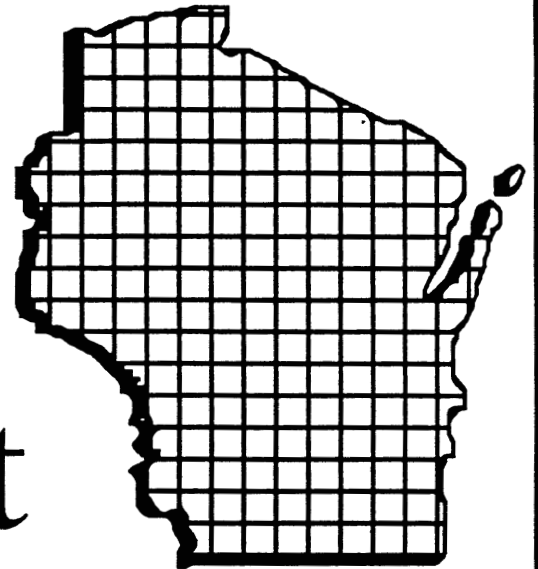


Wisconsin

Policy
Research
Institute

Report



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**WELFARE IN-MIGRATION
IN
WISCONSIN**

TWO REPORTS

WELFARE IN-MIGRATION A FOUR-COUNTY REPORT

AND

**THE MIGRATION IMPACT OF
WISCONSIN'S AFDC BENEFIT LEVELS:
A RE-EXAMINATION**

Report from the Executive Director:

The issue of welfare migration has been a controversial topic in Wisconsin. In focus groups and public opinion surveys taken over the last year, time and time again this question has been mentioned by residents of Wisconsin as being one of the most serious problems facing the state. This report will deal with the topic of welfare migration into Wisconsin from two different perspectives (i.e., studies): 1) the number of non-residents who are in fact moving into southeastern Wisconsin and applying for AFDC, 2) An examination of the Welfare Magnet Study Committee Report that was issued two years ago.

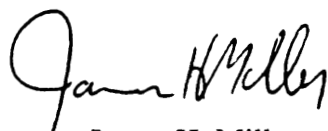
The first study, which examines the four counties most involved with welfare migration, was done by James Wahner and Jerome Stepaniak. Jim Wahner has extensive experience in terms of government and politics in Wisconsin. He served both as an elected official in the Assembly and worked for several government agencies. Wahner was director of the Milwaukee County Department of Health and Human Services from late 1981 to June 1988. Jerome Stepaniak who has also been involved extensively in government, served as a deputy director and associate director for budget and fiscal affairs to Milwaukee County Department of Health and Human Services beginning in 1982 for six years. From practical experience both men have an understanding of the problem of welfare migration and, as they begin to point out in their study, of the pressure it puts on other social institutions, such as education, housing and criminal justice. The purpose of their report is to point out the overwhelming evidence from the numbers that welfare migration does exist in Wisconsin.

The second study, which is a re-examination of the "Welfare Magnet Study" of December 1986, was done by Professor Richard Cebula and Dr. Michael LaVelle. Cebula's reputation in welfare migration is best described on page 11 of the original Report of the Welfare Magnet Study Committee: "His name is most frequently associated with studies of welfare-motivated migration. He has authored or co-authored more than a dozen articles on the topic -- many of which purport to demonstrate a "welfare magnet" effect among blacks but not among whites. In 1979 Cebula published a comprehensive review of the literature on this topic (Cebula, 1979). Rather than undertake to duplicate this task, we have reprinted (with permission) his review in Appendix B. Most of the studies reviewed by Cebula have been located and read, and we are satisfied that this comments on the basic literature are faithful to the original reports. His thorough and comprehensive review is well written and provides an excellent overview of the topic." Cebula's credentials in this field are academically sound.

Dr. Michael LaVelle is the president of Diversified Research, a national survey research firm operating out of New York. Over the past year Dr. LaVelle supervised over 140 survey research studies that have interviewed over 50,000 people. Dr. LaVelle has also been involved extensively with focus research and has a Ph.D. in Sociology. He has the unique ability to examine much of the research techniques that were used in this report. Both Cebula and LaVelle identify hard data in the original report that does in fact point to a large amount of welfare migration existing in Wisconsin.

It seems to the Institute that the welfare migration issue is best summed up by an official from Kenosha who pointed out that it doesn't matter why people are coming to Wisconsin to receive welfare, the reality is that they are here. We are not questioning the motives, but we wish to raise the point that welfare migration puts pressure not only on Wisconsin government and taxpayers, but on other social agencies.

Our purpose is simply to say that welfare migration exists in Wisconsin and the problem must be dealt with by government officials and not be buried in a report that may or may not have examined the problem accurately.


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**WELFARE IN-MIGRATION
A FOUR-COUNTY REPORT**

by

James W. Wahner and Jerome R. Stepaniak

The authors of this report wish to acknowledge the strong support provided by the many individuals whom they queried during the past several months. All were patient and extremely generous with their time, knowledge and data. All shared a desire to bring this important public policy issue into clearer focus.

Welfare In-Migration A Four-County Report

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I. INTRODUCTION AND METHODOLOGY

Two basic issues are explored in this report. First, to what degree are interstate in-migrants to four southeastern Wisconsin counties - Milwaukee, Racine, Kenosha and Rock - adding to the Aid for Families with Dependent Children (AFDC) rolls in those counties? Second, what are the impacts on those counties of the AFDC interstate migration which has occurred? Answers to these questions provide poignant detail at the county level on the make-up and effects of Wisconsin's AFDC population.

This report focuses not on the state but at the more micro level, the county, where trends can be much more sharply felt. Four southeastern Wisconsin counties - Milwaukee, Racine, Kenosha, and Rock - were chosen for examination. The rationale for selection of these counties for this Report is rather straightforward. The researchers wished to look at urban counties on the border or in close proximity to the border of the state. They were also interested in looking at areas where local officials had voiced concern over in-migration problems.

It is important to note that much of the evidence of community impact that was gathered relates to Milwaukee County, by far the largest county in the state and home to almost 40 percent of the state's AFDC recipients. Although time did not permit specific verification, similar service demands exist in the Counties of Kenosha, Racine and Rock.

It would be ideal if we could say that the data available are clear and consistent. Unfortunately, as with many issues related to welfare, that is not the case. The state and counties do not necessarily define new AFDC cases in the same manner. Data are not always available on the topics or in the form that would most neatly answer what are seemingly simple questions. Because of that, data from different sources, from slightly different time periods, and created in response to different definitions have been assembled. Together they generate a clearer picture than heretofore available of the impact of interstate migration on the AFDC roles of four of the state's most urbanized counties.

In order to get as precise an estimate as possible on the proportion of out-of-state applicants for AFDC, a definition of what a new AFDC applicant is had to be created. The broadest definition, all newly-opened cases each month, is not appropriate because it includes a number of persons who were previously on AFDC and who may have been off for as little as one or two months.

There are also a number of persons referred to as "flip-ons", persons already on Food Stamps or Medical Assistance who report some change in family status or income that automatically "flips" them onto the AFDC rolls. They are not seen as appropriate new cases either because they may also have been on AFDC, moved off, and "flipped" back on. Thus, for the state counts an exclusionary definition was devised. The definition counted as new cases only those cases in which the head had not been on AFDC in Wisconsin in the previous 11 months, with the exception of those persons (few in number) who both left and then came back to Wisconsin within the previous 11 months. This refined definition of a "new case" is especially important for Milwaukee County, where "flip-ons" account for two of every three new cases. In all other counties about half of all cases are "flip-ons".

To illustrate this point, let us examine the statewide numbers for December 1986. Some 3,517 AFDC cases were opened. Out of this, 1461 walked in and applied, and 2056 were "flip-ons", having previously registered for Food Stamps, Medical Assistance and AFDC. But not even all of the 1461 walk-ins were legitimate new cases. Many (408) were not counted for purposes of this study because they had been on AFDC in Wisconsin in the previous 11 months, and a few (42) had been on AFDC, left the state and then returned to apply again for AFDC, all within an 11-month period. The net number of really new applicants was 1,011 or 28.7 percent of the cases opened that month. (1) It is on this group--the true, new AFDC applicants-- that this study focuses.

In developing this report, two distinct data sets were heavily relied upon. One set was data on AFDC activity in Milwaukee County from that county's Department of Social Services. Those data reflect AFDC prior residence activity for a 33-month period (1/86 - 9/88) and represent actual experience. Because similar complete monthly data on AFDC prior residence were not available for the state as a whole or for the other three counties, the researchers relied heavily on 12 monthly point-in-time data samples drawn from September, 1985 to June, 1988 by the State Department of Health and Social Services. (2) The State's point-in-time samples were drawn every third month (March, June, September and December) for three years, and include information on the prior residences of Wisconsin's newly-opened AFDC cases for each of these twelve months. These quarterly samples include all cases that were not on AFDC during the previous eleven months and who answered "no" to the question "Have you ever lived in Wisconsin before?" The samples are regarded by knowledgeable state officials as very closely approximating actual experience over the three-year time period. In order to give a more accurate picture of the scale involved, the sums of the 12 quarterly samples have been multiplied by three throughout the report to create totals for the three-year period. State officials estimate that the sums should be accurate within two percent. (3)

II. WELFARE IN-MIGRATION: THE NUMBERS

According to the definition developed above, Wisconsin opened 74,763 new AFDC cases in the three-year period from September 1985 to August 1988. The four southeastern counties of Milwaukee, Racine, Kenosha and Rock received more than 43 percent of the state's newly-opened cases (Table 1).

TABLE 1
Location of Wisconsin's New AFDC Cases
9/85 - 8/88

Location	Cases	Percent
Kenosha Co.	3,066	4.1
Milw. Co.	23,220	31.1
Racine Co.	3,132	4.2
Rock Co.	3,159	4.2
Four Counties	32,577	43.5
Rest of State	42,186	56.5
Wisconsin Total	74,763	100.0

Source: Office of Management Information, Wisconsin Department of Health and Social Services, memo 9/6/88.

Milwaukee County alone accounted for 31 percent. (Traditionally, Milwaukee County services 38 to 40 percent of the AFDC households, so the study definition of new cases shows that a greater percentage of cases in Milwaukee are "flip-ons" or persons who have a recurring history of being on-off-on welfare.)

Twenty-nine percent (21,906) of Wisconsin's newly-opened AFDC cases were from applicants who indicated they had never resided in Wisconsin. The other case openings were state residents (60 percent), or persons who returned to Wisconsin after residing in another state (11 percent). (4)

Those 21,906 non-residents located largely (62 percent) in four urban counties: Kenosha (1221), Milwaukee (10,809), Racine (888), and Rock Counties (762). The Milwaukee County figure alone comprised 49 percent of Wisconsin's new, non-resident AFDC cases during the three-year period (Table 2). This is a disproportionate share, given that the County received but 31 percent of all the "new" AFDC cases for the period.

TABLE 2

New AFDC Cases with No Previous Wisconsin Residency
9/85 - 8/88

	No. of Cases	Percent
Kenosha Co.	1,221	5.6
Milwaukee Co.	10,809	49.3
Racine Co.	888	4.0
Rock Co.	762	3.5
Four-County Subtotal	13,680	62.4
Rest of Wisconsin	8,226	37.6
Wisconsin (Total)	21,906	100

Source: Office of Management Information, Wisconsin Department of Health and Social Services, memo 9/6/88.

Where do these new recipients come from? The largest contributor to Wisconsin's AFDC roles during this time period was Illinois, with 27 percent of all cases in the sample. The other major states where Wisconsin in-migrants previously resided appear in Table 3. Several nearby states make modest contributions, accounting for 16 percent of the total. But Illinois is clearly in a class by itself.

TABLE 3
Source of New Non-Resident AFDC Cases by Major States
into Wisconsin
9/85-8/88

State	Non-Resident Cases	Percentage
Illinois	5,928	27.1
Minnesota	1,422	6.5
Mississippi	1,305	6.0
Michigan	1,017	4.6
Texas	936	4.3
California	801	3.7
Indiana	732	3.3
Arkansas	621	2.8
Tennessee	552	2.5
Iowa	486	2.2
Other & Unknown*	8,106	37.0
TOTAL	21,906	100.0

*Virtually all sources are known; the distributions are too small to note.

Source: Office of Management Information, Wisconsin Department of Health and Social Services, memo 9/6/88.

Two-thirds, or 4,014, of the 5,928 former Illinois residents who came to Wisconsin took up residence in the four counties under study. The ratios of former Illinois residents to all non-residents flowing onto the AFDC rolls in the counties under study appear in Table 4. In two counties former Illinois residents constitute about half of all new non-residents. In the other counties, former Illinois residents account for one-quarter.

TABLE 4

Distribution of Non-Residents From Illinois into Four Counties
9/85-8/88

	Non-Resident AFDC Cases	Number From Illinois	State Percent
Kenosha Co.	1,221	591	48.4%
Milwaukee Co.	10,809	2,748	25.4
Racine Co.	888	276	31.1
Rock Co.	762	399	52.3
Totals	13,680	4,014	29.3

Source: Office of Management Information, Wisconsin Department of Health and Social Services, memo 9/6/88.

When these former residents of other states migrate to Wisconsin, they tend to affect this state's welfare system rather quickly. Of the 21,906 caseheads who came to Wisconsin during the three-year period, just over 40 percent were approved for AFDC within the first 90 days of their Wisconsin residency. (5) In addition, an even higher percentage of the Illinois, Indiana and Texas in-migrants were approved for AFDC within their first 90 days of residency in Wisconsin. These data, shown in Table 5, are indicative of a very poor population. Overall, in four cases out of ten, they seek financial assistance literally upon arrival. From some states, the rate is five out of ten.

TABLE 5

Distributions of New AFDC Cases Opened Less Than Three Months
After Arrival in Wisconsin
9/85 - 8/88

State	Total New Non-Resident AFDC Cases	Those on AFDC Less Than 3 Months After Arrival in Wisconsin	
		Number	Percent
Illinois	5,928	2,928	49.4%
Minnesota	1,422	477	33.5
Mississippi	1,305	414	31.7
Michigan	1,017	327	32.2
Texas	936	432	46.2
California	801	288	36.0
Indiana	732	411	56.1
Arkansas	621	204	33.0
Tennessee	552	162	29.3
Iowa	486	192	39.5
Other & Unknown	8,106	2,952	36.4
TOTAL	21,906	8,787	40.2

Source: Office of Management Information, Wisconsin Department of Health and Social Services, memo 9/6/88.

Milwaukee County

According to the state definition of new applicants and a response of "never lived in Wisconsin before", some 46.5 percent or 10,809 of the newly-opened cases in Milwaukee County between September 1985 and August 1988 were non-residents with no previous Wisconsin residency. This is a substantial number.

The Milwaukee County Department of Social Services has also attempted to count the number of non-residents in their new case openings. But they define both new openings and non-resident differently than the state. The county counts non-residents as anyone who has lived in the state less than one year before going on AFDC. This can include former residents who moved back less than a year previously and excludes non-residents who moved to Wisconsin more than a year before going on AFDC. This definition is even more restrictive than the state's, which includes all non-residents regardless of how long they have lived in the state. But even by Milwaukee County's definition, some 33 percent of the new cases were non-residents. (6) So depending on whether new AFDC recipients were recent or not so recent in-migrants, somewhere between one-third and one-half of all new AFDC cases in Milwaukee County are non-residents.

Using the state data and definition, the data on the source of interstate in-migration to Milwaukee County in Table 6 show that approximately 50 percent of these non-residents came from five states: Illinois, Mississippi, Arkansas, Indiana and Tennessee. The largest single supplier is clearly Illinois. Interestingly the border states of Iowa, Minnesota, and Michigan show a marginally lower source-rate for Milwaukee than for the state as a whole. And southern states such as Mississippi, Arkansas, and Texas show a much higher rate. Again the originating location of Milwaukee's AFDC in-migrants is derived from state data. Consequently, the figures are slightly larger than those derived from the County definition of new cases.

TABLE 6
Milwaukee County Non-Resident AFDC Cases by State of
Previous Residency and Speed of Case Opening
9/85 -8/88

State	Total In-Migrants	% By State	Approved for AFDC Less than 3 Months After Arrival in Milwaukee Co.	
			Number	Percentage
Illinois	2,754	25.5%	1,746	63.4%
Mississippi	1,221	11.3	375	30.7
Arkansas	555	5.1	162	29.2
Indiana	519	4.8	336	64.7
Tennessee	432	4.0	108	25.0
Michigan	330	3.0	132	40.0
Texas	300	2.8	135	45.0
California	249	2.3	141	56.6
Minnesota	129	1.2	51	39.5
Iowa	78	0.7	27	34.6
Other and Unknown	4,242	39.3	1,566	36.9
Total	10,809	100.0%	4,779	44.2%

Sources: Office Management Information, Wisconsin Department of Health and Social Services, memo 9/6/88.

Also appearing in Table 6 is information on how soon in-migrants from each of the supplier-states were approved for AFDC. Overall, almost 45 percent went immediately on AFDC. But nearly two-thirds of the non-residents in the sample from Illinois and Indiana were approved for AFDC within the first 90 days of their residency in Wisconsin.

To summarize, the state data (Table 2) indicate that Milwaukee County opened 10,809 non-resident AFDC cases during the 36-month period, September 1985 - August 1988. That averages out to 300 new out-of-state cases per month, or a little- better than 69 per week.

It is also important to remember that each casehead brings additional family members. The multiplier used by the Wisconsin Department of Health and Social Services to reflect average family size is 3.04. (7) That means Milwaukee County experienced a welfare in-migration during that period of approximately 32,860 persons. That is approximately 913 per month, or over 210 persons per week for the three-year period.

Fifty percent of these new residents came from Illinois, Mississippi, Arkansas, Indiana, and Tennessee (Table 6). More than 44 percent of the total appeared among the County's welfare statistics within 90 days of their arrival in the state (Table 6).

KENOSHA, RACINE & ROCK COUNTIES

Table 2 above revealed that the three other urban counties in southeastern Wisconsin collectively were the recipients of some 2871 non-resident new AFDC cases during the period of September 1985 - August 1988. The absolute numbers are far smaller than those for Milwaukee County, but they are significant for each of the three counties. Former out-of-state residents accounted for 39.8 percent of Kenosha's new cases, 28.4 percent of Racine's new cases, and 24.1 percent of Rock's new cases.

The sources of these new in-migrants vary among the three and in contrast to Milwaukee County. The one clear similarity is that Illinois was the leading source for all four counties (Table 7). Milwaukee and Racine Counties got about one quarter of their new recipients from Illinois, while Kenosha and Rock, two border counties, got about half of their new recipients from there. Aside from Illinois, border states to Wisconsin were of little consequence to these three counties. Notably the ten top suppliers were the same states for all four counties.

