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Sanctioning Policies—Australian, American and British Cross-National Reflections and Comparisons

HARRY SAVELSBERG

University of South Australia
School of Psychology, Social Work and Social Policy

Over the last two decades welfare policies have undergone major reforms in Anglo-Western nations such as the U.S., U.K. and Australia. Central to these reforms have been the revision of welfare recipient entitlements and responsibilities and the emergence of a responsibility and obligations agenda. The essence of this agenda is conditionality and reciprocity, and it includes the threat of punitive sanctions for failing to comply with mandatory participation requirements. This paper highlights the potent influence of the ideas of American conservatives on policy reforms in the U.S., the U.K. and Australia and provides a thematic cross-national comparison of sanctioning policies in these nations.

Key words: Sanctioning, welfare dependency, neo-liberalism, responsibility

Anglo-Western welfare policy reforms have been widely debated over the past two decades with many arguing a neoliberal policy convergence is discernable, particularly in the U.S., the U.K. and Australia, and some asserting the emergence of a “new social contract” (Dean, 2002; Gilbert, 2009; Jordan, 1996; Kerr & Savelsberg, 1999; McDonald & Reisch, 2008). The basis of these reforms rests largely on a critique of the traditional welfare ethos which was underpinned by entitlement or needs-based government social assistance. This unconditional social assistance is deemed by prominent neoliberals to be a...
moral hazard for recipients, stifling self-reliance and fostering a 'heritage of defeat' and potentially sowing the seeds of an 'underclass' (Mead, 1997; Murray, 1984, 1990). To counter this supposed corrosive influence, many neoliberals argue for the scaling back of government assistance and greater accountability and reciprocity from welfare recipients, especially in regards to entitlements and responsibilities. The views of American commentators Laurence Mead, Charles Murray and George Gilder have been particularly influential in the West and have created 'welfare dependence' as a social problem and called for welfare recipients to fulfill strict obligations (Kalil, Seefeldt, & Wang, 2002; Kemshall, 2002; Kerr & Savelsberg, 1999; McDonald & Reisch, 2008; Muncie, 2006; O'Connor, 2001).

The assumptions and beliefs implicit in this policy imperative, which incorporates mandatory participation requirements and sanctioning (or breaching as it is more commonly known in Australia), have been the subject of considerable debate in the U.S. (Daugherty & Barber, 2001; Hasenfeld, Ghose, & Larson, 2004; Kalil, et al., 2002; Wu, 2008), the U.K. (Dean, 2002; MacDonald & Marsh, 2005; Mizen, 2004; Stanley, 2005) and Australia (Goodin, 2002; Kinnear, 2003; Mendes, 2003; O'Connor, 2001; Saunders, 2002; Savelsberg, 2009; Sawer, 2005). A major concern emerging from this debate is the impact of sanctions for noncompliance of mandatory participation requirements on the disadvantaged and vulnerable. Indeed, over the last decade, a body of research literature has developed which suggests that sanctioning is not, as was initially intended by social policy makers, making welfare recipients more responsible (Muncie, 2006), but rather further entrenching their disadvantage and social exclusion.

Based on a review of American, British and Australian welfare reform literature and research, this paper assesses the progressive influence of American conservative thinkers, such as Gilder, Murray and Mead, on the development of American, Australian and British welfare policy reforms. Their work was particularly influential on welfare policy reform in the U.S. during the Reagan administration, and their ideas, especially dependency and sanctioning, would once again find popularity in the U.K. with the Thatcher and later the Blair governments and the Howard (Liberal National) Coalition, and now
with the Rudd Labor Governments in Australia. This paper presents a cross-national thematic comparison of sanction policies from research findings to identify issues and trends regarding some of the commonly reported effects of sanctioning on welfare recipients.

Most of the Australian research data presented in this publication is drawn from a Ph.D. research study completed in 2009 (Savelsberg, 2009). This study investigated the impact of the Australian Youth Allowance (YA) and Mutual Obligation (MO) policies and associated sanctioning provisions on the social circumstances and future prospects of disadvantaged young people. Specifically, it examined the ideological underpinnings of these policies, especially the assumptions (personal and social), and how these reconcile with young peoples' socio-economic contexts, particularly the key institutions of support (family, education and employment).

