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Kicking the Malthusian Vice: Lessons from the Abolition of "Welfare" in the Late Nineteenth Century

STEPHEN T. ZILIAK
Bowling Green State University

Nearly 200 years have passed since Malthus predicted that abolishing "welfare" would uplift the character of the poor. Oddly, the hypothesis has not been tested. The gulf between theory and fact burns now that the Personal Responsibility and Work Opportunity Reconciliation Act returned to states the power to abolish tax-financed relief. Abolition was tried a century ago. Some historians speculate that the abolition of welfare was a surgical strike for the war on dependence, and is worthy of emulation. The evidence suggests otherwise: privation of welfare did not uplift character, not even in the narrow industrial categories of the Victorians, Old and New. The will in self-reliance was ubiquitous despite the relief systems.

Nearly 200 years have passed since Malthus predicted that abolishing "welfare" would uplift the character of the poor (Malthus, 1798, pp. 86–87, 91–94; in Rose, 1971, pp. 43–46; Malthus, 1803/1992, pp. 118–119). Although widespread abolition would not occur in the United States until the late 1870s, observers of the nineteenth century, excepting Marx and Marshall, gave American reformers their assent. The virtues of industry and sobriety, prudence and obligation—the virtues of self-reliance—could arise or crystallize in the habits of the poor in any society free of trammels. The idea of building character through the abolition of welfare has been taken to the streets once again by economists, historians, and other social scientists (Olasky, 1992/1995; Buchanan, 1994, pp. 78–79; Murray, 1994; Hummelfarb, 1995a, 1995b). Indeed, the idea is expressed in the very title of a recent Act of Congress, "The Personal Responsibility and Work Opportunity Reconciliation Act," which returned to the states the power to abolish tax-financed relief (Blank, 1997, pp. 169–177). And yet in these two-hundred years since Malthus, economists have not asked if the character of the recipients of welfare is a matter for concern when observations on character are set against the character-building observed under alter-
native institutional arrangements. The hypothesis that abolishing welfare builds character has not been tested.

The most widespread experiment in the United States in abolishing what was formerly called "public outdoor relief" took place in large and medium-size cities during the last three decades of the nineteenth-century (Gurteen, 1881, Lowell, 1884/1971, Warner, 1894, Watson, 1922, Boyer, 1978, chp. 10; Katz, 1986, chp. 3, Ziliak, 1996c). It was the era of “scientific charity.” The concurrence of a “natural experiment” and of a zeal for data produced ripe material for investigation. Indianapolis is a city where character-building, if it were in fact induced by the experiment, would be easily observed (Ziliak, 1996c, appendix). The paper presents findings from an econometric and textual analysis of the household-level caseworker records on the private system, and compares them with findings on modern entitlement programs. The hypothesis that abolishing welfare builds character is here put into doubt.

I. A MALTHUSIAN VICE

Looking out at the situation in England at the close of the eighteenth century, Malthus observed that “[t]he poor-laws of England may ... be said to diminish both the power and the will to save among the common people, and thus to weaken one of the strongest incentives to sobriety and industry, and consequently to happiness” (Malthus, 1798, quoted in Rose, 1971, p. 45). “I feel little doubt in my own mind,” continued Malthus, “that if the poor-laws had never existed, though there might have been a few more instances of very severe distress, ... the aggregate mass of happiness among the common people would have been much greater than it is at present” (p. 45). It is well known that Malthus was genuine in his concern for improving the condition of the poor. Indeed, Malthus confided in a letter of August 23, 1821, to his friend the political economist Thomas Chalmers, that he “had almost despaired on the subject [of total abolition]” (Brown, 1982, p. 118, chp. 3). The problem is that Malthus did not set his observations on the purported effects of the poor-laws against historical observations on the alternatives to the poor-laws (such as a thriving system of private relief). Moreover, Malthus did not study character on the street or in the fields, middling or pauper. Yet a recommendation of abolition without empirical comparison cannot fully satisfy the economic historian.

Unfortunately, this “Malthusian vice” has tainted the views of many observers. John Stuart Mill wrote in the 1840s that in the absence of an Irish Poor Law “we [English] shall be forced to begin treating the Irish people as moral agents, influenced by motives, ... who must be acted on by a system of moral government, and not as creatures whom we can feed like pigs or turkeys... .” (Mill quoted in Carlisle, 1991, pp. 151–152). On how the volunteers would “treat people as moral agents” in a way that was superior to the poor-laws Mill offered no evidence. The novels of Dickens reveal that direct evidence was
available for inference: Mill could have compared the ways the private benevolent societies and the poor-masters interacted differently (or not) with the poor. Yet in failing to examine the stories of these interactions, and in failing to set the stories against the relevant economic facts, Mill—and before him, Malthus—understood little of the context in which the promise of character-building was made.

