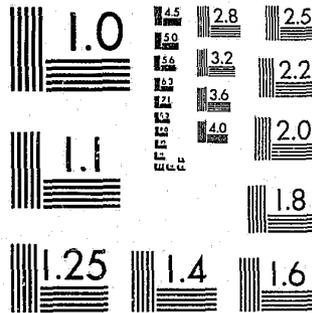


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**The Wildcat Experiment:  
An Early Test  
of Supported Work  
in  
Drug Abuse Rehabilitation**

**61740**

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
PUBLIC HEALTH SERVICE  
ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

**The Wildcat Experiment:  
An Early Test  
of Supported Work  
in  
Drug Abuse Rehabilitation**

by

Lucy N. Friedman  
Vera Institute of Justice

NCJRS

OCT 16 1979

ACQUISITIONS

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THE WILDCAT EXPERIMENT: AN EARLY TEST OF SUPPORTED WORK  
Lucy N. Friedman

Introduction

The Wildcat Service Corporation of New York City is a not-for-profit corporation providing jobs for the chronically unemployed among former heroin addicts, criminal offenders, and other "unemployable" groups. The Vera Institute of Justice launched Wildcat in July 1972; by mid-1974 more than 1,400 active employees were working in full-time jobs at social service, clerical, construction, and maintenance projects for dozens of city agencies and nonprofit organizations. By June 1976, Wildcat had employed more than 4,000 exaddicts and exoffenders, 1,000 of whom were then on its work rolls.

Traditional manpower services for the hard-to-employ have stressed job-training and job-placement services. Wildcat brought to the problem an innovative approach: an effort to restructure the jobs themselves, and the conditions of work, in ways which would increase the likelihood that chronically unemployed workers would stay on the job, produce effectively, and perhaps transfer in due course to jobs in the nonsubsidized<sup>1</sup> labor market. Instead of being sent off one by one to work at unfamiliar tasks in unfamiliar settings with strangers who might view them as outcasts and whom they might perceive as hostile, Wildcat's workers are typically employed in "work crews" of three to seven, all drawn from the same hard-to-employ population and all in similar predicaments. Other special characteristics of Wildcat job-structuring are described in chapter 3. Jobs specially tailored in these ways to the needs of the chronically unemployed have come to be known as "supported work"--the subject of this report.

There has long been public hostility to supporting welfare recipients in idleness at taxpayer expense. From this point of view, Wildcat's supported work experiment was a welcome and politically popular effort for getting welfare recipients into the work force and keeping them there.

During the four-year period with which this report is concerned--July 1972 through June 1976--Wildcat's receipts and expenditures each totalled \$36 million. Half of this sum came from New York City's Department of Employment. Three Federal agencies also contributed substantially: the National Institute on Drug Abuse, the Law Enforcement Assistance Administration, and the Department of Labor's Employment and Training Administration (formerly Manpower

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<sup>1</sup>In this monograph, the term "nonsubsidized" refers to nonsupported work. The terms conventional and regular work are sometimes also used to denote nonsupported work.

Administration). The remainder of funds came from the U.S. Department of Health, Education, and Welfare, which diverted the participants' welfare payments to a salary pool, and from fees for services that Wildcat employees provided. The Ford Foundation did not contribute to Wildcat directly, but its annual grants to the Vera Institute of Justice since 1963 were a major factor in the development of Wildcat as well as other Vera projects.

From the beginning of the experiment, Vera has been studying the impact of supported work on its participants--on their earnings, their welfare dependency, their lifestyles, and their chances for subsequent conventional employment.<sup>2</sup> This longitudinal research has focused primarily on a reservoir of 401 job applicants; 194 of these were selected by lot to be offered jobs in supported work while the other 207 were not given jobs but, like those employed, were interviewed periodically through the three subsequent years. Differences arising between these two groups--those employed at supported work (experimentals) and the others (the controls)--provide a measure of the impact of supported work.

Part II of this monograph describes Wildcat's impact on its employees by comparing the 194 experimentals and 207 controls for the three years after entering the study.<sup>3</sup> Random assignment of sample members to experimental or control status helped ensure that the two groups were as much alike as possible. About 90 percent of each group were male; 60 percent were black, 30 percent were Hispanic, and 10 percent were white. On the average, they came to the program at age 31, with a police record of eight arrests and four convictions. Typically, a sample member had become addicted to heroin at age 19, had been addicted 11 years, and had been enrolled in a drug treatment program for one year. About 80 percent of both experimentals and controls were referred to Wildcat from methadone maintenance programs; the other 20 percent from drug-free programs. The majority of Wildcat applicants in both the experimental and the control groups were on welfare and had not worked for at least six months.

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<sup>2</sup> Vera's research on Wildcat was funded by the National Institute on Drug Abuse and by New York City's Addiction Services Agency and Department of Employment.

<sup>3</sup> The original sample consisted of 604 applicants; disqualifications, death, and unavailability for interviews whittled the sample down to 401. The final 194 members of the experimental group were generally representative of the 3,600 exaddicts who worked at Wildcat between July 1972 and June 1976 (about 400 exoffenders referred from correctional agencies had also been employed). The reasons for attrition from the sample and the minor differences between members of the sample and the other Wildcat employees are discussed in Chapter 8.

What impact did the Wildcat program have on these people, handicapped as they were by addiction and criminal histories, spotty or non-existent work records, low educational levels, and few or no skills? Wildcat did cause significant changes in the employment and welfare of participants; but, while other changes such as reduction in the rates of arrest and alcohol and drug use were highly correlated with employment, evidence that the employment itself caused such changes is only suggestive. In summary, the comparisons between experimentals and controls indicates that:

- o Wildcat significantly increased the employment stability and earning capacity of its employees. On the average, experimentals worked 101 weeks and earned \$12,236 during the three-year period, while controls worked only 46 weeks and earned only \$4,968.
- o Although experimentals worked more and earned more than controls, the differences between the groups diminished during the three years. At the end of one year, 74 percent of experimentals and 30 percent of controls were working; at the end of three years, 49 percent of experimentals and 36 percent of controls were working.
- o The post-Wildcat employment experience of experimentals suggests, but does not prove, that Wildcat significantly improved the long-term employment prospects of its participants. Evidence was conclusive, however, that participation in Wildcat improved the long-term earning capacity of those who passed through the program: experimentals earned an average of \$133 per week when they were in nonsubsidized jobs, while the controls earned an average of only \$108.
- o Wildcat reduced long-term dependency on welfare. Forty-six percent of those who were employed at some point by Wildcat, and six percent of controls, did not receive welfare at all during the three years. Even after they left Wildcat, experimentals were significantly less likely to be on public assistance than were the controls.
- o In the first two years of the study, experimentals were less likely than controls to use Medicaid and food stamps and were less likely than controls to live with other people receiving public assistance. These differences narrowed in the third year.
- o In the first year experimentals were significantly less likely to be arrested (19 percent) than were controls (31 percent). This difference diminished in the second year, however, and by the third year, a higher proportion of experimentals than controls were arrested.

- o Over the three years, a smaller percentage of experimentals were arrested (43 percent) than controls (51 percent); there was no important difference in the arrest charges.
- o Conviction rates on arrest charges were similar for experimentals and controls (about 60 percent). However, in the first year, experimentals were less likely to be sentenced to prison than were controls.
- o Employment was closely associated with low arrest rates; for both experimentals and controls, the three-year arrest rate of sample members who were employed for more than 18 of the 36 month study period was less than half the rate of sample members employed for fewer than 18 of the 36 months.<sup>4</sup>
- o Wildcat did not have a significant impact on drug or alcohol use. About half of both experimentals and controls reported using some illegal drug during the three-year period. At the end of the third year, about one-quarter of both experimentals and controls reported daily drinking during the year.
- o For both experimentals and controls, exaddicts referred from drug-free treatment programs reported less drug abuse than referrals from methadone programs. No such differences were noted in alcohol use.
- o The more a person worked--either at Wildcat or in non-subsidized employment--the less likely he was to use drugs or alcohol.
- o Wildcat encouraged family stability: experimentals were more likely than controls to get married and to stay married.
- o Experimentals were more likely than controls to be supporting other people during each year of the study. At the end of the third year, the experimentals were supporting 1.8 dependents, on the average, while the controls averaged 1.4 dependents.
- o The longer an employee stayed at Wildcat, the more likely the employee was to find and keep subsequent employment and to get married, and the less likely the employee was to be arrested and to use drugs.