TABLE 7

Distribution by States of new AFDC In-Migrants
to Kenosha, Racine, and Rock Counties
9/85-8/88

Percent of County's New Cases			
State	Kenosha	Racine	Rock
Illinois	48.4	31.1	52.3
Texas	5.7	6.1	4.7
Mississippi	4.2	11.8	1.6
Michigan	3.9	4.4	0.8
Arkansas	2.2	1.7	1.2
California	2.0	5.4	2.4
Indiana	1.2	2.4	2.0
Iowa	1.2	0.3	2.0
Tennessee	1.2	5.1	3.1
Minnesota	1.2	1.0	2.4
Other States and Unknown*	28.8	30.7	27.5
Total	100.0	100.0	100.0
	N=1,221	N=888	N=762

*Virtually all sources are known; the distributions are too small to note.

Source: Office of Management Information, Wisconsin Department of Health and Social Services, memo 9/6/88.

In the discussion on Milwaukee County, it was pointed out that over 44 percent of the new non-resident cases were opened within 90 days of the migrant's arrival in Wisconsin. Similar figures are found in Kenosha (45.5 percent) and Rock (43.3 percent). But in-migrants to Racine appear a bit slower in applying for AFDC, given that only 30.7 percent had opened an AFDC case within 90 days of their arrival. In each county, however, a consistent 45 percent of the in-migrants from Illinois had received welfare within their first 90 days in the state.

To further illustrate the scale of population movement in these counties, it is useful to multiply their new in-migrant caseloads by the average number of persons each casehead brings (3.04). Kenosha, for example, has experienced a gain of 3,712 persons through our new AFDC cases over the last three years.

County	New In-Migrants	Total New AFDC Persons Supported
Kenosha	1,221	3,712
Racine	888	2,700
Rock	762	2,326

This averages out at 103 new welfare-supported persons per month. Comparable figures are 75 persons per month in Racine and 65 persons per month in Rock.

III. OUT-MIGRATION

The influx of non-residents into Wisconsin is only one side of the equation. As various demographers will attest, a review of the out-migration from Wisconsin to other states must also be examined before any conclusions can be reached on differential community impact. If AFDC recipients leave at the same rate that they come to Wisconsin, then the numbers we have just reviewed are not of great consequence.

But the numbers on welfare out-migration in Wisconsin do not match those of persons coming in. Statistical research has shown that there is about a three-to-one ratio of in-migrants to out-migrants among the AFDC population, especially with regard to Illinois. (8)

This net-gain hypothesis is supported by other program data. For example, Milwaukee County tracks reasons for the closure of AFDC cases, including a specific category of "client no longer resides in Wisconsin." Data for the first four months of 1988 appear in Table 8. In a comparison of the number of new case-openings from out of state with case closings due to a move out of state, a series of monthly rates are constructed. For the four-month period under consideration, in-migration exceeded out-migration by a 3.4:1 margin. (9)

TABLE 8

Comparison of AFDC Case Openings and Closures in
Milwaukee County From/To Out-of-State
(Jan. '88 - April '88)

	Case Openings From Out of State	Case Closings Move Out of State	Ratio In/Out
Jan. '88	162	43	3.76
Feb. '88	179	64	2.80
March '88	188	51	3.69
April '88	159	44	3.61
Total	688	202	3.41

Source: Milwaukee County Department of Social Services, "AFDC and General Assistance Non-Resident Application Reports".

Out-migration statistics are somewhat difficult to obtain because of the failure of many organizations to capture these data. What does seem clear, however, is that demographers and social service experts generally agree that Southeastern Wisconsin is a net gainer of low-income persons and that the three-to-one exchange rate is a reliable, if not conservative, ratio to apply.

IV. ARE THESE COUNTIES DIFFERENT?

Based on the data presented, Milwaukee County has very different trends, different dynamics and significantly dissimilar patterns of welfare activity than the rest of the state. Any discussion of the in-migration of poor people to Wisconsin must be framed with these differences in mind, or one misses the essence of the issue.

For example, it is clear that non-residents are attracted more to Milwaukee County than to any other area of the state. The data presented in Table 2 show that Milwaukee County received 49.3 percent of Wisconsin's newly-opened, non-resident AFDC cases, and that the four counties accounted for 62.4 percent of the total.

The percentage of the caseload in Milwaukee County has continued to grow over time, while the rest of the state has decreased. Milwaukee County grew from 37 percent to over 40 percent of the AFDC caseload over the last five years, while the rest of Wisconsin decreased from 62.7 percent to 59.6 percent (Table 9). (10)

TABLE 9

Percentage of AFDC Caseload by County

	9/81	3/85	9/86
Milwaukee County	30,715 (37.3%)	35,575 (38.1%)	37,282 (40.4%)
All Other Counties	51,692 (62.7%)	57,832 (61.9%)	54,943 (59.6%)

Source: Bernard Stumbras, "Discussion Charts", Wisconsin Department of Health and Social Services, undated.

The distribution of poverty differs markedly by geographical area. Outside of Milwaukee County, about five percent of the state's population receives AFDC benefits. This compares with City of Milwaukee statistics showing four percent of the white population, 41 percent of the blacks, and 46 percent of all other groups are on the AFDC rolls. (11)

Another measure of relative well-being is the magnitude of the Supplemental Security Income (SSI) benefits received by a county's residents. Milwaukee County has a 24 percent higher (\$41/month) SSI average benefit than the other counties in the state. The number of Milwaukee County cases is 18 percent higher than would be expected from a straight line projection of its population. It is clear from this that the aged and disabled in Milwaukee County have less income. (12)

Milwaukee County also has 34 percent of the state's single, female-headed households yet only 20.5 percent of the state's population. It has 30.3 percent of its total households below the poverty line, while the rest of the state has 22.4 percent in similar circumstances. (13) Still another indicator of a comparative poverty trend can be seen in the number of persons eligible for other benefit programs. Table 10 portrays the differences between Milwaukee County and

the rest of the state in the percentage of applicants who receive AFDC, Food Stamps and/or Medical Assistance. The percentages shown reveal that a much higher proportion of applicants for any of the three support programs are approved in Milwaukee County. Since all counties use the same criteria, the figures show a poorer and more eligible population in Milwaukee.

TABLE 10

Percent of Applicants Receiving AFDC and/or
Food Stamps and/or Medical Assistance

	Milwaukee County	71 Other Counties
1981	81.9%	79.0%
1982	82.1	75.7
1983	83.2	60.2
1984	83.2	56.3

Source: Paper by Bernard Stumbras, Wisconsin Department of Health and Social Services, "Comparison of Wisconsin's New AFDC Applicants and Approval Rates from 1981 through 1984: A Working Paper", January 1986.

V. COMMUNITY IMPACT

Having assembled the numbers on the issue of welfare in-migration to four southeastern Wisconsin Counties, the second issue to be addressed is what is the impact of this on these counties. In the words of the Kenosha County Director of Social Services and his staff:

"While it is important for us in Kenosha to know whether Wisconsin's AFDC benefit levels are actually attracting people to move here, our concerns go beyond the motivational "magnet" question. Whether AFDC families are moving to Kenosha primarily to obtain higher benefits, or to obtain better low-cost housing, or to find better public schools, (or whatever), is not the most important issue to us . . . what concerns us is the scope of welfare in-migration on our community, and the special human service needs which in-migration creates." (14).

The flow of persons into Southeastern Wisconsin discussed in this report has effects across the spectrum of social institutions in each county. The effects can be significant, particularly from a cumulative perspective across several services and over time. To illustrate this, we will review data from several of the institutions most affected - the schools, publicly-assisted housing, and law enforcement.

The public schools are an excellent example of an institution affected by AFDC in-migration. The Milwaukee Public Schools (MPS), for example, have identified the previous geographical status of all students who entered their school system for the 1987-88 school year. (15) The flow of students is as follows:

TABLE 11

Changes of Residence of MPS Students 1987-88

Number of Students	Percentage	
4,878	69.9	From outside Wisconsin
948	13.6	From outside city, but within county (suburbs)
788	11.3	From outside county, but within Wisconsin
360	5.2	Unknown
6,974	100.0	Total entrants to MPS in 1987-88 (excludes internal transfers)

Source: Milwaukee Public Schools

Each year approximately five percent of the total MPS enrollment of 95,000 is involved in a major household transition from out of state to the City of Milwaukee. It seems clear that in-migration is a key dynamic affecting the major educational institution in Milwaukee, especially since the percentage of MPS students currently eligible for a free lunch by virtue of lower income is over 52 percent and growing. (16)

Data from Milwaukee County also show seasonal fluctuations in the number of AFDC applications approved for non-residents. The highest volume in both 1986 and 1987 occurred in the third quarter. (Table 12). Robert Davis, Associate Director for Financial Assistance at the Milwaukee County Department of Social Services, told the Milwaukee County Board in February, 1988 "The higher activity during this quarter (3rd quarter 1987) is believed to be associated with the desire of families to settle in their new community prior to the start of the school year in September." (17)

TABLE 12

Total Milwaukee Non-Resident Applications Approved by Quarter

	1986		1987	
	Percent	N	Percent	N
1st Quarter	19.9	(626)	21.0%	(641)
2nd Quarter	23.3	(733)	21.2	(647)
3rd Quarter	33.6	(1,057)	34.6	(1,056)
4th Quarter	23.2	(725)	23.2	(710)
	100.0%	(3,141)	100.0%	(3,054)

Source: Milwaukee County Department of Social Services

Assisted housing also appears to be substantially affected by welfare in-migration. The City of Milwaukee's Department of City Development (DCD) reviewed the geographical sources of the 3,000 families in its Section 8 low-income rent assistance program. Eligible clients for the program have incomes below 50 percent of the area median; their household incomes ranged from a median annual income of \$5,650 for a family of two to a median of \$10,550 for a family of eight. Over 80 percent of the households receive at least one AFDC grant. The 3,000 families contain some 9,800 persons.

Interestingly, DCD found that 58.4 percent of the family heads had birthplaces outside the State of Wisconsin. These data are consistent with the other findings reported in this section.

DCD also examined the time span between the birth (in Wisconsin) of the oldest child and the date of entry into the rent-assistance program; the elapsed time was more than five years for 78 percent of the group. This time frame corresponds directly to the estimated five-year waiting list for this rent-assistance program. These data suggest that the migration of low-income persons can have sizable long-term carrying costs for that family's new community. (18)

The Milwaukee County Department of Social Services (DSS) reviewed the status of "shared housing arrangements" in the AFDC caseload after two tragic fires in 1987 resulted in extensive loss of life. They found that nearly 12 percent (4,264) of Milwaukee's 38,000 AFDC cases lived within shared family households. Follow-up analysis indicated that 38 percent (1,561) were non-residents, and they involved 42.5 percent of the 1,960 addresses that were identified. (19) These cases represent a total of 4,745 non-residents in shared housing.

The City of Milwaukee Police Department recently analyzed the place of birth for all juveniles age 12-18 arrested in 1988 for full custody, non-status offenses. The key finding is that one-third or 1,068 of the 3,261 juvenile arrests from January 1, 1988 to October 20, 1988 were persons born outside the State of Wisconsin. Only 5.6 percent (181) were from the State of Wisconsin outside Milwaukee. The remaining 2,012 (61.7%) were native Milwaukeeans. (20) The role of in-migration on crime is clearly significant.

Anecdotal testimony about a variety of other impacts of welfare in-migration is in ample supply in all four counties. Conversations with Directors of Social Services in these counties all revealed strong feelings that the in-migration phenomena are seriously imposing on their community's resources. (21) Police sources discuss increases in youth gang activity and juvenile crime. School officials cite academic and disciplinary problems with in-migrant children. Increases in welfare fraud, shared housing arrangements and requests for emergency food and clothing also come up frequently.

VI. SUMMARY AND CONCLUSIONS

As stated earlier, this inquiry into the issue of welfare migration sought answers to two questions: (1) To what degree is the interstate movement of poor people into Kenosha, Milwaukee, Racine and Rock Counties adding to the AFDC rolls in those counties? (2) What, if any, observations can be made about the community impact of such an in-migration?

According to the state numbers an estimated 13,680 formerly non-resident households opened AFDC cases in the four southeastern Wisconsin counties during the three-year period of

September 1985 - August 1988. They constituted as much as 44 percent of the new cases in Milwaukee County and as few as 24 percent of the new cases in Rock County. In the four counties combined they accounted for 42 percent of all the new cases opened in the last three years. That is significant.

What is more important is that each new case represents 3.04 persons according to State estimates. Thus, the three-year welfare in-migration brought a total of 41,587 low-income persons to these four counties. Milwaukee County alone received 32,860 persons or 79 percent of that total. The impact on the Social Service departments was substantial, since these in-migrants came to the four counties at a pace of about 380 cases or 1,155 person per month. Again Milwaukee County bore the brunt of this with an average of 300 new cases and 913 new persons per month.

This in-migration of new AFDC cases may have been partially offset by out-migration of welfare recipients. If we take the three-to-one in- to out-migration ratio that the data reveal, then the net in-migration is still some 254 cases or 770 persons per month for the four counties. On its own Milwaukee County receives 608 new welfare-dependent persons per month. These are sizable figures. Whether one looks at the gross or net migration figures, the answer to question one is clear: a significant in-migration of poor persons is occurring in the four counties under study.

In addition, it also seems clear from the community impact data available that the in-migration in Milwaukee County is heavily impacting the public educational system, available housing, law enforcement, and social service systems. There is no reason to believe the same phenomena are not occurring on a smaller scale in the other three counties. Ultimately, all of these impacts on community resources will register in the form of an increasing local tax burden, not to mention the many social costs. Welfare in-migration is large enough to have numerous negative consequences for the communities affected. They are being felt today.

VII. FOOTNOTES

1. Telephone conversation with Bernard Stumbras, Director, CRN/IMP Implementation Program (Income Maintenance Automation), for the Department of Health and Human Services, November 15, 1988.
2. Memo from Ed Mason, Research Analyst, Office of Management Information, Division of Community Services, Wisconsin Department of Health and Social Services, 9/6/88. "Figures provided for months prior to December 1987 are estimates derived from known AFDC caseload counts at earlier points-in-time and from three months of revised report experiences (Dec. '87, March '88, and June '88)."
3. Bernard Stumbras, Director, CRN/IMP Implementation Program (Income Maintenance Automation), for the Wisconsin Department of Health and Social Services, believes these data samples, when multiplied by three, produce figures that are within one to two percentage points of actual experience, November 1988.
4. Ed Mason memo, op. cit., 9/6/88.
5. A casehead is the applicant or primary person in the applying household.
6. Data drawn from Reports to Supervisor Robert L. Jackson, Jr., Chairman, Social Services Committee of the Milwaukee County Board of Supervisors, entitled "AFDC and General Assistance Non-Resident Applications," for all of 1987 and 1988. It should be noted that Milwaukee County's definition of non-residents includes only those who have not resided in Wisconsin during the past 12 months. Those who moved to Wisconsin more than one year ago are not included in this count.
7. Printout from Wisconsin Department of Health and Social Services, Bureau of Economic Assistance, Income Maintenance Summary Data, September, 1988. The 3.04 figure is used by both the Wisconsin Department of Health and Social Services and the Milwaukee County Department of Social Services for computations.
8. Dr. James Kennedy, "Income Maintenance In-migration in Kenosha County: A Summary Report," October 23, 1985. And Bernard Stumbras, Institute for Research on Poverty. "A Tale of Two (+. Twin) Cities," August 1986.
9. Printout from Milwaukee County Department of Social Services, Division of Economic Assistance.
10. Bernard Stumbras, Wisconsin Department of Health and Social Services, A memo, "Discussion Charts", undated.
11. Paper by Bernard Stumbras, Wisconsin Department of Health and Social Services, "Working Paper Regarding Long Term Recipients," undated.
12. Paper by Bernard Stumbras, Wisconsin Department of Health and Social Services, "1980 Census Data", June 13, 1985, Table III.

13. IBID.

14. Memo by N. Clark Earl, James Kennedy and George Leuterman, "Clarification of Kenosha County Department of Social Services' Position on the Wisconsin Expenditure Commission's Welfare Magnet Study" to WSSBM & DA Executive Committee, June 4, 1986.

15. Printout from Milwaukee Public Schools provided by Douglas Haselow, Office of Intergovernmental Affairs.

16. "Milwaukee Public Schools Report on Educational Effectiveness", November 1988.

17. Report to Supervisor Robert L. Jackson, Jr., Chairman Social Services Committee, from Milwaukee County Department of Social Services, "AFDC and GA Non-Resident Application: 1987 Summary," February 3, 1988.

18. Unpublished Technical Paper by Milwaukee Department of City Development, "Characteristics of Section 8: Rent Assistance Program Families," July 26, 1988.

19. Reports to Supervisor Robert L. Jackson, Jr., Chairman, Social Services Committee, "Creating a Joint City/County Committee to Study Multiple Shared Housing Problems," February 25, 1988, and July 7, 1988.

20. Analysis provided by Captain Dean Collins, Milwaukee Police Department. Full custody non-status offenses are crimes punishable by imprisonment (burglary, rape, armed robbery, auto theft, murder). Each number represents an incidence of arrest and could represent the same person arrested several times.

21. Telephone interviews with William Adams, Director, Racine County Human Services Department, N. Clark Earl, Director, Kenosha County Department of Social Services, and Ursula Myers, Director, Rock County Department of Social Services.

**THE MIGRATION IMPACT OF WISCONSIN'S
AFDC BENEFIT LEVELS:
A RE-EXAMINATION**

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EXECUTIVE SUMMARY

In December, 1986, the Wisconsin Expenditure Commission released a study entitled, The Migration Impact of Wisconsin's AFDC Benefit Levels. The report was prepared for this commission by the Welfare Migration Study Committee.

The stated purpose of the report was to answer a single question, viz., "When all possible evidence is examined, to what extent can it be said that Wisconsin's relatively high AFDC benefit level is responsible for migration to the state?" The report's final estimate is that "... roughly 3% of (AFDC) applicants each month may be considered migrants for whom Wisconsin's welfare programs or benefit levels were factors in their decision to move to this state. The impact of such welfare-motivated migration is to increase the state's AFDC caseload by around 50 new cases per month --approximately 6-100ths of 1% of the total caseload." Based on this estimate, the report concludes, "No statewide AFDC policy changes would appear to be suggested by the relatively small amount of welfare-motivated migration identified here."

The purpose of the present study is to strongly challenge the Welfare Migration Study Committee's report (hereinafter referred to as the Report), from both a methodological and a substantive point of view. The procedure followed here is a careful re-examination of each aspect of the study, as documented in the official report to the Wisconsin Expenditure Commission. This includes the review of the literature, the study design, the integrity of the sample, the interpretation of the survey data and, ultimately, the study's conclusions.

More specifically, it is contended that the original Report is deficient in many areas and, in certain respects, essentially constitutes a misrepresentation of the facts. These charges are leveled for the following reasons:

1. The Report significantly underestimates the statewide impact of welfare migration and, based on this underestimation, goes on to recommend that no policy changes be made. The study's conclusions and consequent recommendations not only run counter to the large body of accumulated evidence on the subject, but counter to the implications of the study's own data as well. The study's own telephone survey of AFDC applicants found that 47 percent of in-migrants since 1981, freely acknowledged that welfare benefits were a factor in their decision to move. Completely ignoring this, the Report asserts that the study succeeded in identifying only a "relatively small amount of welfare-motivated migration." This paper, using the Report's data, shows that between 15 percent and 20 percent of Wisconsin's total AFDC caseload is most likely comprised of welfare migrants. Furthermore, the evidence points to this percentage increasing rather than decreasing, as more recipients migrate to Wisconsin.
2. The Report's review of the social scientific literature on welfare and migration is incomplete, misleading and inaccurate.

