

Course Name	: Management of Welfare Services
Course Code	: APBPH 2105
Course Level	: Level 3
Credit Unit	: 4 CU
Contact Hours	: 60 Hrs

Course Description

The Course also is entitled to discuss the holistic meaning of Social Welfare Services/Programs, history of Social Welfare Services, different systems through which social welfare programs are channeled to reach the appropriate population, exploring social assistance programs, social service organizations & welfare reforms, what service providers know about welfare reforms, corporate welfare, social market economy, case studies of child welfare services.

Course Objectives

- To demonstrate critical issues in management of welfare services by responsible sub units of governments.
- To help students acquire skills in differentiating between welfare services and non-welfare services.
- To increase the students' power of analysis in criticizing the government where appropriate to deliver services to its citizens.
- To definitely equip students with knowledge of designing relevant policies in regard to transparent and accountable provision of welfare services to the needy and marginalized groups of people in most developing countries.

Course Content

Introduction to welfare management

- Meaning of social welfare programs
- Different perspectives of social services
- Meaning of Welfare or welfare work
- Provision and funding
- History of social welfare services
- Welfare systems
- Case studies: Germany, Canada, Italy, Sweden, United states

Social assistance programs

- Meaning of social assistance programs
- History of these programs
- Major aspects of current social assistance programs
- Critiques of these programs

Social Service Organizations and Welfare reform

- The changing network of social services
- The findings in brief
- The project on devolution and urban change and the institutional study
- Why study community institutions and welfare reform
- Welfare reform policies in the Urban Change sites

What do service providers know about welfare reform

- Overall levels of knowledge
- Knowledge level by site
- Knowledge of specific aspects of welfare reform policies

- Sources of knowledge about welfare reforms

Corporate Welfare

- Meaning of Corporate welfare
- Corporate welfare as corrupt subsidies
- Social democracy

Welfare state

- Definition of welfare state
- Main interpretations of the idea of a welfare state
- Etymology of welfare state
- History of welfare states
- Three forms of the welfare state
- Its effects on poverty
- Criticisms of welfare states
- The welfare state and social expenditure

Social Market Economy

- Meaning of a social market economy
- Model of the social market economy
- History of the model
- Main elements of the social market economy

Child Welfare Service/Case Management System (CWS/CMS)

- Program overview
- Functionality of the program
- Its governance
- Policy issues
- Corporate social responsibility (CSR)

Mode of delivery, Face to face lectures

Assessment

Coursework 40%

Exams 60%

Total Mark 100%

Management of Welfare Services

Social welfare program, any of a variety of governmental programs designed to protect citizens from the economic risks and insecurities of life. The most common types of programs provide benefits to the elderly or retired, the sick or invalid, dependent survivors, mothers, the unemployed, the work-injured, and families. Methods of financing and administration and the scope of coverage and benefits vary widely among countries.

Social services also called welfare service, or social work, Any of various professional activities or methods concerned with providing social services (such as investigatory and treatment services or material aid) to disadvantaged, distressed, or vulnerable persons or groups.

The field originated in the charity organizations in Europe and the U.S. in the late 19th century. The training of volunteer workers by these organizations led directly to the founding of the first schools of social work and indirectly to increased government responsibility for the welfare of the disadvantaged.

Social work is a professional and academic discipline committed to the pursuit of social welfare and social change. The field works towards research and practice to improve the quality of life and to the development of the potential of each individual, group and community of a society. Social workers perform interventions through research, policy, community organizing, direct practice and teaching. Research is often focused on areas such as

human development, social policy, public administration, program evaluation and international and community development. Social workers are organized into local, national, continental and international professional bodies. Social work, an interdisciplinary field, includes theories from economics, education, sociology, medicine, philosophy, politics, psychology, and as well as anti-oppressive and anti-racist discourse.

Social work has its roots in the struggle of society to deal with poverty and the resultant problems. Therefore, social work is intricately linked with the idea of charity work; but must be understood in broader terms. The concept of charity goes back to ancient times, and the practice of providing for the poor has roots in many major ancient civilizations and world religions. It is described as the (peoples helper).

Welfare

Welfare or **Welfare Work** consists of actions or procedures — especially on the part of governments and institutions — striving to promote the basic well-being of individuals or the society. These efforts usually strive to improve the financial situation of people in need but may also strive to improve their employment chances and many other aspects of their lives including sometimes their mental health. In many countries, most such aid is provided by family members, relatives, and the local community and is only theoretically available from government sources.

In American English, *Welfare* is often also used to refer to financial aid provided to individuals in need, which is called *Benefit(s)* or *Welfare Benefits* in British English.

Welfare can take a variety of forms, such as monetary payments, subsidies and vouchers, health services, or housing. Welfare can be provided by governments, non-governmental organizations, or a combination of the two. Welfare schemes may be funded directly by governments, or in social insurance models, by the members of the welfare scheme.

Welfare systems differ from country to country, but welfare is commonly provided to those who are unemployed, those with illness or disability, those of old age, those with dependent children and to veterans. A person's eligibility for welfare may also be constrained by means testing or other conditions.

In a more general sense, *welfare* also means the well-being of individuals or a group, in other words their health, happiness, safety, prosperity, and fortunes.

Provision and funding

Welfare may be provided directly by governments or their agencies, by private organizations, or by a combination of both in a mixed economy model. The term welfare state is used to describe a state in which the government provides the majority of welfare services, or to describe those services collectively.

Welfare may be funded by governments out of general revenue, typically by way of redistributive taxation. Social insurance type welfare schemes are funded on a contributory basis by the members of the scheme. Contributions may be pooled to fund the scheme as a whole, or reserved for the benefit of the particular member. Participation in such schemes is either compulsory or the program is subsidized sufficiently heavily that most eligible individuals choose to participate.

Examples of social insurance programs include the Social Security (United States), and Medicare programs in the United States.^[1]

States also may support the welfare of its citizens, such as the non-working poor, through direct cash transfers.

History

In the Roman Empire, social welfare to help the poor was enlarged by the Caesar Trajan.^[2] Trajan's program brought acclaim from many including Pliny the Younger.^[3]

In the Jewish tradition, charity represented by tzedakah, justice, and the poor are entitled to charity as a matter of right rather than benevolence. Contemporary charity is regarded as a continuation of the Biblical Maaser Ani, or poor-tithe, as well as Biblical practices including permitting the poor to glean the corners of a field, harvest during the Shmita (Sabbatical year), and other practices. Voluntary charity, along with prayer and repentance, is regarded as ameliorating the consequences of bad acts.

The medieval Roman Catholic Church operated a far-reaching and comprehensive welfare system for the poor.^[4] The 12th century witnessed a significant expansion of support for the needy, particularly in the form of hospices, hostels, and hospitals in towns and along pilgrim routes.^[5]

The concepts of welfare and pension were put into practice in the early Islamic law^{[6][not in citation given]} of the Caliphate as forms of *Zakat* (charity), one of the Five Pillars of Islam, since the time of the Rashidun caliph Umar in the 7th century. The taxes (including *Zakat* and *Jizya*) collected in the treasury of an Islamic government were used to provide income for the needy, including the poor, elderly, orphans, widows, and the disabled. According to the Islamic jurist Al-Ghazali (Algazel, 1058–1111), the government was also expected to store up food supplies in every region in case a disaster or famine occurs.^{[6][7]} (See Bayt al-mal for further information.)

There is relatively little statistical data on welfare transfer payments until at least the High Middle Ages. In the medieval period and until the Industrial Revolution, the function of welfare payments in Europe was principally achieved through private giving or charity. In those early times there was a much broader group considered in poverty compared to the 21st century.

Early welfare programs in Europe included the English Poor Law of 1601, which gave parishes the responsibility for providing welfare payments to the poor.^[8] This system was substantially modified by the 19th-century Poor Law Amendment Act, which introduced the system of workhouses.

It was predominantly in the late 19th and early 20th centuries that an organized system of state welfare provision was introduced in many countries. Otto von Bismarck, Chancellor of Germany, introduced one of the first welfare systems for the working classes. In Great Britain the Liberal government of Henry Campbell-Bannerman and David Lloyd George introduced the National Insurance system in 1911,^[9] a system later expanded by Clement Attlee. The United States did not have an organized welfare system until the Great Depression, when emergency relief measures were introduced under President Franklin D. Roosevelt. Even then, Roosevelt's New Deal focused predominantly on a program of providing work and stimulating the economy through public spending on projects, rather than on cash payments.

Welfare systems

France

Solidarity is a strong value of the French Social Protection system. The first article of the French Code of Social Security describes the principle of solidarity. Solidarity is commonly comprehended in relations of similar work, shared responsibility and common risks. Existing solidarities in France caused the expansion of health and social security.