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<sup>4</sup> For the experimentals, the rate was 22 arrests per 100 person-years-at-risk (not incarcerated); for the controls, the rate was 48 arrests per 100 person-years-at-risk.

The costs and benefits of Wildcat to the taxpayers were also measured. Over the three-year study period, expenditures on experimentals (\$13,127 on the average) were less than the benefits they produced (\$15,405 on the average). Calculation of a benefit-cost ratio indicates that the taxpayer received \$1.12 from supported work for every \$1.00 invested in it.

In 1973, as data from Wildcat's first year became available, Vera started to consider supported work programs for other disadvantaged groups. In September 1973, the Institute developed a supported work program in a New York City public high school, designed to integrate part-time public service employment with the school curriculum. Through a controlled study, Vera determined that the program was having no impact on the students' academic performance and may have been increasing their absenteeism. Although this program was terminated, partly because of the early findings, the experience helped Vera to plan another supported work program for adolescents at Manhattan's Henry Street Settlement House. This program, begun in 1975, also combined work assignments, such as planting and maintaining a neighborhood park, with traditional school subjects, such as botany and geometry. In the first year and a half, 65 teenagers between the ages of 14 and 16 were paid stipends for working at assignments such as tutoring, cleaning parks, and helping rehabilitate tenant-owned housing.

Early that same year, the Inner London Probation and After Care Service in Great Britain asked Vera to help create a supported work program for exoffenders there. What emerged was the Bulldog Manpower Services, Ltd. established in 1975. Bulldog has put probationers to work at such jobs as maintaining historic parks and docksites, constructing a specially designed playground for blind children, and rehabilitating houses for the accommodation of battered wives and homeless people.

In the United States, Wildcat's early supported work experience and research findings led a number of agencies to fund similar supported work demonstration programs in 14 other cities and rural areas. This demonstration effort brought together the following: the Employment and Training Administration of the U.S. Department of Labor; the Department of Health, Education, and Welfare; the National Institute on Drug Abuse; the Law Enforcement Assistance Administration; the Economic Development Agency of the Department of Commerce; the Department of Housing and Urban Development; and the Ford Foundation. The demonstration programs began in 1975 and are administered by a not-for-profit corporation, the Manpower Demonstration Research Corporation (MDRC). The national program is testing supported work with a wider range of dependent populations, employing mothers who receive welfare benefits from the Aid to Dependent Children program, out-of-school youth, and

and exoffenders, as well as exaddicts. Since 1976, Wildcat has been operating as the fifteenth MDRC demonstration site.<sup>5</sup>

MDRC has contracted with Mathematica Policy Research to evaluate the impact of the national supported work program using a research design similar to Vera's. The MDRC research is not limited to exaddicts; the impact of supported work on exoffenders, out-of-school youth, and mothers receiving benefits under the Aid for Dependent Children welfare program is also being studied. The results of Mathematica's analysis of data from an early sample of 294 exaddicts from six other MDRC sites suggest that the impact Wildcat has had on its employees may be expected for other supported work programs. At the end of the first followup interview,<sup>6</sup> experimentals in the MDRC sample were working and earning significantly more than the controls and receiving significantly less welfare; these results parallel the findings from Wildcat. Although the MDRC exaddict sample has not shown a statistically significant difference between the arrest rate for experimentals and the arrest rate for controls,<sup>7</sup> the exaddict experimentals in the MDRC sample, as in the Wildcat sample, were arrested less often than were the controls. In regard to drug and alcohol use by the former addict participants, few significant differences between MDRC experimentals and MDRC controls emerged: the research on Wildcat also indicated that supported work did not markedly affect exaddicts' drug or alcohol use.

The followup period for the MDRC sample will extend for three years. Mathematica's research should significantly increase our understanding of the short-term and long-term effects of supported work. This monograph, therefore, should be viewed as a preliminary report of research and a documentation of an early program and research effort in what is clearly an expanding and increasingly sophisticated field.

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<sup>5</sup> Wildcat participation in the MDRC program is limited to welfare mothers and out-of-school youth. Statistics on these groups will be included in future MDRC reports and are not included in this monograph. Further information about MDRC and the research associated with its program can be obtained from the Manpower Demonstration Research Corporation, 3 Park Avenue, New York, N.Y. 10016. All MDRC findings are drawn from the Second Annual Report on the National Supported Work Demonstration, Manpower Demonstration Research Corporation, New York City, 1978.

<sup>6</sup> Mathematica conducted the first followup interview after nine months: Vera's first followup interviews were conducted after the research participant has been in the sample for one year.

<sup>7</sup> The difference in arrest rates of experimentals and controls in the MDRC sample was similar to the difference found in the Wildcat samples: the smaller sample size may account for the difference not achieving statistical significance in the MDRC sample.

## PART I: THE WILDCAT STORY

### Chapter 1. Wildcat's Origins

The supported work concept grew gradually out of efforts at the Vera Institute of Justice to find productive activity for "unemployables" in the population--skid-row drunks, heroin addicts, and youthful offenders--who regularly get emmeshed in the criminal justice system.

In 1967 Vera launched the Manhattan Bowery Project, a detoxification center for derelict alcoholics who congregated in the Bowery, an area of Manhattan that has long been a site of "drunk tank" round-up arrests. The Bowery Project quickly established detoxification as a workable alternative to the criminal process, but initially it had nothing useful to offer clients after they sobered up. Finding jobs for them seemed unrealistic. Few employers would offer them work; if hired, it was commonly said, they soon drifted off or were fired. Vera's staff first found a basis for challenging the assumed unemployability of the Bowery population in 1968, when visiting Camp LaGuardia, a New York City institution for alcoholics located in the Catskill Mountains. The resorts there recruited summer help from Camp LaGuardia and apparently some of the Bowery Project's clients were working steadily and soberly in that setting: they were hired in groups, worked in crews, and were given clearly defined tasks such as dishwashing and kitchen cleanup.

The idea brought back to New York City was that working in groups at clearly-defined and relatively simple tasks might provide essential supports that would allow skid-row alcoholics to stay sober and work productively, at least some of the time. And if building supports into the structure of jobs could turn one "unemployable" population into a productive workforce, it might work for other groups. In addition to the Bowery alcoholics, Vera was developing programs for two other hard-to-employ populations. Having helped to establish the Addiction Research and Treatment Corporation (ARTC), a large-scale methadone program for heroin addicts, Vera was finding that many of the exaddicts could not hold jobs even when jobs were found for them. Having set up a Court Employment Project to find jobs for accused persons so that they might be diverted from court process, Vera was encountering similar difficulties--jobs could be found but, again, these nonaddicted persons coming before the courts could not hold onto the jobs found for them.

In the fall of 1970, Vera put its job-structure hypothesis to a preliminary test by hiring a six-man crew of recently detoxified Bowery alcoholics to clean and maintain vacant lots on New York's Lower East Side. At the end of the six-week pilot project, none of the crew had quit or relapsed into drinking. A more ambitious "Project Renewal" followed, in which several crews of Bowery Project outpatients, sharing a common residence, worked under contract with New York City to maintain designated public playgrounds.

By this point, Vera's efforts to structure jobs so that the "unemployable" might work had attracted the attention of the Manpower Administration (now the Employment and Training Administration) of the U.S. Department of Labor. This agency has statutory responsibility for devising experimental programs to employ such groups. A grant from the Manpower Administration in 1971 helped Vera establish the Pioneer Messenger Service, Inc.--a private non-profit corporation offering full-time employment to exaddicts and exoffenders<sup>1</sup> with spotty work histories or no work history at all. In most respects, Pioneer operated as a commercially competitive business, offering the same services to its customers as did profit-making messenger companies. It aimed to pay salaries and overhead through a combination of earned income and the Labor Department grant. As the business expanded and became more efficient, its earned income paid for a larger proportion of its employees' salaries until, at the end, 100 percent of salary costs were covered through the sale of services. But Pioneer never achieved financial independence; counseling and other support services, along with high overhead costs, required continuing subsidies. The subsidy dropped, however, from \$8,800 per participant in the first year to \$3,000 by the end of the third.

