

ASSISTANCE

al assistance from the State of New Mexico, complete this form and sign it. An  
this form will allow the department to begin work on your request for assistance. More  
required at a later time to determine your eligibility for benefits. An appointment will  
tain all the necessary documentation to verify the information provided on this form. If  
rt effective the date your application is registered. To ensure the earliest possible date,

First \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ ZIP code \_\_\_\_\_  
Social Security Number \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ ZIP code \_\_\_\_\_  
Streets/PO Box/R. Rt. \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ ZIP code \_\_\_\_\_  
Streets/PO Box/R. Rt. \_\_\_\_\_  
WORK: \_\_\_\_\_  
or if you have a c

fers assistance with  
or both of a child  
☐ Medical  
☐ Utility  
household receiving either  
currently participating  
boarder?  
on strike?  
d quit a job in the la  
S  
ttle or no income r  
if your household h  
embers the following  
under age 60;  
der, if they live and e  
ve and eat with you.  
income stopped rec  
household received, o  
S  
ive in your home and  
household 60 years o  
members of your ho  
household either 60  
y payments? ...  
monthly medical cost

# REFORMING WELFARE

## Lessons, Limits, and Choices

EDITED BY  
*Richard M. Coughlin*

### Form Effort

recipients, could ob  
nancing employment  
In fact, current fed  
rules already require  
able-bodied AFDC par  
children are at least 6  
to participate in manda  
registration and training.  
theless, the welfare pr  
of Operation For exam  
seriously flawed. For ex  
sensus has emerged among  
scholars of all political hues that  
successful welfare program  
must include a special allowance  
for continued Medicaid coverage during the transi  
between welfare and perma  
full employment. The HSD  
knows this fact, possible options  
component, re

Operation Mainstream does not  
merely lack proof that the re  
quested appropriations will be well  
spent; the money would be better  
spent on other proven features  
which have proven effective.  
The administration proposes to  
mandatory welfare participation  
for single parents with young chil  
dren from age 6 to age 1. HSD has  
failed to show that the cost of  
providing day care for these pre  
school children and the size of the ex  
penses of increasing the number of  
target population can be justified  
by the realistic prospects of finding  
or creating additional jobs. To the  
contrary, New Mexico's current  
welfare efforts have yet to meet  
the demands of the existing group  
of state domestic violence victims.  
The proposals for New Mex  
ico are controversial for a number of reasons.  
First, they have only a family  
issues of state domestic violence victims.

Required Statistics

Place of Birth	Citizen	Alien	Date of Birth	Social Security Number
Place of Birth	Citizen	Alien	Date of Birth	Social Security Number
Place of Birth	Citizen	Alien	Date of Birth	Social Security Number
Place of Birth	Citizen	Alien	Date of Birth	Social Security Number
Place of Birth	Citizen	Alien	Date of Birth	Social Security Number
Place of Birth	Citizen	Alien	Date of Birth	Social Security Number
Place of Birth	Citizen	Alien	Date of Birth	Social Security Number
Place of Birth	Citizen	Alien	Date of Birth	Social Security Number

old confined to a wheelchair or bedridden?  
ach a doctor's report showing that the  
edridden.

living foodstamps, AFDC, GA, Refugee  
NO If "YES", what is the name of

Racial/Ethnic Heritage - Check one  
☐ 1. White ☐ 5.  
☐ 2. Hispanic ☐ 6.  
☐ 3. American Indian - living off Reservation/Pueblo  
☐ 4. Asian Pacific Islander

Name of

Fuel Type

### CONGRESS LEADERS AND WHITE HOUSE AGREE ON WELFARE

#### Filibuster Stops Wage Measure

Senate Democrats gave up on their bill to raise the minimum wage, blaming the Republicans whose filibuster has blocked the measure for a week. The armed services and defense bill, introduced by Sen. C. Carlucci, is on a version of the military fare system in 53 years. The first federally mandated program for welfare recipients. "It was a good, final differences," said Sen. Sen of Texas, the leader conferees and chairman Committee. Mr. Bentsen, a Democratic nominee for Vice President, added, "It's an excellent." "I'm very pleased," said the leader of the House conferees. Representative Dan Rostenkowski, a Democratic who is chairman of the House Ways and Means Committee, said, "Now we're going to have our conferees."