A review of Australian, U.S. and U.K. literature and research on sanctioning policies was undertaken in regards to the philosophical underpinnings, frequency and effects of sanctioning policy. Specifically in the U.S., in relation to the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) and the Temporary Assistance to Needy Families (TANF) policy; in the U.K., Labour's "New Deal" policies; and in Australia, the Mutual Obligation policy.

The Rise of Sanctioning Policies in the U.S., U.K. and Australia

The Howard Coalition Government's Social Security Amendment Bill enshrined the use of sanctions in Australian legislation, drawing to a close the gradual erosion of entitlement-based welfare, progressively underway since the late 1980s, and signifying the full adoption of an "active participation" welfare system (Finn, 1999; Kinnear, 2002; Moses & Sharples, 2000). This shift in Australian social policy has been described as the "new deal" regarding social welfare entitlements, especially in regards to recipient obligations (Kerr & Savelsberg, 1999, p. 125). This new deal, expressed in Australian Federal Government policy statements as Mutual Obligation, reflects a free-market ideology ordered by a new social contractual relationship between welfare recipients, the state and the
community—from welfare to workfare (Kerr & Savelsberg, 1999; Kinnear, 2003; McDonald & Reisch, 2008; Sawer, 2005).

A similar activation-style policy approach can be discerned in the U.S. and U.K. welfare reforms. Lindhorst and Mancoske refer to the introduction of the PRWORA in the U.S.—the vehicle used by the federal government to increase the labor force participation of single mothers and thus reduce their dependency on public assistance and expand state sanctioning powers. They write:

To amplify the consequences for failing to comply with new program requirements, Congress passed a mandatory time limit of 60 months for receipt of Temporary Assistance to Needy Families (TANF), and allowed states the option of imposing stricter sanctions on families that were not following through on mandated activities. As a result, states now have greater latitude to involuntarily remove TANF families from the welfare rolls, without regard to their social or economic circumstances. (Lindhorst & Mancoske, 2006, p. 94)

In the U.K., “New Labour entered office in 1997 with a strong commitment to address the problems of the unemployed ... Its first action, for example, was to instigate its New Deal employment program ... a ‘welfare to work’ program” (France, 2007, p. 63). Dean (2002, p. 195), referring to the work of Fairclough (2000), notes that “the very expression, ‘New Deal’... articulates a populist interpretation of contractarianism; a trade off between the government and the people.” Further, Dean notes that this “increased emphasis on the conditionality of welfare rights ... Explicitly or by implication ... accepted as inevitable the end of the protectionist welfare state” in the U.K. These changes also led to an expanded use of sanctions in each of the three nations, as participation (or work) requirements were tightened, eligibility and exemption criteria narrowed and new sanctionable behaviors identified (France, 2007; Furlong & Cartmel, 2007; Hasenfeld, et al., 2004; Savelsberg, 2009). Whilst sanctions were already in use in the U.K., U.S. and Australia, prior to the introduction of the PRWORA, the New Deal arrangements and the Mutual Obligation policy, their usage was minimal or restricted to only certain categories of recipients.
As the welfare systems of these countries transformed from largely entitlement-based systems towards more activation-style systems—focused on moving recipients into paid work or some other activity aimed at improving employability—the use of sanctions increased, with sanctions now playing a key role in the enforcement of participation requirements.

As is the case in the U.S. (Lohman et al., 2004) and the U.K. (Finn, 1998; Mizen, 2004), sanctioning in Australia is a form of benefit reduction for those welfare recipients who do not comply with welfare regulations or participation requirements (commonly referred to as activity test requirements in Australia). In the U.S., the PRWORA allows individual States to “define the types of penalties that can be imposed for non-compliance with work-related rules and the circumstances governing them. These include family grant reductions and immediate case closure” (Kalil et al., 2002, p. 643). In the U.K., New Labour has introduced financial penalties against the work-shy, as Frank Field, a former Blair Government Minister explained: “The public will not support a social security system that appears to tell people they can sit in bed all day watching television and drawing benefit” (Field, cited in Powell, 2000, p. 45). As such, young people in the U.K. who fail to participate in a New Deal option without good cause “can be subjected to a two-week benefit sanction. A second or any subsequent refusal results in a four-week sanction” (Finn, 1998, p. 115). In Australia a person who fails to comply with any activity test requirement without a “reasonable excuse” may incur an Activity Test breach and as a consequence a temporary (18%) reduction in benefits for 26 weeks. A subsequent sanction results in a greater reduction (24%) in income for 26 weeks, and for a third sanction the penalty is non-payment of benefits for eight weeks (Department of Family and Community Services [DFaCS], 2007). There are also separate sanctions for administrative breaches, such as failing to attend an interview at Centrelink, which can also result in a reduction in benefits (16% for 13 weeks) (Mullins, 2002).

