

## Does *Saving Bernice* Mean She Gets *Nickel and Dimed*? The Two Sides of the Welfare-to-Work Debate

*Nickel and Dimed: On Not Getting By In America.*

Barbara Ehrenreich. New York: Metropolitan Books. 2001. 221 pages.

*Saving Bernice: Battered Women, Welfare, and Poverty.*

Jody Raphael. Boston: Northeastern University Press. 2000. 184 pages.

reviewed by Robert Cherry

Barbara Ehrenreich says that her initial objective in *Nickel and Dimed* was to figure out “[h]ow . . . the roughly four million women about to be booted into the labor market by welfare reform [were] going to make it on \$6 or \$7 an hour?” (1). To answer the question, she intermittently spent one month in each of three cities working at low-end jobs. We learn a lot about Ehrenreich and her efforts to survive horrible, low-wage jobs during those three months. And though she did not have any coworkers who had recently left the welfare system, she stresses that if she—a healthy, hard-working, educated woman—could not survive, it would be impossible for those less advantaged to do so. At the same time, Jody Raphael published *Saving Bernice*, a compelling description of the struggles welfare recipients face in attempting to improve their lives. In contrast with Ehrenreich, Raphael believes that low-wage labor can have a beneficial effect on the lives of welfare recipients.

The two books reflect two approaches to the welfare-to-work debate among progressives. On the one hand, there are those like Ehrenreich who believe that low-waged employment is demeaning and one step above wage slavery. This group focuses on living wage campaigns and reinstating welfare as an entitlement. On the other hand, there are those like Raphael who believe that even low-wage jobs give dignity and self esteem to welfare leavers. While she believes that the welfare system should be more sensitive to the barriers to employment many women on welfare face, Raphael focuses on improving the support services and income transfers the government should be providing to the working poor.

### **NICKEL AND DIMED**

Ehrenreich doubted that she could survive on her wage income. She contrasted the prevailing wages of \$6.00-\$7.00 an hour with the Coalition for the Homeless’ calculation that a single head of household would need a wage of \$8.89 per hour in 1998 to escape poverty. Ehrenreich also claimed that, compared to most who left welfare, she possesses the “advantages” of being healthy, white, and childless, as well as having a car and good English skills. Thus, she warns us to “[j]ust bear in mind, when I stumble that this is in fact the best-case scenario: a person with every advantage that ethnicity and education, health and motivation can confer attempting, in a time of exuberant prosperity, to survive in the economy’s lower depths” (9-10).

In each of her sojourns, Ehrenreich dropped into a community and gave herself four or five days to find housing and employment through newspaper advertisements. With a resume that included limited education and no recent work experience, she landed jobs that paid \$6.50 to \$7.00 per hour. At every stop, managers were evil people with no humanity and workers endured daily personal abuses. Ehrenreich also recounts hassles in the hiring process, where drug and personality tests were routinely required and employee orientations focused on transforming hires into loyal and trustworthy employees who put the company first.

In her conclusion, Ehrenreich claims that “wages for people near the bottom remain flat, even ‘stagnant’” (201). When confronted with evidence that their real wages increased during the 1996-to-1999 period, Ehrenreich retorts that these statistics

“mollified many economists but do not impress me . . . . When I persisted in my carping to economists, they generally backed down a bit” (202-3).

Whenever a case study is presented, it becomes important to judge its relationship to a representative person in the study population. Despite her claims to a working-class pedigree, Ehrenreich dropped into the lower-end of the social structure without any of the experiences and knowledge that might be central to the ability to navigate a difficult terrain. And “dropping in” is exactly what she did: coming to a new city with no ties and no local knowledge, and requiring herself to find housing and a job and housing within a few days. Moreover, we are asked to project her experience over a much greater period of time--including potential increases in wages and improved housing arrangements--because she does not stay in any city long enough for these improvements to occur.

