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BOOK REVIEWS


Repackaging the Welfare State. Pranab Chatterjee. Reviewed by Larry Nackerud, University of Georgia.

BOOK NOTES

So You Think I Drive a Cadillac? Karen Seccombe.


Why Americans Hate Welfare. Martin Gilens.
Many potential employers of inner-city African-American men believe that African-American men have poor work attitudes. The investigations reported here attempted to evaluate the veridicality of this assumption. The responses of African-American men who utilize a soup-kitchen were compared with college men on a variety of attitude measures, as well as on their reactions to a scenario about a man who worked for an unfair boss and quit in response. Generally, little support for the view that inner-city, African-Americans men have a predilection to presume prejudice or unfairness, or to render a favorable evaluation of quitting under unfair conditions, was found.

According to William Julius Wilson (1996; see also Kirschenman & Neckerman, 1991, pp. 203–234), employers, regardless of their own race, often view inner-city, African-American men as having “bad attitudes” toward work. Although data attest that employers harbor the assumption of attitude problems among inner-city, African-American males (Wilson, 1996), little investigation of the veridicality of the widely held assumption has occurred. Wilson (1996, pp. 140–145) references unpublished data presented at the Chicago Urban Poverty and Family Life Conference presented by Richard Taub, suggesting that African-American, inner-city men do, in fact, harbor bad work attitudes. Additionally, Massey and Denton (1996, pp. 137–162) offer ethnographic findings indicating that as a result of isolation, poor African-Americans have developed values and attitudes that are essentially “oppositional” to mainstream society. There has, however, been little quantitative research addressing this issue.
Since the assumption of poor work attitudes seems to be the motivation for employers of persons in minimum wage jobs often preferring immigrants over indigenous African-Americans (Newman & Lennon, 1995; Sassen & Smith, 1992), it is important to determine the extent to which the assumption is justified.

Five investigations are presented which examined the extent to which poor African-American men who participate in the labor force through minimum wage, temporary-labor jobs, harbor negative work attitudes. These five investigations compared the attitudes of African-American men recruited through a soup-kitchen ministry in a southern, metropolitan area, all of whom were homeless or tentatively sheltered, with a comparison group of male, college students. College students were selected as a comparison group because these men had sufficient discretionary income to pay for schooling. Further, these college men had every reason to assume an upwardly mobile future. Thus, in terms of the objective opportunities in and controllability of their lives, the college men offered a maximal contrast to the men frequenting the soup-kitchen.

MECHANISMS FOR OPERATIONALIZING A “BAD WORK ATTITUDE”

According to Taub (Wilson, 1996, p. 141),

“inner-city black men have a greater sense of “honor” and often see work, pay, and treatment from bosses as insulting and degrading. Accordingly, a heightened sensitivity to exploitation fuels their anger and gives rise to a tendency to “just walk off the job.”

In operationalizing “attitude”, an attempt was made to capture the essential features of Taub’s articulation, viz., the low threshold for the perception of discrimination, as well as Massey and Denton’s concept of attitudes which are oppositional to mainstream. One particular manifestation of oppositional attitude, would be that effort reduction is evaluated as justified, appropriate to the situation, and perhaps even admirable in response to unfair conditions even when a worker badly needs the job. Thus, the features of a “bad work attitude” include (a) a low threshold for the perception of unfairness; and (b) approval or admiration for those
who quit under unfair circumstances despite the importance of the job.

In order to determine whether inner-city, African-American men recruited through a soup-kitchen differ on this “attitude” dimension from college students, several vehicles were employed. First, subjects read one of eight versions of a story about Joe. In the story, Joe either was or was not treated unfairly, and then, either quit his job or continued to maintain a high level of effort. After reading the story, subjects evaluated Joe. The evaluation of Joe allowed comparison of the evaluations of inner-city, African-American men with the evaluations of college men of an actor who quits his job under unfair conditions. Thus, differential approval/admiration of quitting under unfair conditions, a manifestation of oppositional attitude, could be assessed.

In the narrative of the Joe story, there were several different descriptions of Joe’s boss. In one condition, the boss was depicted as African-American, an ex-convict, and someone wishing to provide a second chance for those who were on parole. In another condition (the unfair boss condition), the boss was depicted as paying Joe, an ex-convict, less than other workers as the boss realized that due to Joe’s parolee status, he was desperate and “would put up with anything”. In a third condition, the boss was described in ambiguous terms. The ambiguous boss assigned Joe to work on older machines which were difficult to operate but was friendly and offered fair pay. After reading a particular version of the depiction of the boss, subjects were asked to evaluate the boss. The ambiguous boss condition was included as a projection device. Given little actual information about a boss, the “ambiguous boss” story allowed an opportunity to observe what subjects would assume about the boss. The “ambiguous boss” conditions provided a mechanism for evaluating Taub’s claim that African-American “underclass” males exhibit a “heightened sensitivity to exploitation”, that is, a lower threshold for the perception of exploitation. If Taub is correct, inner-city, African-Americans should ascribe negative characteristics to the ambiguous boss.

Several other mechanisms were employed to evaluate whether inner-city, African-American men harbor bad work attitudes. The inner-city sample and the college-men sample were compared on their responses to the question, “Have you ever had
a job in which you were treated unfairly?" Finally, these samples were compared on their endorsement of a menu of causes explaining why people are homeless and/or poor, on their endorsement of the pervasiveness of prejudice and discriminations against African-Americans, their assessment of the existence of equal opportunity for all children, and their responses to the Just World Scale. These latter measures allowed for evaluation of whether inner-city, African-American men have a low threshold for the perception of unfairness.

For clarity of presentation, the various dependent-variable investigations are presented separately although all subjects responded to a version of the Joe story, the question regarding having had an unfair job, and one or more of the attitude measures.

METHOD

Subjects

The 180, African-American men comprising the inner city sample constituted a diverse group. Many were homeless or living in shelters. Most had sought employment through temporary, labor pool jobs. Some were native to the Atlanta-metropolitan area. Others had been dislocated from jobs outside the south-east and had come to the metropolitan area seeking jobs because of the city's purportedly low rate of unemployment. All had worked in some capacity, often through a temporary, labor pool service during the previous year. Some were impaired by disabilities attributable to head injuries, retardation, schizophrenia, or physical illness/incapacity. In order to fully represent the range of individuals who function in unskilled jobs, if the subject understood the questions, spoke intelligibly, and had been working periodically, his responses were included in the data analysis. Twelve subjects were excluded from participation, prior to data analysis, because their disability (incomprehension, schizophrenic, brain injury) rendered them incapable of understanding the story. Eleven of those approached refused to participate.

One hundred and sixty-one male students from a southeastern university constituted the college-student sample. Sixty-one percent were Caucasian and 22% were African-American.
Data were collected in Criminal Justice, Business, Public Administration, and Biology classes. The largest percentage of students were Criminal Justice majors (32%) and Business majors (20%). Eighty percent of the students were employed. Ages differed significantly between the inner-city sample and the college student sample, $F(1,328)=376.049$, $p<.0001$. Therefore, age served as a covariate throughout most of the analyses.

Procedure

Inner-city subjects were approached randomly from those who were either waiting in line to receive some type of service through the soup-kitchen (e.g., use of the mail room, help in obtaining a Georgia ID needed for employment, or some referral to a social service) or who were congregated outside the front entrance of the facility. Subjects were given the option of reading the materials themselves or having the them read. The bulk of the sample opted to read along with the interviewer. Participation was completely voluntary and subjects were paid $10. The “Joe” story was presented at the first part of the interview, directly after the obtaining of informed consent, followed by formal scales, and then a structured set of questions for obtaining historical and demographic data.

The college sample responded to materials at the beginning of their class-periods. Both samples responded to identical materials and measures.

DEPENDENT VARIABLES FROM THE JOE STORY

Measures

Subjects read one of eight versions of a story about Joe. The stories varied with regard to the conditions of Joe’s employment (a fair boss in which necessity of work for parole maintenance was emphasized, an unfair boss in which Joe’s necessity of work for maintenance of parole was emphasized, an unfair boss in which Joe’s necessity of work maintenance as a condition of parole was deemphasized, or a boss whose behavior was equivocal with necessity of work for maintenance of parole emphasized). The stories also varied with regard to how Joe responded to his
employment situation, viz., whether he continued to work assiduously or whether he quit the job. The eight versions of the story, along with the "type of subject" factor, comprised a three randomized factor, completely crossed ANOVA design. There were two levels of the "type of subjects" factor, four levels of the "working conditions" factor, and two levels of the "Joe's response" factor. The "unfair boss, Joe quits" version of the experimental stimulus (the narrative) is presented in the Appendix.

After reading the story about Joe, subjects were asked to evaluate both Joe’s behavior and also to evaluate his boss, creating two dependent measures with the 2 x 4 x 2 design. In regard to Joe’s behavior, responses to twelve items were averaged to yield an overall favorability rating. The first item was an open ended question asking "What do you think about Joe’s behavior?" Responses were given a rating of "1" if favorable, "3" if unfavorable, and "2" if neutral words were used to describe Joe’s behavior. The other items were forced choice responses ("yes", "no", "don’t know") asking whether Joe’s behavior was "appropriate", whether "Joe acted as the subject hoped he/she would act under similar circumstances", whether Joe was "stupid", "ineffective", "bad", "likable", "smart", "honorable", whether "Joe respected himself", whether "Joe was admirable", and whether the subject "respected Joe". To avoid a "yes/no" response set, items included both negatively valenced descriptors and positively valenced descriptors.

In regard to the evaluation of Joe’s boss, responses to seven items were averaged to yield an overall favorability rating. Again the first item was open-ended. In a forced choice format, subjects indicated whether the boss was “a nice guy”, “fair”, “likeable”, “a cheater”, “smart”, “honorable”, “a nice guy”, “totally unfair”.

Results

Evaluation of internal consistencies of the dependent measures. The coefficient alpha for the twelve items evaluating Joe’s behavior was .9434. The coefficient alpha for the seven items evaluating Joe’s boss was .9509.

Responses to items evaluating Joe. Cell means for Joe descriptors are presented in Table 1. Unless indicated, age was a covariate
Attitudes

in all analyses. The main effect for the evaluation of Joe's behavior was significant: $F(1,308)=315.57$, $p<.0001$. Joe was evaluated more favorably when he continues to respond eagerly than when he quits. The main effect of the four-level factor "working conditions" (unfair boss-stress parole, unfair boss-deemphasized parole, fair boss, ambiguous boss) was also significant, $F(3,308)=10.94$, $p<.0001$. The two-way interaction between the "Joe's response" factor and the "working conditions" factor was significant, $F(3,308)=13.32$, $p<.01$, suggesting that the evaluation of Joe's response (working or quitting) differed depending upon the conditions under which he labored. The main effect for the type of "subject factor" (inner-city versus student) was not significant. The "type of subject" factor did not interact with any of the other factors nor was the 3-way interaction significant.

Consistent with prior work in which it was found that an actor who quits under unfair conditions is rated more favorably than an

Table 1

Evaluation of Joe's Response

<table>
<thead>
<tr>
<th>Joe's Response</th>
<th>Unfair Boss (parole emphasized)</th>
<th>Ambiguous Boss</th>
<th>Fair Boss</th>
<th>Unfair Boss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joe Quits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Students</td>
<td>1.58 (N = 18)</td>
<td>2.52 (N = 21)</td>
<td>2.63 (N = 14)</td>
<td>2.00 (N = 15)</td>
</tr>
<tr>
<td>Inner-City</td>
<td>1.95 (N = 24)</td>
<td>2.30 (N = 22)</td>
<td>2.42 (N = 22)</td>
<td>1.92 (N = 25)</td>
</tr>
<tr>
<td>Joe Eager</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Students</td>
<td>1.36 (N = 18)</td>
<td>1.27 (N = 20)</td>
<td>1.38 (N = 33)</td>
<td>1.31 (N = 18)</td>
</tr>
<tr>
<td>Inner-City</td>
<td>1.19 (N = 17)</td>
<td>1.11 (N = 19)</td>
<td>1.13 (N = 17)</td>
<td>1.20 (N = 22)</td>
</tr>
</tbody>
</table>

Note: Evaluation of Joe's behavior averaged over 12 items. Values can range from 1.00 to 3.00 with lower numbers signifying greater favorability.
actor who quits under fair conditions (Littrell, 1993), Joe's quitting behavior was viewed more favorably under unfair conditions than under fair conditions. This was the case when looking at the college students for the comparison of the two averaged unfair conditions with the fair condition, $F(1,314)=10.18$, $p<.01$, and also for the same comparison among the inner-city subjects, $F(1,314)=9.17$, $p<.05$. (Since type of subject was not a variable in these analyses, age was not a covariate in these analyses). A significant three-way interaction is required before any two way interactions are analyzed. As previously noted, the three-way interaction was not significant. However, because the evaluation of an actor who quits under unfair conditions was the major concern in our study, we examined whether the evaluations of the inner-city men differed from the college students. The difference (mean=1.93, SD=.67, N=49 for inner-city versus mean=1.77, SD=.61, N=33 for students) was not significant, $F(1,312)=1.46$, ns. Thus, there was no evidence that the average evaluation of quitting under unfair conditions from the inner-city men differed from the college students' evaluations.

Responses to items evaluating the boss. Cell means for the boss descriptors are presented in Table 2. The responses in the evaluation of Joe's boss function as a manipulation check on subjects' understanding of the story, attesting that the differential working conditions were understood as intended. Consistent with expectation, the only significant main effect was for the "working conditions" factor, $F(3,307)=125.44$, $p<.001$. Neither the "type of subject" (students versus inner-city), or Joe's response choice (working or quitting) yielded significance. None of the two-way interactions nor the 3-way interaction was significant. The fair boss was viewed more favorably than the boss in the two unfair conditions, $F(1,313)=257.03$, $p<.0001$. (Age was not covaried for this latter comparison as "type of subject" was not a variable).

The ambiguous boss cells were included for a test of a specific hypothesis, that is, to determine whether inner-city men evaluate an ambiguously presented boss more negatively than college students. Without controlling for age, the inner-city men were more favorable than were the college students, $F(1, 313)=4.44$, $p<.036$. 
**Attitudes**

**Table 2**

**Evaluation of Joe's Boss**

<table>
<thead>
<tr>
<th>Joe's Response</th>
<th>Unfair Boss (parole emphasized)</th>
<th>Working Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ambiguous Boss</td>
<td>Fair Boss</td>
</tr>
<tr>
<td>----------------</td>
<td>----------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Joe Quits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Students</td>
<td>2.80</td>
<td>1.90</td>
</tr>
<tr>
<td>(N = 18)</td>
<td>(N = 21)</td>
<td>(N = 14)</td>
</tr>
<tr>
<td>Inner-City</td>
<td>2.60</td>
<td>1.61</td>
</tr>
<tr>
<td>(N = 24)</td>
<td>(N = 22)</td>
<td>(N = 22)</td>
</tr>
<tr>
<td>Joe Eager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Students</td>
<td>2.61</td>
<td>1.91</td>
</tr>
<tr>
<td>(N = 18)</td>
<td>(N = 20)</td>
<td>(N = 34)</td>
</tr>
<tr>
<td>Inner-City</td>
<td>2.75</td>
<td>1.71</td>
</tr>
<tr>
<td>(N = 17)</td>
<td>(N = 19)</td>
<td>(N = 16)</td>
</tr>
</tbody>
</table>

Note: Evaluation of Joe's boss averaged over 7 items. Values can range from 1.00 to 3.00 with lower numbers signifying greater favorability.

Controlling for age, there was no difference between the samples in their evaluation of the ambiguous boss, $F(1,307)=1.75$, ns.

**Discussion**

The results from the Joe scenario offer no support for the hypothesis that inner-city, African-American men harbor attitude problems. In evaluating an individual who quit his job under unfair conditions, inner-city subjects did not differ in their evaluations from college students. Thus, if a "bad attitude" can be operationalized as approving of walking out of a job given an actor's perception of unfairness, there is no support for the hypothesis that African-American laborers differ from college students on this dimension. The hypothesis that inner-city, African-American men have an attitude problem was also tested by examining whether they would project unfairness onto an ambiguously described boss. Given the ill-defined boss, the inner-city subjects were more positive about the boss than were college students,
although this more favorable evaluation of ambiguous boss was due to age, rather than inner-city status.

There are some alternative explanations for the findings in this study. It is possible that demand characteristics were operating. The bulk of the inner-city sample responded to the story and questions verbally as they were administered by a white, female researcher. Perhaps, the inner-city men were unwilling to openly approve of a quitting actor. However, mitigating against this possibility, some men spontaneously remarked that they had been in unfair situations similar to Joe and had quit. If the context had subtly encouraged subjects to offer a favorable impression at the expense of accurately conveying their true sentiments, it is unlikely that these men would have volunteered this information.

ATTITUDE SCALE DEPENDENT MEASURES

*Measures*

Another avenue for determining whether inner-city, African Americans have a low threshold for assuming prejudice/injustice, an aspect of bad work attitudes, is to evaluate them on known measures of this construct. Subjects were administered the Just World Scale (Rubin & Peplau, 1975), items tapping belief in the existence of equal opportunity in America (Rasinski, 1987), and questions assessing belief that prejudice against African-Americans exists in America (Katz & Hass, 1988). Each pool of items was evaluated for internal consistency, and items were discarded to yield sets of items with high coefficient alphas.

*Results*

Three items, with a coefficient of .69 (N=124), captured belief in equal opportunity for children ("In America, every child who wants to learn has the opportunity to do"; "No matter which neighborhood a child grows up in, he/she can get a good education if he/she is motivated to do so"; and "If a child is taught the proper values at home, that child can develop his/her potential regardless of the neighborhood in which he/she is raised"). Five items, with a coefficient alpha of .70 (N=126), measured perceived discrimination against minorities in the workplace ("Black people do not have the same employment opportunities that Whites
do"; "Too many Blacks still lose out on jobs and promotions because of their skin color"; "Most big corporations in America are really interested in treating their Black and White employees equally"; "Most Blacks are no longer discriminated against"; and "Blacks should take the jobs that are available and then work their way up to better jobs"). The 20-item, Just World Scale (Rubin & Peplau, 1975) yielded a coefficient alpha of .64 (N=120) and was not subjected to further refinement. The Likert scale items, "Poor people get a fair hearing from the court system in America", and "Police in this country are more likely to assume a poor person has committed a crime than a rich person" were evaluated separately because of their low correlation, r=.10, N=124, p=ns. When Likert scale items were combined they were reverse scored where appropriate. All items were responded to on an 11-point scale with "1" signifying "agreement" and "11" signifying "disagreement".

On the equal opportunity for children items, the difference, with age as a covariate, between the inner-city men (mean=2.48, SD=2.3, N=91) and college men (mean=3.81, SD=1.7, N=28) reached marginal levels of significance $F(1,116)=3.51, p<.06$, with inner-city men displaying greater subscription to belief in equal opportunity. On the perceived discrimination against minorities in the workplace items, the mean of the inner-city men (5.21, SD=2.3, N=91) did not differ form the mean of the college men (5.62, SD=2.3, N=29), $F(1,117)=.12$, ns. On the Just World Scale, (with lower values signifying greater endorsement of justice) the mean of the inner-city men (5.6, SD=1.3, N=87) and the mean of the college men (5.83, SD=.83, N=27) did not differ, $F(1,111)=.16$, ns. With regard to the statement, "Poor people get a fair hearing from the court system in America", inner-city men (mean=9.45, SD=2.5, N=91) did differ from college men (mean=6.21, SD=2.8, N=28), $F(1,116)=24.11, p<.001$ (analysis with age covaried) with the inner-city men more often in disagreement. With regard to the statement, "Police in this country are more likely to assume a poor person has committed a crime than a rich person", again the mean in the inner-city sample (9.76, SD=2.4, N=91) did differ from the mean in the student sample (8.37, N=2.5, N=27), $F(1,121)=6.02, p=.02$, but was no longer significant after controlling for age.
THE HISTORY-OF-PERCEIVED-UNFAIR-EMPLOYMENT
DEPENDENT MEASURE

Seventy-one percent of the college-student sample (N=160) answered affirmatively to the question "Have you ever had a job where you were treated unfairly?" Sixty-three percent of the inner-city sample (N=174) responded affirmatively to this question. The difference between the percentages answering affirmatively to this question in the two samples was not significant whether or not age was controlled.

ASSUMED-CAUSES-OF-HOMELESSNESS
DEPENDENT MEASURE

Yet another way in which to assess whether inner-city, African-Americans have a low threshold for perceiving prejudice/injustice is to observe the causes they provide for unsatisfactory life circumstances. Homelessness/poverty constitutes an unsatisfactory life circumstance with which the inner-city sample would obviously be familiar. If the inner-city sample have "an attitude" or a low threshold for perceiving discrimination, they should be more likely to perceive unfairness/discrimination as a reason for homelessness. The college student sample and the inner-city sample responded to a list of possible reasons for homelessness (taken from a lists of causes of poverty developed by Feagin, 1972; Feldman, 1982; Furnham, 1982; and Nilson, 1981) rating the extent to which the factor contributed to causing homelessness or poverty. The list of reasons for homelessness included both attributions to structural factors in the society and attributions to individual traits.

Results

With age covaried, responses from the "reasons for homelessness" items were analyzed as a mixed ANOVA design with a 14-level repeated measure (the "reasons for homelessness" items) and the 2-level "type of subject" factor. Table 3 provides the mean responses for the 14-items in the two samples. The main effect for reasons was significant, $F(13,3237)=71.74$, $p<.0001$, suggesting that the reasons are not all viewed as equally salient in causing homelessness. The main effect for "type of subject" factor
was significant, $F(1,248)=41.51$, $p<.0001$. An inspection of sample means suggests that inner-city subjects, as compared to college students, use the higher end of the scale for all reasons including both structural and individual reasons. The interaction between the repeated measure, “reasons” factor and the “type of subject” factor was significant, $F(13,3237)=8.87$, $p<.0001$, indicating that the pattern of perceived importance for the various reasons differed among the inner-city, men versus the college-students.

Probing further, we examined whether there was evidence of a general tendency for one sample to assign greater importance to structural factors versus individual factors as causes for homelessness. A composite measure in which the average of eight individual reasons was subtracted from the average of five structural reasons addressed the question. This composite measure also allowed a mechanism for circumventing the effect of the inner-city men more often using the “more important” end of the scale regardless of type of reason being evaluated. On the composite measure, values could range from 9 to -9, with higher values indicating greater attributions to structural as opposed to individual causes of homelessness. The mean value in the college sample (-1.19, SD=2.4, N=161) did not differ significantly from the mean value in the inner-city sample (-.96, SD=2.3, N=90), $F(1,248)=.17$, ns.

**GENERAL DISCUSSION**

Our investigations offered no support for the hypothesis that the inner-city African-American men in our sample have “attitude problems” which compromise their capacity to become good employees. A “bad attitude” was defined in our study as (1) approval of quitting as a response to an unfair working environment and (2) a propensity to perceive unfairness.

With regard to the issue of differential approval of quitting behavior under obviously unfair conditions, the question was explored through the “Joe” narrative. Subjects evaluated the behavior of an actor (Joe) who quit under unfair conditions. The results of this investigation indicated that, as would be expected, inner-city African-American men are more approving of an actor who quits under conditions of unfairness than an actor who
Table 3

Reasons for Homelessness: Means for the Inner-City Sample and the Student Sample

<table>
<thead>
<tr>
<th>Causes of Homelessness</th>
<th>Inner-City (N = 90)</th>
<th>Students (N = 161)</th>
</tr>
</thead>
<tbody>
<tr>
<td>*Lack of jobs in some localities</td>
<td>7.86</td>
<td>5.12</td>
</tr>
<tr>
<td>*Lack of drive and ambition</td>
<td>8.56</td>
<td>7.27</td>
</tr>
<tr>
<td>*Lack of thrift and money management</td>
<td>9.03</td>
<td>5.91</td>
</tr>
<tr>
<td>*Lack of effort by the poor themselves</td>
<td>8.58</td>
<td>6.26</td>
</tr>
<tr>
<td>*Lack of ability and talent</td>
<td>5.43</td>
<td>4.64</td>
</tr>
<tr>
<td>*Alcohol and Drug problems</td>
<td>9.48</td>
<td>7.45</td>
</tr>
<tr>
<td>Sickness and Physical handicaps</td>
<td>6.84</td>
<td>6.14</td>
</tr>
<tr>
<td>Failure of society to provide good schools for many Americans</td>
<td>5.42</td>
<td>4.96</td>
</tr>
<tr>
<td>*Prejudice and discrimination against minority groups</td>
<td>6.91</td>
<td>5.02</td>
</tr>
<tr>
<td>*Bosses are unfair</td>
<td>5.74</td>
<td>4.01</td>
</tr>
<tr>
<td>Just bad luck</td>
<td>3.56</td>
<td>3.42</td>
</tr>
<tr>
<td>*Lack of jobs that pay a living wage</td>
<td>8.12</td>
<td>5.06</td>
</tr>
<tr>
<td>*Lack of intelligence among poor people</td>
<td>6.47</td>
<td>4.01</td>
</tr>
<tr>
<td>*No attempts at self improvement</td>
<td>7.74</td>
<td>6.49</td>
</tr>
</tbody>
</table>

Note: an "**" indicates significance at the .05 level in a comparison between the two groups after controlling for age. Mean values could range from 1 to 10 with high numbers indicating greater agreement that the cause was an important factor in contributing to homelessness.
Attitudes

quits under conditions of fairness. However, contrary to what is sometimes assumed, African-American labor-class individuals are no more approving of quitting behavior under conditions of unfairness than are college-men.

The question of propensity to perceive unfairness was explored in several ways. Inner-city, African-American men and college men were asked to evaluate a boss about whom minimal information was provided. This procedure offered an opportunity for subjects to project into the scenario their general beliefs about bosses. Results of this investigation suggested that the ratings provided to the ambiguously described boss by the inner-city, African-American men were, if anything, more positive than were the ratings provided by the college students. The age difference between the two samples, rather than the inner-city status differential, was the factor mediating the more favorable view of bosses.

Established measures of beliefs about fairness in society also allowed a mechanism for exploring whether inner-city, African-Americans are more likely than college students to perceive injustice. With regard to perceptions of justice in the world generally, the inner-city African-Americans did not differ from college students on the Just World Scale. With regard to equal opportunity for children, the African-American, inner-city subjects were more likely to endorse this “Horatio Alger” type belief. With regard to the perception of discrimination against African-Americans in particular, the African-American, inner-city sample did not differ from college students. They were equally likely to attribute homelessness to structural as opposed to individual factors. Moreover, despite their longer duration of participation in the work-force, inner-city men were no more likely to endorse having been in a job in which they were treated unfairly than were the college students.

The only items on which the inner-city sample differed from the college sample with respect to perception of discrimination/victimization concerned the police and court system. The inner-city men more often believed (1) police are more likely to assume a poor person has committed a crime, and (2) a poor person is less likely to get a fair trial.

Our findings suggest that the expectation of discrimination in the labor-class African-American men is restricted to a specific
institutional arena of the society, viz., the criminal justice system. The Atlanta City Council had passed ordinances (e.g., making possession of an open container of alcoholic content illegal) within the two years prior to our data collection. Many of our inner-city subjects had either gone to jail or knew others who had been jailed for behaviors whose illegality is probably not even recognized by middle class persons. The perception of injustice from the criminal justice system among African-American, inner-city men in our sample, may in part be attributable to the particulars of the local city ordinances. It would be interesting to determine if labor-class, African-American men from rural localities also expect differential justice from the courts and the police.

Attitudes Versus Behavior

Whereas there was no support for the proposition that our inner-city subjects have “bad attitudes” toward work, as a group, they do not have positive employment histories. The average longest period of employment was 52 months, with a range of 0 months to 360 months (N=41). The majority of the inner-city sample worked through labor pools and did not have regular jobs. The average longest duration of time spent without even submitting an application for a regular job was 84 weeks (N=41). Our findings offer no support for “attitude problems” being the reason for current unemployment. Indeed, the men in our inner-city sample were not indifferent to work. Attesting to the importance of work in the lives of inner-city men, self-esteem in the inner-city sample was associated with responding positively to the question, “Have you ever had a job which was so special that it hurt when you no longer had the job” (r=.4031, N=40, p=.01).

If “bad attitudes” cannot account for the poor work records of the inner-city, subjects, an explanation for the poor work records of the inner-city men is needed. Some were chronically, mentally ill (22.4%); some were physically disabled (27%); some were retarded (4%). Examining the “reasons for homelessness” data, the inner-city men were most likely to attribute general homelessness to alcohol and drugs. Consistent with their views, 60% of the inner-city sample endorsed having a substance abuse problem.

Although not the initial intent of our study, mid-way through, we added some questions to our interview protocol to explore
how crack had affected work behavior. A sub-set of the sample who self identified as substance abusers indicated that, at some point on a job, they had failed to report for work the next day after using, or had not come in on time (42%, N=37). Twelve percent (N=34) had sold their vehicles for crack so they could no longer get to their jobs. As mentioned previously, most of the inner-city men worked through the labor pool. When asked about reasons for not looking for regular employment, some spontaneously remarked that they feared they could not sustain employment because of their drug use. Some spontaneously remarked that getting a regular job would be a futile endeavor because “all my earnings will go to the drug man”. Thirty-six percent of those asked (N=22) indicated that they controlled their crack use by limiting the amount of money they earned. Approximately half (N=33) reported that their crack use had decreased with their homeless status relative to the amount they had been using in the context of conventional employment. In fact, the modal amount of cocaine ($40) consumed per day in our sample was somewhat below the amounts (in excess of $100 per day) which bring middle class, employed samples into treatment according to published clinical reports (Gawin & Kleber, 1985; Schnoll, Karrigan, Kitchen, Daghestani, & Hansen, 1985; Washton & Gold, 1987). Most of the men were not happy with their drug use, as evidenced by a 76% (N=30) endorsement of “wanting to quit” with 86% (N=23) indicating that they thought about quitting at least daily.

Despite the history of periodic unemployment and a tendency to eschew regular employment for intermittent work through a labor pool, our sample of African-American, inner-city subjects could not be depicted as indolent. Fifty-nine percent (N=32) indicated they reported for work early each morning regardless of their drug use the previous night. Seventy-one percent (N=45) were working at least three days per week. Thus, we believe the underemployment and poor work records of the inner-city men can best be understood in terms of the ravages of crack-cocaine and/or disabilities, and not “bad attitudes”.

Final Conclusions and Future Research

In the course of our study, many of the inner-city subjects manifested confidence about their social skills. In the process of
evaluating Joe in the unfair working conditions narrative, subjects were asked what they would do under similar circumstances. A surprising number indicated they would continue to work hard and eventually they would succeed in convincing the boss that they should receive a raise. Another frequently voiced response was “I would talk to the boss and convince him that I should receive the raise.” (Twenty-five percent of those in the unfair conditions, expressed such views.) Thus, many of the inner-city men exhibited confidence about their ability to persuade. Ruggiero and Taylor (1997) have shown, in a laboratory context, that when African-Americans are induced to attribute a negative outcome to discrimination a decline in self-efficacy in the domain of social functioning results. Perhaps the self-confidence in the domain of social functioning manifested by some of the inner-city men is related to the failure to perceive discrimination. This issue might be investigated further in the future.

In this study, there was no evidence that inner-city, African-American men differ from college men in the extent to which they believe prejudice exits, the extent to which they assume the world is just, the extent to which they blame homelessness on structural factors in the society, the extent to which they assume unfairness of bosses, or the extent to which they approve of quitting given unfairness. Moreover, inner-city men were more likely to subscribe to the belief that equal opportunity for children exists. These findings are generally consistent with Hochschild (1995, p. 57), who reports that African-Americans, undifferentiated by income, are as likely to attribute success to personal effort as are whites.

The purpose of this investigation was to examine whether African-American, inner-city men have “bad attitudes” toward work. The essential features of a “bad attitude” toward work were operationalized as a low threshold for the perception of unfairness/discrimination and approval of quitting under assumed unfairness. If a “bad attitude” can be operationalized as assuming that bosses are unfair, approval of quitting under unfair conditions, and blaming negative outcomes on discrimination, then our investigation yielded no support for the hypothesis that inner-city, African-American men harbor “bad attitudes”.
REFERENCES


APPENDIX: THE "JOE" NARRATIVE

PLEASE READ THE FOLLOWING STORY ABOUT JOE AND THEN RESPOND TO THE QUESTIONS ABOUT JOE AND HIS STORY.

Joe is a twenty-two year old male who has recently been released from prison. Upon release he was eager to get a job. He searched eagerly and found employment working as a machinist fashioning tools. He was pleased when he found a way to use the skills he had learned while in the prison. Joe quickly established a good work record coming early and never missing a day. He was recognized by the other workers as having exceptional skill. His production was better than three-quarters of the others in the shop, up to the standard of even more experienced workers.

Joe was satisfied with his job for the first six months of his employment despite the boss being more critical of the guys who were on parole. The boss acted like he just expected guys on parole, Joe included, to be bad workers. Then Joe was informed about what was really going on by one of his friends at the shop. After work one evening, Joe and his friend, Mike, who was also on parole, were talking. Mike mentioned how unfair it was that the boss had given two other workers who started at the same time as Joe and Mike a two dollar raise. Mike, who seemed to know how things really worked, told Joe that the boss knew that guys who were on parole needed the job. The boss believed that he and Joe would put up with anything.

Joe puzzled over what Mike said. He wondered what, if anything, he should do. He talked it over with Mike, and the two of them agreed to ask for the two dollar raise the other men
got. The boss said, "If you don't like the working conditions you can always quit." Joe thought it over and decided that his self respect was at stake. Joe felt he had to quit the job. It seemed to be the only thing to do.
Economics is alone among the social science disciplines in failing to have a sound theory to explain behaviors when people do not act according to their self-interest, that is, with compassion. This has resulted in a fundamental flaw in economic thought. As economies have grown in scale and complexity, there has been a corresponding distancing between consumers and producers. This flaw has revealed itself through a lack of economic structures which bridge this distance, restore a level of intimacy within the economic interaction, and hence facilitate the expression of compassion.

Madan Ram, age 7, toils 10-12 hours a day weaving carpets at a rug factory in Utar Pradesh, India. Oftentimes, Madan’s fingers will bleed from the endless toil. At some of the worst factories, supervisors use hot irons to sear the children’s fingers so that blood will not get on the carpet. Madan is just one among millions of children worldwide who comprise the ranks of child labor. Civil Sakaesih, an Indonesian woman, worked for a Nike Inc. factory. She was fired from her job after joining a group of 600 other workers who walked out over wages. The factory refused to implement a minimum-wage increase to $1.25 a day. Unfortunately these are all too common examples in the developing countries of the world.

As economic globalization proceeds apace, these individuals become victims of the world’s march toward modernization.
Shockingly, some even view these hardships as a necessary step. Proponents of modernization theory—strong advocates of free-market capitalism—state that "Social inequity increases in the early stages of modernization (as elites profit from the toil of unskilled laborers)" (Harper, 1989, p.201). Blame for these inequities and injustices is often attributed to the impersonal nature of market forces. And yet, economics is a social science. It describes the behaviors and motivations of people. What is it that makes market forces impersonal? How and why does humanity get squeezed out of the economic equation?

As far back as the early eighteenth century with Bernard Mandeville’s publication of The Fable of the Bees: Or private vices, publick [sic] benefits, it was noted that it is human behaviors of self-interest which stimulated economic progress in a capitalist economy. Human virtues of compassion and intimacy were considered not to have a role. This concept is still reflected in today’s thought. The following statement is considered a fundamental principal unifying all economic theory: “The common objective is the explanation of the sequential configurations—the path, the dynamics—of the ‘material’ activities of societies whose order arises as an unintended by-product of the interplay of self-interested actors” (Heilbroner, 1986, pp. 23–24 [emphasis added]). This statement distinguishes economics from the other social sciences in an interesting manner. The other disciplines—political science, sociology, psychology, and anthropology—all have sound theories which account for aspects of human behavior when an individual does not act in his/her self-interest—i.e. acting out of compassion for other individuals. Thus, among social scientists, economists are alone in their stance of willingly turning a blind eye to an important dimension of human behavior: intimacy, or one’s connectedness to others. As Bramhill poignantly states in his critique of this one-sided approach:

Totally obliterated in the definition of commodities and the choice of one over another are the complexities of aesthetics, moral choices, cultural norms, and political positions. Generally it is not possible to let one person’s choices depend on the welfare of another person and still have determinate equilibrium models; because of this, the taboo four-letter word in economics is ‘love’” (1986, p. 51).
Love may not be an economic concept; yet, few would deny that it exists. Kant’s description of practical love seems applicable for the purposes of this paper: “a love which is seated in the will, and not in the propensions of the sense” (1988 [1785], p. 24). Compassion and intimacy are two dimensions of human nature which stem from practical love, and motivate actions which are not based upon self-interest. Through drawing upon theories from Rousseau, Kant, and Hegel, this paper seeks to offer a basic economic model which incorporates both facets of human behavior—self-interest and compassion—and under the light of this perspective, provide an analysis of the role of capitalism in the context of economic globalization.

