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Abstract
In this paper, I argue that the current version of welfare reform has been motivated by a symbolic movement to restore the U.S. as a land of opportunity. The tacit belief behind this movement is that too many of America's poor have given up on the American dream. I argue that the 1996 welfare-to-work law is inadequate during periods of economic recession. The devolution of social responsibility to the states, implemented in the midst of an unprecedented expansion left many of America's most vulnerable groups in peril during the ensuing economic downturn. The next stage of welfare reform will need to address the multifaceted challenges of finding employment for welfare recipients through a sustainable social policy. Such a policy will need to be built upon the understanding that the success of any welfare-to-work law will require both Federal-state partnerships and state-county partnerships.

Introduction

Prior to the passage of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) it would have been difficult to find newspapers articles describing structural barriers such as transportation and childcare faced by welfare mothers struggling to find gainful employment. Researchers have repeatedly demonstrated that the popular media has unfairly focused on the few aberrant cases of abuse to portray welfare mothers as "welfare queens" undeserving of government assistance.[1] This distorted portrayal of women on welfare has fostered several folk perceptions that ignore the unique barriers facing many single mothers as they attempt to find employment and get out of poverty. Moreover, the folk perceptions have devalued the "full range of life experiences" of women on welfare to a small set of pejorative stereotypes (Gans 1995; Seccombre 1999).

These pejorative stereotypes augmented long-standing perceptions that the increasing welfare caseloads in the late 1980s and early 1990s were largely the result of "self-imposed" barriers. Advocates of welfare reform

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argued that many recipients were not taking responsibility for their socio-economic position. They also argued that by encouraging people to remain on welfare, government assistance was "Anti-Family," "Anti-Work," and "Anti-American." The solution, in their view, was for government to encourage "welfare mothers" to get off public aid and find employment (Murray 1984; Mead 1986). National polls confirmed public support for this sentiment.

The polls showed a majority of Americans believed that "most able-bodied people on welfare prefer to sit home and collect benefits even if they can work," and that "most people who receive welfare payments are taking advantage of the system" (Gilens 1999). Fueled by declining public support for the U.S. welfare system, political consensus shifted toward dismantling a broken welfare system.

Prior to the 1996 welfare-to-work law, the U.S. Department of Health and Human Services gave states waivers to experiment with the AFDC program design. Wisconsin and Michigan were the most aggressive states that used the waivers to experiment with the AFDC rules. Forty-one states followed Wisconsin and Michigan and applied and were granted waivers before PRWORA was enacted. Many of the rules that the states created were used to frame the core principles of the 1996 welfare-to-work law. The success of these waivers built momentum to give state complete freedom to design their AFDC program. Congress was convinced that the best method to reduce welfare caseloads was to give states the authority and autonomy to develop state specific programs. The 1996 welfare-to-work revolution did not begin in 1996. The welfare-to-work revolution began in the early 1990s, and PRWORA simply accelerated the revolution in devolution of welfare policy to the states.

The post welfare-to-work debate highlighted structural barriers that have traditionally hindered the employment opportunities of welfare recipients. If welfare mothers were going to be successful in a post welfare-to-work era, the government needed to help mothers overcome inadequate public and private transportation options, insufficient childcare services, and dated job skills. A significant part of the public policy discussion also shifted to neighborhoods and how welfare recipients' barriers were compounded by the fact that they lived in neighborhoods that were not likely to produce jobs for the community or provide the type of transportation services to get them to jobs outside their neighborhood (O'Regan and Quigley 1998; Smeltzer 1999; Editors 2000; Galarza 2000; May 2000; Sawicki and

Moody 2000; Thomas 2001).The American Dream in an Era of Welfare Reform

The passage of PRWORA not only changed the "structure of welfare financing, administration, and participation," but it also was an important symbolic step. The process of devolution of authority to states did increase the ability of states to pursue innovation as they worked to reduce the numbers of households receiving public assistance. However, the importance of PRWORA stretched beyond this structural shift. It also had tremendous symbolic significance as an achievement in the movement to restore the American dream to the poor (Schram and Soss 1998).

