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AFDC and Homicide

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Conservatives generally believe that government largess has created a morally defective welfare subculture. Some argue that excessive welfare payments contribute to high homicide rates by undermining individual responsibility and attachment to traditional social institutions. Liberals, on the other hand, suggest that higher welfare benefits may reduce homicide rates by alleviating the strains of poverty and promoting educational achievement. Drawing on a review of literature and aggregate welfare data, this study examined the relationship between local AFDC benefit levels and homicide rates. Variables were derived from Department of Health and Human Services, 1990 Census, and FBI data describing social/economic areas (N=394). Controlling for several economic and demographic variables, higher AFDC payments were associated with lower homicide rates. In addition, AFDC benefit level had an indirect negative effect on the homicide rate via its negative association with the high school dropout rate. Overall, these findings support the welfare-as-an-investment-in-youth and integrated strain-disorganization perspectives.

Introduction

In response to the murder of a woman in November of 1995, House Speaker Newt Gingrich declared, “Let’s talk about what the welfare state has created, let’s talk about the moral decay of the world the left is defending” (New York Times, 1995, p. 34A). Several prominent conservative scholars have joined Gingrich in arguing that high welfare guarantees lead to more social problems. These authors have suggested that welfare encourages denial of responsibility among the poor and reduces attachment to traditional social institutions (Wilson, 1995; Murray, 1984). Most notably, Gilder (1981) has claimed that high welfare payments
encourage the poor to withdraw from school and the legitimate labor market by rewarding failure. Similarly, Rector (1992) has argued that generous welfare payments increase 'behavioral poverty', a term that includes both low levels of academic achievement and high levels of violent crime.

Liberal authors, on the other hand, have argued that higher levels of support to poor families should reduce violent crime by alleviating the personal strains of poverty and poverty induced community disorganization (Davey, 1995; Sampson and Wilson, 1995; Cullen, 1994). Liberal policy advocates have recently emphasized a model that views welfare as an investment in youth and education (Duncan, 1994; Butler, 1990). A long line of research has shown that higher income is negatively associated with school failure (Sherman, 1994). There has also been a substantial amount of research demonstrating that school failure, especially dropping out of high school, is strongly related to criminality (Gottfredson and Hirshi, 1990) and embeddedness in criminal networks (Hagan and Peterson, 1995). Moreover, low income areas tend to have high rates of both high school dropout and homicide. Thus liberals generally suggest that welfare payment has a direct negative effect on the homicide rate because it alleviates economic tensions and an indirect negative effect because it also helps reduce the dropout rate.

Previous Studies

Despite a considerable amount of research on the relationship between poverty and homicide, only a few criminologists have attempted to examine the potential moderating effects of economic assistance to the poor. Using a sample of 1970 SMSAs (n=39), DeFronzo (1983) reported that the cost of living adjusted AFDC payment per person (Aid for Families with Dependent Children) had a significant negative effect on the homicide rate. Concerned with DeFronzo's small sample size, Messner (1986) replicated DeFronzo's analysis using a much larger sample of 1980 SMSAs (n=292) and an unadjusted measure. Messner reaffirmed DeFronzo's conclusion that higher AFDC payments were associated with lower urban homicide rates.

Taking a somewhat different approach, Rosenfeld (1986) examined the effects of state AFDC eligibility requirements on 1980
SMSA homicide rates. Consistent with DeFronzo and Messner, he found that benefit restrictiveness had a significant positive effect on the homicide rate. However, he also reported a significant positive effect of the proportion of poor families receiving public assistance. This finding offered some support for the conservative argument that increased welfare participation translates into higher levels of social disorganization. Rosenfeld cautioned against unconditional interpretations of these findings noting that alternative specifications were needed to clarify his results (p. 122). Indeed, there were several potentially important omissions from his model. While he noted that his measure of welfare participation was a measure of “dependency and not simply a redundant measure of poverty” (p. 121), Rosenfeld did not include a measure of poverty with which this variable would be redundant. Moreover, Rosenfeld did not control for the percent of female headed families in an area. This variable is often interpreted solely as a measure of community social control, but it could also be seen as reflecting a particular type (or outcome) of poverty (Wilson, 1987; Sampson and Wilson, 1995). Compared to their married family counterparts, female headed families are much more likely to have extremely low incomes and to live in the poorest of areas (Sidel, 1996). The percent of female headed families generally has a strong positive effect on urban homicide rates and is significantly correlated with welfare participation rates (Sampson, 1987).