The Influence of American Conservative Thinkers

The views of American conservatives Murray, Mead and Gilder have been particularly influential in the shaping of welfare policy in Australia, the U.S. and the U.K. As Deprez

... a simple case of replicating U.S.-style [workfare] programs. Rather, the U.S. reform process has established some of the key coordinates around which U.K. reforms are being planned and assessed. The discursive framing of the U.K. welfare debate, however, substantially echoes its American counterpart, not least since welfare reform has been taken up in New Labour circles as the very epitome of Third Way policy-making—pragmatic, realistic, tough and (ostensibly) ‘post-ideological.’ (Peck & Theodore, 2001, pp. 437–438)

In regards to Australia, O'Connor writes "[t]he polemical views of George Gilder and Charles Murray ... now find an echo in the Howard Government's rhetoric about and focus on the 'challenge of welfare dependency'" (O'Connor, 2001, p. 232).

Peck and Theodore (2001, p. 450) caution that in the case of welfare reform in the U.K. (and also arguably in Australia) it is not just a matter of U.S. policies being replicated, rather it was the adoption of "more general political strategies of reform management—focusing on issues of dependency, the virtues of work, and so forth."

Welfare Dependency and Sanctioning—The Need for Personal Responsibility?

*Dependency and Sanctions*

Two key ideas advanced by American conservatives have been enthusiastically embraced by Australian and U.K. governments—namely, welfare dependency and the need for compulsion and penalties (sanctioning) to ensure compliance
Cross-National Comparisons of Sanctioning Policies

with participation requirements (Dean, 2002; Kemp, 1988; Mendes, 2003; O'Connor, 2001). The U.S. Department of Health and Human Services, in its 2008 Annual Report to Congress, defines welfare dependency as "the proportion of all individuals in families that receive more than half of their total family income in one year from TANF, food stamps, and/or SSI [Supplemental Security Income]" (Crouse, Hauan, & Waters Rogers, 2008, chapter 1, para 11).

In the U.K., Peck and Theodore (2001, p. 429) refer to the adoption of an "Americanized" understanding of welfare dependency by the Blair government, specifically defined as the "ostensibly dysfunctional lifestyles and malformed work ethics of the poor."

Surprisingly, welfare dependency has never been defined in a concrete way by Australian Governments, with a definition notably absent from the Howard Government's 1999 The Challenge of Welfare Dependency in the 21st Century discussion paper on welfare dependency (Newman, 1999). Importantly, no government policy or discussion paper has ever specified how much or which type of income support an individual could receive before they would be considered welfare dependent (Henman, 2001).

In the absence of an official Australian government definition, Saunders and Stone (2000) offer three possible understandings of the term welfare dependency. The first, "dependency culture as myth," a position long argued by Marxist scholars, holds that no such culture exists. Long-term welfare dependent poor are not viewed as culturally or behaviorally different from the working class as a whole. The argument that there exists a distinctive culture of welfare dependent unemployed people is often dismissed on the grounds that this is an ideological myth created to deflect attention away from the real causes (globalization and capital restructuring) of unemployment. The second "dependency culture as cause" or "cultural underclass theory," "holds that there is a distinct culture among many of those who are long-term welfare dependent, and that this is a major cause of their initial and continuing welfare dependency" (Saunders & Stone, 2000, p. 115). This view has a long, acrimonious history in the underclass debates that raged across the social sciences in the 80s and 90s especially in the U.S. and U.K. (Macnicol, 1987; MacDonald & Marsh,
The third hypothesis, "dependency culture as outcome," appears to be a blend of the two understandings above, asserting that people who have been welfare dependent for long periods of time may show distinct values but that "the initial causes of joblessness will often lie in the collapse of local labor markets rather than in any self-perpetuating culture of dependency" (Saunders & Stone, 2000, p. 116). This view resonates with Labour figures such as Third Way writer (and former ALP leader) Mark Latham (1998) and Frank Field (2000, p. 67) who argued that the U.K. needs to break out of the welfare equals State mentality and adopt "pro-active welfare."