If character can be built through the abolition of public outdoor relief, then there must exist alternative institutional arrangements, institutions whose existence are precluded by the presence of public outdoor relief, through which character-building becomes possible. A radical alternative was put forth in the late nineteenth century by William Graham Sumner: let people operate in labor markets without the intervention of charities or of public relief.

Sumner’s (1887) idea was that market participation makes a person moral. Being moral, being a person of character, meant being self-reliant. “Let every man [left to his own devices] be sober, industrious, prudent, and wise,” Sumner conjectured, “and bring up his children to be so likewise, and poverty will be abolished in a few generations” (Sumner, 1887, in Keller and Davie, 1934, p. 109). Sumner’s idea has been revived by James Buchanan.

Sumner’s and Buchanan’s experiments have not been tried, not for a duration of three generations. Public outdoor relief was abolished in ten large cities between 1872 and 1900, however, and it was sharply reduced in many other cities (Almy, 1899; Devine, 1898, pp. 186–199, Mohl, 1983, in Trattner, 1983, pp 35–50). The quantitative evidence has hardly been examined. Yet recent findings (Ziliak, 1996a) suggest that following the near abolition of public outdoor relief in Indianapolis, 1877–85, public outdoor relief was replaced by private outdoor relief nearly $0.70 per $1.00. This “crowding-in” of private charity, which may have been induced in other cities of like size or less (though not, one supposes, in large cities [Hannon, 1996b]), was desired, even promoted, by the leaders of the abolition movement. The strengths marshaled against public outdoor relief were equaled by a passion for a new kind of charity.

A. “Scientific Charity”: An Experiment in Character-Building

Across the nation, the leaders of the abolition movement, the Charity Organizations, would have little truck with the half-truths of a Malthus of 1798 or with a Sumner of 1888. Malthus was too passive. Sumner, too brutal. Both were overly optimistic about the ability of “worthy” people to succeed in the labor market. The Indianapolis Charity Organization Society expressed in their Annual Report of 1886 a belief which was being trumpeted across the land:

The [Executive] [C]ommittee believes that public relief could be abolished in Center township [Indianapolis] without suffering to the poor. It is thought that the voluntary societies could assume this additional relief. In addition
to this the uplift would be great, as the cases of need would be treated with kindness, sympathy and the personal touch (FSA ICOS, 1886, Box 5, pp. 46-47).

The Charity Organization Society believed that private charity was necessary and obligatory, that charity could bring “renewed exertion” (Richmond, 1899a, p. 141) to the nearly fallen if given “scientifically.” Unlike most political economists—Thomas Chalmers being, perhaps, the sole exception (Brown, 1982, chp. 3)—the Society believed the middling classes had a persuasive and emulative role to play in every-day character-building among the “worthy” poor.

The Charity Organization Society was started by Octavia Hill in London in 1869, and spread quickly across England and the Northern United States. Offices were open in over 100 cities in the United States by the 1890s (Boyer, 1978, p. 146). The Charity Organization Society had invented a “scientific charity” (Hill, 1883/1970; Watson, 1922; Mowat, 1961; Wisner, 1970; Boyer, 1978, chp. 10; Katz, 1986, chp. 3, Himmelfarb, 1992, chp. 13; Humphreys, 1993, pp. 1-4). Poverty always had a personal dimension. Now it had a science of the personal. It was an economics of poor relief, studied on a case-by-case basis, and fortified in its marriage with voluntary charity. “By far the larger part of all that is given even to the honest poor in the name of charity,” a leading reformer, S. Humphreys Gurteen, told city leaders in Indianapolis and in Detroit, “is doing positive harm by teaching them to be idle, shiftless, and improvident” (1881, p. 4). Gurteen urged cities to adopt “the rules of political economy and of business principles in this subject of charity, which hitherto has been regarded as belonging solely to the sphere of philanthropy and religion” (p. 5). Among its several objects, “scientific charity” promised an attenuation of work disincentives by “reclaiming” (p. 7) the “worthy” poor whose good habits were “dissipated” or at risk. Scientific charity would ease the distress of the “worthy” while protecting them from reckless methods of public and private relief.