THEORETICAL PERSPECTIVE

As Heilbroner aptly states concerning economic analysis: the characterizing judgments that economists make “necessarily embody moral and political preferences in addition to value-free gestalts.” (1986, p. 20). The economic analysis of this paper is no exception and embodies the following characterizing judgements. First is the proposition that there is a dual nature to human beings. Rousseau expressed this dual nature of humans with the terms *bourgeois* and *citoyen*. As explained by Jamieson:

> Man as *bourgeois* is egoistic, and materialistic. It is good that he is, since in pursuing private interest with the utmost zeal *bourgeois* man produces unintended benefits for everyone. Modern man also exists as *citoyen*. As *citoyen* he is other-regarding, altruistic, and universalistic and is mainly concerned to promote the common interest (1986, p. 338).

Kant would take this concept to new theoretical heights. He proposed that these two aspects of human behavior reflect not two natures but rather two distinct conceptions of the self:

> One resource remains to us, namely, to inquire whether we do not occupy different points of view when by means of freedom we think of ourselves as causes efficient *a priori*, and when we form our conception of ourselves from our action as effects which we see before our eyes” (Kant, 1988 [1785], p. 82).
Or more succinctly put, "I must exist, as Kant acknowledges, both as an 'empirical self' within the realm of nature, and as a transcendental self, outside it" (Scruton, 1977, p. 73).

The *bourgeois* nature of individuals is captured within the utilitarian conception of individualism. The individual self exists as a separate ego, and behavior is motivated by meeting the needs and wants of this separate ego. At a societal level, society functions and evolves due to the "invisible hand" at work—individuals pursuing an enlightened self-interest.

The *citoyen* nature of individuals is captured within Kant’s concept of the transcendental self. Being transcendental, it lies outside of the empirical world of nature, and hence, not subject to inclinations of individual self-interest. Thus, it is universalistic—from which a moral equity arises in which other individuals are viewed as ends in themselves rather than means to an end (i.e. one’s individual self-interest).

Faced with rampant capitalism at the turn of the century, Dewey and other Progressives embraced this missing element—the transcendental self—in their writings. Concisely stated, “As Mary Follet explained it: the individual ‘is in himself the whole of society. It is not that the whole is divided up into pieces; the individual is the whole at one point’” (Quandt, 1970, p. 29). Thus, the universalistic quality of the transcendental self is not an organicism based upon a biological metaphor (Durkheim’s conception of organic solidarity), where specialized parts create a greater whole (Durkheim, 1960 [1893]). This biological conception may more accurately describe the nature of a system. In Kant’s conception of the transcendental self, one is a microcosm of a greater whole so that in effect, the one and the whole are the same. A more apt metaphor may be that of one drop of water within a greater number or whole (e.g a glass of water). This whole may be as small as that represented by a couple—two individuals involved in an intimate relationship—or it may be as large as society itself. One’s self becomes universalistic. And as one is the same as this greater whole, desire arises to promote the interest of the whole: the common good.

Hegel would take Kant’s conception of the transcendental self, and that of the ego-driven individual self, and seek to explain
how the two become synthesized within the context of relationship through the creation of concrete universals. Hegel’s concept will be elaborated upon more fully later, under the practical analysis section of this paper.

THEORETICAL ANALYSIS

Under the light of the above perspective, this paper will now examine a basic economic interaction—the purchasing of a product or service. Under current economic theory, there are two descriptive characteristics to a product: price and quality (Gordon & Lee, 1977). Quality will determine the extent to which the product meets the consumer’s needs. The better the quality the higher the price. If a higher quality product better meets the consumer’s needs, the consumer will pay a higher price for the product. Certainly, no one in one’s right mind would knowingly and willingly pay a higher price for an inferior product or service.

And yet, in reality this often occurs. Take the example of an individual paying $10 to have his/her car washed by a group of high school students seeking to raise money for their school organization. The individual may be paying twice as much as he/she would at an automatic car wash facility. Certainly this choice is not due to the person believing that the quality of service from the high school students is twice as good. Another dimension of human behavior is at work, one not captured by economic theory.

The explanation for this scenario is as follows. First, since economic interactions involve people they must also be viewed as a social interaction. The two aspects of human nature—bourgeois and citoyen—are each represented within a social interaction. In the above example, the consumer’s choice is not only affected by the quality of the product—a motivation stemming from individual self-interest—but also by compassion: the motivation to promote the common good of the whole. I am purposely using the word compassion over altruism. At this point, what is being stressed is the harmony engendered by the universalistic nature of the transcendental self. Altruism comes into play later, when the two selves interact: one’s empirical self willingly sacrifices itself in order to yield to the transcendental self.
In any social interaction a relationship is established, and hence, some level of intimacy. This intimacy promotes the transcendental self's universalistic nature—or one's connectedness to others. This then provides the context for compassion—the harmony of feeling/being which spurs action—to flourish. Falling back to Kant, the transcendental self is a state of being which, by definition, transcends the empirical self. Pure reason, as described by Kant, is the intelligence of this transcendental self. Being outside the laws of cause and effect of the empirical world of nature, intuitions of pure reason are necessarily a priori in form. These intuitions of pure reason can be the spring of actions (which necessarily take place in the empirical world of nature). When this occurs, pure reason becomes practical reason (Kant, 1988 [1785]). Thus, practical reason acts as the voice of the transcendental self. Compassion, therefore, is practical reason operating inside the bonds of human intimacy propelled by practical love.

Hence the choice of spending money in the buying of a product (Price) reflects not only how that product will meet the individual's needs (Quality) but also to what extent the spending of that money contributes to the greater good of the whole (Compassion). This idea is represented by the following formula:

\[ P = Q + C \]

Thus, utilizing the above car wash scenario, the price of the service is represented as follows:

\[ (P)\$10 = 5(Q) + 5(C) \]

Consequently, only half the price—and hence half the motivation of the consumer—was determined by the how well the service met the individual's needs (quality): the egoistic quality of one's bourgeois nature. The other half of the price—and other half of the consumer's motivation—was determined by how the purchase promoted the common good (compassion): the universalistic quality of one's citoyen nature.

Obviously, these two properties can be represented by various proportions. At one extreme, say for example the knowing purchase of stolen merchandise, self-interest is represented 100%. An individual engaging in this action is solely interested in how the
action benefits himself/herself directly. An example at the other extreme would be giving money to a homeless person on the street. The aspect of contributing to the greater good of the whole takes on such importance (100%) that the product or service itself disappears altogether. In-between these two extremes, weight will be given to both sides.

Now let's apply this formula to the scenario of buying a common product at a store, say for example, strawberries. If a pint of strawberries costs $1.49, would a consumer pay twice as much as with the car-wash example above in order to contribute to the greater good? That would be certainly asking much, and add up to some hefty grocery bills. However, what about simply $.05 cents more?

\[ $1.54(P) = $1.49(Q) + $.05(C) \]

The United Farm Workers (UFW) recently headed a campaign proposing such an option in order to improve the working conditions of strawberry pickers in the United States. Due to the nature of competition in the global marketplace, strawberry pickers have seen their share of the consumer dollar spent on strawberries drop dramatically. In 1985 the workers received 17.5 cents for every dollar spent on strawberries; by 1995 their share dropped to 9.2 cents—almost 50%. Currently, for an eight-month growing season, they earn $8,500 and work 10–12 hour days. The nature of their work puts heavy strains on their backs and exposes them to fields treated with pesticides, yet few have health insurance. An increase of $.05 to the price of strawberries—given to the workers—would increase their pay by over 50%.

Why can't we add five cents to the price of strawberries? In the process of modernization, the economy has grown in specialization and complexity from a simple community-based economy before the industrial revolution to the global economy that exists today. One by-product resulting from this growth in complexity is that the level of intimacy in the social interaction of a consumer purchasing a product has been drastically reduced. When a consumer buys a pint of strawberries, or any other product, they are able to examine the product's quality (i.e. "Q": how the product will meet one's individual needs)—that has remained unchanged.
within the social interaction. However, the contribution that consumers are making to the common good, represented by “C”, becomes an unknown.

Would we buy strawberries from a farmer in our own (local) community who exacted such harsh working conditions on his/her laborers? In the more intimate exchange that takes place in a local economy, individuals are able to see with their own eyes what labor practices they are supporting—i.e. how they are contributing to the common good. In an advanced economy, consumers are forced to make the assumption that individuals who created the product are being adequately compensated for their labor, and hence, as consumers they are contributing to the common good by supporting the jobs of those individuals. This is an assumption however that is often wrong, especially concerning products created by unskilled labor.

PRACTICAL ANALYSIS

In the formula proposed

\[ P = Q + C \]

“Q” and “C” represent two separate values in this social interaction.

With “Q”—the aspect based upon the individualistic nature of individuals—value is determined by how well the product satisfies one’s needs. Incorporated within “Q” is the labor that went into the product. Hence workers are valued for the type of labor they can provide—i.e. “What you can do for me.” As it should be, the higher skilled the labor, the more value it has. Unskilled labor, however, still is an important component within the marketplace and has a value. Exploitation occurs when market forces and capitalists reduce this value to below nominally humane conditions.

With “C”—the aspect based upon the universalistic nature of individuals—it is not labor which is valued but people. Workers are valued simply because they are human beings. In Kantian terms, they are valued as ends in themselves. While the starting point of this value stems from ideals of right evoked by the transcendental self (via pure reason), the value of compassion—
the harmony of feeling/being which spurs action—stems from the level of intimacy involved in the social interaction.

In today's modern economy, the complexity is so great that the consumer is unaware of the labor that goes into a product. Without direct contact, intimacy is lost and the consumer is no longer able to express his/her value of individuals as human beings. In addition, there is no "C" in modern economic theory; hence there exist no structures for the consumers which serve to facilitate the restoration of this level of intimacy. With "C" being dropped from the equation, a crucial element is lost in the interaction: individuals are no longer valued as human beings.

This captures the concept put forth by Rousseau that individuals are basically good but it is society's institutions that make them bad. The complexity of the institution—in this case capitalism within a global economy—reduces the level of intimacy involved in social interactions to the point where the citoyen aspect of human behavior is lost. A veil of ignorance hangs over this dimension of the social interaction. Consumers are placed in a position where they are forced to assume that individuals are being fairly compensated for their labor. Through the purchasing of the product, we are supporting the jobs of those who made it and thus inherently believe we are promoting the common good. These assumptions are not necessarily a conscious deliberation with each purchase. For one's citoyen nature, they serve to bridge the rift in the social interaction created between producer and consumer. Certainly, as consumers, we do not believe that the purchasing of a product at a store is causing harm to other individuals. However, the nature of the competitive free-market system rewards the driving down of labor costs—no matter how that is accomplished. With intimacy having been lost from the interaction, these "cost-saving" measures are hidden from the consumer. Exploitation occurs. Consumers are left in the dark as to their contribution.

And with this veil of ignorance that consumers are forced to adopt—that individuals are being fairly compensated for their labor—we as consumers share responsibility for exploitative practices. We are oppressors. Every time we buy strawberries, gym shoes, clothing, etc., we are unknowingly supporting those who get rich off the exploitation of others.
The problem is that when we are at the grocery store, we are not given the choice between strawberries that cost $1.49 and those that cost $1.54 but were collected under more humane working conditions. Since "C" does not exist in economic theory, no structures are in place to facilitate its expression. Hence, unfortunately, the UFW face an uphill battle in their attempts to improve the working conditions of the strawberry pickers. And exploitation continues apace in the developing world.

In his *Philosophy of Right*, Hegel sought to describe the process of synthesis between the particular (individual self) and the universal (transcendental self). This process occurs within the context of social relationships. This synthesis creates structures facilitating the expression of the transcendental self: Hegel terms these structures concrete universals. When it comes to the State, concrete universals take the form of laws, and the political institutions which create them (Hegel, 1967 [1821]).

When we read or hear about the performance of the U.S. economy, the word "political" is routinely omitted from the description. In truth, what is being described are the workings of a political economy. An economy cannot function without some type of "rules of the game." It is the political component of a political economy which provides these rules.

In the workings of a political economy (especially in a democratic society), the political aspect is the main avenue in which the transcendental self finds expression. This is through the creation of laws which regulate economic behavior in favor of valuing individuals: the 40-hour work week, minimum wage, fair trade, etc. The economic aspect is the main avenue in which the individual self finds expression—i.e., how the product meets my needs.

This encapsulates the current dilemma concerning the workings of our modern political economy. The economic aspect has advanced beyond the scope of the political aspect, creating an imbalance; the economy is operating on a global level while political power is firmly cemented within national institutions. It is difficult to extend "the rules of the game" beyond one's national borders—especially those rules which value individuals—and only loose rules exist at the global level. This creates a wild west scenario in which corporations are forced to shoot it out on the playing field of the global marketplace (and are able to
skirt national laws by simply moving to a new locale, or use their power to make or break laws where they exert a strong presence).

Looking back at the Industrial Revolution, we can examine the historical record of the last time that there was an imbalance in the political economy. Using the United States as an example, when the economy began operating at the national level in the late 1800’s, political power remained firmly rooted in local institutions (Wiebe, 1967). Writing about this time period, Wiebe titled his book *The Search for Order 1877–1920*, aptly capturing the chaos of the Wild West political economy operating in those times (e.g no right to form a union, no national minimum wage, no national child labor laws, no national laws regarding safety in the workplace). It took a few decades for political power to shift to the national level and the balance to be restored. This shift was aided by the fact that national political structures were already in place, providing a framework for social movements to gain substance.

Ominously, this isn’t the case in today’s society. Global political structures are either weak, or like the International Monetary Fund (IMF), outside the democratic process. The IMF’s policies have an especially harsh, and even sinister edge, in that they are guided by two overriding principles: one, they are based solely upon scientific principles, and two, they are organic—they place the health of the system (the macro economy) over individual rights. These are the two guiding principles of Machiavelianism (Murray, 1953). Hence, the road to ending exploitation through global political structures will be a long time coming.

Encouragingly however, the major corporate powers prefer some order. They have the resources and power to adapt to slight change represented by reform. Chaos increases the risk of radical change. Hence, their self-interest motivates them to accept modest change rather than risk radical change. Again, looking at the historical record, in the early 1900’s it was the small and mid-sized companies, represented by the National Manufacturers Association, who saw even slight change as a threat to their survival and thus most adamantly opposed recognizing unions as legal as well as many other reform proposals. While certainly not enthusiastic about reform, the major national corporations did prove more flexible in their stance towards reform efforts
This same stance seems to hold true in our global marketplace of today. In 1997 a number of multinational corporations cooperated with the Council on Economic Priorities to establish "Social Accountability 8000": a package of certifiable labor and human rights standards. Toys ‘R’ Us and Avon were the first two companies to voluntarily adopt these standards and agree to inspections (Spar, 1998).

Now, it is certainly true that the political process is not the sole domain of the transcendental self—those with power will routinely use it to advance their own self interest over that of the common good. Conversely however, it can be stated that the economic process is not the sole domain of self-interest: the transcendental self can express itself through an individual’s (hence consumer’s) sense of morality. This is an important avenue to open up in today’s global political economy.

APPLICATION

As stated earlier, intimacy in a social interaction facilitates the expression of one’s transcendental self. The goal then is to create the structures that would restore this sense of intimacy between consumers and labor in the social interaction. This I envision being something similar to the system that the United States Department of Agriculture (USDA) uses to grade various qualities of meats. Certain standards can be established representing various qualities of the working environment; these standards would be represented by a grade of A through F. Companies would then provide this information on their product as part of their advertising.

The following is a key feature that makes this proposition very workable: it would not require any governmental regulation. Accountability would rest in potential law suits for abridging truth in advertising. Companies would be able to choose which rating they would adopt, letting market forces guide their decision. The only regulation necessary would be that companies must provide this information to consumers. This is something that can be handled using national laws. Currently, a company must list the ingredients of a product on its package. The same would apply for this standard—a grade of A to F on how the
product was produced. Thus no government intervention would be necessary: no bureaucratic forms, registrations, or inspections. If a company’s rating was called into question, they would be open to a lawsuit; the judicial structures for maintaining this accountability (truth in advertising) are already in place. The labor of the company producing the product would act as the guarantor, as key witnesses, regarding the truth of the rating. Activist groups could assist in situations when their help was necessary.

Being that these standards would operate in a global economy, it would be best to have international standards. Obviously, who is to create these standards, and how they are created, are major questions to be resolved (something deserving of a separate article in and of itself). Perhaps the process could be coordinated by an agency of the U.N. Some standards could be universal, e.g. “not made by child labor.” Others, such as pay, would be relative in nature and need to be phrased in such a way to reflect this. For example, it could be tied to the “basket-of-goods index” (a rating which determines the price of basic commodities for a family of four). The ratings could then reflect that worker pay is at 80% of this level, 100% of this level, 150% of this level, etc. Other relative measures may be viable as well. Once these standards are established, then it would be up to national governments to adopt these standards and require companies to advertise the rating that their products fall under. In addition, a campaign educating the consumer regarding these ratings would obviously be a key component as well.

The idea of a “C”, the idea of providing the consumer with information regarding how the product is created in addition to its quality, is not an untested one. Some companies in the marketplace have already taken this path in regards to the impact the creation of their product has on the environment. Various make-up products are advertised as “cruelty free” reflecting that they were not tested on animals. Other products are advertised as being made from recyclable materials. And of course, as mentioned above, there is now the Social Accountability 8000 seal of approval. These examples serve to attest to the workability of some kind of rating system. In addition, a 1995 survey on garment purchasing provides a bit of empirical evidence supporting the notion that consumers would support such a rating system: “84
percent said that they would pay an extra $1 on a $20 item to ensure that the garment had been made in a worker-friendly environment (Spar, 1998, p.9).

Finally, a distinguishing feature of this proposal is that it promotes structures which communicate/enforce more than just a bare minimum of working conditions. A grade of "A", "B", and "C" create higher standards for the working environment, and thus, the consequent economic niches from which businesses may compete.

When provided with the information, consumers do base part of their decision on moral grounds—and seek within the social interaction to contribute in some fashion to promoting the common good. Compassion may not exist in economic theory, but it certainly exists in the world. Through restoring intimacy within the economic interaction, perhaps we can take a few more steps toward putting a "human face" on capitalism.

REFERENCES


Exploitation—Invisible Hand Guided by a Blind Eye


NOTE

1. A set of universal standards put forth by the International Labor Rights Fund (ILRF) consists of the following:
   A. The right of association
   B. The right to organize and bargain collectively
   C. A prohibition on the use of any form of compulsory labor
   D. A minimum age for the employment of children
   E. Acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health
Work and Economic Outcomes After Welfare

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Using data from the 1969 to 1993 Panel Study of Income Dynamics, this article examines a number of models to determine the characteristics of AFDC recipients who fare well economically after they initially leave the welfare system. The study includes analyses of income levels, time spent employed and not employed, and time spent below the poverty line. Hypotheses regarding state welfare payments, area economic conditions, human capital and time spent receiving welfare are examined. The findings indicate that area employment conditions and the ability to quickly find work greatly affect the likelihood of faring well economically after welfare. We found that time spent receiving welfare had some small negative effects on post-welfare economic outcomes. However, former welfare recipients living in states with more generous welfare payments are as likely to work, to not use welfare, and are generally as well off as those living in states with less generous welfare payments. These results indicate that high welfare benefit levels may not be a disincentive to work. The findings also indicate that women who have little job experience, who lack education, and who have many or more children after AFDC, fare economically worse than others.

With the passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), welfare recipients will be expected to work far more than in the previous 60 year history of the Aid to Families with Dependent Children (AFDC) program. States will soon have the choice of either enforcing work requirements for welfare recipients, including specifications that 50 percent of all welfare recipients are involved in work related activities by 2002, or lose at least part of their Federal block grant funds for welfare. These provisions, as well as the newly imposed
five year limit on welfare receipt, will ensure that a far larger number of welfare or former welfare recipients will participate in the labor force.

While most recipients will be limited in the number of years that they may receive welfare, Federal and state governments are not guaranteeing jobs for the newly ineligible. This may mean that even during periods of economic prosperity that some former recipients will not be able to secure work; they will have to somehow find the means to support their families without the benefits of public assistance and without assured public employment. Many may be forced to live below the meagre income levels that they had while receiving welfare (Holzer and Danziger, 1998).

Contrary to this position, critics of welfare claim that decreased public benefits will both render welfare less attractive and increase the work efforts of former AFDC recipients (Hernstein and Murray, 1994; Mead, 1986). This may mean higher standards of living for former recipients as their hours of work and earnings increase. As fewer families receive welfare, fewer children will grow up in a welfare “culture” (Lewis, 1968), which will result in a lower need for welfare in the future.

While considerable research has examined the predictors of exiting AFDC either on a yearly basis (Bane and Ellwood 1994; Ellwood 1986; O’Neill, Bassi, and Wolf 1987; Vartanian 1997) or on a monthly basis (Blank 1989; Fitzgerald 1991; Gleason, Rangarajan, and Schochet, 1998), little research has been conducted on how AFDC recipients fare in the job market after they no longer receive AFDC income (Danziger and Lehman, 1996; Harris, 1996; Meyer and Cancian, 1998). Are former recipients able to remain independent, and if they are, by what means do they achieve independence? Previous studies have found that approximately 60 percent of former recipients work after welfare but that more than 40 percent remain poor five years after they leave AFDC (Meyer and Cancian, 1998). Returning to welfare after an initial exit is common. Ellwood (1986) found that recidivism rates ranged from 34 to over 40 percent while Harris (1996) found these rates to be 11 percent within the first six months after welfare, 12 percent between months seven and twelve, and 15 percent between months 19 and 24. These returns to welfare were far higher for women who exited AFDC by means other than marriage or work.
Although some research examines welfare recipients after they leave welfare, little is known about the types of jobs that former recipients take upon exit. Little is also known about how long they are able to maintain these jobs, how much time they spend unemployed or out of the workforce, how much cash assistance they receive after initially leaving welfare, and the predictors of all these outcomes. This article will begin to address these issues. The study will also help determine the importance of quickly securing work after welfare rather than waiting a period of time. It will seek to establish the ability of former recipients to sustain employment. Finally, it will point out family, personal and economic circumstances that may hinder financial independence. By better understanding which former recipients are at risk of doing poorly as well as which are positioned to do well, we can begin to consider ways to effectively monitor and respond to recent welfare reforms that require work and impose time limits on recipients.

CONCEPTUAL FRAMEWORK

A general utility maximizing theory based on marginal costs and benefits is used as the conceptual framework for this article. Relating this theory to women on welfare is a relatively straightforward process. Women receiving welfare must make decisions about whether or not they will continue to receive welfare, find employment, find a partner who works, or do some combination of these. Once they find employment, they must continually make similar decisions so as to determine whether they will maintain their jobs. Firms who hire former welfare recipients must also make decisions about whether to hire welfare recipients, and if they do, whether or not to keep them within their workforce. These decisions will be based on the marginal productivity of the laborer, which in turn will be determined by her ability to learn the skills of the position and her desire to work. The welfare recipient’s decisions on work or welfare will be based, in part, on the following considerations: the generosity of the welfare payment in the state in which she lives, the number and ages of children she must support, any child support payments made by absent fathers, income earned by others in the household, the
availability of work for which she is qualified, the wage rate which she is able to obtain, and the costs of work (e.g., transportation, child care). Some of these outcomes, such as the wage rate and the likelihood of finding work, may be determined, in part, by the former recipients' level of human capital (Becker, 1993).

All else being equal, the benefits of work will be lower in states where welfare income is relatively high compared to states where benefits are low. However, because many recipients feel a stigma attached to welfare receipt, the actual value of these payments may be lower than the dollar amount given (Rank and Hirshl 1988). Hence, work, marriage or cohabitational rates may be higher than expected by simply examining welfare benefits versus earnings potential or the earnings potential of a spouse. Critics of the AFDC system (Glazer 1988; Murray 1984; Murray and Hernnstein 1994) argue that the likelihood of poverty and welfare use increases as welfare benefits rise. They also argue that the likelihood of employment decreases as welfare benefits rise. These negative effects are said to be due to the work disincentive of the AFDC system. Others, such as Schram (1991, 1995), argue that higher welfare benefits may decrease the likelihood of poverty by giving recipients the necessary resources (i.e. money) to help them find work and thereby increase their earnings. It is argued that welfare recipients living in low-paying states may not have the initial resources to find work since they lack extra money once food and other life essentials are purchased. Thus, paying for transportation and child care services to find work may not be feasible for those living in states where welfare payments are relatively low.

The number and ages of children may also have ambivalent influences on work/welfare decisions. On the one hand, more children within the household may increase market work by adults in that household since the material needs of the family are greater. On the other hand, nurturing needs may also be higher with many children or with younger children, which may impede market work effort by former recipients.

The availability and stability of jobs and the costs of obtaining and maintaining work will also influence a former recipient's decision about the amount of her market work (Edin and Lein, 1997). Living within highly concentrated areas of poverty or areas
of high unemployment may increase the costs of finding and sustaining work and may therefore lead to a greater amount of welfare use and lower amounts of market work (Popkin, Rosenbaum and Meaden, 1993; Wilson 1987). Since unemployment rates are far higher for low-skilled laborers than for higher skilled laborers, these costs may be especially high for the poorly trained. Since many low-skilled jobs have moved out of the largest U.S. cities (Kasarda, 1989) and because a majority of former welfare recipients have a high school diploma or less (Vartanian, 1997), these conditions may severely hamper the decision to work. Clearly, individuals may have little decision to make if the wages that they can earn are relatively low and the costs of work are extraordinarily high. A lack of job contacts within their area of residence (due to low labor force participation rates), high transportation costs or a lack of knowledge of the process of finding work may contribute to the high information costs and to the overall high costs of finding work.

Spending a considerable amount of time on welfare may also increase the costs of finding work. Those who have been on welfare for a relatively long time may have experienced an erosion in their labor and job search skills if they have not worked or worked very little while on welfare. They may thus be less likely to have the skills necessary to find and maintain work than those who have recently been in the labor market. Many studies have found that time on welfare does not hinder the likelihood of exiting the welfare system (Bane and Ellwood 1994; Blank 1989; Vartanian 1997). It is unclear, however, whether the effect of long-term welfare receipt decreases work rates, increases welfare recidivism rates, or increases poverty rates of former recipients.

HYPOTHESES

From this conceptual framework, several hypotheses emerge. The first hypothesis examines the relationship between state welfare payment levels, work and other economic outcomes. In other words, we will test to determine if there is support for the hypothesis that high welfare benefits increase dependence on the welfare system after a recipient initially leaves welfare. If there is support for this hypothesis, then decreasing benefit levels should also decrease dependence on the welfare system. Conversely, if evidence
is found that former recipients in more generous welfare paying states fare better economically than those in less generous states, then maintaining or increasing benefit levels should not cause greater dependence on welfare income or may act to diminish dependence on welfare.

A second hypothesis examines the effects of length of time on welfare to determine if former welfare recipients are hurt in the job market by staying on welfare for relatively long periods of time. In other words, will limiting time on welfare (as the Temporary Assistance for Needy Families (TANF) mandates) increase the likelihood of avoiding poverty after welfare? If time on welfare shows a positive relationship with poverty status (or shows particular relationships with other outcome variables), this may indicate that those who have long welfare spells may be ill prepared for the job market once they exit AFDC. Likewise, time spent not employed after welfare is also examined so as to determine if relatively long periods of time out of the workforce lead to precipitously lower economic outcomes.

A third hypothesis evaluates the relationship between overall economic conditions and the economic outcomes of former welfare recipients. Area unemployment rates will be examined to determine whether former recipients are negatively affected by relatively high unemployment rates. This analysis will indicate to state administrators whether economic conditions have positive or negative effects on work related activities for former recipients. Because Kasarda (1989) has shown that highly urbanized areas have lost many low-skilled jobs while areas outside of urbanized areas have gained low-skilled jobs, area of residence will also be examined. If these effects are shown to be detrimental and strong, state and federal lawmakers may need to take economic conditions into account before limiting time available for welfare receipt.

A fourth hypothesis examines factors of human capital, including level of education and work experience, and their effects on economic and labor market outcomes. In this model, it is expected that those women who have greater levels of human capital will fare better economically than those with less. If these human capital effects are found to be strong, and since AFDC recipients have been shown to possess little human capital (Bane
and Ellwood, 1994; Vartanian, 1997) greater job training may be necessary to improve the economic outcomes of former recipients.

DATA AND KEY VARIABLES

Dependent Variables

The data used for this study comes from the Panel Study of Income Dynamics (PSID). The PSID will be used to examine six dependent variables, all determined after an initial AFDC spell. These dependent variables are: income relative to the poverty line, AFDC income, the percentage of time on AFDC, the percentage of time below the poverty line, the percentage of income derived from transfer payments, and the percentage of time not employed. These dependent variables will allow for a fairly complete picture of how former welfare recipients fare economically.

To determine whether recipients continue to use AFDC after they initially leave the system, AFDC income is measured. Because state welfare payments differ by large amounts, having high AFDC income does not necessarily mean that recipients stay on welfare for an extended period of time. Receiving high levels of AFDC income may mean, however, that families are highly dependent on welfare income, at least for a short period of time. In order to determine how much time is spent using AFDC, the percentage of time on AFDC is also measured. These results will indicate if such factors as state welfare payments and area unemployment rates are associated with time spent on welfare after an initial AFDC exit.

Other dependent variables include the percentage of income from transfer payments, which will indicate which recipients are and are not relatively dependent on public assistance after they leave AFDC, income relative to the poverty line and the percentage of time spent below the poverty line. Income relative to the poverty line will indicate the overall economic status of groups but may hide those who spend much of their time below the poverty line. This may be due to high levels of income of some former recipients which will increase the mean income levels for the group. Time spent below the poverty line gives a picture of which groups are doing poorly for extended periods of time after welfare.
Independent Variables

The key independent variables in the study are drawn from the theory described above or from past research on the AFDC population. Each of the statistical models uses the same general set of independent variables. The first set of these variables are welfare related variables, including the number of years receiving AFDC and the maximum state welfare payment in the years after welfare (Bane and Ellwood, 1994; Blank, 1989; O’Neill, Bassi and Wolf, 1987; Vartanian, 1997). In order to replicate Harris (1996), we will also consider the influence of AFDC exit type (marriage, increased earnings, other type) on work related outcomes. Type of exit may be an important indicator of who may be the most in need of government assistance after the newly imposed five year time limits. Those who exit AFDC by means other than marriage or increased earnings have been shown to be the least likely to exit AFDC within five years. As the PRWORA legislation is likely to lead to more exits unrelated to marriage or increased earnings, this factor is of particular interest within the current policy framework.

A second set of variables examines the effects of economic conditions, education and work experience before the former recipient first receives welfare and the types of jobs that the recipient obtains after welfare on work related and economic outcomes after welfare. These variables include the county unemployment rate; a set of dummy variables for occupation of the former recipient taken in the first year after welfare, with clerical workers as the excluded category; and level of education, with high school dropout as the excluded category. Most research on AFDC recipients has found that unemployment and education variables play a significant role in determining AFDC status (Blank, 1989; Vartanian, 1997).

Area of residence (urban versus non-urban) is used in the analysis because past research has found that welfare residents in highly urbanized areas have lower AFDC exit probabilities (Fitzgerald, 1995; Rank and Hirschl, 1993; Vartanian, 1997, 1999), especially for low-skilled workers (Holtzer and Danziger, 1998). Also controlled is region of the country (South, North Central, West, and the excluded category of Northeast). We also control
for the median state income levels after welfare, because many states that have high welfare payments also have relatively high income levels. We will control for the effects of state income to get a better picture of the effects of welfare payments within the state.2

Personal variables, such as age, race, number of children, whether the former recipient is the head of household, marital status, and the birth of a child, are also controlled in the models. Again, many of these variables have been shown to affect AFDC spell length and exit type and may affect economic outcomes after welfare. Including these variables within the models will give a clearer picture of which recipients do well economically after welfare and which do not.

Data

The PSID is a longitudinal data set that currently spans the years 1968 to 1993. In 1968, there were approximately 5,000 families in the data and 18,000 individuals. By 1993, the data contained over 7,000 families and 29,000 individuals. The data contains detailed information on income sources, family structure, and employment situations. The PSID oversampled poor households in order to obtain relatively large sample sizes for these households. It therefore uses weights in order to make the sample representative of the U.S. population.

From the PSID data set, a subsample of women were selected for this study who had spells on AFDC. These spells are determined by examining single mother heads of household who have at least one child and who receive more than $250 (1978 dollars) in AFDC income for the year.3 Those who continue to receive welfare in excess of the $250 will add another year onto their spell. Spells end when the woman no longer receives enough AFDC income for the year to qualify as a year on AFDC. How the recipient left welfare is then determined in the following order: through marriage, through increased earnings, or through other means. The spell concept was used to determine the length of AFDC spells, and once a spell ended, exit types, to see if these variables were predictors within the models examined. Also, only first spells were used in the analysis, or information after the initially observed spell, so as to maintain independence of the observations.
For the transfer payment, AFDC income, income relative to the poverty line, and percentage of time under the poverty line models, PSID data was taken from years 1969 to 1993. Once an initial AFDC spell ended, a four year period was examined to determine how the AFDC recipient fared during this period. Thus, the last spell ending was in 1989 so that a full four year period could be included.

There were a total of 758 welfare recipients who finished a welfare spell between 1969 and 1989. All left censored cases (or AFDC spells that were already in progress in 1968) were excluded from the analysis because information could not be obtained as to the length of these spells (see Alison, 1984).

In 1984, the PSID began tracking some data for heads of households on a monthly basis. Two of these monthly variables, AFDC status and labor force status, are used in the models examining percentage of time receiving AFDC, and percentage of time not employed. For models examining the percentage of time on welfare and the percentage of time unemployed or out of the labor force, there were a total of 260 observations. These data are from years 1984 to 1993, and again cover four year periods after an AFDC recipient’s initial welfare spell ends.

METHODOLOGY

The dependent variables in the study fall into two categories, and are examined using two types of analyses. In the first set of models, we examine income variables, including AFDC income and income relative to the poverty line over the four year period after recipients leave welfare using ordinary least squares regression. Ordinary least squares models are also estimated for the average AFDC income and the average income relative to the poverty line over the four year period.

The second set of models use tobit equations to examine the percentage of time spent in particular states. The dependent variables in these models are the percentage of time that former recipients use AFDC, are nonemployed, the percentage of income from transfer payments, and the percentage of time that the family has income below the poverty line over the four year period after welfare. These estimates are made for all former recipients and for
recipients who were ever in the particular condition. This means that we can determine the percentage of time spent below the poverty line for all former AFDC recipients and for that group that ever spends time below the poverty line. Tobit models are used because of censoring and truncation within the data (McDonald and Moffit, 1980). For example, many of the AFDC recipients receive no AFDC income after their initially observed spell on AFDC, and therefore many have values of zero for the percentage of time on welfare. Also, some former recipients are poor for the entire period after welfare but by definition the percentage of time below the poverty line is not allowed to go above 100 percent. The tobit model is able to allow for these truncations. The tobit model takes the following form:

\[ y_t = X_t \beta + \mu_t \text{ if } X_t \beta > 0 \]
\[ y_t = 0 \text{ if } X_t \beta + \mu_t \leq 0 \]

RESULTS

Descriptive Statistics

Table 1 gives a first look at the percentage of cases with particular conditions at different time periods after initially exiting welfare. (The means and standard deviations of all of the variables are given in the appendix, Table A1.) These time periods are in the first year after exiting AFDC, then at 2, 3 and 4 years after initially exiting AFDC. The first part of the table indicates the percentage of former AFDC recipients with particular levels of income at the different time periods after AFDC. Table 1 indicates that 13.3 percent of the cases and under one-third (30.2%) of the cases have income at less than half the poverty line, and above half the poverty line but below the poverty line, respectively, in the first year after AFDC. By year four after AFDC, over 12 percent of former recipients are below half the poverty line, and around 38 percent are below the poverty line.