In a study of large cities in 1980, Sampson (1987) found that both the percent of black families receiving public assistance and the mean public assistance payment per black family had significant negative effects on the black homicide rate. These effects were independent of the percent of black families in poverty and percent of black families that were female headed. The discrepancy between the Rosenfeld and Sampson findings may be due to the lack of statistical control for poverty and family structure in Rosenfeld’s analysis.

Using national crime rate data for 1948–1985, Devine, Sheley and Smith (1988) reported a negative but statistically insignificant relationship between total welfare spending and the homicide rate. Like Rosenfeld, these authors did not include family structure in their analysis. In a longitudinal and cross-national study that controlled for changes in family dissolution, Gartner (1990)
found significant negative effects of total welfare spending on age specific homicide rates. These effects were particularly pronounced for child homicide. In a somewhat more comprehensive study, Briggs and Cutright (1994) also reported significant negative effects of total public assistance expenditures on child homicide rates.

Zimmerman's (1995, 1987) studies of a related form of lethal violence, suicide, showed that higher state social welfare expenditures were associated with substantially lower suicide rates. Controlling for several economic and demographic variables, she found that welfare expenditures explained the variation in state suicide rates between 1985 and 1990 better than any other measure (1995).

This study adds to previous research on welfare and violence in several ways. First, I use local labor markets as my units of analysis. These are social and economic areas that cover the entire 50 states and the District of Columbia. Thus unlike previous research, I include non-metropolitan areas in my analysis. This is an important addition considering that recent criminological research at the county level has demonstrated that homicide in rural areas is much more common than generally believed. Kposowa and Breault (1993, p. 40) have noted that of the top 30 homicide rates in 1980, 23 were in counties with populations below 20,000. Second, this study examines the links between welfare assistance, dropping out of school, and homicide rates. Previous studies that included the dropout rate have generally used it in an index of poverty where the unique effects of the dropout rate were masked. Given the consistently high percentage of violent felons who have dropped out of high school and the contemporary importance of the education versus prisons debate (Davey, 1995), dropout rates deserve singular attention. Moreover, considering the current significance of the welfare-as-an-investment-in-youth model (Sherman, 1994), this study will test for an indirect effect of AFDC payment on the homicide rate via AFDC's effect on the dropout rate.

Data, Variables and Method

This analysis used Tolbert and Killian's (1997) delineation of 394 labor market areas (LMA's) for the United States. LMAs are
quite simply the areas in which most people both live and work. Similar to MSAs, LMAs were designed to be social/economic areas and are well suited for studying the relationship between economic factors and crime. Unlike MSAs however, these definitions were not based on an urban center but instead rely solely on commuter flows. Based on 1990 census journey-to-work data, these areas were constructed with elaborate matrices of commuting ties among groups of U.S. counties and county-equivalents. LMAs do not begin with a central place assumption and are not constrained by state boundaries. Thus LMAs are social rather than political units. The fact that LMAs contain component data from different states helps reduce the amount of spatial autocorrelation in the equations. This is especially important given that most of the variation in AFDC payments is among states rather than among counties. Compared to research utilizing SMSAs, which generally do not cross state lines, LMA definitions increase the total amount of variation in local AFDC payments and lessen the bias toward states containing more metropolitan areas.

Nineteen-ninety census data from USA-Counties-1996 were aggregated to produce most of the LMA variables used in this analysis (U.S. Department of Commerce, 1996). The homicide rate was derived from the Uniform Crime Reports 1989–1990 (Federal Bureau of Investigation, 1990, 1991). State AFDC benefit levels were obtained from the Department of Health and Human Services (1992). The mode of aggregation of county data varied depending on the specific measure: counts were summed, while means and percentages were disaggregated, summed, and reaggregated.

The dependent variable for this analysis was the number of homicides per 100,000 persons in the average population between 1989 and 1990. Because homicide rates may be somewhat unstable, the homicide data were averaged over two years—1989 and 1990. The intervening variable was the percent of 16–19 year olds who were not enrolled in school and had not completed high school in 1990. This measure is commonly referred to as a ‘status dropout rate’ (U.S. Department of Education, 1990).