Dependency Culture

It is the "dependency culture as cause" or "cultural under-class theory" explanation, however, that aligns most closely with the view of the Australian Howard government and also, to some degree, the current Rudd Labor Government (Head, 2009). For example, former Howard Government Minister Dr. David Kemp describes how the entitlement-based welfare system in Australia had created a "culture of dependency" amongst the young unemployed:

[b]y international comparison, Australia had developed welfare benefit arrangements which were increasingly recognized as having perverse incentives—encouraging young people (who are at risk or 'marginal') to drop out of school by the too early provision of unemployment benefit and, because of the comparative levels of income support available some preferred unemployment to education and training. These arrangements were supported by a growing culture of entitlement, which more and more was seen to be encouraging a damaging culture of welfare dependence. (Kemp, 1999, p. 13)

In support, Australian academics Saunders and Tsumori (2003, pp. 2-3), from the Centre for Independent Studies, warn that a "stratum of long-term unemployed people [will] become almost permanently detached ... from the world of work and settled into a routine of life on welfare." In the U.K. context, Blair's New Deal reflects similar concerns, as Harris (2000, p. 283) asserts "it is suggested [in the New Deal] that the young
unemployed have formed a dispossessed, alienated and potentially dangerous sub-stratum as a result of their marginalization from mainstream social economic activities."

The view that the provision of welfare assistance decreases recipients' desire or motivation to seek work or overcome any personal difficulties that may be preventing them from working and ultimately weakens the moral fortitude of recipients has been most notably advocated by American conservatives Gilder (1981), Murray (1984) and Mead (1986, 1997). For Murray and Mead, welfare dependency is a problem "rooted in the values of a distinct stratum of people—the ‘underclass’—who ultimately lack a strong will to work" (Saunders & Stone, 2000, p. 115). Further, Mead argues that the permissive nature of the American welfare state had caused high levels of unemployment and welfare dependency, and had left the poor without the requisite competence and motivation to achieve what they, and everyone else, wants (education and employment) (Mead, 1997). Gilder (1981, p. 12) too argues that "real poverty is less a state of income than a state of mind and that the government dole blights most of the people who come to depend on it." Like other conservatives, Gilder asserts that the liberal welfare state in America created a situation whereby the poor were getting too much money for too little in return. That is, the welfare system lacked the necessary mutual obligations. Similarly, Murray "contends that a new anti-social, welfare-dependent, dangerous class has emerged [in the U.K.] ... brought into being by the ‘incentives to failure’ set by an over-generous, postwar welfare state" (MacDonald & Marsh, 2005, p. 6).

According to Murray (1984, p. 9), governments which provide a passive entitlement-based welfare system allow individuals to weigh up in a rational and calculating way the option of either accepting low paid demeaning jobs or claiming welfare. Here government is to blame for allowing the welfare system to be misused and allowing over-reliance on the system. Murray would thus argue, "[w]e tried to provide more for the poor and produced more poor instead." He writes:

"the tangible incentives which any society can realistically hold out to the poor youth of average abilities and average industriousness are mostly
penalties, mostly disincentives. 'Do not study and we will throw you out; commit crimes and we will put you in jail; do not work and we will make sure that your existence is uncomfortable so that any job will be preferable to it.' To promise much more is fraud. (Murray, 1984, p. 177)

What is 'Welfare Dependency'?

It should be noted, however, that there is much debate about whether widespread welfare dependency actually exists. For instance, Engels (2006, p. 12) after examining the historical use of the term welfare dependency in Australia, remains unconvinced of its existence, writing "the Howard Government has yet to provide any hard facts to substantiate its contention that welfare dependency has or continues to exist in Australia." Similarly, Penman concludes, based on a review of recent literature and studies in relation to the issue of welfare dependency, that "the concept of welfare dependency, or income support, is generally not well defined and/or measured in loose and variable ways." Consequently, the lack of an explicit definition and/or the means for measuring welfare dependency makes comparison and the drawing of inferences problematic (Penman, 2006, p. 3).

Australian academic O'Connor describes the application of the American conservative critique of welfare dependency in Australia as "highly suspect and disturbing" as their arguments, he contends, "are, in general, empirically suspect or at the least highly controversial, even in the U.S. context" (O'Connor, 2001, p. 231).

