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Working to Make Welfare a Chore

By Douglas J. Besharov

The nation is in the midst of yet another effort to reform the welfare system. But this time, after 30 years of denial, almost everyone now agrees that real reform requires doing something about out-of-wedlock births, especially among teenagers. And, for a change, there might be real money to spend. While welfare reform is not in the budget unveiled earlier this week, both Democrats and Republicans are talking about \$6 billion to \$10 billion a year for such a program, even under today's tight budget constraints.

Unfortunately, though, the president's welfare planners are seeking to use job training and public service jobs to make poorly educated unwed mothers self-sufficient, which won't work. Instead, training and work mandates should be used as tools to discourage out-of-wedlock births in the first place.

The problem has grown too large to ignore, as Charles Murray and others have noted on this page. In 1991, about 30% of American births were out of wedlock, reflecting a steady increase from 1960, when this figure was only 5%. Unwed mothers now head half the families on welfare, double the proportion in 1970. They average almost 10 years on welfare, twice as long as divorced mothers, thus swelling the ranks of long-term welfare dependents.

What to do? President Clinton would give all recipients up to two years of job training and education. But even the best job training programs have had little success in reducing welfare rolls. Five percent reductions—not nearly enough to “end welfare as we know it,” Bill Clinton's much-repeated campaign pledge—are considered major accomplishments.

This is why Mr. Clinton also proposes to time-limit welfare benefits. He says that if, after two years, a welfare mother does not get a job, she should be placed in a public service job. The job is supposed to give her work experience and to serve as an incentive to get off welfare, since she will have to work anyway.

The evidence, however, suggests that work requirements do not reduce caseloads, at least not immediately. The Manpower Demonstration Research Corp. (MDRC) recently reviewed the mandatory work programs in West Virginia; Cook County, Ill.; and in two sites in San Diego, Calif. In no site did the work requirement reduce welfare payments.

Why do most single mothers stay on welfare, even after they are forced to work for their

benefits? Their “welfare jobs” may be better than anything they can get in the real world of work; they are probably less demanding than actual jobs; and there is little chance of being laid off or fired. Moreover, especially in areas of high unemployment, there may be no other jobs available for poorly educated women with little work experience.

Recognizing these realities, and to save money, the president’s welfare reform working group is now suggesting that Mr. Clinton’s proposed public service requirement be watered down. This would be a mistake. In fact, work requirements should be applied much earlier in the welfare careers of young, unwed mothers.

Surgeon General Joycelyn Elders often cites a 1988 survey in which 87% of unwed teen mothers said that their babies’ births were “intended.” But this includes 63% who said that the birth was “mistimed.” And when clinicians ask the more telling question, whether having a baby would disrupt their lives—that is, whether it would be inconvenient—few say “yes.” For example, in 1990, Laurie Zabin of the Johns Hopkins School of Public Health and Hygiene surveyed pregnant, inner-city black teens; only 31% said that they “believed a baby would present a problem.” Making illegitimacy more inconvenient, what economists would call raising its opportunity cost, is the key to reducing out-of-wedlock births.

Increasing the life prospects of disadvantaged teens is surely the best way to raise the opportunity costs of having a baby out of wedlock. A good education and real job opportunities are the best contraceptives. Nevertheless, different welfare policies could have a real impact. The ultimate “inconvenience,” of course, would be to deny welfare benefits altogether. But there is a less drastic way: Impose an unequivocal requirement to finish high school and then to work.

From almost the first day that a young, unwed mother goes on welfare, she should be engaged in mandatory skill-building activities. The first priority should be that she finish high school, or at least demonstrate basic proficiency in math and reading. After that, if she is unable to find work, she should be assigned to a public service job, as the president promised.

The political pressure from unions, especially, will be for these public service positions to be “real jobs” at “decent wages.” This would raise costs to prohibitive levels and make recipients even less likely to leave the rolls. Instead, the focus should be on activities that are appropriate for inexperienced young women.

Examples of such activities were described by MDRC’s Thomas Brock, who studied the four mandatory work programs mentioned above as well as six others. The activities “did not teach new skills, but neither were they ‘make work.’ Most were entry-level clerical positions or janitorial/maintenance jobs,” such as office aides and receptionists for a community nonprofit agency, mail clerks for city agencies, assistants in day-care programs for children or handicapped adults, helpers in public works departments sweeping and repairing streets, and gardening in city parks. And, although the work requirement did not immediately reduce caseloads, the value of the services rendered together with other savings exceeded the program’s cost to taxpayers in three of the four sites.

Despite the real value of the services provided, such a program would be very expensive. But

because of its prophylactic purpose, the work requirement could be applied to new applicants only. The long phase-in period would sharply lower initial costs—and allow modifications in program rules and administration based on what is learned during the first stages of implementation.

One hopes that such activities raise the skills and, therefore, the employability of current recipients. The fundamental purpose of mandated work, however, should be to raise the inconvenience level of being on welfare by requiring these young women to be someplace—doing something constructive—every day. The object would be to discourage their younger sisters and friends from thinking that a life on welfare is an attractive option. Strengthened child-support enforcement would increase the inconvenience level for their boyfriends who got them pregnant, but describing how to achieve that end is a complicated subject for another day.