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Evaluating the Impact of State Level Welfare Reform on Female Heads of Households

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Abstract
To what extent do state level welfare policies affect single mothers in poverty? Census Bureau data is used to determine whether or not state policies are moving female heads of households out of poverty or merely off of the welfare rolls. Time 4 limits, the family cap, maximum benefits and the earned income tax credit are independents assessed in this study.
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Abstract: To what extent do state level welfare policies affect single mothers in poverty? Census Bureau data is used to determine whether or not state policies are moving female heads of households out of poverty or merely off of the welfare rolls. Time limits, the family cap, maximum benefits and the earned income tax credit are independents assessed in this study.

Early claims about the success of welfare reform have been based mostly on the number of people moved off of the welfare rolls. Yet the question remains, are men and women who have moved off of public assistance actually moving out of poverty? This query is of immense importance for women because men tend to have more success moving out of poverty (Sawhill 1976). Research in this field is exceptionally timely considering recipients of TANF/AFDC are set to encounter time limit restrictions created by the Personal Responsibility Work Opportunity Reform Act (PRWORA, Welfare to Work) in late 2001 or early 2002 (Blank 2001, Seecombe, Walters and James 1999). Coincidentally, the event was concurrent with the first economic recession since the passage of the PRWORA, allowing researchers to determine whether or not Welfare to Work is only effective policy in times of economic prosperity. Thus a secondary question this study attempts to answer is whether state welfare policy is significant even in the light of negative economic trends. To answer these questions regression analysis will be run for state level data on female heads of households with regard to four state level policies: time limits, family caps, earned income tax credits and maximum benefits, as well as a measure of economic control.
Background

To begin, it is pertinent to include some data on national welfare statistics. When poverty is broken down by gender and race, higher percentages of women suffer from poverty than do men across the board (See Table 1). Women comprise an "overwhelming share" of those who receive public aid, AFDC and TANF recipients, often earning only half as much income as men (Sawhill 1976, Seccombe, Walters and James 1999, Census 2002, Census 2003). Female recipients of TANF and AFDC earn less in wages than women who are not receiving benefits (Table 2). On average, women who are on TANF or AFDC earn between $472 and $738 monthly while women who do not receive benefits earn $1554 to $1666 per month. Table 2 shows that women on AFDC and TANF also participate in lower percentages in the labor force than do mothers who are not on welfare.

One central reason to examine women in poverty is because of its effects on children. The Census Bureau’s figures on childhood poverty rates in the United States show that 17 percent of children lived below the poverty line in 2003 and the numbers have fluctuated around that figure since the 1980s (2002, 2003). The number of children in poverty reached a high recently of 23 percent in 1993. These figures can be compared to the instances of childhood poverty among female heads of households and their dependents. In 1993, 54 percent of children living in single mother households lived in poverty. In 2003, one out of every two children who lived in a female headed home lived below the poverty line. These figures make it clear that one of the best ways to address childhood poverty is through female headship.
One of the focuses of welfare reform in 1996 was the role of the family in instances of poverty. These reforms can be viewed from both an individualist and feminist perspective. The individual perspective, the belief that poverty is a function of personal drive and moral integrity, is widespread. The less often voiced opinion is that of the feminist scholars (Seccombe, Walters and James 1999). In light of the subject of this research paper, some background regarding United States’ welfare policy from a feminist perspective is required. This point of view is pertinent to female headed households as it has been noted that the American welfare system is patriarchal. Stigmas sighted as background for this concept include the widely held belief that welfare “enables” single mothers, who have chosen to live outside of the societal norm (Seccombe, Walters and James 1999). As a penalty for breaking with the traditional family structure, the work and lifestyles of these women become devaluated. They are discriminated against when applying for employment and are held responsible for the collapse of the modern family. These are heavy burdens to carry when attempting to climb out of poverty. Thus, according to Seccombe, Walters and James, female headed households’ benefits are kept artificially low through policies such as the family cap in order to control women who choose to live independently (1999). Consequently, single mothers in poverty are attempting to move out of poverty while suffering from public scrutiny and sometimes making only half as much as male headed households at low income jobs (Seccombe, Walters and James 1999, Blank 2002, Lichter, McLaughlin and Ribar 1997).