Pioneer showed that chronically unemployed exaddicts and exoffenders could work productively, some with no supports beyond those that the work milieu provided, others with counseling. The experiment also provided Vera with ideas on how to organize supported employment projects. Four of Pioneer's "structural supports" underpin the philosophy, if not always the practice, of supported work as it later evolved at Wildcat: (1) employment in groups with persons of similar backgrounds; (2) graduated demands for productivity accompanied by graduated rewards for good performance; (3) sympathetic but firm supervision; and (4) constant feedback to the employee so that he/she knows what is expected.

The Pioneer experience helped to shape Wildcat in other ways. The apparent need for permanent subsidy, for example, led Wildcat planners to two innovative concepts: the first was welfare diversion, by which public assistance payments can be used as a base for crewmembers' salaries rather than as a means of maintaining them in unemployment; the second was the pooling of various types of monies (welfare, research and demonstration grants, and service contracts) from agencies concerned with the participants' various problems (dependency, crime, unemployment, and addiction) at various levels of government (Federal, State, and local).

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<sup>1</sup> In its first months, Pioneer recruited and employed exalcoholics, but found that they could not meet the demands of messenger work.

But expanding to a large scale the Pioneer model--a subsidized business vying for its share of the market--eventually might have incurred charges of unfair competition from nonsubsidized rivals. Moreover, the private messenger delivery business did not lend itself to full-time work, promotions, and transition to better jobs, and because the message delivery business is particularly vulnerable to the vicissitudes of the economy, demand for Pioneer's services could be expected to fall at precisely those times of recession when the need for public employment is greatest. For these reasons, Pioneer phased out its commercial activities and, as a part of Wildcat, evolved into the principal messenger and delivery service for New York City's public agencies.

While it was testing the basic supported work concept at Pioneer, Vera was also attempting, in a rather different setting, to demonstrate that exaddicts could work competently and reliably at even very sensitive jobs. In 1971, a branch office of the Off-Track Betting Corporation (OTB), the public corporation set up by New York City to accept bets on horse races, was staffed entirely by former addicts. The prospective employees were carefully screened, as the job required that they sit for long periods, handle large amounts of money, do complex computer transactions, and deal with customers who were often hurried and irritable. OTB management found that the exaddict did as well and were as trustworthy as employees at other OTB branches (although regular branches had fewer workers than the supported branch), and the corporation later opened two more offices employing supported workers.

In 1972, Vera pooled grants from the U.S. Department of Labor with funds designated under the Emergency Employment Act (EEA) for transitional jobs for the unemployed to create yet another supported work pilot project for exaddicts and exoffenders. Three projects were developed: masonry cleaning, newspaper recycling, and pest control. It soon became clear, however, that the EEA was not a useful vehicle for supported work. The program's future was uncertain, EEA slots were tied to unwieldy Civil Service hiring procedures, and EEA jobs did not provide the stability or the incentives which were considered important job supports.

Vera decided that the most efficient way to put large numbers of exaddicts to work was to create a separate corporation which would directly employ that group in supported work, and which would find work to perform for municipal agencies and other nonprofit institutions. The Wildcat Service Corporation was the result.

#### Wildcat's Growth and Consolidation

Wildcat began operations in Manhattan in July 1972. By the end of the first year, 300 exaddicts referred from drug abuse treatment programs were employed. To persuade municipal agencies to try Wildcat, services were provided free.

With strong financial backing from New York City, Wildcat expanded to 1,400 employees during its second year. A Manhattan corporate headquarters and operating units in Brooklyn and the Bronx were opened. Wildcat expanded its network to include prisons, pretrial service agencies, and parole offices in order to employ exoffenders who were not necessarily exaddicts. It also began to charge for some of its services: 12 contracts with municipal agencies brought in \$350,000 in 1973-74.

Wildcat's rapid growth was soon checked. The declining national economy and the city's fiscal crisis diminished both Federal and local grant funds. By the middle of 1976 (the end of the fourth program year), the number of employees had dropped to about 1,000 and the three operating units had been consolidated.

The corporation's budget rose from \$1.6 million in the first year to a peak of over \$13 million in the third year; the projected fifth-year budget is \$10 million. The gross cost of the program per crewmember remained relatively stable, averaging between \$9,000 and \$10,000 per year, including salary, supervision, services, overhead, and materials.

Since 1972 Wildcat has steadily decreased its reliance on Federal funds as local funding has increased. In the first year, Federal funds accounted for 92 percent of Wildcat's budget. This decreased to 35 percent by the third year and to a projected 25 percent in the fifth year. Reliance on demonstration grants has also diminished as income from service contracts and from welfare diversion has risen. In Wildcat's first year, it received \$150,000 in fees for services; this rose to \$1 million in the third year and \$1.7 million in the fifth year.

Wildcat's growth is reflected both in its annual budgets and in the number of supported workers it has had on its workforce:

Table 1.1

Wildcat's Budget and Crew Size  
(July 1972 - June 1976)

Annual Budget for Fiscal Year:

1972-73	\$ 1,644,000
1973-74	7,720,000
1974-75	13,842,000
1975-76	<u>13,021,000</u>
Total (July 1, 1972 - June 30, 1976)	\$36,227,000

Number of Supported Workers  
Employed at Wildcat as of:

December 1972	149
December 1973	690
December 1974	1,545
December 1975	1,242

Number of Employees Who Ever Worked  
at Wildcat between July, 1972 and June, 1976: 4,048

During its first four years, Wildcat set no limit on how long a worker could remain in supported work, because supported work might be, for some, the only feasible alternative to life-long unemployment and welfare dependency. But Wildcat anticipated that a proportion, perhaps a substantial proportion, of its workers would in due course graduate to better jobs in the conventional labor market. The fact that the supported workers would have a documented employment record to show prospective employers, after a period with Wildcat, was expected to facilitate this transition to conventional employment. It was also expected that some supported workers would learn on-the-job skills which would enhance their future employability. Finally, it was hoped that supported workers who did secure jobs elsewhere would be more likely to hold onto those jobs because they would have developed at Wildcat the habits of getting up in the morning, getting to work on time, and staying until the end of the work day. But, in fact, it was one of the purposes of Wildcat to learn what proportion of employees would move on to unsupported employment.

The possibility that Wildcat could enhance future employability and job stability was one of the reasons why funding agencies invested money and effort in the supported work experiment. Another reason was the conviction that, when people are idle in a community where work needs to be done, machinery should be created to bring the people and the work together. Yet another was the possibility that those engaged in supported work would be less likely than those unemployed to commit criminal offenses or to abuse alcohol or other drugs, and more likely to adopt lifestyles satisfactory to themselves and acceptable to society. Underlying all of these motives for the Wildcat experiment, no doubt, was an unspoken belief in the Work Ethic--a conviction that people who work are better off because they work, and that society is better off as well.

## Chapter 2. Wildcat Workers--Who They Are And How They Get to Wildcat

Two apparently inconsistent goals complicated the selection of applicants for supported work jobs. On the one hand, Wildcat wanted to employ only those who were unlikely to gain employment elsewhere and who urgently needed supported work for their rehabilitation. On the other hand, it wanted to employ only those who were capable of productive labor--if not immediately, then soon. Accordingly, a two-phase process of selection was established.

First, eligibility criteria were established to help ensure that only those genuinely in need of supported work secured Wildcat jobs. During Wildcat's first four years, these rules provided that applicants be at least 18 years old, have a record of narcotic addiction, and be enrolled in a drug abuse treatment program for at least three months. They had to be residing in New York City, receiving public assistance, currently unemployed, and unemployed for at least 12 of the prior 24 months.<sup>1</sup>

Second, informal screening procedures were established to help screen out those who met the eligibility criteria, but who were not likely to be able to work productively in the reasonably near future. It was accepted that, because applicants were referred by drug abuse treatment and correctional agencies, the staffs of those agencies believed, or at least hoped, that the applicants were "work ready." But the persons they referred were also interviewed by Wildcat personnel--usually by intake staff, although the operating staff sometimes participated in hiring decisions. An applicant not rejected at this first intake interview would be asked to return for an interview with a work supervisor. (As it turned out, requiring applicants to come for two interviews was a simple test of the applicant's desire for a job.)

