

1995

## Book Review: The Poverty of Welfare Reform

Hyman P. Minsky Ph.D.

Follow this and additional works at: [https://digitalcommons.bard.edu/hm\\_archive](https://digitalcommons.bard.edu/hm_archive)

 Part of the [Macroeconomics Commons](#)

---

### Recommended Citation

Minsky, Hyman P. Ph.D., "Book Review: The Poverty of Welfare Reform" (1995). *Hyman P. Minsky Archive*. 262.

[https://digitalcommons.bard.edu/hm\\_archive/262](https://digitalcommons.bard.edu/hm_archive/262)

This Open Access is brought to you for free and open access by the Levy Economics Institute of Bard College at Bard Digital Commons. It has been accepted for inclusion in Hyman P. Minsky Archive by an authorized administrator of Bard Digital Commons. For more information, please contact [digitalcommons@bard.edu](mailto:digitalcommons@bard.edu).

*The Poverty of Welfare Reform.* By Joel F. Handler. New Haven: Yale University Press, 1995.

This book presents the current welfare reform debate within the larger context of past efforts to address so-called "welfare crises." Historically, crises in welfare have been the result of four principal factors: increases in public costs, threats to the work ethic, threats to family values, and threats to social order. Although one factor concerns economic issues, the other three concern moral ones. And within the context of the Anglo-American tradition, cries for welfare reform have generally turned on moral grounds. That harsh measures are being called for is nothing new; they merely return to the policies in medieval England. What is new is that they are masked by the language of compassion. And yet, contrary to reality, they will do nothing to positively assist the welfare poor. Of course, we know this, but we continue to call for policies which do nothing more than punish and stigmatize them. What Handler suggests is that such policies aren't really addressed to the poor, rather they represent "an affirmation of majoritarian values through the creation of deviants. The poor are held hostage to make sure that the rest of us behave (p. 9)."

Handler chronicles the history of welfare legislation beginning with the English poor laws during the fourteenth century. Welfare policy in the U.S. has tended to reflect the same assumptions, that there is a distinction to be made between those poor who are deserving and those who are not. Able-bodied individuals who were poor were considered "undeserving" because they were viewed as beggars, and were poor because they lacked moral character. The "deserving" poor were primarily widows, orphans, and the elderly, those who were poor through no fault of their own. They were to be treated with charity. AFDC, the primary public assistance program was framed on the assumption that mothers with small children would stay home and care for them. It was not designed to enable them to work. And yet, welfare reform over the last couple of decades has centered on the issue of welfare v. work. For Handler, this focus is both obsolete and counterproductive. It is counterproductive because the poor don't work because they don't want to, but because they lack the appropriate resources and skills to obtain the type of job which would enable them to earn more than the totality of their welfare assistance. The problems we attribute to welfare have little to do with welfare per se, but much to do with poverty. "The dominant cultural norm of viewing welfare as antithesis to work thus contradicts the social reality, in which work and welfare must complement each other (p. 89)."

He reviews any number of current proposals, as well as programs which have been tried at the state level, including various workfare programs, learnfare and the cap on AFDC benefits after additional children are born. These programs, he concludes, have been less about substance, and more about myth and ceremony. Real work requirements would actually require spending more money. The result of all this has been for the worthy poor to once again be separated from the unworthy poor, and for the stigma of welfare to be perpetuated. Handler refers to the welfare stereotype as "the Willie Horton of the nineties (p. 149)." And yet, the stigma is being poor, not being on welfare. The one program which continues to distinguish the worthy from the unworthy and rewards the worthy is the Earned Income Tax Credit (EITC), and this too is being offered

for cuts.

By focusing on the moral component of welfare, the issue is effectively separated from concerns of the economy and the labor market. To treat welfare as a strictly economic concern would threaten the myth that the market place does create sufficient opportunities for all. To this extent, Handler is correct. But it still isn't clear how this particular focus forces the majority of workers to continue to behave. This point, unfortunately, has not successfully been proved, and in the end we are offered little which is actually new. Symbolic politics is always cheap and easy. But then, the problem isn't really the poor, but the capitalist market place. The market place as it is currently organized cannot offer sufficient opportunities to keep people out of poverty. Forcing those on welfare may well be a good means of increasing the industrial reserve army of labor, which may ultimately serve to control wages, but Handler still has not made this connection.