Germany

The welfare-state has a long tradition in Germany dating back to the industrial revolution. Due to the pressure of the workers movement in the late 19th century, Reichskanzler Otto von Bismarck introduced the first rudimentary state social insurance scheme. Today, the social protection of all its citizens is considered a central pillar of German national policy. 27.6 percent of Germany's GDP are channeled into an all-embracing system of health, pension, accident, longterm care and unemployment insurance, compared to only 16.2 percent in the US. In

addition there are tax financed services such as child benefits (*Kindergeld*, beginning at €184 per month for the first and second children, €190 for the third and €215 for each child thereafter, until they attain 25 years or receive their first professional qualification)^[10] and basic provisions for those unable to work or anyone with an income below the poverty line.^[11]

Since 2005, reception of full unemployment pay (60-67% of the previous net salary), has been restricted to 12 months in general and 18 months for over 55 year-olds. This is now followed by (usually much lower) *Arbeitslosengeld II (ALG II)* or *Sozialhilfe* which is independent of previous employment.

Under ALG II, a single person receives €359 per month plus the cost of 'adequate' housing, a pension scheme and health insurance. ALG II can also be paid partially to supplement a low work income.

Canada

Canadian social safety net covers a broad spectrums of programs, and because Canada is a federation, many are run by the provinces. Canada has a wide range of government transfer payments to individuals, which totaled \$145 billion in 2006.^[12] Only social programs that direct funds to individuals are included in that cost; programs such as medicare and public education are additional costs.

Generally speaking before the Great Depression most social services were provided by religious charities and other private groups. Changing government policy between the 1930s and 1960s saw the emergence of a welfare state, similar to many Western European countries. Most programs from that era are still in use, although many were scaled back during the 1990s as government priorities shifted towards reducing debt and deficit.

Italy

The Italian welfare state's foundations were laid along the lines of the corporatist-conservative model, or of its Mediterranean variant. Later, in the 1960s and 1970s, increases in public spending and a major focus on universality brought it on the same path as social-democratic systems. These policies proved to be financially unsustainable, as public debt and inflation grew alarmingly, not allowing the welfare state to develop completely. In the 1990s, efforts moving towards decentralisation and privatisation were used in an attempt to cope with European pressures for economic stability, which were finally reached by 2001.

Sweden

Sweden has been categorised by some observers^[who?] as a middle way between a capitalist economy and a socialist economy^[citation needed]. Supporters of this system assert that Sweden has found a way of achieving high levels of social equality, without stifling entrepreneurialism. The perspective has been questioned by supporters of economic liberalization in Sweden.

Government pension payments are financed through an 18.5% pension tax on all taxed incomes in the country, which comes partly from a tax category called a public pension fee (7% on gross income), and 30% of a tax category called employer fees on salaries (which is 33% on a netted income). Since January 2001 the 18.5% is divided in two parts, 16% goes to current payments. And 2.5% goes into individual retirement accounts, which was introduced in 2001. Money saved and invested in government funds and IRAs for future pension costs are roughly 5 times annual government pension expenses (725/150).

United States

From the 1930s on, New York City government provided welfare payments to the poor.^[15] By the 1960s, as whites moved to the suburbs, the city was having trouble making the payments and attempted to purge the rolls of those who were committing welfare fraud.^[15] Twenty individuals who had been denied welfare sued in a case that went to the United States Supreme Court, *Goldberg v. Kelly*. The Court ruled that those suspected of committing

welfare fraud must receive individual hearings before being denied welfare.^[15] Journalist David Frum considers this ruling to be a milestone leading to the city's 1975 budget disaster.^[15]

After the Great Society legislation of the 1960s, for the first time a person who was not elderly or disabled could receive a living from the American government.^[16] This could include general welfare payments, health care through Medicaid, food stamps, special payments for pregnant women and young mothers, and federal and state housing benefits.^[16] In 1968, 4.1% of families were headed by a woman on welfare; by 1980, this increased to 10%.^[16] In the 1970s, California was the U.S. state with the most generous welfare system.^[17] Virtually all food stamp costs are paid by the federal government.^[18] In 2008, 28.7 percent of the households headed by single women were considered poor. <<http://www.npc.umich.edu/poverty/>>

Before the Welfare Reform Act of 1996, welfare was "once considered an open-ended right," but welfare reform converted it "into a finite program built to provide short-term cash assistance and steer people quickly into jobs."^[19] Prior to reform, states were given "limitless"^[19] money by the federal government, increasing per family on welfare, under the 60-year-old Aid to Families with Dependent Children (AFDC) program.^[20] This gave states no incentive to direct welfare funds to the neediest recipients or to encourage individuals to go off welfare (the state lost federal money when someone left the system).^[21] One child in seven nationwide received AFDC funds,^[20] which mostly went to single mothers.^[18]

After reforms, which President Bill Clinton said would "end welfare as we know it,"^[18] amounts from the federal government were given out in a flat rate per state based on population.^[21] Each state must meet certain criteria to ensure recipients are being encouraged to work themselves out of welfare. The new program is called Temporary Assistance to Needy Families (TANF).^[20] It also encourages states to require some sort of employment search in exchange for providing funds to individuals and imposes a five-year time limit on cash assistance.^{[18][20][22]} The bill restricts welfare from most legal immigrants and increased financial assistance for child care.^[22] The federal government also maintains an emergency \$2 billion TANF fund to assist states that may have rising unemployment.^[20]

Millions of people left the welfare rolls (a 60% drop overall),^[22] employment rose, and the child poverty rate was reduced.^[18] A 2007 Congressional Budget Office study found that incomes in affected families rose by 35%.^[22] The reforms were "widely applauded"^[23] after "bitter protest."^[18] *The Times* called the reform "one of the few undisputed triumphs of American government in the past 20 years."^[24] Critics of the reforms sometimes point out that the reason for the massive decrease of people on the welfare rolls in the United States in the 1990s wasn't due to a rise in actual gainful employment in this population, but rather, due almost exclusively to their offloading into workfare, giving them a different classification than classic welfare recipient. The late 1990s were also considered an unusually strong economic time, and critics voiced their concern about what would happen in an economic downturn.^[18]

Aspects of the program vary in different states; Michigan, for example, requires a month in a job search program before benefits can begin.^[18]

The National Review editorialized that the Economic Stimulus Act of 2009 will reverse the welfare-to-work provisions that Bill Clinton signed in the 1990s and again base federal grants to states on the number of people signed up for welfare rather than at a flat rate.^[21] One of the experts who worked on the 1996 bill said that the provisions would lead to the largest one-year increase in welfare spending in American history.^[24] The House bill provides \$4 billion to pay 80% of states' welfare caseloads.^[20] Although each state received \$16.5 billion annually from the federal government as welfare rolls dropped, they spent the rest of the block grant on other types of assistance rather than saving it for worse economic times.^[19]

Timeline

1880's-1890's: Attempts were made to move poor from work yards to poor houses if they were in search of relief funds.

1893-1894: Attempts were made at the first unemployment payments, but were unsuccessful due to the 1893-1894 recession.

1932: The Great Depression had gotten worse and the first attempts to fund relief failed. The “Emergency Relief Act”, which gave local governments \$300 million, was passed into law.

1933: In March 1933, President Franklin D. Roosevelt pushed congress to establish the Civilian Conservation Corps.

1935: The Social Security Bill was passed on June 17, 1935. The bill included direct relief (cash, food stamps, etc.) and changes for unemployment insurance.

1940: Aid to Families With Dependent Children (AFDC) was established.

1964: Johnson’s War on Poverty is underway, and the Economic Opportunity Act was passed. Commonly known as “the Great Society”

1996: Passed under Clinton; “The Personal Responsibility and Work Opportunity Reconciliation Act of 1996” becomes law.

History

The 1980s marked a change in the structure of Latin American social protection programs. Social protection embraces three major areas; social insurance, financed by workers and employers, social assistance to the population’s poorest, financed by the state, and labor market regulations to protect worker rights.^[26] Although diverse, recent Latin American social policy has tended to concentrate on social assistance.

The 1980s had a significant effect on social protection policies. Prior to the 1980s, most Latin American countries focused on social insurance policies involving formal sector workers, assuming that the informal sector would disappear with economic development. The economic crisis of the 1980s and the liberalization of the labor market led to a growing informal sector and a rapid increase in poverty and inequality. Latin American countries did not have the institutions and funds to properly handle such a crisis, both due to the structure of the social security system, and to the previously implemented structural adjustment policies (SAPs) that had decreased the size of the state.

New welfare programs have integrated the multidimensional, social risk management, and capabilities approaches into poverty alleviation. They focus on income transfers and service provisions and aim at alleviating both long and short-term poverty through, among other things, education, health, security, and housing. Unlike previous programs that targeted the working class, new programs have successfully focused on locating and targeting the very poorest.