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<sup>1</sup> Initially Wildcat only accepted referrals from drug abuse treatment programs. Beginning in 1973, referrals were accepted from parole officers, pretrial service agencies, and correctional facilities, and a drug addiction history was no longer an eligibility criterion. In 1976, when Wildcat became one of the 15 national supported work demonstration sites in the Manpower Demonstration Research Corporation program, the eligibility criteria were changed again to permit hiring from two additional groups--unemployed youths and mothers receiving Aid for Dependent Children (AFDC) assistance.

During the first 16 months, more than half of the individuals referred by drug abuse treatment and corrections programs were rejected at the Wildcat intake interviews.<sup>2</sup> The rejection rate fell until, during the third and fourth years, only ten percent of those referred were rejected. Part of this decline in the rejection rate resulted from referral agencies gradually learning more about Wildcat's hiring policies, establishing more sophisticated screening measures, and thus referring fewer ineligible. But part of the decline was due to the increasing experience and self-confidence of Wildcat's staff and, as rapid expansion increased the need for workers, the relaxing of Wildcat's screening standards. Applicants were generally accepted during the third and fourth years of the Wildcat program if they met the basic eligibility criteria, appeared on the scheduled dates for the two intake interviews, dressed passably, and were neither drunk nor "nodding out" on drugs when interviewed.<sup>3</sup> Despite this relaxation in screening standards, performance indicators such as absenteeism, productivity, and the rate of firings did not change significantly. This suggests that Wildcat did not have to "cream" eligible applicants--select the best of them--to maintain a successful program. In fact, the average Wildcat worker did not merely have a criminal record, but had on the average eight arrests and four convictions. Not only was the average Wildcat worker an exaddict, but had been addicted for twelve years--from age 19 to age 31. A Wildcat worker on the average had attended school for only ten years and scored at the fifth-grade level on arithmetic tests. Nearly half of those hired were not only currently unemployed, but had never held a job; only one in five had worked even a single day during the six months prior to employment at Wildcat.

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<sup>2</sup> Some idea of the reasons for these rejections appears from examination of a small sample (N=30): 37 percent were found to be "ineligible" (that is, not on welfare, not in a drug abuse treatment program for three months, not 18 years old, etc.); 20 percent were found "not work ready" (that is, they appeared to be "nodding," drunk, not interested in working, etc.); and 43 percent simply "did not show up for second interview." In the sample of 30, one person was ineligible because he was currently working; none was rejected because of too much work experience.

<sup>3</sup> Despite the reduction in the rejection rate, the demographic characteristics of applicants did not change significantly from the first year to the fourth year. However, during those periods when Wildcat's workforce was contracting, only applicants with special skills (e.g., driving, some typing) were accepted; others were assigned to a long "pending" list--in practical terms, they were rejected.

Finally, the attempt to minimize "creaming" by setting eligibility criteria that excluded the better-qualified candidates was reinforced by policies of the referral agencies. Drug and correctional counselors customarily refer their best-qualified clients to the best available jobs and Wildcat got only the "middle-level" referrals--or, as one counselor explained, "the worst of the hopeful bunch."

The following case histories provide a sense of the personal experience brought to Wildcat by typical crew members:

Benny Sampson came to Wildcat in 1974 when he was 50 years old. He was a pickpocket, petty thief, confidence man, burglar, and stick-up artist; and he had spent over half of the past 30 years in prison. For nearly all of his adult life, Benny had been addicted to heroin and to the lure of fast money and easy living. While he was serving his last sentence, he decided that he was tired of shuttling back and forth between jail and the streets, and that it was time to go straight. For him, going straight meant a job, a home, time to spend with his family, all elements of what he called "the mainstream." The way to join the mainstream, Benny concluded, was to get a job. He had last worked sometime during World War II and had stayed with that job for three paydays.

Released from prison, Benny returned to heroin for a brief spree and then enrolled in a methadone maintenance program and began to look for work. He found nothing. He was at an age when most men begin to think about retirement and he had no skill that an employer would pay for, no work experience and, of course, no references. Once, applying for a job as a sewing-machine operator, Benny was asked if he had ever used hard drugs. Knowing that one phone call by the employer would reveal the truth, he admitted that he had. He was turned down before the employer had gotten around to asking him whether he had a criminal record. It was precisely his addiction and criminal records, however, that made him eligible for Wildcat supported work.

Jennifer Rodriguez was pregnant at 13, playing confidence games on New York's West Side at 15, a prostitute at 16, and mainlining heroin at 17. By the time she was in her early twenties, an armed robbery charge brought her three years in prison. Released on parole, anxious to put her past behind her, she began looking for work. Everywhere she went, from the State employment service to private agencies to businesses, she heard the same thing: we have nothing now; come back later, maybe something will open up. Nothing ever did.

Glenn Payne grew up in Harlem on a street that he describes as a hang-out for "pimps, whores, pushers, bootleggers, and winos." Unlike some of his friends, Glenn had always liked school and was a voracious reader. But using drugs was the "cool" thing to do, and at the age of 15 he started snorting heroin at weekend parties. Twelve months later he was mainlining. Glenn dropped out of school at 17 and began supporting his habit by purse-snatching and rolling the drunks who fell asleep in mid-town movie theatres.

As he grew older, Glenn and his friends graduated to the real thing--armed robbery with sticks, then knives, and then guns. Glenn was arrested four times before he was 19, although he never spent more than two weeks in jail. His mother had him committed to a narcotics rehabilitation center in upstate New York, but while he was there he refused to participate in the group therapy sessions. He wasn't yet ready to give up the good times and companionship that came with taking drugs.

In 1973, when Glenn was 21, drugs became harder to obtain; pushers found their supplies temporarily cut off and heroin was mixed with flour, talcum powder, or even rat poison. One of Glenn's friends died of an adulterated "fix." For Glenn, using drugs was no longer fun; it was a struggle. He was over 18 and therefore vulnerable to a lengthy prison sentence if caught, and he was increasingly bothered by his parents' and girlfriend's accusations that he would never amount to anything.

The turning point came when Glenn and his friend Fred tried to hold up a grocery store. As Glenn dashed out with the money, he heard a gunshot. Glancing back over his shoulder he saw the shopkeeper holding a rifle and Fred sprawled on the floor, a bullet lodged in his spine. Fred would be a paraplegic for the rest of his life.

A few months later Glenn enrolled in a methadone treatment program and, after the requisite three months, he signed up for Wildcat.

During its first four years, 90 percent of Wildcat workers were referred from drug abuse treatment programs. Of these, 85 percent came from methadone maintenance programs and 15 percent from drug-free programs. Although Wildcat required only three months of previous treatment, employees had spent an average of 13 months in drug abuse treatment programs before coming to the project.

The remaining ten percent of Wildcat workers were referred by correctional agencies, parole offices, or pretrial service agencies. About one-half of the corrections referrals were former addicts; however, almost all of those referred from drug abuse agencies had criminal records.

Ninety percent of those accepted for supported work were male and ten percent were female. Sixty-five percent were black, 29 percent Hispanic, and six percent white. Forty-five percent were over age 30 and only three percent were under 21. A quarter had not finished tenth grade and only two percent had proceeded beyond high school.

An early goal was to determine which characteristics of applicants were predictive of success in supported work--so that later on, perhaps, applicants with those characteristics could be targeted for hiring. Instead, it became clear that few clues to subsequent success were visible at the time of hiring. High school graduates were more likely to earn Wildcat promotions--but only a minority of applicants came with high school diplomas. Employees who were married or were heads of households were also more likely to succeed. Beyond that, one applicant was just about as likely to succeed (or fail) as another.

Wildcat's referral and intake processes have been plagued with difficulties through the years. Counselors at referral agencies have complained, for example, that Wildcat's intake staff changes too frequently and that, just when a working relationship has been established with one intake officer at Wildcat, the officer is replaced by another. Referral counselors have also complained that Wildcat's formal hiring criteria and informal screening policies change too often. Finally, counselors have complained that they are not kept sufficiently informed about their clients' progress, or lack of it, while employed at Wildcat--especially about client problems that may lead to termination of employment.

Many problems of communication between Wildcat and the referring agencies have been due to the large number of agencies from which referrals are accepted. In the drug abuse field, more than 200 treatment programs have referred clients to Wildcat. There have been fewer correctional agencies making referrals, but they are even more disparate. Wildcat has accepted parolees referred by the New York City Parole Office, inmates of City correctional facilities who wanted to line up jobs before release, "work release" inmates from State institutions who commuted each day from their correctional facilities, and defendants awaiting trial on felony charges who were released--on condition of working at Wildcat--as part of a pretrial service program set up by Vera. In addition to their number and variety, referring agencies sometimes posed problems by withholding information about clients that might help solve work-related problems or by encouraging clients to lie to circumvent Wildcat's eligibility criteria.

