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Welfare-to-Work: New Labour and the US Experience

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Those involved in the study or application of law in the workplace will also find these books valuable and provocative. In his treatment of Supreme Court decisions interpreting the FLSA, Linder deploys penetrating legal analysis and skillfully interwoven arguments for his belief that the premium pay statutory sanction has been pernicious. He argues throughout for legislation banning or criminalizing employer-imposed overtime. In addition, he tells us fascinating legal stories suggestive of “what could have been.” For example, a remarkably progressive Nebraska law that required, in overtime situations, the doubling of the previous hour’s pay, then the doubling of the first overtime hour’s wage, and so on, was declared unconstitutional in an 1894 case due to its “paternalistic interference with contracts.”

Finally, since *Autocratically* and, to a lesser degree, *Time and a Half’s* provide us with considerable documentation of how this problem is dealt with both in the Canadian province of Ontario and in the European Union, the comparative scholars among us also will value Linder’s scholarship. He reminds us that EU worker representatives have been more successful than we have been in preventing employers from imposing extensive mandatory overtime, with some countries imposing monthly or annual ceilings. Still, he cautions that the European Union’s regulation of overtime is more timid than mandatory, and, not surprisingly, the United Kingdom’s overtime regulations are more like the United States’ than are those of any nation on the Continent.

A fair criticism of these books is that they are at times repetitive, duplicative, and too detail-laden. It is easy to avoid these problems to a large extent, however, by pairing *Time and a Half’s* with either of the other two volumes, rather than both. The books are sold through a low-price publisher, and all three together cost approximately \$60.

The books’ value far outweighs their drawbacks. With entities as disparate as Merrill-Lynch (white-collar stockbrokers), Nassau County (correctional officers), and Wal-Mart (sales personnel and contractors) all facing major overtime violation charges and penalties in the past 12 months, understanding the FLSA’s history and its application to today’s workplaces is critical to the work of a wide range of academics and practitioners.

These three volumes compel the careful student of labor history and workplace rights to rethink what is the precise value and import of overtime in U.S. workplaces. Policy-makers,

labor lawyers, and union bargainers are among the many who would benefit from such a reconceptualization. I believe these works are of significant intellectual and practical value. They remind us, again, of the real limitations of even America’s most progressive worker protection laws.

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Welfare-to-Work: New Labour and the US Experience. By Andreas Cebulla, Karl Ashworth, David Greenberg, and Robert Walker. Aldershot, England, and Burlington, Vt.: Ashgate, 2005. viii, 165 pp. ISBN 0-7546-3775-1, \$89.95 (cloth).

For the many readers who do not know much about the British New Deal, *Welfare-to-Work* will be of value. This welfare program, the BND, introduced in 1997, is the child of the British New Labour party and has nothing in common with the American New Deal program of the 1930s except the name. The BND program employs elements of welfare-to-work programs that have been tested in various U.S. states. These adopted program elements, the history of the BND program, the political background, and comparisons to U.S. programs are the subjects of *Welfare-to-Work*. (The experience in Europe outside Britain is dismissed as non-comparable, as the continental European concept of social insurance differs markedly from that of the United Kingdom). The two principal foci of the book are a history of the BND and an evaluation of similar programs.

The reader should note that much of the current research findings on welfare-to-work are summarized in an Eric Digest report by Kimberly Peterson, “Welfare-to-Work Programs: Strategies for Success”; in Rebecca Blank’s *Journal of Economic Literature* article, “Evaluating Welfare Reform in the United States”; in a Joyce Foundation report, “Welfare to Work: What Have We Learned?”; and in a Manpower Demonstration Research Corporation report by Gayle Hamilton, “Moving People from Welfare to Work: Lessons from the National Evaluation of Welfare-to-Work Strategies.” All four of those works, however—which we hereafter refer to collectively as PBJH—were published in 2002, and are therefore already somewhat dated. (The

subject of welfare and work is the eye of a continuing storm of research. A January 2006 Google search on “welfare-to-work” yields 1.64 million hits, a few more than the average researcher wants to consider.)

Both the United Kingdom and the United States now have incorporated work requirements as a condition for public aid, and research evaluating these changes is a minor industry. Among the studies of the programs funded by the U.S. Department of Health and Human Services are meta-evaluations and reanalyses of the results of U.S. welfare-to-work program evaluations. This line of research, conducted by Greenberg and Cebulla, included 70 program evaluations in their data base as of early 2005. In the current book, the authors use information on 24 evaluations of mandatory U.S. welfare-to-work programs.

In the first chapter, two of the authors (Cebulla and Walker), after briefly outlining the book’s structure, discuss an aspect of the BND’s origins that receives further attention in Chapter 3: how the program, employing an “evidence-based” policy-making system, adopted and adapted elements of some U.S. states’ welfare programs based on evidence of success. Chapter 2 discusses the differences between the BND and the U.S. New Deal and describes the target sub-population of each New Deal sub-program. Both programs needed to be sold to their electorates, and in both cases incentives or disincentives were necessary to induce program use. The BND used a punitive element to achieve participation. Cebulla emphasizes the importance of this element, as well as of various supporting programs that are complementary to BND welfare programs, because some of the data they generate can be used to monitor the effectiveness of the BND and the community saturation of BND welfare programs.

Chapter 3 (Cebulla) describes “path-dependent innovation”: the way particular changes that were built on previous changes and new welfare structures led to welfare reform and the resultant BND. These structures “were new and innovative in so far as they introduced new administrative approaches in labour market policy and new policy principles” (p. 49). Also in this chapter are discussions of the BND’s history, data collection issues, and some statistical tools used to test the program.