The impacts of social assistance programs vary between countries, and many programs have yet to be fully evaluated. According to Barrientos and Santibanez, the programs have been more successful in increasing investment in human capital than in bringing households above the poverty line. Challenges still exist. Some of these are the extreme inequality levels and the mass scale of poverty; locating a financial basis for programs; and deciding on exit strategies or on the long-term establishment of programs.^[26]

Major aspects of current social assistance programs

- **Conditional Cash Transfer (CCT) combined with service provisions.** Transfer cash directly to households, most often through the women of the household, if certain conditions (e.g. children’s school attendance or doctor visits) are met (10). Providing free schooling or healthcare is often not sufficient, because there is an opportunity cost for the parents in, for example, sending children to school (lost labor power), or in paying for the transportation costs of getting to a health clinic.

- **Household.** The household has been the focal point of social assistance programs.
- **Target the poorest.** Recent programs have been more successful than past ones in targeting the poorest. Previous programs often targeted the working class.
- **Multidimensional.** Programs have attempted to address many dimensions of poverty at once. Chile Solidario is the best example.

Critiques

Income transfers can be either conditional or unconditional. There is no substantial evidence that conditional transfers are more effective than unconditional ones. Conditionalities are sometimes critiqued for being paternalistic and unnecessary.

Current programs have been built as short term, rather than as permanent institutions and many of them have rather short time spans (~five years). Some programs have time frames that reflect available funding. One example of this is Bolivia's Bonosol, which is financed by proceeds from the privatization of utilities—an unsustainable funding source.

Some see Latin America's social assistance programs as a way to patch up high levels of poverty and inequalities, partly brought on by the current economic system. The effectiveness of the programs relies on the ability of mostly free-trade, neoliberal-oriented economic systems to address poverty. Latin America's social assistance programs do not require a systemic change, but instead work within the current structures.

Social Service Organizations and Welfare Reform

I. Introduction: The Changing Network of Social Services

Social service organizations address a wide range of low-income families' needs. These agencies are part of a larger system that involves government provision of services and government funding for private institutions. Significant change in one part of this network affects the others. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), passed in 1996, dramatically changed welfare policies. Welfare recipients now face time limits on eligibility for cash assistance, requirements that they must engage in work or work activities, and incentives and supports to encourage them to find employment. Because these welfare policy changes are so dramatic, many anticipate that the delivery of social services by private organizations will also be affected.

Predictions about the effects of welfare reform on social service agencies vary widely. Supporters of welfare reform anticipate a general increase in employment and a decrease in poverty. These predictions suggest that private donations to social service organizations will increase, allowing churches and other private agencies to play a larger role in helping families. Thus, the government safety net will be less and less needed over time. Critics, on the other hand, predict an increase in poverty and homelessness, even as social service organizations lack the resources to handle the increased needs of poor families. This is a vision of government pulling out of the social safety net without reinforcing the supportive services for people in poverty.

In order to fully understand how welfare reform influences the well-being of low-income families and communities, we must learn how human service organizations are affected by new welfare policies. This report examines agency staff members' knowledge about welfare reform, their overall views of welfare reform, their experience of its impact on their agencies, and their expectations of how it will affect them. The findings offer preliminary insights into how new government policies shape other components of the network of service provision that is essential to the well-being of low-income families.

A. The Findings in Brief

- Agency staff were generally aware that major changes in welfare policy had occurred, but few expressed detailed knowledge of the policies.
- The overwhelming majority of respondents expressed negative or mixed views of welfare reform.
- Changes attributed to welfare reform began soon after the policies were implemented, but these changes have not yet been as dramatic as the critics of reform have predicted.
- Changes in the demand for education and training services have been the biggest effect of welfare reform so far. Agencies' experiences — whether demand increased or decreased — depended partly on the state and local welfare policies and how they were implemented.
- Most basic needs organizations have not yet seen an increase in demand. Nor, however, have they seen increases in private donations as predicted by supporters of welfare reform. Moreover, the experiences of a few Cleveland agencies suggest that time limits or sanctioning policies that cause many people to lose benefits will significantly affect the demand faced by these private charities.
- Despite the limited impact that the first year of welfare reform had on community organizations, respondents anticipate that the new policies will appreciably increase the demand for their services in the future. Many, however, have no plans for meeting the new needs or the possible rise in demand.

B. The Project on Devolution and Urban Change and the Institutional Study

This report is based on data collected for the Project on Devolution and Urban Change (Urban Change, for short). Urban Change is a research project designed to understand how devolution and the Temporary Assistance for Needy Families (TANF) block grants play out in four large urban areas; the project is being undertaken by the Manpower Demonstration Research Corporation (MDRC). (See [Table 1](#) for a description of the Urban Change project.)

Specifically, the report is the first from the project's Institutional Study, the objective of which is to understand how the new welfare policies and funding mechanisms affect human service agencies in neighborhoods with high concentrations of welfare recipients and people living in poverty.

C. Why Study Community Institutions and Welfare Reform?

The social service system involves complex, interdependent relationships between governments and private institutions. Governments provide some services directly, some services are provided through contracts between governments and private organizations, and private agencies acting on their own initiative fill some of the gaps. Smith and Lipsky (1995) point out that governments increasingly provide services by purchasing them from private social service agencies, expanding the welfare state through these organizations. Welfare reform could affect agencies both directly (for example, if they receive many more or many fewer referrals from the welfare department) and indirectly, through effects on their clients (for example, if clients gain or lose income, they may need less or more assistance from private agencies). These changes could then affect the services available to people living in poverty.

Many researchers are monitoring the implementation and effects of welfare reform.¹ Others have applied organizational theories to human service agencies.² In addition to integrating these literatures,

this report makes two key contributions. First, the breadth of the sample allows us to examine how welfare reform affects many types of agencies: faith-based and non-faith-based, with varying services, with and without contracts from welfare departments, and with a range of budget and staffing levels. Second, the report examines the effects of specific local policy changes on organizations serving impoverished urban communities. The data on these policy changes come from other Urban Change components (see [Table 1](#)).

Finally, as policymakers judge the effects of welfare reform on individuals and communities, they need to consider whether the safety net will be able to hold up. Advocates of welfare reform assert that the private sector will compensate or make up for the elimination of welfare entitlements. However, to evaluate this claim, we must examine the entire network of social services. Agencies in high-poverty urban neighborhoods play a crucial role in this network.³

D. Welfare Reform Policies in the Urban Change Sites

In thinking about how welfare reform has affected agencies, it is useful to distinguish various aspects of the welfare reform package. States and counties have different policies. These distinct approaches and their implementation at each site likely affect social service agencies differently. (See [Table 2](#) for summary information about the policies in each Urban Change site.) Many aspects of welfare policy changes could influence these agencies. Among the important factors, but not the only key ones, are time limits, sanctioning, and the emphasis on work.

By limiting the duration of recipients' eligibility for cash assistance, new welfare policies depart fundamentally from previous practices. Time limits appear to lead more welfare recipients to employment, even before the time limits would actually have cut off their benefits. However, these policies, especially when combined with earned income disregards, do not lead families to leave welfare more quickly in the pre-time-limit period (Bloom, 1999). Increases in employment may lead to increases in demand for child care or for services offered during different hours. In addition, if recipients reach time limits and lose income, this could affect the demand for food and other emergency services, such as money to pay utility bills and housing costs. New sanctioning policies could also affect the income of current and former welfare recipients and thereby influence the demand for services. These policies are stricter under welfare reform, with some sites adding full-family sanctions, in which the entire family loses cash assistance for a specified period of time (Quint et al., 1999, p. 187). In addition, if people who leave cash assistance do not receive all the benefits to which they are entitled, such as Medicaid and food stamps, their need and demand for services might increase. In short, loss of income from time limits or sanctions could affect demand for basic services such as food and shelter. In addition, if these policies lead to increased work, demand for child care and other services could rise.

In addition to time limits, welfare reform's work and participation requirements led most states to develop "work-first" approaches to moving welfare recipients into jobs. The work-first philosophy emphasizes rapid attachment to jobs. To that end, these policies mandate that in order to receive their cash grant, recipients must be employed, volunteering, or participating in approved education and employment preparation programs. (See [Table 2](#) for more details on the sites' policies.) These policies could affect institutions in a variety of ways, including the demand for their services, the types of clients they serve, the services they offer, and their funding.

This study considers the early influence of welfare reform policies on institutions in high-poverty urban neighborhoods. Following a description of our research methodology and sample, Section III describes whether respondents knew about the new welfare policies at the time of the interviews and which aspects of the policies they most commonly mentioned. Section IV describes respondents' views on welfare reform. Section V considers what effects welfare reform has had on social service agencies so

far — in particular, whether welfare reform has changed the demand for services, the services offered, and agencies' relationship with the welfare department. Section VI looks to the future and respondents' expectations about demand for services, existence of funding for services, and plans to address changes resulting from welfare reform. The conclusion, Section VII, explores the implications of these findings for social service organizations, welfare departments, and funders.