But the issue causing the most tension between Wildcat and the referring agencies during the early years was Wildcat's enforcement of Vera's controlled research design--half the applicants who met

eligibility criteria were selected at random not to be hired and were enrolled for periodic research interviews only.<sup>4</sup> A referring agency had to send two eligible clients to Wildcat in order to get one hired--and had to face the disappointed applicants on their return. Many referring counselors saw this random assignment procedure as "ruthless" and "demoralizing"; some boycotted the program because of it. Their bitterness was assuaged in part by meetings at which the Vera research staff brought together the referral agency counselors and Wildcat staff members. At these meetings the researchers stressed that Wildcat did not, in any event, have enough job slots to employ all eligible applicants and that continued funding for the program required adherence to the controlled experimental design.

Despite such problems as these, most of Wildcat's hiring goals were met. In the words of one drug abuse counselor, Wildcat got cooperation because it was "the only show in town."

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<sup>4</sup> See chapter 8 for a full discussion of the controlled study.

### Chapter 3. Structuring the Jobs

The job-structuring techniques which evolved during Vera's pilot supported work programs, between 1968 and 1972, were further refined by Wildcat after 1972. After four years of operation, it is possible to identify ten important structuring techniques. In practice, of course, all ten were rarely realized in any one supported work setting or during all phases of a supported worker's employment.<sup>1</sup> The techniques are:

- o Employment of workers in small work crews made up of their peers.
- o Designation of one crew member as "crew chief" with special responsibilities.
- o Supervision above the crew-chief level by supervisors concerned both with production goals and with the rehabilitative needs of supported work participants.

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<sup>1</sup> Although the original research design called for an analysis to determine whether certain job supports were particularly effective in facilitating transition to nonsubsidized employment and rehabilitation, such an analysis proved difficult. First, since most employees worked at more than one Wildcat job, it was not possible to pinpoint which particular job was responsible for an employee's success or failure. Second, in some instances employees were assigned to specific positions because of an apparent match between their particular characteristics and particular aspects of those positions. This assignment procedure meant that it was not possible to determine whether the characteristics of an employee or of the job site were contributing to a successful experience. In an effort to overcome these methodological difficulties, absentee rates of employees who moved from one type of job to another were analyzed. No patterns emerged. Differences in productivity were observed among the different job sites (see chapter 14), but the differences appear related to the skills required for the work rather than to the structure of the job. Since there is now more stability in job assignments than there was when the research reported here was conducted, an analysis of job characteristics, work performance, transition and arrest rates--using the experience of current Wildcat employees--might help determine which types of supports are most effective. In fact, Mathematica, as part of its research on the national supported work experiment, is conducting a process analysis which will explore the degree to which particular structural supports are associated with performance in supported work.

- o Clear definition of tasks and work rules, and clear explanation of them to the workers.
- o Frequent evaluation of each worker and feedback of the evaluation findings to the employee.
- o Maintenance of low-stress work environment initially, with gradual increase of demands and expectations as a worker's capability develops.
- o Frequent rewards--wage increases and bonuses--geared to on-the-job performance as well as length of service.
- o Disciplinary policies aimed at developing good work habits as well as at increasing production.
- o Work that is productive and is perceived as socially valuable by the workers.
- o Provision of counseling and other off-the-job supportive services.

These structural supports, and some of Wildcat's difficulties with their application, are separately discussed below.

The Work Crew. Exaddicts and exoffenders (like the sobered-up alcoholics in Vera's early supported work pilots) appeared to be less anxious about their pasts, and less likely to fail, in settings where they were surrounded by co-workers who "speak their language" and share their struggles. From fellow workers, the new employee gets information and feedback about appropriate on-the-job behavior. He learns what clothes are appropriate, what type of language is tolerated, and how to deal with "straight" on-the-job contacts. The crew sets standards which new members seek to meet.

The organization of workers into crews has drawbacks as well as advantages. Wildcat has noted that behavior such as drinking or smoking marihuana on the job can be contagious; if one crew member gets away with it, others may follow.<sup>2</sup> Absenteeism and lateness seem to be contagious in a similar way. Wildcat's response has

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<sup>2</sup> A Vera research study found that the self-reported incidence of on-the-job drug use was slightly less frequent among exaddicts individually placed in a municipal agency where they worked separately, along-side civil service personnel, than among Wildcat employees working in crews. (Applicants had been assigned randomly to Wildcat and to the City's supported work program and the difference could be attributed to differences between the programs and not to differing characteristics of the employees.)

been to remove the crew chief or supervisor whose laxness permits such a chain reaction to start, or to disperse the crew to other assignments.

Wildcat's crew assignments have not been permanent; about one-fifth of all employees changed crews during a typical month in 1975. Thus, although the crew provided social support, it rarely became a substitute for family or friends.

The intensity of crew cooperation has varied from job to job. At one extreme, very close cooperation was necessary when all members of a crew hauled a steel girder or painted a building wall. At the other extreme, members of some crews worked in different parts of buildings and met only when they signed in or out and during work breaks. On worksites of the latter variety, the crew chief was particularly important as the primary tie among the crew members.

Not all the supported work participants were assigned to crews for their entire time at Wildcat. Early in the experiment, 30 workers were placed as clerks and technical aides in the New York Public Library, where they were individually stationed side by side with regular library personnel and reported to library supervisors. The arrangement proved successful--apparently because the loss of supports ordinarily provided through the crew structure was more than matched by the public visibility of the work, the prestigious work setting, sound training procedures, and sensitive supervision designed to minimize on-the-job stress. Subsequently, Wildcat accepted other opportunities to place workers singly; at the end of the fourth year, about ten percent of the Wildcat work force was in individual placements. Wildcat did not accept individual-placement projects indiscriminately, however. It attempted to accept only those offering unusual training opportunities for capable employees or a substantial likelihood that supported workers who did well would be transferred ("rolled over") to the host agency's regular payroll. Because individual-placement projects were selected with this "rollover" possibility in mind and because the best workers got assigned to them, workers on these projects have been more likely than other Wildcat workers to move on to nonsubsidized employment.

Some Wildcat workers have shown a clear preference for individual-assignment work-sites. This seemed to be because they felt that the crew structure perpetuated street habits and the addict stigma; an exaddict or exoffender who is ready to "go straight" may perceive the crew as an unwelcome reminder that he/she has not yet "made it" in the straight world. Nevertheless, Wildcat management has continued to perceive the crew structure as an efficient administrative device and as a necessary support for many of the supported work participants. Wildcat supervisors continue to view the crew structure as especially important during the first months of employment when it may help the new employees learn the rules of the game.

The Crew Chief. Crew members who were promoted to crew chief became more than the first-line supervisors on the job. Ideally, they functioned as buffers and mediators between the crew members on the one hand and the Wildcat supervisor and host agency on the other. The role was sometimes more limited and the extra pay and status in those cases meant only that they assisted the supervisor in administrative tasks. But, by and large, designating crew chiefs from within the ranks helped ensure that the supervision most directly influencing the worker was sympathetic and understanding. It also provided other crew members with a role model and visible reminder that advancement was in fact possible even for exaddicts and exoffenders.

In the beginning, promotion to crew chief depended primarily upon satisfactory attendance, punctuality, and on-the-job productivity. Although simple and straightforward, such limited criteria did not prove to be reliable identifiers of good foremen. Many otherwise effective workers found it hard to make the transition from being "one of the guys" to being "the boss." Crew members may have had difficulty accepting their crew chief's authority when he/she, like them, was an exaddict and working alongside them right up to the time of promotion. And there were complaints to management, for example, that particular crew chiefs were arbitrary in setting standards and doling out penalties, were playing favorites, were racially prejudiced (most commonly, black against Hispanic, or vice versa), or were not knowledgeable enough about the work to be done--in short, that they were not suitable leaders. Wildcat therefore revised its crew chief selection procedures and provided in-house management training to prospective crew chiefs. Successful completion of the training program became a prerequisite to promotion. These efforts appear to have been successful; the average tenure of crew chiefs rose from about 20 weeks in 1975 to more than 40 weeks in 1976. The rate at which crew chiefs are demoted back into the ranks has since held firm at less than ten percent.