The Society in many cities took little interest in the “hopelessly shiftless” and the “hopelessly vicious,” these being terms of classification which appeared in statistical tables until the end of the century. The “broken down paupers,” in the phraseology of Josephine Lowell, could go as they were to the workhouses and prisons (Bremner, 1988, p. 99). These “unworthy” poor (the vocabulary of vice was copious)—15–30% of all applicants for outdoor relief in the 1880s and 1890s in Indianapolis, Baltimore, New York, and Boston (FSA ICOS Annual Report, 1890; Warner, 1894, pp. 31–34, Table IV)—did not merit outdoor relief or moral counsel. Character building could only occur if “worthiness” was in potestas. One might say that building character among the “worthy” poor was an attempt to change preferences over consumption goods and “idleness.” Moral uplift. But you had to be open to it.

Although the Society lacked an explicit philosophy for the origination of character, they used no uncertain terms when explaining the relation between “welfare” and character. “The proof that dolegiving and [traditional] almmsgiving
do break down independence, do destroy energy, do undermine character,”

wrote Lowell, “may be found in the growing ranks of pauperism in every city”

(Lowell, 1884, pp. 91–92). “Character is not cut in marble,” as the organizer

Mary Richmond put it, quoting George Eliot in Daniel Deronda (1876), “[i]t is

something living and changing, and may become diseased as our bodies do”

(Richmond, 1899a, p. 34). In her book Friendly Visiting Among the Poor (1899a)

Richmond spoke for all charity organizers when she responded, “Like our bodi-

es, too,” [character] may be made whole again by skillful treatment” (p. 34).

“Skillful treatment” meant using discretion in the disbursement of material

relief. It meant investigating each case for character and economic means. These

works encouraged the “living, manly virtues” of industry and prudence, as one

pamphleteer in Indianapolis put it (FSA Noble, 1903, pp. 6–7). But skillful treat-

ment of the heart called for “friendly visiting” in the home. Friendly visiting

would awaken “cheerfulness, courage, [and the] patience” necessary for making

a person whole again, ready for independence (Noble, pp. 6–7).

In Indianapolis a “Society of Friendly Visitors” was loosely organized as a

sub-committee of the new Charity Organization Society. Then in an effort to

recruit more visitors—volunteers, all—it was re-organized in 1882 (FSA Minutes,

the Society of Friendly Visitors, p. 1). Every branch of the Charity Organization

Society practiced friendly visiting. It was intended to be the bread and butter of

scientific charity. Visitors did not march to the beat of Major Barbara’s drum.

Their motto was instead, “Not alms, but a friend.” “Remember,” said Harriet

Noble to would-be visitors in Indianapolis, “the tendency will be for [the poor]

to live toward your ideal of them, if you are genuine, and work gently enough”

(FSA Noble, 1903, p. 19).

The project seemed coherent. It integrated price theory with the street-

smarts of urban reformers and the social possibilities of private charity. Case

work and friendly visiting would lift the recipients of scientific charity out of a

state of dependence. In the absence of a dole, charity organization promised

that a “worthy” family spending time with the Society would maximize their

chance over time of becoming self-reliant.

B. The Evidence

To make the metaphor econometric, the philosophy of character-building

leads one to expect an upward sloping hazard function in the charity-duration

data. This is the way the social scientists employed by charity organization soci-

eties (Lowell, 1884; McCulloch, 1888; Warner, 1891, 1894; Devine, 1898; Almy,

1899) would have expressed their beliefs, had they possessed the statistical

methodology. That is, the longer a household had contact with the visitors and

caseworkers of organized charity, the better chance it had of leaving the rolls,

and with, as Mary Richmond put it, a “renewed exertion” for a “higher standard

of living.” The character of even the worthy poor needed treatment. During rela-

tively prosperous times, exits from the rolls would occur through the actions of
their increasingly stronger character. The hypotheses can be tested by an econometric analysis of duration data (Kiefer, 1988; Lancaster, 1991) and by reading the caseworker narratives.

Using a method similar to that of Blank (1989) in her study of the Aid to Families with Dependent Children program, I drew a sample of new entrants to relief rolls from the hand-written caseworker manuscripts of the Indianapolis Charity Organization Society, January 1881–February 1883. If building character—if building self-reliance—through scientific charity was successful, the successes would likely be found in this sample of the Indianapolis data. The wide adoption of scientific charity by private and public charities and a relatively high demand for unskilled labor in Indianapolis suggests that Indianapolis provides an upper bound on the success of the privatization movement in the labor market (Dunn, 1910, pp. 342–359; Watson, 1922, p. 203; Kershner, 1949; Katz, 1986, chp. 3; Rosenbloom 1989, pp. 90, 98). The sample was drawn such that real relief payments per household were at a historically low level; labor demand was relatively strong (most of the spells in the sample fall between two depressions), and the cooperation between the township trustee and the scientific charities was at its peak. The average duration of a spell on outdoor relief for the 1881–1883 entrants is probably a lower bound for Indianapolis, then, and perhaps for the nation, in the heyday of the privatization movement.