II. Research Methodology and Sample

In order to learn how welfare reform affected social service organizations in high-poverty neighborhoods, we interviewed key personnel at 106 agencies located in the four Urban Change sites. ([Table 3](#) shows the number of agencies at which respondents were interviewed in each site.)

A. Selection of the Sample

Within each site, institutions were selected in three neighborhoods that had moderate or high poverty levels and large concentrations of welfare recipients.⁴ The agencies selected were central to the vitality of each neighborhood and offer a range of services important to low-income families. The sample includes a mix of churches; small, grassroots organizations; and larger, more established organizations. This is not a random sample of institutions, nor is it representative of all institutions in each city or neighborhood. However, this purposive sampling technique yields a diverse group of agencies that offer a variety of perspectives on the effects of welfare reform.

B. Description of the Sample

Agencies were categorized by the “main” services they offer, as shown in [Table 4.5](#) The 19 adult education and employment preparation agencies offer basic education, vocational skills training, or employment preparation services. They typically provide combinations of these services, either clustered in one program or separately. Twelve child care agencies deliver direct services for preschool-age children, and one focuses on services for parents and child care providers, accrediting child care facilities and providing parent-child play groups. The 30 basic needs agencies supply food, shelter, and other “emergency” items such as clothing and money to pay utilities. The 13 health agencies provide general family health care, mental health services, or specialized services such as reproductive health care. The 18 school and youth agencies are evenly divided between elementary schools and organizations providing services to school-age youth. The remaining agencies focus on real estate and economic development, advocacy (for example, legal services), or family well-being services (such as parenting classes or domestic violence services). These 13 agencies were categorized as “other” because there are not enough of any one type to analyze them as separate groups. (For more information on the agencies in each category, see the [Appendix](#).)

Eighty percent of the institutions are nonprofit agencies, and the remainder are split between for-profit and government organizations.⁶ About one-third of the organizations are faith-based. (See [Figure 1](#).) Almost 90 percent of the agencies are classified as having almost all or mostly low-income clients (“mostly” is defined as 61 percent or more); 50 percent of the agencies serve almost all or mostly families with children on public assistance.

Based on the size of their total annual budget, about one-quarter of the organizations qualified as large (with a budget greater than \$1 million), another quarter were medium-sized (more than \$200,000), and a similar number were small (more than \$50,000). Less than 10 percent of the sample had very small budgets (\$50,000 or less).⁷ Over 10 percent had 51 or more paid staff, about 40 percent employed between 11 and 50 staff, and another 40 percent had 10 or fewer paid staff members. In addition, less

than 10 percent had no paid staff and relied entirely on volunteers. (See [Figure 2](#).)

Local researchers conducted structured interviews with administrators and other key personnel. They spoke with agency and/or program directors, whenever possible.⁸ This report is based on interviews conducted between March 1998 and March 1999. Although this time period was relatively early in the implementation of welfare reform, sufficient time had elapsed since the implementation of the new policies that it is reasonable to assume that respondents were familiar with them. All interviews were conducted at least one year (in Philadelphia and Miami) or six months (in Cleveland and Los Angeles) after the start of welfare reform. Still, as [Table 5](#) shows, welfare recipients had not yet reached time limits during the interview period, so the full impact of the new policies would not be expected to appear in these interviews.⁹

Interviews covered each agency's mission and history, staffing, budget, clientele, and the services currently offered as well as those planned for the next year or two. Researchers asked respondents about their knowledge of welfare reform, their views of the new policies, perceptions of how the policies have affected their agency so far, and their expectations of how the policies would affect the agency in the future. To supplement the interview data, we also collected printed materials, such as annual reports or flyers advertising services, from most of the agencies.

III. What Do Service Providers Know About Welfare Reform?

A. Overall Levels of Knowledge

For agencies to respond effectively to changes brought about by welfare reform, they must understand the nature of the new policies. Thus, to assess agencies' knowledge of welfare reform, we asked respondents what they had heard about changes in welfare policies that affect families with children. Responses from about three-quarters of the agencies indicated an awareness of welfare reform.¹⁰ However, most respondents in this group expressed awareness only of basic, nationwide changes aimed at reducing welfare rolls and getting welfare recipients into the workforce. The respondents generally knew about the time-limited nature of welfare benefits and/or about the renewed emphasis on employment, but they knew little about the specific policies implemented in their locale. For example, one respondent said: "The mothers have to get out, get educated, and become self-dependent. That's basically what it is." Still, some respondents were quite knowledgeable about the particulars of the new policies. For example, the following indicates a Philadelphia respondent's familiarity with the new policies:

The government is trying to transition families from welfare check to self-sufficiency. Welfare parents have a total of five years to become self-sufficient. They are pushing parents to get work within two years. The first two years ended on March 3. Welfare parents had to develop a plan for self-sufficiency with their caseworker. Money has been provided for transportation and child care. Some people are excluded because of physical handicap or parental obligations.

Similar numbers of respondents from all types of agencies, except for health services, expressed knowledge about welfare reform. About three-quarters of agencies in each of the other categories knew something about welfare reform, but only one-third of the health agencies had such knowledge. We suspect that because health care agencies focus somewhat narrowly on Medicaid, these respondents were less likely to be aware of time limits or work requirements for cash benefits.

B. Knowledge Level, by Site

Contextual factors seem to have influenced respondents' knowledge about welfare reform. Staff from

more agencies in the northern cities — Cleveland and Philadelphia — were knowledgeable about welfare reform policies than their counterparts in Los Angeles and Miami.¹¹ In Cleveland and Philadelphia, responses of the agency staff indicated that at least 8 out of 10 expressed a general awareness of welfare reform, compared with less than 7 out of 10 in Los Angeles and with 6 out of 10 in Miami.¹² (See [Table 6](#).)

C. Knowledge of Specific Aspects of Welfare Reform Policies

In response to the question about what they had heard about welfare reform, respondents touched on several aspects of the new policies.¹³ The temporary nature of welfare benefits was the most cited aspect of welfare reform. Of all the agencies whose respondents knew something about welfare reform, 73 percent mentioned time limits. Nonetheless, most of these responses provide only a general sense of the limits now placed on receipt of welfare benefits, as illustrated by the following: “The new requirements are that people have short-term stay[s] on public assistance” and “We’re very much aware that in this state the clock is ticking, it has been ticking for a while, for those persons who are on public assistance to prepare themselves to come off welfare.”

About one third of the knowledgeable respondents in Cuyahoga, Los Angeles, and Philadelphia provided detailed information about time limits.¹⁴ For example, one Philadelphia respondent correctly identified that “there is a five-year time limit; there is a two-year work-related-activity time limit.” Several Los Angeles respondents noted that California’s time-limit policies apply only to the adult’s portion of the TANF grant. As one Los Angeles respondent said, “Children will always get aid.” Several Philadelphia respondents commented that large numbers of the city’s residents would be affected by time limits. This could be influenced in part by the local media.¹⁵ For instance, one respondent reported: “A lot will be struggling after the March [1999] deadline hits. They need to get some 59,000 off the rolls in March and that is a huge task.”

Respondents also frequently mentioned the new emphasis on getting welfare recipients into the workforce. For example, a Cleveland respondent said:

The focus has changed from a long-term assistance to getting them into work and getting them off the rolls of welfare. And, everything seems to be centered around whether they’re working or not and training.

Also, a Philadelphia respondent mentioned:

There are provisions that you must be working during those restricted years — you have to make an effort to get in job training or school or a job that fills the requirement that you are in a work-related activity.

Respondents from more agencies in Cleveland than in the other sites mentioned sanctions. One-third of the Cuyahoga respondents mentioned sanctions, as did a few from Philadelphia, whereas sanctions did not come up among respondents in the other two sites.¹⁶

D. Sources of Knowledge About Welfare Reform

Respondents reported learning about welfare reform from a variety of sources. The most frequently mentioned sources of information were the welfare department or other government agencies and professional and social contacts. Some mentioned personal contacts with welfare office staff. Respondents also obtained information from their clients, news media, and seminars or other training opportunities within their agency. About three-quarters of the respondents mentioned more than one

source. Ultimately, though, there was no clear correlation between the extent of respondents' awareness about welfare reform and the source of that information, although those who mentioned more than one source of knowledge were slightly more likely to be aware of welfare reform.

Corporate welfare

Corporate welfare is a term describing a government's bestowal of money grants, tax breaks, or other special favorable treatment on corporations or selected corporations. The term compares corporate subsidies and welfare payments to the poor, and implies that corporations are much less needy of such treatment than the poor. The Canadian New Democratic Party picked up the term as a major theme in its 1972 federal election campaign.^[1] Ralph Nader, a prominent critic of corporate welfare,^{[2][3]} is often credited with coining the term

Corporate welfare as corrupt subsidies

Subsidies considered excessive, unwarranted, wasteful, unfair, inefficient, or bought by lobbying are often called corporate welfare. The label of corporate welfare is often used to decry projects advertised as benefiting the general welfare that spend a disproportionate amount of funds on large corporations, and often in uncompetitive, or anti-competitive ways. For instance, in the United States, agricultural subsidies are usually portrayed as helping honest, hardworking independent farmers stay afloat. However, the majority of income gained from commodity support programs actually goes to large agribusiness corporations such as Archer Daniels Midland, as they own a considerably larger percentage of production.^[5]

According to the Cato Institute, the U.S. federal government spent \$92 billion on corporate welfare during fiscal year 2006. Recipients included Boeing, Xerox, IBM, Motorola, Dow Chemical, and General Electric.^[6]

Alan Peters and Peter Fisher have estimated that state and local governments provide \$40-50 billion annually in economic development incentives,^[7] which many critics characterize as corporate welfare.