The Supervisor. Typically each supervisor was responsible for about five crews. A supervisor was a member of Wildcat staff and had the responsibility to plan and organize daily work schedules, to oversee and coordinate production, to maintain supplies and equipment, to enforce safety regulations, to fill out production reports and employee evaluations, and to provide on-the-job training. The supervisor translated policy into practice and was responsible both for daily output and for the well-being of the workers. The supervisor's priority was productivity. Strict work standards and close supervision are essential to productivity and, although Wildcat's standards were not as strict as those in the competitive economy, Wildcat learned that a relatively tough approach was better than a permissive approach to day-to-day supervision. This toughness in day-to-day supervision could then be tempered in other ways, as described below.

However, Wildcat has not really resolved the issue of how best to provide supports to its workers. Some Wildcat staff believe that supervisors should be providing the supports--should help directly those employees with personal problems--as well as enforcing productivity standards. Others maintain that counseling and other services should be provided off the work-site and that employees needing special supports should be released from work to get them. A third view within Wildcat is that work is therapy and that the more Wildcat resembles a conventional work setting, the more rehabilitative it will be. In part because the program's survival depends on its ability to produce, the view has prevailed at Wildcat that work is rehabilitative in itself. Thus, more weight has been given in the evaluation of supervisors to the quality of the work produced than to the social behavior or transition rate of the crews.

Clearly defined tasks and work rules. The prior employment histories of applicants for Wildcat jobs were strewn with quick terminations: "Fired on the third day"; "quit the first payday"; "wandered away from the job the second afternoon." The applicants had many explanations for such rapid terminations. Most frequent was: "They never told me what they expected of me."

Wildcat tried to make sure that employees did know what was expected. At the time of application, each candidate was told about the types of work that Wildcat offered, the performance standards that would be required, and that transition to nonsubsidized employment would be expected. After hiring, these messages were repeated at an orientation session. And again, at the work sites, the crew chief and supervisor were instructed to inform each worker daily of what was expected in the way of productivity, attendance, conduct, and dress. Despite this, one of the most common complaints among Wildcat employees (especially among those fired) was that the demands on them were not clearly enough defined.

Evaluation and feedback. In addition to being told in advance what was expected, the Wildcat worker was supposed to be told periodically how well he/she had (or had not) measured up to those expectations. This evaluation-and-feedback procedure was of particular importance to new employees, many of whom had little or no prior work experience and hence no internal way of gauging their own performance.

The frequency, format, and amount of effort devoted to evaluation and feedback varied from time to time as Wildcat learned more about work procedures. Currently, the supervisor fills out a short evaluation form weekly and a detailed report monthly for each worker in his/her crews. This form used a point system to rate on-the-job performance, attendance, and punctuality.

For some Wildcat worksites, on-the-job performance could be objectively determined and quantified--as it was in the Pioneer Messenger Service pilot, where performance was reflected in the number of messages delivered per day. For most Wildcat jobs, however, no such quantitative measure was available and the supervisor's role as evaluator is more difficult and more important. Supervisors may not know each person's work in sufficient detail for proper evaluation and useful feedback; the supervisor may play favorites or may fail to note negative behavior because of fear that a low evaluation of a worker may reflect poorly on the quality of his/her own supervision. Despite the difficulties, Wildcat continues to emphasize regular evaluations and regular feedback of evaluation data to the individual employee.

Low stress at first. A Wildcat employee has to try hard to get fired during the first few weeks on the job. Even repeated absences and tardiness will earn a worker only reprimands and suspensions. Wildcat knows that many of its workers arrive the first day "strung out" from prison or street life, and with a limited capacity to tolerate stress. Changing lifestyles--getting up when an alarm clock rings, for example,--is itself stressful. Wildcat hoped and expected that, in many such cases, the attractive features of the specially structured jobs would gradually take hold--peer support from other crew members, sympathetic relations with the crew chief, the work itself.

As the weeks went by, standards and expectations were progressively raised. Adherence to these rising standards was encouraged by the system of monetary rewards and penalties described below.

Like the other supported work techniques, low-stress-at-first sometimes had to be compromised in practice, as when Wildcat took on new projects where on-the-job pressures were high. But it has learned to screen workers carefully for these jobs and to deflect as much of the stress as possible through careful supervision and planning.

Graduated penalties. Wildcat's reluctance to fire workers is reflected in its system of graduated disciplinary actions. Except for serious infractions (theft from a host agency, violence that results in injury, on-the-job sale or use of hard drugs), dismissal was a last resort. For most infractions, workers were first given oral warnings, then written warnings, then brief suspensions--providing time to correct their behavior. Even with this system, a third of Wildcat terminations were by firing. Most of these firings were for excessive

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<sup>3</sup> A comparison of fired employees with those who stayed revealed few demographic or socio-economic differences: fired employees were more likely to be methadone maintained than drug free and more likely to be single than married at intake. More significantly, no differences in age, sex, ethnicity, or severity of criminal record emerged between the unsuccessful and successful Wildcat employees.

absence or lateness--behavior which, in at least some cases, might have been equivalent to asking to be fired.

In Wildcat's early days, supervisors had wide discretion to discipline crew members in accordance with their own judgment. This system worked moderately well while the organization was small and the supervisors knew the disciplinary practices of other supervisors. As Wildcat grew, however, disparities among the policies pursued by individual supervisors led to confusion and charges of unfairness. Wildcat responded by developing disciplinary guidelines which set forth mandatory conditions for each form of penalty--oral warning, written warning, suspension, termination--as well as specific penalties for specific infractions. Use of the written guidelines did reduce (but did not, of course, eliminate) charges of unfairness and arbitrariness.

Graduated rewards. "Getting ahead in the world" was not a familiar concept to many workers newly recruited to supported work. Wildcat used a variety of techniques to show them that getting ahead could be part of their experience. The starting salary at Wildcat was \$95 per week, but if a worker's attendance, punctuality, and on-the-job performance were satisfactory, the worker received a five-dollar raise eight weeks after coming to work. Thereafter, the crew member could look forward to further small raises, to \$105 after 20 weeks and \$115 after 36 weeks (for a total of \$5,980 annually, plus fringe benefits).<sup>4</sup> Small monthly bonuses of up to \$20 were also used to encourage employees to perform well, to get to work on time, and not to take unnecessary days off.<sup>5</sup> The system of graduated rewards was meshed with the system of gradually increasing stress and productivity demands.

There has been no controlled research to determine the relative effectiveness of such a schedule of frequent small rewards. Indeed, some supported work employees have argued that such raises are just another form of coddling. Nevertheless, the impression of effectiveness was sufficient to persuade Wildcat to maintain its schedule of frequent small rewards through four years of operation.

Work that is its own reward. The Wildcat staff--from the rank of supervisor up--took pride in the fact that they were working for an organization dedicated to the rehabilitation of exaddicts' and ex-offenders. They were also pleased that Wildcat earned a good reputation in the community for its efforts to solve a major urban

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<sup>4</sup> Wildcat workers were also eligible for Medicaid and Food Stamps. After January 1974, under Social Security regulations, most employees could no longer receive food stamps.

<sup>5</sup> The reward patterns described here, and other features of Wildcat job structuring, were altered somewhat in 1976 when Wildcat became a demonstration site in the national MDRC supported work project.

problem. It is not surprising that Wildcat's supported work crew members and crew chiefs often developed a similar pride in their work, especially when assigned work visibly beneficial to and valued by the community,

The Wildcat jobs which have most clearly engendered this kind of job satisfaction involved work with disadvantaged groups such as the aged, and work having a visible impact on a neighborhood such as pest extermination and pest control in a portion of the city notoriously infested with rats. Employee morale has responded well to the favorable press coverage received by particular Wildcat projects and to the direct praise from residents of the communities benefitted.

Off-the-job supports. Wildcat employees brought a welter of problems to their jobs. Personal problems, legal problems, vocational problems--all produced stress, drained energy, and impaired job performance. How Wildcat can help in these areas, and whether it should try, are still open questions.

One principle became well-established early on; Wildcat workers were permitted time off to solve such problems. Absence was authorized for court appearances, sessions with counselors or therapists, visits to welfare offices, and personal crises. Beyond that, however, there has been continuing tension through the years between Wildcat staff members who have viewed ancillary services as an essential part of Wildcat's rehabilitation mission and staff members who have seen such services as a waste of employee time and Wildcat money, jeopardizing production goals by taking workers off site during working hours.