While the individualistic “pioneering” spirit Ehrenreich adopted may be well suited for some adventures, it was a fundamental hindrance to her actual task. One of the central features of the low-wage labor market is that networking plays a prominent role in job search. Studies show that more than one-half of available jobs in this labor market are filled by informal means: where employers limit their formal advertising and instead rely heavily on their current employees and other personal contacts to identify potential new workers. In her study of 300 fast-food workers, Katherine Newman wrote:

“[A] job-seeker’s greatest asset is the chain of friends and acquaintances who are already working somewhere, people who can provide a personal connection to an employer. . . . Everyone in the labor force, working or searching for work, is aware that these connections spell the difference between having a serious shot at a job and wasting your time. Young people in the inner city, even those who have grown up in ‘welfare house-holds,’ know the value of networking, of meeting new people in order to extend their reach.”<sup>1</sup>

Ehrenreich also understated the earnings potential of welfare leavers during this boom period. Over a thirty-month period ending in Spring 2000 (virtually the same time period of Ehrenreich’s experiment), Anu Rangarajan and Robert Wood found that three-quarters of the welfare recipients enrolled in New Jersey’s Work First program had left welfare. Almost two-thirds of those off welfare were working at the time of the last interview, with an average wage of \$8.15 per hour; only 18 percent were making \$6.00 or less.<sup>2</sup>

Moreover, Ehrenreich’s image of former welfare recipients trapped in low-wage dead-end jobs seems overstated. For those who were working at the end of Rangarajan and Wood’s study, their monthly earnings grew by 33 percent. The wage gains were greatest for those who began with the lowest paid jobs: 40 percent of those workers whose first job paid less than \$6.00 per hour had an hourly wage increase of at least 50 percent. These results are consistent with studies that indicated wage increases among the lowest-paid quintile were greater than the wage increased experienced by workers at the middle of the wage distribution.<sup>3</sup>

Ehrenreich posits that an hourly wage rate of \$8.89 was necessary for welfare leavers to avoid poverty. Assuming that the family’s wage earner was employed full-time year round, this living wage computes to an annual income of \$18,491. Ehrenreich claims that “the odds against a typical welfare recipient of landing a job at such a ‘living wage’ were about 97 to 1” (3). At the end of the book, she drops the Coalition for the Homeless measure and instead refers to the Economic Policy Institute (EPI) estimates that a “living wage” for a single mother with two children is around \$30,000. After noting that some low-wage workers received various government income transfers, Ehrenreich claims:

“But others--single mothers for example--have nothing but their low wages to live on, no matter how many mouths there are to feed. . . . Most civilized nations compensate for inadequate wages by providing relatively generous public services. But the United States, for all its wealth, leaves its citizens to fend for themselves . . . on their wages alone.” (214).

Accepting Ehrenreich’s claims, *New York Times* reviewer Dorothy Gallagher concluded, “So what should we think about the fact that we are sending the poor out to make it on their own on little more than one-quarter of a living wage?”<sup>4</sup>

Each of these poverty thresholds reflects a different methodology. The Coalition for the Homeless estimate extrapolates from housing costs alone, while the EPI estimate uses self sufficiency measures for a full family budget that has a very generous allotment for childcare--about \$1000 per month for a single head of household with two children. (Both thresholds are substantially above the government measure of poverty.)<sup>5</sup>

As Ehrenreich indicates, neither threshold is attainable on wages alone. Government income transfers, however, have a substantial effect on poverty rates. Mark Levitan and Robin Gluck found that among working single mothers in 1999-2001, 36.5 percent did not earn enough to escape poverty through their wages alone. Once government transfer payments were included, however, only 14.2 percent had incomes below the official poverty threshold.<sup>6</sup>

To further illustrate the powerful effect of transfer payments, let us take a single head of household holding a \$6.25 per hour job (rather than the \$7.50-\$8.50 per hour that is the median wage of welfare leavers with one or two years work experience). With an annual income of \$13,000, this mother would qualify for the following federal benefits: food stamps (\$2848), refundable child credit (\$250), and an Earned Income Tax Credit (EITC) (\$4204). In addition, there are state financial support programs. For example, in Wisconsin, our single head of household would also receive a state EITC (\$589) and a homestead credit (\$844). After taking into account her payroll taxes, this Wisconsin worker would have disposable income equal to \$20,740--58 percent above the 1998 government's poverty threshold and even well above the Coalition for the Homeless estimate.

### ***SAVING BERNICE***

Though Ehrenreich's central objective was to discern the impact of welfare-to-work policies, she focuses instead on the evils of a predatory labor market that forces workers to endure "privation so that inflation will be low and stock prices high" (215). By contrast, Jody Raphael's *Saving Bernice* actually examines the struggles of one former welfare recipient to better her life. We learn that Bernice's problems are not a result of an exploitive labor market, but, instead, of the welfare system and men without stable jobs. Moreover, Raphael is not a journalist who drops down into the lives of her subjects. She is a former director of a welfare-to-work program, which is where she met Bernice Hampton.