Further, O'Connor questions the empirical validity and reliability of Gilder's and Murray's work (especially claims to have identified the behavioral characteristics of the underclass), arguing that little detailed qualitative and quantitative analysis around the duration of reliance on welfare, the reasons for long-term unemployment and the employment options available to the unemployed is offered. This lack of evidence reveals the ideologically loaded nature of the term 'welfare dependency' and as such raises serious questions about its use in Australian welfare reform (O'Connor, 2001, p. 231).

Fraser and Gordon raise similar concerns about the use of the term 'welfare dependency' in the U.S. context. They write:
naming the problems of the poor, solo-mother families as *dependency* tends to make them appear to be individual problems, as much moral or psychological as economic. The term carries strong emotive and visual associations and a powerful pejorative charge. In current debates, the expression *welfare dependency* evokes the image of 'the welfare mother,' often figured as a young, unmarried black woman (perhaps even a teenager) of uncontrolled sexuality. (Fraser & Gordon, 1994, p. 311)

As O'Connor (2001, p. 231) concludes, “without detailed evidence or ... successful and acceptable pilot schemes, welfare reform will instead be based on gross stereotypes and social experimentation with the lives of the unemployed and poor.” Likewise, Gentchev, referring to the adoption of what he refers to as American “left wing welfare dependency” by the Labour party in the U.K., warns:

Labour politicians say that ‘their’ welfare dependency is about helping not attacking people on welfare. But the experience of the last three years in the U.S. shows the dangers of ‘left wing welfare dependency.’ ... the Republicans used the anti-welfare climate created to their own ends. They dropped the part about creating jobs, and made the attack on AFDC [Aid to Families with Dependent Children] a central part of their policy. (Gentchev, 1995, sec 5, para 3)

A number of Australian critics (Harris, 2000; Henman & Perry, 2002; Mendes, 2001; Peel, 2003; Schooneveldt, 2003) argue that a focus on welfare dependency enabled the Howard Government to concentrate reform efforts towards altering the behavior and lifestyles of welfare recipients, and not on other more fundamental issues, such as job creation and structural inequalities. As Peel describes it, “the problem of poverty [has been] turned into the problem of welfare dependency.” He writes:

[Such claims detach the problem of poverty from the problem of inequality, portray poverty as a product of the welfare system itself and suggest that poor
people lack effort and initiative. In other words, we are encouraged to focus on what is wrong with poor people, and on their bad decisions, rather than what might be wrong with the context in which these decisions have to be made. (Peel, 2003, p. 23)

The notion of compelling the unemployed to engage in behavior and activities for “their own good” through the threat of sanctions has its origins in Mead’s New Paternalism, defined as “social policies aimed at the poor that attempt to reduce poverty and other social problems by directive and supervisory means” (Mead, 1997, p. 2). It is “a conservative policy in that it focuses on changing how the poor live rather than on improving their benefits or opportunities” (Mead, 1997, p. 11). Mead (1986) considers mandatory participation in welfare-to-work programs to be more effective than voluntary programs, as the latter, he contends, result in the majority of government resources going towards assisting self-motivated job seekers, leaving the most disadvantaged and vulnerable individuals—“the welfare dependent” excluded. He writes:

[t]he unskilled have too many other sources of income, including government benefits, for them to work reliably unless programs require them to. At least for these workers, employment must become a duty, enforced by public authority, rather than an expression of self-interest. (Mead, 1986, p. 13)

Here, it is assumed that individuals may not follow society’s interests and as such the new paternalist approach seeks to prevent any divergence. The State, the wise but firm authority figure, must be paternalistic and intervene and direct the poor to undertake those activities that will assist them to meet their ambitions (Mead, 1997). The prevention of “any divergence” (such as avoidance of work) in the U.S., U.K. and Australia is ensured through the use of sanctions which, Australian academic Anna Yeatman (2000, p. 171) argues, is defensible. She draws on Goodin’s “carefully considered defence of paternalism [which provides] ... a means of securing the interest of individuals, even if this runs counter to their freedom to choose,” to support her contention. According to Yeatman, paternalistic intervention is justified “on behalf of an individual’s
interest where their right to choose leads them to engage in self-destructive behavior ... [or make decisions that] ... may be seriously detrimental to their life prospects or irreversible." Examples include, smoking, early school leaving and problem gambling. New paternalism, she contends, can thus be justified in instances where "authoritative others" evaluate an individual's "surface preferences" and find a mismatch between these preferences and the individual's deeper preferences. Thus, Yeatman sees welfare recipients in the same light as Goodin's smokers and problem gamblers, in that:

most welfare recipients want to work, this is their deeper preference. But their lack of positive work experience, together with the non-work-orientated structuring of their everyday existence, mean that they find it hard to act on their 'deeper preference.' (Yeatman, 2000, p. 171)