#### APPROVAL

\$3.34 Billion  
Includes M  
Work Pro

By MARTIN T  
Special to The New

WASHINGTON, Sept. 14 — Three months of negotiations between the leaders of a House-Senate conferees and White House officials on the first major revision of the welfare fare system in 53 years ended with a first federally mandated program for welfare recipients. "It was a good, final differences," said Sen. Sen of Texas, the leader conferees and chairman Committee. Mr. Bentsen, a Democratic nominee for Vice President, added, "It's an excellent." "I'm very pleased," said the leader of the House conferees. Representative Dan Rostenkowski, a Democratic who is chairman of the House Ways and Means Committee, said, "Now we're going to have our conferees."

#### FF BAN AL ARMS

Work at U.N.,  
Organization

SON  
Times

pt. 26 — In a  
s his most  
ted Nations,  
today for a  
to stiffen the  
sons.  
restrained  
which ap  
y upon the  
Mr. Reagan  
all civilized  
ball, and on  
the use of

Poison gas  
a "hor-

hold" means the people who live with you

# REFORMING WELFARE

Lessons,  
Limits, and  
Choices

*EDITED BY*

*Richard M. Coughlin*

*University of New Mexico*

*Public Policy Series*

*Fred R. Harris, Series Editor*

UNIVERSITY OF NEW MEXICO

*Albuquerque*

Chapter 9 has been reprinted by permission of the  
National Governors' Association.  
Chapter 10 has been reprinted by permission of the  
National Coalition on Women, Work, and Welfare.

Library of Congress Cataloging-in-Publication Data  
Reforming welfare.

(University of New Mexico public policy series)  
Includes bibliographies and index.

1. Public welfare—United States. 2. Social policy—  
United States. I. Coughlin, Richard M. II. Series.  
HV91.R424 1989 361'.973 88-28044  
ISBN 0-8263-1130-X  
ISBN 0-8263-1131-8 (pbk.)

Design by Susan Gutnik

© 1989 by the University of New Mexico Press. All rights  
reserved.  
*First Edition*

# Foreword

It is my pleasure to introduce *Reforming Welfare: Lessons, Limits, and Choices* as the second volume in the University of New Mexico Public Policy Series. A primary goal of the series is to make available to a wide audience of scholars, students, policy makers, and the public at large recent research and scholarly perspectives on contemporary policy issues of importance to the nation and the Southwest region. A secondary goal of the series is to stimulate participation of scholars from different academic disciplines in the analysis of public policy issues. By their very nature public policies intersect with a variety of academic disciplines and research traditions, beginning with political science but extending to economics, sociology, and history, to name a few. In addition, no analysis or attempt to understand the development and impact of public policies can be complete without some account of the viewpoints and experience of policy makers and program administrators whose acquaintance with the subject is firsthand.

*Reforming Welfare: Lessons, Limits, and Choices* grew out of a regional symposium on welfare reform. All across the political spectrum, both within government and as advocated by citizen groups, there has been strong agitation for reform of America's welfare system. What are the purposes of welfare—and how well are we doing? How can we dispel persistent myths and misperceptions about welfare? How much poverty is there, and what is its nature? What is meant by the "feminization of poverty," and how should it be dealt with? What about medical care for the poor? How well do work programs work? What are the terms and merits of the various welfare reform proposals that have been put forward? These are some of the serious questions about welfare that were addressed in the regional

symposium and that are, now, in a more refined and organized way, dealt with in this book.

