

DEMOGRAPHIC DESTINIES

Interviews with Presidents of the Population Association of America

Interview with Robert Moffitt PAA President in 2014



This series of interviews with Past PAA Presidents was initiated by Anders Lunde
(PAA Historian, 1973 to 1982)

And continued by Jean van der Tak (PAA Historian, 1982 to 1994)

And then by John R. Weeks (PAA Historian, 1994 to present)

With the collaboration of the following members of the PAA History Committee:
David Heer (2004 to 2007), Paul Demeny (2004 to 2012), Dennis Hodgson (2004 to
present), Deborah McFarlane (2004 to 2018), Karen Hardee (2010 to present), Emily
Merchant (2016 to present), and Win Brown (2018 to present)

ROBERT MOFFITT

PAA President in 2014 (No. 77). Interviewed by Win Brown, Dennis Hodgson, John Weeks, Karen Hardee, and Emily Merchant at the J.W. Marriott Hotel, Austin, Texas, April 11, 2019.

CAREER HIGHLIGHTS: Robert Moffitt was born in 1948 in Houston, Texas, where he grew up. He received his BA in Economics from Rice University, and MA and PhD in Economics from Brown University. He has taught at the University of Pennsylvania, Rutgers University, Brown University, and since 1995 at The Johns Hopkins University, where he is the Krieger-Eisenhower Chaired Professor in the Department of Economics at The Johns Hopkins University. He is also Professor, Department of Population, Family, and Reproductive Health, School of Public Health, Johns Hopkins University.

WEEKS: I'm John Weeks and I am the PAA Historian and Chair of the PAA History Committee and with us today are all of our committee members. I'll introduce them in terms of longevity on the committee: Dennis Hodgson, Karen Hardee, Emily Merchant, and Win Brown. And, of course, our purpose here today is to continue the PAA Oral History Project, which got started actually way back with our first PAA Historian, Anders Lunde, and then carried on with Jean van der Tak, our second Historian, and I've been the Historian for, believe it or not, 25 years now and trying to get caught up over time. But it is our pleasure to be able every year to interview one or two of the past PAA Presidents; and today we are very honored to have you, Robert Moffitt, be with us.

MOFFITT: If I may quickly add something, I would like to express my gratitude to you all for this job you're doing. When I was PAA President, I was a big supporter of this project. It's a great endeavor. I wish more associations did this. PAA is a distinguished organization with a distinguished history, so I think it's just an outstanding effort. Thank you all.

WEEKS: Thank you.

BROWN: Thank you.

WEEKS: Win, over to you.

BROWN: Good, great. Well, thank you so much again for being here, Robert. And we all have the materials. We have your CV, and a lot of us have some of your articles. I thought to get us started, I'm looking at the very top of your CV and I see that you went to Rice for your undergraduate years and then, of course, you got your Master's and your PhD from Brown later on. And I wonder if you could walk us through your sort of scholastic history, starting with Rice and talk about the events or the classes or the teachers who kind of helped you get on this journey to where you are now.

MOFFITT: Sure. I'd be happy to. I was born and raised in Houston, Texas. I went locally to college and I came from a rather low income family and the attraction of Rice University at that time was that it was very low tuition, and that's the reason I went there. Rice happens to have a very excellent reputation in math and sciences and that was also what I was interested in. When I was in high school, I was a math guy and I won several awards in Houston for math. So it was a fortuitous choice that they had low tuition as well as being academically high in quality.

I could tell you some other stories about Rice. They actually had zero tuition for many years. The founder, William Marsh Rice, declared in his will that no tuition could ever be charged for Rice University. The University took it to court and were able to start charging tuition, but it stayed

low. I think now it's up to the usual high, extraordinary levels. In any case, I went to Rice and I was a mathematics major, which you may not know is a very common starting point for many economists because economics has a very strong mathematical content. But, like most people, I found math -- at least at very high levels -- to be rather difficult. I took an economics course out of curiosity. You have to understand, this was the 1960s and I'm very much a child of the 1960s. The social movements, the political movements--I was part of that and I believed in those movements, and doing something socially useful was what it was all about to me.

I took one economics course, just introductory economics, and I was awed by the capability of using my mathematical ability and all my technical skills towards something that was relevant to the real world. Many, many other students made exactly that same transition. So I immediately switched into economics and out of mathematics, and I took just the usual set of economics courses. I did take some sociology courses at the time. I actually can't say if the Sociology Department at Rice had a lot of demographers or has them now. I haven't checked lately. If there were any, I did not have any contact with them. But there were some left-wing sociologists in their department and I, being of that orientation, took all those courses and very much enjoyed them.

I graduated from Rice and I decided I wanted to be an academic and went to graduate school in economics, to Brown University. And to be perfectly honest, it was not the best choice for me. Like a lot of undergraduates, I wasn't really given much guidance about departments and how they differ, and we know that they differ a lot. The Economics Department at Brown was very theoretical and mathematical, and here I was a guy interested in social policy and empirical work and the real world. There were almost no faculty there who specialized in that. So it was a rather frustrating time.

I'm very happy that I learned a lot of technical skills and hard-core economics there. I'm grateful for what I got. I didn't understand when I was a graduate student there was this other building across campus called Maxcy Hall, which is where the Sociology Department was, and how distinguished the demographers were over there. I later came back to Brown, and I did make that discovery then; but as a graduate student, I didn't.

My interests as a graduate student went directly toward the issues of poverty and disadvantage and the welfare system in the United States. As you can tell from my CV and work, that has been theme I keep coming back to, whether it's economics or demography. So that takes me up to the graduate program in economics. Would you like me to continue?

BROWN: Well, let me jump in. I'd like to take you back to something you mentioned earlier and you mentioned that you were from a low-income background. So I heard that and then I heard that you were sort of a child of the 1960s and all that was going on in our culture and our country then. What was more important to kind of set you on that pathway where you were passionate about lower income, you're passionate about advantage and lack thereof in our country? Was it your household/parents coupled with the 1960s or...?

MOFFITT: I would say probably the culture of the 1960s. My family was not extremely low income. They were a lower middle-class family. My mother didn't have a high school degree. She dropped out in the Depression to help the family income by working. My father did get a high school degree, but he never went to college. He took some part-time night courses. He ended up being an accountant. But my parents put a high value on education, and they pushed me in that direction.

I don't look back on it as a lost opportunity but, in fact, I applied to a number of universities around the country out of high school and I got into some very good ones. But they didn't give me financial aid, so I couldn't go. As I said before, that's why I went to Rice. So that's a perspective that undoubtedly contributes to my intellectual development.

As a high school student growing up in Texas, everybody in my community were hard core Republicans. They couldn't stand John F. Kennedy--he was anathema to them. Then I went to college and, like so many people, my views broadened out and I got interested in social and political issues. Rice University, even though it's in Houston, had the usual undergraduates. They were very liberal, although not entirely so, so I went in that direction, too. You know, the 1960s were a period of turmoil and a lot was going on politically and socially. I enlisted in Gene McCarthy's campaign in 1968 for President, went to rallies, and participated in a protest at the university because they wouldn't let [famous 1960s radical] Abbie Hoffman come and speak on campus. The President said no, so we held a rally to protest.

And then when I graduated, in May of 1970, the Cambodia incident occurred [when Nixon invaded Cambodia] as well as Kent State [when the Ohio State National Guard opened fire on student antiwar protesters and killed four of them] was just earlier, and all of us wore black armbands at graduation. We stood up, we turned around, we would not face the speaker and would only turn our backs on him. It was a unique time and, as you might suspect, you had to be there. But all of that colors my views on many things and that influence has stayed with me.

HODGSON: Can I ask one quick question? You talked about President Kennedy, but you didn't mention LBJ and you didn't mention the war on poverty. Now how aware were you in the context of high school/college of these kinds of social policy changes that became central to your career?

MOFFITT: I wasn't aware at all in high school. I wouldn't say I was particularly Republican myself. I heard these views of the adults around me, but I think as a high school student, I just wasn't aware. I just remember my freshman year at Rice and I started reading Time magazine. You know, back in those days, you watched the evening news on TV every night. That's where you got your information, CBS or NBC at 6:00 o'clock. And you read Time magazine or Newsweek, and that was it. And I hadn't ever heard of the New York Times back then and the Houston newspapers weren't very good.

I remember in my freshman year picking up an article in Newsweek talking about race relations and my eyes just opened up and I said, "Oh, I get it now. I get what's going on," and it was just a complete revelation. After that, I just followed through and followed the news and politics. But as a high school student, I would just say I didn't have any real consciousness of that.

BROWN: So, Robert, I wonder where did the math come from? Were you -- well, you mentioned that your father was an accountant. There's math in that one way or the other, but were you in a mathematical household? Was there some influence there that sort of turned into something that allowed you to really thrive mathematically or was that completely kind of a solo act, as it were?

MOFFITT: Well, I don't really know the answer to that myself. I know that my father did have quite an influence. He was an accountant and he would do arithmetic every evening. That was his hobby, and doing ledgers and accounting. We would walk around the house and he would just throw all these pieces of paper all over the place with little scribbles and additions and subtractions and math. He would just sit at the TV and have a pad and just do arithmetic while watching.

So I'm sure that was very much an influence. I now have a son, too. I didn't tell him to go into math or try to influence him whatsoever, but he's all math. I know that when he was taking courses in math in grade school, he would come home with his homework and I could help him with it. I would sit down and say, "Okay. Here, do it this way, do it that way. This part is interesting." I wasn't pushing it, but I think that influence was there. My brother, too, is very mathematical. We both were.

My father had never gone to college. He wanted us both to be engineers. He was an accountant for an oil company and, in that company, the high-status people were the petroleum

engineers, at least in terms of technical ability. And he did admire technical ability. He said, "I want you to be a petroleum engineer." He understood that math was important in that profession. Of course, then my brother and I went to college and we weren't at all interested in petroleum engineering or any kind of engineering. We wanted to do academic scholarship. But I think my father was a major influence in our going in a mathematical direction.

BROWN: And then you went to college, and the economics course changed everything. Do you remember what the context was when you kind of -- you were on this math track and then you weren't. What was it about that particular course? And it was probably microeconomics because that's what we normally start with. What was it? Was it just brilliantly taught, or did something come alive in terms of the principles and --

MOFFITT: It was just what is called the "Principles" course—which is just the name for introductory economics. I know I am biased toward economics-- I mean, I'm an economist. I believe that economics provides powerful tools and frameworks and the training to understand many issues about society. It was the social aspect of it that appealed to me in that course. With the tools of economics, you understood what affected how much income people had, the determinants of poverty and disadvantage, income distribution, inequality, and you had tools for understanding how the distribution of income was changing over time and how it differed between men, women, and single mothers. It provided you with a framework. And it gave me ways to use my math to do those kinds of analyses. The course was not particularly empirical and statistical--that all came much later. But there was data there, and that was my first exposure to data because there were numbers in our Principles textbook. We used, at that time, the most famous economics introductory textbook, that written by Paul Samuelson.

BROWN: Paul Samuelson.

MOFFITT: The famous Samuelson's textbook. He was an outstanding writer and expositor. A very unique guy. A Nobel Laureate and genius, but could also talk to a noneconomist and explain economic concepts in ways you could understand. But, again, it was the social appeal to it that just really bowled me over. I said, "I'm going to be an economist and work on these issues." It was a transformative experience.

BROWN: And then you went that way. You went to Brown. You got your master's in economics. You weren't so keen on that; but you pick up a lot of skills, technical skills. You saw the building on the other side of the campus where all the demographers were. Tell us now about your PhD program because that seems to be something that really put you on the final pathway to what you did over your whole career.

MOFFITT: Well, as I said, I was interested in poverty and disadvantage and economics. The courses in my graduate time did not have a lot of content of those issues. In economics, as in most social science graduate programs, you do coursework in your first two years and then, in your third year, you go on to your dissertation. When I went on to my dissertation, I got very interested in a hypothesis which was called the "Mismatch Hypothesis." The "Mismatch Hypothesis" was that one of the problems with inner city African-American workers was that all the jobs had suburbanized and had moved out of the central cities where they were in the 1930s and 1940s. Starting in the 1950s, with the great suburbanization of the U.S. cities, a lot of the manufacturing jobs had moved out to the suburbs and to outlying areas where there was more land and companies could spread out and build larger and cheaper facilities.