Raphael could have written a personalized account, emphasizing how young women can sometimes pull themselves out of the quagmire created by bad teen-age choices. This was the successful formula followed in the 2001 Drew Barrymore movie, "Riding in Cars with Boys." The poor choices Bernice made in her youth, however, resulted from the violence she experienced and the isolating role of welfare. Raphael writes:

"Domestic violence works to constrain the choices and coerce the actions of low-income women. When the issue of domestic violence is squarely faced, we no longer can view many women on welfare as lazy or helpless, but instead see young women like Bernice Hampton struggling to use birth control and trying to sustain employment in the teeth of their partners' violent opposition." (8)

Fleeing a dysfunctional family, Bernice met Billy when she was fourteen years old, and began living with him a year later. She rationalized his violence and extreme possessiveness out of her strong desire for a family. Billy did not allow her to use birth control, and she had three miscarriages before finally having a child. She could only leave their apartment to go to the welfare and WIC offices, and Billy enticed her to use drugs to get through the isolation. When Bernice attempted to enter job training programs, Billy sabotaged her efforts for fear of losing her. According to Raphael, Bernice was "not only trapped by her desire for a nuclear family but also by her welfare receipt" (28). Eventually, with the help of social agencies, Bernice freed herself and, over the next few years, she and her two children overcame many of their psychological problems so that, by the time the book was written, there is a hopeful ending to their saga.

Raphael cites studies that demonstrate that Bernice's story was common among welfare recipients during the mid-1990s: at least 30 percent had recently experienced domestic violence and two-thirds had experienced it during their lifetime. These rates are almost twice as high as among non-welfare recipients in the same neighborhoods. In addition, a high proportion of poor, teenaged women experience coercive sexual relations, and drug abuse was up to three times and alcoholism up to eight times more prevalent among long-term welfare recipients than short-term recipients.

Many researchers present the image of single mothers abandoned by man, having to fend for themselves and their children alone. In contrast, Raphael found that more than 70 percent of women on welfare were living with a man, and the majority of them were in long-term relationships. Unfortunately, the safety value of welfare became for many a trap where women on welfare became a magnet for abusers. Thus, Raphael suggests that women on welfare are "not abandoned by men but increasing have difficulty getting rid of them" (108).

Raphael criticizes welfare rights advocates for focusing on those whose wage income makes them no better off than if they had been on welfare. She claims that they ignored the non-financial rewards these women gain: self-esteem and human development. Raphael approvingly quotes Katherine Nussbaum, who claimed that welfare was “a devastating source of social isolation” (120). Raphael also notes that domestic violence is often directed at sabotaging work, educational, and training efforts.

Raphael can be faulted for not making clear the source of African-American joblessness. In Billy’s case, she concludes that his intermittent work experience was primarily the result of his own behavior. African-American joblessness, however, had little to do with individual behavior and everything to do with the overall economy.

The sense of hopelessness felt by young black men was fundamentally related to the collapse of employment beginning in the 1970s. Just as the end of the Vietnam War was thrusting thousands of black GIs into the labor force, the economy began to fizzle. Unemployment rates for black men rose sharply, accelerated by the reduction of blue-collar employment opportunities. Between 1975 and 1989, the share of young black men in the Midwest employed in durable manufacturing fell from 40 to 12 percent as a result of plant closings in central cities.<sup>7</sup>

During the 1980-82 recession, official black unemployment rates rose to more than 20 percent for black men over twenty years old and over 40 percent for black teenagers. And even these numbers understated the real employment difficulties facing black men. Kim Clark and Lawrence Summers found that 21 percent of black men between the ages of twenty and twenty-four who were out of school had *no* work experience in the previous year. This rate was triple the white rate (7.2 percent) and almost double what the black rate had been a decade earlier (12.8 percent). This joblessness did not show up in official unemployment statistics because most of these young men did not meet the government criterion for job search so they were not considered part of the active labor force.<sup>8</sup>

Raphael also does not completely free her analysis from culture explanations for the disproportionate level of abuse she finds in poor black communities. She suggested that one legacy of slavery is the central importance of restoring black manhood so that standing up to sexism is misconstrued as a sign of disloyalty; that given their historical role as domestic workers, black women idealize the home-center role against which many white women rebelled; and that for blacks, the family provide the basis of solidarity and resistance to white racism. Not surprisingly, even when abuse can no longer be tolerated, Raphael posits that black women do not call the police because they are unwilling “to subject their lives to the scrutiny and control of a police force that is frequently hostile” (93).