Upon this foundation the 1996 reforms were built. Many aspects of the PRWORA perpetuated and broadened the patriarchal
nature of United States' welfare policy (Seccombe, Walters and James 1999). According to feminist political scholars the assumption exists that women in poverty do not have the desire to change their own circumstance. For this reason, among others, time limits were included. Adding to new limits on the receipt of benefits, there was a continuance of economic inequality for poor women because they were expected to maintain employment while suffering lower pay rates than men. Also, women were not often taught the skills needed to compete in America’s tertiary economy or given adequate childcare to retain employment. Finally, women and mothers at this income level are often seen as a threat to the “traditional family ethic”. Single mothers in poverty are forced into a double standard of working for a living under public audit while upper and middle class women are lauded for making the decision to stay home with their children. Even as they work poor women have their family structures, living arrangements, sexuality, moral choices and capabilities scrutinized openly.

Seen from a more moderate perspective, welfare reform had specific aims for women and children in poverty. Peters and Plotnick outline the ills of the system before the PRWORA stating these traditional benefits: encouraged divorce, delayed marriage induced independence, and allowing fathers to evade child support (2001). Specifically with regard to female headed households in poverty, lawmakers worried about the rise in non-marital births. It is from this category that an “overwhelming share” of AFDC, and now TANF’s, recipients come (Lichter, McLaughlin and Ribar 1997). Research on non-marital births has provided some worrisome conclusions. According to Lichter, McLaughlin and Ribar, one out of two women lives in poverty when she chooses to live independently over past two decades (1997). Single mothers experience chronic poverty and, as a result, children who grow up in these households often suffer from developmental and behavioral problems. It was for these reasons that when the percentage of all families with single mothers the head rose between 1970 and 1993 from 11.54 percent to 25.9 percent, lawmakers began considering legislation to encourage marriage and decrease birthrates among women in poverty (Lichter, McLaughlin and Ribar 1997). Female headed households are a key group of
individuals in poverty. Their situation affects not only themselves, but millions of children as well. Thus, it is vital to find out whether or not Welfare to Work is effective in moving single mothers and their dependents out of poverty as well as off of welfare.

The basic features of Welfare to Work can be split into five categories: changes in funding, devolution of program authority to the states, work requirements, time limits, and incentive to reduce non-marital births (Blank 2002, Peters and Plotnick 2001, Fang and Keane 2004, Weil and Finegold 2002, Lin 2002, Seccombe, Walters and James 1999). PRWORA changed national funding from matching state funds to a block grant meaning that only a fixed number of federal dollars would go to each state’s welfare program. Yet, states were required to maintain 75 percent of their former spending on welfare recipients. This funding change allowed for devolution of program authority to the states by eliminating federal entitlements (Shaw and Lieberman 2000). It also removed federal eligibility and rules regarding payment (Blank 2001). States were still accountable for two major national directives: work requirements and time limits. While work requirements and time limits can be handled in different ways across the nation, there are a few rules by which all states must abide. For example, 60 months is the limit to use federal funding for a recipient, with a 20 percent exemption rate. States may choose to extend payments with local monies. Work requirements in the PRWORA state that the majority of recipients are required to work after two years, with 90 percent of all two parent families working by 2002 (Blank 2002, Seccombe, Walters and James 1999). Many states require mandatory job searches upon application for benefits. Incentive to reduce non-marital births without increasing the number of abortions is also a feature of the reforms (Blank 2002). However, Blank notes that in this category there is more talk than action, including a desire to legislatively encourage marriage (2002).