We then break down personal income by hours of work and wages. Around one-fifth to one-quarter of former AFDC recipients do not work in any one of the periods examined following an AFDC exit. This percentage is lowest right after exit, then
Table 1
Conditions of Former AFDC Recipients in Periods After Initially Exiting AFDC, in Percentages

<table>
<thead>
<tr>
<th>Income Relative to the Poverty Line</th>
<th>1st Year</th>
<th>2nd Year</th>
<th>3rd Year</th>
<th>4th Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than Half the Poverty Line</td>
<td>13.2</td>
<td>12.8</td>
<td>11.4</td>
<td>12.4</td>
</tr>
<tr>
<td>Between Half but Below Poverty</td>
<td>30.2</td>
<td>26.9</td>
<td>30.2</td>
<td>25.7</td>
</tr>
<tr>
<td>At or Above Poverty but Less than 1.5 times the Poverty Line</td>
<td>24.7</td>
<td>24.7</td>
<td>23.3</td>
<td>22.6</td>
</tr>
<tr>
<td>Above 1.5 times the Poverty Line</td>
<td>31.9</td>
<td>35.5</td>
<td>35.1</td>
<td>39.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hours of Work</th>
<th>1st Year</th>
<th>2nd Year</th>
<th>3rd Year</th>
<th>4th Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>21.3</td>
<td>22.7</td>
<td>26.8</td>
<td>24.5</td>
</tr>
<tr>
<td>1-10</td>
<td>16.6</td>
<td>13.5</td>
<td>17.1</td>
<td>16.9</td>
</tr>
<tr>
<td>11-20</td>
<td>9.8</td>
<td>11.4</td>
<td>10.5</td>
<td>11.1</td>
</tr>
<tr>
<td>21-34</td>
<td>22.8</td>
<td>18.9</td>
<td>15.0</td>
<td>15.4</td>
</tr>
<tr>
<td>35 and Over</td>
<td>28.3</td>
<td>32.6</td>
<td>30.6</td>
<td>32.1</td>
</tr>
<tr>
<td>Wages</td>
<td></td>
<td></td>
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<tr>
<td>-------------------</td>
<td>------------</td>
<td>------------</td>
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<td>------------</td>
</tr>
<tr>
<td>&lt;= $5 Hour</td>
<td>27.4</td>
<td>31.8</td>
<td>30.0</td>
<td>23.1</td>
</tr>
<tr>
<td>5 &lt;= Wage &lt;= 8</td>
<td>31.9</td>
<td>24.7</td>
<td>30.2</td>
<td>35.6</td>
</tr>
<tr>
<td>8 &lt; Wage &lt;= 11</td>
<td>24.7</td>
<td>26.6</td>
<td>18.7</td>
<td>20.6</td>
</tr>
<tr>
<td>Wage &gt; 11</td>
<td>15.9</td>
<td>18.8</td>
<td>21.1</td>
<td>20.7</td>
</tr>
<tr>
<td>Percent Working 20+ Hours and Earning $8+/hr</td>
<td>24.5</td>
<td>25.2</td>
<td>21.2</td>
<td>21.6</td>
</tr>
<tr>
<td>Percent Working 35+ Hours and Earning $8+/hr</td>
<td>13.5</td>
<td>16.0</td>
<td>13.7</td>
<td>15.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Characteristics</th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>30.8</td>
<td>33.3</td>
<td>34.0</td>
<td>34.5</td>
</tr>
<tr>
<td>AFDC Income</td>
<td>4.9</td>
<td>21.4</td>
<td>19.7</td>
<td>17.9</td>
</tr>
<tr>
<td>Transfer Income as a Percent of Total Income</td>
<td>20.9</td>
<td>19.6</td>
<td>20.8</td>
<td>20.1</td>
</tr>
</tbody>
</table>

Source: Tabulated by the authors from the Panel Study of Income Dynamics, 1969–1993. All dollar figures are in 1994 dollars.
increases gradually until year four, when 24.5 percent of former recipients work zero hours. Around 25 to 30 percent of former recipients work between 1 and 20 hours per week in any of the periods examined, while roughly 15 to 23 percent work between 21 and 34 hours. Almost one-third of former recipients work full time, or 35 or more hours per week. This figure increases slightly from the first year after welfare to years 2 and beyond. Table A.1 indicates that the average yearly number of hours of work after welfare is 1114.26 for former recipients who work.

The wage breakdowns indicate that most former recipients earn under $8 per hour (in 1994 dollars) in any year after initially leaving AFDC. The percentage earning below $5 an hour increases from year 1 to year 2, then decreases to 23.1 percent by year 4. Those earning over $11 an hour increases from around 15 percent in year 1 to almost 21 percent in year 4. Table A.1 indicates that the average wage for those who work is $7.74. Median wages for those who work after welfare are $6.97.

We also examined the likelihoods of working either 20 or more or 35 or more hours per week at a wage of $8 or higher at different periods after welfare. Edin and Lein (1997) note that making at least $8 an hour is necessary for a single mother with children to maintain work and family. We find that a relatively small proportion of former recipients meet this criteria or the lower criteria of working 20 or more hours at $8 or more per hour. Table 1 shows that around one-fifth to one-quarter of former recipients work 20 or more hours at $8 or more per hour and around 13 to 16 percent get paid this wage at 35 or more hours per week.

We found that a relatively stable proportion of former recipients are married from year 1 to year 4. Roughly one-third of former recipients are married in the four year period after they initially leave welfare. Roughly 20 percent of family income is derived through transfer payments after AFDC, while a slightly decreasing proportion of former recipients receive AFDC payments from years 2 to 4.

Estimates of Transfer Income as a Percentage of Total Income, AFDC Income and Income Relative to the Poverty Line

Table 2 shows estimates of transfer income as a percentage of total income, AFDC income and income relative to the poverty
line for former welfare recipients for the four year period after initially leaving welfare (see Table A.2 for the coefficient estimates). These results indicate that the welfare related variables, economic conditions of their area of residence, and personal employment situations make a relatively large difference in the three dependent variables examined. For example, former recipients living in states with relatively high welfare payments have higher AFDC income and higher overall income levels relative to recipients living in states with relatively low payment levels. The mean average income relative to the poverty line for those living in high paying welfare states is around one-fifth of one needs standard higher relative to those living in low-paying welfare states. This may be due, in part, to the higher level of AFDC income for those in the higher paying states. These results indicate that former recipients in higher paying states are financially better off than those in lower paying states. Some of this may be due to better job opportunities, and thus higher wages, in higher paying states, and some may be due to the higher levels of work effort by former recipients living in more generous states. Hence, relatively high benefit levels do not decrease the standard of living for former recipients.

We examine if these results change when we use state fixed effects models. Our results (not shown) indicate that state welfare payments no longer affect income relative to the poverty line, but that AFDC income is still affected by state welfare payments. Whether this effect is due to simply having higher payments or because those in high welfare paying states spend more post-welfare time receiving AFDC is investigated in the next section of the paper.

AFDC spell length has a negative, though small, effect on income relative to the poverty line. Those who spend seven years on welfare have income that is, on average, around 5.5 percent lower and transfer income relative to total income that is 16 percent higher, than those who spend only one year on welfare. In other words, spending a long period of time on welfare has some detrimental consequences on economic outcomes, but these effects are not particularly large, especially the effect on total income. Those who either marry or increase their earnings and exit AFDC, however, have a higher average income relative to the
Table 2

Estimates of Transfer Income Relative to Total Income, Average AFDC Income and Average Income-to-Needs For a Four Year Period After Initially Exiting Welfare: 1969–1993

<table>
<thead>
<tr>
<th>Variable</th>
<th>Estimate of Transfer Income as a Percentage of Total Income</th>
<th>Estimate of Average Yearly AFDC Income</th>
<th>Estimate of Average Income Relative to the Poverty Line</th>
</tr>
</thead>
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<tr>
<td></td>
<td>N=758 Mean</td>
<td>N=758 Mean</td>
<td>N=758 Mean</td>
</tr>
<tr>
<td>Overall</td>
<td>.22</td>
<td>696.51</td>
<td>1.41</td>
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<td><strong>Personal Variables</strong></td>
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<td></td>
<td></td>
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<tr>
<td>White</td>
<td>O.C.</td>
<td>.22</td>
<td>O.C. 776.39</td>
</tr>
<tr>
<td>Black</td>
<td></td>
<td>.21</td>
<td>626.10**</td>
</tr>
<tr>
<td>Races Other than B/W</td>
<td></td>
<td>.17</td>
<td>413.56 1.40</td>
</tr>
<tr>
<td>Age=20</td>
<td>***</td>
<td>.15</td>
<td>838.77 1.42</td>
</tr>
<tr>
<td>Age=40</td>
<td>***</td>
<td>.24</td>
<td>608.12 1.40</td>
</tr>
<tr>
<td>Never Married</td>
<td></td>
<td>.21</td>
<td>886.50*** 1.30</td>
</tr>
<tr>
<td>Married/Divorced/Sep/Widow</td>
<td>O.C.</td>
<td>.21</td>
<td>609.62 O.C. 1.46</td>
</tr>
<tr>
<td>Child Under Age 6</td>
<td></td>
<td>.20</td>
<td>641.32 1.38</td>
</tr>
<tr>
<td>No Children Under Age 6</td>
<td></td>
<td>.22</td>
<td>773.18 1.45</td>
</tr>
<tr>
<td>New Born Child</td>
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<td>.23</td>
<td>1105.39*** 1.37</td>
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<td>No New Born Child</td>
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<td>524.15 1.43</td>
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<td>Number of Children=Low</td>
<td>***</td>
<td>.20</td>
<td>154.61*** 1.71</td>
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<td>Number of Children=High</td>
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<td>.23</td>
<td>990.43*** 1.25</td>
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<tr>
<td>Variable</td>
<td>Coefficient</td>
<td>p-Value</td>
<td>Mean</td>
</tr>
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<td>------------------------------------------------------</td>
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</tr>
<tr>
<td>Head of HH All Years</td>
<td>***</td>
<td>.23</td>
<td>***</td>
</tr>
<tr>
<td>Non-Head of HH All Years</td>
<td>***</td>
<td>.18</td>
<td>***</td>
</tr>
</tbody>
</table>

**Work-Related, Education and Economic Condition Variables**

| Avg. Work Exper Before Welfare=0 Hours              | ***         | .24     | ***     | 782.55      | ***     |
| Avg. Work Exper Before Welfare=1000 Hours           | ***         | .19     | ***     | 651.25      | ***     |
| Occ=Clerical 1 Yr After Welfare                      | O.C.        | .19     | O.C.    | 336.00      | O.C.    |
| Occ=Prof 1 Yr After Welfare                         | .22         | **      | 0       | **          | 2.02    |
| Occ=Manager 1 Yr After Welfare                       | .17         |         |         | 636.67      |         |
| Occ=Craft 1 Yr After Welfare                         | *           | .11     |         | 138.84      |         |
| Occ=Operator 1 Yr After Welfare                      | .19         | *       |         | 740.42      |         |
| Occ=Laborer 1 Yr After Welfare                       | ***         | .13     | ***     | 702.00      | ***     |
| Occ=None 1 Yr After Welfare                          | ***         | .28     | ***     | 1024.94     | ***     |
| Co. Unemploy Rate 1 SD Below Mean                    | .22         | ***     |         | 472.22      | ***     |
| Co. Unemploy Rate 1 SD Above Mean                    | .20         | ***     |         | 982.26      | ***     |
| High School Dropout                                  | O.C.        | .21     | O.C.    | 730.25      | O.C.    |
| High School Grad                                     | .21         |         |         | 631.46      |         |
| Some College                                         | .20         |         |         | 1032.47     |         |
| College Grad                                         |             |         |         | 1221.95     |         |

*continued*
Table 2, Continued

<table>
<thead>
<tr>
<th>Variable</th>
<th>Estimate of Transfer Income as a Percentage of Total Income</th>
<th>Estimate of Average Yearly AFDC Income</th>
<th>Estimate of Average Income Relative to the Poverty Line</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sig Level</td>
<td>N=758 Mean</td>
<td>Sig Level</td>
</tr>
<tr>
<td>Welfare-Related Variables</td>
<td></td>
<td></td>
<td></td>
</tr>
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<td>Welfare Payment in State is 1 SD Below the Mean</td>
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<td>405.97</td>
</tr>
<tr>
<td>Welfare Payment in State is 1 SD Above the Mean</td>
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<td>***</td>
<td>1032.27</td>
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<tr>
<td>Marriage Exit from AFDC</td>
<td>***</td>
<td>.19</td>
<td>782.09</td>
</tr>
<tr>
<td>Earnings Exit from AFDC</td>
<td>***</td>
<td>.18</td>
<td>608.56</td>
</tr>
<tr>
<td>Other Exit from AFDC</td>
<td>O.C.</td>
<td>.28</td>
<td>O.C.</td>
</tr>
<tr>
<td>Spell on AFDC= 1 Year</td>
<td>*</td>
<td>.22</td>
<td>755.18</td>
</tr>
<tr>
<td>Spell on AFDC= 7 Years</td>
<td>*</td>
<td>.19</td>
<td>644.49</td>
</tr>
<tr>
<td>Residential Location Variables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reside in Non-Metropolitan Area</td>
<td>O.C.</td>
<td>.20</td>
<td>O.C.</td>
</tr>
<tr>
<td>Reside in Metropolitan Area</td>
<td>.22</td>
<td>***</td>
<td>964.87</td>
</tr>
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</table>

Note: All dollar figures are in 1994 dollars.
O.C. = Omitted Category. * = p < .10, ** = p < .05, *** = p < .01, all for two-tailed tests.
poverty line and lower transfer income relative to total income than those who exit via other means.

While the unemployment rate within the area of residence does not affect the percentage of transfer income relative to total income, it has relatively large effects on the amount of AFDC income and overall income. Those living in areas with an unemployment rate of around 11% (one standard deviation above the mean) have, on average, AFDC incomes of $982 while those living in areas where the unemployment rate is around 6% (one standard deviation below the mean) have average AFDC income of $472; those living in high unemployment areas on average have income which is 27% above the poverty line while those in low unemployment areas have incomes at 52% above the poverty line.

The types of jobs that recipients take do affect their transfer income relative to total income, their income and their AFDC income. For the transfer income model, those who are in crafts or are laborers, have somewhat lower levels of transfers relative to total income, and those who have no job in the first year after welfare have substantially higher levels of transfers relative to total income than those in clerical positions. Laborers, however, and those who do not work in the first year after welfare have higher average AFDC income and lower total income than do clerical workers. Only those who are professionals in the first year after AFDC have lower AFDC income and substantially higher overall income levels than do those in clerical positions.

Work experience before welfare has significant effects on transfer income relative to total income and overall income levels, while those who earn their way off welfare have significantly lower transfer to total income and higher total income levels relative to the poverty line than women who exit via other means. Other human capital measures such as education also affect income to poverty in a favorable direction. Those women with a high school or college diploma have significantly higher income than those women without a high school diploma. Also, living in large metropolitan areas affects AFDC income. Women living in metropolitan areas receive significantly more AFDC income on average than women living outside of these areas: $964.87 versus $426.55. This may be due to the lack of job opportunities within these areas for relatively low skilled workers (Kasarda
1989) or a lack of welfare stigma in more urbanized areas. Thus, women with greater levels of work experience and education, who are able to get jobs in the first year after welfare, who live outside of metropolitan areas and in areas with a relatively low unemployment rate fare economically better than those recipients without these characteristics.

A number of personal variables make a large difference in the living standards of former AFDC recipients. Perhaps the first among these is having relatively few children within the household. Women with few children in the first four years after initially exiting AFDC have higher income levels, receive less AFDC income and generally have lower levels of transfer income than women with many children. Those women who have new born children receive more AFDC income and have lower levels of income relative to their needs than those who do not. Those women who are heads of household for all years after their initial welfare exit use more government assistance and have income at a far lower level than women who are not heads for all years. Not surprisingly, these results indicate that having relatively few children, not having new children and living with a spouse decrease AFDC income and/or increase income relative to the poverty line after an initial AFDC exit.

Estimates of Time spent on AFDC, Nonemployed and Below the Poverty Line

Table 3 gives the estimates of the percentage of time spent using AFDC, being nonemployed, and being below the poverty line (see table A3 for the coefficient estimates). Estimates from the tobit models were used to determine these figures. The first column number gives the percentage of time spent in the particular state for all former recipients. The second column excludes those individuals who have not received any AFDC. Unlike the results for table 2, the results for the AFDC and nonemployment models are from monthly data from 1984 to 1993, while the percentage of time in poverty results use all PSID years.

The results shown in table 3 mostly confirm what has been presented in the previous sections of this paper. First, the level of welfare payments in the state has a negative effect on time in poverty and no effect on percentage of time receiving AFDC or
Table 3

<table>
<thead>
<tr>
<th>Variable</th>
<th>Percentage of Time Receiving AFDC</th>
<th>Percentage of Time Nonemployed</th>
<th>Percentage of Time in Poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sig. N=290, Years=1984 to 1993</td>
<td>Sig. N=290, Years=1984 to 1993</td>
<td>Sig. N=758, Years=1969 to 1993</td>
</tr>
<tr>
<td>Overall</td>
<td>Overall</td>
<td>Overall</td>
<td>Overall</td>
</tr>
<tr>
<td></td>
<td>.17</td>
<td>.27</td>
<td>.50</td>
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<tr>
<td>Those Who Ever Receive AFDC</td>
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<td>.33</td>
<td>.67</td>
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**Personal Variables**

- White: O.C. .17 .32 O.C. .28 .34 O.C. .48 .66
- Black: .17 .32 .26 .33 .52 .69
- Races Other than B/W: .13 .29 .27 .33 .54 .70
- No Newborn Children: O.C. .17 .32 O.C. .22 .29 O.C. .48 .66
- Newborn Child(ren): .17 .32 *** .36 .40 .55 .71
- Never Married: .18 .33 .30 .36 *** .59 .74
- Married/Divorced/Sep/Widow: O.C. .15 .31 O.C. .25 .31 O.C. .46 .64

continued
<table>
<thead>
<tr>
<th>Variable</th>
<th>Percentage of Time Receiving AFDC</th>
<th>Percentage of Time Nonemployed</th>
<th>Percentage of Time in Poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Overall</td>
<td>Those Who Ever Receive AFDC</td>
<td>Overall</td>
</tr>
<tr>
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<td>Sig. Level</td>
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<td>Age=18</td>
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<td>**</td>
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<tr>
<td>Age=35</td>
<td>***</td>
<td>.10</td>
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</tr>
<tr>
<td>Child Under Age 6</td>
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</tr>
<tr>
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<td>.15</td>
<td>O.C.</td>
</tr>
<tr>
<td>Number of Children=Low</td>
<td>**</td>
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<td>.29</td>
</tr>
<tr>
<td>Number of Children=High</td>
<td>**</td>
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<td>.35</td>
</tr>
<tr>
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<td>.14</td>
<td>.30</td>
<td>***</td>
</tr>
<tr>
<td>Non-Head of HH All Years</td>
<td>O.C.</td>
<td>.14</td>
<td>O.C.</td>
</tr>
<tr>
<td>Work Related, Education and Econ Conditions Vars</td>
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<td>Occ=Clerical 1 Yr After Welfare</td>
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<td>Category</td>
<td>Min</td>
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<td>Occ=Prof 1 Yr After Welfare</td>
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<tr>
<td>Occ=Laborer 1 Yr After Welfare</td>
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<tr>
<td>High School Grade **</td>
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<tr>
<td>Some College</td>
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<td>College Grad</td>
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<td>Welfare Related Variables</td>
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<td>Earnings Exit from AFDC **</td>
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<tr>
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continued

63
Table 3, Continued

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<thead>
<tr>
<th>Variable</th>
<th>Percentage of Time Receiving AFDC</th>
<th>Percentage of Time Nonemployed</th>
<th>Percentage of Time in Poverty</th>
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<td>Sig. Level N=290, Years=1984 to 1993</td>
<td>Sig. Level N=290, Years=1984 to 1993</td>
<td>Sig. Level N=758, Years=1969 to 1993</td>
</tr>
<tr>
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<td>Overall</td>
<td>Those Who Ever Receive AFDC</td>
<td>Overall</td>
</tr>
<tr>
<td>Spell on AFDC 1 SD Below Mean</td>
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<td>.30</td>
<td>.27</td>
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<tr>
<td>Spell on AFDC 1 SD Above Mean</td>
<td>.20</td>
<td>.35</td>
<td>.28</td>
</tr>
<tr>
<td>Welfare Payment in State is 1 SD Below the Mean</td>
<td>.15</td>
<td>.31</td>
<td>.27</td>
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<tr>
<td>Welfare Payment in State is 1 SD Above the Mean</td>
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<td>.27</td>
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<td>Residential Location Variables</td>
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</tr>
<tr>
<td>Reside in Non-Metropolitan Area</td>
<td>O.C.</td>
<td>.13</td>
<td>O.C.</td>
</tr>
<tr>
<td>Reside in Metropolitan Area</td>
<td>**</td>
<td>.20</td>
<td>.27</td>
</tr>
</tbody>
</table>

Note: O.C. = Omitted Category. *=p < .10, ** = p < .05, *** = p < .01, for two-tailed tests.
percentage of time nonemployed. Again, it is found that AFDC payments in the state do not have a detrimental effect on self-sufficiency. Those women who live in more generous welfare paying states have more income, do not spend any more time on welfare and are just as likely to be employed as those women in low welfare paying states.

When we use the fixed state effects models, we find that state welfare payment level is no longer significantly related to the percentage of time with income below the poverty line. However, the results show that payment levels do not have detrimental effects on the outcome variables examined here.

The results also indicate that economic conditions have a relatively strong effect on time spent below the poverty line. Former recipients living in areas where the unemployment rate is one standard deviation above the mean spend 56 percent of their time below the poverty line while former recipients living in areas where the unemployment rate is one standard deviation below the mean spend 46 percent of their post AFDC exit time below the poverty line. The unemployment rate also has a significant effect on the percentage of transfer income relative to total income, with those living in areas with relatively high levels of unemployment receiving a greater proportion of their income from transfer payments.

The results also show that AFDC spell length has a fairly large effect on time spent below the poverty line, but not on time spent either receiving AFDC or not employed. Those who spend seven years receiving AFDC spend 61 percent of their post-welfare time below the poverty line, while those who spend a single year receiving AFDC spend 43 percent of their time after welfare below the poverty line. These results indicate that time on welfare does not affect the likelihood of work for former welfare recipients, but does affect income. This may indicate that other, unobserved characteristics may affect length of time on AFDC, which may then lead to lower levels of income after welfare. Those who exit their AFDC spell via marriage or increased earnings spend far less time receiving AFDC, far more time employed and above the poverty line than those who exit AFDC via other means.

Other results show that women who get jobs soon after welfare and who live in non-metropolitan areas spend less time on
welfare, less time nonemployed and are less likely to be living below the poverty line than those without these characteristics. Greater levels of education often indicate that families formerly on AFDC will spend less time on welfare, below the poverty line and nonemployed.

It can again be seen that women who get jobs as professionals spend less time on welfare than other workers, while those who do not have a job in the first year after welfare spend considerably more time using welfare, below the poverty line and not working for the four year period. Also, those who earn their way off AFDC spend far more time employed than those who exit via other methods. Those living in urban areas spend more time on welfare than those living outside of these areas.

Family and personal characteristics that affect the outcomes of these dependent variables include whether the former recipient heads a household for all four years after welfare. Those who head their own households for all years after welfare spend 64 percent of their post-welfare years below the poverty line, while others spend 35 percent of their time after welfare below the poverty line. The number of children in the household as well as newborn children affect the percentage of time below the poverty line. This may be due to the greater child care effort expended by the mother with either many children or young children within the household.

**DISCUSSION**

The results of this research indicate that a number of key policy variables show signs of affecting economic outcomes after women initially leave the AFDC system. Support was found for the effects of economic conditions within areas that former recipients live. Living within large urban areas and areas with high unemployment rates were shown to be related to lower levels of economic independence. These results indicate that policy makers should take area economic factors into account when determining time limits for welfare receipt. While we may see positive economic outcomes for former welfare recipients when unemployment rates are low, a relatively high unemployment rate will mean that former recipients will spend an increasing proportion of time below the poverty line.
Support was not found, however, for the possible detrimental economic effects of living in states with relatively high welfare payment levels. While living in states that have relatively high payment levels for AFDC does increase AFDC income after initially leaving welfare, it does not increase time spent on AFDC, non-employment, the likelihood of poverty or time spent below the poverty line. Contrary to current political thinking, the evidence here indicates that further aiding former recipients with more income assistance will not help create a dependent class of citizens. While time on welfare generally had no effect on work outcomes, it did show some negative effects on time spent below the poverty line.\footnote{5}

Support was also found for the human capital hypothesis and for the positive effects of finding work soon after leaving welfare. Such factors as level of education, work experience, exiting from increased earnings and getting a job soon after exiting welfare are key predictors in determining the economic independence of former welfare recipients. Those who did not get jobs within the first year of leaving welfare always did economically worse than those who quickly obtained employment in each of the models examined. Those women who were in professional occupations did the best in the models examined relative to those who got other types of work. Of course, many former recipients are not trained to obtain professional jobs and may need to be trained to find any available job. Those who obtained clerical positions spent, on average, 37 percent of their after-welfare life living below the poverty line compared to 63 percent for those who did not get jobs within their first year after welfare. These results may be due to motivational differences between former recipients but may also be due to the lack of human capital of some former recipients. Increasing job skills for those with little human capital could increase the economic independence of those former recipients who now struggle to stay off welfare.

Part of the reason for the different levels of economic independence of former recipients seems also to lie in their personal situations. Having either a newborn child or many children decreases income relative to the poverty line, increases time below the poverty line and increases AFDC income. Those women who are heads of household for all years after ending their initial wel-
fare spell and those women who have never been married have lower income levels relative to the poverty line and spend more time nonemployed than women who are married. This is likely to be due to the increased nurturing time, and thus decreased work time, necessary for single parent households relative to those who have two adults available.

In order to increase the chances that former recipients are standing on firmer economic ground, strategies should be devised that take into account both personal situations as well as their work related situations. Ignoring either of these factors will mean that more women will slip through the social safety net after they leave welfare. Work-related factors that need to be considered include local area employment situations, especially for former low-skilled recipients living within large urban areas. Providing training services to women who are unable to find work is also critical because many of the outcome variables examined here are dependent on levels of human capital. Former recipients may also need on-the-job training and support since not only education but work experience helps former recipients financially.

In relation to recipients' personal situations, policy makers should especially consider the needs of families with many children and newborn children and families where the female head has never been married. These families have extra needs for which additional supports are required. As current welfare recipients are forced off welfare more former recipients are likely to have special needs since many women in these types of situations would in the past have stayed on welfare. These supports may include additional daycare services as well as higher wages, perhaps through an expanded Earned Income Tax Credit system (see Blank 1997). Providing a system where former recipients can work half time and still make it above the poverty line as Ellwood (1988) proposed would allow recipients to work and still have the time to adequately nurture their children. Since the effects of higher welfare payments are shown here not to have the drastic disincentive effects that many fear, and because no evidence was found for the negative effects of time spent receiving welfare, allowing women additional time to receive
AFDC beyond the five year limit would increase their financial stability.

These results suggest that time limitations on welfare receipt are not likely to move single women and their children out of poverty. Rather, if policy makers wish to promote the long-term economic independence of welfare recipients, attention needs to be paid to the broader factors which contribute to women’s ability to support themselves and their families. Human capital issues, a lack of available childcare and the mismatch between the economic needs of welfare recipients and the type of employment available to them all need to be addressed in any effort to reduce poverty and welfare dependence.

REFERENCES


**NOTES**

1. See Harris (1996). For those who exit by marriage and increased earnings, 17.7% and 21.6% of their total years on AFDC are in years past year 5. For those who exit by means other than marriage or increased earnings,
64.9% of the years on AFDC are in years past year 5 (tabulated by the author from the Panel Study of Income Dynamics).

2. We also use models with fixed state effects to get a better reading of the effects of state welfare payment levels.

3. This level of AFDC income is the value used by Bane and Ellwood (1994). I also follow Bane and Ellwood who qualified “other” welfare income as AFDC because AFDC income was sometimes misclassified as other income in the PSID.

4. We examined the effect of AFDC spell length on both the log of wages and the log of hours and did not find significant effects.

5. In preliminary research using data from the 1990–1995 Survey of Income and Program Participation, we found that time on welfare had almost no effect on similar types of outcomes that we examined here.
Table A1


<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean (SD) For Four Year Period After Welfare</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N=758</td>
</tr>
<tr>
<td><strong>Personal Variables</strong></td>
<td></td>
</tr>
<tr>
<td>Income to Needs Last Yr of Welfare Spell</td>
<td>1.06 (.91)</td>
</tr>
<tr>
<td>Race=Black</td>
<td>.41 (.49)</td>
</tr>
<tr>
<td>Race=Not B/W</td>
<td>.05 (.21)</td>
</tr>
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<td>Race=White</td>
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</tr>
<tr>
<td>Newborn Child?</td>
<td>.34 (.47)</td>
</tr>
<tr>
<td>Any Children Under Age 6?</td>
<td>.60 (.49)</td>
</tr>
<tr>
<td>Average. Number of Children</td>
<td>2.14 (1.33)</td>
</tr>
<tr>
<td>Age at End of Welfare Spell</td>
<td>32.32 (10.73)</td>
</tr>
<tr>
<td>Never Married at End of Welfare Spell</td>
<td>.31 (.46)</td>
</tr>
<tr>
<td>Head of Household All Years After Welfare</td>
<td>.51 (.50)</td>
</tr>
<tr>
<td><strong>Economic, Work-Related and Education Variables</strong></td>
<td></td>
</tr>
<tr>
<td>Hours of Work Experience Before Welfare</td>
<td>656.06 (665.90)</td>
</tr>
<tr>
<td>Avg. County Unemployment Rate</td>
<td>8.28 (2.80)</td>
</tr>
<tr>
<td>Percentage of Months Unemployed or Out of the LF (1984–93) N=213</td>
<td>.26 (.30)</td>
</tr>
<tr>
<td><strong>Occupation in the first year after welfare</strong></td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>.03 (.18)</td>
</tr>
<tr>
<td>Manager</td>
<td>.01 (.11)</td>
</tr>
<tr>
<td>Clerical</td>
<td>.14 (.35)</td>
</tr>
<tr>
<td>Craft</td>
<td>.05 (.22)</td>
</tr>
<tr>
<td>Operator</td>
<td>.15 (.35)</td>
</tr>
<tr>
<td>Laborer</td>
<td>.12 (.33)</td>
</tr>
<tr>
<td>None</td>
<td>.33 (.47)</td>
</tr>
<tr>
<td>Other</td>
<td>.13 (.34)</td>
</tr>
<tr>
<td>Missing</td>
<td>.04 (.19)</td>
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<tr>
<td><strong>Average Values in the Four Year Period After Welfare</strong></td>
<td></td>
</tr>
<tr>
<td>Income-to-Needs</td>
<td>1.41 (.85)</td>
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<tr>
<td>Wage rate</td>
<td>7.74 (4.32)</td>
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</table>

continued
### Table A1, Continued

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean (SD) For Four Year Period After Welfare</th>
</tr>
</thead>
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<tr>
<td>Wage of Spouse (n=262)</td>
<td>12.40 (10.40)</td>
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<tr>
<td>Combined Wage, Spouse and Former Recipients (n=262)</td>
<td>18.77 (13.00)</td>
</tr>
<tr>
<td>Hours of Work For Those Who Work (n=647)</td>
<td>1114.26 (755.43)</td>
</tr>
<tr>
<td>Hours or Work 1st Year After Welfare For Those Who Work (n=568)</td>
<td>1308.93 (815.47)</td>
</tr>
<tr>
<td>Hours of Work 2nd Year After Welfare For Those Who Work (n=527)</td>
<td>1385.72 (872.19)</td>
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<tr>
<td>Hours of Work 3rd Year After Welfare For Those Who Work (n=510)</td>
<td>1311.80 (876.64)</td>
</tr>
<tr>
<td>Hours of Work 4th Year After Welfare For Those Who Work (n=498)</td>
<td>1322.48 (881.27)</td>
</tr>
<tr>
<td>Hours of Work for Spouse (n=262)</td>
<td>1910.15 (986.42)</td>
</tr>
<tr>
<td>Hours of Work, Spouse and Former Recipients (n=262)</td>
<td>2733.50 (1319.69)</td>
</tr>
</tbody>
</table>

**Education**

| High School Dropout | .49 (.50)                        |
| High School Grad Only | .34 (.48)                      |
| Some College Only   | .14 (.34)                        |
| College Graduate    | .02 (.15)                        |

**AFDC Related Variables**

| Marriage Exit from Welfare | .27 (.45)                        |
| Earnings Exit from Welfare | .48 (.50)                        |
| Other Exit from Welfare   | .24 (.42)                        |
| Length of AFDC Spell      | 4.18 (3.72)                      |
| State Maximum Welfare Payment for a Family of Four | 676.72 (271.02) |
| Percentage of Months Using AFDC (1984–93) N=262 | .16 (.29)                        |
| Yearly Average AFDC Income | 695.12 (1561.67)                |

**Location and State Income Variables**

| Live in the South | .27 (.44)                        |
| Urban Resident (Metro Area over 100,000) | .53 (.50)                       |
| Median State Income | 41923.40 (5415.99)             |

Note: All dollar figures are in 1994 dollars. The values in the table are four year average values.
Table A2

Coefficient Estimates For the Percentage of Income from Transfers, Average Income to Needs and Average AFDC Income For a Four Year Period After An Initially Observed Spell On Welfare For Former Female Welfare Recipients: 1969–1993

