

Unfinished Business: Why Cities Matter to Welfare Reform Michigan

An analysis of welfare caseloadsⁱ in the 89 urban counties that contain the 100 largest US citiesⁱⁱ found that:

- In 1999, ten states, including Michigan, accounted for nearly 70 percent of the nation's welfare caseloads, up significantly from 42.5 percent in 1994. The bulk of the national welfare population can be found in: California, Florida, Georgia, Illinois, Michigan, New York, Ohio, Pennsylvania, Texas, and Washington. These ten states contained 53 percent of the overall national population in 1999.
- While urban welfare caseloads are declining rapidly, they are shrinking more slowly than national caseloads. Michigan and its two largest urban counties are exceptions to this trend. While the nation's welfare caseloads dropped by 51.5 percent between 1994 and 1999, the state, Kent County (Grand Rapids) and Wayne County (Detroit)

reduced their caseloads even faster. The state's welfare rolls declined by 59.4 percent; Kent and Wayne counties' caseloads declined by 59.9 percent, and 54.4 percent, respectively. In 1999, there were 90,890 remaining welfare cases in the state of Michigan; Wayne and Kent counties had 43,278 and 3,303 cases, respectively.

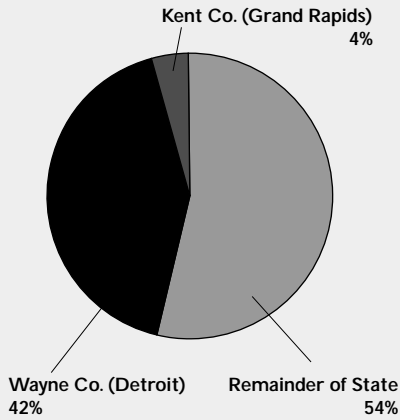
- However, Wayne County's share of Michigan's families on welfare grew between 1994 and 1999; Kent County's proportion remained stable. Wayne County contained 47.6 percent of Michigan's welfare caseloads in 1999, up from 42.4 percent in 1994. Kent County's share of the state's welfare caseload declined very slightly from 3.7 percent to 3.6 percent during that period.
- Wayne County is shouldering a disproportionate share of state welfare cases when compared to its share of the state's total population. While

Wayne County contained only 21.4 percent of the state's total population in 1999, it contained 47.6 percent of the state's welfare caseload, more than double (or 2.2 times) its "fair share." Kent County had less than its fair share: it was home to 5.6 percent of the state's residents, but was home to only 3.6 percent of state welfare recipients (a Fair Share Index of 0.6).ⁱⁱⁱ

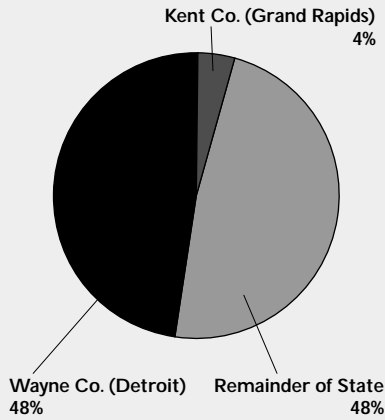
- Racial minorities are overrepresented on the Wayne County welfare rolls compared to their numbers in the total population. Whites comprised 15.4 percent of the welfare rolls, but more than half of the overall population. Blacks, on the other hand, comprised 42.4 percent of the total county population, but fully 80 percent of the county's welfare caseload.^{iv}



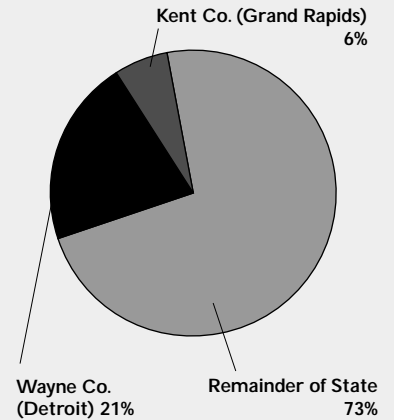
A. Share of Michigan's Welfare Caseload, 1994