Social democracy is a political ideology of the centre-left on the classic political spectrum. The contemporary social democratic movement seeks to reform capitalism to align it with the ethical ideals of social justice while maintaining the capitalist mode of production, as opposed to creating an alternative socialist economic system.^[1] Practical modern social democratic policies include the promotion of a welfare state, and the creation of economic democracy as a means to secure workers' rights.^[2]

Historically, social democracy was a form of evolutionary reformist socialism^[2] that advocated the establishment of a socialist economy through class struggle. During the early 20th century, major European social democratic parties began to reject elements of Marxism, Revolutionary socialism and class struggle, taking a moderate position that socialism could be established through political reforms. The distinction between *Social Democracy* and *Democratic Socialism* had yet to fully develop at this time. The Frankfurt Declaration of the Socialist International in 1951, attended by many social democratic parties from across the world, committed adherents to oppose Bolshevik communism and Stalinism, and to promote a gradual transformation of capitalism into socialism.^[3]

Social democracy, as practiced in Europe in 1951, was a socialist movement supporting gradualism; the belief that gradual democratic reforms to capitalist economies will eventually succeed in creating a socialist economy.^[4] rejecting forcible imposition of socialism through revolutionary means.^[4] This gradualism has resulted in various far left groups, including communists, of accusing social democracy of accepting the values of capitalist society and therefore not being a genuine form of socialism^[4], instead labeling it a concession made to the working class classes by the ruling class. Social democracy rejects the Marxian principle of dictatorship of the proletariat and the creation of a socialist state, claiming that gradualist democratic reforms will improve the rights of the working class.^[5]

Since the rise in popularity of the New Right and neoliberalism, a number of prominent social democratic parties have abandoned the goal of the gradual evolution of capitalism to socialism and instead support welfare state

capitalism.^[6] Social democracy as such has arisen as a distinct ideology from democratic socialism. In many countries, social democrats continue to exist alongside democratic socialists, who stand to the left of them on the political spectrum. The two movements sometimes operate within the same political party, such as the Brazilian Workers' Party^[7] and the Socialist Party of France. In recent years, several social democratic parties (in particular, the British Labour Party) have embraced more centrist, Third Way policy positions. This development has generated considerable controversy.

The Socialist International (SI) is the main international organization of social democratic and moderate socialist parties. It affirms the following principles: first, *freedom*—not only individual liberties, but also freedom from discrimination and freedom from dependence on either the owners of the means of production or the holders of abusive political power; second, *equality and social justice*—not only before the law but also economic and socio-cultural equality as well, and equal opportunities for all including those with physical, mental, or social disabilities; and, third, *solidarity*—unity and a sense of compassion for the victims of injustice and inequality. These ideals are described in further detail in the SI's Declaration of Principles

Welfare state

A **welfare state** is a concept of government where the state plays a key role in the protection and promotion of the economic and social well-being of its citizens. It is based on the principles of equality of opportunity, equitable distribution of wealth, and public responsibility for those unable to avail themselves of the minimal provisions for a good life. The general term may cover a variety of forms of economic and social organization.^[1]

There are two main interpretations of the idea of a welfare state:

- A model in which the state assumes primary responsibility for the welfare of its citizens. This responsibility in theory ought to be comprehensive, because all aspects of welfare are considered and universally applied to citizens as a "right".
- Welfare state can also mean the creation of a "social safety net" of minimum standards of varying forms of welfare.

There is some confusion between a "welfare state" and a "welfare society," and debate about how each term should be defined. In many countries, especially in the United States, some degree of welfare is not actually provided by the state, but directly to welfare recipients from a combination of independent volunteers, corporations (both non-profit charitable corporations as well as for-profit corporations), and government services. This phenomenon has been termed a "welfare society," and the term "welfare system" has been used to describe the range of welfare state and welfare society mixes that are found.^[2] The welfare state involves a direct transfer of funds from the public sector to welfare recipients, but indirectly, the private sector is often contributing those funds via redistributionist taxation; the welfare state has been referred to as a type of "mixed economy".^[3]

Etymology

English term "welfare state" is believed by Asa Briggs to have been coined by Archbishop William Temple during the Second World War, contrasting wartime Britain with the "warfare state" of Nazi Germany.^[4] Friedrich Hayek contends that the term derived from the older German word *Wohlfahrtsstaat*, which itself was used by nineteenth century historians to describe a variant of the ideal of *Polizeistaat* ("police state"). It was fully developed by the German academic *Sozialpolitiker*—"socialists of the chair"—from 1870 and first implemented through Bismarck's "state socialism".^[5] Bismarck's policies have also been seen as the creation of a welfare state.^[6]

In German, a roughly equivalent term (*Sozialstaat*, "social state") had been in use since 1870. There had been earlier attempts to use the same phrase in English, for example in Munroe Smith's text "Four German Jurists",^[7] but the term did not enter common use until William Temple popularized it. The Italian term "Social state" (*Stato sociale*) has the same origin.

The Swedish welfare state is called *Folkhemmet* and goes back to the 1936 compromise between the Union and big Corporate companies. It is a Mixed economy, built on strong unions and a strong system of Social security and universal health care.

In French, the synonymous term "providence state" (*État-providence*) was originally coined as a sarcastic pejorative remark used by opponents of welfare state policies during the Second Empire (1854–1870).

In Spanish and many other languages, an analogous term is used: *estado del bienestar*; translated literally: "state of well-being".

In Portuguese, a similar phrase exists: *Estado Providência*; which means "Providing State", as in the State should provide citizens their demands in order to achieve people's well-being.

In Brazil it is referred to as *Estado de Bem-Estar Social*, translated as social well-being state.

History of welfare states

The existence of military pensions can be traced back at least to the Roman Empire.^[8] The Mauryan Empire was the first welfare state that became of the form when Emperor Ashoka introduced reforms after the Kalinga war.^[citation needed]

The modern welfare state developed during the late 19th and 20th century in response to Karl Marx's theory of the inherent instability of capitalism in an attempt to protect the capitalist system from a socialist revolution. The first practical implementation of the welfare state was instituted by German Chancellor Otto von Bismarck as a direct attempt to stave off socialism.^[9] These welfare programs differed from previous schemes of poverty relief due to their relatively universal coverage. The development of social insurance in Germany under Bismarck was particularly influential. Some schemes, like those in Scandinavia, were based largely in the development of autonomous, mutualist provision of benefits. Others were founded on state provision. The term was not, however, applied to all states offering social protection. The sociologist T.H. Marshall identified the welfare state as a distinctive combination of democracy, welfare and capitalism. Examples of early welfare states in the modern world are Germany, all of the Nordic Countries, the Netherlands, Uruguay and New Zealand and the United Kingdom in the 1930s.

Changed attitudes in reaction to the Great Depression were instrumental in the move to the welfare state in many countries, a harbinger of new times where "cradle-to-grave" services became a reality after the poverty of the Depression. During the Great Depression, it was seen as an alternative "middle way" between communism and capitalism.^[10] In the period following the Second World War, many countries in Europe moved from partial or selective provision of social services to relatively comprehensive coverage of the population.

The activities of present-day welfare states extend to the provision of both cash welfare benefits (such as old-age pensions or unemployment benefits) and in-kind welfare services (such as health or childcare services). Through these provisions, welfare states can affect the distribution of wellbeing and personal autonomy among their citizens, as well as influencing how their citizens consume and how they spend their time.^{[11][12]}

After the discovery and inflow of the oil revenue, Saudi Arabia,^{[13][14]} Brunei, Kuwait, Qatar, Bahrain, Oman, and the United Arab Emirates all became welfare states for their respective citizens if not for guest labourers.

In the United Kingdom, the beginning of the modern welfare state was in 1911 when David Lloyd George suggested everyone in work should pay national insurance contribution for unemployment and health benefits from work.

