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Welfare Reform and Women’s Economic Development: 
Expanding the Discourse within Adult Education 

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Keywords: Welfare reform, economic development, women’s development 

Abstract: Researchers have examined adult development within the context of 
adult learning, but few have examined the economic development of women, 
particularly those caught in the cycle of welfare and low-wage employment. This 
paper will explore the personal and structural barriers to economic development 
among former welfare recipients and broaden the discourse on women’s 
development. 

In 1996 Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act 
(PRWORA), placing emphasis on individuals to take personal responsibility for separating 
themselves from governmental dependency. This legislation gave the states generous block 
grants to develop welfare reform programs that would end family dependence on governmental 
assistance. The main thrust of that policy was its “work-first” approach to self-sufficiency, with 
the assumption that individuals will become economically self-sufficient if they work (Albelda, 
2000). Sandlin (2004) sees this ideology of economic success through work as a myth, sending 
the message that all women are created equal, and that everyone who works has an equal chance 
of getting off welfare. Since the radar of welfare reform has been pointed at single mothers with 
children (Caiazza, Shaw, & Werschkul, 2004), particularly Black single mothers, this paper will 
focus on the economic development of that population. 

Traditional Approaches to Women’s Economic Development 

Two approaches commonly used to explain women’s economic development and their 
participation in the welfare system are individualism and social structuralism (Seccombe, 1999). 
The individual perspective focuses on the achievement of the person, arguing that we are 
ultimately responsible for our own economic positions, that opportunities are available to all who 
are willing to work hard and who are sufficiently motivated (Albelda, Drago, & Shulman, 2001). 
According to Albelda, et al., those who follow that view support the argument that the market 
will take care of discrimination, and it will ultimately help to provide opportunities for 
individuals as long as they are willing to work hard and persist. In contrast to the individual 
perspective, the social structural perspective assumes that one’s socioeconomic position is a 
result of economic or social imbalances within our social structures that serve to restrict 
opportunities for some people (Seccombe, 1999). Social structuralism is concerned with the 
effects of capitalism, the changing economy, and how social systems contribute to the very 
culture they are trying to change. In terms of the welfare system, social structuralism assumes 
that the welfare system perpetuates economic dependence.
Welfare Reform and Economic Self-Sufficiency: A Review of the Literature

While the early data on the implementation of the welfare reform legislation suggests increased employment among former welfare recipients, many are questioning the extent to which their participation in low-wage employment will alone promote economic self-sufficiency (Albelda, 2000; Albelda, Drago, & Schulman, 2001; Sandlin, 2004). The findings on earnings and income, for example, consistently show that welfare leavers were typically entering jobs that paid below-poverty-level wages (an average of roughly $6 - $8 per hour), and they were not receiving employer-provided benefits. Even though employment increased, the aggregate earnings increased very little, if at all (United States House of Representatives, Committee on Ways and Means, 2000, p. 1409). Moreover, welfare reform studies have found evidence to suggest that other structural barriers keep participants from becoming self-sufficient (Alfred, 2005; Holzer & Stall, 2000; Mead, 2002; Waverlet & Anderson, 2002).

A critically important consideration is the educational achievement of recipients. The evidence suggests that they have fairly low levels of basic reading and mathematics skills, and they generally lack academic and occupational skills (Albelda, 2000; Scott, 2000). For example, Scott (2000) found that in Cleveland approximately 36% of welfare dependent women had less than a high school diploma compared to 67% of those in Philadelphia. Similarly, Hotz, Mullin, and Scholz (2002) found that 44% of recipients in Wisconsin lacked a high school diploma.

In addition to the problems addressed thus far, health crises, poor housing, mental health problems, alcohol and drug dependence, domestic violence, access to daycare, transportation problems (Mead, 2002; Neubeck & Cazenave, 2002), isolation from community and family, and a general fear of the workplace (Alfred, 2005) are among the personal and structural barriers former welfare recipients face. While women in general experience some of the same barriers, the evidence suggests that race creates additional issues for members of racioethnic minorities. According to Savner, existing evidence indicates "somewhat differential impacts for minorities and whites, and in some studies, discriminatory treatment of minority groups" (Savner, p. 3). Similarly, Soss, Schram, Vartanian, and O’Brien (2003) found that Black and Hispanic recipients tended to have longer stays on welfare and were, therefore, more likely to be affected by time limits. Similarly, according to Carroll (2001) and Gordon (2001), White recipients were more likely to find employment and/or receive more favorable treatments by welfare agency workers and Alfred (2005) found racial profiling of Blacks among White suburban employers of Wisconsin. In addition, Savner found Whites to be more likely to leave welfare because of employment, whereas, African Americans were more likely to be sanctioned off the welfare rolls. Other findings indicate that African Americans were less likely to be hired in majority white companies and they were more likely to be hired in companies with a good representation of people of African descent (Alfred, 2005; Holzer & Stoll, 2000). Yet, despite such realities, scholars and policy analysts have ignored race in discussions of economic self-sufficiency among people of color. Furthermore, discussions of women’s development have often ignored socioeconomics as a significant factor in the developmental process.