An entrant is a “worthy,” able-bodied head of household beginning a new spell on private outdoor relief or on public outdoor relief. Each household was followed through the end of a spell or until it was censored. (A “censored” observation, as defined in this instance, means that one does not know whether the exit of a household from the rolls is truly an exit.) Each case record contains a table for recording quantitative material which was seen as pertinent to the application for relief. The records were completed by a caseworker after each interview, home or office. But most of the data were transcribed by reading in the hand-written caseworker narratives a family’s economic history. The narratives are character studies, essays on merit. Besides being a caseworker’s interpretation of the facts presented by the applicant for relief, the narratives include digests of interviews with physicians, employers, clergy, neighbors, and other relief agencies, people whose opinions made a difference to the eligibility of an applicant.

Spells are here measured in months. If the case appeared at least once in the month then the case was recorded as having received relief for the month. But the names of months recorded in a case were not always used literally in constructing the data set. For example, new entrants on March 30, 1881 that were on April 8, 1881 denied aid in the future were coded as having a “one month spell.” Gaps between active months were treated as active if the records did not suggest a change in “worthiness” or in eligibility. The collection rule is more refined than one can employ with more recent data sets. The hypothetical March-to-April example would be coded as “two months” (Blank, 1989, pp. 255–257) or even “one year” (Bane and Ellwood, 1994, p. 168) in other data.
sets. About a third of the households in the sample returned to the relief rolls. I examine initial, single spells only, in this study.

Table 1 reports the nonparametric distribution of spells on outdoor relief for all households and by gender. The hazard rates—the probabilities of exit from the rolls—are of particular interest. The probability of exit from the rolls was about 19% for households receiving relief for up to 2 months. The probability of exit fell to 10% for households receiving relief between 2 and 6 months, and then dropped sharply to 3.5% between the 6th and 12th month, flattening out to very low exit rates as time on the rolls increased. The pattern is similar by gender. To be sure, the findings in Table 1 are not conditioned on personal and environmental variables. But neither are the findings suggestive of success in building self-reliance over time.

Indeed, the nonparametric exit rates for female headed households share a likeness with those found in a comparable study made by Blank (1989) of

<table>
<thead>
<tr>
<th>Spell Length in Months</th>
<th>Number of Observations</th>
<th>Estimated Cumulative % Completions</th>
<th>Hazard Rate</th>
<th>Standard Error of Hazards</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. All households*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-2</td>
<td>220</td>
<td>32</td>
<td>0.19</td>
<td>0.023</td>
</tr>
<tr>
<td>2-6</td>
<td>130</td>
<td>55</td>
<td>0.10</td>
<td>0.015</td>
</tr>
<tr>
<td>6-12</td>
<td>76</td>
<td>64</td>
<td>0.035</td>
<td>0.0094</td>
</tr>
<tr>
<td>12-24</td>
<td>56</td>
<td>73</td>
<td>0.022</td>
<td>0.006</td>
</tr>
<tr>
<td>24-60</td>
<td>36</td>
<td>91</td>
<td>0.028</td>
<td>0.005</td>
</tr>
<tr>
<td>60-302</td>
<td>7</td>
<td>98</td>
<td>0.005</td>
<td>0.002</td>
</tr>
<tr>
<td>B. Female head of household**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-2</td>
<td>90</td>
<td>34</td>
<td>0.20</td>
<td>0.037</td>
</tr>
<tr>
<td>2-6</td>
<td>53</td>
<td>55</td>
<td>0.095</td>
<td>0.023</td>
</tr>
<tr>
<td>6-12</td>
<td>31</td>
<td>63</td>
<td>0.031</td>
<td>0.014</td>
</tr>
<tr>
<td>12-24</td>
<td>22</td>
<td>73</td>
<td>0.023</td>
<td>0.010</td>
</tr>
<tr>
<td>24-60</td>
<td>15</td>
<td>88</td>
<td>0.023</td>
<td>0.008</td>
</tr>
<tr>
<td>60-302</td>
<td>4</td>
<td>96</td>
<td>0.004</td>
<td>0.0025</td>
</tr>
<tr>
<td>C. Male head of household***</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-2</td>
<td>130</td>
<td>31</td>
<td>0.184</td>
<td>0.029</td>
</tr>
<tr>
<td>2-6</td>
<td>77</td>
<td>54</td>
<td>0.102</td>
<td>0.020</td>
</tr>
<tr>
<td>6-12</td>
<td>45</td>
<td>64</td>
<td>0.038</td>
<td>0.013</td>
</tr>
<tr>
<td>12-24</td>
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<td>72</td>
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<td>21</td>
<td>93</td>
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<tr>
<td>60-302</td>
<td>3</td>
<td>99</td>
<td>0.0055</td>
<td>0.003</td>
</tr>
</tbody>
</table>

