

Making Illegitimacy Inconvenient

THE HARD TRUTH ABOUT WELFARE REFORM

Douglas J. Besharov

OFFICIAL WASHINGTON is now in the midst of yet another effort to reform the nation's welfare system. But this time something is different: After 30 years of denial, almost everyone now agrees that real reform requires doing something about out-of-wedlock births, especially among teenagers. So far, though, most welfare planners are trying 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.

Attention is finally being focused on illegitimacy because the problem has simply grown too large to ignore. In 1991, about 30 percent of American children were born out of wedlock, reflecting a steady increase from 1960, when the figure was only 5 percent. More than one million children were born out of wedlock in 1990; over a third were to teenagers, often after they had dropped out of school.

Illegitimacy is not just a problem among black Americans. Although out-of-wedlock birth rates are much higher for blacks than for whites, they are rising faster among whites. In fact, since 1980, 776,000 more white babies than black have been born out of wedlock.

"The majority of teen mothers end up on welfare, and taxpayers paid about \$29 billion in 1991 to assist families begun by a teenager," reports President Clinton's Working Group on Welfare Reform. The bulk of long-term welfare recipients are young, unmarried mothers, most of whom had their first baby as teenagers.

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Unwed mothers now head half the families on welfare, double the proportion in 1970, further swelling the already-large number of long-term welfare dependents. According to the House Ways and Means Committee, unwed mothers average almost ten years on welfare, twice as long as divorced mothers. (The differences are actually greater because many unwed mothers later marry, although often for a short time, so they get counted in the divorced group.)

Make Work Pay?

As these facts become better-known, agreement grows that reducing long-term dependency requires doing something constructive about the young unwed mothers who go on welfare in such large numbers—and stay there. But what?

President Clinton would start with up to two years of job training and education for all recipients. Unfortunately, even the best job training programs have had little success in helping these young unwed mothers to become economically self-sufficient. Five percent reductions in welfare rolls are considered major accomplishments—not nearly enough to "end welfare as we know it," Bill Clinton's much-repeated campaign pledge.

Since the late 1960s, many state and local agencies have tried various approaches. Even richly funded demonstration programs find it exceedingly difficult to improve the ability of young women on welfare to care for their children, let alone to become economically self-sufficient. Earnings improvements in the realm of 6 percent are considered successes. (Most programs don't even try to do something with the young fathers.)

In 1985, for example, California established the Greater Avenues for Independence (GAIN) Program, an education and training project for women on welfare. A six-county evaluation found that, over two years, average earnings for single parents increased by 20 percent (\$266 in the first year of the study and \$519 in the second), three or four times

the usual experience for such programs—but total earnings reached only \$4,620. The county with the greatest improvement, Riverside, was able to increase earnings by \$2,099, although average total earnings over two years were still less than \$6,000—not nearly enough to lift these single mothers off welfare. The welfare rolls declined by only 5 percent in Riverside, and by a statistically insignificant amount across all of the counties.

Job training programs fail because they cannot overcome the financial mathematics of welfare dependency. A young girl who drops out of high school and then has two children (as do most long-term recipients) is all but trapped on welfare by the limits of her earning capacity compared to the size of contemporary welfare benefits. Even if she gets a job, she quickly realizes that she did just about as well on welfare as at work—with much less effort.

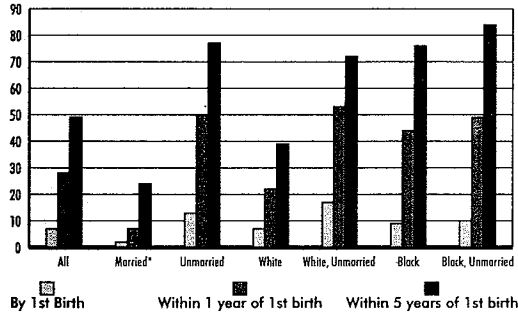
This is why Clinton also proposes a time-limit on welfare benefits. If, after two years, a welfare mother does not get a job, he says that she should be placed in a public service job. The job is supposed to give her work experience and to serve as an incentive to get off welfare, since she will have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

The evidence, however, suggests that work requirements do not reduce caseloads, at least not immediately. An initial evaluation of Ohio's workfare program found an impressive 34 percent reduction in caseloads for two-parent welfare households but only a modest 11 percent reduction among female-headed households. Even these results, however, have been called into question by subsequent analysis.

Worse, last September, the Manpower Demonstration Research Corporation (MDRC) recently reviewed the impacts of the mandatory work programs in West Virginia; Cook County, Illinois; and in two sites in San Diego, California. In none of the sites were welfare payments reduced because of work requirements.