The Report identifies what it considers to be two problems. "Problem One" allegedly is that studies of welfare and migration are "overwhelmingly based on census data" and it is charged that such data cannot "... provide a single direct shred of evidence concerning why those moves are undertaken." "Problem Two" is that "Lacking information concerning migrant motivations, the data are not up to the task of proving the [welfare magnet] argument." These observations are extreme and tend to be misleading. They are apparently meant to discredit a whole body of work which rather consistently finds support for the "welfare magnet hypothesis." The many studies which utilize regression analysis, however, including but hardly limited to this topic, cannot so easily be dismissed. The use of regression models can establish factors

associated with (potential causes of) migration, based on what people "do," as opposed to what they "say," and this is of especially great value when dealing with behavior to which any kind of social stigma is attached.

The Report has omitted several relevant and important studies including Glantz (1975), Hinze (1977), Kumar (1977), Cebula (1979), Cebula (1979) and Carlson and Cebula (1981). Each of these studies finds that welfare exercises a significant impact upon migration. This conclusion is reached for a variety of migrant groups, viz., the poor in general, blacks, nonwhites and American Indians. In addition, this finding consistently holds up, even after systematically controlling for the effects of the labor market and other factors.

Finally, in its review of the literature, the Report quotes articles out of context, makes assertions which are in error, and in certain cases misinterprets articles, including the single review article (Cebula, 1979) on which the Report excessively depends.

3. The methodology employed in the study is inherently biased. The Report takes the view that the only way to test the "welfare magnet hypothesis," is to ask welfare recipients whether in fact they migrated in order to receive higher welfare benefits! This viewpoint is somewhat naive. No account is taken for the fact that respondents, for a variety of reasons, might be reluctant to admit that they were induced to move to Wisconsin because of the state's high benefit levels.

Furthermore, in evaluating the potential impact of high benefit levels on migration, induced in-migration is literally only half the equation. The Report makes absolutely no attempt to estimate the extent to which out-migration of welfare dependents is inhibited by these same high benefit levels.

4. The telephone survey sample is not representative. The Report acknowledges that various groups are underrepresented and that these groups include those most likely to be welfare-motivated migrants. These include nonwhites, those receiving AFDC, migrants reporting Illinois as their previous state of residence, and those who live in the southeastern corner of the state -- in Milwaukee County, in particular. The Report, after acknowledging that "... the biases will very likely make any statements about the extent of welfare-motivated migration overly conservative," goes on to assume that "The likely magnitude of this bias is small..." The study data, however, as reanalyzed herein, believe this assumption.
5. The survey data collected for the study are misinterpreted. Even taking into account the expected understatement of voluntary admissions that welfare benefit levels influenced migration decisions, welfare-related reasons still emerged as extremely important. The authors devised an artificial construct which they used to separate welfare-induced migrants into categories of intensity and then arbitrarily decided to define true welfare migrants as only those in the highest intensity categories. It would be more reasonable to classify anyone who admits that welfare benefits, either in their previous state or their new destination, were an important or very important consideration in choosing their place of residence, as someone influenced by welfare rates. It was found that 47 percent of all those in the study who migrated since 1981 acknowledged that welfare benefits (either in the place they left or in Wisconsin) were a factor in their decision to move. The rationale for defining only those in the top two categories (less than 10 percent) as the only ones "who truly appear to have been influenced in a major way by Wisconsin's welfare programs," is simply not justified.

In addition to the Report's failure to recognize that migration is certainly motivated by many factors, and that welfare benefits need not be the only significant factor for a "welfare problem" to exist, the authors are much too quick to seize upon "friends and relatives" as the predominant factor. No attempt was made to explore the extent to which these "friends and relatives" might also be welfare beneficiaries.

The Report discounts the significance of the impact of welfare-induced migration if it "only" emerges in the long run, as if a problem that emerges in the long run is not a problem which policy makers have to address.

Finally, the Report downplays the importance of its own findings from the analysis of the Computer Reporting Network (CRN) data which consists of all welfare applicants' verbal and written responses to questions posed on the application form. Among other things this analysis revealed, "The recent data, however, does suggest increases in both the number of in-migrants seeking assistance and the proportion applying for assistance shortly after moving into the state."

The following report elaborates upon all of the above-stated reasons for challenging the Welfare Study Committee's official report and devotes special attention to a reanalysis of the original data. In addition, an alternate set of policy recommendations is presented, including the immediate freezing of benefit levels, the establishment of a residency requirement for eligibility, and the widespread publication of these policy changes.

BACKGROUND

The Origin of the Argument

The Report to the Wisconsin Expenditure Commission (hereafter referred to as "the Report") recognizes that the issue of whether or not high AFDC payment levels encourage immigration of persons on AFDC (or potentially eligible for AFDC), is neither new, nor is it unique to Wisconsin. The Report points out that the English Poor Laws of 1601 attempted to constrain the geographic mobility of the economically disadvantaged. They provided that localities were responsible for their indigenous poor, and migration of the destitute was prohibited. It is further noted that local areas attempted to circumvent the law by using such strategies as "warning out" (actively evicting poor transients from local jurisdictions), "residency requirements" (establishing a minimum period of residency within a jurisdiction as a prerequisite for welfare eligibility), and "charge backs" (billing recipients' prior residential jurisdictions or jurisdictions of birth for assistance provided).

The Report next concedes that while the nature of the issue has changed somewhat over the years, the problem of localities attempting to utilize both economic and other incentives to relocate the publicly dependent poor, continues to persist and is a matter of public concern. After documenting the long standing nature of the inherent tension among localities seeking to lessen their respective welfare burdens, the Report endeavors to deflect the issue by stating that it is not clear why this historic question emerged with such force in the middle of the 20th century. Here, as in many other places throughout the Report, the authors are apparently attempting to divert the reader's attention from the most salient facts by focusing on less important or even unimportant factors.

In this instance, for example, the Report quotes various officials and cites several studies and newspaper and magazine reports, ostensibly for the purpose of demonstrating the surprising rise in concern with this issue at this time. After reading these quotes, however, it should be obvious, even to the casual reader, that the most important observation, i.e., the fact which should have been emphasized, is simply that many researchers, reporters, public officials, and even the general public, were all recognizing and acknowledging that differential welfare rates were influencing migration patterns. Following are the citations quoted in the Report.

Richard Nixon in his 1969 message on welfare reform asserted that "...by widely varying payments among regions, [the welfare system] has helped to draw millions into the slums of our cities." (Nixon, 1969) Census Bureau demographer Larry Long writes: The rapid increase in the number of persons on welfare (mostly Aid to Families with Dependent Children) beginning around 1966 has been described as "startling" (Banfield, 1969) and referred to as an "explosion" (Gordon, 1969; Piven and Cloward, 1971). This dramatic change is often explained by contrasting what Southern states pay welfare recipients and what New York City pays and concluding that the large difference motivates poor people to move from areas with low average welfare payments to areas with high average welfare payments.

Writing about welfare in 1968, Daniel Moynihan commented (1968) that "...the differential in payments between jurisdictions ... has to encourage some migration toward urban centers in the North" [emphasis in original]. He noted that at the end of 1966 New York State paid AFDC families an average of \$226.85 per month, while South Carolina paid \$62.10; and in the years 1961-65 New York's caseload went up 104 percent, while South Carolina's went down 26 percent. "There is no solid evidence," wrote Moynihan (1968), "that migration had anything to do with these changes, but the possibility is surely strong, and it is absurd to suppose that a

one-year residence restriction would discourage such obviously rational moves." In a cover story on the economy, Time magazine (1972) referred to "...the scandalous situation under which the citizens of states such as New York and Illinois in effect subsidize low tax and welfare levels in other areas, predominantly the South, whose poor still flock to the high-welfare states in order to collect more money." The Wall Street Journal asserted with almost equal force (Garnett, 1972) that Southern blacks "will continue to be attracted to the North, if only because the welfare payments are better."

In a 1969 nationwide survey of 1,107 adults, 41 percent agreed with the statement that "A lot of people are moving to this state from other states just to get welfare money here" (Feagin, 1972). Only 31 percent disagreed with the statement, and 28 percent were uncertain of their views on this subject. Since the survey was nationwide and since persons in states with very low welfare payments appear unlikely to agree with the statement, one could reasonably conclude that a majority of the population in states with above-average welfare benefits believe that "a lot of people" are moving in to avail themselves of welfare (Long, 1974).

In a recent article addressing the question of whether AFDC benefit levels are set so as to discourage migration flows, economists Edward Gramlich and Deborah Laren, of Michigan's Institute of Public Policy Analysis, conclude that "[t]he perception that this migration is important does seem to have a significant influence on states in their setting of AFDC benefits...[M]igration of AFDC beneficiaries does appear to be an important phenomenon, though only in the long run. It does appear to be perceived that way by state legislatures, which appear to be very much conditioned by what other states are doing when they set AFDC benefits" (Gramlich and Laren, 1984).

It is quite extraordinary that in the midst of citing all of the above, the authors of the Report write, "In spite of Moynihan's acknowledgement of the absence of 'solid evidence,' the idea has become widespread that differing levels of welfare payments attract to high-benefit areas large numbers of poor people who disproportionately increase the welfare rolls." This commentary is apparently meant to paint a picture of a group of irresponsible persons and periodicals becoming hysterical for no reason, as if what everyone is observing could not possibly be the case. After assembling all this documentation, the Report continues, "Whatever the cause, [emphasis not in original] the welfare migration issue gained momentum in Wisconsin late in 1984." Again, there is a transparent attempt to create the impression that there is no discernible reason for anyone to be overly concerned with this issue, and establishing this tone seems to be the authors' major purpose in the first section of the Report.

Utilizing the exact same sources, another researcher could have more legitimately commented along the following line, "Although it remained for the social scientists to document the phenomenon, it seems evident to most observers that differential welfare rates are dramatically affecting regional migration patterns."

Some Undisputed Areas in the Welfare Migration Debate

This section of the Report begins, "Some aspects of the 'welfare magnet' question appear not to be in debate." It goes on to specify various facts, treating them as if they were concessions:

- Wisconsin's AFDC benefit levels currently are higher than those which prevail in most other states.

- Data from the 1980 Census clearly document the fact that Wisconsin experiences a net immigration of low income families and individuals.
- This results in a small annual net addition of low-income persons through migration.
- This causes added social stress and financial burdens for those communities which, disproportionately and for whatever reasons [in the original], serve as the residential destinations of low income migrants.
- These locality-specific problems are heightened by the reality in the United States that economic deprivation is not shared equally by all population subgroups, but falls heavily on nonwhite minorities.
- The idea that people -- of whatever social or economic stratum -- move to better their situation carries with it the weight of simple common sense as well as formal theory in both the demographic and economic disciplines.

After walking the reader, step by logical step, through all of the above, the Report once again reverts to its defensive posture and states, "These acknowledgements notwithstanding, the 'welfare magnet' hypothesis still is unproven. While there exists qualified support for it in the empirical social science literature, there is sufficient reason to challenge much of the purported evidence. Moreover, the analysis of aggregate data from the state's Computer Reporting Network (CRN) data base raises several interesting issues which weaken the strength of the argument in the absence of more compelling information on the migration motivations of the actual migrants."

That the Report concludes the section on "Undisputed Areas in the Welfare Migration Debate" with the above commentary is quite remarkable. Instead of objectively noting that the "undisputed" facts would seem to lend credibility to the perceptions of public officials, reporters and the general public, who, as we have already been told, believe that welfare rates affect migration patterns, the authors choose instead, through the use of qualifying phrases, to mitigate the cogency of the argument and set the reader up for a subsequent incomplete and misleading review of the social scientific literature.

A Review of the Social Science Literature

The report devotes approximately six pages to a "review" of the social scientific literature on welfare and migration. The authors first observe that a central tenet of the public finance and microeconomics literature is that "...rational people...will migrate in the interest of improving their situation." The Report goes on to paraphrase this tenet when it states that "...given the opportunity and sufficient motivation, all of us will move to better ourselves."

At the beginning of the very next paragraph, the Report rather naively and patronizingly observes that "In reality, of course, not all people migrate; nor do they necessarily want to do so." The Report makes this observation as if it were an enlightenment, and in so doing fails to recognize the basic truth that the literature [cf. Schultz (1961), Sjaastad (1962), Gatons and Cebula (1972), Riew (1973), and Cebula (1979)], some of which the Report itself even references, has long recognized that the costs associated with geographic mobility influence the likelihood of moving and may result in an absence of migration (for at least some people).

In any event, the Report next proceeds to identify -- at the outset -- two basic problems it sees with the social science literature. "Problem One" allegedly is that studies of welfare and migration are "overwhelmingly based on census data." Going further, such data allegedly cannot "... provide a single direct shred of evidence concerning why those moves are undertaken."

"Problem Two" is that "Lacking information concerning migration motivations, the data simply are not up to the task of proving the [welfare magnet] argument."

To begin with, if these two observations were valid, why should the Report have even bothered to subsequently review the literature at all? There would be no point in doing a detailed critique of something that is defined (albeit arbitrarily) as invalid. It appears that the so-called "review" of the literature is actually a thinly disguised rationalization for ignoring the results of a whole body of literature whose consistent findings the authors of the Report obviously are unwilling to accept. The stated basis of the authors' objection to most of the work done in this area is the reliance on regression models utilizing census (aggregate) data. While this technique clearly has its limitations (no doubt recognized by those who use it), the authors attempt to discredit this methodology seems extreme and misleading. The many studies which utilize correlation and regression analysis, including but hardly limited to those on the topic of welfare migration, cannot so easily be dismissed. Regression analysis can establish factors associated with (potential causes of) migration, based on what people actually "do," as opposed to what they "say," and this is of especially great value when dealing with behavior to which any kind of stigma is attached. The relative merits of regression models versus survey techniques are discussed in greater detail in a later section of this report under "Study Design."

The Report begins its review with a direct but extremely cursory examination of the pre-1979 social science literature. This section of the Report depends (excessively) upon a single 1979 review article written by Cebula (1979). Aside from significantly misinterpreting this article (to be elaborated upon below), there are other problems with relying upon a single survey article published in 1979 for a review of the literature to (through) 1979. In particular, given (a) the time lag involved in the refereeing process (including editor-required revisions) and given (b) the additional time lag between formal acceptance and the actual publication, the probability of overlooking relevant literature published (in this case) during the years 1977, 1978 and 1979 is extraordinarily high.

In point of fact, a number of important studies not included in Cebula's article (for the above cited reasons), were inexcusably omitted from the Report's 1986 review. Given the academic roots of the Report's authors, this problem certainly should have been anticipated and acted upon accordingly. In any event, before examining some of the relevant material overlooked by the Report, several of the Report's "observations" regarding the pre-1979 social science literature should be addressed.

First, the Report quotes, out of context, the following: "The most relevant of his results finds nonwhites strongly attracted to high-welfare areas and whites strongly attracted to low-welfare areas." [See Cebula (1979), 74-75]. This quote is alleged by the Report to apply to "...the results of regression models..." in general. In point of fact, this quote refers simply to one study (note the presence of the possessive pronoun "his" in the quotation).

Next, the Report attacks the seemingly quoted words from Cebula (1979) that: "Although a few studies argue to the contrary, the general finding seems to be that, *ceteris paribus*, [the poor] are strongly attracted by the prospect of higher welfare benefits." This alleged quotation from Cebula (1979) is characterized by the Report as exceeding "...the limits of what legitimately can be said from such studies..." In evaluating this position, it should be noted that the Report fails to provide an exact quote and is also misleading since it fails to present the important sentence that immediately precedes the alleged quote.

For one thing, the words "the poor" are inserted into the "quote" by the Report, in place of the actual words, "such groups." Furthermore, the quote is effectively taken out of context by the omission of the preceding sentence which dove-tails into the quote. The excluded sentence reads: "The literature reviewed thus far seems to indicate that inter-area welfare level differentials may

well exercise a perceptible positive impact on various groups of migrants, particularly the poor..." [Cebula (1979, 75)]. Note that, in this sentence, the words "seems to indicate" and "may well exercise" appear. Indeed, even in the misquoted sentence, the words "seems to be" appear. Thus the characterization of the Cebula (1979) survey article in the Report needs to be recast in a less extreme light: The Cebula (1979) survey in fact does not categorically state that high levels of welfare induce migration but rather simply indicates that there exists sufficient evidence to suggest that such may in fact be the case.

When the Report continues, "It is our belief that such conclusions involving individual motivations cannot and should not be made on the basis of regression models ..." it is then technically logical to deduce that the Report takes the position that the results of regression analysis cannot be used to even hypothesize whether there is a possible link between high welfare levels and migration. To say the very least, this is an extreme, if not completely untenable, position, one lying far outside the mainstream of social scientific research.

The Report also asserts that "...most of the studies cited...use race as a proxy variable for welfare dependence." This assertion is absolutely in error. In point of fact, nonwhite migration simply is treated as a proxy for migration of the poor. As observed in Cebula (1979,130), "...in most of the literature...nonwhite migration is taken as a proxy for migration of the poor." Furthermore, not only does the Report incorrectly characterize the literature as assuming "...that being nonwhite (or black in a few studies) is to be among the welfare poor," but the Report is also remiss in failing to explain why, in fact, nonwhite migration is used as a surrogate for migration of the poor.

Although, on average, black migrants are in fact "poorer" than their white counterparts, it is nevertheless conceded that a large portion of black migrants are not poor in the sense of being at or below the federally-defined poverty level. At the same time, however, the utilization of race as a surrogate for poverty is hardly arbitrary. From a pragmatic point of view, it is often a reflection of a lack of available data on poor migrants or welfare-recipient migrants per se. Furthermore, race as a surrogate for poverty is suggested, if not justified, by the facts that the unemployment rate among nonwhites is much higher than it is among whites, the per capita (and median) income level is much lower for nonwhites than for whites, and a significantly greater proportion of nonwhites than of whites is eligible for, and is actually receiving, welfare. Thus, while it is preferable to have data for poor migrants per se, the fact that various studies utilize nonwhite migration as a proxy for migration of the poor, does not constitute sufficient grounds for discrediting or dismissing these studies out of hand. In fact, as will be shown in a later section of this paper entitled "New Evidence," a recently completed study by Cebula (1988), which focuses directly upon the location decisions of the poor per se, confirms the findings of earlier studies which relied on race as a surrogate for poverty.

Returning to the Report, it next asserts that "...the attention to property taxes in this review [Cebula (1979)] is curious." On the contrary, the fact that the Report finds the attention afforded in Cebula (1979) to property taxes as curious, is in itself curious. After all, the title of Cebula's review article is "A Survey of the Literature on the Migration Impact of State and Local Government Policies." In other words, Cebula's survey article was never intended to be restricted in scope merely to welfare. Once again, this appears to be another case of the authors of the Report deflecting the reader's attention away from the central issue by attempting to create a problem where one does not exist.