And because of the weak transportation links and networks in most cities, inner-city African-American men could simply not get out to these jobs. I got very interested in that and it led to a very empirical dissertation. I gathered data on commuting patterns of African-Americans and on where the jobs were located in different cities around the United States. I greatly enjoyed it and I think I did a pretty good job with it. I found that there was some truth to the hypothesis, but also that inner-city African Americans have a lot of other problems other than that one. It was by no means the major explanation for their low incomes and high unemployment rates, but it was a very useful exercise to me.

My only problem -- and we'll probably come back to it as we go a little bit further in my career -- was that I didn't have good supervision because the faculty at Brown were so theoretical. I didn't get good training on how to do empirical work or on statistical methods, much less on the issues themselves. I acquired many more skills after I left graduate school and I really flowered in statistical analysis later on.

My thesis adviser was an urban economist. In those days -- this is just a footnote about economics -- if you wanted to study poverty, you had to study urban economics. That's where poverty was located, it was thought—in the cities. So urban economics became your specialty because it was thought of as a problem of cities. Today, that's not true in economics any longer. Urban economics today is back to the basic issues of the spatial distributions of population and jobs and not poverty. Poverty has moved over to other fields.

In any case, I had a thesis adviser who I don't think had ever run a regression in his life. He was very much at an “urban policy” person, and he helped me on the policy side. But he wasn't able to really give me much supervision on the empirical side, how to deal with data, and how to do that kind of research.

BROWN: From your CV, it looks like you went from Brown to Mathematica at Princeton and you got involved in a negative income tax project? Can you talk about that?

MOFFITT: Absolutely, and that was really when things started to happen for my career. I went on the job market and, to be honest, the economics faculty at Brown didn't particularly like me because I wasn't doing their thing. I wasn't doing the math or the theory. I was doing this other stuff. The problem was that I was doing the best on all the exams among the students, but they still didn't like what I was doing.

In fact, here is another story. They disliked me so much that I got a telephone call from the chairman of the department one day. He said, "I want you come in Saturday morning to the department. I want to talk to you." And I was like “Gosh, what is this about?” I was pretty intimidated and fearful. But I went in to the Department on a Saturday morning. The building is completely empty and dark. There was the chairman waiting for me, with his door open and the light on. He said, "I want you to change to the sociology department--you're not doing economics." I was shocked but said no—I wanted to be an economist. But it's an event I will always remember.

When I went out on the job market, I couldn't get a job. I didn't get any good recommendation letters. My dissertation was good but not good enough. I did not get a single job offer. But I lucked out because a late job announcement came out to work on so-called negative income tax experiments at a firm called Mathematica and I applied along with many other people. I had done a summer internship in Washington, and the economist who supervised me liked me a lot. He had a friend from grad school who was at Mathematica and called him up and said, "I strongly recommend Moffitt. He doesn't have a job. He's very much interested in your negative income tax experiment."

A negative income tax experiment, if you're not aware, is the economist's word for a guaranteed annual income welfare program. Today we would call that something related to a UBI,

Universal Basic Income, or any kind of universal program. It was a very popular idea, even back then; and it is still around today.

There were a bunch of true experiments that had been run in the 1970s in several cities where they randomized a low-income population into an experimental group and a control group, and the experimental group got the guaranteed annual income program and the control group did not. One of the earliest big social experiments had just been completed and the staff were all analyzing the data. They hired me to work on the data, and that's really when I got started on work on welfare programs. I spent three or four years analyzing the data from that experiment.

I was also able to publish articles out of it with a lot of interesting results. I'm a very big proponent of the guaranteed annual income myself, but there are a lot of issues over how to design it, which I've studied for many years. I was just starting my career then, and it was just a perfect thing for me because of its policy relevance and because I could use my economics to study it. I acquired many new analysis skills at Mathematica -- if you haven't heard of it, it's a topnotch research firm that does outstanding and high-quality program evaluations, generally for the federal government. I learned so much about policy evaluation methods, econometrics, and all kinds of important tools there.

It's also where I had my first exposure to demography. But it was a nonacademic job and I did eventually move to academics afterwards, but I learned a lot there. It was really a good fit for me, and it was luck that I got a good job there.

BROWN: I wanted to ask you about how you wrote your first paper, because it looks as if this was the period in which you started to write papers. How did you know how to write one? Because you said back at Brown you may not have gotten that kind of guidance and you probably weren't particularly productive in that sense then. Is this when that began to happen; and if so, how did you proceed?

MOFFITT: Well, it was a learning curve. I mean, I was always interested in academic publishing, even though I was in a nonacademic organization. A lot of the other researchers there did not regularly publish in economic journals. They produced government reports, and that's where it ended. But I really wanted to publish, and these guaranteed annual income experiments were of great interest to the academic community as well as to the government policy community. There were great publication opportunities there for interesting new results from experiments.

In fact, I remember there was a session at the American Economic Association meetings on these experiments in the early 1970s, and something like a thousand people came to the room. It was overflowing. People couldn't get in. It was just a really, really hot topic that everybody in the economics profession was talking about, and some very distinguished economists were also working on it and writing papers. So I started writing and I got some help from some other people at Mathematica. But to be honest, it was trial and error. I did the same thing everybody does. You read what's out there already and try to write a paper and model yourself on the articles that have already been published.

A lot of the papers I look back on now, were terribly, terribly written. They were incredibly dense and impossible to follow. Who can understand this, I think now, when I read them? Explain what you're doing, Dr. Moffitt! Naturally, some of them never got published. Thankfully, probably. But I learned. I got referee reports and editor comments like everyone else, and I got better at it. One thing that was really good at Mathematica that helped me there -- actually, I'd forgotten all about this-- was that they had an editor--a professional editor. Her name was Louise. Louise would go over my papers and mark them up completely. I mean, marked up every sentence on every page in her red pencil. At first, you always react, "Come on. Let me write my own paper." But as I got more of her instructions, I started to appreciate it and see the main message she was trying to convey about writing. To the extent I have any scholarly writing ability at all today, it's due to her. She taught me how to

explain myself, how to speak in simple terms, how to explain what you're doing, how to use the right words. Most people don't get that and that was another piece of luck really. So anyway, that's a little bit on how I got started.

BROWN: I want to stay on that paper just a little bit longer. Those first few papers that I guess you don't want to read them anymore. But when you were first writing those papers, you mentioned you had your hands on a lot of data, really interesting new data. And I can imagine the kinds of data you were seeing. At that point, did you realize that you were sort of veering into population science? Did you see yourself as a, you know, demographer? Were you doing the things that your demography peers, if you had them at that time, were doing; or did that come a little bit later on?

MOFFITT: Well, let me then tell you the story of demography at Mathematica. I didn't know anything about demography as a graduate student or when I started at Mathematica. But Mathematica was a for-profit research company, which means that you wrote proposals all the time. Actually, that was another great thing about working there--I learned how to write a proposal. There were many senior people around me who knew how to write a proposal and how to get funded, and who just wrote proposals all the time. And you worked collaboratively on proposals—it's your bread and butter. You almost didn't have time to actually do the research because you're always trying to fund your whole salary, basically, and most of it was federal government research. So I learned that skill.

But anyway, there was another economist there who was my same vintage who'd come to Mathematica. Barbara Devaney is her name. Barb is still a very active researcher. She stayed at Mathematica after I left, but she came from the University of Michigan. Now, the University of Michigan, as you know, is a great social science university and has a very strong population program. Even though she was an economist, she had been completely involved in the population program there and [Past PAA President] Ron Lee was one of her advisors (he was at Michigan before Berkeley).

Anyway, she walked into my office one day and she plopped down a thick packet of paper on my desk. Of course, we didn't have computers, so everything was typed and then photocopied and was consequently on paper. It was an RFP, a Request for Proposals, which means, you probably know, an invitation to write a proposal for possible funding. She said, "Hey, Robert, there's this RFP from NIH on the Easterlin hypothesis." So I said, "Barb, I just have two questions for you. The first is: What is NIH? And number two is: what is the Easterlin hypothesis?" Then she explained it to me and I said, "Well, that sounds interesting," and I started learning more about the Easterlin hypothesis. And she started clueing me in on the world of demography and what was coming out at the time about the Easterlin hypothesis. [Past PAA President] Richard Easterlin was an economist, but he was speaking to demographers. His hypothesis, which was the so-called relative income hypothesis, had garnered a great deal of attention in demography because he was trying to explain the baby boom. His whole relative income hypothesis was that young men and women's decisions are very much influenced by what their income is relative to their parents. If you're doing very well relative to your parents, you have a very optimistic view of life. He thought that meant having more children because your incomes were so much higher than you expected them to be.

In fact, his hypothesis should be talked about more today because we're in the opposite situation now, where younger generations are not doing as well as their parents. I bet you could probably explain a lot today with that hypothesis. But it was a great hypothesis because he was modifying an economist's view. The economist's view is that income is income, and that is all that matters. You're not comparing it to anything. Easterlin said, "No, no. It's your income relative to expectations." The hypothesis was of great interest to sociologists because the whole idea of it was similar to social norms. How do those norms get established that influence how you are making your decisions? What matters are your subjective perceptions of how well-off you are--it's entirely subjective. It's not just how much cash you have.

Anyway, it was very interesting, so Barb and I applied for a grant and wrote the proposal together, and we got one. I don't know how we got one because we were both novices. And we then did the work on it – which is when I started reading more about demography, and Barb helped me out by filling me in on it. I said this is really cool stuff. I was also interested in the methods because I'm an economist and economists get trained in methods pretty heavily, and I had strong methodological interests. I got the old Shryock [Past PAA President Henry Shryock] and Siegel [Past PAA President Jacob Siegel] book on "Methods and Materials of Demography" and I read it from cover to cover. I said, "Man, this is great," all about life tables and everything else. I've never taken a course in population or demography in my life. Later on, I was lucky to work at several universities with great demographers at universities and to learn from them. But really, it was self-education in the beginning. Just my own reading. I was fascinated by it and that's what got me started.

BROWN: One more question from me, and then I'm sensing that colleagues will jump in. And I want to get -- I think we all want to get your bird's eye view of the field now and what the major changes are. We have time.

MOFFITT: Okay.

BROWN: But I'm still kind of looking at your CV. I see that you do make the move to the academic side and it looks like it happened at Penn at the Public Policy School, very briefly. And then you went -- I think there was a Rutgers stint shortly after there. So you turned that corner. You made that move. You got hired as a lecturer first. Tell us about that. That was the earliest pathway to...

MOFFITT: Yeah, sure. Well, early career development is all about personal connections. We are a networked world, you know. I got that job at Penn—but it was just a non-tenure-track, Lecturer position to come in and teach a single course one day a week--because of an economist at Mathematica. He was working on the guaranteed income experiments but he was a professor at Swarthmore, which is not too far away from the Mathematica office at Princeton, and he had a joint appointment at Penn and he knew I was interested in moving to academics and I was trying to publish and so on. And Penn had a public policy program and they just wanted someone to come in and teach that course for them. I still wasn't clued in on the great Pop Center there, which is separate. He said, "If you're interested, why don't you come and be a lecturer? Get some academic experience under your belt, some teaching experience and exposure, something you can put on your CV." So he was just the right person for me at the time. Robinson Hollister is his name. He's an economist, but he worked on poverty programs and was a very distinguished guy who's now long since retired.

You meet these people at certain times in your career and people help you along, and they do things for you. That's how I got my job at Mathematica and then I got the job at Penn the same way and then I got the job at Rutgers after that, which was my first real, full-time, permanent, tenure track job, which I got only because there was an economist there who worked on poverty and he knew some people at Mathematica. They said "Hire Moffitt."

Rutgers is where I got started as an academic, as an Assistant Professor of Economics. Like most assistant professors, I started working 24/7. I was there in the Department all the time and I worked on the computer into the wee hours. I started doing research and I was still working a little bit with Barbara Devaney on demography topics. I got very interested in economic models for fertility and, if you look at my CV, you'll see that some of my early work was on fertility and marriage, often combined it with my interest in poverty. Eventually I evolved and did research on a lot of different topics in economic demography. Now, I mostly just work on the relationship between welfare programs and marriage and single motherhood and things like that. It's kind of the niche that I'm really

working in now. But you stumble into these things. After Rutgers, I was lucky enough to eventually return to my alma mater, to Brown, which is another story if you have time.