At the heart of this movement was a belief that too many of nation's poor had given up on the American dream and were not pursuing the opportunities available to them in the U.S. Many poor Americans believe that there are plenty of opportunities, but they believe the opportunities are only for certain people who are connected to certain groups or have the right last name (Stier and Tienda 2001). To restore the pillars of the American dream, (e.g., equal participation, anticipation of success, success is from individual volition, and virtue) lawmakers crafted a law that emphasized personal responsibility, strong work incentives, economic security, and opportunity (Hochschild 1995).[2]

Researchers have argued that the principle of equal opportunity is central to the consensus supporting the American system. Galster (1996) noted that "in a fundamental sense the success of the American experiment in democracy depends on a widespread symbolic public belief in both the principle and the presence of equal opportunity regardless of geography". Increasingly, however, U.S. cities have become more spatially segregated along socio-economic and ethno-racial lines. The configuration contributes to a "landscape of exclusion" from opportunity that may invariably change a person's quality of life (Sibley 1995). The American dream is vanishing for many Americans, and for the poor the dream is becoming more difficult to achieve and "for too many of our inner-city residents, especially members of racial-ethnic minority groups, equal opportunity has become a sham in light of forces leading to intensifying and, apparently, permanent socioeconomic polarization" (Galster 1996).

This problem is compounded by the fact that the spatial and social isolation of welfare recipients is very different for each racial group. Researchers generally agree that neighborhoods influence welfare participation in two ways. First, if an individual lives in a neighborhood that has a high concentration of welfare recipients then the stigma association with welfare use is reduced. Second, if an individual lives in a neighborhood with few alternatives to welfare, then the individual will be more likely to use welfare to make ends meet (Moffitt 1983; Osterman 1991; Tienda 1991). My recent research shows, that in 1998, unemployed white welfare users were less likely to live in poor neighborhoods, which on average had a lower family poverty rate (16%) compared to unemployed black (30%) and Latino (20%) welfare users, respectively. In 1998, white unemployed welfare users lived in neighborhoods that were 88% percent white and 4% black. This compares to black unemployed welfare users that lived in neighborhoods that were 35% white and 56% black. Unemployed Latino welfare users lived in the most diverse neighborhoods followed by black and white unemployed welfare users (Sandoval 2002).

In an effort to address the spatial and social isolation of welfare recipients and the paroxysmal criticism by academics, lawmakers used PRWORA as a means to restore the belief in equal opportunity. By setting a strict limit of lifetime benefits, they hoped to address the chronic dependency they associated with welfare participation. The goals of PRWORA were to replace a system that many believed discouraged personal responsibility, curbed individual choice, and devalued work — with a system providing incentives to encourage work and responsibility (Committee for Economic Development 2000).

The most controversial parts of the legislation were the five-year lifetime limit on public assistance and a mandatory work requirement after two years on public assistance. With these two-time requirements, reformers were directly confronting the thesis that the current system encouraged recidivism and fostered long-term welfare participation, which then led to a vicious cycle of unemployment and unhealthy lifestyle choices. The 1996 welfare reform law was designed to reestablish a strong work ethos, addressing the unpredictable work activity and weak labor market attachments "associated with chronic welfare participation" (Hochschild 1995; Wilson 1996; Stier and Tienda 2001).

Moreover, reformers also believed that increased labor force participation by recipients, would allow them to experience and anticipate success. In turn, the increase in self-esteem and self-worth, wouldlead former welfare recipients to become more self-motivated to succeed. With this "helpful push" toward individual volition reformers argued that episodes of poverty and welfare participation could not be blamed on the structural flaws in the economy, but on choices individuals make during their adulthood.[3]

Finally, PRWORA eliminated AFDC, which removed the entitlement status of government assistance and replaced it with a Temporary Assistance for Needy Families (TANF) program. By replacing AFDC with TANF, the architects of PRWORA believed they could limit the social pathologies that locked individuals into a chronic pattern of dependency. The new welfare program was designed to provide temporary aid for families having difficulty making ends meet. More importantly, TANF, with the exception of the federal time limits and work requirements, gave states autonomy to address their state specific challenges.