This section of the Report concludes by advocating that "...if you want to know why the welfare poor migrate, then ask them." The fallacy of this approach will be discussed in a later section of this paper, "Study Design." Suffice it to say at this point that this methodological approach is a questionable one.

The Report next addresses the post-1979 social science literature and purports to examine the findings in three studies, one by Southwick (1981), one by Gramlich and Laren (1984), and one by Blank (1985).

Southwick (1981) is correctly characterized by the Report as using AFDC migration as his dependent variable, "...employing data from the 1967 AFDC study conducted by the Department of Health, Education and Welfare." Likewise, the Report accurately quotes Southwick's (1981) conclusion that "...the potential benefit level appeared to exert a strong positive influence on recipient migration." The Report then marvels at the finding in Southwick (1981) that the significance of the AFDC variable (the monthly AFDC payment to a female-headed household of four people) decreases as other independent variables are added to the equation. The Report then asserts: "This confirms a point we made earlier in this report. The correlation of other factors with high benefit levels means that the importance of AFDC benefits, as an explanatory variable, will decline as the influence on migration behavior of other variables is explicitly taken into account."

What the authors of the Report either do not realize or simply choose not to recognize is that this is a well-known phenomenon called multicollinearity. It is entirely possible to continue introducing variables which are correlated with a significant independent variable so as to reduce that original independent variable's significance. Southwick (1981), as a matter of fact, performs six separate tests, using several data sources, of "...the question of whether AFDC recipient migration is related to incentives provided by AFDC benefits." Despite the diversity of tests and variables, multicollinearity considerations, and other technical factors, it is extremely noteworthy that Southwick (1981) nevertheless comes to "[t]he important conclusion...that welfare payment incentives do induce migration by welfare recipients."

Despite the fact that the Report takes the position that findings from regression analysis "...simply are not up to the task of proving the [welfare magnet] argument," the Report does see fit to point out one finding of Southwick's (1981). "In noting the apparent significance in his models of average earnings and unemployment rates on the migration of AFDC mothers, he [Southwick] remarks ... 'They seem to suggest that work-related incentives are very much of concern to people who ultimately receive welfare benefits and that benefit receivers would prefer to work'." The implication here is that if this is true, then welfare benefit levels must not be a factor. This is another example of the Report's refusing to recognize a very basic truth, viz., that welfare benefits need not be the only significant determinant of migration for a "welfare problem" to exist. This matter, though relevant at this point, takes on even greater significance vis-a-vis the Report's analysis of the results of the telephone survey. This will be taken up accordingly in the section of this paper, "Findings from the Telephone Survey."

Returning to the review of the post-1979 literature, the Report notes the Gramlich and Laren (1984) conclusion that: "...migration in response to AFDC levels does seem to take place, though very sluggishly." The Report is quick to seize upon the notion that "[t]he pace of the migration shifts is based on...relatively small numbers of AFDC migrants. ..." The Report proceeds to stress that "[t]he numbers of migrants involved are modest, indicating that the significance of the finding emerges only in the long run." This is an amazing reaction! Is this meant to imply that when society finds that a certain policy generates resource distortions, but only over the long run, then society need not be concerned about it nor should it feel obligated to make changes in that policy?

In the final study reviewed by the Report, Blank (1985, 3) is quoted as follows: "...locational choices of female household heads are significantly affected by welfare benefit levels, although wage differentials are also important." The Report observes that since welfare benefit levels and wages are positively correlated, Blank (1985, 24) points out that "...[a]s changes in these two variables occur there is no a priori way to predict which will dominate." Again, the Report fails to either realize or recognize that there is no reason to require that one of these

variables necessarily dominate the other. It is only relevant that, despite a high degree of correlation in this case, welfare still turns out to be a significant factor in migration.

Summary of the Social Science Literature

In summarizing the social science literature as a whole, the Report concedes, "Although most of the studies fall short in one way or another, they are quite consistent in their conclusions. Welfare payment levels are associated with the migration of welfare recipients." The Report then clutches to the technicality, "This is not the same as saying that welfare payment levels cause the migration of welfare recipients...". The Report then falls back on the notion that the significance of the association between welfare payment levels and migration "...emerges only in the long run." And finally, the section ends with the logically convoluted thought, "...given that policy makers are likely to be responsive to the potential long run effects, it is likely that the perception that this migration is important influences states in setting their benefit levels."

The implication of the above-quoted remark is, first of all, that policymakers should not, or at least need not necessarily, be responsive to the potential long run effects of this problem. They are likely to be responsive, but this is treated as if it were part of the problem. Secondly, and most importantly, the authors would have us believe that states, in setting their benefit levels, are likely to be influenced by the perception that migration is important. In other words, migration is not actually important; it is only perceived as being important, and it is this perception (misperception) which influences state policymakers.

Omissions from the Review of the Literature

The Report has also omitted from its review of the literature a number of relevant and important studies. Accordingly, to provide the reader a familiarity with such studies, certain of the omissions are herewith briefly examined.

Glantz (1975) examined the determinants of migration of the poor to metropolitan areas. The study used regression analysis to attempt to identify some of the fundamental factors associated with migration of the poor into and among large metropolitan areas of the United States between 1965 and 1970. The results support the hypothesis that the poor migrate to areas offering higher welfare benefits. The results also suggest that the poor migrate towards areas which offer more employment opportunities.

Glantz (1975, 35) observes:

"This paper has shown that the migration of the poor may be viewed as a response to interregional differences in economic opportunity -- economic opportunity defined to include income from nonlabor as well as labor sources. The regression results support the hypothesis that the poor migrate towards areas offering higher welfare payments per recipient. It also seems clear that the poor migrating to urban areas do consider job opportunities when selecting a destination...It appears, therefore, that the determinants of the migration of the poor are a special case of the determinants of the migration of labor. Labor migrates in response to interregional differences in economic opportunity. The importance attached to the various components of economic opportunity is dependent upon the migrant's economic status -- the lower a migrant's economic status (defined by his earnings potential) the more importance he attaches to interregional differences in nonlabor income in his migration decision."

Thus, Glantz (1975) views welfare as a special form of income.

A major study of the factors associated with net migration to metropolitan areas was published by Kenneth Hinze (1977). Chapter 6 in Hinze (1977) deals with the determinants of black migration over the period 1960-1970. Hinze (1977, 105) observes that the "...hypothesis of important welfare influences on SMSA black net migration 1960-1970 seems to be supported." In summarizing his overall results, Hinze (1977, 109) states:

"The results of this chapter support the hypothesis that amenity factors were not important forces on black SMSA net migration 1960-1970. Rather, important factors seem to have been SMSA change in manufacturing activity and some "objective level of living" variables - - perhaps income and educational opportunities, but almost certainly AFDC payment level."

Interestingly, Hinze (1977, 104) also states: "The positive AFDC payment effect conforms to our hypothesis that payments are meant to be a type of income." This observation is quite similar to one made by Glantz (1975, 35).

Other studies have generated results quite similar to those in Hinze (1977). For example, a two-stage least squares analysis by Kumar (1977) finds welfare to exercise a positive and significant impact upon nonwhite migration. And Cebula (1978) finds nonwhite migration to states to be an increasing function of AFDC levels (as well as median income). In addition, in Chapter 9 of Cebula (1979, 101) it is found that "...blacks will be attracted to areas with higher welfare benefits."

At least one other study warrants a brief mention, the study by Carlson and Cebula (1981) of the impact of welfare on the geographic mobility of the American Indian. Carlson and Cebula (1981) observe that the case of the American Indian is unique from that of other population groups in several respects. To begin with, relative to all other major population groups, Indians are very poorly endowed with human capital. Given this fact and the persistence of net adverse discrimination, American Indians are at the lowest level of the income ladder of all major population groups in the United States. Next, until comparatively recently, the American Indian has been principally concentrated on reservations. In the 1950s, a major move by the federal government to encourage relocation off the reservations was initiated. Thus, the American Indian was being pushed into a labor market (a) that he was poorly prepared to enter, and (b) that, in addition, was less than receptive to him. Given these circumstances, it is argued by Carlson and Cebula (1981) that the relocation decisions of American Indians may be significantly influenced by the level and availability of public assistance. In other words, lacking labor market skills and job opportunities, the requirements of survival would make the level of available public assistance a significant component in the locational decisions of American Indians.

Carlson and Cebula (1981) estimate a variety of regression models. In each case, the coefficient of the AFDC variable is significant at the one percent level. Accordingly, Carlson and Cebula (1981, 324) conclude that "...the location decisions of the American Indian are influenced by geographic AFDC differentials. In particular, the American Indian population is apparently strongly attracted to high welfare areas."

In conclusion, then, the half dozen studies briefly summarized here all find welfare to exercise a significant impact upon migration. This conclusion applies for a variety of migrant groups: the poor, blacks, nonwhites and American Indians. In addition, this conclusion is always reached after systematically controlling for the effects of labor market and other potentially relevant factors.

New Evidence

The previous two sections comment upon the inadequacies of the Report's review of the literature. The purpose of this section of the present study is to provide the reader with additional and new evidence on the effects of welfare policies upon migration. Since the article discussed herein was only written this year, (1988) the authors of the Report obviously cannot be held liable for not including it in their review.

Cebula (1988) seeks to empirically investigate the impact of geographic welfare benefit differentials upon the location decisions of the poor. This study differs from similar studies, such as Glantz (1975) and Southwick (1981), not only in its emphasis upon the location decisions of the poor per se, but also in its examination of real as well as nominal geographic welfare benefit differentials.

Cebula (1988) includes the following variables in his model:

MP = a measure of the net migration of the poor to each state, 1975-1979, expressed as a percent of the total population of the state. The data to compute MP were obtained from the U.S. Bureau of the Census, Current Population Reports, series P-60, No. 110-113 and the U.S. Bureau of the Census, 1980 Census of Population, Vol 1, Chapter C (PC80-1-C).

AFDC = the average monthly payment per recipient family in the form of Aid to Families with Dependent Children, in each state, 1975. These data were obtained from the Statistical Abstract of the United States, 1982, Table 562, p.345.

MI = the median family income in each state, 1975, also taken from the Statistical Abstract of the United States, 1982, Table 735, p.441.

UN = the unemployment rate in each state, 1974, expressed as a percent. These data were obtained from the Statistical Abstract of the United States, 1975, Table 572, p.350.

COL = cost of living index, taken from McMahon and Melton (1978, Table 2).

WARM = a dummy variable to control for climactic factors.

WEST = a dummy variable to control for regional factors.

Cebula (1988) examines one model using only dollar amounts for AFDC and MI (median income). This model estimates the effects of these variables in nominal terms. A second variant of the model factors in the cost of living, so that the effects of AFDC and MI can be estimated in real terms. The findings strongly suggest that the location decisions of the poor are positively and significantly influenced by both nominal AFDC levels and real AFDC levels. These findings, consistent with the findings of many and various studies already cited, provide further support for the "welfare magnet hypothesis," which alleges that relatively high welfare payment levels act to attract the poor. Moreover, given that the poor are attracted not only by high nominal welfare levels but by high real welfare levels as well, Cebula observes that an argument can be made for establishing geographically uniform real welfare benefit levels in the United States. This uniformity presumably should act, over the long run, to eliminate the human resource distortions now being caused by the currently prevailing welfare system. As Glantz (1975, 35) succinctly pointed out, "From the standpoint of economic efficiency, it is in the national interest to eliminate interregional differences in welfare payments."

Aggregate Data for Wisconsin

In this section of the Report it was contended that although the literature reviewed "provides mixed support for a 'welfare magnet' hypothesis, [it] suffers from the two very problematic shortcomings mentioned previously and from some additional minor problems as well. Certainly it does not provide a definitive answer for the current debate in Wisconsin."

The Report repeats its objections to the use of aggregate data and to the use of surrogate variables. It has already been pointed out that the Report's position on aggregate data is extreme, to say the least, and Cebula (1988), utilizing data on the poor per se, obtained findings consistent with all the other studies reviewed. To these tenuous criticisms the Report adds its concerns that the studies reviewed are "relatively old" and that they "do not focus upon migration patterns as they relate to Wisconsin."

It has already been noted that Cebula (1988), utilizing more recent data, confirms earlier studies establishing a relationship between welfare benefit levels and migration. On the final point, to be reluctant to accept the findings of a local study (e.g. Wisconsin) as having applicability nationally, would certainly be more legitimate than to discount various, comprehensive national studies as not necessarily being valid in Wisconsin.

It would appear that the authors' purpose in this section is to reaffirm their contention that the "welfare magnet" hypothesis, though found to be supported, has not been proven, at least not specifically in Wisconsin. And, "In an effort to overcome these shortcomings, we turned to the state's Computer Reporting Network (CRN) data base to provide some insight concerning the dynamics of the Wisconsin AFDC population."

The Report continues with a description of the CRN data which represent applicants' verbal and written responses to questions posed at the time of application for one or more of the state's assistance programs. The CRN records include information regarding demographic characteristics of the applicant and persons in the case and the social composition of the household, its financial resources and material wealth. The Report presents the findings of its analysis of the CRN program data in a later section devoted exclusively to this end.

Welfare Migration: The Popular View

The Report begins this section by repeating its inaccurate contention that the literature relative to the welfare magnet question, is mixed in its conclusions. It states, "Regardless of the lack of consensus in the scientific literature on the matter, and despite the wealth of program data available in Wisconsin to temper the debate (not discussed in the Report at this point), the common perception is that Wisconsin's relatively high AFDC guarantees serve as motivating force for in-migrants from states with lower benefits." The strategy of the authors of the Report appears to be to create the impression in the reader's mind that there is no evidence to support the welfare magnet hypothesis and to attribute blame for public "misperceptions" on this issue to an irresponsible and hysterical media. The Report continues, "Media attention to this issue, we would argue, is largely responsible for maintaining this perception."

This section of the Report is organized into five parts: (1) observations on the validity of the "welfare magnet" hypothesis, (2) comments on alternative explanations for observed migration patterns, (3) perceived effects of any welfare migration, (4) perceptions regarding the need to study the issue, and (5) perspectives on actions to be taken.

The first section provides a sample of quotes from various print sources and by various officials, apparently selected to demonstrate the hysteria surrounding this issue. For example:

"It seems that just about everyone except some Ivory Tower professors and state bureaucrats is convinced that people are being lured here by higher benefits."

"This state has been known for many years as the dairy state but many people around the country know that we're also the welfare state...and we have to do something about it."

"To believe them when they say they are coming here for jobs is to believe in the tooth fairy. There are no jobs. They are coming here for one reason: Welfare pays more."

"[The woman] was given public assistance (in Chicago) in the form of Greyhound Therapy. They sent her here [Madison] to maximize her earning power."

The next section is supposed to show that there are competing explanations. First, comments by officials:

"When they have been living in the housing complexes and have been caught up in the welfare trap [in other places], clearly Kenosha is a more attractive place to live."

"[T]he steady increase in welfare cases indicates an inability of the state's economy to rescue many low-income people from the nation's economic recession."

"[T]he break-up of families under the stress of economic recession has influenced the statistics. A broken home often causes one of the spouses to turn to welfare."

The above quotations are noteworthy since they were selected by the authors of the Report themselves, and yet do such a poor job of demonstrating the authors' contention that there are competing theories which plausibly explain the acknowledged movement of welfare applicants into the state. The last quotation is particularly noteworthy since before it goes on to attribute (for some) the motivation of job placement, it directly speculates that welfare rule changes at the point of origin may have induced movement into Wisconsin.

The Report next provides a sample of the published comments of welfare recipients themselves which, it has already been argued, is not necessarily the most trustworthy source of information relative to this issue. The Report introduces these comments: "The comments of recipients which appear in the press are more likely to focus on quality of life explanations or stress personal circumstances. Few (if any) state that higher welfare benefits prompted their decision to relocate in Wisconsin."

"Living in Chicago was like living in pure hell. It was not just the money. Here, you can sit on your porch and not worry about someone knocking you on the head just for looking at them."

A former resident of New Orleans said she lost her leg in an accident and moved to Wisconsin so her mother could help raise the children. Her mother has lived in Wisconsin for 16 years.

A former Atlanta resident said he moved here to live with his sister. He added that he is looking for work... "I was tired of the fast life" he said in explaining why he left Atlanta.

This sampling of comments is indeed amazing. Again, they were selected by the authors of the Report themselves and they make a better case for the welfare magnet hypothesis than they make for any competing theory. The first recipient states directly that it was not just the money, acknowledging that the money was at least part of the reason and implying that it was the main reason. The second "quotation" does not even contain a quotation. Furthermore, this may be an

example of accepting "family" as a reason for migration without digging deeper for a fuller explanation. The fact that the woman's mother will raise the children implies that the mother does not work. What if she too is on welfare? Wouldn't that mean that welfare was indeed the reason for the move? This point will be raised again relative to the section of the Report which analyzes the survey data. Finally, the last quotation is ambiguous at best. Being "tired of the fast life" could just as easily mean looking to relax and collect welfare.

The point of the above commentary is not to discredit the individuals singled out by the authors of the Report. It is to show that the few cases the authors themselves selected to make their point hardly accomplish that purpose. As it has been shown to be with every section of the Report and with every argument presented, this section once again is extremely weak in its logic and its credibility.

The next group of quotations is quite astonishing given the Report's predilection to resist the welfare magnet hypothesis. All the quotations are from newspaper stories and record the comments of police officials, school personnel, program administrators, public officials, etc., people with first-hand experience dealing with the impact of in-migrants.

"Kenosha's 'welfare in-migrants' [are] causing some serious concern. Educators, police and social service people talk about: the formation of youth gangs and juvenile crime jumping 25 percent in the last year; welfare fraud complaints increasing by two-thirds since 1982; new students being far behind their classmates academically; and, at one elementary school, a tripling of serious misbehavior in two years; [and] the possibility of aggravated race relations."

"We seem to have some social thinkers in Madison and a governor who are blind to the problems facing us. Some of these families have been here from Illinois only 18 months and they already have 18 to 20 police contacts. Probably 50 percent of our homicides in the last year were due to transient crime."

"People are tired of drugs in the neighborhood, of prostitution, and of kids being beat up. Higher welfare payments in Wisconsin contribute to our crime problem."

"We're only six miles from the Illinois border, and they're coming in every day. Slum landlords are taking advantage of them, and we have blighted neighborhoods."

"[T]he arrival last year of 563 students [in one school district] from out of state [referring to Wisconsin's generous welfare created 'border hopping'] created many problems for the system, including expansion of a number of special education programs."

"They [Kenosha welfare in-migrants] have come to us anywhere from maybe two to four years behind academically in reading and math."

"It is not a racial situation. It is a situation where we have a large number of people coming into this city, and they are people who are not making their share of the contributions."

"People around here are pretty upset about seeing these new people sitting around, collecting AFDC checks and not doing anything about getting a job."

As already noted, the inclusion of these quotations in the Report is surprising. There is no commentary. They clearly bring home the point, however, that there are other, indirect but very real, costs associated with the in-migration of welfare recipients.

The next series of quotations is intended to demonstrate that the commissioning of the study, which resulted in the Report, was itself controversial. There is no need to reaffirm this. The objections to the study centered on questions about the objectivity of the research (raised by this present re-examination of the Report, after the fact) and whether it represented a substitute for a substantive response to a recognized problem.

