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Welfare Reform

In 1996, Democratic President Bill Clinton and a Republican-led Congress passed The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), also known as the "Welfare Reform Act." This bill changed how government-funded welfare operated in the United States. PRWORA reduced the amount of federal spending for low-income families, placed a limit on the number of years a person could receive federal financial assistance, and required recipients to work within two years of receiving benefits. It also included legislation that limited the funding available to unmarried parents under the age of 18, enhanced legal enforcement of child support, and restricted funding for immigrants. Republican supporters believed these provisions would curb the number of out-of-wedlock births.

The bill ignited a decades-long debate about individual responsibility versus social responsibility and the role of the government in directly alleviating poverty. On the one hand, the bill was heralded as an important step toward helping welfare recipients achieve self-reliance and employment. Through this bill, Clinton aimed to "end welfare as we know it" by creating job opportunities that would help stop a cycle of poverty and dependency. Republican Speaker of the House Newt Gingrich and his colleagues in Congress pressured Clinton to make the bill even more austere. They argued that reducing welfare funding reinforced core American values of individual responsibility, hard work, independence, and free enterprise.

Critics of the bill argued that it negatively affected the most vulnerable people in society. Several members of Clinton's administration even resigned as a result of the bill. One of these detractors, Peter Edelman, argued that welfare reform would not solve the problem, but rather drive millions more people into poverty, many of them single mothers and their children. During the debate, Senator Edward Kennedy called the bill "legislative child abuse." From this perspective, the government was essentially abdicating its responsibility to care for children and impoverished people who are systemically disadvantaged.

The bill was effective for getting people off of welfare at first, in part due to a booming economy in the late 1990s. By 2000, welfare caseloads were at their lowest level in 30 years. However, wages tended to be barely above the poverty line and did not provide long term financial stability. Financial instability was exacerbated by the economic downturn in 2008. In a 2016 report from the Center on Budget and Policy Priorities examining the effects of PRWORA and related policies, research showed several

findings: "Employment increases...were modest and faded over time;" "Stable employment...[was] the exception, not the norm;" "Most recipients...never found work even after participation in work programs...;" "The large majority of individuals...remained poor, and some became poorer;" and "Voluntary employment programs can significantly increase employment without the negative impacts of ending basic assistance..."







CASE STUDY

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The government's role in supporting the poor through direct aid remains an active debate in the U.S. today.

Discussion Questions:

- 1. In this case, who favors the individualistic fundamental moral unit? Who favors the community-oriented fundamental moral unit? Which viewpoint do you find the most compelling and why?
- 2. Regardless of your own political affiliation, do you think governments or societies have an obligation to care for disadvantaged or lower-income families? Why or why not?
- 3. Do you think everyone in your home country has equal opportunities to succeed in society? Why or why not? Do you think success is the sole responsibility of the individual or does government have a role to play? Explain your position.
- 4. How might individuals raised with different notions of the fundamental moral unit respond differently to the Welfare Reform Act?
- 5. How might awareness of the fundamental moral unit help us to better understand differences between political parties?



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Resources:

Welfare's Changing Face

http://www.washingtonpost.com/wp-srv/politics/special/welfare/welfare.htm

Was Welfare Reform Successful?

http://www.usi.edu/business/cashel/331/welfare%20reform.pdf

Clinton to Sign Bill Overhauling Welfare

http://www.washingtonpost.com/wp-srv/politics/special/welfare/stories/wf080196.htm

Renewing America

http://www.newsweek.com/renewing-america-184562

Welfare Limits Left Poor Adrift as Recession Hit

http://www.nytimes.com/2012/04/08/us/welfare-limits-left-poor-adrift-as-recession-hit.html

Did Welfare Reform Work for Everyone? A Look at Young Single Mothers

http://www.frbsf.org/economic-research/publications/economic-letter/2009/august/welfare-reform-single-mothers/

20 Years Later, Welfare Overhaul Resonates for Families and Candidates

http://www.nytimes.com/2016/05/02/us/20-years-later-welfare-overhaul-resonates-for-families-and-candidates.html

Work Requirements Don't Cut Poverty, Evidence Shows

http://www.cbpp.org/research/poverty-and-inequality/work-requirements-dont-cut-poverty-evidence-shows

Author:

Andrew Carlson, Ph.D., M.F.A. Department of Theatre & Dance College of Fine Arts The University of Texas at Austin