PRWORA also created a process to unlock state bureaucracies to release resources that foster "pathways" out of welfare participation and into legitimate employment opportunities.[4] Again, such a shift was seen as critical to help single mothers and their children get out of poverty. Evaluation of PRWORA's success in restoring the America dream have produced mixed results. For example, studies suggest the goal of increased work participation was somewhat successful, with the number of employed welfare recipients increasing from 22% to 34% (Bavier 1999). Even when recipients entered the work force and left welfare, the result was not always permanent economic independence; roughly 30% of those who left TANF between 1995 and 1997 have subsequently returned to public assistance (Loprest 1999). The news is more encouraging for welfare recipients who left TANF all together. Nearly 70% of respondents from a national study reported that they left TANF because of increased earning or employment (Loprest 1999).

In spite of Americans desire to instill a strong work ethos among the poor, such an outcome depends heavily upon a strong labor market. The booming economy and tight labor market unquestionably facilitated the movement from welfare participation to workforce participation. As the economy weakens and jobs become more difficult to find, key questions are raised. Will the dramatic reduction in welfare rolls continue and/or workforce participation decline? Will welfare rolls return to their pre 1996 levels?

The current state of the economy raises an interesting challenge for states. What will happen to former welfare recipients who loose their jobs and are forced to compete for new jobs with current welfare recipients also seeking employment opportunities? The current economic downturn will test the belief that PRWORA has successfully restored the American dream for the poor. If PRWORA's success was due largely to a surging economy, then the current version of welfare reform will be inadequate during economic downturns or periods of limited job growth. This distinction between economic growth and job growth is important since job growth usually lags behind economic recovery measured in output terms. The type of rules that most states adopted will certainly put many poor women at risk during economic downturns. For example, the strict work requirements adopted by many states will be difficult to fulfill if jobs are not created for welfare recipients. If welfare recipients are not able to meet the work requirements they will be penalized for noncompliance. In general, noncompliance will result in reduced benefits, increased work requirements, and in the worse case, termination of all benefits. It is uncertain how states will treat work noncompliance during economic downturns. What is certain, welfare recipients that exhaust their five-year time limit and can't find employment will become entirely dependent on state aid or the non-profit sector. However, the amount of state aid will be highly correlated with the state's economic performance. States with a budget surplus may be more likely to extend aid to recipients that cannot find work. States with a budget deficit will be less likely to extend aid in spite of rising need.

As the economy sputters, the successes of welfare caseload decline are already being erased by the current economic downturns. For example, New York City experienced an increase in welfare participation in the latter part of 2001 (Hernandez and Bernstein 2002).[5] Even though PRWORA supporters argue that New York City is an anomaly because of the September 11th events, a new report by National Governors' Association shows that thirty-three states reported an increase in welfare caseloads between March 2001 and September 2001 (Hernandez and Bernstein 2002).

Across the U.S., governors have expressed concern about the states' ability to meet the goals to reduce welfare rolls and to place welfare mothers in jobs given the current financing structure of TANF. The combined effect of declining state surpluses and a small federal emergency fund is leading states to repeatedly express concern that many welfare-to-work programs are in jeopardy of being eliminated. Economists are predicting a 15% to

20% increase of welfare cases if the unemployment rates rise above 7% (Boushey, Brocht et al. 2001). These predictions have persuaded many states to acknowledge that years of strong revenue growth gave them a false sense of security regarding their ability to fund welfare reform programs during an economic recession (Babington 2001). The economic uncertainty has sparked a new debate about the state's role in providing a "safety net" for the most needy. The momentum created by the devolution of social responsibility to the states in a time of economic expansion placed many of America's most vulnerable in peril now that employment is more difficult to find and maintain.

Poverty and Welfare

Lost in the debate, about PRWORA and its success, is the fact that the 1996 welfare-to-work law was not a law to eliminate poverty. Rather, its aim was to reduce welfare rolls (Cammisa 1998). The 1996 welfare-to-work law outlined a few specific national welfare policies (e.g., time limits and work requirements), but its primary legacy is devolution—giving states the flexibility and freedom to formulate innovative programs to encourage economic self-sufficiency (National Research Council 2001).

The 1996 version of welfare reform encourages states to continue to evaluate its success and failures in an effort to improve social services for the needy. By reducing welfare participation and increasing work participation, lawmakers hoped that poverty would decrease. Additionally, the principle characteristics of PRWORA gave the appearance that the law was designed to tackle poverty by encouraging welfare recipients to become economically self-sufficient. However, the reality of the reforms' impact demonstrates the limitation of such beliefs.