Toward a More Comprehensive Approach to Women’s Economic Development

Discussions about women’s economic development, particularly those of poor Black women, tend to fall into two camps. On one hand, there are those who stress the individual approach, arguing that Black women’s behavior and their lack of motivation are responsible for their economic position in society. As a result, those advocates lament on the deterioration of the Protestant Ethic and advocate for hard work, deferred gratification, frugality, and individual
responsibility among Black Americans (West, 1994). On the other hand, there are those who advocate that structural constraints are responsible for the poor economic conditions of African American people. According to West, those who hold that view see the economic location of poor Black women to be the result of historical and sociological conditions of slavery, Jim Crowism, job and residential discrimination, skewed unemployment rates, inadequate health care, and poor education. The evidence seemed to support both viewpoints, suggesting that economic development is influenced by both personal and structural determinants, and together they must be considered in discussions of economic self-sufficiency.

The Personal Approach
From a review of the literature, it appears that some of the personal barriers to economic development were financial, social, and psychological in nature, with each of these conditions exacerbating the others. As a result, theories of human capital, social capital, and identity capital can become lenses through which we can begin to understand more clearly the problems and solutions inherent in the development of economic self-sufficiency.

Human capital. Human capital is an individual characteristic representing education, training, and experience, which is converted into wages and economic benefits in the labor force (Gaughan, 2002). Human capital resources are, therefore, viewed as a major determining factor in one’s economic well being. For example, in a study of welfare leavers, Meyer and Cancian (1998) found women with higher education were more likely to earn higher wages and less likely to return to cash assistance. Similarly, a study of parents receiving welfare showed that parents with some college or college degrees were almost twice as likely to be employed as parents with a high school degree or less (Kim, 2000). Since recipients with higher education and training are more likely to be employed, it seems logical that education and training should play a major role in welfare reform. However, that has not been the case in many states’ approach to reform. Education took second place to low-wage work (Imel, 2000; Sheared, 2001). As a result, critics are calling for greater investments in human capital in the form of education and training opportunities. However, the evidence suggests that it would take more than an investment in human capital for former welfare recipients to become economically self-sufficient. It will take additional investments in social and identity capital. Balatti and Falk (2001) agree, noting, "The skills and knowledge of 'human capital' are only able to be brought into socio-economic circulation through social means" (p. 3). Together with education and training, there must be networks of social support to help transform human capital resources into economic gains.

Social capital. Putnam (1995) describes social capital as the "features of social organization, such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit" (p. 66). Social capital is built on trust, acceptance, and mutual obligations (Kerka, 2000), and it focuses on the "interactions between people rather than on 'skills' and 'knowledge' possessed by individual members of the communities" (Falk, 2001, p. 7). Social capital, therefore, encompasses the norms of networks and relationships that can enhance one's opportunities in the employment marketplace. As Garavan, Morley, Gunnigle, and Collins (2001) note, "The requirement to cultivate networks and gain access to other people's knowledge and resources is considered an important element of employability. . . . and individuals with better social capital earn higher rates of return on their human capital" (p.52). Therefore, women transitioning from welfare require social support embedded within the myriad of social fields of family, community, educational and religious institutions, and the workplace to help them enhance and leverage their positions in the employment market.
Identity capital. A third element of the personal approach is the development of identity capital resources. Cote and Levine (2002) defines identity capital as "investments individuals make and have in who they are" (p. 147). According to the identity development model, one must establish a stable sense of ego identity to negotiate life's course and to maintain positive interactions in order to reap the benefits of social capital resource inherent within communities of support (Cote & Levin, 2002). Furthermore, identity capital manifests itself in individual agency, self-efficacy, self-esteem, and locus of control. Some studies have noted a fragile sense of self among some former recipients in the workplace. Therefore, any attempt at developing self-sufficiency must address the development of identity capital in combination with those of social and human capital. However, understanding and addressing the personal barriers alone will not move former recipients to economic self-sufficiency. We must also understand and address the structural dimensions because both the personal and the structural together create systems that can impede the development of economic well being.

Integrating the Personal and the Structural

Welfare reform has focused primarily on the individual and has given little attention to the structural barriers inherent in the welfare reform agencies and in the workplace. While many structural impediments have been identified, this discussion will focus on two critical issues: the work-first approach to welfare reform and discrimination in the employment marketplace.