B. Share of Michigan's Welfare Caseload, 1999



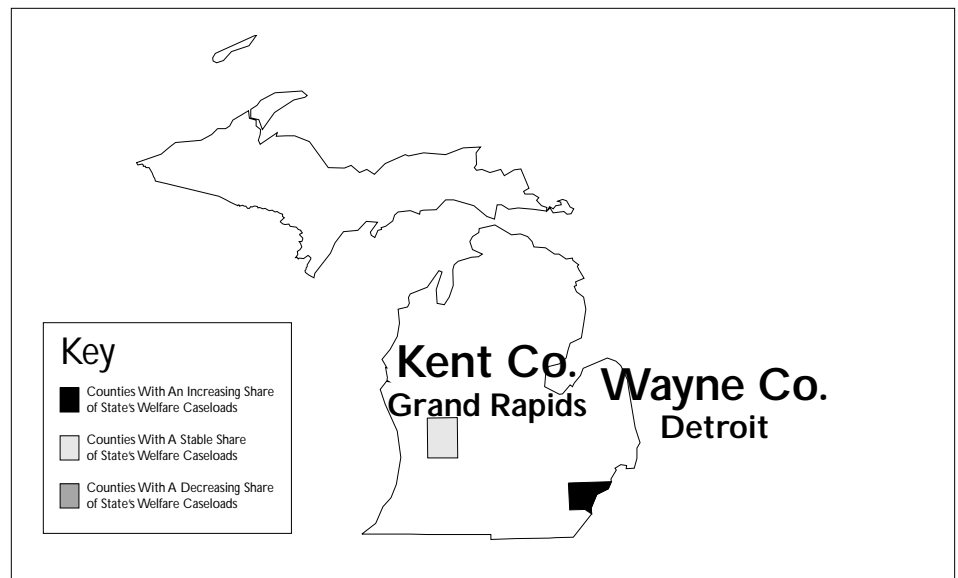
C. Share of Michigan's Population, 1999



Michigan Data Table

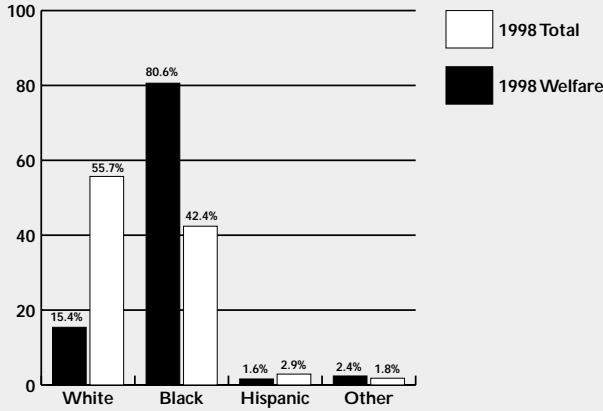
	Welfare Cases 1999	% Decline in Welfare Cases 1994-1999	% of State Caseload 1994	% of State Caseload 1999	% of Total State Population 1999	Fair Share Index 1999	City Concentrated Poverty Rate' 1990	% of County Population in Central City ^{vi} 1998
Michigan	90,890	59.4%						
Kent Co. (Grand Rapids)	3,303	59.9%	3.7%	3.6%	5.6%	0.6	3.7%	34.0%
Wayne Co. (Detroit)	43,278	54.4%	42.4%	47.6%	21.4%	2.2	36.5%	45.8%

Right: The map indicates the change in concentration of state welfare caseloads in the two Michigan counties between 1994 and 1999. Wayne County (Detroit) experienced an increased concentration of Michigan's welfare cases, while Kent County (Grand Rapids) remained stable around 3.6 percent of the state's welfare caseload during that time period.





**Wayne County Racial and Ethnic Composition:
Total Population vs. Welfare Caseload, 1998**



Endnotes

- i The caseload data reflect the number of welfare cases, not individual recipients. Welfare cases may include a two-parent household with children, a single-parent household with children, or cases where there is no adult in the assistance unit (child-only cases). The data also reflect the number of cases that received cash assistance under Aid to Families with Dependent Children (AFDC) and its successor, Temporary Assistance to Needy Families (TANF).
- ii Because welfare programs, both AFDC and TANF, are typically administered at the county-level, the caseload data reflect the county caseloads, not the number of cases within the central cities. For the most part, the use of county-level caseload data may understate the central city welfare trends because of the inclusion of welfare cases from suburbs.
- iii The Fair Share Index conveys the share of the state welfare population contained in a county, compared with the county's share of the overall state population. The Fair Share Index is a ratio of two figures: the county's percentage of the state welfare caseload in 1999 divided by the county's percentage of the state total population in 1999.
- iv Percentages may not add up to 100 percent, since the ethnic category "Hispanic" may overlap with other racial categories.
- v The concentrated poverty rate reflects the percentage of the city population that lived in census tracts where 40 percent of the residents were poor in 1990 (the most recent year for which concentrated poverty data is available). Concentrated poverty is associated with the social characteristics and behaviors that define the so-called "hard-to-serve" welfare population: illiteracy, chronic unemployment, poor work history, no high school diploma, low skills, teenage pregnancy and out-of-wedlock births.
- vi The percentage of the county population that lives in the central city indicates how "urban" the county and, by extension, the welfare caseload actually is. Counties in the Southwest and West are relatively larger than the Northeastern and Midwestern counties and contain larger suburban populations. We would expect that the welfare population is more urban even in relatively more suburban counties. The indicator serves as a rough estimate of how well the county welfare data captures city-specific welfare trends.

Full Report Available at:
www.brookings.edu/urban

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