The final series of quotations, which also do not have to be presented here, merely demonstrate that among those convinced that the welfare magnet hypothesis is operational, there is not necessarily agreement on the most effective or even the proper response.

This part of the Report ends with a section entitled "An Observation on the Nature of the Influence of the Media." It proceeds to enumerate all of the difficulties attendant with taking media accounts related to the welfare magnet question at face value. These include the probability that officials' statements are "media-filtered," that there is a lack of independence from one press account to another, that some individuals are better than others at getting press coverage, and finally, that there may be a "halo-effect" in operation, i.e., "once an issue is identified and publicized as a social concern, others suddenly see the topic in a new light." All these difficulties are apparently intended to discredit the media vis-a-vis its coverage of this issue. However, there is not one "difficulty" mentioned that applies specifically to this issue. Thus, if these difficulties apply in this case, they apply in all cases, and the media's coverage in general must be suspect.

This section patronizingly concludes, "Still, anecdotal accounts respecting the issue cannot be discounted. We believe that, in many cases, they represent honest perceptions of what is happening by individuals who may be in the best position to detect societal changes first. And while such observations do not constitute proof in any formal sense, or a measure of the extent of the problem, they are valuable tools for framing appropriate questions for more vigorous investigation."

This conclusion is extremely patronizing. Characterizing public officials' and media accounts of this phenomenon as "honest perceptions" implies that although they may be honest, they are wrong. It is herein contended that these "perceptions" are not merely honest, but in fact represent a more accurate portrayal of the truth than the final assessment of the Report.

STUDY DESIGN

This section of the Report outlines the research strategy. It involved four phases of data collection: (1) data collected at the time of application for assistance, (2) data gathered from a telephone survey, (3) data provided by the Department of Health and Social Services' Computer Reporting Network (CRN) data base, and (4) impressions obtained in focus groups of AFDC recipients interviewed in the survey.

At this point it should be noted that there are various levels of criticism which apply to the research design. At the broadest level there is a serious problem with the assumption that the best and, as the authors of the Report would have us believe, only way to find out why welfare recipients migrated, is to ask them. This approach, it seems, is naive. Certainly survey research can oftentimes yield useful information regarding respondents' values, attitudes, opinions, behavior patterns, etc. However, in the case of welfare, the receipt of which involves a stigma in American society, the interview technique may not even be capable of yielding accurate results. It is very probable that, given the recognized social disapproval associated with being "on welfare," recipients might be reluctant to admit that welfare played a significant role in their decision to migrate.

In addition to the "embarrassment factor," welfare recipients are, as has been established by Brehm and Saving (1964), quite rational. When welfare recipients receive official sounding letters from the University of Wisconsin and when they are formally asked to explain why they moved to Wisconsin (one of the higher welfare states in the nation), they are likely to reason that either they, or the welfare system in Wisconsin, or both, are under scrutiny or somehow being evaluated. The rational response is clearly to say that welfare had nothing to do with their moving to Wisconsin. Welfare recipients can easily deduce that if welfare levels in the state are determined to be encouraging welfare in-migration, welfare reform might ensue. To impede this, they quite rationally would be motivated to deny that welfare influenced their migration decision.

The approach thus advocated by and adopted in the study is therefore suspect. In addition, there are other levels of criticism which apply. The first observation, regarding the application questionnaire, is simply that after the respondent is informed that answers to the questionnaire are to be kept "completely confidential," questions 1, 2 and 3, respectively, ask for the respondent's name, address and social security number.

Regarding the telephone questionnaire, which the Report describes as "the heart of our study," given its length and complexity, the likelihood of accurate responses should be a matter of concern. The attention spans of the respondents were certainly pushed to the limit thereby rendering results questionable from this perspective alone. Additionally, the copy of the questionnaire shows that at various points during the interview, data collectors were responsible for entering answers which the respondents had given to prior questions in order to "branch" to the appropriate set of subsequent questions. This suggests that either the computer assisted telephone interviewing (CATI) system utilized was not sophisticated enough to check prior response patterns and control the flow of questions on this basis, or that whoever programmed the questionnaire onto the system did not take advantage of this capability. In either event, the full benefits of CATI were not enjoyed, and the survey was subject to interviewer error just as it would have been had the survey been administered on paper forms.

On another level, if it were truly intended to discover the extent to which welfare considerations influenced respondents' migration decisions, there should have been more attention devoted to this issue, and the questions should have been framed in such a way as to encourage an admission that welfare was, in, fact a consideration.

That the authors of the Report would expect to elicit such a socially undesirable response from open-ended questions is unrealistic. Respondents were asked, "Why did you decide to leave (point of origin)?" IF MORE THAN ONE ANSWER: "What was your main reason for deciding to leave there?"; "Now please tell me why you decided to live in the community where you live, rather than some other place?"; and IF MORE THAN ONE ANSWER: "What was your one main reason for deciding to live where you do now?". The fallacy of this approach and the inappropriate manner in which the Report treats the responses to this series of questions are discussed in the section of this paper entitled, "Reasons for Moving."

Another format chosen was first to ask two questions, within a series of fourteen, about the respondent's point of origin: "I'm going to read some of the reasons people give for moving. After each one, please tell me if it was one of the reasons for your family's decision to leave (place of previous residence). "Felt that, if you needed help, welfare would be hard to get" and "Felt that, if you needed help, welfare wouldn't pay enough." If the respondent said yes, that either was a reason, he or she was asked, "Was this very important, important, or not very important in your family's decision to move?"

Similarly, respondents were asked two questions, among a series of fifteen, regarding Wisconsin as their place of destination: "After I read each of the following reasons people give for choosing a place to live, please tell me if it was one of the reasons in your family's decision to live where you do. "Thought that, if you needed help, welfare would be easier to get here" and "Thought that, if you needed help, welfare would pay more here." Again, there were follow-ups, "Was this very important, important, or not very important in your family's decision to live where you do?"

These questions, in this format, are hardly examples of subtlety. They are blunt and easily recognized as attempting to elicit a socially unacceptable response. It is a better policy to use questions which implicitly praise respondents for acknowledging socially disapproved responses. For example, "Many people move without planning properly or without looking into financial matters as carefully as they should. What about in your case? Were you aware that AFDC rates in Wisconsin would be high enough to support you and your family, if you ever needed help?" IF YES: "How did you investigate this? By reading about it, by seeing something on television, by calling the Department of Social Services to get information, by talking to a relative, by talking to a friend, or by some other means?" IF TALKED TO SOMEONE: "At the time you talked to this person, did he/she live in (point of origin), in Wisconsin, or someplace else? "Was this person just repeating what he/she heard about AFDC rates or did he/she know about AFDC from first hand experience. IF FIRST HAND EXPERIENCE: "When you talked to this person, had they collected AFDC at some time in the past or were they currently collecting AFDC benefits?" "If you had learned that AFDC rates in Wisconsin were too low to support you and your family, or if you learned that for some reason you would not be eligible for AFDC, would you have moved anyway because you never expected to need AFDC, or would you have waited to move until you had better planned for how you would support yourself?" These types of questions would have been much more effective in uncovering the extent to which welfare plays a role in influencing migration.

There were apparently other questions on the telephone survey which dealt with the principal topic, but the authors of the Report chose not to present the results of these. Respondents were asked, "Please tell me if each of the aspects of community life I'll read next, is truer for where you presently live, about the same in both places, or is truer for (point of origin)?" "Welfare benefits are higher." Also near the end of the survey respondents were asked a series of questions including: "Did you believe that if you had financial problems, welfare benefits would be higher, about the same, or lower in Wisconsin than in (point of origin)?" IF HIGHER/LOWER, "How much (higher/lower) per month did you expect the welfare benefits to be in Wisconsin as

compared to the place you moved from?" and "Did you believe that if you had financial problems, it would be easier, about the same, or harder to get welfare in Wisconsin as compared to where you were?" Why were the results of these questions neither reported nor discussed?

One of the most serious design flaws in the study is the researchers' willingness to accept family and friends as the primary motivation for migration without investigating whether these family members or friends are on welfare themselves. The copy of the questionnaire shows that when a respondent indicated that he or she spoke to someone in Wisconsin about welfare benefits, they were asked, "Was the person you talked to receiving welfare benefits?" There was no mention of the results of this question in the Report. Why not? It would also seem possible, given the sophistication of the CRN system, that a method could have been devised to check this data base in order to learn whether respondents had friends and/or relatives on welfare. Why was this not built into the study design?

The last aspect of the study design which is being challenged is the structure and implementation of the so-called "focus groups." While it is true that focus groups are commonly used in the private sector in connection with market analyses and consumer preference studies, the groups administered as part of this study were improperly conceived and executed. For one thing, focus groups typically have twelve participants. The two sessions described in the Report were attended by five persons and two persons respectively. In the private sector, such a turnout would have resulted in the rescheduling of the groups and the cancellation of the contract with the research company responsible for their organization. Furthermore, the idea behind a focus group is to promote spontaneous interaction among the group participants. The moderator, if he is doing a good job, should be in the background, only participating to the extent necessary to keep the conversation on track and flowing. It is sometimes argued that the moderator should be of the same ethnic background as the participants, especially if all the participants are of the same background. Since all of the participants were women, it might have been preferable to have a female moderator. There was no mention in the Report of how this was handled or whether it was considered. From what was reported, however, the dialogue was not among the participants but rather between participants and the moderator. Finally, there is no indication at all that any attempt was made to reinforce what had already been acknowledged (by members of one group), viz., that welfare indeed played a role in their decision. On the contrary, it appears that participants were encouraged, if not invited, to tell their stories, including all the varied reasons each had for moving. It would seem that if the purpose of the groups was actually to uncover or document welfare as a motivating influence among participants possibly reluctant to acknowledge this, then the approach taken was a self-defeating one.

For all of the above reasons, the study's design is seriously flawed. Yet these do not constitute the full extent of the problem. The design provides only a framework (albeit an inadequate one) for studying in-migrants, as if this were sufficient to determine the costs associated with welfare migration. What about long-term residents who are non-moving (out-of-state) and who are AFDC recipients? To what extent does Wisconsin's relatively high benefit level inhibit the out-movement of welfare recipients? This aspect of the problem is completely ignored by the study and not even mentioned in the Report. In addition, there are other attendant costs which the system typically incurs for welfare recipients and their families. These include education expenses, medical expenses, legal expenses, court expenses, etc. These are not estimated or projected in the section dealing with the impact of welfare-motivated migration.

SAMPLING

The stratified sampling design described in the Report is methodologically and statistically sound. Unfortunately, the data weighting which occurred after the fact was needlessly inadequate.

The Report outlines the sampling procedure applied to the 9,580 completed Application Questionnaires which served as the basis for the telephone sample. The first step in framing the sample was to segregate those deemed to be nominally eligible for AFDC. This number was 6,608. These cases were then divided into six groups based on migration status as follows:

Group	Date Moved to Wisconsin	No. of Cases	% Distribution
1	After 3/31/86	1,224	18.5%
2	Between 7/1/85 and 3/31/86	315	4.8
3	Between 1/1/81 and 6/30/85	564	8.5
4	Prior to 1/1/81	1,096	16.6
5	Never lived outside the state	3,030	45.9
6	Migration status not determined	379	5.7
	Total	6,608	100.0%

The next step was to select a sample from each of these six groups. For groups 1 and 2, all forms were included in the sample. For group 3, one-third of the forms were selected for the sample. For group 4, one-quarter of the forms were selected. For group 5, one-tenth constituted the sampling ratio. And for group 6, all forms were included in the sample. This is rather standard statistical procedure. A sufficient number is selected from each cell and after data collection, the cells are weighted to reflect their correct proportional representation. Data weighting, however, should occur based on the number of completed interviews from each cell, not on the basis of the cell sample size.

Notice that group 1 constitutes 18.5 percent of the forms. After data weighting, group 1 should constitute 18.5 percent of the interviews. This did not happen in this study. Based on the first 899 completed telephone interviews, the basis for the Report, group 1 completed interviews constitute only 9.9 percent of the total. Group 2 should constitute 4.8 percent of the interviews, but instead they account for only 3.5 percent. The researchers chose not to weight the data based on the actual number of completed interviews but rather on the basis of the sampling ratio. This is totally without merit and resulted in recognized, systematic biases.

The authors of the Report go to elaborate lengths to describe the difficulties in attempting to get completed interviews from those without telephone numbers listed on their application questionnaires. And this in fact is a legitimate reason for the underrepresentation of more recent migrants among the completed telephone interviews. The question then becomes, "Since this bias was recognized, why was the data not weighted to correct for this?"

The Report states: "The portion of the sample for whom we have interviews, therefore, is under-represented by recent migrants. In addition, the lack of telephone may also reflect a bias toward those of slightly higher economic means...The sample of completed telephone interviews also is under-represented by nonwhites, by those receiving AFDC, by migrants who report Illinois as their previous state of residence, and those who live in the southeastern corner of the state--in

Milwaukee County, in particular...For purposes of this report, the biases will very likely make any statements about the extent of welfare-motivated migration overly conservative."

Given that the authors of the Report recognized these biases, there was no reason for not taking the obvious and, on a difficulty scale, trivial step of correcting these imbalances through statistical weighting. Instead the Report dismisses this serious problem with an inaccurate comment, "The likely magnitude of this bias is small..." and an unkept promise, "...but we will take this fact into consideration as the results are reported in the next major section of this report."

FINDINGS FROM THE TELEPHONE SURVEY

Application for Assistance and Time in State

The Report presents a table which displays the percentage distribution of migration status for the sample of 6,535 completed application questionnaires, for the 5,674 respondents to the application questionnaire who were matched to the CRN data base, and for the 899 respondents who completed the telephone questionnaire. As has already been noted, the telephone survey significantly underrepresents recent migrants, the single population of greatest interest. Instead of taking corrective action (weighting the data based on the precise information presented in the table), the authors of the Report inform the reader, "This situation will improve as the sample is (at a later date) filled out with interviews obtained with the difficult-to-reach respondents who initially failed or otherwise were unable to provide a telephone number." Ignoring this serious sample bias is statistically unsound. Claiming that "the situation will improve" [after the analysis and after the study recommendations have been made] is hardly a sufficient accommodation.

In this section the authors also state:

"A large majority of applicants (60%) either had been in Wisconsin for five years or more before applying or were lifelong residents of the state. Approximately 1 in 2 had never lived outside the state. For both these groups, and perhaps even for most of those who moved during the period January 1, 1981, to June 30, 1985, the desire for higher welfare benefit levels, on the face of it, hardly could have been a major influence in their earlier migration decision--even though these persons now find themselves in a situation leading to application for public assistance."

This assumption appears to be both illogical and untrue. It is illogical because it assumes that migrants in the sample having arrived in Wisconsin between January 1, 1981 and June 30, 1985 are all applying for assistance in Wisconsin for the first time. Why should this be assumed? Secondly, the Report's assumption about the motivations of these respondents is at odds with the study data itself. Significant numbers of migrants between 1/1/81 and 6/30/85 acknowledged in the telephone interview that welfare was in fact a reason for their moving.

Migrants by State of Origin

An earlier section of the Report documented that recent migrants are underrepresented in the telephone survey (and failed to take this into consideration in its analysis). This section of the Report describes the underrepresentation in the study of migrants from Illinois, and, in fact, excuses this distortion by pointing out that they are more likely to be among the recent arrivals. The Report shows that among the sample of application questionnaires selected for attempted telephone interviews, migrants from Illinois accounted for slightly more than 26 percent of all in-migrants among that population. Among the completed (and improperly weighted) telephone interviews, however, Illinois migrants account for only 18 percent of the total.

It is extremely noteworthy that the authors of the Report divulge, at this point, an item of information which directly contradicts what they claim to be the case in the preceding paragraph. In attempting to explain the underrepresentation of Illinois migrants, the Report flatly states, "...Illinois is under-represented as a prior state of residence for Wisconsin in-migrants. This results from bias in the telephone interview sample due to the fact that AFDC applicants who represent very recent migrants--**who also are disproportionately from Illinois**--were more likely to be lost to the sample." In other words the most recent migrants are the most difficult to

reach by telephone, and Illinois migrants are underrepresented because more of them are recent arrivals.

Immediately prior to this explanation, the authors go to considerable lengths to demonstrate exactly the opposite scenario. They allege, "First, the data are quite consistent with the historical CRN program data discussed later in the FINDINGS section. For example, the one-fourth rule-of-thumb for Illinois migrants is not out of line either with the program data for Wisconsin or other information concerning migration to the state. Second, the distribution of origin states is fairly invariant across the different categories of migrants. Both points suggest that the summer of 1986 was not particularly unusual respecting the migration histories of recent applicants for AFDC assistance."

On the one hand, the Report states that Illinois migrants represent a disproportionate share of very recent migrants (since 4/1/86). And yet the Report also claims that the distribution of state of origin is "fairly invariant across the different categories of migrants." Thus, in trying to explain the underrepresentation of Illinois migrants in the telephone survey by pointing out that they are more likely to have arrived recently (therefore being more difficult to reach), the Report accidentally reveals that patterns of migration may indeed be shifting. Illinois migrants may be increasing. They are more numerous, we are told, among the most recent migrants. But at the same time the Report makes a point to claim that "the summer of 1986 was not particularly unusual respecting the migration histories of recent applicants for AFDC assistance." This would certainly appear to be a major contradiction.

Reasons for Moving

This section of the Report is severely flawed. Open-ended, unprompted questions on reasons for leaving former place of residence and reasons for choosing new place of residence were asked on the telephone survey. In presenting the results of these questions, the Report observes, "Not one of the 683 migrant respondents mentioned the inadequacy of welfare in their previous residence or the hope of more generous welfare benefits elsewhere as their main reason for leaving." And similarly, "One respondent cited better welfare as her main reason for moving to Wisconsin."

Could the authors of the Report actually believe that migrants attracted by Wisconsin's high AFDC benefit levels would volunteer to disclose their less than noble motivations without as much as a single prompt? This suggests a lack of experience or familiarity with survey research. One could understand such optimism at the design stage of the project but, in light of the results, it should have been realized that these questions did not accomplish their intended purpose.

The only way the authors of the Report could have legitimately presented these findings is if they believe that only a single migrant, out of the 683 interviewed, was motivated by welfare. It seems unlikely that even someone predisposed toward rejecting the welfare magnet hypothesis could believe that welfare plays virtually no role whatsoever. And unless this is the position taken, then the results from the open-ended questions should have been reviewed and at least two things concluded. First, since virtually no one admitted that welfare was their motivation, the questions themselves are obviously not adequate for their intended purpose. They do not measure what they are supposed to measure. Methodologically speaking, the questions proved themselves to have no validity. Second, since the questions are not valid, the results are not merely irrelevant, they are erroneous.

