

**Women and Drug Crime:  
The Role of Welfare Reform**

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Although crime is perceived to be a male activity and the propensity to engage in crime is higher for males than females, there is a secular trend in female criminal participation in the U.S. In 1980, women comprised less than one-fifth of arrests for “index” crimes and only 13% of arrests for drug crimes.<sup>1</sup> By 2008, women comprised over 30% of arrests for index crimes and almost 20% of arrests for drug crimes. That is, the fraction of arrestees for serious crimes who are female has grown over 40% since 1980. Thus, although women still account for the minority of serious criminal arrestees, they account for a non-trivial and growing share of criminals.

Very few studies in the social science literature have specifically focused on causes of female crime, with the most noteworthy analyses having been conducted over 25 years ago (Bartel 1979; Phillips & Votey 1984). Since then, there have been large increases in labor force participation, decreases in fertility, increases in real wages, and increases in educational attainment among women. At the same time, nonmarital childbearing has increased, with over one third of births in the U.S. now taking place out of wedlock. These dramatic changes, which

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<sup>1</sup> “Index” crimes are defined by the FBI as murder, rape, robbery, felonious assault, burglary, grand larceny, and auto theft. These figures were calculated by authors from data from FBI arrest files.

actually began around 1960 and have been referred to as “the second demographic transition” by McLanahan (2004) and others, have resulted not only in increased economic opportunities but also in rising income inequality among women, particularly among mothers with young children. According to Freeman (1996), rising economic inequality has fueled increases in crime among young black men. It seems reasonable to speculate that widening income inequality among women under the second demographic transition has similarly fueled recent increases in women’s crime. However, it is empirically difficult to identify causal effects of a multifaceted demographic transition. In this paper, we make inroads into understanding the role of social forces over the last several decades in shaping women’s criminal behavior by investigating the effects of welfare reform, a recent and widespread policy shift that was designed to increase female employment and decrease nonmarital childbearing and also included features aimed explicitly at reducing drug use among low-income women.

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, often referred to as welfare reform, ended entitlement to welfare benefits under Aid to Families with Dependent Children (AFDC) and replaced the AFDC program with Temporary Assistance for Needy Families (TANF) block grants to states. Features of the legislation were time limits on cash assistance, work requirements as a condition for receiving benefits, and increased state latitude in establishing eligibility and program rules. Among the broad goals of PRWORA were to reduce dependence on government benefits by promoting work, encouraging marriage, and reducing non-marital childbearing. A specific component of the federal legislation was to encourage states to impose lifetime bans on women who are convicted of a drug felony. Although welfare reform is often dated to the landmark 1996 PRWORA legislation, reforms actually started taking place in the early 1990s when the Clinton Administration greatly

expanded the use and scope of “welfare waivers.” Many policies and features of state waivers were later incorporated into PRWORA. However, PRWORA departed from its waiver precursors by imposing a “work first” approach that was designed to not only reduce welfare dependence, but also to reconnect members of an increasingly marginalized underclass to the mainstream ideals of a strong work ethic and civic responsibility (Katz 2001).

Illicit drug use results in substantial costs to families and communities that include criminal justice expenditures, reduced productivity, and unemployment. The cost to society of illicit drug use has been estimated at \$181 billion annually (Office of National Drug Control Policy 2004). Although illicit drug use declined substantially in the U.S. during the 1980s and 1990s, it remains an important criminal justice, public health, and policy issue and appears to have risen in concert with the implementation of welfare reform. In 1979, 14.1% of the U.S. population age 12 and older reported using an illicit drug in the past 30 days; that figure decreased to 6.3% in 1998, with the sharpest drop occurring between 1985 and 1990 (Office of National Drug Control Policy 2002). More recent figures indicate that rates have increased since then; the rate was 7.1% in 2001 (Office of National Drug Control Policy 2002). Among adult women, illicit drug use declined by more than 50% between 1979 and 1992 (from 9.4% to 4.2%) (SAMHSA 1998), remained relatively constant into the late 1990s as TANF was implemented (SAMHSA 1998), and appears to have increased starting in 2001 when TANF was fully implemented (i.e., 5 year lifetime limits were being confronted).<sup>2</sup> Data from the Drug Abuse Warning Network indicate a 22% increase between 1995 and 2002 in drug-related hospital emergency department visits of women.<sup>3</sup>

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<sup>2</sup> Source for 2001: Authors' calculations, based on weighted averages for any drug use past year and past month for women aged 18 to 49 in the 1999 to 2005 National Household Survey on Drug Abuse/National Survey on Drug Abuse and Health surveys.

<sup>3</sup> Source: [http://dawninfo.samhsa.gov/old\\_dawn/pubs\\_94\\_02/edpubs/2002final/](http://dawninfo.samhsa.gov/old_dawn/pubs_94_02/edpubs/2002final/)

By linking welfare benefits to work, making benefits time limited, and imposing a culture of personal and civic responsibility, welfare reform may have increased the costs and decreased the benefits to women of both selling and using illicit drugs. In addition, the PRWORA legislation included direct policies vis-à-vis illicit drug use that should discourage drug use. In particular, PRWORA denies TANF benefits, for life, to women who are convicted of a drug felony unless a state enacts legislation to modify or opt out of the lifetime drug sanction.<sup>4</sup> States can also test and sanction recipients for illegal drug use. Although many states have chosen to implement drug sanctions less strict than those initially proposed in the PRWORA legislation, TANF has been much tougher than its predecessor AFDC in terms drug use policy vis-à-vis welfare benefits. On the other hand, it is possible that welfare reform could increase women's demand for drugs through increased income or if the stress of dealing with the realities of welfare reform increases their utility from using drugs.

Exploiting changes in welfare policy across states and over time, and comparing relevant population subgroups within an econometric difference-in-differences framework, we estimate the causal effects of welfare reform on adult women's illicit drug crime from 1992 to 2002, the period during which welfare reform unfolded. The analyses are based on several different datasets, each offering unique strengths. We investigate self-reported illicit drug use using nationally-representative surveys (National Surveys on Drug Use and Health) as well as objective indicators of illicit drug crime derived from prison admissions (National Corrections Reporting Program), drug-related arrest data (Uniform Crime Reports), and drug-related hospital emergency department visits (Drug Abuse Warning Network). All of these data are augmented with state welfare implementation and caseload measures as well as other potentially

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<sup>4</sup> By 2002, over half of states had either opted out or modified the lifetime denial of TANF benefits to women with felony drug convictions (GAO 2005).

confounding economic and policy measures. Preliminary findings suggest that welfare reform led to a decline in illicit drug crime among both welfare recipients and women at risk for relying on welfare, compared to both other women and men. These estimates provide insights into the impact of a large scale pro-work and anti-drug policy shift on drug crime. More generally, the results provide evidence that the social forces of the past several decades have played a role in shaping women's criminal behavior.

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