<table>
<thead>
<tr>
<th>Variable</th>
<th>Transfer Income as a Percentage of Total Income, Tobit</th>
<th>Average Income to Needs, OLS</th>
<th>Average AFDC Income, OLS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>.166 (.119)</td>
<td>1.589 (.351)**</td>
<td>-2993.82 (766.421)</td>
</tr>
<tr>
<td>Hours of Work Experience Before Welfare (000)</td>
<td>-.071 (.013)**</td>
<td>.219 (.038)**</td>
<td>-131.29 (82.927)</td>
</tr>
<tr>
<td>Income to Needs Last Yr of Welfare Spell</td>
<td>-.027 (.009)**</td>
<td>.231 (.028)**</td>
<td>176.481 (61.463)**</td>
</tr>
<tr>
<td>Race=Black</td>
<td>-.017 (.020)</td>
<td>-.121 (.060)**</td>
<td>-150.290 (131.755)</td>
</tr>
<tr>
<td>Race=Not B/W</td>
<td>-.063 (.039)</td>
<td>-.061 (.115)</td>
<td>-362.822 (252.110)</td>
</tr>
<tr>
<td>Newborn Child?</td>
<td>.032 (.022)</td>
<td>-.054 (.064)</td>
<td>581.244 (140.480)**</td>
</tr>
<tr>
<td>Any Children Under Age 6?</td>
<td>-.029 (.024)</td>
<td>-.068 (.069)</td>
<td>-131.859 (151.552)</td>
</tr>
<tr>
<td>Number of Children</td>
<td>.020 (.007)**</td>
<td>-.152 (.022)**</td>
<td>278.608 (47.292)**</td>
</tr>
<tr>
<td>Age at End of Welfare Spell</td>
<td>.007 (.001)**</td>
<td>-.001 (.003)</td>
<td>-11.532 (7.014)*</td>
</tr>
<tr>
<td>Never Married at End of Welfare Spell</td>
<td>-.000 (.222)</td>
<td>-.163 (.063)**</td>
<td>276.878 (138.253)**</td>
</tr>
<tr>
<td>High School Grad Only</td>
<td>-.009 (.019)</td>
<td>.216 (.057)**</td>
<td>-98.782 (124.281)</td>
</tr>
<tr>
<td>Some College Only</td>
<td>-.024 (.028)</td>
<td>.071 (.083)</td>
<td>302.222 (180.989)*</td>
</tr>
<tr>
<td>College Graduate</td>
<td>.019 (.058)</td>
<td>.306 (.174)*</td>
<td>491.705 (379.455)</td>
</tr>
<tr>
<td>Outcome</td>
<td>Coefficient</td>
<td>Standard Error</td>
<td>t-value</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>-------------</td>
<td>----------------</td>
<td>---------</td>
</tr>
<tr>
<td>Marriage Exit from Welfare</td>
<td>-.116</td>
<td>.030</td>
<td>3.88</td>
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<tr>
<td>Earnings Exit from Welfare</td>
<td>-.128</td>
<td>.025</td>
<td>5.27</td>
</tr>
<tr>
<td>Length of AFDC Spell</td>
<td>-.005</td>
<td>.003</td>
<td>4.78</td>
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<tr>
<td>State Max. Welf Payment for a Family of Four</td>
<td>.014</td>
<td>.055</td>
<td>0.26</td>
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<tr>
<td>Per Capita Income (000)</td>
<td>.0007</td>
<td>.002</td>
<td>0.27</td>
</tr>
<tr>
<td>Average County Unemployment Rate</td>
<td>-.004</td>
<td>.004</td>
<td>0.91</td>
</tr>
<tr>
<td>Urban Resident</td>
<td>.020</td>
<td>.019</td>
<td>1.04</td>
</tr>
<tr>
<td>Live in the South</td>
<td>-.019</td>
<td>.025</td>
<td>-0.80</td>
</tr>
<tr>
<td>Head of Household All Years After Welfare</td>
<td>.070</td>
<td>.023</td>
<td>3.05</td>
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<tr>
<td>Occ= Professional 1st Yr After Welfare</td>
<td>.036</td>
<td>.052</td>
<td>0.66</td>
</tr>
<tr>
<td>Occ=Manager 1st Yr After Welfare</td>
<td>-.033</td>
<td>.059</td>
<td>-0.56</td>
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<tr>
<td>Occ=Craft 1st Yr After Welfare</td>
<td>-.123</td>
<td>.075</td>
<td>-1.68</td>
</tr>
<tr>
<td>Occ=Operator 1st Yr After Welfare</td>
<td>.003</td>
<td>.035</td>
<td>0.14</td>
</tr>
<tr>
<td>Occ=Laborer 1st Yr After Welfare</td>
<td>-.096</td>
<td>.034</td>
<td>-2.82</td>
</tr>
<tr>
<td>Occ= None 1st Yr After Welfare</td>
<td>.111</td>
<td>.026</td>
<td>4.38</td>
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</tr>
<tr>
<td>Note: Also included in the models are binary variables for calendar year in which the welfare recipient exited welfare, work experience before welfare missing, other occupations, and occupation missing.</td>
<td></td>
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<tr>
<td>Log Likelihood for Transfer Income Model:</td>
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</tr>
<tr>
<td>R² for Income-to-Needs Model:</td>
<td>.48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R² for AFDC Income Model:</td>
<td>.25</td>
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Table A3

Tobit Coefficient Estimates For the Percentage of Time Spent Receiving AFDC, the Percentage of Time Spent Nonemployed, and the Percentage of Time Below the Poverty Line For a Four Year Period After An Initially Observed Spell On Welfare For Former Female Welfare Recipients

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>-.121 (.403)</td>
<td>.521 (.180)**</td>
<td>.343 (.376)</td>
</tr>
<tr>
<td>Hours of Work Experience Before Welfare (000)</td>
<td>.099 (.056)*</td>
<td>-.000 (.027)</td>
<td>-.127 (.043)**</td>
</tr>
<tr>
<td>Income to Needs Last Yr of Welfare Spell</td>
<td>-.004 (.064)</td>
<td>-.071 (.032)**</td>
<td>-.118 (.029)**</td>
</tr>
<tr>
<td>Race=Black</td>
<td>.001 (.091)</td>
<td>-.020 (.047)</td>
<td>.059 (.064)</td>
</tr>
<tr>
<td>Race=Not B/W</td>
<td>-.103 (.191)</td>
<td>-.004 (.093)</td>
<td>.093 (.124)</td>
</tr>
<tr>
<td>Newborn Child?</td>
<td>-.005 (.084)</td>
<td>.182 (.044)**</td>
<td>.099 (.069)</td>
</tr>
<tr>
<td>Any Children Under Age 6?</td>
<td>.069 (.106)</td>
<td>.092 (.055)*</td>
<td>-.092 (.076)</td>
</tr>
<tr>
<td>Number of Children</td>
<td>.079 (.033)**</td>
<td>.007 (.016)</td>
<td>.153 (.024)**</td>
</tr>
<tr>
<td>Age at End of Welfare Spell</td>
<td>-.021 (.006)**</td>
<td>.005 (.002)**</td>
<td>-.002 (.003)</td>
</tr>
<tr>
<td>Never Married at End of Welfare Spell</td>
<td>.080 (.084)</td>
<td>.074 (.042)*</td>
<td>.195 (.068)**</td>
</tr>
<tr>
<td>High School Grad Only</td>
<td>-.168 (.084)**</td>
<td>-.161 (.042)**</td>
<td>-.272 (.061)**</td>
</tr>
<tr>
<td>Some College Only</td>
<td>-.014 (.106)</td>
<td>-.011 (.054)</td>
<td>-.003 (.087)</td>
</tr>
<tr>
<td>College Graduate</td>
<td>.088 (.206)</td>
<td>-.036 (.107)</td>
<td>-.922 (.321)**</td>
</tr>
<tr>
<td>Variable</td>
<td>Estimate</td>
<td>Std. Error</td>
<td>Estimate</td>
</tr>
<tr>
<td>--------------------------------------------------------------------</td>
<td>----------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>Marriage Exit from Welfare</td>
<td>-.242</td>
<td>.111**</td>
<td>-.264</td>
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<tr>
<td>Earnings Exit from Welfare</td>
<td>-.186</td>
<td>.094**</td>
<td>-.400</td>
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<tr>
<td>Length of AFDC Spell</td>
<td>.015</td>
<td>.010</td>
<td>.002</td>
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<tr>
<td>State Maximum Welfare Payment for a Family of Four (000)</td>
<td>.147</td>
<td>.257</td>
<td>.023</td>
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<tr>
<td>Median State Income (000)</td>
<td>.006</td>
<td>.007</td>
<td>.000</td>
</tr>
<tr>
<td>Avg. County Unemployment Rate</td>
<td>.035</td>
<td>.018**</td>
<td>-.001</td>
</tr>
<tr>
<td>Urban Resident</td>
<td>.175</td>
<td>.080**</td>
<td>.020</td>
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<tr>
<td>Urban and Rural Resident</td>
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<td>.192</td>
<td>.124</td>
</tr>
<tr>
<td>Live in the South</td>
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<td>.114</td>
<td>.005</td>
</tr>
<tr>
<td>Head of Household All Years After Welfare</td>
<td>-.093</td>
<td>.090</td>
<td>.114</td>
</tr>
<tr>
<td>Occ= Professional 1st Yr After Welfare</td>
<td>-.823</td>
<td>.316***</td>
<td>-.129</td>
</tr>
<tr>
<td>Occ=Manager 1st Yr After Welfare</td>
<td>-.482</td>
<td>.423</td>
<td>.121</td>
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<tr>
<td>Occ=Operator 1st Yr After Welfare</td>
<td>-.217</td>
<td>.119</td>
<td>-.111</td>
</tr>
<tr>
<td>Occ=Laborer 1st Yr After Welfare</td>
<td>.340</td>
<td>.148**</td>
<td>.056</td>
</tr>
<tr>
<td>Occ= None 1st Yr After Welfare</td>
<td>.050</td>
<td>.111</td>
<td>.206</td>
</tr>
</tbody>
</table>

Note: *=p<.10, **=p<.05, ***=p<.01, all for two-tailed tests.

Log Likelihood For Welfare Usage = 140.36
Log Likelihood For Nonemployment = 70.83
Log Likelihood For Poverty = 585.02
The number of working poor families in the United States increased substantially during the 1979–89 period. This increase was found to disproportionately consist of families headed by employed females. The growth in poverty among families headed by employed females during this period was found to be nonstructural in nature and inequitably distributed across labor markets in the U.S. It was found that at the onset of the 1980s, high rates of poverty among families headed by employed females were predominantly concentrated in labor market areas in the South. Over the 1980s, the highest increases in poverty rates among such families were found to be concentrated in labor market areas in the Midwest and Rocky Mountain regions, rather than the South. Further, declines in poverty rates among families headed by employed females were found to be concentrated in labor market areas located on the east and west coasts.

Efforts to reform the welfare system in the United States during the 1990s have focused on moving the heads of impoverished families off of welfare and into the labor force where they hypothetically will be able to support their families through formal employment. While policies of this type have only recently been implemented at the state level at the behest of the Clinton Administration, support for the concept of workfare gained momentum...
during the welfare reform debates of the 1980s. Ironically, while this idea was being championed by the Republican Administrations in office during the 1980s, the number of families living in poverty that were headed by an employed person increased substantially.

According to estimates drawn from the *U.S. Census of Population and Housing* (U.S. Bureau of the Census, 1983; 1993), the number of U.S. families that were headed by an employed person with an income below the poverty threshold (i.e., were working poor) increased by 21.8% from 2,860,666 families in 1980 to 3,472,305 in 1990. Further, the share of all U.S. families that were working poor increased from 4.8% in 1980 to 5.3% in 1990. Census estimates indicate that the growth of working poor families was not equitably distributed on the basis of family type. Families headed by employed females accounted for an estimated 63.9% of the increase in working poor families during this period (U.S. Bureau of the Census, 1983; 1993). By 1990, 20.4% of all families headed by employed females were working poor compared to 9.8% of all families headed by employed males and 4.1% of married couple families with one or more persons employed (U.S. Bureau of the Census, 1993). These estimates indicate that the growth of working poor families over the 1980s disproportionately consisted of female-headed families. In 1990, families headed by employed females were over twice as likely to be working poor compared to families headed by employed males, and over four times more likely to be working poor compared to married couple families with the head and/or spouse employed.

Within the context of a market economy, the labor market is a central institution influencing whether or not families of any type become working poor. Families become working poor when one or more members are able to sell their labor within a labor market, but due to specific conditions, are unable to secure wages above the poverty threshold in exchange, and cannot obtain sufficient income from other sources to raise their incomes above this level. The purpose of this research is to examine how the growth of poverty among families headed by employed females that occurred during the 1980s was geographically distributed across labor markets in the United States. The goals of the study are to describe where the growth of poverty among families headed
by employed females took place, evaluate the extent to which the growth of poverty among these families was inequitably distributed across labor markets, and assess the extent to which this growth was *structural* in nature.

Within the context of this paper, the term structural change is used in a statistical sense rather than an economic or sociological sense. It refers to the change in a variable between two points in time that can be predicted from initial scores on the variable at the first point in time (Kessler and Greenberg, 1981:50). A high level of structural change in poverty rates among families headed by employed females would indicate that the largest increases (or possibly decreases) in poverty rates over the 1980s tended to be concentrated in labor markets that already had high poverty rates at the beginning of the decade. In contrast, a low level of structural change would indicate that there is little systematic pattern to where the largest changes in poverty rates took place. In turn, this would be indicative of a spatial shift in poverty among families headed by employed females as some labor markets with lower poverty rates at the beginning of the decade experienced the largest increases as the U.S. economy underwent restructuring during the 1980s.

**DATA AND METHODS OF ANALYSIS**

Considered from a geographic perspective, transactions between buyers and sellers of labor within a labor market are constrained by space. Not precluding migration in order to secure employment, there are practical limits to the distance that workers commute to their jobs. As a result, labor market transactions for any particular family tend to be limited to a circumscribed geographic space, or *labor market area* (Tolbert and Killian, 1987). Tolbert and Sizer (1996) delimited 394 labor market areas in the United States using data from the *Census of Population and Housing* that measures the location where residents of a county commute to work. A labor market area (LMA) consists of a set of counties that: (a) are interdependent as a result of having strong commuting ties; and (b) have a minimum population of 100,000 persons. The 394 LMAs were identified through the use of a cluster analysis algorithm which delineated groups of interdependent counties
based upon the strength of their commuting flows and the size of their combined population (see Tolbert and Sizer, 1996). As a spatial unit of analysis, labor market areas thus approximate the circumscribed geographic spaces in the United States in which the buying and selling of labor predominantly takes place. Poverty rates for families headed by employed females were calculated for each of the 394 labor market areas using data collected from the Census of Population and Housing, Summary Tape File 4 for 1980 and 1990. Given that the end-point of the period of change being examined is 1990, it was decided that the 1990 Labor Market Area definitions would be used and reconstructed back in time for the variables measured in 1980. With this procedure, one or more counties in the set comprising a 1990 LMA may have been less interdependent with the other counties in the set in 1980 in terms of commuting ties and/or may have had different population levels. Thus, the analysis will examine change in the percentage of female-headed families that became working poor as such counties became more interdependent with the others in the set via commuting ties and/or experienced population change (i.e., as the new geography of Labor Market Areas coalesced over the decade).

In order to examine the extent to which the change in the poverty rate among families headed by employed females was inequitably distributed across labor market areas, the method for decomposing change scores proposed by Kessler and Greenberg (1981) was used. Following this method, a measure of the amount of change in the poverty rate among families headed by employed females between 1979–89 was calculated as follows:

\[ Q^2 = \frac{\sum_{i=1}^{N}(X_{1989} - X_{1979})^2}{N} \]

Where:

\( Q^2 \) = the amount change in the poverty rate among families headed by employed females;
\( X_{1989} \) = the poverty rate for labor market area \( I \) in 1989;
\( X_{1979} \) = the poverty rate for labor market area \( I \) in 1979;
\( N \) = the number of labor market areas.

Following Kessler and Greenberg (1981:48–49), the measure of change was then decomposed in two components as follows:

\[
Q^2 = \sum_{i=1}^{N} (X_{1989} - X_{1979})^2 / N = \frac{s_{\Delta x}^2}{N} + (\Delta \bar{x})^2
\]

Where:

\( s_{\Delta x}^2 \) = the variance of the change in the poverty rate;

\( \Delta \bar{x}^2 \) = the square of the mean change in the poverty rate.

With this decomposition, the \((\Delta \bar{x})^2\) component reflects the extent to which the change in poverty rates during 1979–89 affected all labor market areas equally; that is, the extent to which all labor market areas experienced the average amount of change in the poverty rate. The \( s_{\Delta x}^2 \) component reflects the extent to which the change in poverty rates during 1979–89 affected all labor market areas unequally; that is, the extent to which some labor market areas experienced greater change in their poverty rates compared to others, thereby changing the rank order of labor market areas in the distribution of poverty rates in 1989 compared to 1979 (Kessler and Greenberg, 1981:47–49). The relative magnitude of the two components \( s_{\Delta x}^2 \) and \((\Delta \bar{x})^2\) were compared to determine whether the change in poverty rates among families headed by employed females during 1979–89 to was predominantly equal or unequally distributed across the 394 labor market areas.¹

In order to examine the extent to which change in poverty rates among female-headed families was structural in nature (see definition above), the method proposed by Kessler and Greenberg (1981:50–53) for decomposing change was also used. With this method, the variance in the poverty rate for 1989 was decomposed into four components as follows:

\[
s_{x_{1989}}^2 = s_{x_{1979}}^2 + (b_{\Delta x,x_{1979}}s_{x_{1979}})^2 + 2b_{\Delta x,x_{1979}}s_{x_{1979}}^2 + s_e^2
\]

With this method, \( s_{x_{1989}}^2 \) is the variance of the poverty rate for 1989. The term \( s_{x_{1979}}^2 \) represents a component of the variance of
the poverty rate for 1989 that is attributable to a lack of change in
the variable during 1979–89 (i.e., the poverty rate in 1989 was
the same as in 1979). The term \((b_{\Delta x,x1979}r_{1979})^2\) represents a
"structural" component indicating the amount of change in the
poverty rate during 1979–89 that can be determined by initial
values on the variable in 1979. The term \(2b_{\Delta x,x1979} s_{x1979}\) rep-
resents an overlapping component between the lack of change
and structural components that is attributable to labor market
areas with different poverty rates in 1979 experiencing different
levels of change during 1979–89. Finally, the term \(s_e^2\) represents a
"nonstructural" component indicating the change in the poverty
rate during 1979–89 that cannot be determined by initial values
on the variable in 1979.2

Out of these four components in the decomposition of
the variance of the poverty rate in 1989, only the structural
\([(b_{\Delta x,x1979} s_{x1979})^2]\) and nonstructural components \([s_e^2]\) are
uniquely attributable to the change in the poverty rate between
1979–89 (Kessler and Greenberg, 1981:51). The relative magnitude
of these two components was compared to determine the extent to
which the change in poverty rates across labor market areas dur-
ing the 1980s was structural versus nonstructural in nature; that is,
the extent to which the greatest increases in poverty rates among
families headed by employed females tended to be concentrated
in labor market areas that had high initial rates in 1979. Finally,
in order to illustrate the change in the geographic distribution
of poverty rates among families headed by employed females,
maps were created using GIS technology to describe the spatial
distribution of poverty rates in 1979, 1989, and the change in
poverty rates during 1979–89 using first difference change scores
(i.e., 1989 rate minus the 1979 rate).

FINDINGS

The data analysis indicates that across the 394 labor market
areas, the mean poverty rate among families headed by employed
females increased from 23.8% in 1979 to 27.4% in 1989 (see Table
1). Further, the standard deviation of the poverty rate increased
from 6.172 in 1979 to 7.808 in 1989. Thus, there was greater
dispersion across labor market areas in poverty rates among
families headed by employed females in 1989 compared to 1979. The decomposition of change scores indicates that the change in poverty rates over the 1979–89 period was predominantly unequal across the 394 labor market areas. Approximately 62.5% of the total change score $Q^2$ was accounted for by the unequal change component $s_{Ax}^2$ (see Table 1). Thus, the majority of labor market areas experienced changes in poverty rates that differed from the average change, and there were substantial changes in the rank order of the distribution of poverty rates in 1989 compared to 1979.

The decomposition of the variance in the poverty rate among families headed by employed females in 1989 revealed that the change in poverty rates during 1979–89 across the 394 labor market areas was nonstructural in nature. Out of the component of the variance in the 1989 poverty rate that could be uniquely attributable to change, 99.97% was attributable to the nonstructural change component $s_c^2$ (see Table 2). This indicates that the highest increases in poverty rates between 1979–89 were not concentrated among labor market areas with high initial poverty rates in 1979. In turn, this is indicative of a spatial shift in the growth of poverty away from labor market areas with high concentrations of poverty among families headed by employed females in 1979.

The GIS maps illustrate the spatial shift in poverty rates that was inequitably distributed across labor market areas. Figure 1 maps the percentage of families headed by employed females with incomes below the poverty threshold in 1979 across the 394 labor market areas in the United States. In 1979, the poverty rate representing the 95th percentile in the distribution was 35.6% (note: this is designated as the cutting point for the largest ranked category in Figure 1). Figure 1 indicates that labor market areas with the highest percentages of working poor, female-headed families were concentrated predominantly in the South as well as the Texas border region. Within 5 of the labor market areas at or beyond the 95th percentile, over 40% of families headed by employed females were working poor in 1979. All of these labor market areas were in the South and encompassed the following cities or towns in rank order: West
Table 1

*Decomposition of Change Scores ($Q^2$) in the Poverty Rate Among Families Headed by Employed Females, 1979–89*

<table>
<thead>
<tr>
<th></th>
<th>Poverty Rate 1979</th>
<th>Poverty Rate 1989</th>
<th>Change in the Poverty Rate, 1979–89 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>mean</td>
<td>23.82</td>
<td>27.43</td>
<td>21.837</td>
</tr>
<tr>
<td>standard deviation</td>
<td>6.17</td>
<td>7.81</td>
<td>($\Delta x)^2$</td>
</tr>
<tr>
<td>variance</td>
<td>38.09</td>
<td>60.96</td>
<td>$Q^2$</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Memphis, AR (47.4%); Greenville, MS (45.9%); Greenwood-Clarksdale, MS (44.8%); Laredo, TX (42.2%); and McComb-Brookhaven, MS (40.1%).

In 1979, the poverty rate representing the 5th percentile was 15.5%. Figure 1 indicates that labor market areas with the lowest percentages of families headed by employed females that were working poor in 1979 were concentrated predominantly in the upper Midwest, Pacific, and mid-Atlantic regions (see Figure 1). Of those labor market areas at or below the 5th percentile, only 4 had rates less than 14%. The labor market area encompassing Sheboygan, WI had the lowest rate with a figure of 13%. This was followed by labor market areas encompassing the following cities: Wabash, IN (13.2%); Reno, NV (13.6%); and San Jose, CA (13.6%).

Figure 2 maps the change in percentage of families headed by employed females with incomes below the poverty threshold over the 1979-89 period using the first order difference as a measure of change (i.e. percent 1989 minus percent 1979). Overall, 301 of the 394 labor market areas experienced gains in the percentage of families headed by employed females that were working poor. As illustrated by Figure 2, these gains were concentrated predominantly in labor market areas located in the Midwest and Rocky Mountain regions. The labor market area encompassing the cities of Sioux Center, IA and Worthington, MN experienced the largest increase with a gain of 17.2%. Additionally, six other labor market areas experienced gains greater than 13%. In rank order, these labor market areas encompassed the following cities or towns: Casper, WY (14.8%); Corinth, MS (13.7%); Spencer, IA - Fairmont, MN (13.6%); Ottumwa, IA (13.3%); Big Rapids - Ludington, MI (13.3%); Pulaski County [Fort Leonard Wood], MO (13.1%). Thus, the largest gains in the poverty rate among families headed by employed females occurred in nonmetropolitan labor market areas.

Overall, 93 of the 394 labor market areas experienced declines in the percentage of families headed by employed females with incomes below the poverty threshold. As illustrated by Figure 2, these declines tended to be concentrated in east coast labor market areas in the Mid Atlantic and New England regions, as well as Florida, and the west coast in California. The labor mar-
Table 2

Decomposition of Variance in the Poverty Rate Among Families Headed By Employed Females, 1989

<table>
<thead>
<tr>
<th>Components of Change</th>
<th>All components</th>
<th></th>
<th>Components Uniquely Attributable to Change</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value</td>
<td>%</td>
<td>Value</td>
<td>%</td>
</tr>
<tr>
<td>Lack of Change ([s^2_{x1979}])</td>
<td>38.0899</td>
<td>62.48</td>
<td>0.0070</td>
<td>0.03</td>
</tr>
<tr>
<td>Structural Change ([\Delta_{x,x1979} s^2_{x1979}])</td>
<td>0.0070</td>
<td>0.01</td>
<td>0.0070</td>
<td>0.03</td>
</tr>
<tr>
<td>Overlap ([2\Delta_{x,x1979} s^2_{x1979}])</td>
<td>1.0367</td>
<td>1.70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonstructural Change ([s^2_c])</td>
<td>21.8297</td>
<td>35.81</td>
<td>21.8297</td>
<td>99.97</td>
</tr>
<tr>
<td>Total Variance ([s^2_{x1989}])</td>
<td>60.9633</td>
<td>100.00</td>
<td>21.8367</td>
<td>100.00</td>
</tr>
</tbody>
</table>
Figure 1
Poverty Rate Among Families Headed by Employed Females for U.S. Labor Market Areas, 1979

Legend (1979)

- 0.0 - 15.5
- 15.5 - 20.5
- 20.5 - 25.2
- 25.2 - 35.6
- 35.6 - 47.4
Figure 2
Change in the Poverty Rate Among Families Headed by Employed Females for U.S. Labor Market Areas, 1979–89
(1989 rate–1979 rate)

Legend (1989 - 1979)
-7.1 - -2.7
-2.7 - 0
0 - 4.4
4.4 - 9.8
9.8 - 17.2
Spatial Shift

ket area encompassing Wilmington, DE experienced the largest decline with a decrease of 7.1%. Additionally, four other labor market areas experienced declines above 6%. In rank order, these labor market areas encompassed the following cities or towns: Monmouth, NJ (−6.4%); Berlin, NH (−6.3%); Daytona Beach, FL (−6.1%); Honolulu, HI (−6.1%).

Figure 3 maps the percentage of families headed by employed females with incomes below the poverty threshold in 1989 across the 394 labor market areas. Note that in this map, the poverty rate representing the 95th percentile in 1979 was used as a cutting point for the largest ranked category and the rate representing the 5th percentile in 1979 was used as a cutting point for the smallest ranked category. As illustrated by Figure 3, poverty rates equivalent to the most severe levels in 1979 had spread to additional labor market areas in the South, the Midwest, and Rocky Mountain regions as well as several labor market areas in Appalachia. By 1989, 21 labor market areas had poverty rates among families headed by employed females above 40%. Of these, 16 were located in the South with the top 5 being located in the state of Mississippi: Greenville, MS (53.3%); Clarksdale, MS (49.8%); Vicksburg, MS (49.1%); McComb, MS (48.7%); and Hattiesburg, MS (47.1%). Further, 14 of these labor market areas were located in nonmetropolitan areas.

Figure 3 also illustrates the outcome of the decline of poverty among families headed by employed females that was concentrated predominantly in the east and west coast areas. A larger number of labor market areas in the mid Atlantic and New England regions, as well the California coast, had poverty rates in 1989 that were equivalent to the lowest levels in 1979. By 1989, 15 labor market areas had rates below 14%. Of these, 9 were labor market areas encompassing major metropolitan areas on the east and west coasts (Newark, NJ [9.8%]; Oakland, CA [10.4]; Hartford, CT [10.5]; Washington, D.C. [10.6]; Boston, MA [10.8]; San Jose, CA [11.0]; New York, NY [11.9]; Philadelphia, PA [13.0]; Los Angeles, CA [13.6]), while the remainder encompassed smaller metropolitan areas within these regions.
Figure 3
Poverty Rate Among Families Headed by Employed Females for U.S. Labor Market Areas, 1989

Legend (1989)
- 0 - 15.5
- 15.5 - 20.5
- 20.5 - 25.2
- 25.2 - 35.6
- 35.6 - 53.3
DISCUSSION

The findings indicate that the growth of poverty among families headed by employed females during 1979–89 was nonstructural in nature, and inequitably distributed across labor markets. In 1979, the highest poverty rates were predominantly concentrated in labor markets in the South, particularly the state of Mississippi. However, over the ensuing decade, these southern labor markets tended to experience smaller increases in poverty rates compared to those in other regions of the nation. Moreover, in some southern labor markets, particularly in Florida and parts of Georgia (see Figure 2), the poverty rate actually declined.

Instead of taking place in southern labor markets, the largest increases in the poverty rate were predominantly concentrated in labor markets located in nonmetropolitan areas of the upper Midwest and Rocky Mountain regions. The findings from this research suggest that labor market conditions in these regions of the country were particularly ill-suited to promoting the economic well-being of female-headed families through formal work as greater numbers of such families were established during the 1980s. While the highest poverty rates still remained concentrated among labor market areas in the South in 1989, at this point in time, labor markets in nonmetropolitan areas of the Midwest, Rocky Mountain, and Appalachian regions were on a developmental trajectory approaching that of the impoverished labor markets in the South.

The research findings indicate that the decline of poverty rates among families headed by employed females during the 1980s was predominantly a bicoastal phenomenon. This is likely a reflection of the uneven nature of economic growth in the U.S. during the 1980s. During this period, the sixteen states on the East and West coasts had three times as much real economic growth, experienced 90% more job growth per capita, and captured the lion’s share of real growth in wages compared to the rest of nation (Zukin, 1991; Joint Economic Committee, U.S. Congress, 1986). Thus, the emergence of the “bicoastal economy” coincides with the decline of poverty rates among families headed by employed females in these areas.
The decline of poverty rates among such families in the 1980s may signal that a greater number of employed females that head families were accorded real gains in wages, rather than being paid poverty level wages. Alternatively, the decline in poverty rates may simply reflect regional income differences in relation to the poverty thresholds set by the Federal Government, and may not reflect any real decline in poverty. The ability to statistically control for cost-of-living differences in modeling changes in the spatial distribution of poverty rates would require the availability of such data (e.g. the consumer price index) at the level of the labor market area. Presently, such data are not available.

In conclusion, it remains to be seen whether the trends identified in this research have continued during the decade of the 1990s. Further growth of working poor, female-headed families in the United States would appear to be detrimental to the success of state workfare policies, particularly if the goal is to move families out of poverty. Further research is needed to gain a deeper understanding of the labor market conditions that have contributed to the growth and spatial shifts in poverty among families headed by employed females.

REFERENCES


NOTES

1. $s_{\Delta x}^2$ is calculated by computing the variance of the 1989 poverty rate minus the 1979 poverty rate. The term $(\Delta \bar{x})^2$ is calculated by squaring the mean of the 1989 poverty rate minus the 1979 poverty rate.

2. The term $s_{x1979}^2$ is calculated by computing the variance of the poverty rate for 1979. The term $(b_{\Delta x,x1979} s_{x1979})^2$ is calculated by: (a) regressing the 1989 poverty rate on the 1979 poverty rate and calculating $b_{\Delta x,x1979}$ from $(1 - b_{y,x1979})$; (b) multiplying this coefficient times the standard deviation of the poverty rate for 1979; and (c) squaring the result. The term $2b_{\Delta x,x1979} s_{x1979}^2$ is calculated by taking the product of $b_{\Delta x,x1979}$ times the variance in the poverty rate for 1979 and then multiplying the result by two. Finally, the term $s_e^2$ is calculated by computing the mean squared error from the regression noted above.
Conflicting Bureaucracies, Conflicted Work: Dilemmas in Case Management for Homeless People with Mental Illness

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School of Social Welfare

This ethnographic study finds a case management agency torn between the rules of two conflicting bureaucracies. Funded by a federal grant, the agency is administered by the county, and the regulations of the two systems turn out to be incompatible. This conflict creates dilemmas in providing services to clients: meeting eligibility criteria for services from the federal grant meant the clients did not meet the eligibility criteria for many County services. Agency staff reacted to this dilemma by bending rules, finding loopholes, and investing extra time and emotional labor in each client. The role-conflict engendered by bureaucratic disjunction creates frustration, resentment, and burnout within the agency.

CASE MANAGEMENT IN THE MENTAL HEALTH SYSTEM

Prior to deinstitutionalization, institutions provided all needed services under one roof, including food, shelter, clothing, medical care, and psychiatric treatment. By contrast, outside of the institution, these services were fragmented and spread across the medical and social service systems (Grob, 1994). For persons with mental illness such services were difficult to access. Even with symptoms under control with medication, many patients lacked the skills necessary to negotiate these complex service systems, leaving many with no services at all (Freedman & Moran, 1984).

In 1977, the National Institute of Mental Health began the Community Support Program in an attempt to coordinate these
diverse services in ways that were not covered under the 1963 Community Mental Health Centers Act. This program created a federal and state partnership to develop community support programs. The program sought to increase the availability of housing, income support, psychiatric treatment, medical treatment, and other services by encouraging states to change their own mental health systems. Though the Community Support Program later refocused on evaluation, in its inception we see the roots of intensive case management programs for persons with severe mental illness (Grob, 1994).

Over the past decade case management has become one of the most widely used methods to deliver services to persons with severe mental illness. At the most basic level, the role of the case manager is to determine the needs of clients, connect them to services, and help to ensure a reasonable quality of life in the community. Case managers in intensive service agencies provide services at a much higher level, including teaching skills of daily living, arranging transportation, and providing services outside of traditional locations and hours. The tasks of case managers vary widely depending on the environment in which they work, with some located in agencies that provide most services in-house, and others drawing primarily on resources in the community (Robinson and Toff-Bergman, 1990). The common denominator is that case managers serve as liaison, advocate, and resource for persons with mental illness and their families (Rog, 1988).

Most of the research on case management for people with severe mentally illness has focused on measuring client outcomes as a determinant of efficacy, usually in terms of keeping people out of the hospital and living as independently as possible. However, the results of these studies are difficult to interpret because the definitions of case management and the conditions under which case managers practice are variable (Solomon, 1992, Rubin, 1992, Chamberlain and Rapp, 1991). As a result, it is impossible to determine if cross-sectional client outcome variables are even measuring the same things (Solomon, 1992, Spicer et al., 1994).

Addressing problems such as this is one of the greatest strengths of ethnography. Through naturalistic observation and unstructured interviews, the researcher can illuminate the con-
tents of the "black box" of interventions, (Corbin & Strass, 1990) and determine what is really happening in the course of service delivery. The initial intent of this study was just that: to illuminate the crucial activities of case management and clarify what those activities accomplish in the eyes of the workers. However, as is often the case with qualitative research, the questions proved more complicated than anticipated. This case study demonstrates the extremely influential nature of the social work context, that is, the resources, bureaucratic rules, and politics of social systems in which the agency is embedded. The agency in this study was forced into a "catch-22" situation, in which the rules regulating its operation prevented it from delivering the services it was being funded to provide. This vulnerability to vagaries of local conditions may give us a clue to why case management services are not only so difficult to measure, but frequently difficult to provide.

Despite the growing importance of case management, few have done ethnographic research of this part of mental health care system. The experiences of people in other parts of the health care have been well documented, some in extremely well-known studies. In Asylums, Goffman (1961) examines life in the mental hospital. In On the Ward, Coser (1959), tells the story of both patients and staff in non-psychiatric hospital, while Becker et al. in Boys in White do the same for physicians-in-training in medical school (1961). Estroff (1981) in Making It Crazy, brings to light the lives of clients of one of the first Assertive Community Treatment Programs. More recently, Hopper (1998) and Liebow (1993) have brought to life the once invisible experiences of homeless people, many of whom suffer mental illness.

Despite the contributions of each of these studies, none of them truly explores the delivery of social services in mental health. With the decline of the psychiatric institution, such services have become cornerstones of the community mental health system. Case management, with its growing role in this system, offers an ideal point of entry to study how mental health service delivery occurs. A qualitative approach allows for an assessment of this process without the imposition of preconceived hypotheses. That is, the providers themselves have the opportunity to tell the story of their own experiences on case management teams. As will become evident in the pages to follow, this allows the participants
in the study to provide not only the answers, but the questions as well.

The research questions for this study developed in two stages. Initially I sought to uncover in more detail some of the crucial components of the social services intervention that is case management. However, the issues which emerged in the course of the fieldwork proved to be more interesting than the original question. The results reported in this paper thus address two concerns: 1) what activities comprise intensive case management, and 2) how does the system environment affect their implementation? The data presented in the following pages give at least one possible answer to the second question, and indirectly, to the first research question as well.

DATA: ETHNOGRAPHY OF AN INTENSIVE CASE MANAGEMENT AGENCY

The Research Site. The research site for this study is an agency providing intensive case management services to homeless persons who suffer from mental disorder and substance-abuse. This agency, called REACH, (a pseudonym) is located in a moderately large city in the Southeastern U.S., and is funded by a federal grant as part of an on-going multisite national demonstration project. The purpose of the demonstration was to investigate means of integrating and defragmenting community mental health service systems. Despite federal funding, however, the administration of REACH was under the jurisdiction of the county community mental health system.

The organization and mission of REACH were nontraditional. The agency was made up of two teams of service providers rather than autonomous case managers. Each client was assigned to a team, rather than a single case manager, and worked with all members of each team. In addition, both teams were familiar with each others' clients. Morning staff meetings each day reviewed all new material, problems, or achievements, so that all staff of the agency were updated and capable of handling emergencies for any client of REACH. All staff members (teams and administration) shared revolving 24 hour on-call support duties.

The REACH teams had not only case managers, but consumer-staff members and nurses. At the time of the research,
there was one consumer-staff person on each team, both with histories of addiction and homelessness or near homelessness. Ideally, each team was supposed to have five members, including a nurse on each team, but due to a budget freeze by the County, the teams were working only partially staffed, each with three members plus one shared nurse.