Furthermore, the results of the open-ended questions are not presented in the Report in an incidental fashion. The authors go into considerable detail describing the theoretical underpinnings of the categorical scheme they utilized to code and summarize the data. They used "...an explicit

push-pull motivational framework. Reasons which reflected a 'push' motivation for leaving the place of previous residence (e.g., 'there weren't any good jobs for me there') were distinguished from the 'pull' reasons for coming to Wisconsin (e.g., 'I heard there were more jobs in Milwaukee')." They continue to elaborate, giving many examples, and ultimately present the results graphically in two, full-page bar charts. There is no doubt that the coding, processing, analysis (or misanalysis) and presentation of this data involved a considerable amount of work, i.e., a considerable amount of time and, presumably, a considerable amount of thought. Given the attention devoted to this matter, there is no excuse for not recognizing the inadequacy of the data.

Associated Reasons for Moving

The first point regarding this section of the Report is its misleading title. The judgment that the open-ended questions constitute the preferred basis for assessing migration motives is herein reinforced by relegating this section of the Report to a subordinate status, beginning with its title.

The Report includes several tables which display percentage frequency distributions for two series of questions. The first series is introduced as follows: "I'm going to read some of the reasons people give for moving. After each one, please tell me if it was one of the reasons for your family's decision to leave (point of origin)?" These tables are reproduced beginning on the following two pages.

At this point let us recall that the purpose of the study, as specifically stated in the Report, is "...to answer a single question: when all possible evidence is examined, to what extent can it be said that Wisconsin's relatively high AFDC benefit level is responsible for migration to the state?" Nowhere has it been said that the purpose of the study is to investigate the relative importance of all the possible reasons for migration to the state. Yet, let us look at the manner in which the data has been organized. On the following pages are two tables, one showing reasons for leaving former place of residence, and one showing reasons for moving to current place of residence. The narrative which purportedly analyzes these tables concentrates almost exclusively on the relative importance of the listed factors as expressed by respondents. Ignoring for the moment all the reasons why one would expect the numbers for the two welfare-specific motivations in each table to be understated, the Report treats the proportion who do acknowledge welfare as an influence as if this should be evaluated in the context of all the other reasons listed. This is not only absolutely unnecessary, it actually serves to confuse the issue.

Table 9

Percentage Indicating This Factor Was Important or Very Important in Leaving Prior Place of Residence by Prior Residence in Wisconsin: Migrants to Wisconsin Since 1981 Applying for Assistance in Summer, 1986

Factor	Prior Residence in Wisconsin	Never Lived in Wisconsin Before	Other	Total
Too far from friends or family	69.2%	39.6%	60.0%	57.9%
Bad place to raise children	33.4	33.3	33.3	33.4
Available housing was not good	25.3	29.6	26.6	26.9
Schools were not good	20.6	19.6	18.3	20.1
Too much crime	25.1	32.1	33.3	28.2
Housing too expensive	31.1	42.1	40.0	35.7
Cost of living too high	31.9	33.7	41.7	33.4
Less jobs to choose from	31.3	46.3	38.3	37.2
Wages were too low	24.8	37.5	26.7	29.4
Welfare harder to get	13.3	20.5	11.7	15.6
Welfare would not pay enough	12.7	27.1	11.7	17.7
Did not like the weather	11.5	6.7	5.0	9.2
Taxes were too high	8.6	12.6	11.7	10.2
Base for percentages (weighted)	383	240	60	683

Table 10

Percentage Indicating This Factor Was Important or Very Important in Choosing Current Place of Residence by Prior Residence in Wisconsin: Migrants to Wisconsin Since 1981 Applying for Assistance in Summer, 1986

Factor	Prior Residence in Wisconsin	Never Lived in Wisconsin Before	Other	Total
Closer to friends or family	73.1%	50.8%	65.0%	64.6%
Better place to raise children	59.3	58.4	66.6	59.6
Better housing here	44.9	54.1	46.7	48.3
Schools better here	43.9	45.8	48.4	44.9
Less crime here	43.4	39.6	41.7	41.9
Housing cheaper here	41.5	41.7	60.0	43.2
Cost of living lower here	42.1	38.3	55.0	41.9
More jobs to choose from	33.2	50.4	48.4	40.5
Wages better here	30.3	45.0	56.6	37.8
Found a job here	32.1	28.0	31.7	30.6
Could get away from bad family situation	20.9	29.6	15.0	23.4
Welfare easier to get here	18.3	24.6	18.3	20.5
Welfare would pay more here	9.4	19.6	10.0	13.1
Weather better here	11.7	11.3	13.4	11.7
Taxes lower here	11.0	12.1	15.0	11.7
Base for percentages (weighted)	383	240	60	683

Notice next that the table entries for each factor include only those saying that the factor is either important or very important. This gradation was obtained in a follow-up to the original question, which simply asked whether each factor was or was not a reason. The percentages shown for each factor (including the two welfare-specific factors) have therefore been artificially reduced by excluding those who, upon probing, said the factor which they initially identified as a reason was a "not very important" reason. Thus, the reader is deprived of seeing in these tables the true percentage affirming each factor as a reason.

It stands to reason that, after embarrassingly admitting that welfare was in fact a reason for moving, and then given the chance to temper this admission by saying that it was not a very important reason, many would opt for this face-saving mechanism. So, not only should the true proportion of respondents originally acknowledging that welfare contributed to their migration decision be shown, but the proportions for each level of "importance" should be shown as well. The tables as presented in the Report are incomplete and, consequently, misleading.

A curiosity in many of the tables is the large number of respondents who fall into categories labeled "other." For example, in Tables 9 and 10, almost 10 percent of all respondents are not classifiable in terms of prior residence. A footnote states, "Prior residence status not known with certainty. Many have inconsistent answers across the different data files." This certainly raises questions about the reliability of the data.

A more serious misrepresentation of the data occurs through the failure of the Report to show what are known as "nets." Both Table 9 and Table 10 each contain two welfare-specific items. Since, once again, the purpose of the study is to determine the extent to which high welfare rates induce in-migration, then obviously welfare-specific items should be "netted," i.e., combined to show the number of respondents answering positively to either item. In table 9, for example, the proportion of respondents who said either that welfare would be hard to get or that welfare would not pay enough should be shown on a separate row of the table, with the two individual items broken out separately under the net. This is a standard format, and its absence in the Report is conspicuous. Not only should tables 9 and 10 each have individual nets for their respective welfare-specific items, but there should also be a separate table in which all four welfare-specific items are netted. How can the Report be considered a complete piece of research when it never voluntarily discloses the single most relevant statistic, viz., the percentage of respondents who indicate, anywhere in the questionnaire, that welfare influenced their migration decision. Based on the individual percentages for just the four welfare-specific items from the above two tables (15.6%, 17.7% 20.5% and 13.1%), it is reasonable to assume that the percentage of migrants naming at least one of these factors is significantly higher than 20.5 (the percent who verified that their belief that welfare would be easier to get in Wisconsin was an important or very important factor in their respective family's decision to live where they now do).

If all the welfare-specific indicators from the survey were netted, and if the researchers did not try to suppress the results by arbitrarily eliminating those who reclassified the influence of welfare on their choice as "not very important," it is quite likely that as many as half of all migrants who responded acknowledged in some way that welfare was a contributing factor. Despite the absence of this most important figure, the Report, in another context, provides enough information for this figure to be deduced. This will be explained in the next section, entitled, "Combining the Welfare Responses."

The next objection is the interpretation of the tables. After missing the main point and focusing on secondary issues, such as the percentages who say they were influenced by the other various factors on the list, the Report observes, "Much smaller percentages of respondents said that the difficulty of obtaining welfare or the level of welfare benefits were important considerations in their departures from their previous place of residence." Despite this understatement of its significance, the Report does recognize that welfare is an important, if not

primary factor. The Report continues, "Nevertheless, the numbers suggest that for a relatively significant portion of in-migrants who applied for assistance in Wisconsin in 1986, the perceived inadequacy of welfare in their prior state was not only a factor in their decision to leave, but they rated the factor as important or very important.

The Report takes a similar tack vis-a-vis Table 10. The authors address themselves to secondary issues before acknowledging, "Approximately 1 in 5 migrants said the belief that welfare would be easier to obtain in Wisconsin was an important factor in their move; 1 in 8 said the belief that welfare would pay more in Wisconsin was important. For both questions, the importance was greater among migrants who never had lived in Wisconsin before."

At this point, the Report presents another table. This time only the series of items specifying reasons for choosing current place of residence, is shown. Now it is cross-tabulated by groupings of counties indicating the destinations of the applicant in-migrants. Table 11, as it is numbered in the Report, is reproduced on the following page.

The Report barely comments on Table 11. What little is said, however, is so irrelevant that it is reprinted in full as a demonstration of the inadequacy of the analysis.

"Milwaukee County migrants, as well as migrants to Kenosha, Racine, and Rock Counties, are slightly less likely to be motivated by family and friends because these migrants are disproportionately drawn from northern Illinois--migrants who in general rank lower on this question. The same explanation lies behind the relatively large number of respondents in Milwaukee County indicating the importance of welfare in Wisconsin as a reason for moving."

Table 11

Percentage Indicating This Factor Was Important or Very Important in Choosing Current Place of Residence by County of Destination: Migrants to Wisconsin Since 1981 Applying for Assistance in Summer, 1986

Factor	Milwaukee County	Kenosha, Racine, and Rock Counties	Other Metro Counties	Non-Metro Counties	Total
Closer to friends or family	56.5%	56.1%	73.5%	67.7%	64.6%
Better place to raise children	54.4	46.2	61.9	67.8	59.6
Better housing here	60.2	57.2	38.2	42.7	48.3
Schools better here	51.3	45.1	44.7	39.6	44.9
Less crime here	31.9	45.1	40.9	50.0	41.9
Housing cheaper here	36.6	52.8	39.2	48.2	43.2
Cost of living lower here	37.1	52.8	42.0	41.4	41.9
More jobs to choose from	52.9	38.5	42.5	29.1	40.5
Wages better here	55.5	27.5	35.4	28.6	37.8
Found a job here	20.4	26.4	38.6	34.6	30.6
Could get away from bad family situation	26.7	25.3	23.2	20.0	23.4
Welfare easier to get here	33.5	13.2	16.5	15.4	20.5
Welfare would pay more here	24.6	11.0	9.9	6.3	13.1
Weather better here	12.0	7.7	9.4	15.0	11.7
Taxes lower here	14.1	16.5	8.3	10.5	11.7
Base for percentages (weighted)	191	91	181	220	683

"Applicants who have migrated to Wisconsin since 1981 tend to settle disproportionately in the state's largest metropolitan cities. The distribution of these migrants by county of destination is shown in the final row of Table 11. Milwaukee County received 28% of the migrants while having 21% of the state's population. Similarly, Kenosha, Racine and Rock Counties, as a group, received 13% of the migrants while having 9% of the state's population."

It is incomprehensible how the Report can "explain away" the large number of respondents in Milwaukee County indicating the importance of welfare as a reason for moving by attributing this phenomenon to the fact that they are disproportionately from northern Illinois, where migrants in general tend to rank lower on family and friends as reasons for moving. This does not constitute an explanation. The commentary should have more properly read, "While welfare is an important inducement for migration into all areas of Wisconsin, it is a particularly important factor among migrants settling in Milwaukee County."

Next, the Report presents a table (reproduced on the following page) showing the same stub, with level of AFDC benefit in the state of origin as the banner. Before the substance of this table is discussed, note that 80 migrant respondents fall into the category of "other," i.e., not from states with high AFDC benefit levels, not from states with medium AFDC levels, and not from states with low AFDC benefit levels. This time the footnote simply reads, "Origin is abroad or not otherwise determined." These 80 cases constitute almost 12 percent of the sample, certainly a large enough proportion to warrant concerns about the integrity of the data.

The Report's "analysis" of this table is also very questionable. The first observation made is that "the majority of migrant applicants come from low and medium level states." But the authors attempt to dismiss this empirical fact with a subjective judgment: "But the distribution is not as skewed toward lower level states as the 'welfare magnet' argument might suggest."

In point of fact, the data in this table absolutely confirm the "welfare magnet" hypothesis. Note first the percentages indicating that "welfare was easier to get here" was an important or very important factor in choosing Wisconsin as a place of residence. The percentage is indirectly related to the level of benefit in the migrants' state of origin. In other words, the lower the benefit level, the more likely to specify welfare as a factor. This is precisely what the welfare magnet hypothesis predicts. Furthermore, note the percentages indicating that "welfare would pay more here" was important or very important. This factor, which deals with the amount of welfare, is even more strongly related (inversely) to benefit level in state of origin than the factor dealing with ease of attainment. Again, these data absolutely confirm the welfare magnet hypothesis.

Instead of pointing out and focusing on this central finding, the single finding which speaks to the purpose of the study as articulated at the outset, the Report concentrates on an incidental issue. It states, "...even among those migrant applicants who come to Wisconsin from low benefit states, the order of importance of the reasons for choosing Wisconsin remains pretty much unchanged: friends and family first, then quality of life factors, then jobs and wages, and finally welfare." This is not the main issue. The welfare magnet hypothesis says nothing about whether some people move or do not move to be near relatives or to get jobs. It is very logical that people move for these reasons and any number of other reasons as well. It would be surprising to find otherwise. Thus, the relevance of Table 12, and the only relevance for this study, is the observed, indirect relationship between benefit level in state of origin and the likelihood of welfare availability and/or welfare benefit level being named as a factor by migrants choosing Wisconsin as a residential destination. And it must be remembered that this finding emerged despite the fact that this motivation is socially disapproved, thereby discouraging self-admission on the part of respondents, and despite the fact that the Report did not show the total number of respondents who identified welfare as a reason for their decision to move. (Only those who first named welfare as a reason, and then subsequently rated welfare as an important or very important reason, were

TABLE 12

Percentage Indicating This Factor Was Important or Very Important in Choosing Current Place of Residence by Origin State's AFDC Benefit Level: Migrants to Wisconsin Since 1981 Applying for Assistance in Summer, 1986

Factor	Low AFDC Benefit Level	Medium AFDC Benefit Level	High AFDC Benefit Level	Other	Total
Closer to friends or family	70.7%	60.5%	70.0%	46.2%	64.6%
Better place to raise children	54.8	67.4	54.0	65.0	59.6
Better housing here	41.8	51.5	45.4	63.8	48.3
Schools better here	50.4	46.1	35.9	48.8	44.9
Less crime here	34.6	47.1	41.2	48.8	41.9
Housing cheaper here	34.6	49.5	46.5	41.2	43.2
Cost of living lower here	30.3	43.3	46.6	57.5	41.9
More jobs to choose from	37.5	39.4	40.6	51.2	40.5
Wages better here	37.0	37.5	31.0	56.2	37.8
Found a job here	20.2	33.7	40.2	27.5	30.6
Could get away from bad family situation	28.9	23.1	20.3	17.5	23.4
Welfare easier to get here	22.1	19.8	14.9	31.2	20.5
Welfare would pay more here	15.4	13.9	5.9	21.2	13.1
Weather better here	12.0	10.6	9.1	20.0	11.7
Taxes lower here	7.2	12.6	11.8	21.2	11.7
Base for percentages (weighted)	208	208	187	80	683

included in the table. The Report, in this manner, excluded a significant number of self-admitted, welfare-induced migrants from the analysis.)

The Report does make note of this important finding; but instead of highlighting it and recognizing it as central to the study, it treats it almost casually. It states, "Not surprisingly, the distribution of responses to the welfare questions reveals that the belief that welfare would be easier to obtain in Wisconsin, and the belief that welfare would pay more here, are more important factors among those from low benefit states than among those from high benefit states. (Such regularities in the data add confidence to the belief that the respondents are being candid in the answers they provided to these questions--an issue we will address in greater detail...)" This parenthetical statement is very telling. In effect, it sidetracks attention away from what should be the central finding of the study to a methodological note about internal consistency.

Next, the Report correctly recognizes that because Tables 9 through 12 display data for migrants having moved within the past five years, they may understate the importance of welfare as a factor, since it is among the most recent migrants that one would expect welfare to be a relatively more important motivation. One point should be reiterated, however. The Report contends: "It may be argued that migrants who have been in the state for several years (or even several months) prior to applying for assistance are hardly likely to have been motivated by the state's AFDC benefit levels." Note that this is the second time that the Report inappropriately advances this line of reasoning. First of all, the Report's own data show that many in this category did indeed acknowledge that welfare was a factor. Secondly, why should it be assumed that those in the sample who migrated to Wisconsin sometime between 1/1/81 and 4/1/86 had never applied for assistance in Wisconsin before the Summer of 1986? There is no basis for assuming that everyone in this category is a first-time welfare applicant. Respondents could have, and should have been asked whether they had ever applied for assistance in Wisconsin before; but they were not asked this critically important question. And the CRN data base apparently drops cases from the system after 18 months of inactivity, so this source cannot provide this interesting and important item of information. Nevertheless, it does seem reasonable that among very recent migrants one would expect welfare to be a relatively more important motivation.

Thus, Tables 9 through 12 have been reconstructed (as Tables 13 through 16) but they contain data solely for migrants having moved to Wisconsin after March, 1986. These four tables are reproduced on the following pages.

The Report notes: "There are only small differences between the corresponding figures in Tables 9 and 13 signaling that very recent migrants, with only a few exceptions, rate the reasons for leaving their prior places of residence about the same as migrants who have been in the state for a longer period of time. The same conclusion is drawn from a comparison of Tables 10 and 14 regarding the reasons for choosing a community in Wisconsin. But the exceptions involve the welfare questions." The Report continues, "Clearly the belief that welfare would be easier to obtain in Wisconsin and the belief that welfare would pay more here are important motivating factors among the recent migrants. Nearly 32% of the very recent migrants say the belief that welfare would be easier to obtain in Wisconsin was an important factor involved in their move to the state. Among those very recent migrants settling in Milwaukee County, the percentage jumps to almost 45%."

Based on the above results, which again are understatement of the true proportion naming welfare as a reason for moving, one would think that the Report would unhesitatingly recognize the significant role of welfare as an inducement for in-migration. This, however, is not the case. The Report once again concentrates on the wrong issue. It continues, "Yet, for nearly all of these migrants, other factors also were important in their move to the state. Those who mention the importance of welfare almost always mention the importance of family and friends or the importance of schools or housing or jobs, or some mix of several of these factors."

