

# Extract from “The Deserving Poor, the Family, and the U.S. Welfare System”

by Robert A. Moffitt. Published in *Demography* (2015), Volume 52, Issue 3, pp.729–749.

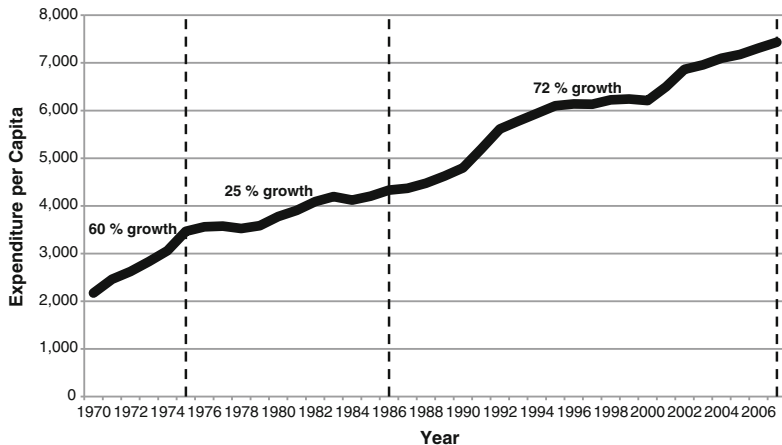
James J. Heckman

AEA Continuing Education Program  
ASSA Course: Microeconomics of Life Course Inequality  
San Francisco, CA, January 5-7, 2016

**Figure 1:** Important dates in the history of the U.S. transfer system

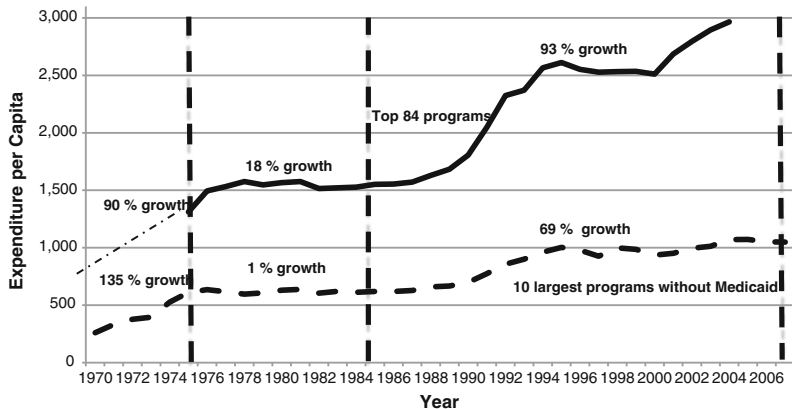
Date	Event
<b>Beginnings</b>	
1935	Creation of Aid to Families with Dependent Children (AFDC), Old-Age Survivors Social Security program, and Unemployment Insurance (UI)
1956	Creation of the Social Security Disability Insurance (SDDI) program
<b>Great Expansion</b>	
1964	Formation of Food Stamp program
1965	Creation of Medicare and Medicaid programs
1965	Creation of Head Start program
1966	School Breakfast and National School Lunch programs formalized
1972	Congress creates the Supplemental Security Income (SSI) program
1975	Creation of the Women's, Infants, and Children (WIC) program
1975	Congress legislates the Earned Income Tax Credit (EITC)
<b>Contractionary Developments</b>	
1971–1972	President Nixon's Family Assistance Plan (FAP) fails in Congress
Late 1970s	President Carter's expansionary welfare reform plans fail
1980	Ronald Reagan elected president after campaign proposing retrenchment
1984	Charles Murray publishes <i>Losing Ground</i>
1988	President George H. W. Bush's expansionary work-based welfare reform plan passes Congress but later is judged a failure
1996	President Clinton oversees the most contractionary welfare reform in modern U.S. history