The Public Policy Series is sponsored by the University of New Mexico's Institute for Public Policy as part of its mission to promote public policy research and analysis, seminars and symposia, and policy-related publications. The Institute gratefully acknowledges the financial support of the College of Arts and Sciences to help establish the series. With a grant from the University of New Mexico Foundation, the Institute has conducted seminars and symposia on the management of governmental budget cuts, Southwest energy policy, and welfare reform.

Fred R. Harris  
Series Editor

# Contents

	Foreword	<i>Fred R. Harris</i>	vii
	Introduction	<i>Richard M. Coughlin</i>	1
<b>I</b>	<b>Background</b>		
1	Twenty Years of Welfare Reform: An Insider's View	<i>Jane Hoyt Cotter</i>	13
<b>II</b>	<b>Analytical Perspectives</b>		
2	Ideology and Welfare Reform in the 1980s	<i>Edward J. Harpham and Richard K. Scotch</i>	43
3	The Contradictions of Public Assistance and the Prospect of Social Merging	<i>Charles Lockhart</i>	61
4	Welfare Myths and Stereotypes	<i>Richard M. Coughlin</i>	79
5	The Economic Effects of Welfare	<i>Daniel H. Weinberg</i>	107
6	Work Programs in Welfare and the Difference They Make	<i>Gary Burtless</i>	163

### III Policy Positions

7	Up From Dependency: The President's National Welfare Strategy	<i>John A. Daeley</i>	179
8	Welfare Reform: Prospects and Challenges	<i>A. Sidney Johnson, III</i>	189
9	Policy on Welfare Reform	<i>National Governors' Association</i>	201
10	Changing Welfare: An Investment in Women and Children in Poverty	<i>National Coalition on Women, Work and Welfare Reform</i>	207

### IV Southwestern Case Studies

11	Welfare Reform in a Society in Transition: The Case of New Mexico	<i>Tomás Atencio</i>	225
12	Policy Making for Indigent Health Care in Texas: A Case Study in Welfare Reform	<i>Philip K. Armour</i>	251
	List of Contributors		277
	Index		279

# Introduction

*Richard M. Coughlin*

Since the 1960s welfare reform has been a topic of perennial concern as well as a persistent sore point in American social policy. The welfare system—a term used principally to refer to Aid to Families with Dependent Children (AFDC) but at times embracing related public assistance programs such as food stamps and Medicaid—has been widely perceived as a failure. The “welfare crisis” that began nearly thirty years ago has stubbornly persisted despite repeated efforts to reform the system. Like Sisyphus, the mythical king of Corinth whose punishment was forever to roll a huge stone up a hill in Hades only to have it roll down again, those who sought to reform welfare in the 1980s seemingly found themselves once again at the base of the mountain.

In 1987 and 1988, however, the pace of activity picked up and the public debate took on a renewed sense of optimism and purpose. The deadlock that had long stalled legislation in Congress broke sufficiently to enable passage of the Family Support Act of 1988, which made significant changes in the AFDC program. The papers in this volume, most of which grew out of a symposium held at the University of New Mexico in April 1987, provide a background and critical assessment of the issues and questions central to welfare reform. While this volume owes its existence to the same spirit of constructive possibility that paved the way to passage of the 1988 legislation, it also serves as a caution that the controversies surrounding welfare have not been put to rest.

## THEMES OF WELFARE REFORM

Like the national debate over welfare reform, the papers in this volume do not follow a single path or speak with one voice; never-



theless, they do converge on a few main themes. The first theme explores *developments in empirical research* concerning the characteristics of the welfare recipient population, the dynamics of dependency, the effectiveness of work requirement and job training programs, and a variety of other social and economic correlates of public assistance programs. Roughly half of the chapters in this volume address, wholly or in significant part, the relationship between welfare and dependency. It is clear that recent social science research has provided a much sounder base for the policy discussion and action than was available during previous periods. What is remarkable is that it has taken so long for social scientists to study many fundamental questions about welfare.