A key component variable for this study was the average monthly AFDC payment per recipient in 1990. I chose this
measure over the average welfare payment per family (used by Sampson) to minimize the confounding effects of local differences in average family size. AFDC is the largest and most heavily debated form of government income assistance to the poor. Payment levels are set by individual states and vary substantially. Mississippi had the lowest 1990 monthly payment per person ($40), while Alaska had the highest ($245).

Since areas vary in cost of living, an adjustment seemed appropriate to specify the relative worth of each AFDC payment. I created an adjusted AFDC payment measure using the local median gross rent in 1990 as a proxy for cost of living. The adjusted AFDC variable was derived by dividing the average local AFDC payment per person by a cost of living ratio (local median gross rent / national median gross rent). Gross monthly rent consists of the contract rent plus the estimated costs of utilities when not already included in the contract rent. Housing costs (especially rent costs) are particularly relevant for low income groups. These expenses generally consume a much larger portion of poor people's revenue than that of their middle income counterparts (Wright, 1989). The overwhelming majority of poor households (70-75%) are without any housing subsidy (1989). While the U.S. Department of Housing and Urban Development recommends that a household should spend no more than 25% of its income on housing, about one quarter of all poor households typically report spending over 70% of their income on rent (1989). Consistent with DeFronzo's (1983) study, the adjusted and unadjusted AFDC measures were highly correlated (r=.80) and the adjusted variable had a somewhat stronger association with the homicide rate.

Other variables were: the percent of families that were female headed, the unemployment rate, the percent of persons in poverty (in 1989), the percent of the population between the ages of 16 and 29, population size and the percent of the population designated as urban by the U.S. Census Bureau. An exploration of various possible non-linear relationships resulted in the logarithmic transformation of population size to better suit the assumptions of regression. I then created an index of urbanism by combining the natural log of the total LMA population in 1990 and the percent of the population designated as urban (following Cao and Maume, 1993).
I used Ordinary Least Squares (OLS) regression to estimate the equations. None of the bivariate correlations between the independent variables were above .65 and none of the variance inflation factors (VIFs) were above 4.0. Thus, the equations did not appear to suffer from excessive multicollinearity (Fox, 1991).

Results

An analysis of the bivariate correlations of the variables included in Models 1 and 2 (Table 1) revealed that the cost of living adjusted AFDC payment, dropout rate and percent of female headed families were all strongly associated with the homicide rate (r = -.53, r = .54, r = .61 respectively). Additionally, the unemployment rate, degree of urbanism and percent of the population in poverty had moderately strong correlations with the homicide rate (r = .28, r = .29 and r = .40 respectively). In the first multivariate equation (Model 1), the net effects of the percent of female headed families (BETA = .37, p < .001), the percent of the population in poverty (BETA = .25, p < .001) and degree of urbanism (BETA = .20, p < .001) were all substantial. Consistent with DeFronzo’s (1983) and Messner’s (1986) findings, the cost of living adjusted AFDC payment per person had a significant negative net effect on the homicide rate (BETA = -.31, p < .001).

Table 1

*Effects on 1990 LMA Homicide Rates (N=394) (Standardized Regression Coefficients Reported)*

<table>
<thead>
<tr>
<th>Structural Covariates</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Families Female Headed</td>
<td>.37**</td>
<td>.34**</td>
</tr>
<tr>
<td>% of Persons in Poverty</td>
<td>.25**</td>
<td>.25**</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>.01</td>
<td>-.06</td>
</tr>
<tr>
<td>Urbanism Index</td>
<td>.20**</td>
<td>.21**</td>
</tr>
<tr>
<td>% of the Population 16–29</td>
<td>-.10*</td>
<td>-.04</td>
</tr>
<tr>
<td>Adjusted AFDC Payment</td>
<td>-.31**</td>
<td>-.17**</td>
</tr>
<tr>
<td>% among Ages 16–19 HS Dropouts</td>
<td>—</td>
<td>.28**</td>
</tr>
<tr>
<td>(two tailed)</td>
<td>Adj. R²</td>
<td>.52</td>
</tr>
</tbody>
</table>

* P < .05
** P < .001
Model 2 shows the same equation with the addition of the dropout rate. The adjusted $R^2$ increased from .52 to .57. The dropout rate had a relatively large positive net effect on the homicide rate ($\beta = .28, p < .001$). The net effect of the unemployment rate remained statistically insignificant. The previous slight effect of the percentage of the population between the ages of 16 and 29 was rendered insignificant. The net effects for the percent of female headed families, degree of urbanism, and percent of the population in poverty remained essentially the same, while the net effect of the cost of living adjusted AFDC payment was greatly reduced by the inclusion of the dropout variable ($\beta_1 = -.31$, $\beta_2 = -.17$). About forty-five percent of AFDC payment's effect on the homicide rate was due to its negative association with the dropout rate. The bivariate correlation between the cost of living adjusted AFDC payment and the dropout rate was negative and substantial ($r = -.48$).