Although poverty has declined since 1996, the extent to which PRWORA is responsible for the shift is debatable. Figure 1, shows that poverty rates among single headed households were dropping at a rate corresponding to the decline in welfare participation. However, figure 2, shows that by 2000 the gap between the welfare participation rate and the poverty rate was at its largest since 1974. The two figures suggest that although large numbers of welfare recipients are moving off TANF, single women with children are moving out of poverty more slowly.

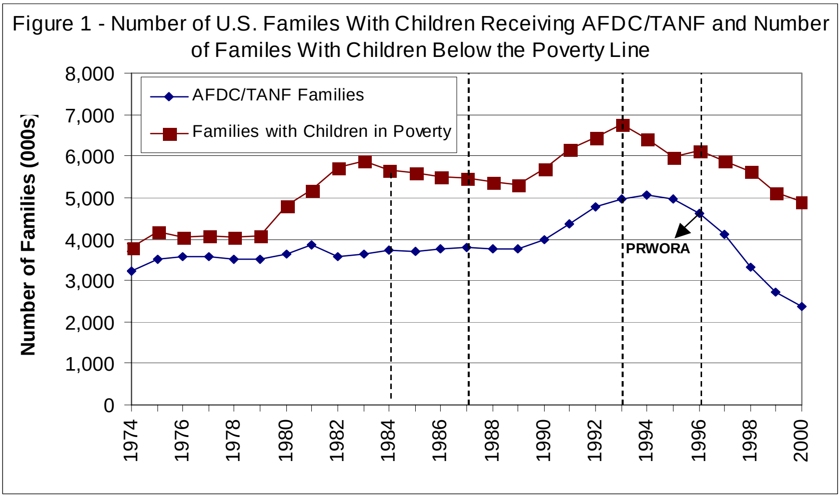
Figure 1 - Number of U.S. Familes With Children Receiving AFDC/TANF and Number of Familes With Children Below the Poverty Line
Number of Families (000s)
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
AFDC/TANF Families
Families with Children in Poverty
PRWORA
1974
1976
1978
1980
1982
1984
1986
1988
1990
1992
1994
1996
1998
2000

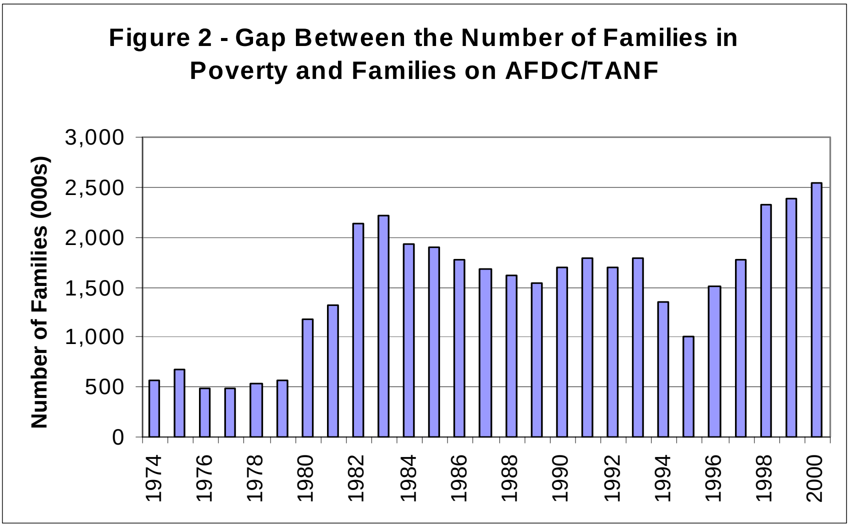
Figure 2 - Gap Between the Number of Families in Poverty and Families on AFDC/TANF
Number of Families (000s)
3,000
2,500
2,000
1,500
1,000
500
0
1974
1976
1978
1980
1982
1984
1986
1988
1990
1992
1994
1996
1998
2000

The Welfare Participation in an Era of Welfare Reform

Every index used to measure AFDC/TANF enrollment since 1994, shows an unprecedented, widespread, and continuous decline of families and recipients on AFDC/TANF. Between January of 1994 and January of 2000, the number of U.S. recipients on public assistance fell by 56% and the family participation rate fell by 60%. (See Table 1) Since the passage of PRWORA in 1996, approximately 3 million recipients left the TANF rolls.