In 1942, the Social Insurance and Allied Services was created by Sir William Beveridge in order to aid those who were in need of help, or in poverty. Beveridge worked as a volunteer for the poor, and set up national insurance. He stated that 'All people of working age should pay a weekly national insurance contribution. In return, benefits

would be paid to people who were sick, unemployed, retired or widowed.' The basic assumptions of the report were the National Health Service, which provided free health care to the UK. The Universal Child Benefit was a scheme to give benefits to parents, encouraging people to have children by enabling them to feed and support a family. One theme of the report was the relative cheapness of universal benefits. Beveridge quoted miner's pension schemes as some of the most efficient available, and argued that a state scheme would be cheaper to run than individual friendly societies and private insurance schemes, as well as being cheaper than means-tested government-run schemes for the poor. The cheapness of what was to be called National Insurance was an argument alongside fairness, and justified a scheme in which the rich paid-in and the state paid-out to the rich, just as for the poor. In the original scheme, only some benefits called National Assistance were to be paid regardless of contribution. Universal benefits paid to rich and poor such as child benefit were particularly beneficial after the second world war when the population of the United Kingdom declined. Universal Child Benefit may have helped drive the Baby boom. The impact of the report was huge and 600,000 copies were made.

Beveridge recommended to the government that they should find ways of tackling the five giants, being Want, Disease, Ignorance, Squalor and Idleness. He argued to cure these problems, the government should provide adequate income to people, adequate health care, adequate education, adequate housing and adequate employment. Before 1939, most health care had to be paid for through non government organisations, this was done through a vast network of friendly societies, trade unions and other insurance companies which counted the vast majority of the UK working population as members. These friendly societies provided insurance for sickness, unemployment and invalidity, therefore providing people with an income when they were unable to work. But because of the 1942 Beveridge Report, in 5 July 1948, the National Insurance Act, National Assistance Act and National Health Service Act came into force, thus this is the day that the modern UK welfare state was founded. Institutions run by local councils to provide health services for the uninsured poor - part of the poor law tradition of workhouses - were merged into the new national system.

Welfare systems were developing intensively since the end of the World War II. At the end of century due to their restructuring part of their responsibilities started to be channeled through non-governmental organizations which became important providers of social services.^[15]

Three forms of the welfare state

According to Esping-Anderson (1990)^[16], there are three ways of organizing a welfare state instead of only two.^[17]

Rothstein argues that the first model the state is primarily concerned with directing the resources to "the people most in need". This requires a tight bureaucratic control over the people concerned. According to the second model the state distributes welfare with as little bureaucratic interference as possible, to all people who fulfill easily established criteria (e.g. having children, receiving medical treatment, etc). This requires high taxing. This model was constructed by the Scandinavian ministers Karl Kristian Steincke and Gustav Möller in the 30s and is dominant in Scandinavia.

Esping-Anderson argues, based on comparative histories of actual welfare states, that they fall into three types of policies: liberalist (heavily means tested, limited services), corporatist (pre-market conservative welfare state in origin, social insurance schemes), and social democratic (universalistic "Beveridge" style social rights based on citizenship instead of working life).

Effects on poverty

Empirical evidence suggests that taxes and transfers considerably reduce poverty in most countries, whose welfare states commonly constitute at least a fifth of GDP.^{[18][19]} The information shows that many "welfare states" would have lower poverty rates than a "non-welfare state" such as the U.S. before the transfer of wealth; an example would be Sweden that has a 23.7% poverty rate pre-transfer while the U.S. has a 21% poverty rate pre-transfer.

Country	Absolute poverty rate (threshold set at 40% of U.S. median household income) ^[18]		Relative poverty rate ^[19]	
	Pre-transfer	Post-transfer	Pre-transfer	Post-transfer
Sweden	23.7	5.8	14.8	4.8
Norway	9.2	1.7	12.4	4.0
Netherlands	22.1	7.3	18.5	11.5
Finland	11.9	3.7	12.4	3.1
Denmark	26.4	5.9	17.4	4.8
Germany	15.2	4.3	9.7	5.1
Switzerland	12.5	3.8	10.9	9.1
Canada	22.5	6.5	17.1	11.9
France	36.1	9.8	21.8	6.1
Belgium	26.8	6.0	19.5	4.1
Australia	23.3	11.9	16.2	9.2
United Kingdom	16.8	8.7	16.4	8.2
United States	21.0	11.7	17.2	15.1
Italy	30.7	14.3	19.7	9.1

Criticisms

Critics of the welfare state argue that such a system will make citizens dependent on the system and less inclined to work. However, "certain studies" indicate there is no association between economic performance and welfare expenditure in developed countries,^[20] and that there is no evidence for the contention that welfare states impede progressive social development. R. E. Goodin et al., in *The Real Worlds of Welfare Capitalism*,^[21] compares the United States, which spends relatively little on social welfare (less than 17 per cent of GDP), with other countries which spend considerably more. This study claims that on some economic and social indicators the United States performs worse than the Netherlands, which has a high commitment to welfare provision.

However, the United States, until the Financial crisis of 2007–2010 which brought a significant fall in GDP, led most welfare states on certain economic indicators, such as GDP per capita, with the notable exception of Scandinavian countries, where Norway for example has significantly higher GDP per capita.^[22] Until the recession of 2008 brought about a significant rise in unemployment in the USA, the United States also had a low unemployment rate and a high GDP growth rate, at least in comparison to other developed countries (its growth rate, however, is lower than many welfare states which grow from a lower base and may benefit from recent economic liberalizations, further U.S. GDP per capita is sometimes 20-30% higher than that of welfare states).^[22] The United States also had led some welfare states in the ownership of consumer goods. For example, compared to some welfare states, it has more TVs per capita,^[23] more personal computers per capita,^[24] and more radios per capita.^[25]

Socialists criticize welfare state programs as concessions made by the capitalist class in order to divert the working class and middle class away from wanting to pursue a completely new socialist organization of the economy and society, for which it had been historically used in Germany by Bismarck along with his anti-socialist laws. Furthermore, socialists believe social programs are an attempt to "patch up" the ineffective capitalist market economy, therefore only treating the symptoms rather than the cause. By implementing public or cooperative ownership of the means of production, socialists believe there will be no need for a welfare state.^[26] Marxists further argue that welfare states and modern social democratic policies limit the incentive system of the market by providing things such as minimum wages, unemployment insurance, taxing profits and reducing the reserve army of labor, resulting in capitalists have little incentive to invest; in essence, social welfare policies cripple the capitalist system and its incentive system, the only solution being a socialist economic system.^[27]

Another criticism characterizes welfare as theft of property or forced labor (i.e. slavery). This criticism is based upon the classical liberal human right to obtain and own property, wherein every human being owns his body, and owns the product of his body's labor (i.e. goods, services, land, or money). It follows that the removal of money by any state or government mechanism from one person to another is argued to be theft of the former person's property or a requirement to perform forced labor for the benefit of others, and thus is a violation of his property rights or his liberty, even if the mechanism was legally established by a democratically elected assembly.^[citation needed] In April, 2010, the Associated Press reported that 47% of US households will pay no federal income taxes at all for 2009.^[28] In his book, *The Servile State*, English political writer Hilaire Belloc makes his case for the natural instability of pure capitalism and discusses how (as he believes) attempts to reform capitalism will lead almost inexorably to an economy where state regulation has removed the freedom of capitalism and thereby replaced capitalism with what he calls the Servile State. According to Belloc, the Servile State shares with ancient slavery the fact that positive law (as opposed to custom or economic necessity by themselves) dictates that certain people will work for others, who likewise must take care of them. Ergo, according to Belloc, the welfare state may lead to a kind of serfdom where one group works to support another group that does not work.

A third criticism is that the welfare state allegedly provides its dependents with a similar level of income to the minimum wage. Critics argue that fraud and economic inactivity are apparently quite common now in the United Kingdom and France^[citation needed]. Some conservatives in the UK claim that the welfare state has produced a generation of dependents who, instead of working, rely solely upon the state for income and support; even though assistance is only legally available to those unable to work. The welfare state in the UK was created to provide certain people with a basic level of benefits in order to alleviate poverty, but that as a matter of opinion has been expanded to provide a larger number of people with more money than the country can ideally afford. Some feel that this argument is demonstrably false: the benefits system in the UK provides individuals with considerably less money than the national minimum wage, although people on welfare often find that they qualify for a variety of benefits, including benefits in-kind, such as accommodation costs which usually make the overall benefits much higher than basic figures show.^{[29][30]}

A fourth criticism of the welfare state is that it results in high taxes. This is usually true, as evidenced by places like Denmark (tax level at 48.9% of GDP in 2007)^[31] and Sweden (tax level at 48.2% of GDP in 2007)^[31].

A fifth criticism of the welfare state is the belief that welfare services provided by the state are more expensive and less efficient than the same services would be if provided by private businesses. In 2000, Professors Louis Kaplow and Steven Shafell published two papers, arguing that any social policy based on such concepts as justice or fairness would result in an economy which is Pareto inefficient. Anything which is supplied free at the point of consumption would be subject to artificially high demand, whereas resources would be more properly allocated if provision reflected the cost.