Table 2 compares the means of LMA homicide rates for three intervals of the cost of living adjusted AFDC payment. The average homicide rate for all LMAs was 6.4. AFDC intervals were selected to divide the sample in approximate thirds. The observed means are accompanied by means adjusted for the effects of the covariates: percent of female headed families, percent of the population in poverty, unemployment rate, urbanism index, and percent of the population between the ages of 16 and 29.

<table>
<thead>
<tr>
<th>Cost of Living Adjusted Average AFDC Monthly Payment Per Person</th>
<th>Observed Means</th>
<th>Means Adjusted for Covariates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Homicide Rate**</td>
<td>Homicide Rate**</td>
</tr>
<tr>
<td>Less than $102</td>
<td>9.5</td>
<td>8.1</td>
</tr>
<tr>
<td>$102 to $138</td>
<td>6.4</td>
<td>6.5</td>
</tr>
<tr>
<td>More than $138</td>
<td>3.4</td>
<td>4.7</td>
</tr>
</tbody>
</table>

** $p < .001$
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The dropout rate was excluded from the equation so that the indirect as well as direct association between AFDC and the homicide rate would be reflected in the differences among the adjusted means. The mean homicide rate adjusted for the effects of the control variables was 42% lower for areas in the top third of AFDC payments (4.7) than for areas in the bottom third (8.1).

An alternative specification that replaced the percent of all families that were female headed with the percent of all families that were both poor and female headed revealed nearly identical results. The bivariate correlation between these variables was .84. Similar results were also obtained when the percent black was substituted for the percent of female headed families. The bivariate correlation was .76.

In other supplemental analyses, I created a dummy variable for southern location. Southern location was negatively associated with the cost of living adjusted AFDC payment ($r = -0.51$) and positively associated with the dropout rate ($r = 0.47$). As in Messner's (1986) study of SMSAs, despite relatively high collinearity, the net effect of AFDC payment on the homicide rate remained significant. More important, when the southern LMAs were removed from the sample, AFDC payment's effects on the homicide and dropout rates were nearly identical to those identified in the full analysis. However, these results must be interpreted with caution given the limited variance in the regional subsample.

I also tested for a potential indirect effect of the average welfare payment on the homicide rate via welfare payment's relationship to the prevalence of female headed families. As in previous studies (Blank, 1995; Moffitt, 1992), I found no support for the hypothesis that higher AFDC payments were strongly associated with more female headed families. In fact, controlling for the other variables in the homicide equation, the cost of living adjusted AFDC payment was negatively associated with the percent of all families that were female headed.

Finally, a supplemental analysis using 1980 data revealed very similar results. Controlling for other factors, the cost of living adjusted AFDC payment had a direct negative effect on 1980 LMA homicide rates ($N=382$) and a substantial indirect negative effect through the status dropout rate.
Conclusion

Conservatives implicate excessively generous government policies as partly responsible for high homicide rates. The findings of this analysis suggest that conservative proposals to limit AFDC benefits should not be legitimated as a means to reduce extreme violence. Instead, the results support the welfare-as-an-investment-in-youth and integrated strain-disorganization perspectives. Higher welfare payments were associated with lower dropout and homicide rates. The significant negative effect of the cost of living adjusted AFDC payment per person on the homicide rate is consistent with research using SMSAs. As Currie points out, it is probably not coincidental that among developed countries “the United States is afflicted simultaneously with the worst rates of violent crime, the widest spread in income inequality, and the most severe public policies toward the disadvantaged” (1985, p. 171). The nation’s current priorities are reducing violent crime and cutting back on welfare expenditures. Unfortunately, it seems the costs of poverty must be paid in one form or another.

Note

1. The data and tabulations utilized in this paper were made available (in part) by the Inter-university Consortium for Political and Social Research. The data for the Uniform Crime Reports were originally collected by the Federal Bureau of Investigation, U.S. Department of Justice. Neither the collector of the original data nor the Consortium bear any responsibility for the analyses or interpretations presented within.

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