A second theme concerns what broadly speaking might be termed the *politics of welfare reform*. Several chapters deal with ideological currents found in the American political culture—including attitudes toward the role of government, dominant beliefs about the nature of inequality and dependency, and prevailing myths and misconceptions about welfare and poverty—and their implications for welfare reform. Other chapters cover the policy positions of significant actors and interest groups who have sought to influence the course of welfare reform. A final group of papers addresses aspects of the relationship between federal and state initiatives in reforming welfare and related assistance programs.

Taken together, these two broad themes—the nature of dependency and the politics of welfare reform—help to build a bridge between knowledge about welfare and poverty and what it is possible to do with this knowledge to guide and sustain reform initiatives within the constraints of political and economic reality.

## ORGANIZATION OF THE VOLUME

The volume is organized into four parts. Part one, which provides some historical background, consists of Jane Cotter's chapter on the evolution of policy reforms in AFDC and other social welfare programs originating with the New Deal. Cotter's analysis illuminates some of the disparities that have crept into the nation's social programs over the years, particularly between AFDC (which Cotter reminds us is after all "the program for children") and programs for the elderly and disabled. She notes that of the major public assistance programs, AFDC has evolved the least since its inception (as evi-

denced, for example, in the wide variations still found among the states in need standards and benefit levels). Not only has AFDC fallen behind other programs in budgetary terms, it has been isolated for special negative treatment in public attitudes, in the stigma attached to recipients, and in the exaggerated emphasis on the question of fraud and abuse. Cotter's list of major reforms needed in AFDC include removal of the deprivation of parental support criterion, enactment of uniform national standards for eligibility and benefit levels, and, finally, fundamental changes in the public perception of the program.

Part two consists of analytical perspectives on welfare drawn from political science, sociology, and economics.

Edward Harpham and Richard Scotch critically review the welfare reform ideologies of contemporary radical, liberal, and conservative critics, concluding that the ideologies of all three camps have failed to provide a sound basis for reforming welfare in the United States. For example, they note that Charles Murray's proposal, set forth in *Losing Ground*, to dismantle the American welfare state is out of step with the long-standing public consensus in favor of maintaining a wide range of basic governmentally sponsored social and economic protections. Likewise, neither the current sentiment of the American people nor present economic realities are hospitable to left-liberal proposals to enact large increases in spending to fight poverty. Harpham and Scotch conclude that the only feasible approach to welfare reform is to forge a "pragmatist consensus" on a modest reform agenda—one that accepts as givens both the institutionalized nature of existing programs, which realistically cannot be done away with, and the stringent budgetary conditions that exist now and are likely to continue into the foreseeable future. The authors' conclusion presages the 1988 welfare reform legislation that emerged out of a compromise between liberals and conservatives in Congress, but it also serves as a warning that proposals to increase spending for public assistance programs will likely remain in jeopardy as policy makers seek to reduce the federal deficit.

The chapter by Charles Lockhart also begins with the assumption that to succeed, welfare reform must attempt to reconcile, or at least bridge, opposing ideological currents present in American politics. Lockhart's analysis goes well beyond the incremental reform measures found in recent legislation. He notes that social insurance programs such as Social Security have been successful in distributing

benefits to broad segments of the population while at the same time maintaining high levels of public support. In contrast, public assistance programs have posed a much more difficult challenge: to be most effective benefits must be narrowly targeted, but targeting by means tests and related methods contributes to social stigma and conflict and undercuts the base of popular support. Lockhart's discussion of these issues underscores the point that the problems of the welfare poor are simply less tractable than those of other groups. As solutions he proposes gradually withdrawing most existing public assistance benefits from working age adults, restructuring of AFDC and related public assistance programs on a basis similar to successful social insurance programs, and facilitating welfare-recipient access to the labor market by increased provisions for child care and job training.