**Variable Choice and Previous Research**

Knowing that poverty affects women and their dependents more consistently and critically than male heads of households, it is surprising that few empirical political research studies exist
regarding this group. There is a wealth of knowledge available in the sociological and anthropological fields. However, it seems that political scientists have either focused on minority subsets in poverty or generally avoided the issue of single mothers\(^1\). Despite this lack of previous study, by surveying the studies that do exist for female headship, a few key variables out of many possibilities became clear choices for study.

The independent variables chosen for this study include: time limits, family caps, earned income tax credit (EITC) and maximum benefit levels. These variables were either the most controversial or expected to have the most effect on women in particular. Time limits, the central tenant of PRWORA, is the first variable used in this study. In theory, time limits should affect women heads of household adversely because single mothers have the least flexibility with childcare, little to no job training, low wages, and extreme discrimination in hiring. Female heads of households are often the last to be hired and the first to be fired from low wage jobs. They have the least amount of security and therefore are “chronically in poverty” (Lichter, McLaughlin and Ribar 1997). The affects of time limits are not widely understood because limits were only first imposed in 2001. However, it seems at this early stage that the less responsive, chronic poverty suffers are those who are most affected rather than a large population as was hoped by legislators (Seccombe, Walters and Delores 1999, Peters and Plotnick 2005, Blank 2002).

Family cap, also known in feminist literature as “the child exclusion policy”, is examined next (Seccombe, Walters and Delores 1999). This policy is highly controversial. The notion behind the cap is that when benefits are reduced or taken away from women for having additional dependents, they will choose to have fewer children. Often having poor access to family planning and healthcare, this concept assumes a degree of forward thinking and rational action that is out of character with available choices for female heads of households (Green and Shapiro 1994). Additionally, if we were to examine a single mothers’ choice to have additional children, the decision does not seem rational when

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\(^1\) This is particularly true for state level research.
weighing costs and benefits. While a mother may receive added income transfers, she will have additional dependents for several decades. With the introduction of time limits, a rational acting, forward thinking woman would mostly likely see the costs outweighing possible financial gain. The effects of the family cap seem to reinforce the aforementioned concepts and are cited in the literature as either inconclusive or ineffectual (Seccombe, Walters and Delores 1999, Walters and James, Donovan, Hovarth 1999, Peters and Plotnick, Blank).

While the benefits of EITC are clearly described in the literature, this variable is not often discussed with regard to female heads in particular. The EITC functions as either a refundable or nonrefundable tax credit by which low incomes can be subsidized (Blank 1999). In theory, the EITC rewards the “working poor” and may be cheaper than other benefits (Blank 1999, Alstott 1995). The EITC also has less normative stigma than traditional TANF and AFDC benefits. As women are making more money now than ever before, single mothers should benefit from this program.

The last variable used to test effects of reforms on female heads of households is benefit levels. The political speculation is that as benefit levels increase, the incentive to work wanes (Lichter, McLaughlin and Ribar 1997, Blank 1999). Yet, when this concept is considered in conjunction with literature regarding time limits, it appears that that as benefits are decreased or kept from meeting inflationary needs, those who are chronically affected by poverty are most likely to be affected by this change. Clearly stated, woman heads of households are positioned to slip further into poverty upon the decrease of traditional benefits.

This study also includes an economic control variable. The question at hand is whether or not policies actually affect the percentage of female heads in poverty, or if states actually have little control over the number and type of people who live below the poverty line. Per capita income by state was used to achieve this measure.

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2 Additional births may only increase a mother’s benefits from $24-147 depending on the state and size of family.
Research Design and Hypotheses

This study is an exploratory investigation into the causes of poverty among female heads of households at the state level from 1990 to 2004. It examines the effectiveness of state welfare policy after PRWORA. The data regarding female heads of households was collected from the Census Bureau’s CPS Annual Demographic Survey. Included in this category were “people in families with a female householder, no husband present, with children” (US Census Bureau 2005). These data were weighted and included women who fell below 100 percent of the poverty. However, because data was only available on female heads by state for 1998 through 2004, a proxy measure had to be devised. Figures for female heads in poverty by state from 1998 to 2004 were highly correlated. This fact allowed for the creation of an index for the average raw number of female heads in poverty by state (“index”)

\[ \text{Index} = \frac{\text{Raw Number of Female Heads of Household}}{\text{Raw Number of All Ages in Poverty}} \times \text{State Population} \times \text{Percent in Poverty by State} \]