Table 1 - Number of Welfare Families and Recipeitns by Year (1,000)

	PRE Welfare Reform				Post Welfare Reform				Total # Left Public Assistance	Percent Decline
	Jan.1994	Jan.1995	Jan.1996	Aug. 1996	Jan.1997	Jan.1998	Jan.1999	Jan.2000	Between 1994 and 2000	Between 1994 and 2000
Families	5,053	4,963	4,628	4,415	4,114	3,305	2,734	2,208	**2,845**	**56%**
Recipients	14,276	13,931	12,877	12,241	11,423	9,132	7,455	5,781	**8,495**	**60%**

Source: U.S. Health and Human Services

From August 1996 to January 1997, the number of recipients dropped by 818,482. In the following twelve months, from January 1997 to January1998, the number of recipients dropped by an additional 2,291,291. Approximately 3 million recipients left the TANF rolls in the eighteen months since the passage of PRWORA. However, the caseloads started to decline prior to 1996. From January 1994 to January 1995, the number of recipients dropped by 344,924, and from January 1995 to January 1996, the number of recipients dropped by 1,054,292. From January 1996 to August 1996, the number of recipients dropped by 636,000. If we look at the thirty months prior to PRWORA, the number of recipients dropped by 2,035,000. Compared this to thirty months after PRWORA and the number of recipients drop by 4,786,000. Of all the recipients that left the welfare rolls since 1994, 24% left prior August 1996. Fifty-six percent of these families left between August 1996 and January 1999. Nationally, between 1996 and 2000 the caseloads fell from 155 to 67 recipients for every 1,000 females 18-64. This represents a 57% decline in recipients per capita.

Examining trends by region also helps to examine the relationship between welfare reform and declining caseloads.[6] Among the major regions in the country, all experienced at least a 50% decrease in the absolute number of TANF recipients and families. Each also experienced a 50% decrease in the number of TANF recipients per capita. The West had the largest decrease in recipients per capita (131 per 1,000) followed by the Midwest

(85 per 1,000), East (83 per 1,000), South (81 per 1,000), and Plains/ Mountain region (56 per 1,000).

Regional differences can also be seen in terms of the share of households receiving assistance. In 1996, there were 47 households on assistance for every 1000 households in the United States. By 2000, this number dropped to 21 per 1000 households. This represents a 56% decrease in the share of households receiving assistance. The West had the largest decrease in families per household (35 per 1000). Three regions, East, Midwest, and South were tied for the second largest decrease in families per household (25 per 1,000) followed by the Plains/Mountain region (18 per 1,000).

Although the Plains/Mountain region had the smallest decrease in families per household and recipients per capita, this region, in 2000, had the lowest family per household and recipient per capita of all the regions (13 and 45, respectively). The South had the second lowest family per household and recipient per capita (15 and 46, respectively) followed by the Midwest, (18 and 63, respectively), the East (24 and 78, respectively) and the West region (37 and 113, respectively). (See Table 2)

Table 2 - TANF Recipients and TANF Families by Region by Year

	Region	1996	1997	1998	1999	2000	% Decline 2000-1996
TANF Recipients Per 1000 Females 18-64	East	160	142	121	98	78	0.52
	Midwest	147	129	102	81	63	0.58
	South	127	106	73	56	46	0.64
	Plains/Mountain	102	86	61	53	45	0.55
	West	244	224	191	158	113	0.54
	U.S.	155	136	107	86	67	0.57
TANF Families Per 1000 Houeholds	East	50	44	38	31	24	0.51
	Midwest	43	38	30	24	18	0.58
	South	40	34	24	19	15	0.63
	Plains/Mountain	30	26	18	16	13	0.58
	West	73	66	56	48	37	0.49
	U.S.	47	41	33	27	21	0.56

Source: Recipient rates are calculated by author.