The Role of Sanctions

Kalil et al. identify several possible roles for sanction policies within the welfare system. First, the "carrot and the stick" argument: here assistance (income support, transportation assistance and child care) acts as an incentive (the carrot) to welfare recipients who comply with work requirements, and for those who don't, sanctions (punishment or the stick). Second, sanctions teach recipients "respect for the rules" by imposing a punishment for failure to abide by those rules. A corollary to this view is that sanctions imitate the work world "... because employees who miss work do not get paid, clients who do not participate should not get paid" (Kalil et al., 2002, p. 644).

Third, sanction policies can act as a motivational tool, where the potential threat of benefit withdrawal acts as an incentive for recipients to comply with requirements. In line with New Paternalist thinking, these approaches assume that sanctions will result in behavioral change, as welfare recipients ("rational actors") will choose to comply (or not) with requirements, depending on their economic situations (Hasenfeld et al., 2004; Kalil et al., 2002; Lee, Slack, & Lewis, 2004). As Kalil et al. write:
a client who is punished via a sanction is expected to come back into compliance (and remain compliant) or seek other forms of economic support, with the end goal of avoiding further financial punishment. Similarly, clients who are not motivated by sanctions or who do not feel punished may have other sources of income. In this function, sanctions may reveal those who do not truly need cash assistance (e.g., individuals committing welfare fraud). (Kalil et al., 2002, p. 645)

American writers Lee, Slack and Lewis are critical of the implicit assumptions underpinning conservative welfare thinking. For instance, they reference Murray's belief that welfare recipients are able to "accurately read the welfare context. That is, they can know what the rules are, understand their meaning and grasp the consequences of not following them" (2004, p. 398). Rather, they argue, many recipients lack such knowledge, which is concerning given their finding that there is a "greater likelihood of working and leaving welfare among those [recipients] with greater understanding of current welfare policy" (Lee et al., 2004, p. 398).

Reflecting the U.S. and U.K. experience, the use of sanctions in Australia for noncompliance with activity test requirements is portrayed by the state as a reasonable and necessary measure for ensuring welfare recipients' active participation. That is, penalties for failing to meet obligations under the new social contract are deemed just, as these obligations are owed to the community and are thought to enhance welfare recipients' future opportunities (promote self-reliance) for economic and social inclusion. These contentions, however, are strongly contested, with critics arguing that rather than promoting social inclusion (and self-sufficiency) these policy measures exacerbate social exclusion (Goodin, 2002, p. 592; Savelsberg, 2009). As Kalil et al., referring to the use of sanctioning in the U.S., note:

[t]here are questions, though, as to whether or not sanctions change client behavior and result in so-called rational decisions (Handler, 1995; Fein & Lee, 1999). Clients may have undetected and serious barriers
to compliance, such as physical and mental health problems (Danziger et al., 2000). Clients may not be fully aware or understand program expectations and sanction policies. In these cases, sanctioning may result in economic or other hardships. (Kalil et al., 2002, p. 645)

Likewise, France, referring to the U.K. experience, argues that research (such as that undertaken by Mizen in 2004) suggests that sanctioning “can cause as many problems as it aims to solve, in that young people can ‘disappear’ ... and its positive impact may well be limited, in that those most likely to suffer are vulnerable young people” (France, 2007, p. 64).

The Rise and Rise of Sanctioning in the U.S., U.K. and Australia

A number of U.S. (Hasenfeld et al., 2004; Lindhorst & Mancoske, 2006; Lohman et al., 2004), U.K. (MacDonald & Marsh, 2005; Stanley, 2005) and Australian (Mullins, 2002; Ziguras, 2001; Ziguras, Dufty, & Considine, 2003) social commentators assert that sanctioning is an excessive and disproportionately severe punishment for noncompliance with welfare regulations. Further, they note that it is often the most disadvantaged and vulnerable welfare recipients who are adversely affected by sanctions.