The index was divided by the total population in poverty, devised by the percentage in poverty by state multiplied by the total state population. The end goal for both before and after 1998 was to formulate the percentage of female heads in poverty out of the total number of people in poverty by state (See examples in Table 3). Using a percentage of the total poverty rate rather than a raw number kept population influxes from interfering with the data. Additionally

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3 As this measure was devised, data for the creation of Percent of Female Heads in Poverty out of All People in Poverty by State before 1998 is available in Appendix Section A.
included in this research is a static measure for the dependent and a measure of change (See Table A). The measure for change was created by taking the difference of consecutive years.

Five independent variables were included. Data for state welfare policies and maximum benefits came from the Urban Institute's Welfare Database, Health and Human Services, and Lieberman and Shaw (2000). Family cap, EITC, and time limit policies were coded as dummy variables whereas maximum benefits were inputted as raw figures. Finally, two measures for per capita income were included, for static and change. Again, the measure for change was devised by subtracting consecutive years. These data came from the Bureau of Economic Analysis. Four hypotheses are examined using these variables.

**Hypothesis 1:** States with time limits will be more likely to experience an increase in the percentage of female heads of households in poverty as a proportion of those in poverty overall.

While contemporary political culture holds that time limits will give welfare recipients incentive to find work, feminist literature on the subject suggests that women heads of household and those who suffer from chronic poverty will be negatively affected by this provision. The contention by legislators of PRWORA and other state reforms is that an element of volition exists that "welfare mothers" choose to live in poverty. However, as previously stated female heads begin from a stagnant, disadvantaged position. Therefore, states with harsh time limits will only add to the number of women in poverty.

**Hypothesis 2:** States with family caps will be no more likely than states without family caps to experience an increase in the percentage of female heads of households in poverty as a proportion of those in poverty overall.

This hypothesis is in concurrence with the literature on family caps. While this is a popular policy for states to implement, family caps are insignificant and ineffectual.
Hypothesis 3: States with EITC provisions will be less likely to experience an increase in the percentage of female heads of households in poverty as a proportion of those in overall poverty.

EITC policies have no negative aspects. They promote work without including any punitive provisions. If women are given more of their earned income back, they should be able to move out of poverty easier. The question at hand is whether or not EITC is a significant factor towards moving women out of poverty.

Hypothesis 4: States with “lower” maximum benefits will be more likely to experience an increase in the percentage of female heads of households in poverty as a proportion of those in poverty overall than states with “higher” maximum benefits.

Similar to time limits, perception of maximum benefits is not congruent with this hypothesis. Lowering benefits is supposed to increase personal incentive to work. However, just as is the case with time limits, there are groups who suffer from unremitting poverty rather than episodic cases. Female heads of households, one of two of whom are in poverty, most often fall in the former category. Thus, it is not logical to assume that lower maximum benefits would decrease poverty.

Regression analysis was used to examine the effects of state welfare policy on female heads in poverty. Two regression models were run for each year, one using the static dependent and one using the dependent variable representing change in percentage of female heads of households in poverty (“change dependent”).

Data Analysis

Significance of the yearly models can be found in Table 4. This study only explained at most 39.6 percent of the variance. The static dependent had much higher R square measures than did the

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4 Both the regression data and tables for this analysis can be found in Appendix Section B.
variable of change in female headed households. The static dependent variable ranged from explaining 4.1 percent of the variance in 1993 to 39.6 percent in 2001. The R square of the static dependent jumps in 2000 from an average of 17.1 percent to an average of 31.6 percent after 2000.\(^5\) The R square for the change dependent has a smaller range, from 3.2 percent in 2001 to 23 percent in 1992. No such jump in explanation of variance after 2000 is found in the change dependent.