BROWN: Why don't we hear that story and then we'll open up because these stories are really fascinating.

MOFFITT: Well, the funny story about my return to Brown is that I did start publishing and I was fortunately getting a lot of articles published. They got quite a few citations and my reputation rapidly grew in those first early years. But at Brown, the economics department was still the old mathematical department-- a "No Policy, Please," "No Data, Please," "Nothing About the Real World, Please" kind of department. But the profession was rapidly changing and economics departments around the country were hiring and developing young people who did empirical, policy-oriented work, including work on the family and economic demography. Michigan, Wisconsin, Berkeley--all of those economics departments were doing it. So, the Brown faculty said, somewhat reluctantly, "Gee, I guess we better hire somebody who does this stuff" and they put out a job announcement and I applied along with many other people, and then I got an interview and a flyout and, eventually, an offer. I guess the faculty must have said "Hmm...Moffitt's turned out to be not so bad after all. He actually was able to get some stuff published!" and must have decided that I wasn't so horrible to not be brought back. And so I went back, and I was the only one in the Department who did empirical, policy work. There was nobody else in the department who did anything like it. So that's the story.

Then I helped build up the department more in that direction. And that's when I really met demographers over in the Population Studies and Training Center, PSTC. [Past PAA President] Sid Goldstein was still around then and then our current [PAA] President John Casterline was there. Fran Goldscheider was there. You know, lots of people who are no longer with us anymore, like Al Speare. There were a whole bunch of very distinguished demographers at Brown. I went over there all the time and became part of the Pop Center. So that's the story at Brown and kind of where I really even further got deeper into demography and learned a lot from all the demographers over there.

BROWN: So is it fair to say that you brought data to Brown? Is that something that you could probably say that did happen?

MOFFITT: I would definitely say that. Brought data and social policy to the economics department. All the other faculty were only interested in economic growth or mathematical models of the economy or macroeconomics, inflation, unemployment. I built up databases. I modernized the computing facilities, brought in all the statistical software, and we started hiring other faculty in applied fields.

The graduate students got interested, too. It's just a popular topic for any economics student. I mean, what's not to like about using your tools for social policy? I even got some demography students. A student named Michael Rendall, who's now at Maryland and the Director of their Pop Center, was my student. He came over from sociology and I supervised him and we wrote a couple of papers together, one of which is in Demography on single motherhood. Very excellent student then and now an excellent demographer. So, students were a part, too, of what I helped build at Brown.

Today the Brown economics department has, just like every other department, a lot of good people doing applied and policy work. Brown also has a very good Pop Center, and a lot of the economists at Brown today are associates of the Pop Center. It's really interdisciplinary. I guess I credit myself with getting the ball rolling.

BROWN: Which was not easy back then because as I -- unless I'm getting my timing wrong, when you started there, we were still using mainframes, weren't we?

MOFFITT: Absolutely.

BROWN: It wasn't easy work.

MOFFITT: No, no, there were no PCs. You just had mainframes. We had remote terminals that connected to the mainframe. Across campus, there was a computer center where all the mainframes were and where all the magnetic tapes were--reels containing data. You had to take your magnetic tape over there and they'd store it in the cabinet. When you were ready to work, you would send them a message, "Mount my tape, please," and wait half an hour for someone to mount it and attach it to your account. I was a Fortran programmer then. There weren't good software programs back then either, so I learned how to write my own original Fortran programs. And you had card decks and all of that, which seems so ancient today.

We also had algebraic computation machines, which were like huge adding machines. They were very large and you had to type into them and they would do some simple calculations like a regression. But the PCs didn't come until later in the 1980s really. I helped set all that up and it was laborious, to say the least. It seems like another era now; but that's what we did.

BROWN: So one more question from me, and I'm hoping colleagues will jump in. I want to step back and look at the whole field now. Maybe we can start with PAA because that's this context. I don't know if -- I'm not sure if this is the best way to frame this, but maybe how has the field changed from your first PAA to today? Just thinking about what we've talked about.

HARDEE: When was your first PAA?

BROWN: And when was your first PAA and how did that happen? But PAA might be a good way to sort of take stock and monitor the major changes in our field. How would you comment on that? And then I think we can probably ask some more questions that are kind of from that bird's eye view.

MOFFITT: I think my first PAA was in the 1980s. I think it wasn't until I went to Brown and I met all the demographers there. Sid Goldstein had been President of PAA back in 1975 and was very well connected to it and so was Fran Goldscheider and John Casterline. Of course, PAA is a great organization and not only on scholarship; a great thing about PAA is its collegiality and the personal nature of it, which I've never found in any other association.

The field has definitely changed from my initial study of it. When I first got interested in demography back in the Mathematica years -- so that was the late 1970s -- even then, it was pretty much dominated by population control and family planning and related kind of issues. Those were important issues. But the social demography side was really in its infancy and the big change that I see, particularly from my perspective, is the growth of social demography. You come to the PAA this year and the number of sessions on that topic or something related to it is tremendous. And, as a whole, the field of demography has broadened out away from those core issues of fertility, mortality, and migration.

You come to PAA today and you've got health and population health, for example. You've got applied demographers. You've got geographers. You've got survey issues and survey statisticians, although the Census Bureau has always been involved. You've got economists, of course, here. You've got anthropologists. It's a big tent and that's a nice thing about demography. Although I have to say that you've got to expect a little bit of tension between the traditionalists who say "this is what demography should be" and the younger people who say, "No. I want to do this. It's not quite the traditional stuff. I want to bring this in."

The big tent, with a lot of different disciplines represented at the PAA is, I think, very healthy. I also think that it's one reason for the vibrancy and intellectual excitement of demography. Four thousand submissions this year. It's amazing how many people come and many young demographers are interested in all different aspects of the field. This is why it is thriving and why the broadening out brings so many people to PAA. It's the reason that PAA has succeeded.

But demography has gone through a tremendous evolution. Even when I went to Johns Hopkins, it was still Johns Hopkins—a place excelling with demographers working on population control. It still has people like Stan Becker, a distinguished demographer who works on those issues. But [Past PAA President] Andy Cherlin is there, too, and he is representative of social demography—he is concerned with inequality, poverty, and marriage. The tremendous development has been very healthy, in my view.

WEEKS: Could we talk a little bit about that? Because one of the things that we, the committee, have realized over the years is that because demography is an interdisciplinary field and there are very few departments of demography, the PAA does play a role in bringing demographers together and doing stuff for demographers that they can't get done anywhere else. How do you feel about that?

MOFFITT: I absolutely agree. Demographers are scattered around in all kinds of organizations. If you talk about universities, typically in sociology departments; they are usually a minority -- maybe two or three -- and so there are not that many people to talk to if you're in a sociology department. At Johns Hopkins, there were a lot in our School of Public Health, so it has had a health-oriented social demography focus there. A lot of demographers work for the government and Census Bureau and NCHS and NIH and places like that, so they kind of all fit in.

Here at PAA, you can come and talk to people like you, with those who are interested in exactly the same things you are. Some of our large population centers have good training programs, so many of our young demographers have been trained very well; but then they go out from places where there are a lot of demographers and they get so much good interaction as graduate students but they go out to a place where they're the only person in their department.

I think the PAA is instrumental in serving this function, and probably more so than in some other associations and other disciplines, where it's a little bit more homogeneity and people are coming from places where they do have a lot of colleagues. So, I absolutely agree.

WEEKS: But now you talk about the fact that a lot of demographers are sociologists and certainly that's the case; but, indeed, if you look down the list of PAA Presidents, there have been, like you, a lot of economists. You were talking about Richard Easterlin and, you know, Sam Preston. I mean, we can go down the list and find a lot of economists.

MOFFITT: A lot.

WEEKS: How do you think that comes about, despite the seeming importance of sociology?

MOFFITT: That's a good question. And, more recently, Greg Duncan and David Lam, were PAA Presidents -- and you can count Ron Lee in that category.

To me, it's natural that, as an economist like myself interested in population issues, that demography is an intellectually appealing area to which you can add some economic tools. As to why they've so often been Presidents of PAA, I'm actually kind of surprised at that. It may be just a reflection of PAA's openness to all different kinds of intellectual perspectives.

I know many economists who happen to be not only outstanding researchers, but also pretty good administrators with strong organizational skills. I don't know if that's because of their training or

just the kinds of people who come into economics. But, in fact, if you go to universities, you'll find that provosts and presidents and deans are packed with economists, for better or for worse. I'm not sure that's a positive thing, but I think that it's not surprising that economists can manage the financial affairs of the association pretty well and know how to balance a budget and things like that. But mostly I think it's just a natural intellectual congenial pairing and I'm happy that so many economists are coming to PAA and are appearing all over the program. Maybe some of them will be future Presidents.

BROWN: Can I jump in one more time?

HODGSON: Oh, sure.

BROWN: I wonder if you can imagine the most important research question in the field that, in your mind, has not been answered yet and you would be passionate about trying to answer it. What would that research question be that, of course, would involve, you know, demographers and people you've worked with? What would that research question be for a field? A real enduring question. And how might you go about answering it? Would it mean a field trial? Would it mean doing -- working with the data we already have? But what is the research question that maybe you wish that's what everyone's talking about and trying to solve?

MOFFITT: Well, I'm not sure I could answer that for the field as a whole because there are so many areas that I don't know well enough to feel really qualified to give an answer to. I will say that, from my perspective of the kind of work I do, is that I still don't think we understand why so many low income women are not marrying the fathers of their children, despite all of the work that's been done on the issue. I still don't think we understand why the trends have been what they have been—why there was a huge increase in nonmarital child bearing in the 1970s and 1980s, a flattening out and declining after that, and then another huge increase in the 2000s, which has now fortunately plateaued out and started declining again.

I should say that the economists have no answers, because if you look at economic variables, it doesn't help much to get a good handle on the problem. And if you use Gary Becker, because he's the father of economics of the family and fertility, I don't think his framework has the answer either. His theories about the employment status of women affecting the division of labor in the household are important for middle class women, but I don't think that is what is going on for low income women, who have low employment rates, not high ones.

Demographers have been very successful at tracking it and including the role of cohabitation, and there has been a lot of good work done on the relationships between absent fathers and mothers. They do see each other and they do have interactions, and fathers are often involved with the children. But I think what we need -- and this may be heresy as an economist, and my economist colleagues would probably disbar me from the profession for saying this--but I really think we need a lot more ethnographies that go in on the ground level and find out what's going on with low income men and women. There has been some work of that kind already and it has been very valuable. For example, Kathryn Edin has done much of the best work of that type. But when talking to a low-income woman, coming from a disadvantaged family, what do they see to be the virtue of having children, and for that virtue to be so great that they are willing to go ahead and be a single mother with all the difficulties that come from that? Difficulties that are worse in a low-income community where there are no resources to help you with raising that child, and where the welfare system is not helping you anymore either?

Maybe the answer is that the men are left out of the picture often in the research that's been done. Not entirely, for the best demography brings the men in. But, do the men want to get married?

Why don't they want to get married? There's been some ethnographic work on that as well. But I don't see another regression to run that's going to answer this question, and I think going in on the ground level and getting some hypotheses generated would be my preference.

HODGSON: I've got sort of a "could be" question. More I'm asking about your reflections because you spent your entire career doing policy analysis and a real central concern is on understanding the fate of low-income Americans. Now, what do we do with the findings of great policy researchers like yourself as a society? We've just gone through two years of a Trump administration and perhaps there will be six more and we don't seem to be using policy findings of such good research to set policies and programs to deal with these problems. Now, we seem to have fallen back a bit in terms of wanting to use empirically based data to set policies. What's your reflection on sort of the relevance of policy research in a political context, when those types of empirically based findings don't seem to be appreciated?

MOFFITT: That's an excellent question. In my reasonably long career, the success of using evidence in policy has gone up and gone down. It's gone through cycles and we're in a bad cycle right now for sure. And not only is the current administration ignoring some valuable research, they're actually conducting distorted research. They're putting out fake news research, to be honest, which is completely bogus, to support their policies, including some written by economists. They've hired Trump-style economists to do studies that are purportedly good research but which are just complete nonsense, to be blunt about it.