Table 13

Percentage Indicating This Factor Was Important or Very Important in Leaving Prior Place of Residence by Prior Residence in Wisconsin: Migrants to Wisconsin Since 4/1/86 Applying for Assistance in Summer, 1986

Factor	Prior Residence in Wisconsin	Never Lived in Wisconsin Before	Other	Total
Too far from friends or family	71.4%	38.8%	65.0%	57.2%
Bad place to raise children	36.9	32.6	45.0	35.7
Available housing was not good	31.2	28.7	30.0	30.1
Schools were not good	18.5	20.1	25.0	19.6
Too much crime	28.7	30.2	45.0	30.4
Housing too expensive	38.8	45.0	45.0	41.9
Cost of living too high	44.6	41.1	45.0	43.2
Less jobs to choose from	38.8	52.0	50.0	45.1
Wages were too low	24.8	45.0	30.0	33.7
Welfare harder to get	21.6	21.7	15.0	21.2
Welfare would not pay enough	22.9	31.0	25.0	26.5
Did not like the weather	10.8	4.6	5.0	7.8
Taxes were too high	12.7	17.1	10.0	14.4
Base for percentages (weighted)	157	129	20	306

Table 14

Percentage Indicating This Factor Was Important or Very Important in Choosing Current Place of Residence by Prior Residence in Wisconsin: Migrants to Wisconsin Since 4/1/86 Applying for Assistance in Summer, 1986

Factor	Prior Residence in Wisconsin	Never Lived in Wisconsin Before	Other	Total
Closer to friends or family	76.5%	51.2%	65.0%	65.0%
Better place to raise children	59.2	62.0	65.0	60.8
Better housing here	48.4	59.7	50.0	53.3
Schools better here	44.6	49.7	30.0	45.7
Less crime here	43.3	41.1	40.0	42.1
Housing cheaper here	51.6	48.1	55.0	50.4
Cost of living lower here	52.3	43.4	50.0	48.4
More jobs to choose from	37.0	58.1	40.0	46.1
Wages better here	33.1	54.3	55.0	43.5
Found a job here	24.2	29.4	30.0	26.8
Could get away from bad family situation	28.6	27.1	30.0	28.1
Welfare easier to get here	31.9	30.3	20.0	30.4
Welfare would pay more here	20.4	21.7	20.0	20.9
Weather better here	15.3	10.8	15.0	13.4
Taxes lower here	16.6	13.2	20.0	15.3
Base for percentages (weighted)	157	129	20	306

Table 15

Percentage Indicating This Factor Was Important or Very Important in Choosing Current Place of Residence by County of Destination: Migrants to Wisconsin Since 4/1/86 Applying for Assistance in Summer, 1986

Factor	Milwaukee County	Kenosha, Racine, and Rock Counties	Other Metro Counties	Non-Metro Counties	Total
Closer to friends or family	46.6%	62.2%	86.9%	69.5%	65.0%
Better place to raise children	57.3	44.5	67.1	68.3	60.8
Better housing here	65.0	48.8	40.8	52.5	53.3
Schools better here	50.5	44.5	43.4	42.7	45.7
Less crime here	33.9	37.8	46.1	51.2	42.1
Housing cheaper here	41.7	46.6	52.6	61.0	50.4
Cost of living lower here	44.6	44.4	54.0	50.0	48.4
More jobs to choose from	65.0	40.0	39.5	31.8	46.1
Wages better here	67.0	33.3	35.5	26.8	43.5
Found a job here	21.3	22.2	27.6	35.3	26.8
Could get away from bad family situation	25.3	40.0	34.2	19.5	28.1
Welfare easier to get here	44.6	24.4	29.0	17.1	30.4
Welfare would pay more here	33.0	13.4	18.4	12.2	20.4
Weather better here	10.7	11.1	14.5	17.1	13.4
Taxes lower here	19.4	11.1	11.8	15.8	15.3
Base for percentages (weighted)	103	45	76	82	306

Table 16

Percentage Indicating This Factor Was Important or Very Important in Choosing Current Place of Residence by Origin State's AFDC Benefit Level: Migrants to Wisconsin Since 4/1/86 Applying for Assistance in Summer, 1986

Factor	Low AFDC Benefit Level	Medium AFDC Benefit Level	High AFDC Benefit Level	Other	Total
Closer to friends or family	69.1%	60.2%	73.5%	45.2%	65.0%
Better place to raise children	55.3	73.5	55.4	51.6	60.8
Better housing here	42.5	60.2	47.0	80.6	53.3
Schools better here	51.1	53.1	33.7	38.7	45.7
Less crime here	28.7	51.0	45.7	45.2	42.1
Housing cheaper here	41.5	59.2	55.4	35.5	50.4
Cost of living lower here	37.2	51.0	53.0	61.3	48.4
More jobs to choose from	49.0	47.0	35.0	64.5	46.1
Wages better here	47.9	46.0	27.7	64.5	43.5
Found a job here	24.5	32.7	28.9	9.7	26.8
Could get away from bad family situation	30.9	25.5	30.1	22.6	28.1
Welfare easier to get here	34.0	28.5	20.4	51.6	30.4
Welfare would pay more here	24.4	18.3	12.0	41.9	20.9
Weather better here	13.8	12.2	13.2	16.1	13.4
Taxes lower here	6.4	16.3	14.4	41.9	15.3
Base for percentages (weighted)	94	98	83	31	306

There is absolutely no reason to believe that people influenced by one factor cannot be influenced by another. We cannot disregard the data for all those claiming to be influenced by more than a single factor. Furthermore, the Report repeats its unfounded argument (debunked earlier), viz., "In addition, we know from the open-ended questions that welfare was, with the single exception of one respondent, not the main reason for choosing Wisconsin."

The Report continues-through the use of qualifiers, parenthetical comments and a patronizing tone-to disparage its own findings. It states, "We will argue that each of the percentages in Tables 9 through 16, as pertains to the 'welfare' responses, contains information relevant to the principal goal of this study. They are percentages which indicate that some individuals applying for AFDC, who also are migrants to the state, are indeed motivated in part by perceptions (correct or not) of Wisconsin's AFDC program management and/or benefit levels. The 'some' begins to assume significance, however, only when it can be compared to an appropriate reference group, for example to all applicants, to the total AFDC caseload, or to its implications for AFDC expenditures."

The above paragraph, culled out of the Report, can only be interpreted as an attempt to frame an inevitable conclusion in the most diminutive terms possible. It is so excessive in its understatement, however, that, instead of serving to mitigate the harshness of the finding it reluctantly reports, its effect is to actually draw the attention of the discerning reader. A more balanced summation would have read, "Tables 9 through 16 show that welfare attainability and welfare benefit levels are important motivating factors in the migration decisions of a significant proportion of all AFDC applicants moving to Wisconsin from other states."

Combining the Welfare Migration Responses

This section of the Report is very seriously flawed. It constitutes a misrepresentation of the study data. The Report points out that seven of the telephone survey questions specifically asked in-migrants to the state (since 1981) about the importance of welfare in their decision to move. (There are actually other welfare-specific questions, the responses to which neither appear in the Report nor are discussed. But this is a separate issue.) The Report states: "Not surprisingly, these questions do not neatly separate migrants into two groups, i.e., one group for whom welfare obviously and unambiguously was a consideration and another for whom Wisconsin's welfare programs were irrelevant." This is a false statement. Of course the responses to this series of questions separate migrants into these two categories. Any respondent who voluntarily admits in an interview that welfare was a factor in the decision to move clearly falls into the category of those "for whom welfare obviously and unambiguously was a consideration." How else could this be interpreted? It is argued in the design of the study that if you want to know whether people moved in order to receive higher welfare benefits, just ask them. So now they have been asked, and the Report, instead of recognizing that the percentage who admit being influenced by welfare is most certainly an understatement, takes the indefensible position that not everyone who says that welfare was a factor was really influenced by welfare considerations.

The authors propose to take all the respondents who already acknowledged that welfare was a factor and assign to each a single numerical value reflecting the combined importance of welfare on a so-called index of "welfare magnetism." The decision to assign values to respondents based on their responses to the seven welfare-specific questions has no theoretical basis. The purpose of this exercise appears to be to provide a rationale for claiming that some of those who personally admitted being influenced by welfare were not really influenced by welfare at all. In the course of making this case, however, an item of information is presented which enables an unbiased estimate to be made of the true significance of welfare as an inducement to immigration.

First, note Table 17 (on the following page) which shows responses to the seven welfare-specific questions used to calculate the "welfare magnetism" index. Note also the number of points associated with each response category. Not losing sight of the fact that the index itself is simply an artificial device whose effect is to obscure the degree to which welfare considerations actually influence migration decisions, the next point is that the two obviously invalid open-ended questions are included in the index. It has already been shown why these questions are not valid. The fact that responses to these two open-ended questions account for 24 points out of a total possible 56 points on the scale, when only 1 out of 683 respondents qualified for any points on these questions, exposes this alleged "welfare magnetism" index as being incapable of yielding a fair assessment.

As already mentioned, however, a benefit did ensue despite the fact that this "index" misrepresents the data, viz., the true number of respondents who voluntarily admitted that welfare was a factor was finally released. The Report divulges this number through its presentation of the distribution of scores on the "welfare magnetism" index, in the form of a bar chart (see Figure 8 on page 65). The intent was to demonstrate that only a small percentage of respondents scored highly on the scale. It is shown that for 53.3% of all respondents, welfare was not named as a factor. However, this means that for 46.7% of all respondents, welfare was a factor.

Table 17

Responses to the Welfare Migration Questions:
In-Migrants to Wisconsin Since 1981 (N=683)

Question and Response Categories	Points For Response	Weighted N	Responses %
Q.17 (Open-ended question concerning reasons for leaving prior place of residence)			
Welfare mentioned	8	0	0.0
Welfare not mentioned	1	683	100.0
Q.35 (Open-ended question concerning reasons for choosing Wisconsin residence)			
Welfare mentioned	16	1	0.1
Welfare not mentioned	1	682	99.9
Q.30, Q.30a. Welfare difficult to obtain in prior place of residence			
Very important	4	48	7.0
Important	3	59	8.6
Not very important	2	40	5.9
Not a factor	1	533	78.0
Don't know	2	3	0.4
Q.31, Q.31a. Welfare wouldn't pay enough in prior place of residence			
Very important	4	72	10.5
Important	3	49	7.2
Not very important	2	30	4.4
Not a factor	1	531	77.7
Don't know	2	1	0.1

Q.49, Q.49a. Welfare easier to get in Wisconsin			
Very important	4	67	9.8
Important	3	73	10.7
Not very important	2	18	2.6
Not a factor	1	525	76.9
Q.50, Q.50a. Welfare would pay more in Wisconsin			
Very important	4	36	5.3
Important	3	53	7.8
Not very important	2	26	3.8
Not a factor	1	568	83.2
Q.132 Were amounts paid for welfare important in your decision to move to Wisconsin? (*)			
Very important	16	11	3.2
Important	8	22	6.4
Not very important	3	68	19.7
Not at all important	1	242	70.1
Don't know	3	2	0.6
Question not asked	1	(338)	(49.5)

(*) Asked only of those receiving AFDC

Just to show the misleading nature of this section of the Report, some of the commentary regarding the "welfare magnet" index and the associated bar chart, are reprinted below. It must be kept in mind that because of the social disapproval of welfare, there is every reason to believe that the percentage who admit they were induced to move to Wisconsin in order to benefit from its relatively generous welfare program is certainly a conservative estimate of the true percentage so influenced. Furthermore, the underrepresentation among respondents to the telephone survey of group members most likely to be influenced by welfare is another source of conservative bias. Relative to this, the authors themselves stated, "For purposes of this report, the biases will very likely make any statements about the extent of welfare-motivated migration overly conservative." Now, despite these reasons for predicting that the results of the survey might understate the importance of welfare as a motivating factor, the Report offers the following analysis:

"The 364 respondents on the low end of the scale represent those who scored the minimum possible score, and must, as a practical matter, be viewed as migrants for whom welfare simply was not a consideration when moving to the state. As for the 319 migrant respondents in the remaining four categories, it is largely a matter of subject opinion when the line separating welfare migrants from non-welfare migrants might be drawn. Each of these migrants responded to one or more questions that welfare was a factor in their own decision to move--even though in almost every case other reasons were also given. If one were to take as welfare migrants those who score 15 or more on the index, thereby falling in one of the top three categories on the "welfare magnet" scale, then as many as 21% of the applicants who migrated to the state since 1981 would fit this description.

Our own view is that the line should be drawn at perhaps half that figure or more--including perhaps only those 49 migrants in the top two categories on the scale--to identify those who truly appear to have been influenced in a major way by Wisconsin's welfare programs." (Only 7.2% of all respondents fall into the top two categories on this so-called "welfare magnet" scale.)

It is absolutely unreasonable for the Report to take a result derived from the study itself, a specific estimate based on its own designed and administered survey, an estimate known to be on the conservative side, an estimate that almost half (47%) of all migrant applicants for AFDC are

influenced or moved by considerations of welfare, and through the use of an unvalidated (and invalid) index, somehow try to advance the notion that the survey shows that only 7.2% are those "who truly appear to have been influenced in a major way by Wisconsin's welfare programs." There is simply no basis for this reduction of the original estimate.

Impact of Welfare Migration

The effect of the Report's reduced estimate of the percentage for whom welfare is assumed to be an inducement to migrate to the state is to yield a lower net estimated impact in terms of the number of welfare-migrant cases on the state's welfare rolls and the number of dollars welfare migration is costing the state. This section of the Report is hereupon quoted at length:

Based on the above rationale, it is likely that Wisconsin's welfare programs and benefit levels influence fewer than 10% of applicants who also are migrants to the state in the past few years. And if this assessment is correct, then we have the basis to begin calculating the potential impact on Wisconsin of welfare-motivated migration. (These calculations are, at least in part, illustrative. Other reasonable assumptions could alter them up or down to some extent. We believe them to be reasonable, however.)

We begin by assuming that the state has 3,400 applicants for AFDC in any given month.

We further assume that approximately 30% of these represent migrants who have moved to the state in the past five years. Therefore, approximately 1,020 applicants are persons who have moved to the state within the past five years ($3,400 \times .30 = 1,020$).

If we then assume that 10% of these 1,020 applicant migrants were motivated to move to Wisconsin because of the state's welfare programs, then approximately 102 applicants that month represent 'welfare magnet' migrants ($1,020 \times .10 = 102$). This estimate of 102 applicants who represent welfare-motivated migrants amounts to approximately 3% of all monthly applicants.

Of course, not all applicants are approved. Again, if we assume that only half of those applying for AFDC qualify for assistance then only around 51 true 'welfare magnet' migrants are added to the AFDC rolls in any given month ($102 \times .50 = 51$). With more than 90,000 cases currently in the statewide AFDC caseload, this figure of 51 represents less than 6-100ths of 1% of the total caseload--obviously, not a large impact in that month."

The above section was cited in full to show the inappropriateness of the Report's assumptions and the inaccuracy of its projections. It is argued here that the Report's estimate of the extent of welfare migration to Wisconsin, is grossly understated. Following is a more reasonable set of assumptions and consequently a more reasonable estimate of the true impact which welfare induced migration is having vis-a-vis Wisconsin's statewide AFDC caseload and program budget. And the Report's own data serves as the basis for the present estimate.

Based on the self-reporting of respondents to the telephone survey, a minimum of 47% of all migrant applicants for AFDC can be assumed to be welfare-motivated migrants.

Next, we accept for now the Report's estimates that there are approximately 3,400 applicants for AFDC in any given month and that of these, approximately 30% have moved to the state in the past five years. Therefore, approximately 1,020 applicants are persons who have moved to the state within the past five years ($3,400 \times .30 = 1,020$).

We now assume that a minimum of 47% of these 1,020 applicant migrants were influenced in their decision to move to Wisconsin by the state's welfare policies or programs. Thus, at least 479 applicants each month represent "welfare magnet" migrants ($1,020 \times .47 = 479.4$).

We seriously challenge the Report's next assumption. The Report notes that only about half of all applicants for AFDC each month qualify for assistance. If we grant that this is true, then we must question whether we can also assume, as the Report does, that only half of the migrant applicants qualify. In the section of the Report which presents the findings from the CRN program data, it is clear that migrants constitute a rapidly growing proportion of the state's total AFDC caseload. This being documented, there are only three possibilities which could account for this. The first possibility is simply that the proportion of applicants who are migrants is steadily increasing. But the Report insists that this is not the case. The second possibility is that the qualifying rate for migrants is significantly higher than it is among non-migrants. And if this is also not the case, then the third possibility is that the average tenure on welfare is significantly longer for migrants than it is for non-migrants. Only one or more of the above circumstances could account for the sharp increase in the percentage of the total caseload who are migrants.

Thus, the Report's rationale for factoring the number of "welfare magnet" applicants by .50 (the overall rate of approval) in order to project the number of "welfare magnet" recipients is questionable. Even using .50, however, we can assume that, at a minimum, 240 "welfare magnet" migrants ($479 \times .50 = 239.5$) are added to the AFDC rolls each month.

The next impropriety in the Report is its computation of the percentage of "welfare magnet" cases added each month. Instead of calculating this figure as a percentage of the number of cases added per month, the Report calculates it as a percentage of the total caseload! This is not only irrelevant but misleading. Using the assumptions stated above, the minimum percentage of cases each month that are "welfare magnet" migrants is actually 14.1% ($240/1700 = .1412$). For all of the many reasons documented in this paper, this figure of 14% of all cases each month has to be considered an extremely conservative estimate. It would not be at all unlikely that the true figure could be as high as 20%. Furthermore, there is ample evidence (presented in the section entitled "Findings from the CRN Program Data") that the percentage of all cases who are welfare-motivated migrants is climbing rapidly.

Summary of the Telephone Interview Data

The Report's summary of the telephone interview data seriously distorts the actual findings. It states, "... when AFDC applicants who have moved to the state sometime during the past five years are examined, perhaps as many as 7% to 20% of them may be considered as applicants for whom welfare benefits played some role. It is our belief, based on all of the figures we have examined, and taking into account the known sampling biases in the telephone interview sample, that the most reasonable estimate probably lies around 10% of this group . . . Based on estimates which can be made from these findings, roughly 3% of applicants each month may be considered welfare migrants. The likely impact of such welfare-motivated migration is to increase the state's AFDC caseload by around 50 new cases per month--approximately 6-100ths of 1% of the total caseload."

This conclusion is totally at odds with all of the data gathered as part of the study. Remember, it was found that at least 47% of recent migrants interviewed voluntarily admitted that welfare influenced their migration decision; yet the authors of the Report essentially discounted this finding, thereby obscuring the true extent to which Wisconsin's welfare rates are responsible for attracting welfare in-migrants. Through misleading numerical and percentage "estimates" of the impact of welfare-motivated migration, the Report serves to create the false impression that welfare-induced migration accounts for only a minute proportion of the total caseload when quite the

contrary is in fact the case. The Report never actually presents a specific estimate of the percentage of all cases which may be welfare-motivated migrants. It basically sidesteps this issue and instead takes an understated estimate of the number of new cases each month and calculates this number as a percentage of the total caseload. The resulting figure, in addition to being based on understated values, is meaningless.

Consider the following. The state of Wisconsin has approximately 90,000 AFDC recipients. The Report claims that approximately 1,700 new cases are added each month (the Report does not say how many are dropped). This paper shows that 240 is an extremely conservative estimate of the number of new cases each month who are welfare-motivated migrants. One way to state this is to say that at least 14% of all new cases each month are welfare-motivated migrants. Depending on whether this figure has remained steady or has changed over the years, or is continuing to change, and depending on whether welfare migrants, on average, remain on AFDC for longer or shorter periods of time than other welfare recipients, we might next try to approximate the percentage of all cases presently on the rolls who are welfare migrants. The Report never attempts to estimate the percentage of all cases who are welfare migrants. Rather, the Report presents a meaningless, and demonstrably misleading estimate of new welfare cases each month calculated as a percentage of the total caseload.