Wildcat's predecessor, the Pioneer Messenger Service, at one time scheduled mandatory on-site therapy sessions, both individual and group, which employees had to attend as a condition of employment. Resentment of this among the workers was high. Most exaddicts and exoffenders have had a plethora of therapeutic interventions while incarcerated or in drug treatment programs. Many see work as an alternative to therapy and inconsistent with it. Pioneer dropped mandatory counseling as a result of worker protests.

Wildcat, on the basis of Pioneer's experience and funding constraints, initially offered only four "support service" staff members to advise 300 employees, mostly on practical matters. These four, moreover, had many duties in addition to practical counseling. Wildcat's small support-service staff was first led by a therapist experienced in drug abuse rehabilitation. He saw jobs as only one aspect of a rehabilitation program and believed counseling to be at least as important. Management disagreed. The next director of support

services saw his unit as a resource to be used on a voluntary basis or by referral, for employees with legal, housing, financial, medical, educational, and drug abuse problems. He felt that serious personal difficulties should not be handled by Wildcat, but by the professional counseling staffs in the drug abuse and correctional programs in which most Wildcat workers were also enrolled. And it was his policy that most work-related problems were to be handled on the job by crew chiefs and supervisors--although the support services staff was authorized to provide limited informal assistances in such matters.

This approach made excellent sense on paper but was undermined by other developments. Wildcat grew rapidly from 300 to 1,400 supported workers--with no proportionate increase in support services personnel. The Wildcat corporate management was convinced that work itself is sufficiently rehabilitating and it argued, from the Pioneer experience, that no counseling at all should be supplied. The management decision was that Wildcat's energies and resources should be devoted exclusively to meeting the pressing demands of rapid growth and productivity. The support services staff was not disbanded, but was laden with administrative functions; for example, during one three-month period, following the shift from city-administered to Federally-administered benefits, nearly half the time of the support services staff was devoted to ensuring that each Wildcat employee still had a valid Medicaid card.

Following these developments, an internal Wildcat audit in 1974 concluded that the corporation was "spending at a rate of \$83,000 a year for a service that was for the most part undefined, disorganized, and resisted by Operations." The audit indicated that a reexamination of the nature and range of off-the-job supports was necessary in the context of Wildcat's overall purpose.

This view was buttressed by early research findings indicating that Wildcat was having less impact than expected on the drug use and criminal activities of its employees. But by far the most urgent motive for reorganizing support services was the increasingly obvious need to give help to those crew members who were ready for graduation to the nonsubsidized job market. As early as the spring of 1973, a dissatisfaction with the rate of graduation from supported work was evident not only among crew members and staff, but among the agencies funding Wildcat which looked to the rate of placement of Wildcat graduates in nonsubsidized jobs as an index of Wildcat's effectiveness. From that time on, Wildcat's off-the-job support services focused primarily upon the problems faced by employees who reached the point where transition had to be made to the nonsubsidized labor market (see chapter 5).

#### Chapter 4. Getting Work for Wildcat Crews

From the beginning, New York City agencies have been the chief targets for Wildcat's marketing department. These agencies employ hundreds of thousands of workers at almost every kind of work. Despite its work force of social outcasts, there were a number of reasons why Wildcat could attract work from these agencies:

- o Wildcat had a mobile work force, available to start work on relatively short notice with a minimum of municipal red tape; it was therefore especially well-equipped to meet a municipal agency's emergency manpower needs.
- o Work crews were able to tackle a wide range of unskilled and semiskilled tasks--clerical, maintenance, repair, and so on. And as Wildcat matured, it developed work crews to tackle relatively skilled tasks.<sup>1</sup>
- o The cost to a municipal agency of hiring a Wildcat crew was low--about \$2,100 per worker per year on the average,<sup>2</sup> including the costs of Wildcat's built-in supervisory services.
- o Many, perhaps most, Wildcat crews brought to their tasks a high motivation to succeed--particularly as contrasted with the motivation of casual workers hired one at a time through conventional or secondary labor market procedures.
- o A municipal agency which hires a conventional worker may take on a broad range of ancillary responsibilities, expressed or implied, for fringe benefits, for providing continuing employment beyond an immediate project, for adhering to civil service hiring and firing procedures, and so on. Many of these ancillary responsibilities were shouldered by Wildcat under agreement with municipal agencies.
- o During most of the four-year period from mid-1972 to mid-1976, supported work had strong endorsements from City Hall--first from Mayor Lindsay and then from Mayor Beame; hiring Wildcat work crews was therefore not a politically difficult step for the administrator of a municipal agency.

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<sup>1</sup> About half of Wildcat employees had job training before coming to Wildcat.

<sup>2</sup> In 1973, Wildcat charged municipal agencies \$1.19 per hour worked. In 1976, this increased to \$1.50 per hour.

There was, however, at least one powerful disincentive to contracting with Wildcat. Most administrators, especially at first, were loathe to "contaminate" their agencies, and perhaps disrupt them, by bringing in exaddicts and exoffenders. Even if the chief administrator agreed to take the risk, the administrator's staff might resist and delay. The same was true of first-line supervisors, and of the agencies' rank-and-file employees.

The fears were of many kinds. One municipal agency supervisor, for example, reported that female employees refused to share toilet facilities with women from Wildcat crews who were perceived as prostitutes or at best exprostitutes. Fear of theft was also widespread and there was a tendency, when thefts did occur, to blame them on Wildcat crew members. Many people feared "the junkie," believing that most crimes were committed by addicts.

To overcome initial resistance, Wildcat offered "free samples." A municipal administrator was told, in effect, that for at least a preliminary period the services of a Wildcat work crew, with Wildcat also supplying cost-free supervision, would be provided at no cost.

The gates were pried open in this way, but some agencies sought to confine Wildcat crews to separate work space, separate locker rooms, and so on. To keep its work crews from being treated as "untouchables," Wildcat organized "rap sessions" at which the fears and expectations of municipal workers were aired and assuaged. But the fears were best dissipated by the demeanor and productivity of Wildcat crews on the job. Each project was closely monitored and if the initial atmosphere of distrust did not ease within a few months, projects were terminated.

Prudence dictated that municipal administrators not offer and that Wildcat refuse to accept work that would otherwise be done by union labor. In the few instances where this policy was not followed, Wildcat workers joined the union, union supervisors were employed on the site, or other arrangements satisfactory to the union were made. Prudence similarly dictated that jobs not be undertaken if an agency had adequate funds in its budget to complete the work with civil service employees. A third limitation concerned municipal work "contracted out" through competitive bidding procedures. Wildcat rarely bid in such cases because, as a subsidized agency, its bids might be seen as "unfair competition" by unsuccessful commercial bidders.

Some offers of work had to be turned down because they required skills that Wildcat workers did not have. Wildcat's exaddicts and exoffenders, for example, had difficulty in maintaining drivers' licenses; of 1,000 Wildcat crew members in September 1976, only 68 had valid licenses. Although more than 200 employees had once held licenses, many had let them expire, and others had been revoked because of unpaid parking violations or an excessive number of speeding tickets.

This ruled out many types of jobs. Wildcat also received unfillable requests for boiler repairmen, stenographers, 60-word-per-minute typists, interviewers, and high-scaffolding painters.<sup>3</sup>

One Wildcat overcame the fears and established the range of work that its crews could handle, the project opportunities often exceeded Wildcat's capacity to fill them. This gave Wildcat some latitude to pick and choose among projects. In making these choices, Wildcat established several priorities. It sought assignments, for example, where the stress on the workers would be relatively low or, at least, within the control of the Wildcat supervisor. It sought worksites where workers could work together in crews and where Wildcat could supply the supervision rather than turning the crews over to the agency. It sought work that seemed likely to prove interesting and satisfying to the crews, where visible results could be expected fairly quickly, where the work would be welcomed by a neighborhood or community, or where the work would benefit an underprivileged population (as did the project supplying hospital and courtroom translation services and the project preparing food for the aged). For a variety of reasons, Wildcat has particularly welcomed jobs where the service rendered is conspicuous to the public and likely to lead to favorable press comment. Examples include: cleaning of the facade of the Municipal Building, digging up trees scheduled for bulldozing in Manhattan and replanting them in Brooklyn, and staffing public information booths around the city. The employment of Wildcat "ex-junkie" crews at maintaining police precinct houses and the police headquarters building and at other work for the police department seems to have had favorable impact on the attitudes of the Wildcat workers and of the police; a similar benefit was evident when Wildcat crews worked in courthouses and district attorneys' offices. A particularly conspicuous Wildcat project was providing emergency messenger services when fire in a telephone switching station left a major business district without phone service for several weeks. Another was the distribution of 8,000 welcome-to-New-York-City kits to delegates attending the 1976 Democratic Convention--a paid contract undertaken at the request of a private civic group.