Notes
*Sample Means 9-12 months (160 completed) 12 months (all spells)
**Sample Means 9-12 months (65 completed) 13-17 months (all spells)
***Sample Means 9-12 months (150 completed) 9-4 months (all spells)

Source Indianapolis Charity Organization Society, Caseworker Records, BV1200-BV1209. The manuscript collection of the Family Service Association of Central Indiana, Inc., M102, the Indiana Historical Society Libraries.

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women receiving Aid to Families with Dependent Children (AFDC) in Seattle and Denver, 1971–1976. Blank found that in the first two months, the probability of exit was 7.3%, a good deal less than the 20% found for women in the late nineteenth century (Blank, p. 256, Table 1). But the hazard rate for AFDC recipients between the third and sixth month was 6%, falling to 4% and then to about 2% through spells of 12 and 24 months length. Here, the probability of exit from the two systems are alarmingly close. Likewise, although the data are not presented here, the survival rates associated with Table 1 are similar to those found by Fitzgerald (1991, p. 550) in his study of women receiving AFDC in the mid-1980s. The comparisons do not support the contention that sharply reducing public outdoor relief in the late nineteenth-century induced an increase in work and self-reliance. In fact, the average duration of a spell on outdoor relief has not increased substantially since the 1820s, and by some measures it has decreased (Ziliak, 1996a, Table 2).

Table 2 reports selected characteristics of households at entry and exit. Only 29% of all households had a head of household (usually the father) with earnings at the beginning of a spell. Spouses and children had earnings at the beginning of a spell in 37% of all households. Illness was a factor in 56% of all heads of households at entry. Thirteen percent drank, as the reformers put it, with the “occasional spree.”

The second panel of Table 2 suggests that not a lot of “uplift” occurred over the course of contact between the poor and the organized charities. Thirty-four percent left the rolls with higher wages than they earned during the spell of relief. A survey of the literature (Bane and Ellwood, 1994, p. 57) on modern entitlement programs show this is about the same rate of escape by higher earnings as one finds in the Aid to Families with Dependent Children program, 1968–1991, despite the absence of a character test and despite a 100% marginal

<table>
<thead>
<tr>
<th>Table 2. Characteristics of Households at Entry and Exit, Completed Spells (N = 160)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At Entry</strong></td>
</tr>
<tr>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Head of household had earnings</td>
</tr>
<tr>
<td>Other earned income in house</td>
</tr>
<tr>
<td>Children had earnings</td>
</tr>
<tr>
<td>Head of household was ill</td>
</tr>
<tr>
<td>Spouse was ill</td>
</tr>
<tr>
<td>Death of a child within the year</td>
</tr>
<tr>
<td>Death of a parent within the year</td>
</tr>
<tr>
<td>Head of household drank, sometimes in a “spree”</td>
</tr>
</tbody>
</table>

_The manuscript collection of the Family Service Association of Central Indiana, Inc. M102, the Indiana Historical Society Library_
tax rate on earnings. None of the 13% who drank with the occasional “spree” stopped their drinking. One percent left the rolls through re-marriage.

The hypothesis that the probability of exit increased (and then, more, by the acquisition of higher earnings) can be further tested with weibull regressions. (The findings are a summary of tests reported in Zilliak, 1996c, ch. 2) The regressions control for heterogeneity arising out of character differences more than have previous studies, all of which take “character” to be unobservable or unmeasured (Bane and Ellwood, 1983, 1994; Blank, 1989; Tienda, 1990; Fitzgerald, 1991, Hoynes and MaCurdy, 1994; Borjas and Hilton, 1996). The point is not trivial: the observed duration dependence—the negatively sloped hazard function in Table 1—may be spurious. In entitlement programs the “less-motivated” or “unworthy” become over time an increasingly larger share of the sample, pulling down the average probability of exit. But here, in a discretionary system with a character test, this particular problem in identification does not elicit much concern. The obvious analytical advantage here is that the households in the late nineteenth-century had to pass a character test as a condition of continuing eligibility. Unlike modern entitlement programs, the sorting of “less-motivated individuals” (Blank, 1989, p. 250) was done before entry to the rolls: the unworthy were not eligible for relief (It was possible for a household to receive aid for awhile and then be denied after a more thorough investigation or after a visitor observed new behavior.) Thus the character test eliminates one of the culprits obstructing the identification of duration dependence (Heckman, 1991).