Within regions, a tremendous amount of variation in welfare participation from 1996 to 2000 can also be seen. (See Map 1) Idaho has the largest percent decrease of welfare recipients per capita (95%), followed by

Wyoming (92%) and Oklahoma (88%). Rhode Island had the smallest percent decrease of welfare recipients per capita (26%), followed by Delaware (28%) and Alaska (31%). In 1996, Idaho and New Hampshire had the smallest recipient per capita rate (67 per 1,000), followed by Utah (70 per 1,000). As of 2000, Idaho had the smallest recipient per capita rate (4 per 1,000), followed by Wyoming (8 per 1,000) and Oklahoma (13 per 1,000). In 1996, The District of Columbia had the largest recipient per capita rate (377 per 1,000) followed by California (278 per 1,000) and New York (209 per 1,000). By 2000, in spite of an overall drop, the District of Columbia still had the largest recipient per capita rate (241 per 1,000), followed by Rhode Island (148 per 1,000) and Alaska (135 per 1,000) (See Map 2).

Measured in terms of declining caseloads, welfare reform was working in all states. On the other hand, the data provides evidence that some states experienced greater reductions in caseloads than other states. Such an uneven caseload decline throughout the United States has changed the geography of welfare participation and in turn the landscape of vulnerability. Such regional differences have created a potential social crisis. However, the forthcoming reauthorization of PRWORA gives policy makers and researchers an opportunity to refocus the welfare reform debate. There is a critical need to identify research to facilitate the development of policy that is sound even in times of an economic recession.

Figure 3 - Major Welfare Legislation and Urban Poverty Policy

1349	Statute of Laborers Act
1601	English Poor Laws
1815	Outdoor relief establish
1845	Indoor relief (Poorhouses) established
1870	Scientific Charity Organization established
1935	New Deal (Social Security Act)
1935	Aid to Dependent Children Act
1956	Congress attempts to reform ADC by encourage projects designed to reduce dependency
1961	Congress attempts to reform ADC by denying aid to unemployed parents who refuse to work
1962	Aid to Dependent Children changed to Aid to Families with Dependent Children
1962	Manpower Development Training Act
1964	War on Poverty
1964	Economic Opportunity Act
1966	Model Cities
1968	Work Incentive Programs created
1969	Family Assistance Plan
1973	Comprehensive Employment and Training Act
1974	Community Development Block Grants
1975	Earned Income Tax Credit
1977	Program for Better Jobs and Income
1977	Community Reinvestment Act
1981	Community Work Experience Programs
1981	Omnibus Budget Reconciliation Act
1982	Job Training Partnership Act
1984	Deficit Reduction Act of 1984
1988	Family Support Act of 1988
1993	EITC Expansion
1993	Enterprise Zones and Empowerment Zones
1996	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
2002	Reauthorization of the Personal Responsibility and Work Opportunity Reconciliation Act

Source: Handler, Joel F. The Poverty of Welfare Reform. New Haven: Yale University Press, 1995. MaCurdy, Thomas, David Mancuso, and Margaret O'Brien-Stain. "The Rise and Fall of California's Welfare Caseload: Types and Regions, 1980-1999.". San Francisco

The Evolving Nature of Welfare Reform

The 1996 welfare-to-work law is the latest and most ambitious effort to revamp a public welfare system in disarray (See Figure 3). PRWORA marked a historic shift in social policy by giving states the freedom to design and implement innovative programs to match their specific needs. The 2002 reauthorization bill will mark another evolution of social policy in the U.S. Up until now, the "success" of welfare reform has been too narrowly defined by the reduction of welfare caseloads. Given the historic and symbolic importance of devolving welfare policy to the states, the definition of success must be expanded to become multi-dimensional.

The next stage of welfare reform research; therefore, needs to focus on developing this new definition of success. In this regard, research should focus on three levels: (1) distinguishing between caseload reductions attributable to reforms versus reductions attributable to improving macro-economic conditions; (2) trends in welfare caseload reductions by race; and (3) emerging state welfare regimes and trends in state TANF rules.

While much attention has been given to the role of macro-economic conditions versus PRWORA initiated reforms in reducing welfare caseloads, little attention has been given to cataloging trends in TANF policy and their variations from state to state. Quantitative evaluations that have attempted to account for caseload decline using simplistic variables to represent reforms are fundamentally flawed. A single "dummy variable" or other simple metrics fail to capture the variation in the design and implementation of state TANF policy. Indeed, state TANF policy can vary across at least 12 different categories:

(1) Diversion program (diverting people from applying for benefits);
(2) Family eligibility (determine which families are potentially eligible);
(3) Individual eligibility (determine which people in a family are potentially eligible);
(4) Assets (determine the amount of assets a family can have and still be eligible);
(5) Definition of income (determine how is income counted);
(6) Income on hand (determine the amount of income a family can have and be eligible);
(7) Benefits (determine if family passes all eligibility tests, what is the amount of their benefit);
(8) Child support (determine what are a recipient family's child support requirements);

(9) Social contract (determine what are a recipient family's behavioral requirements);
(10) Work requirements (determine what are a recipient family's work-related activities requirements);
(11) Time limits (determine how long can a family receive benefits);
(12) Transitional benefits (determine what happens after a family no longer receives benefits) (Rowe 2000).