So what do you do? Well, one thing is you wait. I was just a member of a committee of the National Academy of Sciences chaired by Greg Duncan and we just issued a report on how to reduce child poverty by 50 percent in ten years. There's a session this Friday morning where we'll be presenting our findings to the demographers describing how you can achieve that goal. It's generating a lot of discussion in Washington. [*Editor's note:* Here is a link to a free PDF download of the report from the National Academies Press: <https://www.nap.edu/catalog/25246/a-roadmap-to-reducing-child-poverty>]

We've been asked to come talk to the House Democrats about our plans because we have 100 people running for President in the Democratic party and they all want to know how to have a platform on how to reduce poverty and address these social issues. They're all ears, and they're interested in evidence. They want to put out a plan that has strong academic and research evidence so they can go to the voters with some solid numbers and say, "Let's do this and it will reduce poverty exactly by this amount, and it will cost this." We researchers can give them those numbers.

We have been asked to come and talk to the Senate side too. What you do is you work with the people who, at any particular point in time, are interested in listening. A lot of us who work in the poverty area are also saying now that one thing you can do is go to the states, because there are a lot of state policymakers who are very interested and a lot of poverty programs and social programs can be run at the state level. States have a lot of power to do things even without federal assistance. A local health program, neighborhood health programs, child support, social services, and a lot of other local programs are possible. At a lot of the poverty forums I go to, people say, "Let's all get in the state level and try to work there until there's a change in federal administration." But, again, there's an old saying that if you become a poverty researcher, if you weren't a natural pessimist to begin with, you become one very quickly because it's just such a tough job persuading politicians to recognize the facts and use the evidence and not exercise just their political biases. So it's hard to predict how efforts at the state level will come out.

Fortunately, as I said, there are a lot of politicians who are willing to do something. I was on the GPAC Committee here for PAA, which is our advocacy arm, and I've done a lot of advocacy work for the American Economic Association, too, where, for nine years, I was on their GPAC equivalent as

a member or as a Chair. I've spent a lot of time walking the halls in Washington to find people who are willing to listen. You find people who are receptive, whether it's asking for funding or asking for support for social programs or whatever you're asking for. You go to the people who are willing to help-- and there are some--and you develop partnerships with them, and you develop relationships with the right congressmen and their staff and people in the administration. You have to work the hallways and compile a constituency. That's the way it has to work to be effective. It's hard work, very hard work; but I think that's the way you have to go, especially in tough times like today.

HODGSON: Great reflection.

BROWN: Robert, I feel like you're just warming up.

HARDEE: I know.

BROWN: This is so exciting. It's just gone 10:00. Let's get to our final questions. But, John, we do have a little bit more time...

WEEKS: We do because unfortunately Sara McLanahan, whom we were going to interview right after you, couldn't come. Her back went out on her.

MOFFITT: Oh, I'm sorry to hear that. She would actually be good on many of the same substantive grounds I've talked about, too.

WEEKS: Exactly. You have a lot of overlap.

MOFFITT: Absolutely.

BROWN: But we're aware of your time. So why doesn't maybe each person ask their final question and then we'll wrap it up?

WEEKS: Sure.

HARDEE: Thank you so much. Wow, this has been so interesting. We all say this is our most--our funnest--event at PAA, to listen to the past Presidents. So thank you very much. I want to get back to something you said about luck and how, you know, some of your early jobs, you know, and you finished your graduate degree and they said, "We're not quite sure what you're going to do." What advice do you give students now in planning for their careers, courses they should take, or it's all luck and just go with the flow?

MOFFITT: I just give students mature, sensible advice, which I didn't get as a graduate student (as I said, I got no good advice). For my graduate students -- first of all, most of them are still economists and so one thing I do is that I insist if they're doing something on anything family related, that they go over and attend seminars in demography. I want them to be exposed to the discipline and the intellectual framework and know what's going on there. I also give them a lot of career advice. Depending on whether they start nonacademic or academic, I give them different advice. I give them advice on how to manage their research time and their other non-research time that they'll be obligated to spend no matter where they are. If they're academic, it will be teaching. If they're nonacademic, they will have obligations for their job, depending on what organization they're working for.

I give them a lot of advice on all the strategic aspects of being a researcher, getting tenure, how to publish, what journals to send their papers to, how to try to get exposure, how to travel to

meetings, how to meet people, and how to push yourself a little bit. Because most graduate students don't understand how important it is. They think that if I just sit in my office and do my research and send it to the journals, that's all I need to do. No, no. You have to network. That's just a fact of life. After my students leave, I stay in contact with additional advice if requested. I am fortunate that I've had a lot of graduate students over my career and I follow their careers and keep up with what they're doing. They eventually don't need my advice anymore; but in their early careers, they do. I think it's very important to help your students along at all levels. And, of course, I give them comments on their work, too; but there are so many aspects to the profession of being a scholar that you don't get taught in a course.

HARDEE: Thank you.

MERCHANT: Thanks. So, you talked a little bit earlier, you observed that the field of demography since you started kind of working in the field in the 1970s, has really broadened out -- I think that was the word you used was "broadened" -- from initial focus on family planning and population control into many other areas. And I was wondering if you could maybe tell us what you think some of factors were in that broadening, both internal and external to demography.

MOFFITT: I would probably say that most of them have been external. I would say that any social science -- and count economics and political science, sociology, demography -- should be responsive to what's going on in society. If the sciences didn't do that, it would not be a good thing. So I think that the broadening out I spoke of has just been mostly external forces—that is, all the issues that I talked about, all the subdisciplines and subtopics that I talked about, relate to important things that are going on out there in the world. It's good news that demographers are changing their research interests over time.

Take the submissions to the PAA meetings. As you may know, health is now number one in terms of number of submissions, speaking broadly. All kinds of submissions in that area-- child health, health of aging, health across the board. But what could be more important to society? Health, we now understand, is not just an outcome, it's also a determinant of all kinds of measures of success and well-being from childhood to adulthood to older ages. That wasn't understood 20 or 30 years ago. I guess one would also have to say that a bit of the growth of health and aging research is a result of funding in in those areas, and I'm not completely happy about the influence of that on the relative amount of work that's being done in different areas of demography. But health is just an inherently important issue. I would say that changes in research topics in demography are changing in response to external societal forces. In fact, if a discipline spent 20 or 30 years working on the same thing -- and I know that's an exaggeration—it would exhaust itself and it would be difficult to say anything new on the subject. I don't think anyone wants another Pop Council report on the causes and consequences of population growth, for example.

The demography profession, like every profession, is a profession of young researchers. They arrive, they are interested in something new and they say, "I'm not interested in doing what's been done on old subjects. I want to do something really new and current." The discipline and the PAA just evolve. The Association's role is to have a meeting where they let the membership say what should be at the meetings. The PAA doesn't decide the topics. You want the membership to say, "Here is what we think is interesting now," and the Association has to provide the forum and the sessions and the right-sized rooms for the membership to talk about what they think is important. The PAA has to have an instrumental role that will accommodate and support whatever the profession wants to do.

WEEKS: Can I ask if there are any questions that we didn't ask you that you wanted to answer for us?

MOFFITT: Well, there's only one thing I did want to say, which I really didn't expect you to ask me about, which was that I found my opportunity to have been President of the PAA for one year to have been a great honor. I'm humbled by the other Presidents who have served before me--the giants of demography. I also wanted to say that, as PAA President, I felt a great sense of responsibility for this Association, with its distinguished history. I took the job as President very seriously although it was only for one year. A lot of the stuff you do as President is behind the scenes--you know, running the Association, balancing the budget, and making sure it's run by good staff. Although, when I was President, I had the misfortune of having Stephanie Dudley decide to retire and I had to replace her. It was a huge job, but maybe every President has something that comes up they have to deal with (after me, Steve Ruggles had to deal with shopping for a new meeting software system, a huge job). I luckily hired Danielle Staudt and I think she's doing a great job.

So I just wanted to state for the record that it was an honor and a great responsibility and privilege to be PAA President, and I was happy to do my bit along with all the others before me and since who have worked to make this Association continue to be a great Association.

WEEKS: Thank you very, very much. We really do appreciate your time and all of your work on behalf of the PAA.

MOFFITT: Okay. Thank you.

BROWN: Thank you very much.

HARDEE: Keep walking those halls of Congress.

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The Deserving Poor, the Family, and the U.S. Welfare System

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Abstract Contrary to the popular view that the U.S. welfare system has been in a contractionary phase after the expansions of the welfare state in the 1960s, welfare spending resumed steady growth after a pause in the 1970s. However, although aggregate spending is higher than ever, there have been redistributions away from non-elderly and nondisabled families to families with older adults and to families with recipients of disability programs; from non-elderly, non-disabled single-parent families to married-parent families; and from the poorest families to those with higher incomes. These redistributions likely reflect long-standing, and perhaps increasing, conceptualizations by U.S. society of which poor are deserving and which are not.

Keywords Welfare · Poverty · Single mothers

Introduction

The nature of the U.S. welfare system has been a subject of long-standing research interest among those who study low-income and disadvantaged families and children. The country's system of welfare programs has a strong relationship to the family. Historically, for example, the primary recipient group has been single-mother families—a group that has been the focus of much research given their high rates of poverty and the implications of that poverty for children. The role of absent fathers and their relationship to children, as well as the role of the child support system, have been another focus of research relating the welfare system to the family. The U.S. welfare system also provides support that is quite different depending on whether individuals are single or in a union, whether children are present in the family, whether a male and

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female partner are married or cohabiting, and whether the adults are biologically related to the children. In all these classic areas of research on the family, the welfare system plays a role.

This article will address two broad questions about the evolution of the U.S. welfare system and how that evolution has resulted in changing patterns of support for families of different types. The first question is simply whether the welfare system, taken as a whole, has become more or less generous. I will argue that the common view among researchers and many (although perhaps not all) members of the public is that the system had its greatest expansion in the 1960s and early 1970s, partly stemming from the War on Poverty campaign. However, that expansion was later halted, if not reversed, and the United States has been in a contractionary period for two or three decades. I will note the scholarly research that supports this view and will examine the evidence to determine whether it is correct.

The second question is whether, given whatever has happened to the generosity of the system in aggregate, the distribution of support across different family types and across families at different points in the income distribution has changed. Here I examine whether trends in support have been different for single mothers and their children, married couples with children, and childless families, for example. I also examine whether support has evolved differently for the poorest of the poor, as well as for those with still modest incomes but with incomes just below or just above the official U.S. government poverty line, the most commonly used index of economic status of the disadvantaged population. I also examine whether support has evolved differently for families with older adults and those with disabled family members relative to the rest of the population.

My results show that the aggregate generosity of the system has continually trended upward, albeit with some pauses and slowdowns, and that the rate of spending growth has in fact been greater in some recent periods than it was in the 1960s and early 1970s. However, financial support has evolved very differently for different demographic and economic groups, with the disabled and the aged experiencing much greater increases in support than the rest of the population and with much slower rates of increase, if not decreases, for single mothers and their children. In addition, support for families with the lowest incomes has decreased, but support for those with higher incomes has increased. I interpret these changes in the distribution of benefits as reflecting centuries-old notions of which of the poor are “deserving” and which are not (Katz 1989).

One well-known topic to which I devote minimal attention is whether the U.S. welfare system has encouraged nonmarital childbearing and the formation of single-parent families, and whether it has discouraged work. These issues are important in and of themselves but also because if family and work behaviors have been influenced by the welfare system, this could bias trends in support by family type and by level of earnings—for example, an increase in the number of poor single-mother families could be the result of work reductions induced by the welfare system. At the end of the article, I briefly review the existing research literature and argue that although some incentive effects of this type are probably present, they are small in magnitude and would not affect the large trends I document earlier in the article.

A Short Chronology of the Development of U.S. System of Transfers

The modern welfare state in the United States was begun in the depths of the Great Depression when Congress passed, and President Roosevelt signed, the Social Security Act of 1935. That act created three programs: the old-age retirement program that is often simply called “Social Security,” the Unemployment Insurance (UI) system, and the Aid to Dependent Children (ADC) program (its name was changed to Aid to Families with Dependent Children (AFDC) in 1962 and to Temporary Assistance for Needy Families (TANF) in 1996).