While there may be some truth to these cultural explanations, there are more important structural reasons. In addition to the massive joblessness, there was a fourfold increase in African-American male incarceration rates between 1970 and 1990. As a result, black women far outnumber black men in the noninstitutionalized population. Given their scarcity, Kathryn Edin found that poor black women realize that available black men are in a privileged situation. As one respondent stated, “There’s a shortage of men so that they think, ‘I can have more than one woman. I’m gonna go around this one or that one, and I’m gonna have two or three of them.’” Many of these women feared that they would become their husband’s personal slave, cooking their meals, cleaning their house, and doing their laundry. They lamented, “A man gets married to have somebody to take care of them ‘cause their mommy can’t do it anymore” and expected that their partners would feel free to spend money on personal leisure activities rather than on family necessities. As another respondent recounted, “I gave my child’s father the money to go buy my son’s Pampers. He went on some street with his cousin and they were down there partying, drinking, everything. He spent my son’s Pamper money on partying.”<sup>9</sup>

This evidence suggests that it might have been the privileged position of these men – not necessarily something endemic to black culture--that explains why poor black women experience more abuse and are more willing to accept their victimization than other women. Expanding the number of black men with stable earnings might be the most important means to reduce the extent and acceptance of domestic violence in the African-American community.

## **CONTRASTING VIEWS ON WELFARE REFORM**

*Nickel and Dimed* and *Saving Bernice* provide contrasting judgments on recent welfare reform. Ehrenreich claims that her experience demonstrates that it is virtually impossible for welfare leavers to escape poverty. Similarly, Randy Albelda and Chris Tilly indicate that in 1999 only “one quarter of those who left welfare were one year later working at nonpoverty wages [of \$250 per week or more].”<sup>10</sup> Like Ehrenreich, however, they never mention the robust transfer payments a single head of household would receive, but instead give priority to living wage legislation and expanding welfare entitlements.

Raphael's link between welfare and domestic violence is rejected by most anti-poverty advocates. For them, single mothers are isolated women who must struggle against an uncaring system. As Joan Meier noted:

“[E]mphasis on the values and attitudes which lead to abuse and the need for moral education of perpetrators . . . is anathema to anti-poverty activists who preach the structural and socioeconomic causes of the ills of the poor and see any talk of moral or dysfunctional behavior of the poor as a form of blaming the victim. . . . Such ‘poverty progressives’ are fueled by their belief that both the causes and cures for poverty are social, economic, and political, but not behavioral.”<sup>11</sup>

By claiming that welfare traps abused women in poverty, Raphael threatens core beliefs of most advocates for the poor. When forced to acknowledge the existence of domestic violence, many of these advocates, according to Meier, “frame battering in poor communities as another product of poverty; a tragic expression of poor, often African-American men’s rage and frustration at racism and their own oppression by white, dominant society.”<sup>12</sup> This perspective keeps the focus on systemic oppression rather than male behavior and female adaptation. It also mistakenly infers that outbreaks of rage are caused by the system, not by attempts to dominate and control the wife by sabotaging her efforts to advance. It enables advocates like Linda Gordon to claim that welfare is a safe harbor for victims of abuse while its repeal “threatens to chain abused women and children to their abusers.”<sup>13</sup>

Raphael also looks more favorably on low-wage employment than most advocates for the poor. Rather than viewing these jobs as demeaning and brutalizing, Raphael believes that they often are a liberating experiences because of important psychological benefits they provide to many battered women. Instead of figuring out how poor women can avoid these jobs, Raphael focuses on improving the government supports that would enable welfare leavers to keep them.

In the ongoing debate over reauthorization of the federal Temporary Assistance for Needy Families Program, all progressives must unite in protecting a safety net for female household heads against the mean-spirited Republican attacks. This is especially the case when there is no longer a high employment economy capable of absorbing large numbers of welfare leavers. While these efforts should protect the most vulnerable women--those who are least able to make the transition to work because of a variety of barriers including the after effects of domestic abuse--we should also be attuned to the needs of those who have gained stable full-time employment. As this essay has made clear, transfer programs are substantial and enable single heads to escape official poverty. Studies show, however, that until incomes are about double the government’s poverty threshold levels, families still periodically suffer significant deprivation: going without meals, loss of utilities, and less than ideal childcare arrangements.<sup>14</sup>