Given that states have the opportunity to design revolutionary TANF policy, one would think that the welfare-to-work literature would addresses these areas. However, there are only a handful of studies that have examined the design or implementation of TANF policies at the state or local level (Begala and Bethel 1992; Francis 1998; Howard 1999; Iverson 2000; Rowe 2000).[7]

A second area of needed research is the implications of state TANF policy. Each state policy design choice has implications across at least five areas: (1) asset accumulation; (2) eligibility requirements; (3) exemptions and sanctions; (4) diversion programs; and (5) time limits. Some policies are intended to help people become economically secure, while other policies are intended to get welfare recipients off TANF as soon as possible, and other policies are intended to divert needy mothers from getting on TANF in the first place. The structural consolidation and implementation of different TANF policies may account for the unevenness of welfare caseload reductions from state to state (Hughes 1997).

A third major area of research is the inter-regional implications of the differences in state TANF policy. With such substantial variations, it is conceivable that different types of state welfare regimes are creating geographies of *vulnerability* or *opportunity*.[8] There are at least fifty-one welfare states that have different names, financing structures, and requirements. The disintegration of the welfare state raises several questions about emerging welfare states. Our knowledge about these emerging welfare regimes is limited. As we move forward with devolving more power to states we need to ensure that regional inequalities in public assistance available to the poor are kept to a minimum.

Conclusion

Although state TANF programs are maturing and state policy makers are learning from their experiences, the economic crisis in many states may inevitably damage more costly programs that promotes work, personal responsibility, and family formation. The three areas of research I briefly outlined are a challenge to policy makers and welfare advocates alike. As Congress begins debate on the reauthorization of PRWORA, there is a critical need to identify the core principles for the next stage of welfare reform. For example, policy makers should consider to what extent the new policy attempts to tackle social pathologies, as well as provide a safety net during economic downturns. Furthermore, I argue that the staples of sustainability of any welfare reform law requires a focus on the evolution of TANF policy rather than resurrecting a supposedly value-free AFDC (Aid to Families with Dependent Children) policy divorced from morality. The architects of the next wave of TANF policy must diligently work within the current political environment to design a social policy that maintains the flexibility and innovation to:

(1) Improve soft skills;
(2) Continue or improve basic education;
(3) Create incentives to hire welfare recipients;
(4) Create incentive to keep welfare recipients in the workplace;
(5) Expand opportunity in the workplace;
(6) Fund services for transportation;
(7) Fund services for child care;
(8) Fund services for health care;
(9) Plan for economic downturns;
(10) Expand unemployment insurance;
(11) Expand moving to opportunity programs; and
(12) Foster asset accumulation.

By giving states the responsibility to get welfare families off the welfare rolls politicians hoped to separate welfare participation from persistent poverty. The long-term health of TANF programs that foster social equity in times of an economic recession will depend largely on recognition of the political nature of welfare reform and the implications of various definitions of success (Atkinson 1999).

Success in a post TANF era should be defined as helping welfare recipients become self-reliant and economically independent. Success is also defined as implementing innovative and groundbreaking TANF policy (Smith, Golonka et al. 2001). Most people agree that working for wages is part of the American ethos that fulfills a social role of integration into mainstream society. On the face of it, PRWORA is a job policy. However, underneath the surface as it has been implemented at the state level, it is a social policy.

The architects of PRWORA recognized that welfare recipients are a part of society and society is composed of welfare recipients. The social architects have recognized that "social life in fact moves in a circle." As Durkheim (1995) once wrote:

> "On the one hand, the individual gets the best part of himself from society—all that gives him distinctive character and place among other beings, his intellectual and moral culture. Let language, sciences, arts, and moral beliefs be taken from man, and he fall to the rank of animality: therefore the distinctive attributes of human nature come to us from society: On other hand, however, society exists and lives only in and through individuals. Let the idea of society be extinguished in individuals minds, let the beliefs, traditions, and aspirations of the collectivity be felt and shared by individuals no longer and society will die."