The first two are “social insurance” programs that base eligibility on having worked a sufficient amount and having had a sufficient level of earnings to qualify. For example, currently an individual establishes eligibility for Social Security retirement benefits only if he or she has worked at least 10 years in so-called covered jobs and has earned at least \$1,200 per quarter. Likewise, eligibility for UI payments is based on whether an involuntarily unemployed individual has had a certain amount of work and earnings in the past year or so, depending on the state of residence. The important feature of social insurance programs is that they do not base eligibility primarily on current income or poverty status; and, in fact, to the extent that poor individuals tend to have spotty employment histories and low earnings, they are less likely to be eligible for these programs in the first place. However, despite the fact that these two social insurance programs are not specifically directed to the poor, their enormous size means that they do provide large transfers to poor elderly families and to poor unemployed families at the same time that they are providing payments to middle-class families. In 2007, for example, expenditures in the Social Security retirement program were \$485 billion, and expenditures in the UI program were \$30 billion (and this was a low unemployment year). By comparison, expenditures were only \$12 billion in the cash portion of the TANF program.

The third program—the original Aid to Dependent Children (ADC)—was explicitly directed to poor families by providing benefits to families with children and with one biological parent absent from the home. Rather than reflecting a sympathetic view of the poor in general, however, the ADC program was instead intended to support widows with children and women whose husbands had become disabled. In some sense, it was not unlike a social insurance program because it presumed that the husband had provided income to the mother and the children—income that they had lost involuntarily. Because it was assumed that mothers would not work but would instead stay home with their children, it seemed natural that the children should be helped and that the mother should be helped in the process.

Interestingly, although mothers whose husbands had become disabled were supported by the 1935 Social Security Act through the creation of the ADC program, the act had no provision for support for the disabled in general. Intense debate in Congress starting in 1936 centered on whether a program for the disabled should be included along with the other three programs created by the Social Security Act (Berkowitz 2000). There was strong opposition to its inclusion because Congress believed that such a program would serve too many men who were not really disabled and who could obtain a job. Debate over whether to have a program for individuals with disabilities continued for the next 20 years, until 1956, when Congress finally added a program for those individuals: the Social Security Disability Insurance (SSDI)

program. However, this program covers only the severely disabled in order to reduce the probability that recipients would be capable of employment. The severity of the eligibility condition in the SSDI program distinguishes the United States from many countries in Western Europe, where less-stringent definitions are often used, and the moderately disabled are often covered. The SSDI program is yet another social insurance program: only those who have worked and earned enough in the past are eligible. However, the program is large—distributing \$99 billion in 2007—and covers many individuals who are in poverty.

After the creation of the three programs in the Social Security Act as well as the SSDI program, little development in the transfer system occurred until the 1960s. The 1960s and early 1970s are widely recognized a period of major expansion of government social welfare programs. Beginning with the publication of Michael Harrington's book *The Other America* (Harrington 1962), which awakened Americans to the existence of widespread poverty in the midst of the country's general prosperity, and continuing with President Kennedy's plan to address the poverty problem and then on to President Johnson's heralded War on Poverty announced in 1964, the need for government intervention to help the neediest families became evident and gained widespread public support.

Interestingly, President Johnson intended the War on Poverty to be focused on education, training, and health programs for the poor, and not welfare programs—or, in the words of those at the time, a “hand up” and not a “hand out.” The Head Start program, which provides early education assistance to children from low-income families, is one program of this type. Nevertheless, whether intended by Johnson or not, and whether officially part of the War on Poverty, the 1960s and early 1970s were a period in which just about all major welfare programs for the poor that are still with us today were created, formalized, or expanded (see Table 1). These include the Supplemental Nutrition Assistance Program (SNAP), Medicare, Medicaid, the National School Lunch Program, the School Breakfast Program, Supplemental Security Income, the Women's, Infants, and Children program, and the Earned Income Tax Credit (EITC).

For example, the Food Stamp Act of 1964 (now referred to as SNAP), provides food coupons for low-income families and individuals. It began as a small voluntary program but was eventually made mandatory for all counties in the 1970s and began its evolution toward the major program it is currently.

Medicare and Medicaid were created in 1965. Medicare is a health program for older individuals; it is a social insurance program, not a welfare program, but Congress has made all individuals 65 or older eligible even if they have not worked for 10 years in the Social Security system. Medicaid is the medical care program explicitly providing health care to those with low income and assets and hence is directly aimed at helping poor families. It has grown dramatically since 1965, as will be shown later.

In 1966, the National School Lunch Program (NSLP) and the School Breakfast Program were formalized, providing subsidized lunch and breakfast to low-income children. Housing programs were expanded in the early 1970s, for the first time giving low-income families a voucher that they could take to a private landlord and have to pay only a portion of the rent on the housing unit. The Supplemental Security Income (SSI) program, which provides cash payments to the aged, blind, and disabled

Table 1 Important dates in the history of the U.S. transfer system

Date	Event
Beginnings	
1935	Creation of Aid to Families with Dependent Children (AFDC), Old-Age Survivors Social Security program, and Unemployment Insurance (UI)
1956	Creation of the Social Security Disability Insurance (SDDI) program
Great Expansion	
1964	Formation of Food Stamp program
1965	Creation of Medicare and Medicaid programs
1965	Creation of Head Start program
1966	School Breakfast and National School Lunch programs formalized
1972	Congress creates the Supplemental Security Income (SSI) program
1975	Creation of the Women's, Infants, and Children (WIC) program
1975	Congress legislates the Earned Income Tax Credit (EITC)
Contractionary Developments	
1971–1972	President Nixon's Family Assistance Plan (FAP) fails in Congress
Late 1970s	President Carter's expansionary welfare reform plans fail
1980	Ronald Reagan elected president after campaign proposing retrenchment
1984	Charles Murray publishes <i>Losing Ground</i>
1988	President George H. W. Bush's expansionary work-based welfare reform plan passes Congress but later is judged a failure
1996	President Clinton oversees the most contractionary welfare reform in modern U.S. history

individuals if they have sufficiently low income or assets, was created in 1972. Up to that time, there was no national program under which poor, aged, or disabled were eligible for cash assistance if they did not qualify for Social Security, although there were state programs. The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), which provides food and nutrition assistance to pregnant women and to infants, was created in 1975. Finally, Congress passed the Earned Income Tax Credit (EITC) in 1975, giving working families a tax credit on their federal income taxes in proportion to their amount of earnings. Economists call this an “earnings subsidy” program because it helps those who work more by supplementing their earned income. Although the public does not ordinarily see the EITC as a welfare program, it does, in fact, fit the definition: it gives credits to only those families whose earnings are below an upper level cutoff and is intended to help only those in the population who have low or modest levels of earned income.

As I asserted in the Introduction, the dominant view of researchers is that this era of expansion of the welfare state and programs to help the poor was followed by a long period of retraction and retrenchment, or at least stabilization and failure to further expand. Many observers believe that this began as early as 1971, when President Nixon submitted to Congress, and later resubmitted, a bill to create a program called the Family Assistance Plan which provided a guaranteed annual income to poor families, a program called a “negative income tax” by most policy analysts (Table 1). It failed in Congress after both submissions. Later in the 1970s, President Carter formulated a

vastly expanded program for the poor with higher benefits, with more universal eligibility, and calling for the creation of millions of public service jobs for the disadvantaged. It never made it to the floor of the House. In 1980, Ronald Reagan was elected president, having campaigned on a promise to curtail the welfare state, and he continued to enjoy enormous popularity during his two terms in office. In 1984, Charles Murray published the influential volume called *Losing Ground* (Murray 1984), which argued that the expansion of the welfare state had not only failed to reduce poverty but actually made the problem worse by discouraging the poor from working and giving them incentives to not marry. In 1988, President George H. W. Bush, a moderate Republican, proposed to Congress a bill to add mandatory work programs to the AFDC program. The bill passed, but the implementation of the program never made work mandatory and was widely considered to be a failure. When William (Bill) Clinton (Democrat) was elected as president, he presided over and signed in 1996 the most retractionary bill in the modern history of welfare reform, imposing into the AFDC program work requirements backed up by credible and enforced monetary sanctions for noncompliance, and legislating maximum time limits of receipt into the program, which was renamed the Temporary Assistance for Needy Families (TANF) program. The legislation reduced the number of poor families served by the program by 63 % within 10 years, effectively removing it as an important program in the nation's safety net for the poor. Since 1996, welfare reform has been mostly off the political agenda, whether under President George W. Bush or President Obama, with no further major reforms discussed. Jencks, writing in 1992 (even before the 1996 reform), provided one of the best and most cogent summaries of the post-expansionary era: "After 1976 . . . the idea that government action could solve—or even ameliorate—social problems became unfashionable, and federal spending was increasingly seen as waste" (Jencks 1992:70).

Answering the First Question: Whether the Transfer System Has Grown Less Generous

With this fairly extended background, let me address the first question of whether the U.S. system of transfers has grown less generous overall during the last two or three decades. To take the most comprehensive approach, I include social insurance as well as welfare (or means-tested) programs first, and then take the largest 16 of those programs.¹ Government statistics on expenditure—including state and local spending as well as federal—are available back to 1970. Figure 1 shows the pattern of growth of total real per capita spending (to control for natural population growth) from 1970 to 2007, the last year before the Great Recession (which will be considered separately later). As expected, spending rose rapidly from 1970 to 1975, to pick an end year roughly coinciding with the end of the expansionary period noted earlier, by 60 % over the short five years; this amount would have been larger if pre-1970 data were available. Also as expected, per capita spending rose at a much slower pace, by

¹ The 16 are the Old-Age Survivors Insurance program (i.e., Social Security retirement), Medicare, UI, Workers Compensation, SSDI, Medicaid, the Children's Health Insurance Program (CHIP), the Supplemental Security Income (SSI) program, AFDC-TANF, the EITC, the CTC, Food Stamps, subsidized housing programs, school food programs, WIC, and Head Start. The one important set of programs that is left out for lack of good data are child care programs.

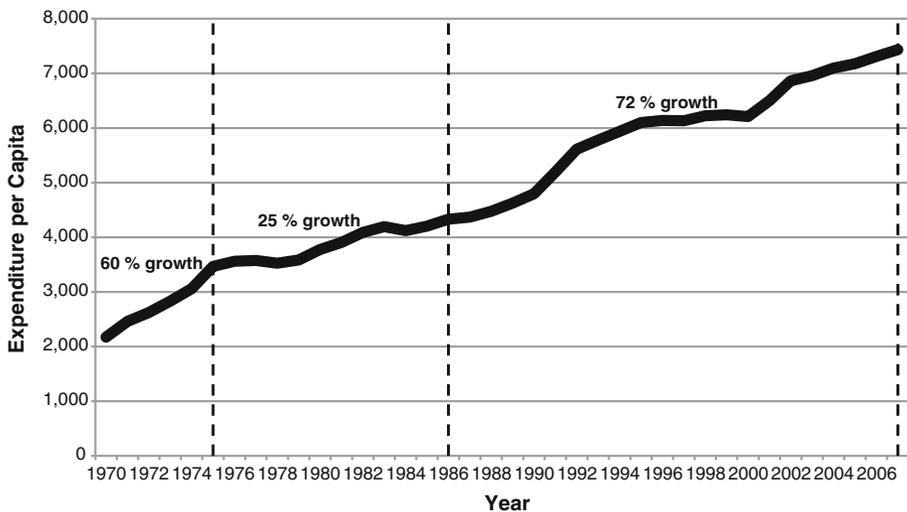


Fig. 1 Real aggregate transfer program spending per capita, 1970–2007. Values represent sums over the largest 16 transfer programs. All values are in 2009 CPI-U-RS dollars

25 %, from 1975 to 1986. However, the end date 1986 is selected in Fig. 1 despite the contractionary events after 1986 noted in Table 1, because spending picked up again after that year. From 1986 to the end of the period in 2007, spending rose significantly, by 72 %—larger than in the first period of the early 1970s. Although this third period was obviously longer in total years than the initial five-year period, there is no sign of a slowdown in spending growth in that recent 20-year period.^{2,3}

One issue with these figures is that they include major social insurance programs, and it is well-known that the Social Security retirement program (as only one example) was liberalized repeatedly by Congress over the 1960s and 1970s. In addition, toward the latter period, the size of the older population has been growing. The upper line in Fig. 2 shows a data series compiled by the Congressional Research Service (Spar 2006) for per capita real spending on 84 of the largest means-tested programs in the country, thereby excluding those for social insurance; however, the series was not collected after 2004 and was only sparsely collected before 1975. The rates of growth of real per capita means-tested spending, in fact, rose faster than total spending, by 90 %, 18 %, and 93 % in the same three periods. Thus, social insurance programs are not responsible for the continued growth of spending in the last period.