A description of a “unique database developed from information provided by these evaluations” via meta-analysis is the subject of Chapter 4. Greenburg and Ashworth discuss statistical methods of testing and random sampling of

welfare data. They offer a short technical appendix to help interested readers understand fixed and random effects models. While they preferred to use the random effects model, often they had to impute variances, because many of the studies included in the meta-analysis lacked any measure of variance. Their imputation methods are described in this appendix.

U.S. welfare-to-work programs are the subject of Chapter 5. Factors discussed that might have affected the results of various programs include gender, race, and socio-economic conditions. This chapter subserves the book’s larger purpose by providing the background that would have been available to the British policy-makers. It also reconstructs how those policy-makers modeled and tested their own welfare-to-work policies, which eventually evolved into the BND. The program efficiency measures (the change in Aid to Families with Dependent Children enrollments is used as a measure of program effectiveness) and how programs vary by locality and demographics are also discussed.

In Chapter 6, Walker and Greenburg report the results of testing the two approaches to welfare reform, the “work first” approach and the “vocational training” approach. Unfortunately, they only had one year’s data. Whereas the “work first” approach to job placement focused on immediate employment and resulted in low-paying jobs with no security, “vocational training” programs emphasized the importance of job skills training and placement into job markets with higher income and stability. Because those in the vocational training programs have smaller initial annual incomes, their preparation seems initially ineffective. The authors warn, however, that time series data covering several years are necessary to evaluate the “vocational training” approach.

In Chapter 7, Cebulla considers the findings from other reviews of U.K. and U.S. programs, and offers additional reasons to question the claim that the “work first” approach is better than the “vocational training” approach. Readers are again warned that “only recently have more long-term monitoring and survey data that are designed to track programme participants become available in the UK” (p. 119). This makes it difficult to compare the “vocational training” and “work first” approaches.

The last chapter, Chapter 8 (Cebulla and Greenberg), which “draws together the main findings from the meta-analysis,” is a concise summary of the problems facing the BND program, the possible solutions to those problems, and the lessons for policy and future research.

The authors point out again that the introduction of the BND is “more a re-arranging of policy measures than a revolution in design and delivery” (p. 139). Cebulla and Greenberg draw several lessons: client mix affects outcomes, the environment is important, results are often small, the effects wear off, and welfare-to-work programs incur a considerable cost in resources. It is useful to compare these lessons with those reported in PBJH, which collectively are far more nuanced.

There is much value in this book’s presentation of several viewpoints regarding social welfare reform and its detailed discussion of the U.K. program’s evolution, implementation, problems, and future possibilities. Some features of the book we particularly like are the numerous tables listing various social programs in the United Kingdom and United States, the use of Box plots to analyze data, and a good discussion of meta-analysis, particularly in Chapter 8, where lessons for future meta-analysis of welfare programs are drawn. However, the data collection methods used may be of concern, useful time series data are lacking, and there appear to be omissions in or aggregation of the data on race. These limitations may narrow the generalizability of the results. Also, we would have liked an analysis weighing the relative merits of other European countries’ non-punitive-based unemployment training programs and the BND’s punitive-driven programs. Which model produces better outcomes?

Because the book is a series of papers by authors from varied backgrounds, readers have the benefit of seeing each issue from different and often competing points of view. One trade-off, however, is that the chapters’ somewhat peripatetic paths often intersect, carrying readers over the same ground more than once. There is overlap, as well, across the chapters’ concluding reference sections; a single consolidated reference section would have been better. Another drawback of each chapter’s independence from the others is occasional inconsistency in emphasis. For example, following Chapter 6, which uses cross-section data to argue that “work first” yields better results than vocational training, Chapter 7 argues that good-quality time series data are needed in order for definitive comparisons to be made, and decries the unavailability of such data. The index is incomplete: although data—the characteristics of different data sets, their amenability to various types of analysis, and so on—are the subject of much of the book, for example, no listing for “data” is included; and not all authors’ names

are referenced. Perhaps a bit more editing was in order?

Carping aside, we recommend this book as a handy summary of the research in this field as of early 2005. Like the Peterson, Blank, Joyce, and Hamilton works mentioned previously, to which it is a solid addition, *Welfare-to-Work* can serve well to acquaint the general reader with approaches to building and measuring a social program to move welfare recipients into the work force.

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Organized Labor in Postcommunist States: From Solidarity to Infirmity. By Paul J. Kubicek. Pittsburgh: University of Pittsburgh Press, 2004. xiv, 256 pp. ISBN 0-8229-5856-2, \$29.95 (paper).

I rarely use the phrase “necessary reading” when recommending a book, as it begs the question of “to whom?” But I gladly do so in this case since the book speaks so well to at least two different constituencies. For those interested in the peculiar decline of east European labor after communism, as well as in globalization’s impact on labor in a broad comparative context, Paul Kubicek’s *Organized Labor in Postcommunist States* is indeed required reading. Kubicek wonderfully sums up the existing research on labor in postcommunist society, supplements it with insights from his own extensive fieldwork and interviews, and carefully considers the theoretical implications of his findings. The result is a superb, concise, well-written account of labor after communism.

The book is composed of three introductory chapters, setting the postcommunist context both conceptually and empirically, followed by country chapters on Poland, Russia, Hungary, and Ukraine. In the first chapters Kubicek documents and offers initial explanations for