The mission of the agency was very client-directed, with active follow-ups of clients, an emphasis on client choice, and a requirement that clients be included in all formal discussions of their cases. Meetings with clients took place in vivo, that is, where the client was. This frequently required appointments at the clients' residences, on park benches, or at the local drop-in center, wherever the client was able to be. Clients who missed appointments were sought and rescheduled. Emphasis was on keeping clients in services, despite the formidable obstacles to achieving continuity with an inherently transient population. To maintain this intensive level of service, caseloads were very small, about 50 clients per team, or roughly 15 clients per team member.

**Data Collection.** As a study of process, this project was done ethnographically, with data coming primarily from participant observation of case management work and unstructured interviews with the team members. This includes an inventory and description of the daily activities that comprise case management for service recipients. Over a five month period, I attended staff meetings, participated in daily agency activities, and accompanied every team member on at least two days when they provided services out of the office. I had opportunities to see my participants working both with clients in a variety of settings, and with staff from other parts of the social services system. On an average day, I arrived in time for the morning staff meeting and review of clients. I then accompanied the team I was “shadowing” that week into their team room for their team meeting. I spent the rest of the day with a single team member, who would explain paperwork, relate phone calls, and take me along on visits to clients.

Over the course of the study, I also conducted detailed individual unstructured interviews with all ten staff members in the agency to gather insight into their views on the different constraints and resources under which staff members and teams operate. These staff members comprise the ten subjects in this
study, including six team members, a nurse, an outreach worker, the project manager, and the project director. In total, the data are comprised of five months of fieldnotes, 10 interviews, and program documents. As with many case studies, the sample size for this study is quite small due to the limited size of the agency, however, the detail and length of data collection lend credibility to the results. These data were transcribed as text onto a computer, and qualitatively coded analyzed using HyperResearch, a text analysis program.

RESULTS: THE CONTRADICTIONS OF THE CASE MANAGEMENT ROLE

I originally entered the field with a general question: What is case management, and what, in their own eyes, do case managers do? I soon found this question to be inadequate. My respondents all gave answers couched in terms of what they would like to do as managers, what they intended to do, or what they were supposed to do by the terms of the agency’s federal grant funding. However, nearly all then went on in the next breath to tell me why it was very difficult to do the activities they had just described to me. Indeed, they spent much more time telling me why they were not able to provided the services they wanted to or felt they were supposed to, than they did telling me about what they did do. That is, what they really wanted to talk about was their frustration.

This frustration has become the topic that has emerged from this analysis, and the main subject of this paper. My main question here is: Why is it so difficult in this agency to deliver their intensive case management services to homeless persons with mental illness, and what are the consequences of this difficulty? Such a question is tightly tied to the immediate circumstances of this particular agency, and as such appears to have little generalizability. However, the broader implications of structural and bureaucratic conflict has repercussions for social workers throughout the field of human services.

REACH was a federally funded project that had been inserted into an already functioning county system. This position of being juxtaposed between two systems created tensions from the day the agency opened its doors, and interfered with the agency’s
ability to serve their clients. REACH was designed and federally funded to develop nontraditional approaches to engaging a difficult population, but they were stymied by more traditional expectations and structures at the local level. REACH staff often found themselves torn between the rules of the two systems — federal and county — and the needs of the clients. That is, they could not meet all three points simultaneously.

An example of this was that the agency was funded by their grant to provide services for homeless people with mental illness, especially those with substance abuse problems as well. To provide these services, REACH was supposed to draw on local resources. Homeless services in the County wanted only clients whose mental illness had been stabilized and who did not abuse substances. Yet the mental health treatment available to stabilize clients through Community Mental Health Services assumed that the client had not only transportation, but an address and phone number — in other words, that they be housed. And many substance abuse services frequently had mental illness as an exclusion criterion from their residential programs, or required that clients have housing and transportation to attend their outpatient programs. In other words, in order to get housing, you had to be already treated, but in order to get treated, you had to have housing. Thus the County system had services set up for people who were homeless or mentally ill or substance abusers, but not all three. So the federal grant regulations and the County system in practice often had mutually exclusive targets: eligibility for the grant sometimes created automatic ineligibility for many County services. As one case manager protested, they were often caught between the two government bureaucracies with which they had to deal:

The way [our program] is set up, we're caught in not just one bureaucracy but two. So it's like [we were funded with] the understanding was that [we] were going to be able to do some creative things. But when we attempted the creativity, the County system was like: oh, no, you can't do that. . . . And then we also have [federal] guidelines and their bureaucracy and criteria and you run against some things with them. So in between here we are, and it's like we're being squished. And what's happening is that the client is getting lost in all this.
As a result, there was a pervasive sense among the case managers that neither of the two systems were really concerned about whether their clients were actually getting any help.

This feeling was repeatedly reinforced by the contradictions between system rules and client needs. For instance, the eligibility criteria for many services excluded the very people most in need of the service. One concern was that a grant that had been allocated to the county to provide housing for homeless people stipulated that clients be homeless when they applied, and that they remained homeless until they received the housing certificate. However, the process of sending an application through County bureaucracy often took three or four months. The case managers were simply not willing to leave their clients with no housing that long just so they would stay eligible for a particular source of housing. After all, housing was only the first step in a long road to improvement. According to one team member:

We can’t just leave them out there on the streets with wolves and not place them somewhere safe. . . . So while we’re trying to get them to move forward, I’ve crossed the boundaries to the [housing] status now, and so I’ve jeopardized their housing. And so now I’m going to have to come up with another strategy on how I’m going to find you housing because you’re not eligible for the certificate anymore.

A diagnosis of substance abuse could complicate matters even more by reducing the already small number of housing options available to the clients. Another team member described these difficulties:

I set up two interviews for [supported housing]. But you have to have 6 mos. clean time. . . . Some of these people are not going to meet these criteria. I mean, you can have the ideal drunk, and you can say stop drinking and he’s going to get better. It doesn’t work that way. Things don’t fit like that.

Often the case managers resort to bending, or even breaking the rules in order to do their jobs: that is, to provide services to their clients.

The way everything’s set up doesn’t make sense. You can’t do this because this person doesn’t meet this criteria, so you almost have to make it fit. Be flexible and break some rules . . . you have to look
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at it and say, this didn't happen exactly like this, but if he's eligible for this, and then we start getting picky about things and find little loopholes and stuff. Sometimes the system doesn't work.

This working around the rules holds even for the federal requirements of REACH. For example, many of their clients suffer from severe addictions, to the point that this problem overshadows everything else, even their mental illness. Indeed, this sometimes seems to be the norm for homeless people with severe mental illness, at least among the REACH participants. But substance abuse — or even related personality disorders — could not be their primary diagnosis, due to the eligibility criteria of the grant. So rather than disqualify someone in need of their help, they would find a way to make that person eligible.

Interviewer: I'm thinking of this morning, when the assistant director said to the psychiatrist 'we need a different diagnosis in order to make him eligible.'

Respondent: Yes, like I'm doing the medical records, and a lot of the people have substance abuse diagnoses. Well this program is set up for homeless, severely and persistently mentally ill people. . . . These people have mental illness, but we cannot put it as the substance abuse is what we're treating. We've got to put it that we're treating major depression, or something. And really . . . we are, even though they do need the substance abuse treatment too. [So] these people, either you change their diagnoses, or they don't meet the criteria. I mean, it's not like they don't have a mental illness, but the substance abuse is something that's coming up front moreso than the mental illness. The system says, 'we want it this way,' we'll get it this way.

So agency staff are often torn between their clients and the system. If they are unable to "make it fit," they lose clients and the ability to provide for their needs. Such an outcome goes against their mission and their funding. As a result, the agency is caught in a sort of a case management "Catch-22" between system rules and client needs.

You do feel powerless, because you promise to support someone who is mentally ill and who's without a home, and that's a big task. Because . . . there's always administrative stuff that you have
to adhere to, it's like, you really don't have any power. It's like a hierarchy, it's the administrators, it's [our agency] and it's the participants. And they look at you as the one with the power, and it's like, but I really don't have power. And they don't understand that. All they see is one system.

Another team member:

[But] what's going to happen is, if you tell them "I can help you," and then as it turns out you can only help them for three months, you know, they're going to be like, "you're not meeting my needs."

The result is that the agency has difficulty keeping clients. With clients who are extremely hard to engage, and who can disappear if they feel no need to be visible, the lack of means to keep them engaged adds aggravation to the frustration the REACH teams already experience. To forestall client drop-outs, team members invest themselves personally through persuasion and emotional labor (Hochschild, 1983) to keep each client on board while the case managers struggle with the system. Such conditions are unsurprisingly a cause of burnout.

I don't think that there are many elected representatives that will understand that Shawn going to an ice hockey game with friends from the DropIn Center, is a better place for him to be than where he was. And the fact that he was there, is going to make a difference, and it was money well spent. We don't know how to quantify those stories... and it's because [they're all unique and individual]. And we cherish individuality, and it's part of what our nation calls our own, but it's also something that we don't know how to support.

The service providers in this study were torn between three disjunctive sets of expectations: the rules of the two systems, and the needs of their clients. They to try to find a workable compromise and frequently do not succeed. One of the three sets is often left unmet. This is a constant source of frustration for the team members, especially when it is the client that loses out.

DISCUSSION

The present research is a case study of a single agency located in a single county mental health system, which raises questions about its generalizability to social services. What can we learn
from the case managers of REACH? While on the surface this analysis only illuminates the personal agonies of the workers in one agency, the results have broader theoretical and practical implications. In terms of my first research question on the activities of case management, we see that case managers engage in more than the concrete services identified in the literature, they invest emotional labor as well. The stress literature identifies both of these activities as forms of social support, instrumental and socioemotional (Thoits, 1986). Instrumental support includes all the basic services considered part of case management: money, food, shelter, clothes, transportation, medical care, etc. Socioemotional support, on the other hand, includes more invisible aid in the form of talking about problems, listening, encouraging, and applauding success.

The staff in this study most likely provided more socioemotional support than most workers in their position, as they used it as a means of making up for shortcomings in the instrumental support they had to offer. Nonetheless, most social service providers engage in this as a sort of "invisible service," to their clients. Empathy, rapport, and understanding are overtly part of social work training, and are highly valued skills in the profession. Their influence appears even in the accomplishment of more instrumental tasks. For instance, the staff at REACH did not merely link their clients to other services, but negotiated barriers to services in a politically charged system. In addition, like all case managers, they were perpetually engaged in trying to tailor a general system to the unique needs of individual clients. Such efforts entail diplomacy, sensitivity, and rapport, all of which have sizable emotional components. Intensive case management, then, entails service linkage, advocacy, and socioemotional support as crucial elements of service delivery.

Regarding my second research question, the results on the difficulty of delivering services illustrate possible consequences of bureaucratic conflict for any agency straddling two or more systems. Weber lists as the first characteristic of a bureaucracy that "[t]here is the principle of fixed and official jurisdictional areas, which are generally ordered by rules, that is, by laws or administrative regulations" (Gerth and Mills, 1946). These rules and areas circumscribe the duties and powers of those
working within the bureaucracy, maintaining and supporting its authority. As Weber points out, in a well-ordered bureaucracy, these duties are routinized and well-regulated, and conflict seldom arises.

Yet, in this study, we see an example of two routinized bureaucracies coming into conflict within a single agency. As a result, duties are no longer clear cut, and powers even less so. Merton captures this dilemma nicely in his conception of role-conflict within a role-set (1957, 1967). The case manager holds a social position—a role—within a social system, that is, the system of county mental health. To the degree that the case manager has incongruent expectations between the roles defined by each bureaucracy, the role occupant, the case manager, is conflicted.

Such a situation illustrates rather well a partial answer to a question raised by Merton himself:

"the assumed structural basis for potential disturbance of a role-set gives rise to a double question: which social mechanisms, if any, operate to counteract the theoretically assumed instability of role-sets, and, correlatively, under which circumstances do these social mechanisms fail to operate, with resulting inefficiency, confusion, and conflict?"

This study provides a partial answer, the overlap of bureaucracies, institutions, or social systems more generally, sets up conditions under which expectations collide, and role-sets become unstable.

Such a notion adds a new dimension to existing work on the difficulty of providing services to persons with severe mental illness. Previous research has focused on barriers to service delivery. (e.g., as described by Boyer, 1987; Rog, 1988; and Morrisey et al., 1986), such as fragmentation in the system, or noncompliance and lack of resources among the service population. The case managers in this study did not see their frustration in that light, however. To them, the source of the frustration was their perception of being caught between disparate federal and county systems. In particular, the case managers experienced a sense of being bound in a web of bureaucratic contradictions, such that their own service system was itself preventing them from providing services. Under the rules of these two systems, they had contradictory work expectations.
In other words, the case managers experienced this conflict between two bureaucracies as conflict within their occupational role.

According to Merton's theory of the "role-set," each position in the social structure has not just one associated role, but a set of roles reflecting the various obligations vis-à-vis relevant others. His own example of a teacher has one set of expectations regarding interactions with students, and entirely another set regarding her interactions with the school principal or superintendent (1957). This is roughly comparable to a case manager who has three sets of role-expectations, one with each of two funding agencies, and one with clients. To the degree that these expectations are mutually incompatible, the case manager experiences conflict between roles within a set, what Merton calls role conflict. Thus role set theory provides a vocabulary for discussing the process whereby the structural becomes personal, and the external conflict of systems becomes internalized.

Stryker (1980) describes how external conflict can have psychological and emotional effects through our roles. According to Stryker, roles are the material which we use to identify who we are. Engaging in actions that are in keeping with our role-identities reinforces our sense of self. Expanding on Stryker's work, Heise (1978, 1987) argues that if conflicts within established roles endure and cannot be argued away, these conflicts will lead to change in the role-identity. If the conflicts are comprised of negative or disempowering information, the change in the role-identity will be negative as well. By this argument, the role-conflict experienced by the case managers may have been more than frustrating, it may have been threatening to their sense of self. By preventing the case managers from doing what they wanted to do, the systemic contradiction could potentially prevent them from being who they want to be. That is, by constraining their actions, the systems also prevented them from enacting their chosen occupational role-identities in a positive way (Stryker, 1980). This bred a range of discontents, including anger, defensiveness, bitterness, powerlessness, and apathy. If frustration was the short term result of contradiction, its long term consequence was occupational demoralization among the very people striving to ameliorate the despair of others.
Such a conflict between bureaucracies is hardly unusual in the social services. Indeed, multiple funding sources and overlapping bureaucracies may be more the norm than the exception. If this is the case, then the role conflict illuminated in this study may be widespread indeed. While such conflict may not consistently reach the same proportions as in this case — indeed, exacerbating factors were rife in this site — the conflict appears quite likely to exist.

The lesson for program planners and policymakers then is, this: bureaucratic disjunctions may well be played out in occupational role conflict for program staff. Burnout is not merely personal, it is structural as well. When designing new programs, a hostile or conflicted system can make the most well-planned program go awry. To limit such disjunctions, planners must take into account both flaws in the existing system, and degrees to which the existing system may not match with the program to be implemented.

CONCLUSION

This agency's untenable position between two systems obviously makes a difference in the effectiveness of its services. The fact that the agency's targets are, by definition, extremely difficult clients to serve is a contributing factor to the dilemma as well. REACH found itself torn between the rules and resources of two conflicting bureaucracies. This conflict created dilemmas in providing services to client: meeting eligibility criteria for services from the federation grant meant the clients did not meet the eligibility criteria for many County services. REACH staff reacted to this dilemma by bending rules, finding loopholes, and investing extra time and emotional labor in each client. Despite this, it remained very hard to provide desired services to their clients, and many slipped away. Aware of the bureaucratic conflict, but unable to find recourse for their dilemmas, the REACH staff grew frustrated, angry, and resentful of the county system.

EPILOGUE

The agency's untenable situation between two incompatible bureaucracies was, as evident in this paper, inherently unstable.
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It, combined with budgetary complications in the system, lead to increasing resentment between the County and REACH. Toward the end of my fieldwork, the County abruptly took advantage of a quiet offer from the State to take over administration of the program. REACH staff arrived at work one day to find a letter informing them that they were suddenly State, rather than County employees. Despite the shock and consternation produced by the change, it turned out to be an improvement for all concerned. A few months after my departure from the field, REACH had moved into its new role at the outreach and community service arm of the local State Psychiatric Hospital. Oddly enough, despite the expected greater ideological conflict between an in-patient hospital and an intensive community support program, the combination worked. The reduction in bureaucratic conflict (largely due to the fact that the State had few pre-existing community service regulations to conflict with those of REACH), seemed to more than compensate for the surface disparities. REACH continued in this position through the end of its federal funding, obtaining stability that it had been unable to achieve when dealing with the County, its apparent systemic peer.

REFERENCES


Racial and Gender Variations in the Process Shaping Earnings' Potential: The Consequences of Poverty in Early Adulthood

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This research investigates the effects of poverty in early adulthood on future earnings. While social scientists are beginning to amass a considerable literature on the effects of poverty on outcomes for children, few have investigated the damage that impoverishment may do in early adulthood when individuals are in the midst of completing education and planning careers. The findings in this study indicate that poverty does dampen earnings' potential. However, individual characteristics (e.g., aspirations, esteem and ability) and structural location (e.g., educational attainment, occupational status and job tenure) may assuage the otherwise negative effects of poverty. Other findings reveal that the process shaping earnings is very similar for white males compared to racial minorities and women. One exception is the impact of weekly hours worked on earnings. White males receive a benefit to earnings from weekly hours worked above and beyond that of White women, African American men, African American women and Mexican American women. Additionally, white men's earnings remain higher than African Americans, Mexican Americans and white women because of higher occupational attainment and longer job tenure.

INTRODUCTION

Despite evidence of gains over the past two decades, racial minorities and women continue to earn less than their white male counterparts (Corcoran et al. 1992; England 1992; U.S. Bureau of the Census 1993, 1994; Corcoran 1995; Waters and Eschbach 1995). This research asks three primary questions. First,
how does poverty in early adulthood affect earnings' potential? While there is currently a plethora of studies investigating the long range effects of childhood poverty (Duncan, Brooks-Gunn and Klebanov, 1994; Haveman and Wolfe, 1994; McLeod and Shanahan, 1996; Reynolds and Ross, 1998), few researchers have investigated how poverty during early adulthood affects future earnings. This period in the life course may be especially crucial since it is the time in which individuals are completing education and making career plans. Second, this exploration asks whether poverty qualifies the effects of either individual characteristics or structural location on earnings. For example, does the length of time spent in poverty dampen the otherwise positive effects of academic achievement on earnings? And, finally, does the process that shapes earnings for contemporary workers (especially, as it relates to poverty status) vary by race and gender? Because of growing diversity in the population of the United States, it is becoming increasingly important for social scientists to explore and to provide understanding of differences that may exist in the population due to race and gender. While it is clear that white males have higher earnings than just about any other group, much remains to be learned about the exact process over the life course that shapes earnings.

A variety of explanations have been offered to account for earnings' inequality. The status attainment paradigm, models that focus on human capital and the "new structuralism" have been prominent theoretical traditions used to explain earnings. On the one hand, the general status attainment and human capital models rely on the effects of family background and resources to predict individual ability, aspirations and adult attainment (Blau and Duncan, 1967; Becker, 1975, 1981). On the other hand, the "new structuralism" identifies certain structural mechanisms (e.g., the importance of sectors of the economy and internal labor markets) as the most important mechanisms determining attainment (Bluestone, 1970; Doeringer and Piore, 1971; Gordon, 1972; Bibb and Form, 1977; Kaufman, 1983). This research combines elements of these approaches to understand what contributes to the contemporary earnings-gap among white, African American and Mexican American men and women. Factors taken from the status attainment and human capital tradi-
tions are parental resources, aspirations, academic ability and self-esteem. From the "new structuralism" paradigm, this study incorporates such conditions as occupational status, job tenure and union membership.

Kerckhoff (1989) has already argued the utility of combining these theoretical perspectives. In this paper, considering elements from these approaches is done to clarify and better understand the process that shapes earnings over a very critical period of the life course—early adulthood. Further, the amalgamation of these perspectives enables an exploration of both the social psychological and structural sides of social life. As Kerckhoff (1989) has pointed out the traditional status attainment model included a distinct social psychological or individual bent. Such studies (Blau and Duncan, 1967) clearly utilized individual characteristics such as expectations, aspirations and the possible influence of significant others. The human capital angle also relies on the importance of socialization and interpersonal resources (Becker, 1981; Kerckhoff, 1989; Coleman, 1990; Jencks and Mayer, 1990). This approach asserts that attainment is a result of resources that parents are able to "invest" in children. Resources may be defined as money, time, interpersonal connections and institutional support that parents and "communities" may offer children which encourages their future productive social behavior (Coleman, 1990; Massey, 1990; Duncan, Brooks-Gunn and Klebanov, 1994; Haveman and Wolfe, 1994). And, the "new structuralism" approach views attainment, in terms of outcomes like earnings, as a result of the structure of occupations, an individual’s placement in that structure and internal labor markets within a firm (Sorensen, 1977; Tolbert, Horan and Beck, 1980; Sorensen and Tuma, 1981; Wharton, 1994). These social psychological and structural perspectives are not necessarily at odds (Kerckhoff, 1989) and should be used together to construct models that contributes to a more complete understanding of social mobility — in this case, earnings’ attainment.

BACKGROUND

Since the late 1960s and through the 1970s, status attainment researchers have investigated the link between parental
attainment and children's adult socioeconomic status (Blau and Duncan, 1967; Duncan et al., 1972, Jencks et al., 1972; Sewell and Hauser, 1975; Hauser and Feathermen, 1977; Jencks et al., 1979). Blau and Duncan (1967) were among the first to question whether persistent childhood poverty contributed to socioeconomic differentials, including earnings, between African Americans and whites. Others soon added class position during childhood, social support and individual aspirations as predictive of adult socioeconomic outcomes (Duncan et al., 1972; Jencks et al., 1972; and Featherman and Hauser 1976, 1978). These studies provided evidence showing that poverty may not be intergenerational (i.e., the culture of poverty argument) in the general population, but rather economic disadvantage is inherited due to race (See Corcoran, 1992).

Following Blau and Duncan (1967), most research sought to identify and clarify the mechanisms through which family background impacts adult attainment. For example, Sewell and Hauser (1975) expanded the Blau and Duncan model to include additional intervening factors that affect occupational attainment. This expanded research proposed that parent's socioeconomic status and their child's mental ability influences children's adult occupational status. While this model did account for over 50% of the total variation in attainment (i.e., occupational status), it still had better predictive power for the outcomes of white males compared to racial minorities and women.

Status attainment research, in general, has been very influential in a variety of types of recent research seeking to identify the relationship between family background and adult earnings' outcomes. This tradition of research includes studies that seek to establish the relationship between parental socioeconomic status and children's educational achievement, children's social psychological characteristics (e.g., self-esteem, aspirations), and children's academic ability. Still other studies have identified the ways in which social psychological characteristics and indicators of ability and educational achievement are related to economic outcomes. In the following section is a summary of the recent studies in this tradition. Also, hypotheses for the current study are presented below.
Recent Status Attainment Research Findings

**Parental Occupational Status and Parental Educational Attainment.** In general, the higher the parental socioeconomic attainment the higher the educational and occupational aspirations of the child (Trice and Knapp, 1992; Lampard, 1995). Home environments provided by better educated and occupationally accomplished parents are more supportive of and encouraging to the child (Parcel and Menaghan, 1994; Mau, 1995). Given vast racial differences in parental achievement, it has become an expected outcome that African American and Mexican American children will achieve less than white children (Astone and McLanahan, 1991; Solorzano, 1991). Consequently, parental occupational and educational attainment should directly affect adult earnings in this study.

**Educational Aspirations.** Educational aspirations have been linked to actual educational achievement (Griffin and Johnson, 1988), and in turn, adult earnings. When minority youth have lower educational aspirations, it is not simply a matter of race, but rather due to childrearing in economically deprived home environments (Hanson, 1994; Watts and Watts, 1991; Solorzano, 1992). In fact, when controlling for socioeconomic status, minority youth tend to have aspirations equal to those of their white peers (Solorzano, 1992; Hanson, 1994). Since higher adolescent educational aspirations yield higher adult educational attainment, adolescent aspirations are expected to positively impact adult earnings.

**Academic Ability.** Demonstrated academic ability (e.g., standardized testing) has been shown to be directly related to attainment (Baker and Velez, 1996). Academic ability appears to be strongly related to parental status (e.g., education and occupation) and to be predictive of children's adult education attainment and employment status. Therefore, if low academic ability influences the quality of school performance and increases the risk of unemployment, it is hypothesized that academic ability will affect adult earnings.

**Self-Esteem.** Self-esteem can simply be defined as the individual's personal judgment about his/her own self-worth (Rosen-
It has been established that self-esteem in children is important to their achievement in both adolescence and later in adulthood (Banks and Gramb, 1972; Long, 1975; Gibbs et al., 1989). Given the relative economic and social deprivation of African Americans and Mexican Americans, researchers have argued that self-esteem for these groups is especially predictive of life outcomes and overcoming obstacles due to racism and discrimination (Gibbs et al., 1989; Porter and Washington, 1993). Therefore, self-esteem should be strongly predictive of adult earnings.

**Structural Explanation of Earnings**

The new structuralism focuses on the structural determinants of the earnings differential between whites and other groups (Bluestone 1970; Doeringer and Piore 1971; Bibb and Form 1977; Kaufman 1983; Boyd, 1993). Early structuralist analyses focused upon industries and clearly demonstrated that a group's location in the dual economy (i.e., core v. peripheral sectors) has implications for earnings and earnings' inequality. Specifically, poverty due to low earnings, unstable employment leading to fragmented job tenure and unsteady work hours, are associated with the more competitive, less unionized industries that constitute the peripheral sector of the economy (Tolbert, Horan, and Beck 1980). The fact that racial and ethnic minorities and women are more often found in this economic sector partially accounts for the lower earnings of these groups (Tolbert, Horan, and Beck 1980; Kaufman 1983; Boyd, 1993). Conversely, working in the core sector of the economy nets several benefits, including higher pay allowing individuals to escape poverty (Kaufman, 1983).

Related to the idea of the dual economy is the dual labor market. These explanations of earnings focus upon occupations and the division between the primary labor market composed of "good" jobs (associated with high pay, opportunities for promotion, benefits, desirable work conditions, and stability) and the secondary labor market composed of "bad" jobs (Doeringer and Piore 1971; Osterman 1975; Rosenberg 1980). Similar to the dual economy approach, analyses of dual labor markets contribute to our understanding of the persistent lower earnings of racial and ethnic minorities and women since these groups are often
found in the secondary labor market (Doeringer and Piore 1971; Bonacich, 1979; Mier and Giloth, 1985; Wilkinson, 1991). Given this line of research, it is hypothesized that educational attainment, occupational status, number of hours worked and union membership will predict higher earnings.

**DATA**

To study how poverty during early adulthood influences earnings, data are extracted from the National Longitudinal Survey of Youth (NLSY) data set. The NLSY is part of a larger project sponsored by the U.S. Departments of Labor and Defense under a grant to the Center for Human Resource Research at The Ohio State University. The original sample overrepresents African American, Hispanic and economically disadvantaged White youth. In addition to gathering information about the labor market experience of respondents, the survey systematically includes measures of cognitive, socio-emotional and psychological functioning. Fourteen waves of this annual survey are used for the current study—1979 to 1992. In the first wave of this survey the respondents ranged in age from 14 to 22. The age span of the sample is narrowed so that the range in 1979 is 14 to 18 and 27 to 31 in 1992. This truncated age range allows a comparison of individuals who are all roughly in the same stage of the life course.

The sample includes 2,965 respondents, including African Americans, Mexican Americans and whites. The African American subsample includes 423 men and 376 women. The total number of Mexican American is composed of 172 men and 162 women. All Mexican Americans included in this study are U.S. born and American citizens. Finally, the white subsample includes 998 men and 834 women.

These longitudinal data are analyzed to trace the long-term effects that early parental resources, aspirations and academic ability may exert on adult earnings. Further, it provides a unique opportunity to assess whether these adolescent factors may interact with adult poverty to influence earnings. Only those respondents who have valid scores on all measures are used in the analysis. A comparison of proportions and means for all variables
in this study are presented for each group by race and gender in Table 1. Also, see Appendix A for the pooled sample means and the correlations among variables.

MEASURES

Adult Status Variables

The dependent variable used in this study is earnings—the dollar amount the interviewee has earned in the previous calendar year. For this study, the earnings each respondent reported in 1992 are used. The earnings’ measure is logged to correct for skewness. Other variables expected to influence earnings are adult poverty, job tenure, hours worked per week, educational attainment, occupational status and union membership.

The degree of poverty is calculated for each year, using the Poverty Income Guidelines. This measure is updated yearly by the U.S. Department of Health and Human Services (NLSY Documentation 1979–1988, Attachment 3, 1990). A respondent is determined to be living in poverty if the family income for the last calendar year for the family size is below the Poverty Income Guidelines. So, for example, during the 1991 wave of the survey, poverty is calculated using the income from the previous year, 1990. The variable used in the analysis is adult poverty. The adult poverty measure is calculated using data from 1979 to 1991—since the earnings’ measure is taken in 1992. Summing the number of years each respondent has lived in poverty creates a continuous variable, with a possible range of 0 to 14 years. This measure is calculated for each respondent beginning when he or she is 18 years old. This time frame is an important period in the young adult’s life, since most are in the midst of finalizing educational and career plans. Poverty during this “planning” period of life may seriously jeopardize earnings’ potential.

Job tenure simply refers to the number of years the respondent has been in his/her primary job. Number of hours worked equals the average number of hours each respondent reports working each week. And, educational attainment is a measure (in years) of how much education the respondent has received as of May of the survey year (1992).
Table 1

Comparison of Proportions and Means for White Male Subsample (N=998) Compared to White Females (N=834), African American Males (N=376), African American Females (N=505), Mexican American Males (N=172) and Mexican American Females (N=162).

<table>
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<tr>
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<th>Wmales</th>
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<th>Bfemales</th>
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<td>15.02</td>
<td>18613.76</td>
<td>12.42**</td>
<td>17751.46</td>
<td>12.23**</td>
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<td>Adult Poverty (years)1</td>
<td>.75</td>
<td>1.35</td>
<td>.88</td>
<td>1.44*</td>
<td>1.94</td>
<td>2.12**</td>
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<tr>
<td>Parental Occupational Status (1979)2</td>
<td>41.38</td>
<td>20.91</td>
<td>42.78</td>
<td>21.69</td>
<td>25.99</td>
<td>19.66**</td>
</tr>
<tr>
<td>Parental Education in years (1979)</td>
<td>12.17</td>
<td>2.51</td>
<td>12.11</td>
<td>2.45</td>
<td>10.75</td>
<td>2.43**</td>
</tr>
<tr>
<td>1979 Educational Aspirations (years)</td>
<td>14.45</td>
<td>2.24</td>
<td>4.54</td>
<td>2.08</td>
<td>14.18</td>
<td>2.19**</td>
</tr>
<tr>
<td>Academic Ability (1981)3</td>
<td>51.15</td>
<td>27.83</td>
<td>52.16</td>
<td>24.71</td>
<td>22.06</td>
<td>21.08</td>
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<td>3.40</td>
<td>3.68</td>
<td>3.31</td>
<td>2.89</td>
<td>2.88**</td>
</tr>
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<td>42.42</td>
<td>13.61</td>
<td>34.70</td>
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<td>36.49</td>
<td>14.81**</td>
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<td>2.31*</td>
<td>12.48</td>
<td>1.96**</td>
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<td>19.20**</td>
<td>39.12</td>
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<td>.09</td>
<td>.29**</td>
<td>.16</td>
<td>.36</td>
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<td>Age (years)</td>
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<td>1.36</td>
<td>29.60</td>
<td>1.39</td>
</tr>
</tbody>
</table>

**p < .01; *p < .05

1Adult poverty is a continuous variable summing the years the respondent has lived in poverty since age 18 (1979–1991).
2Parental occupational status is measured using the Duncan socioeconomic index scale (Blau and Duncan, 1967) which ranges from 0(low) to 96(high).
3Armed forces Qualification Test.
4The 10-item Rosenberg Self-Esteem Scale (Rosenberg, 1965). Scaled so that the range is 1(low) to 4(high).
5For adult occupational status, the Nakao-Treas (1994) version of the Duncan SEI scale used. This scale has been updated to fit 1980 census occupational codes.
To measure occupational status, the NLSY uses 1980 three-digit census occupational codes (U. S. Bureau of the Census, 1984) which were converted to the Nakao-Treas (1992, 1994) socio-economic index (SEI). The SEI scores are based on Duncan’s original index (1961), which was constructed using education and income distribution ratings assigned to each of the census occupational codes. The Nakao-Treas SEI has appropriately updated Duncan’s SEI scores to fit the 1980 census codes (Nakao and Treas, 1994). And, finally, regarding variables directly related to work, union membership compares those who report belonging to an employee association to those who do not.

**Individual Characteristics**

Borrowing from the traditional status attainment model, three individual characteristics are used in this study. First, adult self-esteem is selected to capture self-evaluation. Self-esteem is measured in 1987—prior to the dependent variable, earnings. The 10-item Rosenberg (1965) self-esteem scale is used. This scale is a valid, well-known measure of self-esteem. Higher self-esteem scores represent more favorable views of self-worth. The respondent is asked to strongly agree, agree, disagree or strongly disagree with statements such as: “I feel I do not have much to be proud of”; “I am proud of myself”; “I take a positive attitude toward myself,” and “I am satisfied with myself.” The overall range of the scale is 1 (low) to 4 (high) and generates a Cronbach Alpha of .87 (See Appendix B for the full scale).

The second individual characteristic folded into the analysis is academic ability. Though the primary aim of this work is to ferret out the influence of adult poverty on earnings’ potential, academic ability is incorporated to predict earnings. The Armed Forces Qualifying Test (AFQT) administered to respondents in 1981, is used to assess the academic skills of survey respondents. The AFQT sums scores on four subtests tapping arithmetic reasoning, numeric operations, word knowledge, and paragraph comprehension (NLSY Documentation 1979–1988, Attachment 3, 1990). The test is scored in percentiles. A respondent may score from 1 (low) to 99 (high). Because this work, in part, tests some of the components of the general status attainment paradigm, it is appropriate to include this measure of academic accomplish-
Poverty in Early Adulthood

Of course, the debate surrounding the bias and misuse of standardized testing for racial minorities continues (see Farkas, England, Vicknair, Kilbourne and Stanek, 1997; Maume, Cancio and Silva, 1996). Nevertheless, it is expected that demonstrated adolescent academic skill will predict earnings. In fact, some scholars have simply viewed the AFQT as a measure of adolescent academic achievement (see Fischer, Hout, Jankowski, Lucas, Swidler and Vos, p. 56, 1996) rather than as a gauge of innate intellectual ability.

The third individual characteristic used is adolescent educational aspirations. The educational aspirations variable simply asks each respondent: "What is the highest grade you would like to complete?" Responses are scored in years of education (e.g., 11 years, 12 years).

Background Resources

Parental occupational status is measured using the occupation(s) of the parent(s) when the respondent was 14 years old. For those interviewees who did not live with their parents at age 14 the occupational status of the adult caregiver(s) in the home is used. The NLSY uses the 1970 three digit Census Occupational Classification System to categorize occupations in 1979 (U. S. Bureau of the Census, 1970). This classification is converted to correspond to the Duncan index (Duncan, 1961), an ordinal measure of socioeconomic status that assigns a two-digit score to the census occupation codes. Parental occupational status was computed averaging the occupational status of both parent's occupations. In the case of those from single parent homes or for whom only one parent's occupational score was reported that score was used. Parental educational attainment is measured as the mean of both parents' education. When only one parent is present or reports educational attainment that measure is employed.

Age, Race and Gender

The age variable captures how old the individual was at the time of the final interview in 1992. Though age range has been truncated so that the analyses include individuals in approximately the same stage of development, age is used to control for effects that may simply be due to maturation. Effects that may
be artifacts of race (i.e., African American, Mexican American or white) and gender are also considered.