Another issue is that the large rate of growth in the third period may be partly a result of the growth of spending in the Medicaid program, which is by far the largest means-tested program in the country in terms of expenditure and which has been growing more rapidly than spending in other programs in recent decades. From 1986 to 2007, for example, real per capita Medicaid spending rose by 210 %.⁴ The lower line in Fig. 2

² The annualized rates of growth in the three periods are 10 %, 2 %, and 2.6 %, respectively.

³ Spending in the third period also rose relative to gross domestic product (GDP), from 9 % of GDP in 1985 to 12 % in 2007, a significant and nontrivial increase.

⁴ Part of this growth is a result of increases in medical care prices, which were rising faster than general inflation over this period. These figures deflate spending by a general price index and hence overstate the growth of real medical care utilization.

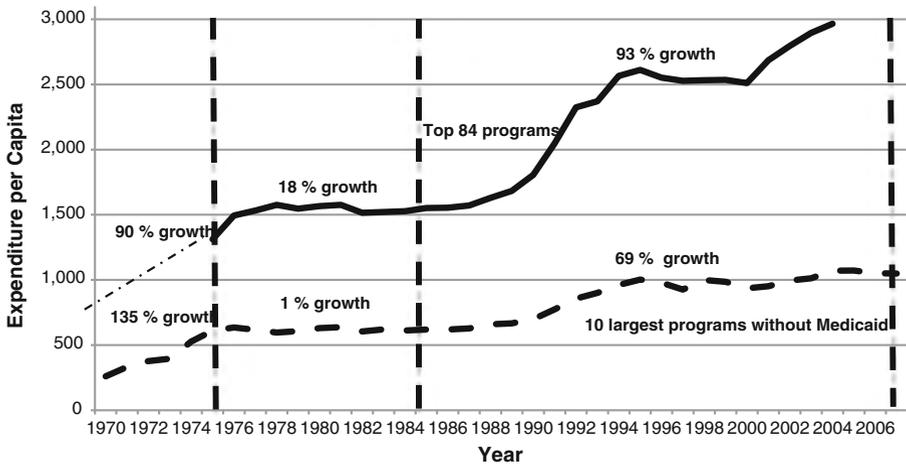


Fig. 2 Real expenditure per capita in means-tested programs, 1970–2007. Sources: Top 84 programs from Spar (2006), and 10 largest programs from author's calculations from individual program statistics. Expenditures are sum of federal, state, and local total expenditures on the programs. Top 84 figures prior to 1975 are interpolations between 1968, 1972, and 1975. All values are in 2009 CPI-U-RS dollars

returns to the large programs shown in Fig. 1 but excludes the five social insurance programs as well as Medicaid. Although the rate of growth of spending in the third period is now less than that of the upper line in Fig. 2, it is still 69 %, representing a major increase in spending. In sum, this evidence provides no indication of a more conservative era of retraction and retrenchment that the popular view assumes.

The explanation for the difference in the popular view and the actual experience is in large part that the 1996 welfare reform referred to in Table 1, which dramatically reduced the size and spending in one important program (AFDC-TANF), was the exception rather than the rule. This is demonstrated in Fig. 3, which shows growth in per capital real spending from 1970 to 2007 for that program but also for several other important ones. As the line for the AFDC-TANF program in the figure shows, spending in the program took a dramatic dive in the 1990s. By 2007, spending was only about one-quarter of what it was in 1995. In fact, it was lower in 2007 than it was in 1970. Comparatively, spending in the SSI program, for example, which pays cash to poor aged, blind, and disabled individuals, rose by 80 % in the five years between 1990 and 1995. This extra spending was a result of changes in eligibility rules that allowed more children to be defined as eligible by disability criteria (Daly and Burkhauser 2003). Additionally, the EITC, which provides a tax credit to low-income families with earnings, was greatly expanded by both Presidents George H. W. Bush and Clinton in the late 1980s and early 1990s, resulting in expenditure growth of 274 % from 1988 to 1998 and taking it from a minor program in the country's welfare system to one of the leading ones (and the largest one among those shown in Fig. 3). Another tax credit, the Child Tax Credit (CTC), was passed by Congress and signed by President Clinton in 1997 and started in 1998. The CTC gives low-income families with children a significant tax break and, as Fig. 3 shows, is now a major program in the country's safety net. The Medicaid program—not shown in the figure because the magnitude of the numbers is so much higher than for other programs—also rose dramatically beginning in the mid-1980s.

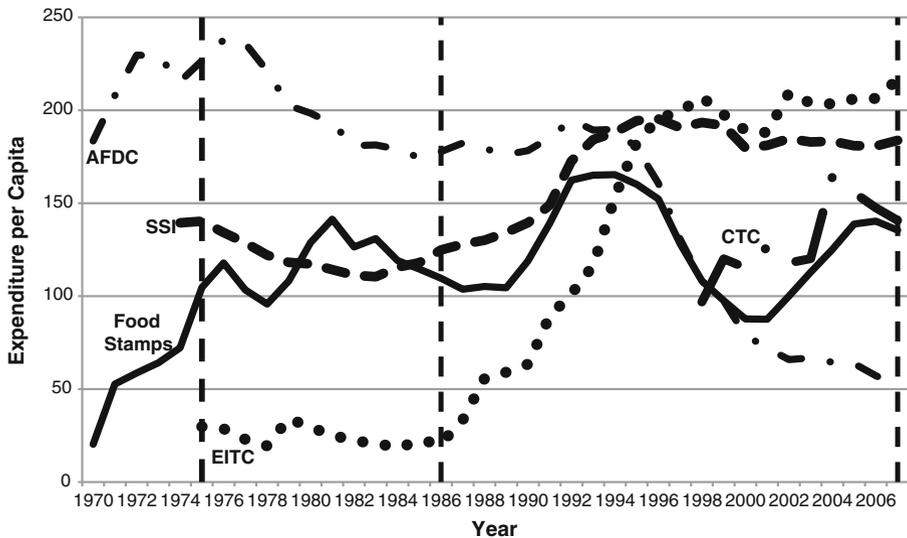


Fig. 3 Selected means-tested program spending per capita, 1970–2007. All values are in 2009 CPI-U-RS dollars

The SNAP program, as shown in the figure, grew through the 1980s, fell as the economy improved in the later 1980s, but then rose again to a new peak in the early 1990s as a result of changes in the program that liberalized various rules. The most interesting aspect of the spending growth in the Food Stamp program is that after falling in the late 1990s as a result of the improvement in the economy, it resumed growth through the middle and latter part of the 2000s despite a falling unemployment rate over the period, growing by 20% from 2003 to 2007. The reason for the increase was that the U.S. Department of Agriculture reformed the program to reduce barriers to participation and to reduce paperwork, and encouraged families who were eligible but hadn't applied to apply for benefits—a conscious and deliberate expansion of the program.⁵

Answering the Second Question: Whether There Has Been a Redistribution of Benefits

Although aggregate spending continued to rise after the mid-1980s, and even accelerated for many programs, whether the distribution of that spending differed across families of different demographic and economic types is a separate question. Indeed, Fig. 3 suggests that the distributional impact of the rise in aggregate spending may not have been neutral: most of the programs that grew served different types of recipients than the program that fell (AFDC-TANF). An obvious example is the SSI program, which serves only the aged, blind, and disabled, not the poor population in general or even single-mother families, one of the major groups served by AFDC-TANF. Further, by its structure, the EITC does not serve any family with no workers because it is an earnings

⁵ Some of the decline in spending after 1996 has been attributed to the decline of the AFDC-TANF program as well given that many recipients of that program prior to 1996 had been automatically eligible for Food Stamps.

subsidy. Indeed, the largest tax credits in the EITC program go to families whose earnings are roughly between \$10,000 and \$20,000 per year, which means that it does not primarily serve those who are the most disadvantaged. The CTC, as will be noted shortly, shares this characteristic with the EITC. The Food Stamp program is the only program that serves all family types equally (that is, if they have low income and assets) and also serves those who have no other income, including no earnings. However, that program also provides benefits only for food purchases, and these benefits are far less than those provided by, for example, AFDC-TANF or the SSI program, both of which are intended to assist in all the living needs of the family or individual.

Returning to social insurance programs, the evidence also shows that the programs that have expanded the most are Medicare, Social Security retirement, and the SSDI program for the disabled. Many of the recipients of those programs (as noted before) are poor, but nevertheless those programs benefit only older individuals and the disabled. Poor families in these groups are in need of assistance from the government, but once again, this merely demonstrates how many of the programs that have grown in size serve specific groups in need.

Nevertheless, a close examination of distributional changes requires data on individual families and the benefits they receive. For this purpose, I draw on recent work by Ben-Shalom et al. (2012), which used the Survey of Income and Program Participation (SIPP) to examine the question of whether benefits received by different types of families have changed over time. The SIPP is perhaps the best data set for this type of examination because it is a representative household survey of the U.S. noninstitutional population conducted by the U.S. Census Bureau, which has as one of its main goals the collection of information on receipt by families of benefits from all major transfer programs, both social insurance and welfare. The survey asks specific questions about each program, and underreporting of benefits is much lower than in other surveys, such as the Current Population Survey (CPS) (Meyer et al. 2009). However, the SIPP was begun only in 1983, and the last survey before the Great Recession was conducted in 2004, making 1983–2004 the only period that can be examined with these data. Nevertheless, because this period covers both the contraction of the AFDC-TANF program and the expansion of many of the other programs discussed earlier, it should bear directly on the question of interest.

Ben-Shalom et al. (2012) calculated the total amount that each family received from all major social insurance and means-tested programs in the month prior to interview, except for Medicaid and Medicare. (Medicaid and Medicare have to be excluded because families answering a household survey do not know how much the government has spent on their health care under those programs, and that is the relevant figure for these calculations.) Ben-Shalom et al. examined how that total varied across different types of families and how it changed between 1983 and 2004 for those different family types.⁶

Figures 4 and 5 illustrate some of the results of their study.⁷ Figure 4 shows the average monthly benefits received from all transfer programs in 1983 and 2004 for families with an older head of household (62 years or age or older), families with an

⁶ The programs include Social Security retirement, SSDI, Workers Compensation, UI, AFDC-TANF, Food Stamps, SSI, subsidized housing, veterans benefits, WIC, General Assistance, Other Welfare, the EITC, and the CTC.

⁷ Because I modified the price index and a few of the details of their calculations, these figures will not exactly match those in their published study.