In the same section, my own paper explores the origins and consequences of myths and stereotypes related to welfare. I argue that common misconceptions about welfare represent more than simple lack of knowledge about poverty and economic dependency. These myths and stereotypes are deeply rooted in the dominant ideology of American society, and their existence owes much to enduring popular values and beliefs about the causes of poverty and the characteristics of the poor. I suggest that in the policy debate a variety of misconceptions borne of ideology has tended to divert the attention of the public and policy makers alike to problems of the welfare system that are blown out of proportion (e.g., the problem of fraud and abuse) or entirely unsubstantiated (e.g., the perceived overuse of social services by illegal immigrants). While recent social science research has provided the requisite "facts" to counter many of the prevailing welfare "myths," I conclude that knowledge alone is not enough; the reform of welfare programs needs to be accompanied by reforms in the terms of the welfare debate.

Chapters by Daniel Weinberg and Gary Burtless address the economics of welfare and speak directly to the issues of work requirements and program costs and benefits. In an exhaustive review of over 150 studies, Weinberg explores two contrasting views of welfare: one view holds that the poor have become mired in a state of dependency that welfare programs only exacerbate; the other view is that poverty is largely a short-term condition for which welfare programs provide essential temporary relief. He concludes that both views contain some truth, in large part reflecting a basic split within

the welfare dependent population between short- and long-term recipients. Policies aimed at one group of welfare recipients may not work for the other group. While Weinberg does not offer specific prescriptions for reform, his analysis has important policy implications in several areas, including "workfare" programs, family structure, youth unemployment, intergenerational dependency, migration, and child support enforcement. Overall, Weinberg's analysis suggests that although our understanding of the dynamics of welfare dependency has improved there is still much we do not know.

The chapter by Burtless is more narrowly focused on the impact of work requirements and job training programs for welfare recipients. He notes an emerging consensus in American society in favor of work requirements in welfare—a basic attitudinal change growing out of the changing patterns of female labor force participation in the larger population. More and more middle-class women with dependent children are employed outside the home, and this has led to a reconsideration of the exemptions from work for welfare mothers with young children. At the same time Burtless sees only modest gains to be made from work and training programs in welfare: such programs may do some good in some cases, but overall he concludes that the prospects of eliminating or even significantly reducing public assistance through such means is illusory. Given the emphasis on work requirements in recent welfare reforms, Burtless' conclusions should serve as an important cautionary note.

Part three covers the welfare reform policy positions of important political actors and interest groups in the debate of the 1980s. These proposals span the political and ideological spectrum. Daeley's chapter, entitled "Up From Dependency," summarizes the position of the Reagan Administration set forth in a wide-ranging and lengthy series of studies published from 1986 to 1988. The central thesis of this position is that current welfare programs act to diminish personal choice and individual responsibility, they encourage the receipt of welfare benefits over work, and they undermine the traditional role of the local community. The proposed solution is to devolve responsibility for welfare from the federal government to the states. While it is unlikely that the call for a radical decentralization of welfare will carry over to the new administration, the underlying support for such changes continues to be strong among American conservatives.

The following chapter by A. Sidney Johnson, III, outlines the position of the American Public Welfare Association, reflecting an

"emerging consensus" over welfare reform. The elements of this consensus include the idea of reciprocal obligations between individuals and society; the importance of work as the alternative to welfare; the responsibility of government to provide training and education required for employment; the need to link increased support services (such as child care, transportation, and medical care) to efforts to employ welfare mothers; enforcement of child support payments; and finally increases in welfare benefits. In addition, Johnson's chapter charts the progress of recent Congressional initiatives leading up to the passage of the legislation worked out by House and Senate negotiators in the summer and fall of 1988.