Figure 2: Real aggregate transfer program spending per capita, 1970-2007



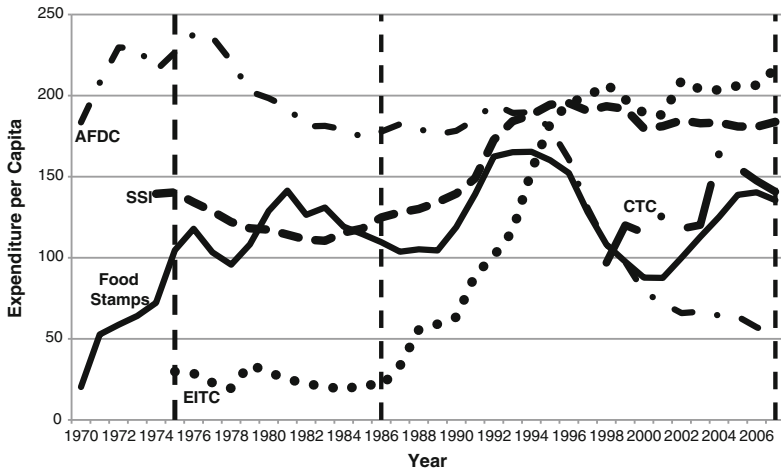
Notes: Values represent sums over the largest 16 transfer programs. All values are in 2009 CPI-U-RS dollars.

**Figure 3:** Real expenditure per capita in means-tested programs, 1970-2007



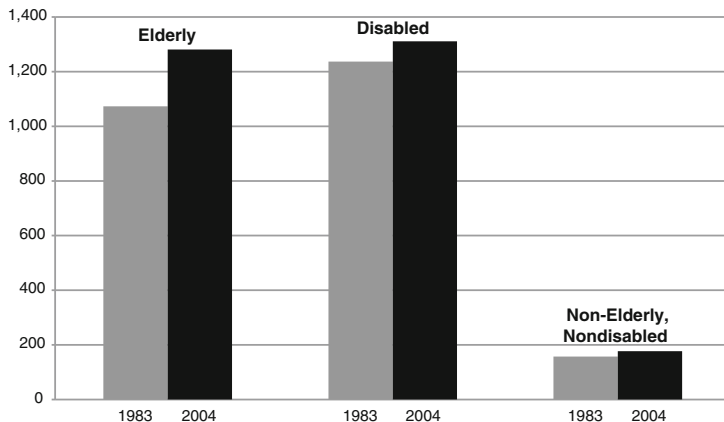
Sources: Top 84 programs from Spar (2006), and 10 largest programs from authors calculations from individual program statistics. Expenditures are sum of federal, state, and local total expenditures on the programs. Top 84 figures prior to 1975 are interpolations between 1968, 1972, and 1975. All values are in 2009 CPI-U-RS dollars.

Figure 4: Selected means-tested program spending per capita, 1970-2007



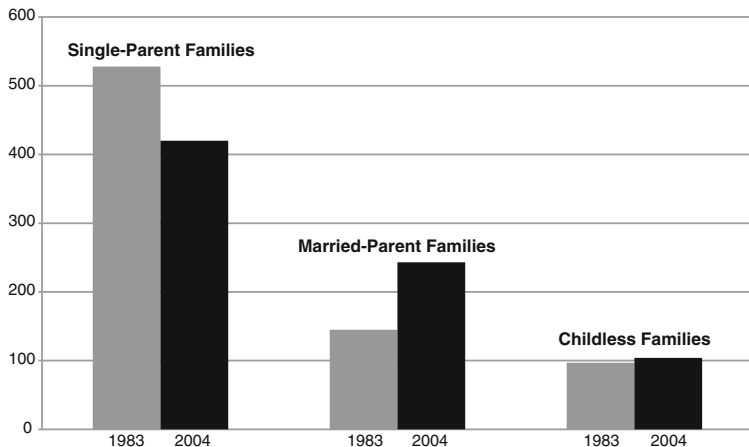
Notes: All values are in 2009 CPI-U-RS dollars.