The most extreme criticisms of states and governments are made by anarchists, who believe that all states and governments are undesirable and/or unnecessary. Some socialist anarchists believe that while social welfare gives a certain level of independency from the market and individual capitalists, it creates dependence to the state, which is the institution that, according to this view, supports and protects capitalism in the first place. Nonetheless, according to Noam Chomsky, "social democrats and anarchists always agreed, fairly generally, on so-called 'welfare state measures'" and "Anarchists propose other measures to deal with these problems, without recourse to state authority."^[32] Some socialist anarchists believe in stopping welfare programs only if it means abolishing government and capitalism as well.^[33]

The welfare state and social expenditure

Welfare provision in the contemporary world tends to be more advanced in countries with stronger developed economies. Poor countries tend to have limited resources for social services. There is very little correlation between economic performance and welfare expenditure.^[34]

The table does not show the effect of expenditure on income inequalities, and does not encompass some other forms of welfare provision (such as occupational welfare).

The table below shows, first, welfare expenditure as a percentage of GDP for some (selected) OECD member states, with and without public education,^[35] and second, GDP per capita (PPP US\$) in 2001:

Nation	Welfare expenditure (% of GDP) omitting education	Welfare expenditure (% of GDP) including education ^[35]	GDP per capita (PPP US\$)
Denmark	29.2	37.9	\$29,000
Sweden	28.9	38.2	\$24,180
France	28.5	34.9	\$23,990
Germany	27.4	33.2	\$25,350
Belgium	27.2	32.7	\$25,520
Switzerland	26.4	31.6	\$28,100
Austria	26.0	32.4	\$26,730
Finland	24.8	32.3	\$24,430
Netherlands	24.3	27.3	\$27,190
Italy	24.4	28.6	\$24,670
Greece	24.3	28.4	\$17,440
Norway	23.9	33.2	\$29,620
Poland	23.0	N/A	\$9,450
United Kingdom	21.8	25.9	\$24,160
Portugal	21.1	25.5	\$18,150
Luxembourg	20.8	N/A	\$53,780
Czech Republic	20.1	N/A	\$14,720
Hungary	20.1	N/A	\$12,340
Iceland	19.8	23.2	\$29,990
Spain	19.6	25.3	\$20,150
New Zealand	18.5	25.8	\$19,160
Australia	18.0	22.5	\$25,370
Slovak Republic	17.9	N/A	\$11,960
Canada	17.8	23.1	\$27,130
Japan	16.9	18.6	\$25,130
United States	14.8	19.4	\$46,000
Ireland	13.8	18.5	\$32,410
Mexico	11.8	N/A	\$8,430
South Korea	6.1	11.0	\$15,090

Figures from the OECD^[36] and the UNDP.^[37]

Note: no data for China, India, Indonesia, Brazil, and Russia, which are not members of the OECD.

Social market economy

The **social market economy** (German: *Soziale Marktwirtschaft*) is the main economic model used in West Germany after World War II. It is based on the political philosophy of Ordoliberalism from the Freiburg School.

Ordoliberal ideas were most prominently developed in the academic journal ORDO and implemented in practice by Ludwig Erhard, Minister of Economics and Vice Chancellor under Konrad Adenauer's chancellorship (from 1949 to 1963) and afterwards Chancellor himself (1963 - 1966).

Model

The social market economy seeks a market economic system rejecting both socialism and *laissez-faire* capitalism, combining private enterprise with measures of government regulation in an attempt to establish fair competition, low inflation, low levels of unemployment, a standard of working conditions, and social welfare. Erhard once told Friedrich Hayek that the free market economy did not need to be made social but was social in its origin.^[1] The term "social" was chosen rather than "socialist" to distinguish the social market economy from a system in which the state directed economic activity and/or owned the means of production,^[2] which are privately-owned in the social market model.

In a social market economy, collective bargaining is often done on a national level not between one corporation and one union, but national employers' organizations and national trade unions.

Important figures in the development of the concept include Franz Oppenheimer, Walter Eucken, Wilhelm Röpke, Franz Böhm and Alfred Müller-Armack, who originally coined the term *Soziale Marktwirtschaft*.^[3]

History

At first controversial, the model became increasingly popular in West Germany and Austria, since in both states economic success (*Wirtschaftswunder*) was identified with it. From the 1960s, the social market economy was the main economic model in mainland Western Europe, pursued by administrations of both the centre-right (usually led by some Christian democratic parties) and the centre-left (usually led by some social democratic parties).

Southern European states preferred large-scale public services, high salary growth rates and a low unemployment rate over low inflation, low national debt, low public expenditure and other economic health policies.

The term "Social market economy" is still the common economic basis of most political parties in Germany^{[4][5][6]} and a commitment to some form of social market economy was present in the European Union Constitution (a project which was abandoned in 2005 following the negative outcomes of referenda in France and the Netherlands).

Main Elements

The main elements of the Social Market Economy in Germany are basically:^[7]

- The Social Market Economy contains the central elements of the free market economy such as *private property, free foreign trade, exchange of goods and free formation of prices*.
- Other elements shall diminish occurring problems of the free market economy. These elements, such as *pension insurance, health care and unemployment insurance* are part of the social security system. The payments to the social security system are mainly made by the labor force. In addition, there are provisions to restrain the free market (e.g. anti-trust code, laws against the abuse of market power etc.).

Unemployment benefits

Unemployment benefits are payments made by the state or other authorized bodies to unemployed people. Benefits may be based on a compulsory para-governmental insurance system. Depending on the jurisdiction and the status of the person, those sums may be small, covering only basic needs (thus a form of basic welfare), or may compensate the lost time proportionally to the previous earned salary. They often are part of a larger social security scheme.

Unemployment benefits are generally given only to those registering as unemployed, and often on conditions ensuring that they seek work and do not currently have a job.

In some countries, a significant proportion of unemployment benefits are distributed by trade/labor unions, an arrangement known as the Ghent system.

Contemporary professional development

Social Work education begins in a systematised manner in higher educational institutes (universities, colleges etc), but is also an ongoing process that occurs through research and in the workplace.

International Federation of Social Workers states, of social work today, that

"social work bases its methodology on a systematic body of evidence-based knowledge derived from research and practice evaluation, including local and indigenous knowledge specific to its context. It recognizes the complexity of interactions between human beings and their environment, and the capacity of people both to be affected by and to alter the multiple influences upon them including bio-psychosocial factors. The social work profession draws on theories of human development, social theory and social systems to analyse complex situations and to facilitate individual, organizational, social and cultural changes."^[1]

A hopeful development for bridging this gap is the compilation of collections of "best practices" which attempt to distill research findings and the experience of respected social work practitioners, educators and researchers into effective interventions. Another important contemporary development in the profession is overcoming suspicion of technology and taking advantage of the potential of information technology.^[2]

Qualifications

Professional social workers are generally considered those who hold a degree in social work. Often these practitioners must also obtain a license or be professionally registered.

In some areas of the world, social workers education begins with a Bachelor of Social Work (BA, BSc, BSSW or BSW) degree. Some countries offer Postgraduate degrees like Master's or PhD (doctoral studies) or diplomas (such as MA, MSc, MRes or PhD in/of Social Work). There are many, however, which offer titles like MSW (Master of Social Work) and DSW (Doctor of Social Work).

In a number of countries and jurisdictions, registration or licensure of people working as social workers is required and there are mandated qualifications.^[3] In other places, a professional association sets academic and experiential requirements for admission to membership. The success of these professional bodies' efforts is demonstrated in the fact that these same requirements are recognized by employers as necessary for employment.^[4]

Professional associations

There are a number of associations for social workers, which exist to provide ethical guidance and other forms of support for their members and social work in general. These associations/organizations are distinguished in international, continental or semi-continental, national and regional. The main international ones are the International Federation of Social Workers (IFSW) and International Association of Schools of Social Work (IASSW).

Role of the professional

Main article: Role of the professional social worker

The main tasks of professional social workers can include a variety of services such as case management (linking users/clients with agencies and programs that will meet their psychosocial needs), counseling (psychotherapy), human services management, social welfare policy analysis, policy and practice development, community organizing, international, social and community development, advocacy, teaching (in schools of social work), and social and political research.

Child Welfare Services/Case Management System (CWS/CMS)

PROGRAM OVERVIEW

Children and Family Services Division, is responsible for developing and overseeing a vast array of programs and services for California at-risk children and families, providing a statewide system for out-of-home care providers, appropriating services to children in out-of-home care, and facilitating adoptions for children who need permanent homes. California's program for child protection is comprised of a number of services and interventions called Child Welfare Services (CWS). These services are organized into programs which together, form a continuum of efforts aimed at safeguarding the well-being of children and adults in ways that strengthen and preserve families, encourage personal responsibility, and foster independence. Generally, the continuum can be broken down into four broad categories:

- Programs and Services intended to prevent abuse or strengthen families;
- Programs and Services intended to remedy the effects of abuse or neglect (e.g., emergency response, family maintenance and family reunification);
- Programs and Services that provide for the out-of-home care of children (e.g. Foster Care and Relative Home Placements);
- Programs and Services that provide for the permanent removal of children from abusive homes (e.g. Adoptions, legal guardianship, Kinship Care).