The bipartisan willingness to reach compromise on welfare reform is suggested in the following chapter presenting the welfare reform policy of the National Governors' Association (NGA). The NGA proposal calls for a job-oriented reform program emphasizing prevention of dependency. The purpose of such a program would be to transform welfare from a payment system with a minor work component into a jobs program backed by income assistance. This aspiration, however bipartisan and moderate, may not be realistic. Although recent changes in AFDC place increased emphasis on employment training for welfare recipients, it is doubtful that we are close to seeing the kind of reversal in the perception or reality of public assistance programs that the NGA proposes.

The last of the position papers describes the welfare reform proposal of the National Coalition on Women, Work, and Welfare. The coalition stresses many of the same elements (e.g., child support, expanded services) as the other reform proposals, but departs from the "emerging consensus" mainstream on the question of mandatory work requirements. The coalition proposal argues pointedly that poverty, not welfare, is the problem that needs to be redressed. As the solution, the coalition proposes federally supported income maintenance benefits equal to at least 100 percent of the established poverty level, with universal eligibility for all needy families based only on income that is actually available to the families seeking assistance. In addition, the coalition supports new federal and state initiatives in education, training, and employment for welfare recipients, but only if participation in such program is *voluntary*. A key premise of the coalition's position is that no welfare family should be placed at risk of having benefits punitively withdrawn as a result of failure to

participate in training or employment programs, or by refusal to accept a job. While a minority position in the recent debate, strong resistance to mandatory work requirements was voiced by Representative Augustus Hawkins (D-Cal.) and nine other members of the joint House and Senate committee who opposed such measures on the grounds that they were "slavefare," conjuring images of Victorian work houses.

Part four of the volume consists of two case studies of welfare or welfare-related reform initiatives in states of the American Southwest. These chapters each provide insights into how the unique political, economic, and cultural contexts of Texas and New Mexico have influenced the development of government programs for the poor. Both are states that, for different reasons, have historically lagged in developing social welfare programs.

Tomás Atencio describes the history and current prospects of welfare reform in relation to the traditional, rural Hispanic communities of northern New Mexico. His thesis is that welfare programs based on a model of urban-industrial society have from the very start been incongruent with the "social and cultural antecedents" of these communities, and that current proposals at the state level for welfare reform are similarly misguided. As an alternative to conventional welfare policies Atencio suggests a reform strategy that builds on traditional elements of the rural region's culture and social relations, an approach he sees as the only way to improve the "post industrial" economic circumstances of a people who were for the most part bypassed by the development of urban-industrial society.

The chapter by Philip Armour describes the recent enactment of indigent health care legislation in Texas. Although its focus is on health care rather than AFDC, Armour's analysis is nonetheless valuable in helping to understand the dynamics of policy reform at the state level. His discussion sheds light on the interaction of policies at the national and state levels, and while the focus of his attention is health care, the policy making setting he describes shares many common features with state efforts nationwide to reform welfare. Specifically, Armour's discussion of policy reform in Texas is suggestive of what states may be able or forced to do in the absence of uniform national policies. Equally important, Armour provides a detailed account of how such efforts at the state level can be made to succeed despite adverse political conditions.

## PROSPECTS FOR CONTINUING REFORM

Passage of the Family Support Act of 1988 marked a significant milestone in American social politics, but it did not mark the end of the road of welfare reform. The 1988 legislation has raised expectations that will be difficult—some would say impossible—to fulfil. Heralded as the first major overhaul of the welfare system in fifty years, in many respects the 1988 law is a modest initiative: it includes new requirements for job training or education for AFDC recipients, provisions for one year of day care assistance and continuation of Medicaid eligibility to ease the transition from welfare to work, stepped up enforcement of child support payments, and limited expansion of benefits to two-parent families. While these changes are not inconsequential, they leave many problems and issues unresolved. To illustrate this point, I will conclude by addressing two questions: Why has welfare proved so hard to reform? What can be expected (and not expected) as a result of recent reforms?