Tables 5 and 6 show which independent variables are significant in the models run for the static dependent and change dependent regression analyses. Again, the model for the change dependent had fewer instances of significance than did the static model. Contrary to original expectations, time limits were not significant in any way suggesting a trend. This variable was significant in both models for only one year, 1996. Although time limits are the cornerstone of the PRWORA, these data suggest limits have no significant positive or negative effect on female headed households. This is a noteworthy finding, especially considering the political importance placed on time limits’ intended affect on personal initiative and work ethic. These data show that time limits do not help to move single mothers out of poverty in any significant way. On the other hand, the data also show that the vilification that time limits receive from feminist critics and others may not be warranted either.

\(^5\) The average post 2000 is figured without the R Square for 2003. Considered an anomaly due to the similarities of the cases before and after it. Descriptive statistics were run and are included in Appendix Section E.
Table 5: Significant Variables, Static Dependent

<table>
<thead>
<tr>
<th>Year</th>
<th>Max Benefits</th>
<th>Time Limits</th>
<th>Family Cap</th>
<th>EITC</th>
<th>Per Capita Change</th>
<th>Per Capita Static</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>0.657</td>
<td>0.342</td>
<td>0.145</td>
<td>0.618</td>
<td>0.612</td>
<td>0.447</td>
</tr>
<tr>
<td>2003</td>
<td>0.930</td>
<td>0.383</td>
<td>0.184</td>
<td>0.672</td>
<td>0.725</td>
<td>0.550</td>
</tr>
<tr>
<td>2002</td>
<td>0.510</td>
<td>0.356</td>
<td>0.909</td>
<td>0.906</td>
<td>0.375</td>
<td>0.503</td>
</tr>
<tr>
<td>2001</td>
<td>0.484</td>
<td>0.824</td>
<td>0.612</td>
<td>0.710</td>
<td>0.353</td>
<td>0.683</td>
</tr>
<tr>
<td>2000</td>
<td>0.629</td>
<td>0.586</td>
<td>0.202</td>
<td>0.935</td>
<td>0.814</td>
<td>0.541</td>
</tr>
<tr>
<td>1999</td>
<td>0.677</td>
<td>0.408</td>
<td>0.152</td>
<td>0.829</td>
<td>0.236</td>
<td>0.805</td>
</tr>
<tr>
<td>1998</td>
<td>0.835</td>
<td>0.446</td>
<td>0.866</td>
<td>0.509</td>
<td>0.334</td>
<td>0.720</td>
</tr>
<tr>
<td>1997</td>
<td>0.195</td>
<td>0.606</td>
<td>0.364</td>
<td>0.670</td>
<td>0.198</td>
<td>0.277</td>
</tr>
<tr>
<td>1996</td>
<td>0.814</td>
<td>0.017</td>
<td>0.167</td>
<td>0.590</td>
<td>0.753</td>
<td>0.939</td>
</tr>
<tr>
<td>1995</td>
<td>0.916</td>
<td>0.777</td>
<td>0.955</td>
<td>0.418</td>
<td>0.705</td>
<td>0.528</td>
</tr>
<tr>
<td>1994</td>
<td>0.625</td>
<td>0.531</td>
<td>0.166</td>
<td>0.408</td>
<td>0.073</td>
<td>0.690</td>
</tr>
<tr>
<td>1993</td>
<td>0.839</td>
<td>0.472</td>
<td>0.837</td>
<td>0.015</td>
<td>0.117</td>
<td>0.541</td>
</tr>
<tr>
<td>1992</td>
<td>0.754</td>
<td>n/a</td>
<td>0.972</td>
<td>0.001</td>
<td>0.662</td>
<td>0.850</td>
</tr>
<tr>
<td>1991</td>
<td>0.587</td>
<td>n/a</td>
<td>n/a</td>
<td>0.478</td>
<td>0.727</td>
<td>0.134</td>
</tr>
</tbody>
</table>