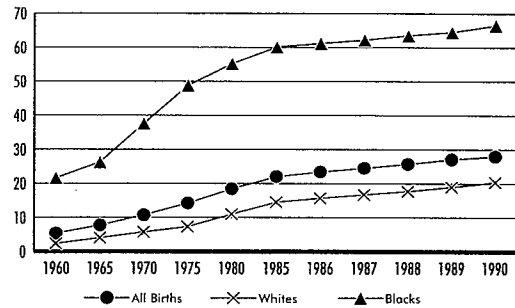
It should not be surprising that most single mothers stay on welfare, even after they are forced to work for their benefits. Their "welfare job" may be better than anything they can get in the real world of work, it is probably less demanding than an actual job, and there will be little chance of being 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.

PERCENTAGE OF ADOLESCENT MOTHERS RECEIVING AFDC BENEFITS



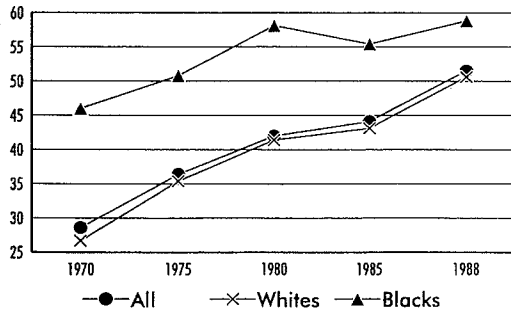
*marital status for all categories is counted at time of first conception.
Source: Congressional Budget Office, Sources of Support for Adolescent Mothers (Sept. 1990).

BIRTHS TO UNMARRIED MOTHERS BY PERCENT



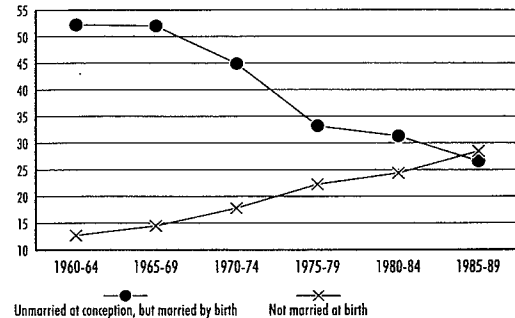
Source: Statistical Abstracts

PERCENTAGE OF WOMEN 15-19 WHO HAVE HAD PREMARITAL SEX



Source: Div. of Vital Statistics & STD/HIV Prevention, 1991

PERCENTAGES OF FIRST BIRTHS BY MOTHER'S MARITAL STATUS



Source: Current Population Reports, Fertility of American Women, June 1990.

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

Increasing Welfare's "Inconvenience"

Surgeon General Joycelyn Elders often cites a 1988 survey in which 87 percent of unwed teen mothers said that their babies' births were "intended." But this includes 63 percent 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 percent 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 welfare reform.

Increasing the life prospects of disadvantaged teens is, of course, the best way to raise the opportunity costs of having a baby out of wedlock.

Because those young people who have the most to look forward to are the most responsible about their sexual practices, it is not too much of an exaggeration to say that a good education and real job opportunities are the best contraceptives.

Nevertheless, welfare policies also can raise the opportunity costs of illegitimacy. The ultimate "inconvenience," of course, would be to deny welfare benefits altogether. But, although this position is gaining adherents, it is still unacceptable to most people.

There is, however, a less drastic way to make welfare more inconvenient for unwed mothers: 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 prior-

ity 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. However, the political pressure from unions will be for these public service positions to be "real jobs" at "decent wages." But, 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, that is, on tasks that offer the discipline of job attendance and the boost to self-esteem that come with work. 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 community nonprofit agencies, mail clerks for city agencies, assistants in day care programs for children or handicapped adults, helpers in public works department sweeping and repairing streets, and gardening in city parks. And, although the work requirement did not immediately reduce caseloads, in three of the four sites, the value of the services rendered together with other savings exceeded the program's cost to taxpayers.

Such activities probably also raise the self-discipline, social contacts, and skills of participants, and, therefore, their employability. This is all positive. However, it would be quite enough if the mandated work merely raised 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 also 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.)

These requirements should not be considered punitive or vindictive, nor should they be implemented in a way that makes them so. Inactivity is bad for everyone. For young mothers on welfare, it can be even more dispiriting, spiraling some toward immobilizing depression. Child abuse, drug abuse, and a host of social problems are associated with long-term welfare dependency. A work requirement will help to reduce social isolation.

In addition, the welfare mother's parental responsibilities should be respected. A key argument in the debate about requiring welfare mothers to work is that, since so many middle-class mothers are now working, there is nothing wrong with ex-

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