**Overview of Multivariate Analysis**

The analysis is done in three steps. First, a series of additive regression models are used to estimate earnings. Second, interactions by adult poverty are tested to appraise whether poverty qualifies the effects of any of the other variables in the model. And, finally, interactions by race and gender are estimated to see whether these variables alter the effects of any of the predictors in the model.

In the first part of the analysis, a series of cumulative regression equations are estimated to predict earnings. In the first panel, adult poverty status is entered alone as a predictor. The next panel then combines poverty status with the adolescent resource variables—parental occupational status and parental educational attainment. This sequence allows an appraisal of the independent effects of living in poverty as well as how the effects of poverty change in the presence of key adolescent resources. The third panel then estimates earnings using adolescent educational aspirations and academic ability in addition to poverty status and the parental resource variables. This equation's purpose is to estimate the full effects of the individual's combined adolescent structural environment, adolescent individual characteristics and adult years in poverty on adult earnings' attainment. Use of these additive models help uncover the direct and indirect effects of each of the adolescent influences on earnings. Also, it makes it possible to judge whether the effects of poverty change when important background variables are taken into account.

After establishing the contribution of the adolescent environment, an equation is estimated that uses only race and gender to predict earnings. Dummy variables are created that represent males and females for each of the racial groups in the sample (e.g., white females, African American males, African American females and so on). In this fourth panel, the reference category for this set of dummy variables is "white males," since they have significantly higher earnings compared to all other groups in the study (See Table 1). After appraising the effects of race and gender, adult poverty, the adolescent background variables and the adult
status variables are added back into to the equation for earnings. This fifth panel represents the full model used in this study.

A Note on Interactions

All continuous explanatory variables are centered to zero means, and these centered variables are employed to construct all interactions (Aiken and West, 1991). For continuous variables used in significant interactions, this rescaling permits an interpretation of the unstandardized coefficient as the effect at the mean level of the other variable involved in the interaction. The coefficient for the interaction term $X_1 \times X_2$ represents the increase (if positive in sign) or decrease (if negative in sign) in the effect of $X_1$ for each unit increase in $X_2$. When $X_2$ is a continuous variable centered so that it has a zero mean, the $X_1$ coefficient is the effect at the average (zero) level of $X_2$. When $X_2$ is a dummy variable, the $X_1$ coefficient is the effect for the category coded 1 on $X_2$. Summing the coefficients for $X_1$ and $X_1 \times X_2$ provides the effect when $X_2$ is 1.

FINDINGS

As expected, adult poverty significantly depletes what an individual can expect to earn (Table 2, panel 1). Even when accounting for early parental resources, the years the individual spends in poverty during adulthood remains significant, though slightly reduced in effects (Table 2, panel 2). Both parental occupational status and parental educational attainment significantly influence adult earnings. This finding is important not only because it corroborates the bulk of previous research, but also because for the current sample it means that parental resources continue to affect earnings' outcome nearly a decade and a half later. In supplementary analyses, the effects of poverty in adolescence ($1 = \text{yes}$) were also tested on adult earnings. However, the impact of this variable was mediated by the effects of adult poverty. The effects of adolescent poverty were non-significant, while the effects of adult poverty did not change. Additionally, adolescent household income was also tested along with the parental educational and occupational measures. Adolescent household income was significant ($p < .01$) and had a positive effect on future earnings; however, the overall effects of adult poverty were not changed.
### Table 2

Regression Model Estimating 1992 Log Earnings for an NLSY Sample of White, African American and Mexican American Men and Women. Total N=2,965

<table>
<thead>
<tr>
<th></th>
<th>Panel 1</th>
<th>Panel 2</th>
<th>Panel 3</th>
<th>Panel 4</th>
<th>Panel 5</th>
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<tbody>
<tr>
<td><strong>beta</strong></td>
<td><strong>t stat</strong></td>
<td><strong>beta</strong></td>
<td><strong>t stat</strong></td>
<td><strong>beta</strong></td>
<td><strong>t stat</strong></td>
</tr>
<tr>
<td>Adult Poverty (years)</td>
<td>-.160</td>
<td>-20.083***</td>
<td>-.147</td>
<td>-15.254***</td>
<td>-.133</td>
</tr>
<tr>
<td>Adolescent Background Variables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parental Occupational Status</td>
<td>.005</td>
<td>5.853***</td>
<td>.002</td>
<td>2.535**</td>
<td>.001</td>
</tr>
<tr>
<td>Parental Educational Attainment</td>
<td>.015</td>
<td>2.269*</td>
<td>.006</td>
<td>.865</td>
<td>.004</td>
</tr>
<tr>
<td>Adolescent Educational Aspirations</td>
<td>.036</td>
<td>4.341***</td>
<td>.013</td>
<td>1.955*</td>
<td>.002</td>
</tr>
<tr>
<td>Academic Ability</td>
<td>.006</td>
<td>9.152***</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Adult Status Variables</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Adult Self-Esteem</td>
<td></td>
<td></td>
<td></td>
<td>.115</td>
<td>3.712***</td>
</tr>
<tr>
<td>Job Tenure</td>
<td></td>
<td></td>
<td></td>
<td>.042</td>
<td>11.132***</td>
</tr>
<tr>
<td>Number of Hours Worked (in weeks)</td>
<td></td>
<td></td>
<td></td>
<td>.030</td>
<td>32.140***</td>
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<tr>
<td>Educational Attainment</td>
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<td>.034</td>
<td>4.557***</td>
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*continued*
### Poverty in Early Adulthood

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<th>.007</th>
<th>8.802***</th>
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<tr>
<td>Union Membership (1=yes)</td>
<td>.259</td>
<td>7.318***</td>
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<tr>
<td>Age</td>
<td>.001</td>
<td>.059</td>
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</table>

#### Race and Gender

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>White Females (1=yes)</td>
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<td>-11.295***</td>
<td>-.225</td>
<td>-7.232***</td>
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<td>African American Males (1=yes)</td>
<td>-.549</td>
<td>-12.019***</td>
<td>-.072</td>
<td>-1.737#</td>
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<td>African American Females (1=yes)</td>
<td>-.726</td>
<td>-15.043***</td>
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<td>-5.758***</td>
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<tr>
<td>Mexican American Males (1=yes)</td>
<td>-.328</td>
<td>-5.114***</td>
<td>-.056</td>
<td>-.961</td>
</tr>
<tr>
<td>Mexican American Females (1=yes)</td>
<td>-.538</td>
<td>-7.734***</td>
<td>-.108</td>
<td>-1.780#</td>
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</tbody>
</table>

| R2 (Adjusted R2) | .094 | (.094) | .109 | (.108) | .149 | (.148) | .068 | (.067) | .505 | (.502) |

---

* *** p < .001; ** p < .01; * p < .05; # p < .10

1. The total N includes 998 White men; 834 White women; 423 African American men; 376 African American women; 172 Mexican American men; and 162 Mexican American women.
2. Adult poverty is a continuous variable summing the years the respondent has lived in poverty since age 18 (1979–1991).
3. With the exception of academic ability, all adolescent background variables are measured in 1979. Academic ability is a 1981 measure.
4. With the exception of adult self-esteem, all adult status variables are measured in 1992. Adult self-esteem is a 1987 measure.
Furthermore, the significant patterns in the analysis, including the interaction effects (discussed below), remained the same. These auxiliary estimations are not shown for the sake of brevity, but are available upon request.

The third panel of Table 2 reveals that both adolescent educational aspirations and academic ability are predictive of adult earnings. In other words, earnings are increased the higher aspirations and the higher demonstrated academic ability. Again, with the addition of more background variables, adult poverty status is reduced in effects, but remains very significant in determining earnings. Interestingly, parental educational attainment is no longer significant with the addition of aspirations and ability. This variable is actually exhibiting indirect effects through adolescent academic ability. In auxiliary analyses, in which variables were entered one at a time, parental educational attainment looses significance when ability is added to the equation.

Before accounting for other important adult status variables, race and gender is regressed on earnings. In the fourth panel of Table 2, it appears that racial minorities and women experience a disadvantage regarding earnings when compared to white males. Simply based on race and gender, African American females are the most severely impeded based on their ascribed characteristics. In terms of being handicapped by race and/or gender, African American women are followed by African American males, white females, Mexican American females and Mexican American males. However, while this panel is informative, it does not tell the entire story regarding minority status.

In the final panel of Table 2, the adult status variables are added to the model. Excluding Mexican American males, all race and gender categories remain significant. However, for those race and gender combinations that are still significant each of the effects is decreased by more than half. With the exception of age, all of the adult status variables are significant.

Adult self-esteem impacts earnings. Most likely the self-assuredness that accompanies high levels of esteem allow individuals to succeed in work—thus, boosting earnings. Both job tenure and the average number of hours worked weekly also benefit earnings. In other words, the longer an individual has maintained a job and the more hours worked the higher earnings
are likely to be. Though these findings are somewhat intuitive, job tenure and hours worked represent the likelihood that an individual occupies a stable position in the workforce. Further, individuals who have been in jobs longer have had more time to advance, and with advancement comes increased earnings.

Educational attainment and occupational status positively and significantly impact earnings. High achievement in these areas are key to an individual’s level of earnings as is union membership. Union membership proxies for employment in fields that are more likely to be stable and where there are increased opportunities for advancement.

Accounting for the adult status variables does adjust downward the effects of adult poverty and the adolescent background variables. The effect of adult poverty is now reduced to half of its original size (beta = −.160, panel 1 versus −.072, panel 5). However, it is still a significant, robust predictor of future earnings. Also, parental occupational status, adolescent educational aspirations and academic ability are reduced in their impact, but remain significant. Note that adolescent educational aspirations are still significant, even though achieved educational attainment is now in the model. Perhaps educational aspirations, though usually directed at understanding educational progress, may also account for “achievement” planning that also accounts for gains in earnings.

Interactions by Poverty, Race and Gender

Poverty Interactions. Since the central focus of this research is to determine the extent to which poverty during adulthood affects the process that shapes earnings, interactions by poverty are tested to see whether it qualifies the effects of any of the predictors of earnings. Two interactions with poverty were significant. Adult poverty alters the effects of self-esteem on earnings (Table 3). At the average level of adult poverty, the mean level of esteem is a negative predictor of earnings. As poverty increases, the more the otherwise positive effects of self-esteem are dampened. So, while high self-esteem is a robust predictor of higher earnings, its positive influence can be depleted for those who experience chronic poverty.
### Table 3

Regression Model Estimating 1992 Earnings (logged) with interaction by Poverty Status, Race and Gender. Total N = 2,965

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<th>beta</th>
<th>t stat</th>
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</thead>
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<td>Adolescent Educational Aspirations</td>
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<tr>
<td>Academic Ability</td>
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<td>2.898**</td>
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<tr>
<td><strong>Adult Status Variables</strong>³</td>
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<td></td>
</tr>
<tr>
<td>Adult Self-Esteem</td>
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<td>3.525***</td>
</tr>
<tr>
<td>by Adult Poverty (years)</td>
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<td>-2.267*</td>
</tr>
<tr>
<td>Job Tenure</td>
<td>.042</td>
<td>11.211***</td>
</tr>
<tr>
<td>Number of Hours Worked (in weeks)</td>
<td>.022</td>
<td>14.295***</td>
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<tr>
<td>by Adult Poverty (years)</td>
<td>.001</td>
<td>2.618**</td>
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<td>.251</td>
<td>7.149***</td>
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</tr>
<tr>
<td>White Females (1 = yes)</td>
<td>-.255</td>
<td>-8.105***</td>
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<td>by Number of Hours Worked (in weeks)</td>
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<td>7.190***</td>
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<td>1.849#</td>
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<td>-6.456***</td>
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<tr>
<td>by Number of Hours Worked (in weeks)</td>
<td>.013</td>
<td>4.204***</td>
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<tr>
<td>by Number of Hours Worked (in weeks)</td>
<td>.006</td>
<td>1.305</td>
</tr>
<tr>
<td>Mexican American Females (1 = yes)</td>
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<td>-2.433*</td>
</tr>
<tr>
<td>by Number of Hours Worked (in weeks)</td>
<td>.009</td>
<td>2.157*</td>
</tr>
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</table>

R2 (Adjusted R2) | .517 (0.513)

**p < .001; ** p < .01; * p < .05; # p < .10

¹The total N includes 998 White men; 834 White women; 423 African American men; 376 African American women; 172 Mexican American men; and 162 Mexican American women.

²Adult poverty is a continuous variable summing the years the respondent has lived in poverty since age 18 (1979-1991).

³With the exception of academic ability, all adolescent background variables are measured in 1979. Academic ability is a 1981 measure.

⁴The reference category is “white males.”
The second poverty interaction that significantly influences earnings is with number of hours worked. Regardless of poverty status, the mean level of hours worked is a positive predictor of earnings. However, those who have not lived in poverty experience a greater return to earnings from hours worked, compared to their impoverished counterparts. One simple explanation is that those who have not experienced poverty are likely to have been working longer and to have had a chance to build higher rates of pay through promotion and job tenure.

Interactions by Race and Gender. The only variable in the model to be qualified by race and gender is number of hours worked. White males receive a greater benefit to earnings for hours worked compared to white women, African American men, African American women and Mexican American women. As the number of hours worked increases the benefit to earnings increases. Though the number of hours worked is important for all groups, it appears that white males receive the greatest benefit. Regarding the number of hours worked, the interaction with Mexican American males is not significant. However, the advantage that white males experience due to number of hours worked only partially accounts for their overall advantage. For example, white males are less likely to live in poverty and to have higher occupational status compared to the racial minorities and women in this study (See Table 1). Further, they have among the highest educational aspirations, educational attainment, parental resources and job tenure (See Table 1).

Summary and Implications

This research has been an effort to more fully understand the role of poverty in early adulthood in shaping earnings' potential. Also, the case is made for the continued melding of various theoretical models that include individual as well as structural indices. This study clearly highlights the impact of structural factors (e.g., education, poverty) on attainment for both majority and minority groups. Structural indices contribute the most to variance explained in the models above. Nonetheless, both individual and structural dimensions matter in terms of predicting earnings. For example, early adulthood poverty has main effects
on how much individuals earn, but the true impact of poverty is only understood through its interaction with individual characteristics (e.g., self-esteem) as well as other structural variables. On the one hand, the otherwise positive consequences of self-esteem are weakened the longer the individual has been in poverty. On the other hand, working at least the average number of hours per week is beneficial to earnings when an individual has lived in poverty. The benefit of number of hours worked is greater for those who have not lived in poverty.

This research also provides some possible avenues in which individuals may increase earnings despite the ill effects of poverty. Individual achievement can thwart the damage poverty does to earnings' potential. As shown in the current analysis, educational attainment, occupational status, job tenure and hours worked are robust predictors of earnings. Granted the road to achievement is much more difficult to travel if one lives in poverty. However, social programs designed to make it possible for poor individuals to complete education and to go to work can help those trapped in poverty rise above their circumstances. Of course, it would be irrational to assume that these things can easily happen once the individual is an adult. Recall that adolescent background factors (i.e., parental resources, educational aspirations and ability) were also very important over a decade later in predicting earnings. Therefore, policies and programs designed to give parents education and steady employment can help. Also, mentoring and social support aimed at infusing youth with educational aspirations and sharpening their academic skills will make a difference.

Does the process shaping earnings differ by race and gender? This research provides some clues that the process may vary slightly. However, more striking is the similarity of the process across race and gender. For instance, race and gender only qualified the effects of one variable on earnings. White women, African American males, African American females and Mexican American females receive less return to earnings for hours worked per week compared to their white male counterparts.

In analysis above, white males make, on average, approximately $6,000 more than blacks, Mexican Americans or white females. Therefore, one might have expected that the status of
"white male" might have altered the effects of other variables in the model. It would seem that the overall advantage that white males have compared to other groups is not necessarily a larger payoff from important predictors (e.g., educational attainment), but simply that they have initially higher levels on more of the measures that predict earnings (e.g., occupational status). For instance, these findings do not support that early adult poverty or low levels of adolescent family resources do not matter for white males. Instead, racial minorities experience an overall disadvantage compared to white males, because of more poverty, fewer parental resources in adolescence, less developed academic skills and lower attainment in the realms of education and occupational status. Also, African Americans and Mexican Americans tend to have shorter job tenure. Regarding white women, though they have backgrounds similar to those of white males, they continue to have shorter job tenure, work fewer hours and have lower occupational status —all factors contributing to white females' overall lower earnings.

Though this inquiry has been purposefully restricted to the outcomes of whites, African Americans and Mexican Americans, other research should extend such studies to other racial and ethnic groups (e.g., Asian Americans). Also, differences that exist because of gender should be further explored. Though there is a growing literature dedicated to understanding how gender shapes earnings (see e.g., Ward, Dale and Joshi, 1996; England, 1992 and Goldberg, 1990), more knowledge is needed about the role of gender specific expectations (e.g., childcare responsibilities) in determining women's earnings' potential.

Also, future research should continue to combine both individual and structural characteristics to explore the factors that shape earnings. The combination of these factors may lead to a more in-depth understanding of how individual characteristics may be exploited and structural shifts may be negotiated to help individuals overcome the detrimental effects of early adult poverty on earnings' potential.

REFERENCES


Appendix B

Rosenberg (1965) Self-Esteem Scale.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
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<tr>
<td>Adult Self-Esteem&lt;sup&gt;4&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am a person of worth.</td>
<td>3.57</td>
<td>.52</td>
</tr>
<tr>
<td>I have a number of good qualities.</td>
<td>3.56</td>
<td>.51</td>
</tr>
<tr>
<td>I am inclined to feel I am a failure.*</td>
<td>3.53</td>
<td>.55</td>
</tr>
<tr>
<td>I am as capable as others.</td>
<td>3.47</td>
<td>.54</td>
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<tr>
<td>I do not have much to be proud of.*</td>
<td>3.48</td>
<td>.61</td>
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<tr>
<td>I have a positive attitude toward myself.</td>
<td>3.41</td>
<td>.56</td>
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<tr>
<td>I am satisfied with myself.</td>
<td>3.26</td>
<td>.59</td>
</tr>
<tr>
<td>I wish I had more respect for myself.*</td>
<td>3.03</td>
<td>.76</td>
</tr>
<tr>
<td>I feel useless at times.*</td>
<td>3.04</td>
<td>.72</td>
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<tr>
<td>At times I think I am no good at all.*</td>
<td>3.35</td>
<td>.65</td>
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Cronbach’s Alpha | .87

<sup>4</sup>Each item was scored on a four point scale (1 = strongly agree to 4 = strongly disagree).
*Denotes an item which has been reversed so that it represents high esteem.
Appendix A

Means and Correlations (N = 2,965).

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<td>1. Earnings (logged)</td>
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<td>2. Educational Attainment</td>
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<td>5. Job Tenure (Years)</td>
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<td>6. Years Spent in Poverty (1979 to 1991)</td>
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<td>7. Union Membership (1 = yes)</td>
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<td>9. Gender (1 = female)</td>
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<td>.08**</td>
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<td>10. Age</td>
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<td>11. Academic Ability</td>
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<td>.59**</td>
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<td>12. Adult Self-Esteem</td>
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<td>.27**</td>
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<td>13. Adolescent Educational Aspirations</td>
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<td>.35**</td>
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<td>14. Parental Educational Attainment (years)</td>
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<td>.44**</td>
<td>.27**</td>
<td>.10**</td>
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<td>1.00</td>
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** p < .01; * p < .05
Barriers to participation in welfare-to-work programs are generally described in terms of human and social capital. Findings from case examination of four Philadelphia-area welfare-to-work programs under TANF suggest that theory about policy implementation is more applicable. Faulty policy logic, organizational and personnel incompetence, and inadequate coordination between and within funding, referral, program, and employer organizations regularly resulted in delayed program start-ups and strained program operations. Generally invisible and absent from research attention, these implementation delays and strains impeded program staff efforts and harmed TANF recipients. States' 24-month time limit policies are a critical target for advocacy efforts.

TANF POLICY IMPLEMENTATION: THE INVISIBLE BARRIER

Passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996 (P.L. 104-193) replaced sixty years of federal entitlements to needy mothers and children with block grants to the states called Temporary Assistance to Needy Families (TANF). These policy changes resulted in a new configuration of social programs designed to move individuals from entitlement to public assistance to wage work in the labor market: in common parlance, from "welfare to work." In essence, responsibility for the poor passed from the federal government to the states.

Two critical differences pertain to TANF assistance compared to that of its federal predecessor, Aid to Families with Dependent Children (AFDC). First, adults in families receiving assistance
under the block grant must participate in work activities after receiving assistance for 24 months. Second, mandatory time limits now exist in all states, resulting in a maximum of 5 years of allowable TANF assistance over a person's lifetime. Although twenty percent of welfare caseloads may qualify for "hardship" exemption from this 5-year limit, no guidelines for this categorical exemption have been formulated to date. Moreover, federal exemption from cutoff may not apply to states' work requirements.

States now have broad latitude to design critical features of their welfare policy, such as recipient criteria, time limits, and exemption guidelines, as well as its overall aims. For example, the purpose of Pennsylvania's basic welfare law before spring 1996 was "to promote the welfare and happiness of all the people of the Commonwealth by providing public assistance." After spring 1996, Pennsylvania's version of TANF, Act No. 1996–35 (Act 35), intended "to promote the self-sufficiency of all the people in the Commonwealth" (Raffel, 1998:4).

Over the past several decades, sociological theory about human and social capital informed the content and format of welfare-to-work policy and programs. Human capital is created by changing persons so as to give them skills and capabilities that make them able to act in new ways (Coleman, 1990: 304). Social capital develops within varied forms of organizational and interpersonal structures (Coleman, 1990), facilitating actions of individuals within the social structure. According to this framework, individuals receiving TANF assistance who are unable to find a job on their own or through a mandated 8-week job search program are referred to welfare-to-work skills training programs directly related to employment.

States' experiences under TANF, however, belie the ease and fluidity of this formula and the appropriateness of the framework. The 1999 report to Congress from the national evaluation of the Welfare-to-Work Grants Program (Perez-Johnson & Hershey, 1999) briefly mentions difficulties with participant recruitment, eligibility criteria, service delivery and funding. However, a more complete assessment is not expected until fall 2000 at the earliest. A report from Manpower Demonstration Research Corporation (Quint et al., 1999) found similar difficulties in 4 U.S. cities, but this research was conducted at an early period of TANF imple-
Implementation

Other than these reports, program-level findings are absent from the research literature.

I report here on implementation problems found in welfare-to-work programs in the Philadelphia area under TANF policy. Case study research revealed massive delays in program start-ups and strained program operations due in part to faulty policy logic, organizational and personnel incompetence, and inadequate coordination between and within funding, referral, program, and employer organizations. Such barriers to implementation occurred regularly, but received little public or research attention compared to the focus on skill and attitudinal barriers among TANF recipients and wage and retention barriers in the service sector jobs some recipients obtained.

While human and social capital barriers undoubtedly influence the transition from welfare to work, this paper presents an alternative position that theory about policy implementation may better explain the realities of participants' experiences in programs under TANF. We suggest that reliance on human and social capital concepts does not capture the interaction of various federal, state, local, and direct service actors who jointly participate in the implementation process (Jansson, 1990.) Without open acknowledgement of these "invisible" barriers by policymakers and program officials, even dedicated and competent program staff incur impediments to fulfilling their jobs. Ultimately, TANF recipients bear the brunt of implementation problems as they use up valuable months of their eligibility for assistance in the interim. At this critical period in which 24-month time limits are reached and assistance can be cut off, information from our study may suggest how to influence policy and program implementation in ways that benefit the individuals most in need—the TANF program participants.

Methodology

Two colleagues and I conducted field research between September 1998 and June 1999 in four Philadelphia-area welfare-to-work programs (Iversen, Rich, & Lewis, 1998):

• A union-sponsored certified nursing assistant training program expecting to serve 540 TANF recipients and 60 non-custodial fathers over a three-year period, 1998–2001;
• A hospital-based (non-certified) specialty care training program for work with adults and children with disabilities and chronic illness; serving 20 TANF recipients per cycle, including one year of follow-up—ultimate number of cycles is undetermined;

• A homeless shelter providing on-site job-training in housekeeping and food service and off-site certified nursing assistance training; initially intending to serve up to 100 women, but mandated by funding source to serve 400 TANF recipients over a two-year period, 1999–2000;

• A suburban family agency contracted to conduct in-depth assessments of TANF participants in three welfare-to-work programs, estimating to serve about 50–100, although the final number is undetermined.

All four programs are sponsored by non-profit service organizations in Philadelphia or the nearby suburbs. Despite the varied sizes of the work program contracts, we found virtual unanimity of issues, problems and concerns among the agencies. Common elements across the four programs included emphasis on participant assessment, individualized case management that included both instrumental and supportive assistance, and job-specific training linked with area-employer input and needs. The four organizations had years of experience working with welfare recipients, and the services of each were guided by missions dedicated to improving social and economic conditions among poor people. All were also experienced in the provision of employment or vocationally-focused services, except that the family agency’s service emphasis was improved psychosocial status wherein employment was a concern but not the central focus. Through funding requirements and design, the programs recruited participants who were near their 2-year time limits. Moreover, these programs were mandated to target TANF recipients with barriers such as no high school diploma or GED, drug and alcohol histories, homelessness, poor work histories, or mental health concerns.

The data set consists of detailed notes and verbatim comments gathered from multiple in-person interviews, observations, and discussions with 30 staff members who represented the full universe of staff employed in the 4 agencies’ welfare-to-work programs. Twenty-four staff members were women and 6 were men.
Nine were African American, 2 Latina, 1 Asian American, and 18 were white. Twenty of the 30 staff held master’s degrees in social work and the remaining ten had college degrees. Data was also drawn from over a dozen phone and e-mail exchanges and observation of multiple program staff-participant work sessions at the four programs, each of which lasted at least 3 hours. While our findings cannot be considered representative of all welfare-to-work programs because of the limited sample size and the non-randomized study design, we address issues of implementation in more depth than has been possible to date by the national evaluations. In addition, unlike the limited extant research, our study focused on program-level data—particularly from the perspective of program staff—and highlighted the experiences of TANF participants considered most needy and difficult to place in employment. Finally, our case example format is characteristic of implementation research (Wood & Paulsell, 1999) and our methodology parallels that of the larger body of welfare-to-work demonstration research (Rangarajan, Meckstroth & Novak, 1998).

**POLICY IMPLEMENTATION: THEORY AND CASE EXAMPLES**

Policy analysts view implementation as a dynamic process that takes place over time (Axinn & Levin, 1997; Bardach, 1977; Hogwood & Gunn, 1984; Sabatier & Mazmanian, 1979; Schneider & Ingram, 1997). They also emphasize that implementation of a large-scale federal project is exceedingly difficult. According to the seminal work on policy implementation, “program” signifies the conversion of a policy hypothesis into governmental action: a process of interaction between the setting of goals and actions geared to achieving them (Pressman & Wildavsky, 1973). Analysts suggest that three elements influence the adequacy of implementation: the logic of the policy, the competence of relevant personnel, and the nature of the coordination or cooperation the policy requires (Weimer & Vining, 1992; Bardach, 1977). Although these elements are interrelated (Rein, 1983), each is illustrated separately here in order to identify implementation barriers that might be open to redress.
Policies and the programs instituted by them generally reflect sociological and economic theories about the way the world works (Jansson, 1990). According to implementation theory, a policy must be based upon a valid hypothesis about cause and effect (Hogwood & Gunn, 1984). In Pennsylvania and many other states, the guiding policy directive to TANF programs was “quick attachment” to the workforce, a directive based in part on theory about human and social capital. Accordingly, some individuals receiving TANF assistance were believed to have sufficient educational capital to work, but needed additional behavioral and motivational capital that would be provided by 8-week job readiness and job search assistance programs. Other individuals were viewed as having insufficient educational and behavioral capital that could be mediated by skills accumulation and case management supports in 16- or 20-week job training programs that were directly related to employment. The quick attachment directive also assumed that these individual and organizational remedies would be sufficient for successful transitions to work, thus individuals who did not comply with policy directives would be sanctioned or cut off from further financial or training assistance.

Policy implementers regularly expect too much too soon, especially in regard to programs in which attitudes or behavior are involved (Hogwood & Gunn, 1984). Evaluations of welfare-to-work and job-training initiatives before TANF found modest success in increasing participants’ earnings through enhancing human and social capital. Successes were attributed to achievement of education (Briggs, 1999), employer-guided skill development (Perlmutter, 1997), supportive and trusted case management relationships (Rangarajan, Meckstroth, & Novak, 1998; Sansone, 1998), and referral to community resources (Pavetti, Olson, Pindus & Pernas, 1996). However, achieving self-sufficiency generally took at least five years. Such a time frame under TANF would constitute or exceed both the 24- and 60-month time limits for many TANF recipients.

Other scholarship is more pessimistic about wage growth for women who work their way off welfare (Butler & Seguino, 1998; Edin, Harris, & Sandefur, 1998). Human capital barriers included
learning disabilities and/or lack of a high school degree or GED (Burtless, 1997; Cancian & Meyer, 1995), substance abuse, depression and physical or mental disabilities (Jayakody, Danziger & Pollack, 1998), and inadequate parenting skills (Pavetti, Olson, Pindus & Pernas, 1996). Social capital barriers included family responsibilities, inadequate or costly childcare (Cancian & Meyer, 1995), social isolation (Wilson, 1996), inadequate employment networks (Marcenko & Fagan, 1996), and conflicts with supervisors and co-workers (Berg, Olson, & Conrad, 1992; Rooney, 1999). All are aspects of the work transition that also take considerable time to remedy, whether through interpersonal supports or structural changes.

Based on the research literature and our study findings, “quick attachment” policy logic is faulty in its overreliance on human and social capital concepts and its inattention to the amount of time necessary for both individuals and organizations to ensure the welfare-to-work transition. Implementation problems resulting from faulty logic in TANF policy influenced and were compounded by barriers resulting from organizational and personnel incompetence.

Organizational and Personnel Competence

Organizational Competence. At policy onset, the main conduit for TANF policy implementation, the state Department of Public Welfare (DPW), was technologically unable to track individuals on or when they left the welfare rolls. The DPW initially predicted there would be more demand for service in Philadelphia than the existing capacity could supply. Over 27,000 individuals were expected to reach the 24-month time limit between March and June 1999, yet only 7,500 program slots were available (Raffel, Mooney & Finney, 1999). After the first year of implementation, it appeared that the supply of programs exceeded participant demand. Fifteen thousand TANF recipients were expected to enroll in programs sponsored by Greater Philadelphia Works, the city’s welfare-to-work system, but only 7,995 actually did (Yant, 1999). Tracking capacity was unable to explain this disconnect.

As a result, our Philadelphia programs had difficulty recruiting sufficient participants and similar difficulties have since been
reported by other city programs (Cooper & Blanchette, 1999). The slow pace of enrollment necessitated unexpected outreach by staff at the union- and hospital-based programs who had to conduct on-site recruitment at county assistance offices several days a week in order to fill program slots. On average, 2 months of active outreach was necessary for each program cycle—time that program staff preferred to have spent on direct instruction.

Even when recruitment resulted in a cohort of applicants, the programs experienced distressingly low yields that resulted in further start-up delays. Assessments for the first cycle of the certified nursing program began in early February 1999. Of the 58 TANF recipients signed up by the CAO for the initial orientation, 25 attended, yielding 16 for the program. It took five subsequent orientation groups yielding about 75 acceptances to comprise the initial class of 38. The start-up accordingly was delayed for two months, not beginning until early April. Similarly, after on-site recruitment in other homeless shelters, a list of 30 "accepts" yielded only 3 participants (10%) who met CAO eligibility for the shelter work program. Ultimately, to reach the requisite total of 25 to begin the program, over 130 applicants were recruited. This process lasted from October 1998 to March 1999, delaying program start-up for 6 months. Neither the programs nor the CAOs knew why the yields were so low, although they suspected that some opted out because of career disinterest and others were concerned about passing drug/alcohol or criminal eligibility requirements. Inappropriate referrals may also have been a cause.

The Department of Public Welfare was technologically unable to identify essential recipient characteristics among those remaining on the rolls which meant that the primary referral agencies, County Assistance Offices (CAOs), could not generate the information needed by the implementing agencies to effect an appropriate match between a given client and a given service (Bardach, 1977). As other departments did across the country when TANF policies were adopted, DPW relied on estimates based on welfare statistics prior to the introduction of time limits. Accordingly, DPW estimated that one-third of the current rolls consisted of persons considered able to find employment on their own. A second third was expected to find jobs with only the 8-week job search/job readiness assistance. The final third, those considered
Implementation

"hard to employ," was expected to need skill training and other instrumental support in order to become employed. In reality, state data systems were unable to assess the certainty of these estimates. It is still not known if these three categories describe the Pennsylvania TANF population, whether TANF participants spread out evenly in the three categories if the categories are in fact correct, and where the thousands of individuals in the "hard to employ" group are. It is clear that they are not waiting in line for program referrals at the County Assistance Offices (CAOs).

At the union-based program, funding from their Department of Labor grant specified that two-thirds (70%) of the program participants must be designated "hard to employ," whereas one-third (30%) must be long-term welfare recipients. After six months of operation, the proportion of program attendees was the mirror opposite: 70% were long-term recipients and 30% were "hard to employ." As one staff member noted, "no-one knows where the 70-percenters are," least of all the CAOs and the DPW.

Personnel Competence. An interrelated cause of inappropriate referral and delayed enrollment stemmed from the fact that CAO staff who had been benefits administrators before TANF were expected to become work-program specialists in a short time period, without new training and without having appropriate educational backgrounds. Characteristically in large bureaucratic organizations, new task assignments are given officials or professionals who were well able to carry out their old tasks, but unqualified to carry out the new ones (Bardach, 1977). The multiplicity of new roles for benefits administrators or eligibility workers is graphically illustrated by the array of new titles: employment advisors, job developers, job coaches, and employment coordinators. As TANF policy was implemented, the Department of Public Welfare believed that existing personnel could rapidly learn new areas of competence. The long history of adversarial relationships between benefits administration and social services set the stage for this implementation barrier (Hagen, 1994; Wyers, 1991).

In particular, eligibility workers were now expected to forge relationships with TANF recipients based on mutuality and reciprocity rather than hierarchy and autonomy (Valbrun, 1998). For a TANF recipient to qualify for the shelter welfare-to-work pro-
gram, her CAO "employment advisor" needed to be able to identify if the recipient were living in a shelter. In their position as administrators, few caseworkers were trained to ask this question, thus shelter staff believed that many eligible participants were missed. While similar assessment needs may be addressed in CAO worker retraining, such large-scale reeducation takes time (Stovall, 1999). Doubting the ease of this transition, family agency staff reported that administrators in the suburban CAO asked for volunteers to change from benefits administrators to "caseworkers."

Worse yet, perhaps confused by the profusion of new roles and functions, CAO workers frequently did not give work-program participants information about their continued eligibility for Food Stamp and Medicaid benefits or childcare and transportation allowances (Slavin, 1999; Swarns, 1999). In addition, the DPW erroneously cut off 30,000 parents from childcare allowances they were eligible for, resulting in many work-program dropouts before the benefits were reinstated several months later. These infractions compounded the penalty to TANF recipients of the time lost by inappropriate referral to job training programs. Consistent with implementation theory, however, such variation in how different workers respond to different situations is prevalent in social institutions (Bardach, 1977).

Cumulatively then, faulty policy logic and organizational and personnel incompetence contributed to delays and strains in program operations. These delays and strains were further compounded by inter- and intra-organizational coordination problems.

Coordination Between and Within Organizations

Coordination, or the dynamic process of operations or activities that affect relevant program outputs, is perhaps the most compelling barrier to implementation in public programs (Bardach, 1977). Adding to program delays caused by the lack of recipient information, which we attribute in the above discussion to problems of competence rather than coordination, we found that funding requirements, characteristics of TANF referrals, and welfare-to-work program eligibility requirements were frequently mismatched.
Funding Coordination. TANF funding streams in Pennsylvania are complex and confusing, as Figure 1 illustrates, affecting both program participants and staff. The DPW distributes state welfare funds directly to TANF programs such as the shelter’s welfare-to-work effort through a special stream called Community Solutions. The DPW also distributes combined federal and state funds through county Private Industry Councils. The councils administered these funds to our four programs through intermediaries such as Greater Philadelphia Works (GPW) or Single Point of Contact (SPOC). A separate stream of non-TANF funds from the federal Department of Labor (DOL) Competitive Welfare-to-Work (WtW) Grant Program was also filtered through Greater Philadelphia Works to WtW awardees such as the union-based program, and a stream of federal JTPA Title IIA funds goes directly to the hospital-based program. Contradictory eligibility criteria and program requirements are predictable when programs have multiple sources of funding.