Table 6: Significant Variables, Change Dependent

<table>
<thead>
<tr>
<th>Year</th>
<th>Max Benefits</th>
<th>Time Limits</th>
<th>Family Cap</th>
<th>EITC</th>
<th>Per Capita Change</th>
<th>Per Capita Static</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>0.000</td>
<td>0.614</td>
<td>0.312</td>
<td>0.609</td>
<td>0.640</td>
<td>0.143</td>
</tr>
<tr>
<td>2003</td>
<td>0.603</td>
<td>0.284</td>
<td>0.237</td>
<td>0.529</td>
<td>0.626</td>
<td>0.957</td>
</tr>
<tr>
<td>2002</td>
<td>0.001</td>
<td>0.311</td>
<td>0.724</td>
<td>0.275</td>
<td>0.540</td>
<td>0.009</td>
</tr>
<tr>
<td>2001</td>
<td>0.001</td>
<td>0.175</td>
<td>0.964</td>
<td>0.536</td>
<td>0.003</td>
<td>0.276</td>
</tr>
<tr>
<td>2000</td>
<td>0.025</td>
<td>0.187</td>
<td>0.712</td>
<td>0.513</td>
<td>0.015</td>
<td>0.029</td>
</tr>
<tr>
<td>1999</td>
<td>0.885</td>
<td>0.221</td>
<td>0.107</td>
<td>0.724</td>
<td>0.771</td>
<td>0.483</td>
</tr>
<tr>
<td>1998</td>
<td>0.078</td>
<td>0.078</td>
<td>0.405</td>
<td>0.999</td>
<td>0.110</td>
<td>0.025</td>
</tr>
<tr>
<td>1997</td>
<td>0.186</td>
<td>0.384</td>
<td>0.432</td>
<td>0.727</td>
<td>0.036</td>
<td>0.068</td>
</tr>
<tr>
<td>1996</td>
<td>0.432</td>
<td>0.017</td>
<td>0.360</td>
<td>0.319</td>
<td>0.799</td>
<td>0.747</td>
</tr>
<tr>
<td>1995</td>
<td>0.213</td>
<td>0.813</td>
<td>0.852</td>
<td>0.195</td>
<td>0.288</td>
<td>0.300</td>
</tr>
<tr>
<td>1994</td>
<td>0.381</td>
<td>0.817</td>
<td>0.797</td>
<td>0.585</td>
<td>0.853</td>
<td>0.236</td>
</tr>
<tr>
<td>1993</td>
<td>0.686</td>
<td>0.676</td>
<td>0.945</td>
<td>0.827</td>
<td>0.307</td>
<td>0.596</td>
</tr>
<tr>
<td>1992</td>
<td>0.609</td>
<td>n/a</td>
<td>0.738</td>
<td>0.001</td>
<td>0.877</td>
<td>0.225</td>
</tr>
<tr>
<td>1991</td>
<td>0.335</td>
<td>n/a</td>
<td>n/a</td>
<td>0.623</td>
<td>0.370</td>
<td>0.015</td>
</tr>
<tr>
<td>1990</td>
<td>0.521</td>
<td>n/a</td>
<td>n/a</td>
<td>0.358</td>
<td>0.004</td>
<td>0.001</td>
</tr>
</tbody>
</table>

Family cap was consistent with the initial hypothesis that this policy is insignificant. There were no instances of the family cap being significant in either the static or change model. Again, the implications of these findings, while perhaps less unique than
the time limit, are consequential. The family cap is an increasingly popular policy for states to enact. Yet, these data show that the family caps do not move female heads out of poverty and states are promoting ineffectual policy.