Partial answers to these questions can be found in the two main themes of this volume. One explanation of the widely perceived failure in previous attempts at welfare reform has to do with the sheer magnitude and complexity of the social and economic problems afflicting the welfare dependent population. The simple fact is that there is still much that we do not know about the dynamics of dependency. Although access to cash and in-kind benefits is essential to improving the lives of welfare recipients, in many cases such aid leaves the root causes of dependency untouched. In both its origins and effects welfare is inherently more complex than income maintenance programs targeted at other groups at risk of being poor, such as the elderly or the disabled, and so it has been more difficult to arrive at acceptable, much less ideal, solutions.

Another major factor inhibiting effective welfare reform has been the political vulnerability of the AFDC program and the clientele it serves. AFDC has scant support among the general public: time and again public opinion surveys have identified "welfare" as an area in which Americans would like to see government expenditures trimmed. The constituents of AFDC (single mothers and their dependent children) are (correctly) perceived to have little political clout. Compared to the elderly and many other social program constituencies the welfare poor are not strategically positioned or very well-equipped to compete in the struggle for their share of govern-

mental budgets. They have suffered as a result, with welfare benefits eroding over the past decade and welfare programs, unlike Social Security, most definitely “on the table” in political discussions of how to cut government spending.

Finally, there are the unrealistic expectations with which welfare programs have been burdened. Poverty and social problems do not begin with public assistance programs, nor will they end with welfare reform. Nonetheless, welfare programs have often shouldered the blame for the persistence of poverty and dependency. The fact is that welfare is only one part—and a relatively small one at that—of a social and economic system that generates a large amount of inequality, material deprivation, and social pathology. Welfare has often served as the whipping boy for endemic failures of the American political economy.

What, then, is the significance of the recent reform measures? Clearly, the strategy that has been singled out for emphasis is to increase job training, education, and work opportunities for welfare recipients. The broad agreement on the need to link work and welfare reveals little, however, about how the two will actually be combined and, more importantly, what effect such measures will have on welfare dependency. At its worst, such “reform” amounts to little more than enforcing rigid work and training requirements, no matter what the circumstances of the individual or local economic conditions. At best, increased emphasis on education and job training may encourage development of real employment opportunities—meaning stable, full-time employment at a living wage—for those who move off welfare by getting a job. It remains to be seen which variant actually emerges at the state level as a result of the 1988 federal legislation. Barring some major change in the economy, providing meaningful employment opportunities will entail higher levels of government spending than is currently planned. Equally important, if past experience is any guide, such schemes will have only a modest impact on reducing welfare dependency.

Similarly, providing expanded child care services for welfare mothers poses difficult challenges of implementation. Nearly everyone accepts the idea that child care needs to be more widely available, but in practice services of even minimally acceptable quality are extremely expensive to provide. How much are we willing to pay for child care so that single mothers of young children can move off the welfare rolls? Is what we are willing to pay enough?



The same argument applies to raising welfare benefits to a level approaching adequacy. While few would be willing to defend the existing benefit structure, improving benefits will cost money: how much depends on whether the benefits in “low” states are brought up to some minimum national standard, or, costlier still, if welfare and other public assistance programs are redesigned to be effective in lifting recipients out of poverty. Generating political support for increased welfare benefits has always been difficult—and the prospects for any improvement are bleak. For example, although the Family Support Act of 1988 calls for increased welfare spending of some \$3.3 billion over five years (less than half of the \$7 billion the original House bill provided), it makes no provision for increased benefit levels. Moreover, the continuing problem of the federal budget deficit may place even these modest gains at risk.

How much the nation is willing to pay for welfare reform is, of course, important. But perhaps even more important is the question of what expectations are attached to reforms at the outset. One danger is that relatively limited changes will be oversold, encouraging a false sense of confidence that the problems of welfare dependency and poverty have been resolved. If it is miracles we are seeking, experience teaches that they may be hard to come by at any price—and that disappointment is not necessarily inexpensive.