The caseworker records control for heterogeneity in other ways richer than have the modern data sets. These include the able-bodied status of all members of the household, the health of the head of household, the health of a spouse, deaths in the family, and drinking habits. While some features of character testing have been institutionalized into present-day means-tests (such as work requirements), the overlap is not large (Nelson, pp. 123–151, in Gordon, 1990). For example, in the rules for receiving AFDC there is no analogy to the neighborly opinion “she steals all she gets.”

Evidence of character-building in the weibull regressions would be found in an estimated distribution parameter that is substantively less than 1.0 A distribution parameter that is substantively less than 1.0 would yield evidence that the probability of exit from the rolls increased as time shared with the scientific charities increased. By contrast, a distribution parameter much higher than 1.0 would suggest that the probability of exit decreased as time shared with the scientific charities increased. If the probability of exit does not change then the distribution is exponential.

In fact, the estimated distribution parameter for the whole sample—with no discrimination by type of exit—is not substantively less than 1.0. The evidence leans instead in the other direction: the distribution parameter is about 1.3. Even when one controls for skill level, household composition, health, character, family size, death in the family, and other variables, the probability of leaving
the rolls did not increase over time. Friendly visiting and house-to-house case work, when examined from this point of view, did not increase the likelihood of attaining self-reliance.

In the weibull regressions the women's distribution parameter is higher than one finds in the other samples—about 1.5. Poor women were self-employed, by and large, as washers and cleaners and knitters. The apparent incidence of duration dependence, then, would not arise from a deterioration of specific human capital. Besides, the typical spell of relief was too short to have a perceptible effect on human capital. And the character test was passed at each encounter with the Society throughout the length of a spell. The apparent decline in the probability of exit, then, suggests obstacles to self-reliance beyond the personal vices which were projected by the women and men of the Society. Although a full treatment of the matter cannot be accomplished here, a partial list of obstacles would include the absence of investment in skills, a high relative cost of day care faced by single mothers, and the prevailing "gender ideology" (Mink, pp. 96–102, in Gordon, 1990) on women's work outside the home.

Indeed, the leading reformer in New York, Lowell, who was herself a single mother, held the conventional view on women's work. "[A married woman's] whole time is not too much to give to their care [the husband and the children] and that of the house," Lowell wrote, "and what she earns can not compensate for the loss occasioned by her absence" (Lowell, 1884/1971, p. 109). The problem with the conventional view on women's work is that more than half the families applied for relief when the father's illness induced unemployment. The illness of a father exerted pressure on the married woman to earn money, of course, but neither she nor the culture at large were prepared. Widowhood and desertion, which affected 40% of the 8,700 applicants in the 1880s, added heat to the burdens of poor women and their children, though never during the period did this fact shake beliefs in the ideology (FSA ICOS 1890, Annual Report).

One expects the findings to differ by type of exit. Weibull and exponential regressions were estimated for households leaving the rolls with higher wages—whether the wages went to the head of household, a spouse, the children, or some combination—and those households leaving for all other reasons. The findings are striking. Having a skilled or semi-skilled occupation at the beginning of a spell—blacksmithing, painting—something beyond common labor, was a great aid in leaving the rolls for work. (I gathered the occupational data by reading the caseworker records and employing the occupational classifications used by Thernstrom, 1964/1974, p. 90–104 and others in their studies of social mobility.) The weibull regressions suggest that "worthy," able-bodied men having a skilled or semi-skilled occupation were likely to leave the rolls 2.25 times more quickly than were common laborers. And since the distribution parameter in the weibull regression is so close to 1.0, the coefficients arising out of the exponential regression can be given serious attention. Here, the effect of a skilled or semi-skilled occupation on exit is 2.66 greater than that for common
laborers. So to the extent that skill level contributed to higher earnings and self-reliance, a high assessment of the character-building movement is not possible: occupational mobility among the worthy poor was absent. None of the laborers in the sample—over 60% of the men—changed occupational skill levels over the course of their contact with the Charity Organization Society.

To be sure, drinking with the “occasional spree” had a large negative effect on the rate at which households left the rolls for higher earnings. The probability of exit for a drinker was 24%–28% the probability of exit by temperate people.