Contrary to the aforementioned hypothesis, EITC was a significant factor in moving single mothers out of poverty. On that note, none of the cases in the static model were significant. While EITC was a significant variable in 1993 and 1994 for the change model, this does not imply any significant trend. Therefore, while EITC does not have any real drawbacks, it seems that at least in this model EITC does not draw women out of poverty. It is important to note, however, that many EITC programs are federally funded and can not be captured in this type of study. It is possible that looking at different types of earned income tax credits might produce different types of results.

Hypothesis 4, regarding higher and lower benefits, was correct. While years 1990 through 1999 are insignificant for this variable, 2000 through 2004 are significant\(^6\). This fact coincides with a jump in the increase in explained variance from about 10 percent in 1999 to 23 percent in 2000, reaching a high of 35 percent in 2004. Additionally, when maximum benefits are considered in comparison to the instances of the economic significance in 2002, 2001 and 2000 using beta weights, maximum benefits are stronger in each instance (See Table 7)\(^7\). These findings are the most remarkable of the study. Common consensus among both legislators and the public is that raising benefits leads to higher poverty rates.

\[\text{Table 7: Beta Weights}\]

<table>
<thead>
<tr>
<th>Year</th>
<th>Max Benefits</th>
<th>Per Capita Change</th>
<th>Per Capita Static</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>-0.555</td>
<td>0.080</td>
<td>0.429</td>
</tr>
<tr>
<td>2001</td>
<td>-0.512</td>
<td>0.399</td>
<td>0.276</td>
</tr>
<tr>
<td>2000</td>
<td>-0.978</td>
<td>-0.440</td>
<td>0.461</td>
</tr>
</tbody>
</table>

\(^6\) Again, excluding 2003 as an anomaly.

\(^7\) See Appendix B for extended charts on this data.
However, these data show that higher benefits actually do the opposite among female heads of households. Among the variables used in this study, single mothers in the post Welfare to Work era are doing better because of increased maximum benefits. This is divergent from the theory behind PRWORA which rewards work above all else and increases sanctions for those who choose not to comply. The key finding of this study is that for a group that is persistently affected by poverty, increasing benefits rather than loading them with penalties is a means to decreasing poverty.

Possible objections to this project might include the use of an index rather than raw numbers for female headed households in poverty from 1997-1990, high correlations of welfare policy, and 2003 as an anomaly. As previously mentioned, data for female heads in poverty from 1998 to 2004 was highly correlated (Appendix C). With few fluctuations in the raw numbers, it is likely that data from before 1998 did not vary a great deal either. The second possible query mentioned, high correlation between variables studied, was settled by several correlation matrices run and included in Appendix D. The last objection was the anomaly of 2003, as maximum benefits was not as statistically significant in 2003 as it was in the years which preceded and followed. Descriptive statistics were run for this year and are included in Appendix E.

Conclusion

The results of this study suggest important findings for both legislators and feminist critics of welfare reform. Time limits, the founding principle of PRWORA, proved to be an insignificant factor involved in moving female heads of households out of poverty. Assuming that moving people out of poverty and not just off of welfare is the ultimate goal of state policy, these data suggest that welfare reform needs to be rethought and restructured. Consistent with the literature, results show that the family cap, although demonized by feminists as the “child exclusion policy” and valorized by legislators as ending “welfare mothers’ dependency”, actually has no significant effect on single mothers in poverty. EITC, on the other hand, while also being insignificant, proved to be contrary to original expectation. Having little
normative stigma and support from either side of the political aisle, EITC theoretically helps move single mothers out of poverty. The only significant variable in this study was maximum benefits. Raising maximum benefits has a highly negative social connotation, although from these results it is one way of moving women and their children out of poverty.

This is certainly not a complete explanation of poverty among single mothers as this model only explains, at best, 39 percent of the variance. Possibilities for other independent variables might include treatment of stepparent and grandparent income, domestic violence provisions, pro marriage laws, and other variables that would affect women in particular. Obviously accessibility to more precise raw numbers for the dependent variable would also provide a more detailed understanding of female headship throughout this period. However, this study is a step towards understanding the implications of state level reform on a group that is severely impacted by poverty.
References