**Figure 5:** Monthly benefits received in 1983 and 2004 by families by age and disability status



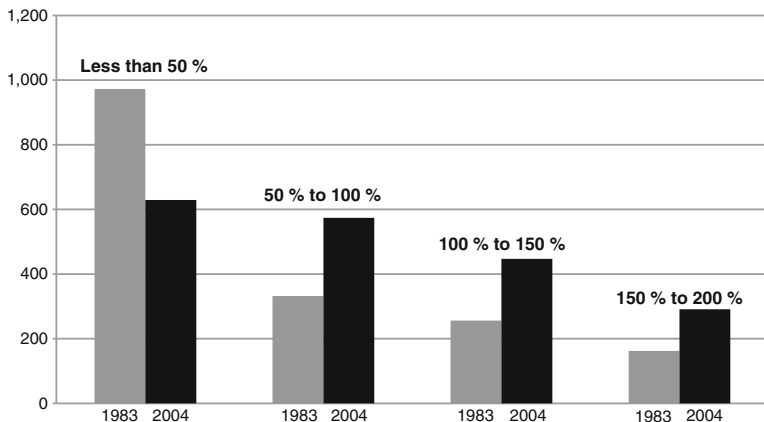
Notes: All values are in 2009 CPI-U-RS dollars.

**Figure 6:** Monthly benefits received in 1983 and 2004 by non-elderly, nondisabled families by family type



Notes: All values are in 2009 CPI-U-RS dollars.

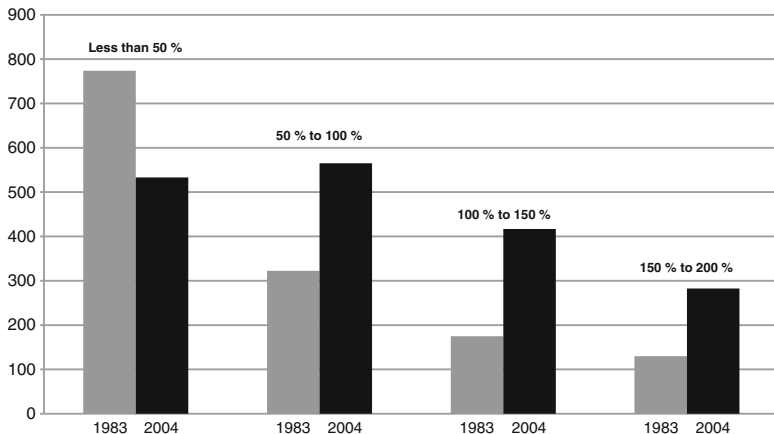
**Figure 7:** Monthly benefits received in 1983 and 2004 for non-elderly, nondisabled single-parent families by private income level



Notes: All values are in 2009 CPI-U-RS dollars.

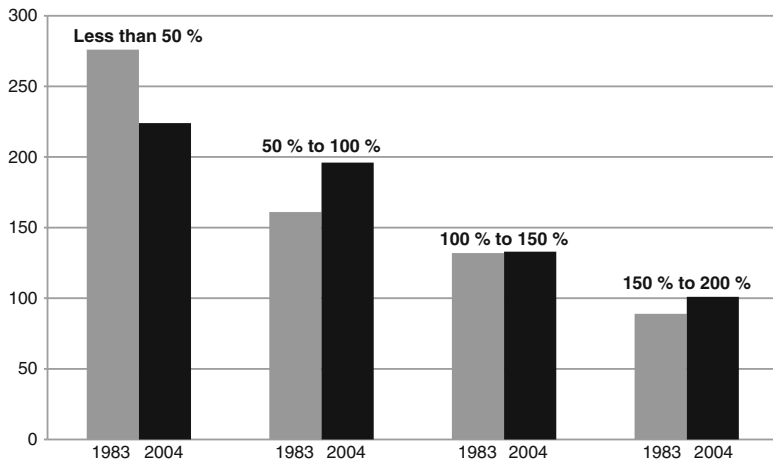


**Figure 8:** Monthly benefits received in 1983 and 2004 for non-elderly, nondisabled married-parent families by private income level



Notes: All values are in 2009 CPI-U-RS dollars.

**Figure 9:** Monthly benefits received in 1983 and 2004 for non-elderly, nondisabled childless individuals and families by private income level



Notes: All values are in 2009 CPI-U-RS dollars.