C. The Failure of Character-Building is Revealed in Stories

Character-building is not evident in the econometric findings. While one cannot perfectly separate time-effects from the effects of heterogeneity, it appears that the probability of exit from the rolls did not increase over time—an effect opposite the expectation of the Society. Exits by way of increased earnings were encouraged not by the change in policy but by characteristics such as skill-level which workers had acquired before their contact with the Society. If character-building was large—alive at all—one would certainly observe it in the caseworker narratives, or in a visitor’s diary. The argument is a fortiori: relative to “traditional” relief agencies, the Society was bent on seeing character-building (and its opposite) in action.

It turns out that house-to-house visitation was not as friendly as the leaders had dreamed. Nor was it uplifting. I randomly selected 10 entries in a diary which was written by one visitor during the years 1893–1896 (FSA BV1174). The diary, a “day book,” is the only one in Indianapolis of its kind which has been preserved. The entries are revealing when examined at length. The first reads like Nurse Ratchet, even by the standard of the day (cf. Addams, 1902/1907, pp. 1–70, in a different but disclosing genre).

Played ‘hide and go seek’ with the Jackson family this morning. Saw the boy and chased him around the square two or three times and finally lost him.

Cela in back yard and called to see why she was not in school. Sad mother was sick and she must do the work. Told her to take me to her mother. Thinks the mother was drunk but claims to be sick and scolded C. for not being in school. Gave them a short lecture on being found in bed at such an hour in the morning and the children not in school. Was invited to leave the house but stayed till Cela dressed and I took her to school. After leaving school house I saw the boy I had been chasing with father hurrying home.

Called to them and father was very angry at first and I had to talk him into a good humor before telling him what I wanted to. Told him yes I had taken the children twice from begging tours north... Said his children did not beg that a baker had told him to send [the children] and he would give them rolls every day... I asked the boy to go home as I did not want to say what I was
going to before the child. (FSA BV1174, Oct 1, 1893. Actual family names are suppressed)

The passage hardly suggests that the visitor and the family were friends. In fact, the principles of friendly visiting—sympathy, friendliness, economic assistance for the encouragement of self-reliance—are violated. The visitor herself tells the reader how she violates the principles. The encounter seems to be typical. On October 8, 1893 the visitor wrote. "I grew very much discouraged.... I could not get names of boys from 10 yrs. to 16 yrs. who I found in different sheds as I drove through some alleys. It seems to me these boys could be taken for vagrancy. The corner of Mississippi and Henry Sts. is a great place for these boys to congregate and spend their time in worse than idleness." (Resistance was not uncommon: the mother of one boy crossed the street at that moment and told the visitor "she worked for her boy" and "he may loaf on any corner he pleased" [BV1174, Oct. 8, 1893].) On another occasion the visitor "saw a dirty little street urchin on [California Street]. Asked him to show me where he lived," the visitor wrote. "Mother gave me a free lecture and said her children never went to such a wicked place as a ward school. I told her it made no difference where they went so [long as] they went to school. Said I had better go about my business. I went" (Oct. 2, 1893).

If the encounters with the poor in their bedrooms and alleys lessened the possibility for "moral uplift," the caseworker interviews made uplift impossible. The physical and rhetorical characteristics of the poor—not least, their ethnicity—were made into an other-worldly spectacle. Aesthetic judgments and the codification of character figured largely in the private charity, crowding-out policies and modes of advising which were better suited for economic uplift. Body types and manners deviating from the Reader's Digest variety were mocked in detail (Cmiel, 1990, chp. 6–7). Annie Simon, a worthy applicant, was interviewed by a caseworker on December 7, 1882: "Visited. Woman a German Jewess. Wild with trouble. Mouth full of ejaculations. Personal appearance showed great neglect, as did that of two youngest children.... She is well spoken of by a neighbor, Mrs. Levinleaf, ... who says the husband is a worthless fellow" (FSA Ledger 9, Recno. 1793). A caseworker's first interview with Mr. J., from Hungary by way of New Orleans, was described this way: "This tall, blackeyed, black whiskered, seed, ecclesiastical individual came into office and after carefully and with a great deliberation, laying aside his wraps, sat down and commenced in a very confused manner to relate some of his recent travels and marvelous experiences. Claimed to be a Hungarian Moravian missionary who had gone into Peru and Chile ... to do missionary works ... is undoubtedly a great fraud whose game is to confuse people by his plausible statements and clerical appearance" (FSA, Feb. 10, 1883, Ledger 9, Recno. 1921).

