middle class is not sufficient evidence of increased equality of blacks in America. On the contrary, *Black Wealth/White Wealth* offers an alternative to traditional indicators of equality based on income alone. Despite advancements made in the 1960s and 1970s, this book argues that racial inequality continues to be a dominant force in American life. This belief is based on the authors' analysis of private wealth (total assets and debts rather than income alone) as a critical indicator of the pervasiveness of racial inequality. Furthermore, they show how current public policy has failed to ameliorate this problem.

Using a sample of 12,000 households, in-depth interviews were conducted with a range of black and white families. The authors document ways in which economic barriers prevent blacks from acquiring wealth. These barriers include racially biased state and national social policies (including housing, employment and educational), limited access to capital, suburbanization and the growth of inner cities.

Oliver and Shapiro's study found that racial wealth differences exist because of inequality reflected in three areas: (1) disparities in human capital, sociological and labor market forces; (2) institutional and political influences and (3) factors contributing to the lack of the intergenerational transmission of assets and social mobility.