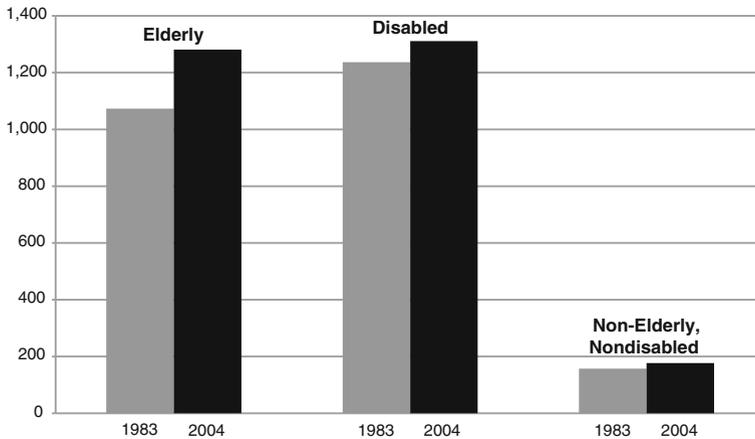


Fig. 4 Monthly benefits received in 1983 and 2004 by families by age and disability status. All values are in 2009 CPI-U-RS dollars

adult receiving SSI or SSDI,⁸ and the residual category that I term “non-elderly nondisabled families.” The figure shows mean total transfers over all families of each type and indicates whether families receive benefits (or not) from each of the programs; hence, the figure shows an average of benefits received among recipients of each program weighted by the fraction of the group receiving benefits from each program. Figure 4 clearly shows that families with older adults and families with disabled members receive much more in transfers than other families, which is a result of the high rate of receipt of Social Security retirement benefits by older individuals and of the relatively high benefit amounts in the retirement program and in SSI and SSDI: that is, they are intended to cover all expenses, not just food or medical care, and are much higher than AFDC-TANF benefit amounts. More relevant to the issue here is the change over time. Figure 4 shows that although all three types of families experienced increases in benefits, the families with older individuals and with disabled members received greater increases than non-elderly nondisabled families in absolute magnitude (\$208, \$74, and \$20, respectively), although in percentage terms, the third group had a somewhat large increase because of its small base (percentage increases for the three are 19 %, 6 %, and 13 %, respectively). Thus, the share of transfer benefits received by older adult families necessarily rose between 1983 and 2004, and the benefits for the disabled also rose significantly, which represents one type of redistribution of total benefits.

Figure 5 shows similar figures for non-elderly, nondisabled single-parent families, married-parent families, and childless individuals and families.⁹ Here again, the size of transfers differs markedly across groups, with single-parent families receiving more than married-parent families and with childless individuals and families receiving very little from the U.S. transfer system. However, changes in benefits over time for the three groups are dramatically different, with transfers to the average single-parent family falling by 20 % and those to the average married-parent family rising by 68 %.

⁸ It would be preferable to define a disabled population independent of benefit receipt, but the questions on disability in the SIPP data are not adequate to do so.

⁹ The data on cohabitation in the 1983 SIPP are inadequate, so marriage is used to define the first two groups. Families with children are those with children under age 18 in the household.

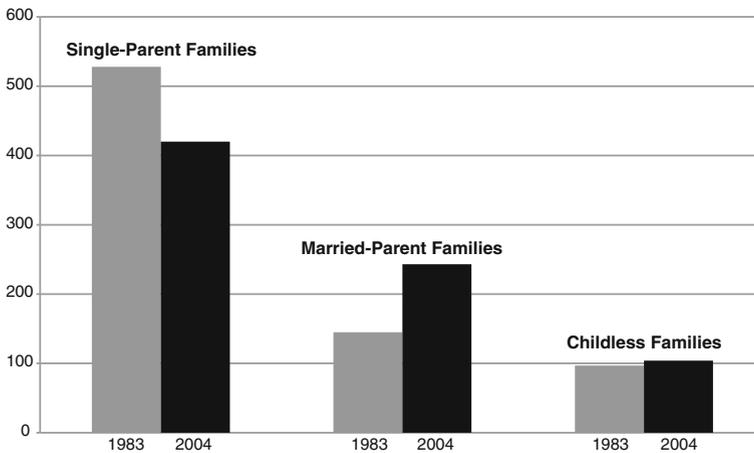


Fig. 5 Monthly benefits received in 1983 and 2004 by non-elderly, nondisabled families by family type. All values are in 2009 CPI-U-RS dollars

The decline for single-parent families reflects the contraction of the AFDC-TANF program combined with increases in transfers from other programs, which were smaller in magnitude because those other programs largely served different family types. Transfers to childless individuals and families were essentially unchanged, rising by a mere 7 %. These results imply a redistribution of benefits away from single-parent families toward married-parent families.

These figures suffer from the obvious problem that income is not being controlled for, and transfers should ordinarily be expected to flow disproportionately to those with low income. It is possible that the redistributive movements shown in Figs. 4 and 5 could be the result of differential changes in income across the different groups, which would give them a rather different interpretation. To address this issue, I must condition on private income for each family. To this end, I define private income for a family as the sum of its earned income and its private unearned income. For most families eligible for welfare programs, private unearned income is very small relative to earned income; most families have very little capital income and only miscellaneous income from other sources (e.g., child support). After calculating each family's income, I will classify their degree of disadvantage by the relation of their income to the official U.S. government poverty threshold for their family size, putting families into one of four groups: private income less than 50 % of the poverty threshold (referred to as "deep" poverty); private income greater than 50 % but less than 100 % of the threshold (the "shallow" poor); private income greater than the poverty threshold but less than 150 % of it (the "near-poor"); and greater than 150 % but less than 200 % of the threshold (the "nonpoor").

Figures 6, 7, and 8 show the results when the three groups in Fig. 5 are broken out by the level of their private income relative to the poverty threshold. Figure 6, for example, shows the results for single-mother families. If their overall decline observed in Fig. 5 had been solely a result of a change in the private incomes of those families, the average benefit levels for the four separate private income groups would have been stable over time, but the fractions in each group would have changed. Instead, what is shown is a sharp decline in the transfers made to the poorest single-mother families—

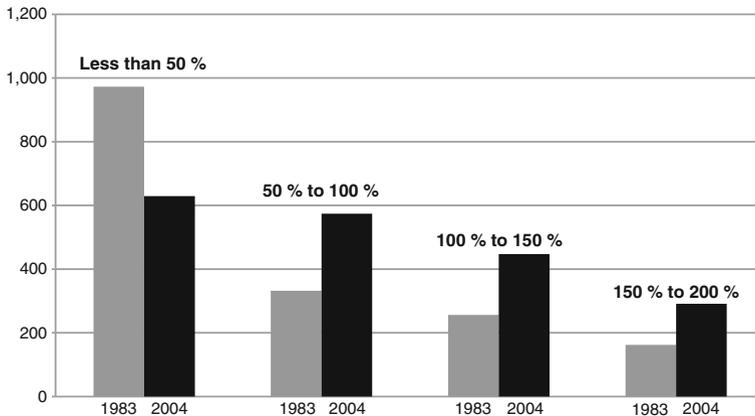


Fig. 6 Monthly benefits received in 1983 and 2004 for non-elderly, nondisabled single-parent families by private income level. All values are in 2009 CPI-U-RS dollars

those in pretransfer deep poverty—by a remarkable 35 %. At the same time, the transfers made to single-mother families in shallow poverty rose (by 73 %) as did those in the near-poor and nonpoor groups (75 % and 80 %, respectively).¹⁰ These patterns are explained by the changes in the AFDC-TANF, Food Stamp, EITC, and CTC programs. On the one hand, the drastic decline in the AFDC-TANF program meant that although 57 % of single-mother families in private income deep poverty received support from the program in 1983, only 20 % did by 2004. Real benefits of recipients also fell. In addition, the percentage of families in deep poverty receiving Food Stamps declined from 73 % to 54 % over the same period, probably because AFDC recipients were automatically eligible for Food Stamps, whereas non-AFDC recipients have to make an independent application to the program. On the other hand, the major expansion of the EITC program in the late 1980s and early 1990s provided significant additional support to working single-mother families above about \$10,000 of annual earnings. And the introduction of the CTC, which is a nonrefundable tax credit—meaning that only families with positive tax liability are eligible, and therefore the size of the credit grows as earnings grow, up to a point—led to additional government support for working single-mother families but little or no support to those with low levels of private income. The net result was another redistribution of benefits, in this case from the poorest single-mother families to those with higher incomes.

Figure 7 shows the same pattern for married-parent families, with declines in support among those in pretransfer deep poverty (31 % decline) and large increases for those with higher incomes (ranging from 75 % to 138 % increases).¹¹ Part of the decline among the poorest families of this type was also from the decline of the AFDC-TANF program because although the participation rate of married couples in 1983 was less than one-half of what it was for single-mother families, it was still substantial. The AFDC program did allow two-parent families to participate in the program; in addition,

¹⁰ The percentage of single mothers in the income groups did change somewhat over the period. In 1983, the percentage of families in the four groups (of those with private income less than 200 % of the poverty threshold) from lowest to highest were 53 %, 16 %, 16 %, and 14 %, and they had changed to 41 %, 22 %, 21 %, and 16 % by 2004.

¹¹ There are many fewer married-parent families in deep poverty: 20 % in 1983 and 17 % in 2004.

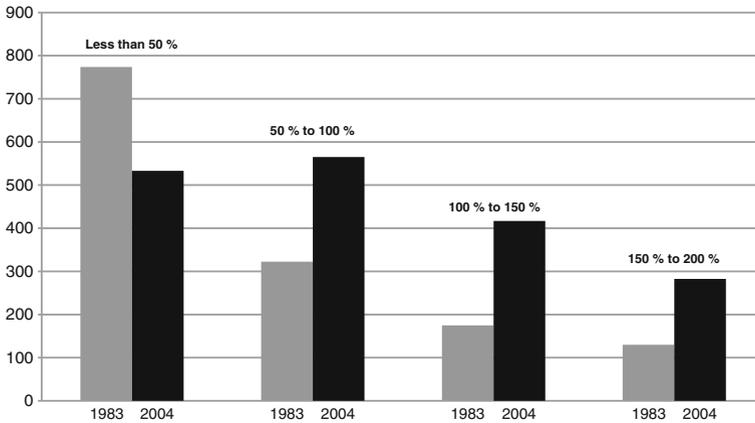


Fig. 7 Monthly benefits received in 1983 and 2004 for non-elderly, nondisabled married-parent families by private income level. All values are in 2009 CPI-U-RS dollars

stepparent families have always been treated by the program as single-parent families because both biological parents are not present (Moffitt et al. 2015). Married-parent families in deep poverty also experienced declines in Food Stamp receipt and in UI receipt. At the same time, married-parent families with higher incomes received even greater EITC payments than working single-mother families because the former had both higher earnings levels and more children, both of which raise EITC benefits in the relevant ranges.

Figure 8 shows a similar pattern for childless families and individuals, but the amounts are very small, with a difference of only a few dollars in the two years' benefit levels. The major benefits received by the low-income childless are Food Stamp and UI benefits, although working families could receive a small tax credit from the EITC as well.¹²

Transfers to families with older individuals, individuals receiving disability benefits, and the residual non-elderly nondisabled group can also be separated by private income category. Figures for their trends in benefits are not shown, for brevity. However, almost all families in the first two groups are not working, so a comparison with the few families who work is not particularly important. Nevertheless, the results show that average benefits for both these two groups rose from 1983 to 2004, even for those with private incomes less than 50 % of the poverty threshold. Once again, the sizable increases in benefits from the Social Security retirement program, the SSDI program, and SSI are responsible for this result.

The results in this section of this article allow me to answer the second question that I posed at the beginning: namely, whether there has been a change in the distribution of transfer benefits to low-income families within the overall growing total size of total transfers. The results show three major redistributions: (1) a redistribution away from non-elderly and nondisabled families to families with older adults and to families with recipients of disability programs; (2) a redistribution away from non-elderly, nondisabled single-parent families to married-parent families; and (3) within single-parent and married-parent families, a redistribution of transfers away from the poorest families to

¹² Separate tabulations for childless individuals and married childless families show similar, small changes.

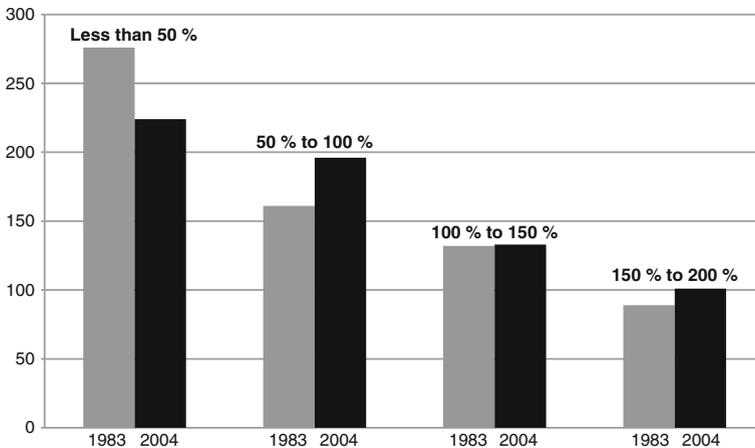


Fig. 8 Monthly benefits received in 1983 and 2004 for non-elderly, nondisabled childless individuals and families by private income level. All values are in 2009 CPI-U-RS dollars

those with higher incomes—those with incomes just below and just above the official government poverty threshold. These developments constitute a new type of “diverging destinies” (McLanahan 2004), although in this case not between those from low-income and middle-income families, but between different types of families within the low-income population.¹³

Caveats and Concerns

Three caveats and concerns are worth addressing: the importance of the Medicaid program, the impact of the Great Recession, and the relevance of incentives to work and to change family structure. All these issues could, in principle, affect the results on trends in redistribution found in the previous section.

