

stores, total revenues of more than \$6 million a year—and imitators. On an initial investment of \$10,000 (only a tenth of it in cash), the founders of the Big Bear chain began in 1932 with a store in Hoboken, New Jersey, and earned a net profit nearly 17 times as large in the first year. Their net rate of return on sales, however, was paper-thin, only .04 percent. Later, the industry average would be between one-half and two percent—still “much lower than in any previous form of retailing,” Sicilia notes. “With supermarkets, customers were saving as never before.” But they bought more, too. Self-service, it turned out, encouraged impulse buying, and shoppers arriving in cars could carry home much more food than those coming on foot.

Supermarkets spread throughout the

country, with 300 in existence by 1935, and nearly 1,200 by 1936. A&P, the leading food chain, finally joined the supermarket revolution, followed by other chains.

After World War II, the supermarket underwent some changes. Flush with earnings, owners dispensed with concessions, which had been useful in lowering start-up costs. Even more striking, says Sicilia, “the supermarket shed its rough-hewn appearance. . . . In place of the narrow aisles, wooden crates, bare lamps, and sawdust on the floor came wide avenues, gleaming display cases, white tile, and bright lights. Weary of the poverty and deprivation of hard times, the public wanted comfort and convenience.” Today’s tony wood-floored “natural” supermarkets are just the latest adaptation in a fiercely competitive industry that lives on nickels and dimes.

SOCIETY

Welfare, As We’re Coming to Know It

A Survey of Recent Articles

The Worst Thing Bill Clinton Has Done,” according to an *Atlantic Monthly* (Mar. 1997) cover story, was to sign the Personal Responsibility and Work Opportunity Reconciliation Act last summer, ending “welfare as we know it” by turning it into a program of fixed block grants to the states. This “terrible mistake,” contends author Peter Edelman, who quit his job as an assistant secretary in the Department of Health and Human Services in protest, will push one million children into poverty and leave 11 million families worse off than before.

Not so fast, comment the editors of the *New Republic* (Mar. 24, 1997). “[Edelman’s] predictions of a doomed future are just that—predictions, based on models done before the bill passed. In fact, the real evidence about the effects of welfare reform is in, and much of the news is good.” In almost all states, welfare case loads have dropped. “So far,” the editors conclude, “it seems the logic behind welfare reform was right: now that the incentives have changed, welfare recipients are making better decisions.”

The welfare rolls actually were dramatically shrinking even before the new law (which

is being phased in) began to take effect, thanks in part to various state welfare experiments approved during Clinton’s first term. Between January 1993 and January 1996, reports Jason DeParle in the *New York Times* (May 10, 1997), the welfare rolls—which had swelled by 25 percent in the previous four years—contracted by 20 percent, as an unprecedented 2.75 million people left them. The President’s Council of Economic Advisers attributed 31 percent of the sharp decline to the states’ various welfare experiments, 44 percent to the nation’s robust economy, and the remainder to other causes.

One state in particular, in the eyes of Robert Rector, a senior policy analyst at the Heritage Foundation, has led the way: Wisconsin. Since Republican Tommy Thompson took office as governor 10 years ago, the Aid to Families with Dependent Children case load has dropped by half, from 98,295 to 48,451. In Milwaukee, the Badger State’s only industrial city, the case load has shrunk 25 percent. “The general thrust of welfare reform in the Thompson administration,” Rector writes in *Policy Review* (Mar.–Apr. 1997), “has been to require reasonable behavior by recipients as a condition

of receiving aid." "Learnfare," enacted in 1986, reduced welfare payments to families with truant children. Other reform efforts followed. Since last year, recipients who fail to find private sector jobs have been required to do community service or else see their welfare checks reduced in proportion to the hours they fail to work. Wisconsin also tries to divert new applicants from welfare in the first place.

That's all very well, says DeParle of the *Times* (May 7, 1997), but "what has happened to the throngs of low-income women and children leaving the [Wisconsin] rolls?" While a small percentage seem to have joined the homeless on the streets or in shelters, he reports, "many more seem to be working in jobs they recently landed or secretly held in the past. Others, weary of the system's new hassles, have moved in with friends or family, or left the state."

While work has obvious advantages over welfare dependency, it's not necessarily all that it's cracked up to be by reformers. After interviewing 379 low-income single mothers in Chicago and three other cities, Kathryn Edin, a sociologist at Rutgers University, and Laura Lein, a social anthropologist at the University of Texas at Austin, write in *American Sociological Review* (Apr. 1997) that the mothers "generally found it more difficult to make ends meet when they worked than when they collected welfare." Neither welfare nor the sort of low-wage work available to the women paid enough to cover their monthly bills. To get extra income, which they usually kept hidden from authorities, the welfare recipients worked at jobs on the side, or obtained cash from family members, charities, boyfriends, or the fathers of their children. Employed mothers, in contrast, had expenses (such as child care and transportation) that the welfare mothers did not. Their average monthly

paycheck of \$802 exceeded the other mothers' welfare income of \$565, but their monthly bills were higher (\$1,243 compared with \$876)—and they had far less time to work at additional jobs or to solicit aid from charities. However, note Edin and Lein, who are the authors of *Making Ends Meet: How Single Mothers Survive Welfare and Low-Wage Work* (1997), working mothers generally were more able than welfare mothers to call on family members or friends for monetary or other help.

But as more and more states tighten time limits on benefits and let them lag behind inflation, the erstwhile welfare recipients who will be pushed into the labor force are likely to be less resourceful and more troubled than the employed mothers Edin and Lein studied, says sociologist Christopher Jencks, a professor at Harvard University's Kennedy School of Government.

There will be some, he writes in the *American Prospect* (May-June 1997), whom nobody wants to hire. The new federal law deals with them "by allowing states to exempt up to 20 percent of their caseload from its five-year lifetime limit on welfare receipt." Wishful thinking, he says. When the inevitable happens and people face cut-offs, liberals are likely to push for "flexible" time limits. This would be a mistake, Jencks believes. "Flexible" limits would tend to make work requirements meaningless, he says. And without such requirements, now that most married mothers work, public support for aid to single mothers will "dry up."

What to do? Jencks favors reviving "the principle that the government should serve as an employer of last resort." This is especially important during recessions, and without it, he warns, "states will either have to fudge their time limits or let a lot of destitute families break up."

'Acting White'

"Weighing the 'Burden of "Acting White"': Are There Race Differences in Attitudes toward Education?" by Philip J. Cook and Jens Ludwig, in *Journal of Policy Analysis and Management* (Spring 1997), John Wiley & Sons, 605 Third Ave., New York, N.Y. 10158.

It is common wisdom these days that many black students underachieve in school because they fear being accused of "acting white." The thesis was advanced in a 1986 study of a nearly all-black high school in

Washington, D.C. It was echoed in some subsequent studies and later got played up in newspapers and newsmagazines. But the evidence for it as a pervasive nationwide phenomenon "is not compelling," assert Cook