In the U.K. during the mid 1990s, the range and duration of sanctions available for noncompliance were expanded by the Conservative Major Government, “including ... the possibility that certain categories of claimants such as young single people could have payment of benefits completely removed for up to a period of six months” (Mizen, 2004, p. 89). Not surprisingly the number of sanctions imposed on claimants for refusing or failing to meet mandatory participation requirements (e.g. job search and motivation programs) doubled from the 1993-1994 figure of 37,000 to 79,000 by 1995-1996. Mizen, citing Bivand, refers to the conclusions of the independent Unemployment Unit which “was forced to conclude, ‘it is clear from this ... that a positive outcome [from the active benefits regime] is a reduction in the claimant count, rather than a positive outcome
from the unemployed person” (Mizen, 2004, p. 90).

There are currently no national figures on the exact number of families affected by sanctioning in the U.S. (Wu, 2008, p. 27) and sanctioning rates provided to the U.S. federal government by individual states tend to vary greatly, “ranging from zero to 29 percent of families” (Kalil et al., 2002, p. 645). It is estimated, however, that “sanctions may have caused over one-half million families to lose welfare benefits between 1997 and 1999” (Goldberg & Schott, cited in Wu, 2008, p. 27). Wu (2008, p. 27), citing research undertaken by Pavetti, Derr and Heketh, asserts that U.S. sanction rates are “quite high, with 45–52% of the recipient cohort sanctioned over a 12-18 month period.” From first impressions, the proportion of welfare cases closed as a result of sanctions in the U.S. does not seem large, with about 6 percent of cases in the fiscal year 1998 closing due to sanctions, compared with 22 percent that were closed due to employment (Kalil et al., 2002, p. 645). However, this figure, Kalil et al. argue, may represent an undercount as “more than half (56 percent) of cases were closed for other, unspecified reasons.” They write: “‘[o]ther’ could include procedural reasons, such as failing to turn in certain forms or other eligibility-related requirements. However, since states do not consistently define the circumstances that can lead to a sanction, ‘other’ reasons could include noncompliance with work or work-related rules” (Kalil et al., 2002, p. 645).

Consideration of the proportion of sanctioned families on the TANF rolls in any given month, they further assert, “may also underestimate the extent of sanctioning because this figure does not include families who remain off welfare because of sanctions imposed in earlier months” (Kalil et al., 2002, pp. 645-46). Taking into consideration these limitations, Goldberg and Schott estimate that:

approximately 540,000 families nationwide lost assistance between 1997 and 1999. Of those, 360,000 remained off TANF at the end of 1999, a figure that is approximately 28 percent of the total caseload decline during this same period. (cited in Kalil et al., 2002, p. 646)

In Australia there has been an alarming rise in the number of people being sanctioned as a result of their failure to
successively maintain or complete activity test or MO requirements (Savelsberg, 2009). The Australian Council of Social Services (ACOSS, 2000, 2001), for example, contends that the total number of sanction occurrences (not the number of individuals sanctioned, which is not known) steadily increased from 120,718 during 1997-98 to 302,494 for 1999-2000, peaking in 2000-2001 at 386,946 sanctions before starting to decrease over 2001-2002 and again in 2002-2003 to 269,903 in 2001-2002 and 134,239 in 2002-2003 (Eardley, Brown, Rawsthorne, Norris, & Emrys, 2005, p. 14). According to Eardley et al., the increase during 1995 up until mid 2001 occurred in parallel with the expansion of obligations and requirements placed on workforce-aged recipients and the introduction of the Job Network in 1998. The steep rise in sanctions in 2000-2001, they argue, can be attributed to several possible factors, including the Australian Council of Social Services' (ACOSS) assertion that this reflects a time where Centrelink officers were taking a tougher stand on sanctioning practice. Another reason, however, could be that the number of activity test requirements to be completed increase each year, thus increasing the likelihood that recipients will struggle or fail to meet them (Eardley et al., 2005).