California's child welfare services programs are administered by the 58 individual counties. This means that each county organizes and operates its own program of child protection based on local needs while complying with state and federal regulations. Counties are the primary governmental entities that interact with children and families when addressing issues of child abuse and neglect. Counties, either directly or through providers, are responsible for obtaining or providing the interventions and applicable services to protect the well being of children and to help families address issues of child abuse and neglect.

The California Department of Social Services (CDSS) monitors and provides support in the counties efforts to best serve children and families. The State supports counties through program regulatory oversight and administration and the development of program policy and statute. The CDSS Children and Family Services Division (CFSD) provides a broad spectrum of county child welfare services support activities. CFSD secures federal funding to support child welfare services programs; conducts research and develops new programs and services; provides oversight and evaluation of local and statewide demonstration projects; provides statewide "best practices" training for social workers; coordinates scholarships for social work students; and helps formulate post-secondary social services curriculums. CDSS also provides some direct services such as adoptions placements.

CWS/CMS OVERVIEW

In 1989, SB 370 (Chapter 1294, Statutes of 1989) authorized the development and implementation of a statewide computer system to automate the case management, services planning, and information gathering functions of child welfare services. CWS/CMS is California's version of the federal Statewide Automated Child Welfare Information System (SACWIS).

The provisions of SB 370 laid out specific goals in the development of a statewide child welfare system. In accordance with the goals of SB 370, CWS/CMS has been designed to:

- Provide Child Welfare Services (CWS) workers with immediate access to child, family and case-specific information in order to make appropriate and timely case decisions;
- Provide CWS workers with current and accurate information to effectively and efficiently manage their caseloads and take appropriate and timely case management actions;
- Provide State and County administrators with the information needed to administer programs and monitor and evaluate the achievement of program goals and objectives;
- Provide State and County CWS agencies with a common database and definition of information from which to evaluate CWS; and
- Consolidate the collection and reporting of information for CWS programs pursuant to State and federal requirements.

At the time SB 370 was enacted, there was no centralized statewide system that allowed State or county child welfare workers to share information. Each county had its own locally designed method of managing cases which ranged from manual, paper-file systems to computer-based systems. The different systems made information sharing inefficient and time-consuming.

The CWS/CMS is a personal computer (PC)-based, Windows application that links all 58 counties and the State to a common database. The CWS/CMS is an automated, online client management database that tracks each case from initial contact through termination of services.

The CWS/CMS is one of the largest Windows-based systems. CWS/CMS is designed so caseworkers can move through the application, performing work in the sequence that is most appropriate. The application allows caseworkers to open and track cases through the components of the CWS/CMS program. The system assists caseworkers in recording client demographics, contacts, services delivered, and placement information. The system also enables case workers to record and update assessments, create and maintain case plans, and manage the placement of children in the appropriate foster homes or facilities. The system will generate and manage many forms associated with a client or case. The application also collects data for the purposes of State, county, and federal reporting.

FUNCTIONALITY

The CWS/CMS has eleven functional components designed to reflect the processes employed by child welfare workers in investigating, servicing and managing a child welfare case. Combined, these eleven components automate the many phases and programmatic functions of CWS. The eleven components and their functions are as follows:

1. Intake -- referral screening, investigation and cross reporting.
2. Client Information -- recording and accessing information on clients;
3. Service Delivery -- recording of services delivered to clients;
4. Case Management -- development of case plans, monitoring service delivery, progress assessment;
5. Placement -- placement management and matching of children to placement alternatives;
6. Court Processing -- hearing preparation, filing of petitions, generating subpoenas, citations, notices, recording court actions;
7. Caseload -- assignment and transfer of cases;
8. Resource Management -- information on resources available for CWS (services providers, county staff resources, etc.)
9. Program Management -- caseload, county, program-level information for program management purposes;
10. Adoptions -- recording of information for reporting purposes; and

11. Licensing -- information on licensees used in placement decisions.

Each functional component captures information and provides automated tools for case management, service provision, and program management or documenting case history.

GOVERNANCE

An Oversight Committee governs the CWS/CMS. The CWS/CMS Oversight Committee is comprised of representatives from the following organizations: eight members selected by the President of the County Welfare Director's Association (CWDA), with the concurrence of the CWDA Executive Committee; the Office of Systems Integration (OSI) CWS/CMS Project Manager; the OSI CWS/CMS County Liaison; and the Deputy Director for CDSS Children and Family Services Division (Chair). The Oversight Committee provides policy direction and a Strategic Plan for the continuing development and operation of CWS/CMS to ensure the system supports the achievement of statutory CWS program goals. The CWS/CMS Oversight Committee has put in place methods of communicating decisions, upcoming changes and status reports to the stakeholders throughout the State. The goal is to continue the successful utilization of CWS/CMS to ensure the safety, permanence and well-being of children.

POLICY ISSUES

In August of 1997, the CDSS formed the CMS Support Branch within the Children and Family Services Division in an effort to bring a programmatic and policy perspective to bear on the resolution of issues that arose as CWS/CMS was implemented and became operational. The CMS Support Branch works in concert with the OSI project team and the project vendor in resolving issues and concerns with CWS/CMS. The CMS Support Branch has assumed responsibility for many issues with significant policy or program impact requiring extensive analysis and subsequent policy interpretation or change.

CONCLUSION

The CWS/CMS will continue to be a "living tool" in a constant state of improvement to accommodate: (1) mandated statutory and regulatory changes, (2) promising program and services practices, and (3) needs of the counties so they can provide for the children and families they serve. As policies, regulations and/or county business practices change and improve, the Application will need to change and improve as well.

The management of children admitted to child welfare services in Ontario: a review and discussion of current problems and practices.

Children coming into the care of the Ontario Child Welfare System are generally older and more seriously disturbed. Foster parents and Children's Aid Societies have had to change in order to meet the needs of these troubled children. While the efficacy of foster care continues to be debated, there are ways to improve in-care management including: ways of preventing drift, appropriate assessment of parenting capacity, minimizing emergency placements, and more energetic and focused casework which deals appropriately both with the deficits and distortions internalized in the child as a result of previous damage and with the ongoing interactional stresses operative within the foster family system. The advantages of planned over emergency placements are discussed. The child separated from natural parents will mourn. Foster parents' and workers' roles in assisting the work of mourning in foster children are discussed. Soon after admission to care, the practicality of restoration to the natural family must be assessed, and management should then aim towards restoration or towards freeing the

child for adoption or planned permanent foster care, should that represent the least detrimental available alternative. The family court system as presently constituted frequently and unnecessarily undermines rather than protects the adjustment and development of vulnerable children. Mechanisms by which this occurs and some proposed solutions are suggested. The paper concludes by suggesting that the traditional low priority given to child welfare services by governments is unlikely to be altered unless mental health professionals succeed in eliciting considerably more community support for adequate social services than is currently available.

Supervising Child Welfare Services

Child welfare supervisors play a pivotal role in translating and fulfilling their agencies' missions and values. Effective supervision enhances staff performance and retention, and can lead to improved outcomes for children and families. The supervisor also plays an important role in reaching out and building relationships with the community. This section provides resources on many aspects of supervision, including clinical and administrative supervision, improving staff performance and retention through supervision, supervision and data management, supervisory development, supervision tools, and more.

- Clinical supervision
- Administrative supervision
- Improving worker performance through supervision
- Improving staff retention through supervision
- Facilitating staff development
- Supervising interdisciplinary practice
- Supervision and data management
- Supervising for organizational change
- Working with the community
- Peer supervision
- Supervisory development/self-development
- Supervision tools

Social responsibility

Social responsibility is an [ethical](#) ideology or theory that an [entity](#), be it an [organization](#) or [individual](#), has an obligation to act to benefit society at large. This responsibility can be passive, by avoiding engaging in socially harmful acts, or active, by performing activities that directly advance social goals.

Businesses can use ethical decision making to secure their businesses by making decisions that allow for government agencies to minimize their involvement with the corporation. (Kaliski, 2001) For instance if a company is proactive and follows the [United States Environmental Protection Agency](#) (EPA) guidelines for emissions on dangerous pollutants and even goes an extra step to get involved in the community and address those concerns that the public might have; they would be less likely to have the EPA investigate them for environmental concerns. "A significant element of current thinking about privacy, however, stresses "self-regulation" rather than market or government mechanisms for protecting personal information" (Swire , 1997) Most rules and regulations are formed due to public outcry, if there is not outcry there often will be limited regulation.

Critics argue that Corporate social responsibility (CSR) distracts from the fundamental economic role of businesses; others argue that it is nothing more than superficial window-dressing; others argue that it is

an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations (Carpenter, Bauer, & Erdogan, 2009).

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