Given the way government transfer programs currently operate, it is difficult for many welfare leavers to distance themselves from these deprivations: increases in wage income do not translate into increases in disposable income. For example, in Wisconsin, if a single head of household with two children is successful enough to have her wage income rise from \$15,000 to \$20,000, disposable income will only rise by \$1800 because of the reductions in transfer payments: less food stamps, housing and childcare subsidies, and reduced EITCs. As a result, living wage and unionizing efforts can only significantly benefit many workers if transfer payments are not phase-out so quickly when wage incomes rise. A strong movement for these changes will not develop, however, unless advocates for the poor begin to place a priority on current efforts to reduce the phasing out of transfer payments.<sup>15</sup>

## NOTES

<sup>1</sup> Katherine Newman, *No Shame in My Game: The Working Poor in the Inner City*. (Russell Sage, 1999: 78, 80).

<sup>2</sup> Anu Rangarajan and Robert Wood. "Current and Former WFNJ Clients." Princeton, NJ: Mathematica, 2000. [www.mathematica-mpr.com/](http://www.mathematica-mpr.com/). See also, Pamela Loprest. *How Are Families that Left Welfare Doing? A Comparison of Early and Recent Welfare Leavers*. Vol. Series B. Washington, DC: The Urban Institute, 2001.

<sup>3</sup> Richard Freeman and William Rodgers. 2000. "Area Economic Conditions and the Labor Market Outcomes of Young Men in the 1990s Expansion." In *Prosperity for All?*, 50-87; and

Robert Cherry, "African Americans and the Social Benefits of Tight Labor Markets." *WorkingUSA* 5 (Fall 2001): 106-118.

<sup>4</sup> Dorothy Gallagher, *NY Times Review of Books* (May 13, 2001, G10).

<sup>5</sup> The Coalition for the Homeless using the Universal Living Wage estimate, <http://www.universallivingwage.org/>; The EPI estimate of Self-Sufficiency Budget (SSB), see Diana Pearce and Jennifer Brooks with Laura Russell, *The Self-Sufficiency Standard for Massachusetts*. Washington, DC: Wider Opportunities for Women, 1998.

<sup>6</sup> Levitan, Mark and Robin Gluck. *Mothers' Work: Single Mothers' Employment Earnings, and Poverty In the Age of Welfare Reform*. Community Service Society of New York. 2002.

<sup>7</sup> Bound, John and Richard Freeman. "What Went Wrong? The Erosion of the Relative Earnings of Young Black Men during the 1980s," *Quarterly Journal of Economics* 107.2 (1992): 201-232.

<sup>8</sup> Kim Clark and Lawrence Summers, "The Dynamics of Youth Unemployment," in *The Youth Labor Market Problem*, ed. Richard Freeman and David Wise, 199-230, University of Chicago Press, 1982.

<sup>9</sup> Kathryn Edin, "Few Good Men: Why Poor Women Don't Marry or Remarry," *The American Prospect* 11.4 (2000): 28-32.

<sup>10</sup> Randy Albelda and Chris Tilly, "Moving Beyond 'Get a Job': What Really Welfare Reform Would Look Like." In *Squaring Up: Policy Strategies to Raise Women's Incomes in the United States*, edited by Mary King, 15-44. University of Michigan Press, 2001.

<sup>11</sup> Joan Meier "Domestic Violence, Character, And Social Change In The Welfare Reform Debate." *Law & Policy* 19 (Apr 1997): 223, 228.

<sup>12</sup> *Ibid.*, 229.

<sup>13</sup> Linda Gordon's praise of Ruth Brandwein (editor) *Battered Women, Children, and Welfare Reform*, found on its publisher's website: <http://www.sagepub.com/book.aspx?pid=4135>.

<sup>14</sup> Heather Boushey, Chauna Brocht and Jared Bernstein, *Hardships in America: The Real Story of Working Families* (Washington, DC: Economic Policy Institute, July 2001).

<sup>15</sup> For two such tax reforms, see Robert Cherry and Max Sawicky, "And Now for Something Completely Different: Progressive Tax Cuts that Republicans Can Support." *Challenge* 44(May/June 2001): 43-60; Adam Carasso, Jeff Rohaly, and C. Eugene Steuerle, *Tax Reform for Families: An Earned Income Child Credit*. Washington, DC: The Brookings Institute, 2003.

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