When we used 240 as a minimal estimate, it was stated that this represents more than 14% of all new cases. We could have stated that each month at least 240 new welfare migrants are added to the rolls, but this represents less than 3-10ths of 1% of the total caseload. We could have also said that although 8 new welfare migrants are added to the rolls each day, this represents less than 9-1,000ths of 1% of the total caseload. Clearly, saying that 14% of all new cases each month are welfare migrant, is more meaningful than saying that each day the number of welfare migrants added to the rolls is less than 9-1,000ths of 1% of the total caseload. Both are true. Simply stated, the mode of exposition chosen by the Report serves to downplay the impact of welfare-migration by presenting not only inaccurate, but also deceptive statistics.

The net effect of all this is to create a false sense that the impact of welfare-induced migration into Wisconsin is minimal, and this is not at all the case. Based on this false premise, the Report states, "No statewide AFDC policy changes would appear to be suggested by the relatively small amount of welfare-motivated migration identified here."

If the purpose of the Report is to make a case on political, or philosophical or humanitarian grounds that Wisconsin's AFDC benefit levels should not be reduced, or that the rules for eligibility should not in any way be changed, solely as a means of removing the present incentive towards in-migration, then this could have been done in a credible, dignified and professional manner. There is absolutely no basis, however, for this recommendation in the research presented in the Report.

FINDINGS FROM THE CRN PROGRAM DATA

This section of the Report is introduced with the following caveat, "Again, in the absence of microlevel motivational data on why people relocate, the evidence obtained from such sources (CRN Program data) cannot prove the 'welfare magnet' hypothesis. Other unmeasured variables (or difficult-to-quantify variables which economists often lump together as 'personal tastes') may also be compelling determinants of residential location."

Variation in Benefit Levels

The Report informs us that traditionally Wisconsin's AFDC benefit level has been high, relative to most other states. In 1985, the AFDC benefit level for a family of four was \$636, which placed Wisconsin in a tie for 4th place among all states. Compared to its two neighbors, in the same year the comparable guarantees were \$368 in Illinois and \$611 in Minnesota. (See Table 19 on the following page.) Illinois thus has an AFDC guarantee which is 42% lower than Wisconsin's while Minnesota's guarantee is 4% lower.

The Report next makes three points. First, "Wisconsin's regional leadership in AFDC benefit guarantees emerged in the early 1970s and has been relatively constant since 1980, at least when compared with Minnesota." It is very unclear what point the Report is attempting to make by this observation. Only two other states are used as reference points and the pattern is different relative to each. Compared to Minnesota, Wisconsin's benefit lead emerged in the early 70s. The differential has been marginal, and it has been basically constant over time. Compared to Illinois, however, Wisconsin's benefit advantage has been continuously increasing. Thus, based on this pattern, the welfare magnet hypothesis would predict that Illinois residents, more so than Minnesota residents, would be attracted by Wisconsin's benefit levels. And the pull should increase as the differential continues to grow. And this is precisely what the data show.

Table 19
Comparison of AFDC Payment Levels (Family of Four) for Wisconsin,
Illinois, and Minnesota (1969-1985).

Year	Family of Four Payment Level			Percent of Wisconsin Payment Level	
	WI	IL	MN	IL	MN
1969	\$257	\$282	\$330	110%	128%
1975	403	317	384	79	95
1980	529	350	486	66	92
1985	636	368	611	58	96

Source: U.S. Department of Health and Human Services, Quarterly Public Assistance Statistics; monthly mode of Tables 12 and 13 is used. Profiles of state performance in the AFDC program, Committee on Ways and Means, Children in Poverty WMCP 99-8.

The second point the Report makes is that since 1970, Wisconsin's AFDC guarantees have not become more generous when measured in constant dollars. This may in fact be the case, but it is irrelevant in terms of testing the welfare magnet hypothesis.

The Report next claims that when viewed as a total package--including AFDC benefits, food stamps and energy assistance--Wisconsin's benefit advantage over Illinois is not nearly so dramatic. The lesson from this might be that Wisconsin, instead of reducing benefit levels as a means of removing the incentive to migrate therein, might simply reallocate benefits from cash into the apparently less attractive form of non-cash benefits.

A Review of Selected CRN Program Data: The Caseload Profile

The Report presents in Table 22 data indicating the proportion of Wisconsin's AFDC caseload that lived in another state at some time before applying for AFDC in Wisconsin. It also shows the percentage of all in-migrants currently on the caseload who applied for assistance within three months of moving into the state.

Table 22

Overall Wisconsin AFDC Program Growth Compared to Growth of In-Migrant cases
(Lived in Another State at Some time in the Past), 1980 to 1985.

Month of September	Total Caseload	In-Migrants, i.e., Lived in Another State at Some Time		In-Migrants who Applied Within 3 Months		
		N	% of Caseload	N	% of All In-Migrants	% of Caseload
1980	74,527	26,045	34.95%	6,052	23.2%	8.12%
1981	81,887	28,180	34.41	7,124	25.3	8.70
1982	77,289	27,163	35.14	7,234	26.6	9.36
1983	86,286	30,551	35.40	8,172	26.8	9.47
1984	86,169	30,484	35.38	8,841	29.0	10.26
1985	90,566	32,451	35.83	9,917	30.6	10.95
1986	90,722	33,436	36.86	10,435	31.2	11.57
Percent Change Sept. 1980 to Sept. 1986						
	21.7	28.4			72.4	

Source: Wisconsin CRN Data Base.

The Report states, "Clearly, the caseload grew substantially over this period." The increase was indeed 21.7%. However, if the components of growth are disaggregated, it can be seen that the number of lifetime Wisconsin residents on AFDC increased by 18.2%, while the number of in-migrants increased by 28.4%. In other words, the rate of increase for in-migrants was more than one and a half times the rate of increase for lifetime natives. Given these figures, it is unclear how the Report, after acknowledging that a 21.7% overall increase was substantial, can in the same paragraph state, "The percentage of the total caseload which, at some point, lived in another state increased only slightly over this time period."

Furthermore, the table shows that the increase among those in-migrants applying for AFDC within 3 months of their arrival was 72.8%, or 4 times the rate of increase among lifetime Wisconsin residents. By any standard this should be regarded as a dramatic increase.

New Entrants Onto AFDC

The Report points out that in examining the entire AFDC caseload, as was done in the previous section, there is no consideration of the fact that different cases have been on the system for different lengths of time. Thus, two tables are presented just for the population of applicants approved for AFDC in the months of September, 1985, December, 1985 and March, 1986.

Table 24 (reproduced on page 65) shows that slightly more than 40% of all applicants in recent months have lived in another state. The cumulative data, we recall, showed that in-migrants constitute less than 37% of the total caseload. This suggests that the proportion of cases seeking assistance who are in-migrants may be increasing. Another point of interest from this table is the fact that, while returnees to the state represent approximately equal proportions of the applicant pool in Milwaukee County relative to the rest of the state, the proportion of Milwaukee applicants who had never lived in Wisconsin before was twice as high as the average for all other counties.

Table 25 (reproduced in full) shows that in-migrants from Illinois, successfully applying for AFDC in Wisconsin in 1985 and 1986, when compared to in-migrants from other states, were more likely to have been in Wisconsin less than three months before making application (38% versus 28%). The next table (Table 26 in the Report) shows that the proportion of the caseload that formerly lived in Illinois and applied for assistance in Wisconsin within three months of relocating has grown over time. It increased from 25% in March, 1981 to 36% in March, 1986.

The Report, in its presentation and analysis of the above data, instead of noting that a welfare problem exists and observing that it is particularly pronounced in Illinois as a state of origin and Milwaukee County as a point of settlement, instead focuses on an irrelevant issue. It states, "it also is clear from this table, however, that a substantial portion of former Illinois residents had lived in this state for a lengthy period of time before applying for assistance. As of March 1986, approximately 44 percent had lived in Wisconsin at least three years before seeking assistance, strongly suggesting that the differential in welfare benefits could hardly have been a factor in their relocation decision." It has already been pointed out that the data from the telephone survey renders this inference untrue. A significant proportion of in-migrants, already in Wisconsin for more than three years, volunteered on the survey that welfare was a factor in their decision to move. The irony here is that the Report argued very strongly, in support of the design strategy, that inferences about motivations cannot legitimately be made from behavior patterns. It was insisted that if we want to know why people move, we should ask them. Now the Report, in effect, ignores the self-reported motivations of the respondents.

TABLE 24

New AFDC Cases Approved in September, December, 1985, and March, 1986.

	September 1985	December 1985	March 1986	Total
STATE				
Total new applicants	3,940 (100.0)	3,380 (100.0)	3,278 (100.0)	10,598 (100.0)
Always WI resident	2,231 (56.6)	2,054 (60.8)	2,026 (61.8)	6,311 (59.6)
Returned to WI	414 (10.5)	368 (10.9)	334 (10.2)	1,116 (10.6)
New to WI	1,295 (32.9)	958 (28.3)	918 (28.0)	3,171 (29.8)
MILWAUKEE				
Total new applicants	1,109 (100.0)	809 (100.0)	876 (100.0)	2,794 (100.0)
Always WI resident	429 (38.7)	350 (43.3)	403 (46.0)	1,182 (42.3)
Returned to WI	124 (11.2)	79 (9.8)	77 (8.8)	280 (10.0)
New to WI	556 (50.1)	380 (47.0)	396 (45.2)	1,332 (47.7)
REST OF STATE				
Total new applicants	2,831 (100.0)	2,571 (100.0)	2,402 (100.0)	7,804 (100.0)
Always WI resident	1,802 (63.7)	1,704 (66.3)	1,623 (67.6)	5,129 (65.7)
Returned to WI	290 (10.2)	289 (11.2)	257 (10.7)	836 (10.7)
New to WI	739 (26.1)	578 (22.5)	522 (21.7)	1,839 (23.6)

TABLE 25

AFDC Cases Approved in September, December, 1985, and March, June, 1986.

	State Totals				
	Sept. 1985	Dec. 1985	March 1986	June 1986	Totals
<u>Total New to WI</u> (excludes returnees)	1,295	1,098	918	1,049	4,360
<u>From Illinois</u>	339 (26.2%)	296 (27.0%)	232 (25.3%)	270 (25.7%)	1,137 (26.1%)
From IL and in state less than 3 months	157/339 (46.3%)	102/296 (34.4%)	68/232 (29.3%)	103/270 (38.1%)	430/1,137 (37.8%)
IL applicants in state less than 3 months over all applicants	157/3,940 (4.0%)	102/3,880 (2.6%)	68/3,278 (2.1%)	103/3,609 (2.9%)	430/14,707 (2.9%)
<u>From All Other States</u>	956 (73.8%)	802 (73.0%)	686 (74.7%)	779 (74.3%)	3,223 (73.9%)
From states other than IL and in WI less than 3 months	351/956 (36.7%)	166/802 (20.7%)	154/686 (22.4%)	233/779 (29.9%)	904/3,233 (28.0%)
From states other than IL and in WI less than 3 months over all applicants	351/3,940 (8.9%)	166/3,880 (4.3%)	154/3,278 (4.7%)	233/3,609 (9.3%)	904/14,707 (9.1%)
<u>New Applicants in WI Less Than 3 Months</u>	508/3,940 (12.9%)	268/3,880 (6.9%)	222/3,278 (6.8%)	336/3,609 (9.3%)	1,334/14,707 (9.1%)

Table 26

Families on AFDC in March 1981 and March 1986 Who Formerly Lived in Illinois by Amount of Time Since Current AFDC Episode Opening and Data They Arrived from Illinois.

Amount of Time in State before Applying for the Episode of AFDC	March 1981	March 1986
Total	5,936 (100.0%)	8,673 (100.0%)
3 months or less	1,495 (25.2%)	3,121 (36.0%)
Between 3 months and 3 years	1,453 (24.5%)	1,696 (19.6%)
Over 3 years	2,988 (50.3%)	3,856 (44.4%)

Where In-Migrants Settle and Where They Come From

This section of the Report explores further the distribution of state or origin and point of destination among Wisconsin AFDC recipients who lived in other states. Some of the findings of note include that more than 4 out of 10 AFDC cases in Wisconsin counties on the Illinois border are not natives of Wisconsin. Half of these cases in-migrated from Illinois, and 40% of these applied for assistance within three months of their arrival. As of March, 1986, slightly more than one-third (35.8%) of all AFDC cases had lived in another state at some point. Almost 40% of all AFDC in-migrant cases applied for assistance within 1 year of moving into the state, with the majority of these (77%) having applied within 3 months of their move.

The states from which most in-migrant AFDC recipients come can be divided into two categories. The first are neighboring states (Illinois, Minnesota, Michigan and Indiana). The second group is comprised of several southern states (Mississippi, Texas, Arkansas and Tennessee). Since the Report previously classified all four of these southern states as Low AFDC Benefit States, it would seem reasonable to conjecture that welfare differentials could be a contributing factor.

The Report next examines new AFDC cases for June, 1986. It finds that the percentage of cases who are in-migrants is slightly higher than the caseload profile. The distribution by state of origin is consistent with the caseload profile. In-migrants from Illinois and Indiana are more likely than in the past to apply for assistance within 3 months of moving, 46% and 66% respectively. The data also show that recent in-migrants from the southern group of states are also more likely to apply within 3 months of their move than what would be suggested by the overall caseload profile.

Summary of the Program Data

The Report begins its summary with the following disclaimer: "Program data from one state by itself, cannot confirm or disprove the existence of a welfare magnet phenomenon." It goes on to enumerate the "salient findings" and concludes with the following:

"In sum, the data do not lead to any easy conclusions. The proportion of the caseload that can be defined as in-migrants in the broadest terms has increased only marginally in the past few years. The recent data, however, does suggest increases in both the number of in-migrants seeking assistance and the proportion applying for assistance shortly after moving into the state. The patterns respectively where in-migrants come from do not appear to have changed over time. Thus, no large recent influx from Illinois is apparent from these data. Again, it is difficult to interpret the meaning of these numbers without appropriate comparisons or in the absence of corroborating information on the motivational factors underlying these relocation decisions."

This conclusion seems to be saying that the program data are consistent with the welfare magnet hypothesis; but instead of stating this directly, the Report begs the question by claiming that the data do not lead to any easy conclusions.

FINDINGS FROM OTHER DATA SOURCES

This section of the Report reviews two other sources of data. The first is survey data and the second is demographic data on interstate migration patterns.

The Report points out, "With the exception of a few relatively low-budget surveys by individual states and counties, no systematic evaluations measuring the motivations for inter-state moves by public assistance recipients have recently been conducted." The Report goes on, however, to present the results of two studies: one in the State of Michigan and the other in Kenosha County, Wisconsin. The Report fails to describe in any detail the methodology employed. In fact, the sample size is not even reported. In both studies, recent migrants (3 months in Michigan and 6 months in Kenosha) reported moving because of welfare rates in approximately 5% of all cases. The Report does acknowledge the weaknesses of both of these studies. It states, "There are many shortcomings in such surveys which mitigate the usefulness of the results. In general, they are too brief to probe multiple reasons for relocating. Welfare generosity may be one of several motivating factors that remains unmeasured by a single question item. More seriously, the results may be subject to a 'socially desirable response' bias. That is, applicants for assistance may be reluctant to admit that welfare, per se, prompted their relocation decision." It should be noted that these criticisms which the Report raises in connection with other surveys, also apply to the present study as well. Why then does the Report not recognize that its own results are conservative estimates which document at a minimal level the extent to which welfare is a factor in influencing migration decisions?

In summarizing the demographic data for the state, the Report notes, "Between 1975 and 1980, Wisconsin experienced a net loss of persons to southern and western states. This included both nonpoor and poor individuals. However, it experienced a net gain of persons who were AFDC householders from southern states." Also, "Clearly, during this period some states were providing more in-migrants who became AFDC householders than would be expected from the general migration flows. These states include Mississippi, Arkansas, Tennessee, Indiana, and Illinois"

This demographic data, though old (most from the late 1970s) still tends to support the welfare magnet hypothesis. And this paper, it will be recalled, cites a more recent and more thorough demographic and statistical analysis (Cebula, 1988) which strongly confirms this hypothesis as well. As with the literature review, the popular view, the survey results, and the CRN Program data, the preponderance of evidence from a demographic perspective also supports the welfare magnet hypothesis.

SUMMARY AND CONCLUSIONS

The Report states, "From the several and diverse pieces of information consulted in this study, a common conclusion emerged that the 'welfare magnet' argument is not without support." This is so understated that it constitutes a misrepresentation of the data.

The Report repeats the false claim that "perhaps as many as 7% to 20% of AFDC applicants who have moved to the state sometime during the past five years were influenced by attractive welfare benefits. It concludes that the most reasonable figure is 10%: this, despite the fact that the actual study data showed 47% of this group admitting that welfare was a factor in their decision to move. Next, the Report uses this false estimate as a basis for calculating an irrelevant and misleading percentage, a percentage which would have no meaning even if it were based on an accurate projection. The Report states, "The likely impact of such welfare-motivated migration is to increase the state's AFDC caseload by around 50 new cases per month--approximately 6-100ths of 1% of the total caseload."

It has already been shown that a conservative estimate of the percentage of all new AFDC cases each month that are welfare migrants is 14%. Taking into account the sampling bias in the telephone survey, the presence of a "socially desirable response" bias (which affects all surveys to some extent, but this survey in particular to a potentially serious degree), and various other factors, it is contended that between 15% and 20% of the state's total caseload is most likely comprised of welfare migrants. Furthermore, the evidence points to that percentage increasing rather than decreasing.

The Report next uses its false projection to justify its recommendation that no policy changes be enacted. It states, "No statewide AFDC policy changes would appear to be suggested by the relatively small amount of welfare-motivated migration identified here."

There is no doubt that, for whatever reason, the Report understates the latent impact of the state's relatively generous welfare policy. The Report correctly points out that the brunt of any cuts in welfare assistance would be borne by families the majority of whom have never lived outside Wisconsin. Although this is most certainly true, the predilection for maintaining current benefit levels is hardly justification for discounting the study data.

The fact of the matter is that all sources of data indicate that Wisconsin's welfare policies encourage the in-migration of AFDC applicants. This of course does not mean in and of itself that Wisconsin should change its policies. However, the decision should be an informed one, and one critical piece of information is the percentage of all cases which are attributable to this phenomenon. It is herein contended that a reasonable estimate is between 15% and 20%, with signs that the percentage is rising.

These being the facts, the real question is, "How important is (and what are the cost/benefits associated with) correcting this imbalance?" Southwick (1981) tells us, ". . . any state or locality which is considering raising its benefits should realize that one result will be to increase the in-migration of welfare recipients, the beneficiaries of the increase will not be solely current residents. Furthermore, any such increase will tend to reduce out-migration among welfare recipients which would otherwise have occurred." And Glantz (1975) notes, it may be that "{f}rom the standpoint of economic efficiency it is in the national interest to eliminate interregional differences in welfare payments."

Based on prior research as well as the unedited findings presented in the Report, the following proposals are offered as possible means of addressing the situation:

1. All welfare benefit levels in Wisconsin should be frozen immediately.
2. All benefit levels should remain frozen until they are in line with the national average.
3. Once in line with the national average, welfare benefit levels in Wisconsin should increase at the same rate over time as the national average rises.
4. Wisconsin should consider imposing at least a three to six month residency requirement for eligibility for welfare benefits.
5. The above policies should be publicized widely, clearly and frequently.

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