Labor Market Conditions and Economic Development

Corporate market institutions must also be considered in discussions of women’s economic development. West (1993) defines corporate market institutions as “that complex set of interlocking enterprises that have a disproportionate amount of capital, power, and exercise disproportionate influence on how our society is run and how our culture is shaped. . . . The primary motivation of these institutions is to make profits” (p. 26). Within these corporate market institutions, women work to gain economic independence. However, most of the jobs available to former welfare recipients do not pay wages sufficient to support a family, especially a single-parent family. For example, in the year 2000, 97.8% of Wisconsin’s welfare to work program consisted of single-headed families (Alfred, 2006). Those who filed a state income tax return the following year reported an average annual income of $10,499. (An Evaluation, 2001, p. 45). Four years after leaving welfare, working families still had average earnings below the poverty line. This reality challenges the puritanical myth that success is available to all who are willing to work. Tragically this assumption is the cornerstone of the agenda for welfare reform.

Welfare Reform, Discrimination, and Economic Development

African American women have seen many advances in their economic status, and as a group, they have increased their educational attainment more quickly than White women (Adams, 2001). At the same time, they continue to earn considerably less than White and Asian women in the United States, and they have the lowest rate of employment in professional and managerial occupations of any group besides Hispanics (Caiazza, Shaw, & Werschkul, 2004, p. 20). Moreover, Caiazza et al. found African American women to experience some of the highest poverty rates in the United States. Neubeck & Cazenave (2002) attribute their economic conditions to discrimination in hiring and promotion, occupational segregation by race and gender, and differences in access to higher education. Similarly, other researchers (Neubeck & Cazenave, 2002; Schram, Soss, & Fording, 2003; Sheared, 2001) support the notion of race as a major barrier to the economic development of African American former welfare recipients. This “welfare racism” (Neubeck & Cazenave, 2002) filters down from the nation’s attitude towards
women of color as inferior beings who lack motivation to work. The attitude is then carried over in the states’ policies of reform that tend to have in place harsher penalties where people of color are in the majority (Schram, Soss & Fodding., 2003). It is no surprise, then, that studies reveal evidence of discrimination, both in the administration of welfare reform and in the employment marketplace.

Overall, the economic development of former welfare recipients is influenced by both the personal and structural dimensions of the life world, and together they form an interconnecting framework for expanding the discourse on women’s development.

Implications for Adult Education

Adult educators have examined adult development within the context of adult learning, but few have examined the economic development of women, particularly those who are caught in the cycle of poverty, homelessness, and low-wage employment. When we speak of women’s development, we often draw from middle class women’s development. However, there is another segment of the population who are women, but whose portrait is vastly different from the ones highlighted in much of our research.

The contexts within which poor women learn and develop, particularly those of color, have not been fully included in the agenda items of interest to the field. For example, discourses on welfare reform have been sweeping the nation since the inception of the 1996 reform legislation. Yet, we have remained on the sidelines undisturbed as the debates on economic self-sufficiency among low-literate adults continue. This observation is supported by Nesbit’s (2005) reflective reviews of the two most current premiere handbooks of the field, namely, Handbook of Adult and Continuing Education (2000) edited by Wilson and Hayes and Adult and Continuing Education: Major Themes in Education (2003) edited by Jarvis and Griffin. Commenting on the works within these two volumes, Nesbit notes a general lack of vision in the field for the broader societal issues and thus writes, “... an overall impression is given, perhaps unwittingly, of a profession that appears detached from many macro-political and even cultural realities” (p. 73). This apparent lack of concern for the sociopolitical issues is reflective in our neglect to more adequately address and interrogate the concept of welfare as it relates to women’s development.

Another observation Nesbit made was the absence of class as an analytical concept among American adult educators. Noting his perplexity at this discovery, he writes, Class is a major determining factor of accomplishment in most educational, employment, and social arenas and still one of the best predictors of who will achieve success, prosperity, and social status. It is also closely related to the goals and purposes of adult education, its forms and approaches, as well as where and when it takes place and who participates in it, and also, significantly, how we think about such issues (p. 75).

By ignoring class as a factor of women’s development, we are ignoring a large segment of the population who are represented by the women transitioning from welfare.

Similarly, we are missing out on opportunities to become politically engaged and to foster such political engagement among our students. After all, the current welfare reform legislation minimizes the value of education in support of low-wage work as a vehicle for economic empowerment. As a result, work, rather than life long learning is stressed, creating a direct assault on the field of adult education. Yet, unless we engage the politics and foster such critical actions in our teaching and in our research, we will continue to perpetuate a society where citizens continue to be blamed for the economic conditions of our nations without regard for the other sociopolitical structures that influence their decisions, actions, and behaviors.
References