The Medicaid program is omitted from the benefit calculations because government spending on each individual family cannot be obtained in a household survey. Yet, those eligible for Medicaid can receive it even if not working, and hence it is an important benefit for the poorest families. In addition, there were significant expansions of eligibility over the 1983–2004 period: although most who were eligible in 1983 were single mothers on AFDC, eligibility was extended in the late 1980s and early 1990s to poor pregnant women in general and later to most children in poor families. Later, many states also extended eligibility to many parents in low-income families in general. In addition, looking to the future, Medicaid eligibility expansions under the Affordable Care Act (ACA) are likely to make even more low-income families eligible.

On the other hand, some researchers have obtained data from different sources that have information on medical spending under Medicaid for individual families

¹³ Some other past research on related topics provides complementary evidence. A literature on “disconnected” families shows a rising fraction of low-income families who have little or no earnings as well as little or no cash welfare (Blank and Kovak 2009; Loprest 2011). Shaefer and Edin (2013) showed an increase in the number of families with incomes less than \$2 per day, which is partly a result of these declines in government assistance for the poorest families.

(Burkhauser et al. 2013; Burtless and Svaton 2010). Those studies have noted that if Medicaid is included as a transfer, logic requires that the value of employer-provided health insurance also be included. When both Medicaid and employer-provided health insurance are both valued and added to individual incomes, the result is a remarkably distribution-free change in inequality, with the additions to middle-income families about the same, or sometimes greater, than those going to low-income families. A similar issue going forward will arise with the ACA because that legislation also introduced new subsidies for private health insurance for those families with incomes between 133 % and 400 % of the poverty line, which means a further increase in implicit government transfers to the higher-income portion of the disadvantaged population. Even one of the Medicaid provisions in the ACA—which encourages states to raise their upper income-eligibility levels from where they often are now (often below the poverty line) at least up to the poverty line—will benefit the shallow poor, not the poorest families. Consequently, it is unclear at the present time how much adding Medicaid would change the conclusions reached in the last section, although this is certainly an important topic for subsequent research.

Much attention has also been focused recently on the performance of the safety net during the Great Recession, roughly between 2007–2008 and 2012. The federal government expanded many of the major transfer programs significantly during the Great Recession. Benefit levels for the Food Stamp program were raised, and eligibility requirements were relaxed; EITC amounts were increased for large families; additional funds were provided for the TANF program; amounts for the CTC were increased; income and payroll tax rates were temporarily reduced; and one-time extra benefits were given to Social Security retirement and SSI recipients. An additional major legislative change involved the UI program, for which the potential duration of benefits was increased, benefit levels were raised, and states were encouraged to broaden the bases for eligibility. For present purposes, the relevant question is whether these additional benefits were provided in equal or unequal measures to different family types and to those of different income levels, and whether therefore the redistributive trends noted in the last section were continued or countered. Interestingly, the evidence on this question indicates that, contrary to the long-term trend, the additional benefits provided went to both single-parent and married-parent families, and to childless individuals and families as well as those with children, and were about equally spread among those in deep poverty and those with higher income levels (Moffitt 2013). The poorest families received major increases from the Food Stamp and UI programs, while millions of families who lost their jobs but still had significant earnings (e.g., more than \$10,000 per year) received additional EITC benefits.

Nevertheless, at this writing, most of these temporary expansions have phased out. Some of the EITC and CTC changes have been extended a bit further, and some of the UI eligibility changes are likely to stay. Aside from these, however, the safety net will return to its pre–Great Recession structure. Consequently, for the safety net as a whole, there is no indication that the long-run trend of reduction in support for single mothers and for the poorest families and increases in support for married-parent families and better-off working families will be reversed.

Finally, a traditional issue with examining how safety net programs affect low-income families is whether those programs discourage work and hence increase the proportion of families with very low or zero earnings, and whether those programs

encourage the formation of single-parent families. The research evidence to date suggests that these issues are of little or no importance for the purposes of this article for two reasons. First, the evidence shows that neither work disincentives nor family structure incentives are large in magnitude, especially in the aggregate. Ben-Shalom et al. (2012) reviewed the evidence on work disincentives for all major transfer programs and found that although some of them appear to induce nontrivial reductions in work effort among the recipients of some programs, the aggregate effect on earnings in the low-income population is almost zero because too few families participate in programs where those reductions occur. As for family structure incentives, a large body of research on this question for the AFDC program failed to show any major effects on the fraction of single-mother families, although the evidence has suggested perhaps a small effect (Moffitt 1998). Research on the effects of the 1996 reform of the program on family structure also has shown very mixed results and no evidence of any major effect (Grogger and Karoly 2005).

Second, however, the calculations in the previous section were of average benefits conditional on level of earnings and conditional on family structure, and hence any effect of the program on changing the proportions of families at different earnings levels or in different demographic groups should not, at least at the simplest level, affect the level of transfers conditional on belonging to one of those earnings or family-type groups. Further, with regard to the trends noted earlier, if anything, the work disincentives of the nation's transfer programs should have declined from 1984 to 2004 as benefits for nonworkers declined and benefits for workers increased. If anything, work incentives should have increased. The decline in benefits for single-mother families and the increase in benefits for married-parent families likewise should have provided even fewer incentives for single motherhood and greater incentives for marriage over time.

The Deserving Poor

Although I am not a professional political scientist or even a sociologist, I nevertheless suggest that one explanation for the changing distribution of transfer benefits that I have uncovered can be traced to long-standing concepts of what is called the “deserving poor.” I am far from the first to note that the U.S. society has, for most of its history starting in the eighteenth century, distinguished which poor families are deserving and which are not, just as some of our forebears in England did with the English Poor Laws (Iceland 2013; Jencks 1992; Katz 1989; Patterson 1994). In the eyes of the American voter, those who are deserving are those who work, who are married or at least widowed, and who have children. Those who are undeserving are those who do not work, who are single parents, and who do not have children. In colonial America, the elderly and children were also seen as more deserving than prime-age adults (Iceland 2013:13). Interestingly, the research literature just referred to also reveals that historically, simply receiving government assistance has been taken itself as a sign of undeservingness—a signal that the individual has not been exerting enough effort on his or her own. This notion dates to the England and the English Poor Law Amendment Act of 1834, where “pauperism” referred to those who were receiving relief and were less deserving than the more honest individuals who were desperately poor but not receiving government help. A similar conceptualization appeared in the popular debate

over the 1996 welfare reform law and its subsequent discussion, in which welfare “dependency”—meaning simply receiving benefits—was taken as an object to be reduced for its own sake and independent of whether such reductions lowered the incomes of the poor. Another interesting parallel to current economic developments is that in certain historical periods, like the early nineteenth century, many prime-aged unemployed men were unable to find jobs because of rapid technological change, such as the mechanization of agriculture (Iceland 2013:13). Today, the emergence of skill-biased technological change, with its increasing demand for workers with high skill levels and decreasing demand for workers with low levels of skills and education, is a leading explanation for the decline in earnings among the most disadvantaged and the rise in their unemployment levels. As occurred in colonial times, when unemployed men were treated as lacking effort, low-skilled men without jobs today are often regarded as being at fault for their lack of employment.

Although these distinctions have long been made, they have grown sharper over the last 20 or 30 years in the United States. The emphasis on work in welfare programs has grown: work requirements have been added to various programs, and some of the major expansions in welfare programs have been directed to help only those with earnings. For women, it is often argued—for example, by Garfinkel and McLanahan (1986) in their landmark volume on single mothers—that this change in attitudes has its source in the rise in employment among middle-class and higher-educated women, leading to a greater expectation that all women today should work, even if they have young children and even if their job opportunities and skill levels are low (Garfinkel and McLanahan 1986). The growing negative attitudes toward the AFDC program that contributed to the 1996 reform were partly a reflection of the changing nature of its caseload, from one composed primarily of widows to one composed primarily of never-married mothers. In 1942, 59 % of AFDC adult recipients were widows or widowers or were married to spouses with disabilities; but by 1992, 58 % of the caseload consisted of the much less popular group of unmarried mothers.

As for families with older adults, the impact of government transfer programs, especially the Social Security retirement program, is well known (for a recent contribution, see McGarry 2013). Also, the PAA Presidential Address by Preston (1984) noted the increase in government support of the elderly relative to that of children. Preston offered a number of explanations for this trend rooted in the political process. I would only add to his account that the disabled, both children and adults, have been similarly favored. (Christopher Jencks also adds the disabled to the elderly as a favored group.) I would probably add to Preston’s account that those without children are even less favored than those with children.

To economists, the distinction between more- and less-deserving families is at odds with their classic models of how welfare should be delivered, as formulated by Milton Friedman (1962) in his proposal for welfare reform in the United States. Friedman argued forcefully that families should be given assistance entirely and solely on the basis of their level of income, and possibly family size; no family or personal characteristics should be used for eligibility or benefit levels, and families with the same level of income should be treated identically. He decried government programs in the United States in the 1950s that singled out particular groups for government support (farmers, for example). Friedman thought that making distinctions on the basis of

characteristics other than income would lead to support reflecting political lobbying and would harm the economy.

New Directions for Safety Net Policy and Research

Addressing the trends noted in this article with new policies should not be pursued by reducing support for families with older adults, those with disabilities, or those with significant levels of earnings in the low-income population. Families in these groups deserve support and, particularly for the last group, the long-term trend in providing additional assistance for disadvantaged individuals to work more through additional child care, additional education and training, and earnings subsidies like the EITC is a welcome development. Nor is the solution to the problem a return to a welfare system with completely open-ended transfers available to those who do not work with no questions asked, although the United States has never really had such a system. However, the decline in support for the poorest families and for single-mother families is not likely to increase the prospects for their improvement and is, if anything, likely to achieve the opposite. Families in the poorest and most disadvantaged sections of the population face many barriers to work, including low levels of education and literacy, learning disabilities, physical and mental health issues, domestic violence, substance abuse, and criminal histories (Loprest 2011). The best direction for public policy should be one that searches for a way to support the non-aged, nondisabled families at the bottom of the earnings distribution in ways that are consistent with long-standing American values, such as taking responsibility for one's own actions. The decline of support to families with nonemployed members and to single parents is presumably rooted in the presumption that they have not taken personal responsibility for their own situation. Along with Jencks (1992), Garfinkel and McLanahan (1986), and many others, we should not dispute the societal norm in favor of work and marriage, which gives that norm such primacy. This norm is part of the American heritage and has had enormous positive effects on our society. However, more needs to be done for those facing the largest obstacles to work, whether it be training programs, more discriminating work requirements, better child care for working mothers, or other forms of employment assistance. Most importantly, even if their employment and earnings cannot rise to the levels that we and they would desire, new ways to assist those families who are making an effort but are not succeeding should be developed for assistance in the short-term and even in the medium-term.

As for research, there are several areas where more investigation would be worthwhile. The crude demographic categories used in the classifications here miss the important developments in the American family requiring distinctions between never-married and divorced and widowed mothers and children, cohabiting unions, stepparent families, and blended families with children from multiple partners as well as absent fathers. How those more-detailed family types have fared under trends in the safety net would be of interest. On a related topic, the calculations here do not account for the variability and instability of government support in response to instability of family types themselves, which requires a more dynamic examination of changes in family structure and corresponding changes (or lack of changes) in government support. Yet another research topic is how families with decreasing government support "make ends

meet,” in the words of Edin and Lein (1997)—what strategems they follow to provide for the adults and children in their families. The consequences of decreasing government support for children in the poorest families would also be of research interest, and would tie in with the large and growing literature on the determinants of child development and the consequences for intergenerational mobility and intergenerational transmission of poverty. These and other research topics would contribute to the knowledge base that we need for the public policy discussion of these issues.

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