In regards to the distribution of sanctions amongst income support recipients, a number of American (Hasenfeld et al., 2004; Kalil et al., 2002; Lee et al., 2004; Lohman et al., 2004), British (France, 2007; MacDonald & Marsh, 2005; Mizen, 2004) and Australian studies (ACOSS, 2000, 2001; Lackner, 2001; Moses & Sharples, 2000; Sanders, 1999) have identified sanctioned claimants as more disadvantaged economically and socially than non-sanctioned recipients. Specifically, these studies show that sanctioned welfare recipients are on average less educated, younger, likely to be living in dysfunctional or abusive family circumstances, be experiencing utility hardships (reduced or complete inability to pay for gas, electricity, water and rent) and accommodation instability, and suffering mental and/or physical ill health.

American new paternalist and sanction advocate Lawrence Mead is, however, dismissive of higher-than-expected sanction rates in the U.S. Commenting on the high sanction rates recorded for a number of U.S. workfare programs, he argues that "demanding programs," such as workfare, can result in higher-than-average sanction rates:
particularly when demands on recipients are first raised, and these sanctions generate part of the welfare savings recorded ... once expectations are made clear, sanctions decrease ... most people leave welfare of their own accord and not because they are forced, or 'thrown,' off. (Mead, 1997, p. 60)

Mead is also dismissive of concerns about those who are "de facto sanctioned"—those discouraged from claiming welfare as a result of tough work policies. He writes "good evidence about the diverted is lacking. All one can say is that to date throwing people off welfare has little to do with the successes of work enforcement" (1997, p. 60). This, however, was not found to be the case for many Australian income support recipients. For example, the Australian Independent Review of Breaches and Penalties in the Social Security System concluded that:

while the system often functions in an appropriate manner, there are many occasions on which its operation in relation to particular jobseekers can be reasonably described as arbitrary, unfair or excessively harsh ... [Further] ... it diminishes people's capacity and opportunity to continue seeking work and become less dependent on social security. (Pearce, Disney, & Ridout, 2002, pp. 12-13)

Despite Mead's assurances to the contrary, it is clear from this thematic analysis of U.S., U.K. and Australian research that for many, if not most, welfare recipients sanctioning exacerbates rather than ameliorates social disadvantage.

_A New Social Contract or the 'Politics of Enforcement'_

Bill Jordan (1996) invokes the phrase 'politics of enforcement' to understand the contemporary social, economic and political dynamics underpinning welfare and policy reforms. Here an attempt is undertaken to capture the intersecting dynamics of neo-liberalism and market globalization and to analyze the effects on social conditions for individuals, families and communities. Jordan argues that the state,
in response to the imperative of globalization, moves from Keynesian-inspired policies to Schumpeterian ones. In the Schumpeterian Workfare State “governments design social policies to enhance labor market flexibility rather than following the social democratic aim of extending citizenship” (John, 1998, p. 102).

The corollary is not only more precarious economic circumstances, but also that increasingly the basis of community is altered. As Jordan (1996, p. 34) notes, the move is away from facilitating a community promoting a “virtuous circle of civic trust, economic cooperation and social harmony leading to democratic prosperity ... [to] a vicious circle of suspicion, isolation, exploitation and authoritarian backwardness.” Thus Jordan argues that:

the perception of a deviant and dependent ‘underclass,’ living on crime and practicing various kinds of social deviancy, and claiming from the labor and prosperity of the rest of the community, has generated a ‘politics of enforcement.’ (Jordan 1996, p. 35)

Further, as Ingram, Schneider and Deleon (2007, p. 103) contend, the “politics of punishment” has dominated much of the public policy aimed at “deviants,” with policymakers gaining “considerable political capital from punishing those who do not have the power, resources or wherewithal to fight back and whom the broader public believes are undeserving of anything better.” Here, as Goodin demonstrates, the fair sounding principles of mutual obligation find punitive policy expression—“merely ... humiliating and harassing the subordinate classes until they finally accept their inferior social status and drop (or are dropped off) the welfare rolls” (Goodin, 2002, p. 592).

The most visible manifestation of the politics of enforcement in Australia, the U.S. and U.K. has been sanctioning. For many welfare recipients, the move towards greater activity test requirements, means testing, compulsion and increased sanctioning provisions has been devastating. These measures in large part have contributed to the removal of substantial numbers of people from social assistance—the cost of which has been transferred to families, the community and
individuals. Importantly, these punitive policies appear to alienate and debilitate those sanctioned, rather than activate and engage them on positive and inclusionary pathways.

References