For example, the funding guidelines of both nursing-related programs required targeting “hard to employ” individuals who, among other criteria, “require substance abuse treatment for employment.” However, state legislation (PA—Act 14) prohibits persons actively using drugs or alcohol from either training or working as certified nursing assistants in nursing homes—precisely the jobs for which the programs were training participants. Because CAOs are not required to screen for substance use before sending TANF recipients to apply for jobs or training programs, some participants began both nursing-related programs to find out 3 to 6 weeks later that their drug and alcohol test performance prohibited their continuation in the program. As a result, the individual’s time and energy were wasted, months on TANF continued to build, and the program’s resources were spent fruitlessly.

Funding criteria also produced administrative strain. The funding guidelines of the shelter’s Community Solutions grant resulted in huge up-front costs for hiring new work program staff yet allocated only $200 at participant enrollment. The shelter received no additional money from Community Solutions until the trainee was in a job for 1 day, a bit more when the trainee was in the job 6 months, and the final funding at 1 year, exacerbating resource strain. Extremely heavy costs at the front
Figure 1
Funding Streams for Philadelphia-area Welfare-to-Work Programs

PA DEPT. of PUBLIC WELFARE (DPW) – FEDERAL

Philadelphia PRIVATE INDUSTRY COUNCIL (PIC)

Private Funding

Community Solutions

Greater Philadelphia Works (GPW)

Private Industry Council (PIC)

SPOC Single Point of Contact

Host Funding

Philadelphia SHELTER PROGRAM

Philadelphia HOSPITAL-BASED Program

Suburban FAMILY AGENCY Program

Philadelphia UNION-BASED Program

DEPT. OF LABOR Welfare-to-Work Competitive Grant Program
end coupled with funding at the back end necessitated their
drawing on private contributions originally intended for other
purposes and truncated other budget items such as a planned
evaluation project and necessary follow-up tracking of former
participants.

Finally, funding criteria also produced disconnects between
the goals of work programs and the needs and desires of employer
organizations. Employers serving as advisors to the hospital-
based program indicated at the end of cycle 1 that they preferred
to hire graduates with a high school diploma or GED. Yet the
program's SPOC funding mandated service to TANF recipients
without diplomas or GEDs. To fulfill these contradictory criteria,
the cycle 2 program included more hours of GED preparation
than cycle 1 had. Staff members considered this costly to par-
ticipants, however, as it reduced the amount of job-specific con-
tent they could deliver. Moreover, many participants were not
able to complete their GED exams during the 16-week program,
which reduced their employability potential and jeopardized the
job placement rate set by the funding agency as a condition for
program reimbursement.

Procedural Coordination. Procedural as well as funding compli-
cations caused organizational delays and strains. The longer the
chain of causality and the more numerous the reciprocal rela-
tionships among the links, the more complex implementation
becomes (Pressman & Wildavsky, 1973, p. xvi). In a federal system
such as the U.S., programs can become overextended in terms of
both causal chains and numbers of participating agencies. In addi-
tion, decision-making processes internal to an organization often
necessitate consultations between numerous units, cumulatively
delaying action (Bardach, 1977).

The first cycle of the hospital-based program was initiated
relatively smoothly, but onset of the second cycle was delayed
almost 6 months. In the interim, the organization that sponsored
cycle 1 had merged with the hospital that would now sponsor cy-
cle 2, resulting in the following mixture of administrative strains
and program delays.

The PIC contract sent to the newly-merged hospital program
in January outlining the cycle 2 requirements specified that em-
ployer organizations providing internships would be liable for any suits instituted by TANF participants. While a similar requirement had been acceptable to the cycle 1 organization, the hospital legal department did not approve this clause. Because post-merger changes in hospital management obscured the chain of command, meetings between hospital and cycle 2 program administrators to resolve the contract differences were regularly delayed, canceled or postponed. At the same time, a flurry of communications between the hospital and Private Industry Council administrators trying to reconcile the requirements of each organization were also beset by mail- and procedural delays.

After several months, contract issues were finally resolved yet onset of cycle 2 was delayed further because the funding cycles of the PIC and the hospital now did not coincide. Finally at the end of April the hospital approved the program. Slated to begin in January 1999, after month-by-month delays in the start-up schedule, cycle 2 began in mid-June. By that time, TANF recipients had added six extra months to their 24-month time clocks. In addition, staff morale and enthusiasm for the program waned periodically during the wait, illustrating the "decay" that can accompany delays (Pressman & Wildavsky, 1973).

**Staffing Coordination.** New programs often place additional demands on the administrative and staff systems in the parent agency (Hogwood & Gunn, 1984) that delay and strain the quality of program operations. The implementation of most programs involves the hiring of new personnel and changes in the behavior of existing personnel. At the administrative level, coherence of parent agency and new program missions must be assessed. Administrators who agree about a program’s goals may disagree about which people or organizational units should be running the programs (Pressman & Wildavsky, 1973). In the hospital-based program, many staff positions changed after the merger. The Project Director’s main allegiance now was to the hospital, not to the original organization. Her expertise, influence, and labor were called upon to assure the existence of cycle 2 of the work program. Only because of her professional prestige was she able to maneuver a downsized cycle 1 specialist into the Program Coordinator position and secure enough space for program activities.
At the staff level, new programs require alterations in interpersonal relationships and work habits, often contributing to staff resistance (Sabatier & Mazmanian, 1995). When programs are designed, the core staff is likely to be small and committed to the mission of the new program. By contrast, the new staff, most of whom will be recruited into lower-level positions, seldom have the same sense of ownership or level of enthusiasm as the founding group (Patti, 1983).

The shelter program and the certified nursing program were forced to integrate an influx of front-line practitioners within a 1-2 month period of time. While both hired competent new professionals, days were spent orienting and training the new personnel at the same time as old and new staff were expected to spend time in recruitment and training activities. These concurrent orientation and role demands strained continuity in applicant assessment practices and delayed delivery of program content. In such situations, agencies may resort to creaming and take only the clients who are easiest to handle, or have the best fit with the professional aspirations of the caseworkers in the agency (Schneider & Ingram, 1997, p. 139). While we did not find evidence of creaming, strains between professional aims and TANF program requirements were evidenced by staff in their program assessment and case management practices.

Initial assessments of participant eligibility for services and training programs offered previously by the four agencies studied were skewed in favor of psychosocial and motivational characteristics. We found that even staff members trained in professional social work were not able to accurately assess program appropriateness for many TANF recipients referred by the CAO. Global post-interview evaluations such as “enthusiastic,” “very appropriate,” and “wants to be in this program” were generally based on the staff member’s gut-level responses to the applicant’s personal presentation. Such responses are considered unreliable and invalid in vocational assessment literature (Schmidt & Hunter, 1998). Consequently, when these traditional behavioral markers did not correlate with applicant enrollment, much less success in the program, staff professionals felt stymied and their morale suffered. Ultimately, both nursing-related programs and the family agency moved to job-focused assessments oriented particularly
for individuals moving from welfare to work (Iversen, 1998). These new assessment formats emphasized prior work experiences and job-specific skills (Janz, 1982) and job-related scenarios that elicited how applicants would respond on the job (Huffcutt, Roth & McDaniel, 1996).

We also found that program professionals had to make similar adjustments in their training and case management interventions with participants during program operation. Staff in all four programs expanded their examination of structural barriers to program and work success such as childcare, transportation, and emergency financial needs. Program personnel found they needed much more knowledge about welfare legislation and benefit qualifications as well. As one staff member said, "I've turned from a social worker to a benefits specialist." Such knowledge, including how to access the Earned Income Tax Credit and emergency utility assistance, is considered critical to participant success (Rangarajan, Mekstroth & Novak, 1998).

New staff role requirements, similar to those experienced in county assistance offices, confused participants and workers alike. The family agency staff members were called "Job Coaches," although they felt uncertain about exactly what the title meant. Such difficulty with role clarity might jeopardize the mutuality and trust that is built in the client-worker relationship through openness and provision of information.

Adding to implementation stress, staff in all programs retained simultaneous commitments to other projects in the agency. As Pressman and Wildavsky (1973, p. 99) noted, staff participants may agree with a proposal, have no contradictory commitments, and not prefer any alternative programs, but they may have other projects of their own that demand time and attention. Problems of staff in implementing a change are often ignored. Changes frequently add new elements to a job, yet proponents of the change may not reallocate tasks or even recognize the increased load (Brager & Holloway, 1978).

In cycle 1 of the hospital-based program, welfare-to-work staff planned to spend one day a week on the program and four days in their original full-time positions. Each found that their program time amounted to at least two days a week, but the requirements of their primary position were not altered. Similarly,
in the family agency each worker started by conducting one half-day assessment per month. Moreover, the agency contracted initially with only one welfare-to-work program provider. Within a year, the agency held contracts with three providers and staff members conducted at least one assessment per week with little to no relief from their regular full-time service schedule.

Conclusions and Recommendations

This paper reported findings about barriers to TANF policy implementation based on field research in four Philadelphia-area welfare-to-work programs: a union-based certified nursing assistant program; a hospital-based (non-certified) specialty care program; job programs sponsored by a homeless shelter; and a family agency conducting assessments for local TANF programs. The findings suggest that principles of policy implementation are more applicable than human and social capital constructs to understanding the current barriers to participation and success in welfare-to-work programs under PRWORA and TANF policies. Case examples illustrated how faulty policy logic, organizational and personnel incompetence, and inadequate inter- and intra-organizational coordination resulted in severe delays and strains in TANF programs. Most important, these “invisible” implementation problems penalized TANF recipients severely as they tried to move from welfare to work, depleting their time-limited assistance as they waited for programs to start or finding themselves in inappropriate programs. Notably, most of the problems could have been predicted and prevented through attention to the significant body of literature about policy implementation developed over the past twenty-five years.

The author contends that TANF recipients should not be penalized for delays caused by policy implementation, thus changes in the 24-month TANF time limits are the most critical policy target. Accordingly, coalitions of program staff, program participants, agency officials, employers, and funding representatives can advocate for retroactive elimination of the 2-year penalty and extension of recipients’ 2-year time limits by the number of months individuals lost because of delays in program start-up or inappropriate referrals. In Pennsylvania, the 24-month limits should be suspended until the Department of Public Welfare is
technologically able to collect data that identifies TANF recipient characteristics and assistance patterns sufficiently to make appropriate matches with work programs, and until they can also collect case record data on families no longer receiving assistance in order to better balance program supply with recipient demand. The 24-month limits should also be suspended until County Assistance Office personnel are professionally qualified to identify recipients' needs and refer them to appropriate programs and services; until training providers are fully funded and operative; until program staff are trained in vocational assessment (for full discussion, see Iversen, Lewis & Hartocollis, 1998); until employer demands are systematically coordinated with program funding requirements and skills content; and until the disconnect between program supply and TANF recipient demand is fully understood.

REFERENCES

Implementation


NOTES

1. In July 1999, the name of all Private Industry Councils was changed to Work Development Corporations to conform to parameters of the Workforce Investment Act of 1998. In this paper, we used the name as it was during our field research.

2. I wish to acknowledge the influence of the diagrammatic work of Raffel, Mooney, & Finney (1999) for the model presented here.
The Impact of Education and Family Attributes on Attitudes and Responses to Unemployment among Men and Women

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The study deals with differences between jobless Israeli women (n = 361) and men (n = 253) in relation to the following aspects of unemployment: Reasons for rejecting potential jobs, job search intensity, and responses to unemployment. The women mentioned more reasons for rejecting potential jobs, and their health-related responses to unemployment were more extreme than those of the men. However, the men tended to seek employment more intensively than did the women.

Married respondents of both sexes showed the greatest tendency to reject potential employment due to conflict with family responsibilities. Married women were also more likely than their male counterparts to reject potential jobs due to adverse working conditions or masculine-typed employment. Moreover, for both men and women the number of dependent children was related to the tendency to reject potential employment due to conflict with family responsibilities. The divorced-widowed respondents expressed more negative responses to unemployment compared with respondents the other family status groups. Education level affected responses to unemployment and rejection of jobs, although it did not have a differential impact on men and women.

Key words: Responses to unemployment, reasons for rejecting jobs, job search intensity.

Unemployment has become a major economic, social and political issue in Western industrial countries. It has also become a fact of life for a growing number of people. In this context, the current study assumed that the experience of unemployment varies substantially for different individuals. Given this reality,
investigation of the mediating factors which explain these differences is particularly relevant. Based on a sample of unemployed Israelis, the current study examined whether the impact of education and family attributes differs for men and women with respect to three sets of variables: (1) reasons for rejecting potential employment; (2) job search intensity; and 3) responses to unemployment (psychological stress, decline in health and financial strain resulting from unemployment). In addition, the study examined whether the impact of education level and family attributes (family status, and number of dependent children) was differential for men and women with respect to the above-mentioned variables.

A review of the existing literature on unemployment indicates that research has focused primarily on men. On the rare occasions that women have been substantially represented in a sample, they appear in the role of wives to unemployed men. (Dew, Bromet & Schulberg, 1987; Liem & Liem, 1988). The few studies that included jobless women examined a limited range of issues related to unemployment (Leana & Feldman, 1991).

The paucity of comprehensive research on women's unemployment can be ascribed in part to the relatively late entry of women into the labor force, both in terms of their overall proportion in places of work and in terms of their representation in high-level careers. The lack of academic attention to women's unemployment may also be attributed to the prevailing assumption that work is less central for them (Kaufman & Fetters, 1980), and that they are not as traumatized by joblessness as men, who are usually perceived as primary wage earners. (Kasl & Cobb, 1979; Tary, 1983).

It should be noted, however, that in light of recent social developments these assumptions may have lost some of their relevance, at least for educated women. For example, research indicates that in many Western countries women have changed their orientation toward work and family, especially at higher levels of education. Similarly, an integrative summary of research findings from the United States, Australia, and Portugal (Sverko & Super, 1995) indicates that compared with their male counterparts, young educated women express high commitment to both work and home. In addition, cross-cultural research suggests that
new earning patterns have emerged, in which the wife contributes equally to the family income or is even the main provider (Izraeli, 1994a).

With respect to Israeli society, recent data indicates that the level of women's education now exceeds that of men (Israel Central Bureau of Statistics, 1997). Concomitantly, and possibly as a result of this trend, representation of women in the Israeli labor force has increased to about 45% (Israel Central Bureau of Statistics, 1997), a relatively large proportion compared with the past two decades. There have also been changes in patterns of women's employment. For example, many women do not take a long break after childbirth. Concomitantly, it is becoming more common for women to delay retirement (Israel Ministry of Labor and Social Affairs, 1991). Moreover, women with higher education have begun to enter prestigious careers previously dominated by men (Goh, 1991; Izraeli, 1994b; Jacobson, 1994). In fact, at higher levels of education the representation of women in the labor force does not differ significantly from that of men (Israel Ministry of Labor and Social Affairs, 1991). All of these developments provided the basis for the main research assumption that gender differences in the variables examined (reasons for rejecting potential, job search intensity, and to unemployment) would be less salient at higher levels of education than at lower levels.

**REASONS FOR REJECTING JOB OPPORTUNITIES**

The range of potential reasons for rejecting employment includes various types of adverse working conditions (distance from home, work hours, organizational climate), as well as low wages and unsatisfactory job content, such as monotonous work. In fact, these reasons for rejecting job offers reflect areas of dissatisfaction with work rewards. In this connection, previous research has found gender differences in perceived salience of work rewards, where women emphasize job content and social characteristics of employment (Blustein, 1988; Farmer, 1985; Maxwell & Cumming, 1988), while men emphasize instrumental aspects such as financial rewards and various material benefits (Deci & Ryan, 1985). In a similar vein, a recent study conducted in Japan
revealed that men prefer monetary rewards, whereas women emphasize opportunities for personal development (Nakamishi & Mikawa, 1995). Moreover, it was found that women place more emphasis than men on comfortable working conditions (Erez, Borochov, Mannheim, 1989; Lunneborg, 1990). It was therefore hypothesized that men will show a greater tendency than women to reject employment due to financial rewards, whereas women will be more likely to reject employment due to unsatisfactory content. At the same time, since men and women with academic education exhibit similar degrees of work commitment (Mannheim, 1990), it was hypothesized that at higher levels of education, gender differences in reasons for rejecting potential employment would be less salient.

In addition, the study examined the impact of family attributes (family status and number of dependent children) on reasons for rejecting potential employment. Regarding family status, it was hypothesized that never-married women would be less likely than others to reject employment due to conflict with family obligations. Moreover, it was hypothesized that married women would be more likely than their male counterparts to reject potential employment due to adverse working conditions and conflict with family obligations.

Regarding number of dependent children, it was hypothesized that the more dependents in the family, the greater the tendency to reject employment due to adverse working conditions and conflict with family obligations. This tendency was expected to be particularly prevalent among married women, who usually assume primary responsibility for household chores. Similarly, it was hypothesized that since women are subject to more family constraints, they would mention more reasons than men for rejecting potential employment. Here, too, it was assumed that gender differences would be less salient among respondents with academic degrees.

With respect to level of education, it was hypothesized that regardless of gender, respondents with academic degrees would be the most likely to reject employment due to unsatisfactory job content and adverse working conditions.
JOB SEARCH INTENSITY

Existing research evidence indicates that intensive search for a job is one strategy for coping with unemployment. In this vein, Leana & Feldman (1991) suggested that men may be more likely than women to cope with job loss through problem-focused activities, i.e., through behavior aimed directly at eliminating the source of stress (in this case unemployment) such as active job search, retraining, and relocation (Malen & Stroh, 1998). In contrast, Harris, Heller, & Braddock (1988) suggested that women may be more likely to rely on social support from friends or family to help them cope with job loss. In the same vein, it has been argued that women are more likely to cope with unemployment through symptom-focused activities such as maintaining a sense of optimism and self-esteem (Goldsmith, Veum, & Darity, 1997).

Based on these findings, and since the husband is still typically considered the main providers (Lewis et al., 1992), it was hypothesized that job search intensity would be greater for men than for women. These differences were expected to be particularly salient among married respondents with dependent children.

With respect to education, assuming that both men and women with academic degrees show relatively high levels of work commitment, it was hypothesized that gender differences in job search intensity would diminish as education increases.

RESPONSES TO UNEMPLOYMENT—NEGATIVE EFFECTS

The negative effects of unemployment are manifested in various areas, such as psychological stress, decline in health, and financial strain (Broman et al., 1995; Darity & Goldsmith, 1993; Goldsmith, Veum, & Darity, 1996a; Goldsmith, Veum, & Darity, 1996b; Lai & Wong, 1998; Leana & Feldman, 1991).

Previous studies on gender differences in responses to unemployment have revealed that women's responses are at least as complex as those of men and probably even more so, due to mediating factors such as family status, alternative income, and changing social expectations (e.g., of educated women) (Bartell & Bartell, 1985). In this vein, previous research has assumed that married women are less susceptible to the negative effects of
unemployment because of their spouse's income (Kasl & Cobb, 1979) or because they have other concerns related to their role as mothers and wives (Warr & Perry, 1982). In contrast, a subsequent study by Leana and Feldman (1991) found that married men and women expressed similar negative responses to unemployment. Considering these ambiguous findings, the current study attempted to shed further light on the issue of gender differences in unemployment.

Moreover, existing research has not given sufficient attention to divorcees and widows as a distinctive population characterized by lack of social support. Recognizing that unemployment is a stressful situation by nature, it was hypothesized that all three types of negative responses would be greater among divorcees and widows than among married respondents, who enjoy spousal support.

METHOD

Sample

The sample consisted of 594 unemployed respondents (233 men and 361 women) who had registered at employment service bureaus in three regions of Israel - north, central, and south. From each of these regions, several bureaus were randomly sampled, such that the research population was drawn from 18 sampling points. The mean age of the respondents was 39 (range 20–60, S.D. = 10.2). Distribution of unemployed subjects by place of birth was as follows: About 73% were Israeli-born, 6% European born, 6% Asian-born, 8% African born, 6% born in the Former Soviet Union, and 1% in the United States. Regarding family status, 40% of the subjects had never been married; 49% were married, and 11% were divorced or widowed. Regarding level of education: 9.1% had elementary school education; 35.4% had partial high school education; 25.9% had full high school education; 16.5% had post-secondary education (BA degree or equivalent); and 13.1% had graduate education (MA+). Overall, the sampling distribution represented the overall distribution of unemployed persons in Israel with respect to background characteristics (Israel Central Bureau of Statistics, 1997).
Duration of unemployment ranged from one to 12 months. It should be noted that no significant differences were found between the sexes in the background variables described above.

**Instruments**

The research instrument included several questionnaires.

1. **Reasons for rejecting potential jobs**

   The measure consisted of 15 items examining reasons why an unemployed person would turn down a job offer. Factor analysis using Varimax rotation revealed eight significant factors, each reflecting a different reason for rejecting potential jobs: (1) Adverse job conditions (distance of the workplace from home; shift work; unclean work); (2) Unsatisfactory job content (monotonous; unchallenging; not diverse or interesting enough); (3) low wages; (4) family considerations (conflict with family responsibilities); (5) health reasons (the job is harmful to one's health or requires considerable physical effort); (6) religious reasons (the job interferes with religious practice); (7) the job is masculine-typed; (8) the job is feminine-typed.

   For each of the items, respondents were asked to indicate the extent to which it constitutes a consideration for turning down a job offer, on a scale ranging from 1 ("not at all") to 5 ("to a very great extent"). One score was derived by computing the mean of these items for each factor, such that the higher the score, the greater the tendency to reject a job for that specific reason.

2. **Job Search Intensity**

   This variable was assessed by two measures:

   (a) *Intensity of job-seeking strategies* was measured on the basis of Daniel's (1987) questionnaire. The instrument consisted of 9 items examining the frequency of different job-seeking activities (e.g., looking at newspaper ads, going to employment agencies, asking friends, writing directly to potential employers). Subjects were asked to indicate on a scale from 1 ("never") to 5 ("almost every day") how often they had used each of the strategies over the past month (henceforth "job seeking strategies"). The Cronbach's reliability
coefficient of the questionnaires was .82. One score was derived by calculating the mean of the nine items, so that the higher the score the greater the intensity of using job-seeking strategies.

(b) *Time spent searching for a job over the past week* was examined by one question about the amount of time spent searching for a job over the past week (henceforth, "time spent").

3. **Responses to Unemployment**

Responses to unemployment were examined from several perspectives:

(a) *Psychological responses*: Perceived stress during the period of unemployment was examined on the basis of the Perceived Stress Scale (PSS) (Cohen, Kamarck, & Mermelstein, 1983), which was adjusted and translated into Hebrew by Drori (1989). The questionnaire examined perceived stress in the present, and has been used in various studies dealing with stressful life events. The questionnaire included 14 items which measured the subject's emotional state over the past month. Items included questions such as: During the past month, to what extent did you successfully handle matters that bothered you? The scale of responses ranged from 1 ("to a very limited extent") to 5 ("to a very great extent"). Cronbach's reliability coefficient was .83. One score was derived by computing the mean for all 14 items. The higher the score, the higher the level of perceived stress.

(b) *Decline in health*: This variable was examined by one item: How do you evaluate your current state of health compared with your health prior to unemployment? The scale of responses ranged from 1 ("much worse") to 5 ("much better").

(c) *Financial situation*: This variable was examined by two items: (1) How do you evaluate your current financial situation compared with your situation prior to unemployment? The scale of responses ranged from 1 ("much worse") to 5 ("much better") (henceforth "Decline in Economic Status"). (2) How do you evaluate your current financial situation? The scale of responses ranged from 1 ("very bad") to 5 ("very good") (henceforth "Economic situation"). Even though this is not a direct response to
unemployment, it provides an indication of the unemployed respondent’s perceived financial strain which may be related to unemployment.

Data Collection Procedures

Data were collected in Summer and Fall 1997 using structured questionnaires. Four research assistants visited each of the bureaus several days a week and distributed the questionnaires individually to all of the applicants waiting to see counselors. The time allotted for completion of the questionnaires was 40 to 60 minutes.*

All of the applicants were approached and almost all of the questionnaires were completed.

Data Analysis

In order to identify gender differences in the research variables and examine whether level of education has a differential impact on men and women, two-way MANOVA (2 x 5, gender x level of education) was carried out for each of the research variables (for details on the education categories, see the description of the sample in the Method section). In addition, in order to examine whether family status has a differential impact on men and women, another two-way MANOVA (2 x 3, gender x family status) was carried for each of the research variables. Widowed and divorced respondents were combined into one category since they comprised a relatively small proportion of the sample (reflecting their proportion of the Israeli population). Pearson correlations were carried out in order to examine the correlation between number of dependent children and each of the research variables.

RESULTS

Reasons for rejecting potential employment

Gender and Level of Education:

The measure included eight factors, reflecting reasons for rejecting potential employment (see Instruments section). Two-way MANOVA (2x5, gender x education) revealed a significant

* The full research questionnaires were more extensive. The current paper presents only part of the research findings derived from the question.
effect for gender across all eight factors (F(8, 507) = 17.42, p < .001). However, separate analysis of variance for each factor revealed significant gender differences for four out of the eight reasons for turning down jobs. Table 1 presents the means and standard deviations used in this analysis.

The table indicates that women are more likely than men to turn down potential employment due to adverse working conditions, conflict with family responsibilities, or gender-atypical job characteristics. As expected, men were more likely than women to reject feminine-typed jobs. However, comparison of F-values shows that on the whole, gender-atypical employment was an especially significant consideration for women, who showed an overwhelming tendency to reject male-typed jobs (see Table 1). In general, the women showed a greater tendency to reject potential employment than did the men. It should also be noted that no gender differences were found with respect to rejection of jobs due to health considerations, religious practice and low wages. Table 1 presents reasons for rejecting job offers in descending order (from most to least prevalent) according to the men’s responses. For both men and women, the most common considerations were unsatisfactory job content, low wages, and adverse working conditions, whereas religious practice was least prevalent. Regarding level of education, the same MANOVA revealed a significant impact across the eight factors of the variable (F(24, 1527) = 4.08 p < .01. However, separate analysis of variance for each factor revealed significant differences only for job content, and marginally significant differences for working conditions (see Table 1).

Scheffe tests indicated that respondents in the MA + group were more likely to reject jobs due to unsatisfactory content than were respondents at the lowest education levels. A similar trend was found with regard to rejection of employment due to adverse working conditions. However, no interaction was found here between education level and gender, such that education did not have a differential effect on men and women with respect to this variable.

Gender and Family Status:

Two-way MANOVA (2 x 3, gender x family status) revealed a significant effect for family status across the four factors of the variable (F(16, 1016) = 4.46, p < .01). However, separate analysis
## Table 1

*Differences in Reasons for Rejecting Potential Employment, by Gender and Level of Education Means, Standard Deviations (in Parentheses) and F Values*

<table>
<thead>
<tr>
<th>Reasons for rejecting potential employment</th>
<th>Gender</th>
<th>Level of Education</th>
<th>F Values</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
<td>Elementary</td>
</tr>
<tr>
<td>Unsatisfactory job content</td>
<td>3.58(1.02)</td>
<td>3.48(1.42)</td>
<td>3.36(1.09)</td>
</tr>
<tr>
<td>Low Wages</td>
<td>3.41(1.44)</td>
<td>3.38(1.97)</td>
<td>3.35(1.49)</td>
</tr>
<tr>
<td>Adverse working conditions</td>
<td>2.89(.93)</td>
<td>3.62(.94)</td>
<td>3.30(1.00)</td>
</tr>
<tr>
<td>Health reasons</td>
<td>2.84(1.17)</td>
<td>2.88(1.18)</td>
<td>2.85(1.34)</td>
</tr>
<tr>
<td>Feminine-typed jobs</td>
<td>2.78(1.34)</td>
<td>2.17(1.34)</td>
<td>2.44(1.59)</td>
</tr>
<tr>
<td>Family considerations</td>
<td>2.05(1.44)</td>
<td>2.81(1.97)</td>
<td>2.35(1.45)</td>
</tr>
<tr>
<td>Religious reasons</td>
<td>2.35(1.45)</td>
<td>2.23(1.45)</td>
<td>2.43(1.53)</td>
</tr>
<tr>
<td>Masculine-typed jobs</td>
<td>2.05(1.29)</td>
<td>3.24(1.55)</td>
<td>2.71(1.70)</td>
</tr>
</tbody>
</table>

* p < .01  
** p < .001
of variance for each factor revealed family status differences for two out of the eight factors, i.e., adverse working conditions, and conflict between work and family demands (see Table 2).

Scheffe tests revealed that married respondents (regardless of gender) were more likely than their never-married counterparts to reject employment due to adverse working conditions. Moreover, married respondents showed a greater tendency to reject employment for family reasons than did both groups of unmarried respondents.

In addition, an interaction was found between gender and family status for two factors of this variable, i.e., working conditions and masculine-typed jobs (see Table 2). A simple main effect test showed that with regard to working conditions, the interaction could be attributed to the finding that there were greater differences between married women and other family status groups, while family status differences were not as great for men. Regarding masculine-typed jobs, the interaction could be traced to the same source. Thus, compared with other family status groups, married women showed a particularly significant tendency to reject masculine-typed jobs or jobs characterized by adverse working conditions.

**Job Search Intensity**

Job search intensity was examined on the basis two variables: Frequency of job seeking strategies and time spent searching for a job. Two way MANOVA (2 x 5, gender x level of education) revealed a significant impact for gender across both of the variables ($F(2, 498) = 8.10, p < .001$). However, separate analysis of variance for each of the variables revealed a significant gender difference only with regard to time spent searching for jobs (see Table 3). The men reported spending more hours searching for jobs per week than women. For both variables (job seeking strategies and time spent searching for a job), no differences were found between respondents with different levels of education ($F(12,1350) = 1.76, p = n.s.$). Nor was there an interaction between education level and gender ($F(12,1350) = 1.10, p = n.s.$). It can thus be concluded that the level of education does not have a differential impact on men and women with respect to this variable.
Table 2

Differences in Reasons for Rejecting Potential Employment, by Gender and Family Status—Means, Standard Deviations (in Parentheses) and F Values

<table>
<thead>
<tr>
<th>Reasons for rejecting potential employment</th>
<th>Never Married</th>
<th>Married</th>
<th>Widowed-Divorced</th>
<th>F Values</th>
<th>F Values—Interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
<td>Men</td>
<td>Women</td>
<td></td>
</tr>
<tr>
<td>Unsatisfactory job content</td>
<td>3.41 (1.07)</td>
<td>3.38 (.97)</td>
<td>3.72 (1.01)</td>
<td>3.48 (.07)</td>
<td>4.28 (1.69)</td>
</tr>
<tr>
<td>Low wages</td>
<td>3.46 (1.40)</td>
<td>3.38 (1.52)</td>
<td>3.40 (1.38)</td>
<td>3.28 (1.47)</td>
<td>3.00 (1.91)</td>
</tr>
<tr>
<td>Adverse working conditions</td>
<td>2.93 (.97)</td>
<td>3.27 (.98)</td>
<td>2.92 (.94)</td>
<td>3.76 (.91)</td>
<td>2.61 (.72)</td>
</tr>
<tr>
<td>Health reasons</td>
<td>2.65 (1.14)</td>
<td>2.66 (1.15)</td>
<td>2.71 (1.07)</td>
<td>2.94 (1.09)</td>
<td>2.39 (1.06)</td>
</tr>
<tr>
<td>Feminine-typed jobs</td>
<td>2.44 (1.47)</td>
<td>2.06 (1.17)</td>
<td>2.91 (1.96)</td>
<td>2.16 (1.33)</td>
<td>2.42 (1.61)</td>
</tr>
<tr>
<td>Family considerations</td>
<td>2.12 (1.15)</td>
<td>2.23 (1.14)</td>
<td>2.66 (1.99)</td>
<td>3.19 (1.06)</td>
<td>2.28 (1.34)</td>
</tr>
<tr>
<td>Religious reasons</td>
<td>2.38 (1.57)</td>
<td>1.98 (1.23)</td>
<td>2.31 (1.43)</td>
<td>2.26 (1.46)</td>
<td>2.64 (1.34)</td>
</tr>
<tr>
<td>Masculine-typed jobs</td>
<td>2.10 (1.37)</td>
<td>2.88 (1.51)</td>
<td>1.97 (1.04)</td>
<td>3.35 (1.50)</td>
<td>2.05 (1.77)</td>
</tr>
</tbody>
</table>

*p < .01

**p < .001
### Table 3

*Differences in Negative Responses and Job Search Intensity, by Level of Education and Gender—Means, Standard Deviations (in Parentheses), and F-Values*

<table>
<thead>
<tr>
<th></th>
<th>Level of Education</th>
<th>Gender</th>
<th>F Values</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Elementary</td>
<td>Partial Secondary</td>
<td>Full Secondary</td>
</tr>
<tr>
<td>Psychological Stress</td>
<td>2.95 (.56)</td>
<td>2.87 (.59)</td>
<td>2.71 (.66)</td>
</tr>
<tr>
<td>Decline in Health</td>
<td>3.22 (1.01)</td>
<td>3.58 (.87)</td>
<td>3.81 (.91)</td>
</tr>
<tr>
<td>Economic Situation</td>
<td>2.57 (1.19)</td>
<td>2.44 (.92)</td>
<td>2.80 (.96)</td>
</tr>
<tr>
<td>Decline in Economic Status</td>
<td>2.22 (1.23)</td>
<td>2.13 (.98)</td>
<td>2.35 (.98)</td>
</tr>
<tr>
<td>Job Search Intensity</td>
<td>2.26 (.93)</td>
<td>2.65 (.77)</td>
<td>2.58 (.84)</td>
</tr>
<tr>
<td>Frequency and Time Spent</td>
<td>8.22 (6.56)</td>
<td>8.21 (6.42)</td>
<td>6.88 (5.31)</td>
</tr>
</tbody>
</table>

* P < .01
** P < .001
Two-way MANOVA (2 x 3, gender x family status) was conducted in order to ascertain whether family status affects job search intensity, and whether this impact differs for men and women. The analysis revealed an interaction between gender and family status with regard to time spent searching for employment ($F(2,455) = 4.87, p < .008$). A simple main effect test revealed that among the men, the difference between married respondents and the other groups was more significant than among the women. Specifically, married men searched for jobs more intensively than did the never-married and divorced-widowed respondents ($M = 10.33, S.D. = 7.81$, and $M = 7.71, S.D. = 5.91$ versus $M = 8.71, S.D. = 5.91$, respectively), whereas the differences between family status groups were not as great for women.

**Negative responses to unemployment**

Negative responses to unemployment fell into three categories: perceived stress, decline in health, and financial strain. Separate analysis of variance for each variable revealed significant differences between the sexes only with respect to decline in health, i.e., women were more likely to report a decline in their state of health as a result of unemployment. It should also be noted that no significant gender differences were found for perceived stress or financial strain. In addition, a significant effect was found for education level ($F(24, 2768) = 2.11, p < .001$) across all types of responses to unemployment. Separate analysis of variance for each type of response revealed significant differences between the different education levels in the areas of perceived stress, decline in health and actual economic situation (see Table 3). Scheffe tests indicated that at the lowest (elementary) level of education, respondents reported higher levels of stress and greater decline in economic status than those with graduate degrees (Master's and above). Moreover, level of education was found to be related to economic status: Respondents with lower levels of education (elementary and partial high school) reported worse economic situations than did those with the highest levels education (full secondary and above).

In an attempt to ascertain whether family status (never married, married, divorced-widowed) affects responses to unemployment, and whether unemployment has a differential impact...
on men and women, two-way MANOVA (2 x 3, gender x family status) was conducted. The analysis revealed a significant effect for family status across all four types of responses to unemployment (F(12, 1054) = 3.71, p < .001). However, separate analysis of variance for each of the factors revealed significant differences for only three types of responses: decline in health (F(1, 531) = 8.20, p < .001); actual economic situation (F(1, 531 = 4.52, p < .01) and decline in Economic Status F(4.53)=3.20 p< .01 (see table 4).