The 1996 welfare-to-work law is often presented as a panacea that will integrate welfare mothers back in the labor market. However, PRWORA will prove to be a bitter illusion and a hard pill to swallow if it merely expands the sweatshop sector of the urban economy. The current policy runs the risk of fostering processes of social differentiation and stratification. In turn, such processes may lead to more exploitation and re-enforce a "persistent pattern of social relationship" that reproduces inequality and poverty (Beshers 1962). Planning for social justice in an era of welfare reforms requires reformers to acknowledge the complex urban social structure that supports a nexus of "dialectically structured, social processes." It is these processes that differentiate individuals. The tacit belief that PRWORA restored an environment of Jeffersonian Democracy where we all live as equals and experience some degree of success is a leap of optimism worthy of Voltaire's fictional Dr. Pangloss (Voltaire 2002). Acknowledging this unrealistic pretense will be the first step to promoting an open dialogue that will furnish a better understanding of the hegemonic influences on the geo-political and socio-economic forces that are redefining the nature of social justice in this era of welfare reform.

Endnotes

[1] One of the most durable calls for welfare reform is from Ronald Reagan's spirited pledge to roll back the welfare state. Reagan adroitly used a welfare abuse case to gain support for his effort to reform a broken welfare state. In his

speeches, he cited a Chicago "Welfare Queen" who had illegally received $150,000 from the government, using 80 aliases, 30 addresses, a dozen social security cards, and four fictional dead husbands. Politicians and newspapers used this high profile welfare story to describe a growing trend of abuse and corruption. The American pubic was outraged because the welfare queen symbolized a divergent ethos that was anathema to the American ethos of hard work. This high profile allegory of the "Welfare Queen" driving her "Cadillac" has become part of the enduring landscape of American political folklore.

[2] In her seminal book, Jennifer Hochschild argued, "the American dream consists of tenets about achieving success." She described in detail four tenets of the American dream: (1) Everyone may always pursue their dream; (2) one may reasonably anticipate success; (3) Success is product of individual choice; and (4) Virtue is associated with success. (Hochschild, J. L. (1995). *Facing Up To The American Dream: Race, Class, and The Soul of The Nation*. Princeton, Princeton University Press).

[3] These choices include: (1) family formation; (2) participation in informal economy; and (3) life-style choices.

[4] I use the term "pathway" as defined by Stier and Tienda, "to connote a sequencing of life-course events that has implications for future transitions and outcomes." Stier, H. and M. Tienda (2001). *The Color of Opportunity: Pathways To Family, Welfare, and Work*. Chicago, The University of Chicago Press.

[5] It is important to point out, that New York City is a special case given the events that occurred on September 11, 2001. No one is sure how much of the increase in welfare participation is due to the events on September 11 or due to the dismal economy in general. Regardless of the cause of the increase in welfare participation in October and November, critics rightly point out that thousands of needy families are in precarious situations with time limits and availability of jobs.

[6] East region: Connecticut, D.C., Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

Midwest region: Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, and Wisconsin.

South region: Alabama, Arkansas Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

Mountain/Plains region: Arizona, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Utah, and Wyoming.

West region: Alaska, California, Hawaii, Oregon, and Washington.

[7] States have the flexibility to give local governments the responsibility to move welfare mothers off TANF and into the job markets. This process of the devolution

is called a second-order devolution. (Smith, C., S. Golonka, et al. (2001). *The Evolving Nature of Welfare Reform: Where We Stand on the Eve of Reauthorization*. Washington, D.C., National Governors Association).

[8] The term "welfare regime" has often been defined as "a collection of programs designed to assure economic security to all citizens by guaranteeing the fundamental necessities of life: food, shelter, medical care, protection in childhood, and support in old age." (Katz, M. B. (2001). *The Price of Citizenship: Redefining The American Welfare State*. New York, Metropolitan Books). In this paper, I have used a narrow definition of the welfare state. My definition of welfare state refers to social policies and programs that provide a safety net for families that have difficulty-making end meet on a monthly basis.

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