"Friendly visiting," then, did not approach its ideals of bringing happiness and self-reliance. Even if the visitors in Indianapolis had been better "friends," and the poor therefore more open to their suggestions, the Society of Friendly
Visitors remained badly organized. During the last couple months of 1882 and the first half of 1883—the height of their re-organizational efforts—so few women attended the meetings that the meetings were quickly adjourned, no new cases assigned, no on-going cases discussed (FSA Minutes of the Society of Friendly Visitors, BV1182, Nov. 22, 1882-May 29, 1883). When the occasional visitor did have contact with a family she was usually at a loss for how to help. In a telling passage, the Secretary of the Society of Friendly Visitors, Mrs. Parker, wrote of a Mrs. D who had been visited that month: "[T]he woman seems anxious to do something for herself but does not know how or where to begin. Is very willing to work if some one will put her in the way to do so... . There being no unfinished business, the meeting adjourned" (p. 4). The Society of Friendly Visitors survived in crumbled form, then dissolved in 1916, apparently without internal grief or fanfare.

In practice the caseworkers, not the friendly visitors, did most of the home visiting. But caseworkers were trained as investigators, and acted the part. Thus, as we have seen, the relations between the Society and the applicants for relief were often antiseptic, and sometimes hostile. To the extent that character among the "worthy" poor needed repair, home visiting and the personal touch did not provide the tools.

D. The End of a Malthusian Vice

Economic argument as old as that of Malthus has predicted that abolishing "welfare" builds character among the poor. If abolishing public outdoor relief were an effective strategy for building character in the late nineteenth-century, one would have witnessed it among the able-bodied, "worthy" poor of Indianapolis. Yet the findings here cast serious doubt that character-building commenced with the change in policy. And when character-building did take place, it probably had little to do with the reduction in public outdoor relief or with the particular kind of private charity which arose in the wake. Friendly visiting and personalized casework did not bring the social classes closer together. The will to self-reliance was ubiquitous among the poor in the late nineteenth-century despite charity organization, not because of it. For three-quarters of the worthy poor, dependence was temporary, less than 2 years, a constellation of sickness, low skills, death, family break-up, and industrial adjustment. The dependence of some families was in part a result of their own intemperance. But these were the few.

The lessons from the large-scale experiment of last century suggest it is time economists' kick the Malthusian vice. Both popular and scholarly imaginations have been informed otherwise. Olasky and Himmelfarb argue that the late nineteenth century provides a social policy worthy of emulation, a social policy which rewards "virtue" and scorns "vice," giving a "fighting chance" at "eliminating" the so-called "culture of dependency" (Himmelfarb, 1995b) These authors portray the abolition movement as a surgical strike for the war on dependence. But Olasky and Himmelfarb defend their tales merely by quoting contemporaries
who wished success for the movement. And Murray’s historical work seems to stop with favorable quotations of Olasky (Murray, pp. xi-xvii, in Olasky, 1992/1995; Ziliak, 1996a, pp. 1–9). While one does not want to eschew such “evidence,” Olasky and Himmelfarb’s journalistic evidence is hardly persuasive. The quantitative evidence suggests that abolishing public outdoor relief has not been a stimulant for self-reliance. Abolition did not increase the exercise of the industrial virtues espoused by Victorians, Old and New. The evidence here suggests that abolishing public outdoor relief in the late nineteenth century did not create more opportunities for poor families to achieve a status of tolerable self-reliance.

That the findings challenge the conventional view is in one sense no cause for alarm: the hypothesis earned the status of thesis without empirical study of a large-scale experiment. But one cause for alarm is clear: there are ersatz histories of welfare, unguided by facts, exercising a tremendous influence on the direction of today’s welfare policy.

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NOTES

*Direct all correspondence to Stephen T Ziliak, Bowling Green State University, Department of Economics, Bowling Green, OH 43403

1 Sumner’s version of the Malthusian vice persists in the late twentieth century in James Buchanan’s Ethics and Economic Progress (1994) In its 145 pages of economics in the service of what Buchanan calls “Puritan virtues” (p. 79), one cannot find a single employment of historical or comparative perspective In fact, one cannot find in the book a single observation about a real economy Buchanan’s argument that character would be uplifted by abolishing all forms of poor relief uses preference theory and hypothetical constraints, only (chp 3, pp 78–79) Employing an apocalyptic rhetoric of a latter-day Sumner, Buchanan’s sole attempt at speaking about actual people appears when he is vexed by “flower children,” “preachers,” and other “wretched of the earth [who join] in their claims against the productive” (Buchanan, p 79)

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