Regarding decline in health, Scheffe tests revealed that the never-married respondents reported less of a decline than did the married respondents, while the widowed and divorced respondents reported poorer health than either of those groups. With regard to actual financial situation, the never-married and married respondents provided better assessments than did the widowed and divorced respondents. However, regarding decline in income, the married respondents reported a sharper decline than did the never-married respondents. On the whole, the widowed and divorced respondents provided worse assessments of their financial and health situations than did the members of the other groups. It should be emphasized that no significant

<table>
<thead>
<tr>
<th>Family Status</th>
<th>Never Married</th>
<th>Married</th>
<th>Widowed and Divorced</th>
<th>F Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Psychological Stress</td>
<td>2.79 (0.63)</td>
<td>2.75 (0.61)</td>
<td>2.87 (0.62)</td>
<td>1.38</td>
</tr>
<tr>
<td>Physical Health</td>
<td>3.86 (0.872)</td>
<td>3.13 (0.90)</td>
<td>3.03 (0.99)</td>
<td>8.20**</td>
</tr>
<tr>
<td>Economic Situation</td>
<td>2.68 (0.97)</td>
<td>2.71 (0.95)</td>
<td>2.25 (0.94)</td>
<td>4.52*</td>
</tr>
<tr>
<td>Decline in Economic Status</td>
<td>2.30 (1.03)</td>
<td>2.15 (0.95)</td>
<td>2.24 (1.20)</td>
<td>3.20*</td>
</tr>
</tbody>
</table>

*p < .01
**p < .0001

Table 4
Differences in Stress Reactions, by Family Status Means, Standard Deviations (in Parenthesis) and F-Values.
interaction between gender and family status was found in any of the responses examined. Thus, family status did not have a differential impact on responses to unemployment among men and women.

**Correlation between Number of Dependent Children and Research Variables**

In order to ascertain whether number of dependent children is related to reasons for rejecting potential employment, job search intensity, and negative responses to unemployment, Pearson correlation tests were conducted separately for men and women. Table 5 reveals only the significant correlations between number of dependent children and the research variables. In general, there were few such correlations, and those revealed were low. Out of the eight reasons for rejecting jobs, number of dependent children correlated only with family constraints, irrespective of the respondent's gender. However, number of dependent children correlated with adverse working conditions only among women. At the same time, number of children correlated with job search intensity only for men. Finally, number of dependent children correlated negatively with perceived financial strain following unemployment, regardless of the respondent's gender.

**DISCUSSION**

Over the past two decades, there have been far-reaching changes in women's attitudes toward work and career orienta-

Table 5

*Significant Correlations Between the Research Variables and Number of Dependent Children, by Gender*

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family reasons</td>
<td>.14*</td>
<td>.17*</td>
</tr>
<tr>
<td>Working conditions</td>
<td>-</td>
<td>.15*</td>
</tr>
<tr>
<td>Job search intensity</td>
<td>.20**</td>
<td>-</td>
</tr>
<tr>
<td>Financial situation</td>
<td>-.21**</td>
<td>-.20*</td>
</tr>
</tbody>
</table>

* p < .01
** p < .001
tions, especially among those with higher education. In light of this trend, the article examined the following research questions: Have men and women become more similar in their behavior, attitudes, and responses toward unemployment? Do education level and family attributes (family status and number of children) have a differential impact on the responses of unemployed men and women toward the research variables?

On the whole, the research findings indicate that there are still appreciable gender differences in attitudes toward unemployment and related responses. Nevertheless, education level did not have a differential impact on the attitudes and responses of unemployed men and women with respect to the variables examined, i.e., gender differences persisted at high education levels. However, regarding the impact of family status, no differences were found between men and women for the variables examined. These results can be attributed to the persistence of differences in gender role domains, as well as to the familistic orientation of Israeli society (Peres & Katz, 1981).

The familistic character of Israeli society is expressed by several findings related to reasons for rejecting potential employment. For example, married respondents, irrespective of gender, were more likely than never-married respondents to reject potential employment due to conflict with family responsibilities or adverse working conditions (which may interfere with family life). Moreover, the larger the number of dependent children, the greater the tendency to reject employment for family reasons, irrespective of gender. Finally, women still perceived themselves as responsible for the household, and men as responsible for supporting the family. Along these lines, married women showed a particularly strong tendency to reject employment due to conflict with family and household responsibilities. At the same time, never-married women also indicated that they would reject job offers for family reasons. This may reflect anticipatory socialization for the role of wife and mother, which begins at an early age in societies such as Israel's which have a familistic orientation.

Moreover, the current findings contradicted statistical data indicating that in general, women are more likely than men to cross gender lines and enter masculine-typed fields (Israel Ministry of Labor and Social Affairs, 1991). Specifically, the married women
participating in the study tended to reject masculine-typed jobs, whereas the men did not show as great a tendency to reject feminine-typed jobs. In fact, the unemployed men were generally less selective and less inclined to reject potential employment, probably because of their commitment to provide for the family.

Notwithstanding these gender-based differences in reasons for rejecting employment, similarities between men and women should also be noted. There were no gender-related differences in responses to unemployment, except for rejection of employment due to health reasons. Specifically, women showed a greater tendency to mention decline in health, as reflected in research indicating that women report more health-related symptoms than men (Hilton, Osborn, & Serjeant, 1997).

Contrary to expectations, married women did not respond less severely to unemployment than their male counterparts in the same family status categories. In fact, stress responses to unemployment are affected more by family status than by gender. The respondents in the widowed-divorced group were most seriously harmed by unemployment, regardless of gender. For members of this group, the stress of unemployment apparently combined with other emotional and daily concerns inherent in their family status. The cumulative impact of these problems probably exacerbated negative responses to unemployment.

In addition, it should be noted that married respondents reported more financial strain as a result of unemployment than did any of the unmarried groups. It can thus be concluded that the married respondents, who require considerable financial resources to maintain the family, were more severely damaged by unemployment.

Finally, the impact of education on attitudes and behavior of unemployed persons should be noted. Psychological stress, financial strain, and decline in health were lower among respondents with academic degrees than among those with lower levels of education. This finding is consistent with the results of other studies, which indicate that education may buffer stress reactions accompanying unemployment. In fact, higher education may even generate positive reactions such as appreciating the opportunity to rest, or encouraging opportunities to change professions, at least during the initial stages of unemployment (Shamir, 1990).
The buffer effect of higher education on negative responses to unemployment may derive from relatively easy access to financial and social resources at that level of education. It should be noted that regardless of education level, unsatisfactory job content was ranked relatively high by both men and women as a reason for rejecting employment. This result reflects a continuing trend to seek meaning and satisfaction at work beyond monetary rewards.

**Practical Recommendations**

In addition to shedding light on the impact of gender and family status on responses to unemployment and related attitudes, the findings generate several practical recommendations for professional intervention.

Quick and Quick's (1984) approach for coping with stress on the level of individuals as well as on the social systems level can be used as a guiding model for intervention among unemployed populations. This model proposes three levels of intervention: primary intervention, which focuses on preventive programs in the community; secondary intervention, which is response-focused and aims at dealing directly with the stressful situation; and tertiary intervention which is symptom-focused and includes individual and group therapy.

On the primary intervention level, i.e., in the community, it is possible to provide arrangements for women in the community which would facilitate the job search process, e.g., opening employment bureaus at more flexible hours; providing efficient telephone referral services; increasing accessibility to information about jobs and training programs (possibly via telecommunications). In addition, an attempt can be made to address the conflict between work and family responsibilities, which is mentioned even by never-married women as a cardinal reason for rejecting potential employment. In this connection, workshops can be offered to provide these women with strategies to cope with the conflictual situation. Such activities may also address topics such as time management and negotiation with family members to assist with household tasks.

At the secondary intervention level, unemployed populations can be offered emotional and pragmatic support, e.g., training for vocations that are in demand. Since occupational sex-types
were mentioned as a dominant reason for rejecting potential employment, especially among married women, intervention can focus on encouraging vocational choices and training programs based on individual aptitudes, even if those fields do not conform with gender stereotypes.

At the tertiary level, which focuses on treating the symptoms of stress, individual and group counseling may aim at empowering unemployed persons, enhancing their self esteem, and encouraging independence. For this purpose, community centers can offer self-help groups, support groups, and activities such as enrichment classes. These types of programs would contribute preventing maladaptive behavior and improving the well-being of individuals in communities with high rates of unemployment.

REFERENCES


Book Reviews


Perhaps the principle worldwide challenge facing social policy makers today is the preservation of social security. The great social achievement of the last century—the creation of welfare states and welfare protections—has provided an important measure of material security for millions of ordinary people in scores of countries. *Social* security—not the inconsistent protections provided by families or churches or charities or employers—has become society's principle assurance of the well-being of citizens. Can this legacy be carried forward?

While the social security challenge reflects differing circumstances throughout the globe, nearly everywhere one chief element is demographic. People are living longer; they are working fewer years; the ratio between workers and dependents is diminishing. Until the industrial revolution, the elderly rarely made up more than 3 percent of the population. Today, in the developed world, the figure is 14 percent. By 2030 it will be 25 percent. An aging population, combined in many countries with low birth rates, is subjecting social security to fearsome strain. In the capitalist countries, certainly, the budget trajectory is heading deep into the red. As costs rise faster than revenues, the number of options are limited—benefits can be trimmed, or program income raised, or else some measure of the two.

The fiscal imbalance facing social security is put in world historic context in John Dixon's *Social Security in Global Perspective*, a systematic comparison of social security systems in 172 countries. Dixon provides several helpful organizing concepts for making sense of the patterns underlying the creation and maturation of national social security arrangements. A particularly enlightening chapter on the evolution of social security, for example, conceptualizes seven discrete programmatic "traditions"—European Poor Law, Master-Servant, Occupational Provident Funds, Marxist-Leninist-Stalinist, State Welfare Paternalism, Insurance, and Marketization—representing the major
historical and intellectual perspectives guiding social security's development.

Dixon, in the central 200 pages of his book, provides a global overview of the major components of social security practice—program coverage, benefit levels, eligibility and financing arrangements. Separate chapters address the major protection "contingencies"—unemployment, ill-health, disability, old age, and unemployment. Programs for child and family allowances are also covered. Reading these chapters can be a rather daunting experience as Dixon catalogs an almost encyclopedic description of social security variations. Interested in survivor's eligibility in the Seychelles? Child benefits in Kyrgyzstan? It's all here.

Building on these foundations, Dixon devises a methodology for comparing the 162 social security systems worldwide. Assessing each system in terms of 860 separate "design standards" identified by the International Labor Organization, Dixon orders social security systems in four tiers from best to worst, with Australia, Sweden, France, Denmark, and New Zealand topping the list and Vanuatu, Montserrat, Tuvalu, Surinam, and Azerbaijan at the bottom. Dixon's construction offers its measure of anomalies—Russia (6th) and Armenia (19th) rank in the top group while The Netherlands (34th) is in tier 2 and the U.S. (63rd) in tier 3, immediately behind Ecuador—reflecting a ranking system significantly build on formal, 'statutory" elements in social security legislation rather than actual program results. The U.S.'s dismal ranking, in addition, reflects its vast system of private employer-sponsored retirement coverage, coverage promoted by very substantial tax subsidies—"fiscal welfare" arrangements not calculated in Dixon's accounting.

Dixon concludes his book with an assessment of social security today and its near-term prospects. While acknowledging the enormous cost burden involved in maintaining benefits, he downplays the "crisis" rhetoric that has been such a major conservative theme over the past decade. Arguing that the social security debate has been "intellectually and epistemologically hijacked by a virulent stream of neoliberalism" (260)—the advocates of markets and privatization—Dixon sympathetically defends current arrangements on social justice grounds, arguing that modest
reforms are sufficient to protect social security's viability without undermining its egalitarian principles.

The final chapter also provides a provocative and erudite analysis of the major challenges facing social security today—not only in the countries of the rich world, but in the developing world and the ex-Soviet nations. In the poor world, Dixon pointedly notes that social security remains largely irrelevant to the basic material needs of most ordinary people. Focussed on the urban middle class and public employees, social security generally bypasses the rural poor, especially women, as well as urban dwellers in the informal sectors of the economy. In the post-Soviet nations, as the reasonably generous cradle-to-the-grave social security systems of the past have decomposed, a variety of new, "mixed," and substantially less protective systems are evolving.

Dixon's book provides an important addition to the social security literature and a helpful contribution to comparative policy studies; his organizing categories offer a useful context for comparing and evaluating programs. While somewhat circumscribed in its analytic dimensions—Dixon largely ignores issues such as race, gender, and economic globalization—Social Security in Global Perspective is impressive in scope and scholarship, an outstanding addition to the burgeoning social security literature.

Paul Terrell
University of California, Berkeley


Over half a million children live in subsidized out of home care in the United States and their numbers are growing. Children from ethnic minority groups, especially African American children, are overrepresented. The authors of this book assert that child welfare system dooms children to impermanent living arrangements and poverty is the main reason. Hence: Kids are being raised by the government because, under the current system, they live in damaging impermanent relationships paid for by the government.
To begin, Schwartz and Fishman declare that the public child welfare system, created to combat child maltreatment, is so broken that nothing less than radical change will improve the situation. Furthermore, they say that limiting the debate to internal philosophical disagreements over the merits of family preservation versus early permanency, occurs at the expense of seeing the bigger picture. So far so good: this book will not be a rehash of Harlow's chicken wire mother experiments. They promise the reader new strategies based on empirical research.

But then, inexplicably, the authors ignore the Adoption and Safe Families Act of 1997 (P.L. 105-89) in favor of analyzing the Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272). They contend that child welfare philosophy, simultaneously protecting children and preserving families, is misguided. Citing class action suits brought against public child welfare agencies during the 1980s and 1990s, they present case examples of the system's inefficiency and inability to protect children. The next three chapters are intended to give readers insight into how the system has failed to handle adoptions, the connection with the juvenile justice system, and the role of residential care.

The authors present adoption data from Michigan which shows that the younger a child is when s/he enters the system, the longer the stay. Additionally, infants and teenagers are the least likely to be adopted. They conclude that removing barriers to adoption should be first priority of reform. Reunification with parents should be reconsidered as a viable option for permanency.

Next, Schwartz and Fishman address the charge that the child welfare dependency system creates juvenile delinquents. Their research indicates that the age of the child at first contact with the system, they do so more frequently as juveniledelinquents rather than dependents. The goal of child welfare services turns from compassion to social control with children over the age of 10 or 12.

Finally, the authors present research that implicates expensive residential treatment in maintaining status quo by keeping children in care longer than necessary. However, the data they use combines emergency shelters, group homes, and institutions under the umbrella of residential treatment.

This book's point about the bigger picture to confront poverty has merit. For example, increases in child neglect, the most
prevalent form of child maltreatment, are related to decreases in parental income. More child neglect is seen in poor families than in middle class families. Yet poverty by itself cannot be seen as the cause of child neglect and other forms of maltreatment because not all poor parents neglect their children. However, after making the point about poverty, Schwartz and Fishman do not present research about or discuss child neglect in depth.

The authors conclude this book by making a series of recommendations. First, they do not recommend eliminating family preservation which is surprising, considering the arguments made in previous chapters. They recommend that family preservation services should be focused on preventing expensive residential care, rather than family foster care. Second, they say child abuse investigation should be separated from services. They say managed care shows promise in the child welfare field, but again their information is disconnected from the earlier arguments.

The Adoption and Safe Families Act of 1997 (P.L. 105-89) has stimulated discussion of several legal permanency options for children. Kin care has always been an informal resource for troubled families, although government is just now considering it as a legal permanency alternative to adoption, rather than a long term foster care arrangement. Children being raised in kin care make up the fastest growing segment of kids raised by the government. Increases in the lengths of stay in kin care can be directly tied to poverty, but the authors do not discuss the research about kin care which shows that children stay longer in the system when placed with kin.

This book presents some new information, especially in the area of juvenile justice. Nevertheless, the so-called radical new strategies, such as managed care, are not connected with the earlier chapters. This leads to the conclusion that readers may have been better served by four separate research articles.

In the end, basing this inquiry on a dated policy and providing only a brief analysis of the policy that superceded it, distracts from the worthy premise of this book: To improve the lives of impoverished families and establish permanence for children requires us to think outside of the child welfare box. Increasing levels of domestic violence, high rates of teen pregnancy, lack of affordable housing and child care, availability of illegal drugs, inadequacies
of health and education systems are implicated. Schwartz and Fishman are correct: Congress, having tackled welfarereform, should now have the political will to reform child welfare and relate it to thesebroader issues.

Sherrill Clark
University of California, Berkeley


Many have felt that human services and technology are strange bedfellows. Yet our professional future depends on our comfort in adopting a full range of technological tools forimproving services and interventions. Few human service book authors have invested the personal and/or publishing resources on this fluid and rapidly transforming phenomenon. Karger and Levine take on this risky endeavor and make a notable contribution to helping both the neophytes and the technologically savvy move toward the new millennium.

Experts note that the Internet is one of the fastest growing technologies of all time. Themetastasis of web sites, services, and sales creates multiple challenges for human service providers. Tackling the nearly impossible, the authors successfully provide a comprehensiveresource for navigating the white water of technological advances.

Appropriately, Karger and Levine lay the framework for their discussion in Part I by presenting an overview of the Internet that addresses the historical context of cyberspace. Within this venue, they also give a caveat to the ethical dilemmas human service administrators face as they grapple with technology policy and the corresponding legal implications as they haveemerged in the Information Age.

In Part II of their presentation, the authors make the practical application of the Internet to the human services milieu. They discuss the use of the Internet for multi-cultural exchange, networking, on-line counseling, and advancing telemedicine. They also provide readers with a myriad of resource ideas for using the Internet to conducting research.
How to prepare for accessing the Internet is the main focus of Part III. Both hardware requirements and dial-up software issues are addressed. Suggestions are made for selecting the best Internet service provider.

Discussion turns from more theoretical to how to and practical in Part IV. This section is especially helpful to those with limited Internet experience. Karger and Levine present the basics of netiquette, and how to perform web searches. The steps for downloading files and communicating with e-mail are also presented. They discuss on-line security issues and complete this section by presenting expert advice on the use of listservs and newsgroups.

Finally, the most advanced applications are presented. While the terms such as Plug-ins, Telenet, MUD, MOO, MUCKs, and MUSHs are decoded for the lay reader, the discussion in Part V is a refreshing challenge to the more advanced user. The ideas and insights presented for web site design and publishing presented are useful. Even with minimal computer skills, one is given enough resources through this discussion to craft a personal cyberstop site. Karger and Levine hedge their largest bets when they tackle the futuring of human services technology. They venture scenarios of what problems will need to be addressed and what systems will be developed to enhance treatments, training, consultation, research, community work, and education for the 21st Century. Only time will tell how close they come in their predictions.

Among the especially helpful resources that they present are the key terms given at the beginning of each chapter, leveling the playing field for the novice reader. Also significant is the thorough integration and presentation of the ethical considerations that are critical to our professional values orientation throughout the book. The web resources shared are helpful whether one is a student or a professional. The comprehensive research efforts that went into the development of this manuscript are evident in the voluminous resources that are shared with readers. These include a marvelous appendix that opens a limitless cyberworld for addressing the broad range of human service interests. The exercises and case examples provided easily facilitate practical learning opportunities for either individual or classroom applications.
The downside of this book is the hard copy, text-based medium in which it is presented. It is very difficult to update and keep current when the content presented is so fluid. Not surprisingly, some of the web-site resources shared were either down or changed when I tried them, though most were fully operational. The shelf-life of this book would be greatly enhanced if it were published on-line. Maybe that time is not far off!

In The Internet and Technology for Human Services, Karger and Levine have accomplished the impossible. They have filled a void in the technologically diverse humanservices literature to professionally enlighten those with techno deprivation. I'm not as certain about their contribution to those of us who need balance and recovery for our hypertechaddictions. I know this book has enabled me be more assertive and competitive with my children and graduate assistants for equal access to Internet time. It just might do the same for you.

Sharon Pittman
Andrews University


In an earlier work, The Power to Care, the authors of this book examined the evidence for effective ways of helping clients whom they described as overwhelmed by personal, socioeconomic, and environmental problems. In that publication they reported that the interventions that produced good outcomes included group treatment. Yet such treatment was not offered to clients to the degree one might anticipate. This led them to investigate the barriers to offering group services, especially in view of their conviction that group experiences can be very empowering to clients. Their desire to promote group services was, consequently, a major motivation for the writing of this book.

The infrequency with which agencies offer groups for clients conducted by competent group workers is not new information to many of us who have worked to rectify this situation. One of the most important contributions of this book, nevertheless, is its demonstration that group services can be offered in many different settings and take a variety of forms. Specifically, the
authors devote attention to groups for members such as those in the following categories: children whose parents are infected with HIV/AIDS, African-American college women, recent immigrant women, gang youth, parents recovering from drug abuse, and women victims of abuse.

In their discussion of barriers to offering groups, the authors mention difficulties in recruiting members, lack of meeting places for groups in safe places, and the absence of practitioners trained in group work. To these we would add agency concerns about empowering collective action among members, third party reimbursement problems, lack of supervisors who understand groups, and deficits in social work educational programs that limit their ability to produce well qualified group workers. In addition, there has long been a bias in psychotherapy and social work that favors individual treatment. This plays out in agencies whose client referral procedures treat group as a less desirable service than individual treatment. The authors present their conceptual model for group intervention. It emphasizes empowerment and the systemic nature of power especially as this relates to poverty and social status. This book offers a table that illuminates feelings and behaviors related to differences in power such as the powerless feeling anger, insecurity and fear. These individuals lack opportunity to impact the environment and isolate themselves from more powerful persons. It is important that this book points out the responses of individuals who have power and who seek to maintain their privileges.

The empowerment principles espoused by the authors include helping members correct distorted thinking, take actions, and identify and mobilize feelings of anger. The foci of change are social role, social status, and political process as client problems are contextualized. Cognitive-behavioral and educational strategies are utilized to attain these objectives. The authors stress the importance of a non-hierarchical, nonpower stance on the part of the practitioner.

This book demonstrates, however, the difficulty of operationalizing these empowerment principles. In some of the case examples, I found instances in which the principles were operating and others in which, from my point of view, they were not. Examples of the former were found in a group of mothers in
a housing project who took on the "front office at the housing project" (p. 34) and who had a speaker in their group on community leadership (p. 35). On the other hand, in a group of women with drug problems members were encouraged to call the leader when they thought they were "slipping back". The worker did not seem to consider the possibility that they could call each other through the creation of a buddy system—a frequently used tool in such groups. In this and other subtle ways the practitioners whose work was described in this book may at times fostered dependency on the worker rather than on a group mutual aid system.

It is somewhat daunting for this reviewer to question the actions and judgments of the courageous and dedicated workers described in this book. Nevertheless, I had difficulty, for example, with workers such as the one in the "Parenting Group for Recovering Addict Members" who explained and justified her role. This worker was described as "recognizing her position of leadership, and the power inherent in that role" (p. 65). It was recognized that "Although all of these recovering addict parents were poor people of color, carrying heavy psychological and physiological burdens, the practitioner showed deep respect for them individually and collectively and shared her influence early on. For example, in introducing the agenda, she asked, 'What do you think about the agenda I am suggesting?'"

I would have liked to see evidence that the members were taught about creating agendas so they could produce their own and perhaps this happened later. Yet this example supports the point that it is a practice dilemma to provide needed help and to keep empowerment principles in a central position. A major strength of this book is the examples it provides of how workers confronted this potential dilemma.

An even more vivid example of this dilemma was provided by a group for male recovering addict fathers. The worker, in helping the members develop norms, spoke to them about respect for one another and that she expected them to be "gentlemen" (p. 73). I wondered how this demonstrated an empowerment approach as I thought this would have entailed a more elaborated process of helping the members proclaim their own expectations before
the worker proclaimed hers. I recognize, however, the difficulties posed by work with this type of group and the control reasons for the worker’s statements. This suggests that there may be a need for a group socialization experience for such members prior to participation in an empowerment oriented group inasmuch as the worker played a central role during much of this group’s life. These passages also illustrate a concern I had about the term “overwhelmed”. In a sense many social work client are overwhelmed. This is the reason they have sought professional help. The examples of groups in this book are similar to the many examples of groups with which I am familiar. What makes members “overwhelmed” in the author’s sense of the term and, therefore, appropriate for the kinds of service they describe?

My concern over the use of the term “overwhelmed” was especially pronounced in the chapter on the “gang group”. Gangs are often a means for members to cope with overwhelming societal inequities and this was recognized by the authors who, nevertheless, condone the creation of a therapeutic group for gang members. I recognize that group work with gangs has a controversial history yet it wasn’t totally clear why the authors recommend such an alternative strategy. (p. 156). The authors also employ a strong psychological bias in their analysis of gang members relationship losses.

My major concern about this book is its lack of attention to the extensive social work with groups literature that deals with many of the issues portrayed. The authors state that the approaches used by the practitioner “drew heavily on empowerment theory, family systems theory, cognitive-behavioral theory, and social learning theory” (p. 185). What about small group and group work practice theories? This illustrates to me one of the reasons for a lack of good group services which is the isolation of group work in social work practice and education, a topic that should be attended to in any sociological analysis of the profession. This book should be studied, nevertheless, by social workers who work with groups and its ideas should be incorporated in the larger body of social group work writings.

Charles Garvin
The University of Michigan

Pranab Chatterjee has written a very thought-provoking book. The book stands in contrast to anything I have ever read about the social welfare system of the United States and how that system fits within an international perspective. The contents of the book truly do represent a "repackaging" of the welfare state. Professor Chatterjee helps the reader move dramatically away from the old liberal vs. conservative debate and embrace a much more complex methodology of understanding. An appealing feature of the book is that while being presented with the author's unique vision of how to re-structure the welfare state, the reader is challenged to consider how they might also achieve such a goal. The purpose of the book is stated as:

to explore how social welfare policy in the welfare states inherently serves conflicting and contradictory ends; how those ends have been poorly understood by different academic and community groups; and why it is necessary to explore a different paradigm—one from an interdisciplinary perspective—for establishing and maintaining social safety nets into the 21st century (p. 18).

This stated purpose, and more, is achieved within the parameters of the book. Professor Chatterjee combines material from a variety of diverse social science fields; political science, sociology, and anthropology, but he draws particular attention to the need for social work students, practitioners, and policy researchers to understand economics. A strong theme in the book is the correlative relationship between a well functioning economy and the ability of a country to even have a social welfare system.

The book is well structured. The contents are divided in a meaningful way into an introduction and seven chapters: 1) the welfare state: promises and performance, 2) the state as an agent of distribution, 3) functions of the state, 4) styles of redistribution, 5) styles of redistribution: boundary defining and rationing, 6) lessons learned in the 20th century, and 7) repackaging the welfare state. The first chapter is exemplary in its attainment of a sound mix of history regarding the social welfare state and the theoretical underpinnings which help the reader understand the significance of those historical events. Chapters five and six both
focus on styles of redistribution and cover a lot of ground. In these two chapters Professor Chatterjee provides exhaustive consideration of the structural elements of the welfare state. The book really hits full stride in chapter seven. Professor Chatterjee lays out with precision his vision of how the crisis in the modern welfare state can be solved. The author also demonstrates his willingness to take a strong stand on controversial issues. Consider, for example, Professor Chatterjee’s axiom for a mission statement directing the repackaged welfare state:

From each according to his or her productivity, with an ongoing concern for incentives for further productivity, and to each according to his or her basic needs, modified by his or her means to meet them and the state’s capacity to transfer (p. 178).

Although the official contents of the book end with chapter seven, actually the appendix and postscript are loaded with material worthy of review. In the appendix the author provides recommendations for repackaging the welfare state in the areas of income maintenance, health care, education, housing, drug policy, and most interestingly, the role of the social work profession. It is almost a given that the author’s recommendations for a two-tiered health system and a social work profession which returns to a focus on “resocialization” of the poor and the vulnerable will be met in social work education circles with animated dialogue. I believe, however, it is a dialogue which will be welcomed by Professor Chatterjee.

While the strengths of the book are many, there are a few which really stand out. For example, rather than beginning the book with a litany of the details of social welfare programming, Professor Chatterjee begins by providing the reader with a sound theoretical and conceptual foundation for his later to be stated “repackaging” ideas. An additional strength of the book is its nearly constant inclusion of an international focus to discussions of social welfare planning and programming.

I would like to pay two additional compliments to the author and the book. First, even though I am familiar with many of the social welfare texts out there on the market today, focused on social welfare policy during my own course of PhD studies, and have taught the topic for the past six years, I felt I learned a great
deal from reading the book. It was a humbling experience to read such a thoughtful and comprehensive compilation of the author's decades of experience in researching, writing, and teaching about social welfare programming and policy. Second, while reading Professor Chatterjee's book for review, I happened to be teaching an advanced policy analysis course for second year MSW students. I immediately altered a number of course presentations to include material garnered from the book. Professor Chatterjee does not just describe the modern welfare state for the reader, he actually does "repackage" it.

Larry Nackerud
University of Georgia
Book Notes


With the enactment of the *Personal Responsibility and Work Opportunity Reconciliation Act* in 1996, the nation’s welfare system was changed from one of entitlements to one of requirements. People living in poverty would not longer be guaranteed an income or other services by the state. Many experts believe that the legislation will transform habits, encourage self sufficiency and end welfare dependency. Others content that these changes will have a negative impact on the lives of poor families, creating even more poverty and deprivation.

Welfare reform was prompted by electoral politics. An overwhelming majority of voters, and especially those from the middle and wealthy classes, believe that welfare recipients are lazy, shiftless and irresponsible and that government action is needed to change their behavior. Welfare recipients are also believed to flout the American work ethic and to threaten the very fabric of society. However, in forming these images, politicians and the media failed to gain authentic insights into the lives of those who receive welfare benefits. Neglecting the experiences of those on welfare and failing to understand their situation, policy makers introduced legislation which accepted myths and rhetoric that bore little relation to reality.

In this thought provoking book, Karen Seccombe describes the welfare system and its recipients from the perspective of those who live in poverty. She also offers an account that draws in the insights of a feminist perspective. Poverty is, after all, concentrated among single mothers and their children. She interlaces personal accounts of welfare recipients with an analysis of the welfare system and the recent changes that have been introduced. She effectively demolishes many of the myths that are widely accepted about welfare, and provides a powerful instructional tool which should be used by all who really want to know the truth about welfare and poverty today.
For many years, social security was regarded as a prime example of how government action could address pressing social needs and help create a more caring society. Today, just sixty years after its inception, the nation's social security system is under siege and calls for its privatization are commonplace. While social security was previously universally popular, its legitimacy is now in doubt. Many younger tax payers believe that the social security system will soon be bankrupt and that they will not receive social security when they themselves retire. Many believe that the system is inherently unfair. They claim that many old people have adequate private incomes and that the subsidization of their affluent life styles by the younger generation is unfair.

This important book reviews the argument currently raging around social security. It suggests that these arguments can be framed in terms of two major approaches, namely the generational equity approach and the generational interdependence approach. The former views the transfer of resources from those in regular employment to the elderly a unfair and economically unsound. The latter believes that the generations are inextricably linked and that the well-being of all depends on a social contract being forged and maintained between them. The book contains excellent contributions from leading protagonists on both sides. Strong opinions are expressed. For example, Peter Peterson, President of the Concord Coalition, which has vigorously advocated the privatization of social security, claims pessimistically that if social security is not 'reformed', the future economic health of the nation will be in jeopardy. Jill Quadagno, an important academic scholar working in the field, castigates what she described as the 'myth' of a social security crisis, suggesting that the case against social security amounts to little more than a well-orchestrated ideological campaign. But while expressing strong views, these and other diverse contributions are well argued and show how complex the issues are.

The Clinton administration has managed to fend off the attacks which have been mounted against social security. With
presidential elections in sight, it is uncertain how the debate will ultimately be translated into policy. This book offers an helpful overview of the arguments and should be widely consulted not only by academics but by anyone concerned about the future of social security.


Although capitalism’s productive dynamic creates unprecedented economic prosperity, it also results in the concentration of wealth and income, and the perpetuation of poverty among those who are unable to participate effectively in the market. It is for this reason that 19th century liberal reformers and democratic socialists campaigned to regulate capitalism and mitigate its excesses. They advocated the strengthening of unions and the introduction of regulations that would protect labor and improve workplace conditions. They also worked for the creation of a comprehensive network of social services that would ensure adequate standards of living for all. The institutionalization of these measures in Europe resulted in what is known as the social democratic settlement or, more colloquially, as the welfare state. Although these reforms were not institutionalized to the same extent in the United States, various efforts to moderate capitalism were adopted.

Since the 1980s, these measures have been slowly eroded and today, as Joel Blau shows, unfettered capitalism is again triumphant. The result is a strong economic growth, huge profit margins and a concentration of wealth only rivaled by the boom years of the late 19th century. Despite the fact that many ordinary Americans have not benefited from the economic prosperity of recent years, they retain an unshakable faith in the the capitalist system. Blau shows how incomes for many middle class Americans have stagnated, how downsizing and lay-offs have hurt many hardworking employees, and how tax cuts have done little to assist working people. Despite these realities, most Americans believe that they have never had it so good. To make matters worse, education, employment training and welfare have all been subjugated to the market. Instead of mitigating the excesses of
capitalism, these social programs have been redesigned to serve its interests.

This is a depressing book which is rendered even more depressing by its concluding chapter. Although this chapter offers a comprehensive strategy for "the next deal", it is unlikely that proposals for reform will be implemented without major political and attitudinal changes. Indeed, Blau concedes that effective changes are only likely to be implemented after people realize that unregulated capitalism has failed them. The book would have been strengthened by a discussion of how populist politics could be used to mobilize public opinion against the current excesses of the time. Populism provided an effective impetus for reform at the end of the last century and could, in the hands of skillful political leaders, conceivably do so again. It would also have been interesting if Blau has speculated on the need for a new rationale for state interventionism that could inspire people as it did in the 1930s and 1940s. Nevertheless, Blau’s analysis is rigorous, readable and prophetic. It should be widely consulted.


It is generally recognized among welfare experts that there is widespread public antipathy to social programs that focus on the poor. While social programs that cater for all income groups, such as social security, have widespread support, means tested programs that cater for only for the needy are less popular. Although social scientists have offered numerous explanations for the public’s negative attitudes towards welfare services, Martin Gilens argues that these explanations are incorrect. The major issue, he suggests, is not America’s strong cultural commitment to individualism, or whether government aid is inclusive or targeted on the poor, but whether the recipients of welfare are people of color. In short, negative public attitudes towards welfare are governed by racism, and particularly by racist attitudes towards African Americans who are perceived to be manipulating the welfare system for their own ends.

Gilens makes use of a vast amount of survey data to support his argument. Survey research has consistently shown that the American public has a strong sense of compassion, and is willing
to endorse governmental programs designed to help the needy. However, when race is factored in, these attitudes change and erroneous beliefs about welfare are frequently expressed. Most survey respondents believe wrongly that African Americans are the major recipients of welfare. They also believe that most African Americans receiving welfare are abusing the system. In an attempt to discover the basis for these beliefs, Gilens laboriously traces media images of welfare response in popular magazines, newspapers and television and finds that negative reporting of welfare since the 1960s has projected negative images in which people of color are shown to dominate the welfare population and to be exploiting it. It is these images that have shaped popular attitudes towards the welfare system.

Gilens does not believe that there is an organized conspiracy among reporters and news presenters to malign poor African Americans. Instead, he believes that this type of reporting was itself insidiously shaped by the events of the 1960s when the Civil Rights movement, the war on poverty and urban riots challenged established racist attitudes. The racist attitudes which characterize public opinion on welfare today are themselves a reaction against the emancipatory struggles of African Americans.

This is an important book which makes a significant contribution to the growing literature on race and social policy. Its message is a powerful albeit depressing one. Although the author's attempts to offer policy options that can address the problem are insubstantial, his analysis is incisive and important. The book will provoke widespread debate and deserves praise for its originality and powerful message. Hopefully, it will inspire further discussion about how false beliefs about race and welfare can be countered.
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