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<sup>3</sup> In some cases, Wildcat did take on projects beyond its available technical skills, with good results. It contracted with a non-profit neighborhood development agency in Brooklyn, for example, to renovate two brownstone houses. Wildcat's supervisor assigned to the project was a former construction worker able and willing to train his crew in the necessary construction skills. He estimated that it took Wildcat workers four times as long to complete the project as it would have taken skilled workers--but as a result of their on-the-job training and experience, several members of the crew were able to obtain conventional jobs at good pay. For Wildcat and for the crew, that payoff more than compensated for low productivity during the training period.

Jobs on which workers could acquire marketable skills met another Wildcat priority, as did jobs offering a reasonable likelihood that successful Wildcat workers would be "rolled over" into regular jobs with the customer agency. For budgetary reasons, assignments that produced a substantial flow of funds to Wildcat were almost always welcome; Wildcat sometimes accepted such assignments even though they lacked other desirable features.

Vigilance was needed to avoid "make-work" or "boondoggle" assignments, and to prevent work assignments from continuing as boondoggie after the necessary work was completed. When these pitfalls were not avoided, the result often was a noticeable decline in the morale of work crews.

In all, Wildcat undertook more than 1,000 separate projects, some large and some small, during its first four years. Appendix A lists all the active projects as of June 1976. These projects, scattered through the City's five boroughs, involved 5,300,000 staff-hours of labor. Table 4.1 gives a summary account of the kinds of work being performed by Wildcat employees in June 1976. Clerical, paraprofessional, and maintenance jobs provided nearly three-quarters of all the work:

Table 4.1

Distribution of Wildcat Employees by Type of Work: June 1976

<u>Type of Work</u>	<u>Number</u>	<u>Percentage</u>
Clerical and paraprofessional	370	40%
Maintenance and upgrading projects	280	30
Social Service and public service	135	14
Construction, renovation, and painting projects	78	8
Messenger projects	70	8
TOTAL	933 <sup>4</sup>	100%

<sup>4</sup> In addition, 121 employees were in training programs.

The selection of New York City's municipal agencies as the prime target for Wildcat's marketing department made good sense through most of the period 1972-76. It left Wildcat vulnerable, however, to the City's financial crisis, which surfaced in 1975 and worsened in 1976. One result was abandonment of plans for expanding Wildcat. Instead, the numbers of participants dropped from 1,400 to 1,000.

Wildcat's marketing department has sought to meet this crisis in part by intensifying its efforts to place projects in private nonprofit philanthropic and service organizations. Wildcat has also begun to re-explore an approach rejected earlier--projects for commercial employers.<sup>5</sup>

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<sup>5</sup> MDRC-financed supported work agencies in a number of other cities also engaged in projects for private nonprofit and commercial employers.

## Chapter 5. The Transition to Nonsubsidized Employment

From the beginning, the Vera Institute of Justice's planning staff saw the transition of supported workers to conventional employment as a major Wildcat goal. Wildcat itself paid little attention to this goal at first, for two reasons. First, Wildcat had more pressing operational problems. Its energies and resources were consumed with a growing operation; from a work force of 50 crew members in July 1972, Wildcat expanded to 1,400 by June 1974. Second, it was hoped that transition would occur without much special effort or extra resources, that Wildcat's better workers would find non-subsidized jobs for themselves and that the others, unable to qualify for nonsubsidized employment, would stay on indefinitely.

It soon appeared, however, that the structure of Wildcat jobs did not fit well with a laissez faire approach to transition of its employees to other jobs. One obstacle was the Wildcat pay scale, ranging from \$95 to \$115 per week for crew and to \$138 per week for crew chiefs. In 1972, this was good pay for unskilled and semi-skilled labor; some Wildcat workers turned down conventional jobs because Wildcat paid more. The first attack on this problem was a reduction in the top crew chief salary to \$125. By 1975 and 1976, inflation had raised pay in the regular job market to levels that made Wildcat jobs comparatively less desirable.

But there were often reasons why Wildcat workers might refuse non-subsidized jobs, even when they paid better than Wildcat. An example illustrates some of the factors at work in a particular case:

Bill Roberts, after special training at Wildcat, was offered a post as a boiler repairman at \$140 a week--more than a 20 percent raise over his Wildcat pay. The job was seasonal, however, with no summer work. The employer offered to help Bill find other summer work, but Bill was concerned that this effort might not succeed. He was also concerned about losing his Medicaid eligibility if he took a regular job, and he was generally upset over his recent breakup with his young woman friend. Bill turned down the \$140 offer. Wildcat was "safe." Leaving Wildcat involved risks he was not prepared to take.

For as long as Wildcat was expanding, there was little need to focus on the failure of workers like Bill Roberts (or the failure of those who could never meet the demands of regular jobs) to make a transition out of supported work. Even as early as 1973, however, it was clear that the size of Wildcat's work force would eventually stabilize and that there would then be no openings for

new workers unless transition out of supported work could be made the norm. It was also clear that transition of supported workers to nonsubsidized jobs was the key to Wildcat's survival. The rationale for Wildcat's welfare diversion financing was that a present diversion of public assistance would lead to a future reduction in welfare dependency; if workers just stayed on at Wildcat, they would remain a drain on welfare.

Late in 1973, since Wildcat staff was burdened with other duties in the period of rapid expansion, the Vera Institute undertook to set up a job development unit. Funded by a special grant from the U.S. Department of Labor's Manpower Administration, this unit hired job developers to scour the City for conventional job openings, primarily with private employers, and it assigned job placement specialists to Wildcat's operating projects to assess employee skills and match job-ready workers with the nonsubsidized jobs that were developed.

The results were disappointing from several reasons:

- o Many private employers were still unwilling to hire exaddicts and exoffenders--even those who had proven themselves good workers at Wildcat.
- o An economic recession set in, curtailing the number of jobs available and swelling the ranks of the unemployed with workers who had better skills and better employment records than the "job-ready" Wildcat crew members.
- o With the job market tightening so dramatically, Wildcat workers were even less willing than before to risk leaving the shelter of Wildcat for a job which might prove temporary and which paid little if any more than Wildcat.
- o Finally, job placement efforts were impeded by Wildcat's own supervisory staff--for understandable reasons. The job development staff was striving to find jobs for precisely those stable and productive employees whom Wildcat's on-the-job supervisors were most eager to retain. The conflict was exacerbated by the fact that the job developers, hired by and responsible to Vera, were perceived within Wildcat as outsiders. On the other hand, Wildcat supervisors complained that the Vera job developers failed to understand the limitations of Wildcat workers, either "over-selling" them to prospective employers or referring them to inappropriate jobs.

These difficulties arose at about the time that Wildcat determined that its off-the-job support services were ineffective (see above, chapter 3). Wildcat's solution was to assign both problem areas to a new organizational unit, the Employee Services Unit (ESU), which was made responsible for supplying each employee with needed services that would facilitate transition to conventional employment. An individual program of services was to be tailored for each employee.

An early goal of the ESU was to supply Wildcat workers with individual short-range and long-range vocational counseling, beginning at intake and continuing thereafter. But resources proved inadequate--there was only one vocational counselor for every 110 Wildcat workers.

A different approach, started six months earlier at the IBM/Wildcat Skills Training Center, proved more feasible and became an effective part of the ESU program. For this Center, the International Business Machines Corporation supplied office space, IBM machinery, and the services of a coordinator; the New York City Board of Education supplied instructors; and Wildcat administered the Center and paid the trainees' salaries. Wildcat workers who were deemed ready for transition to nonsubsidized employment were assigned to the Center and thereby removed from the crews altogether rather than at irregular and potentially inconvenient times. At the Center, the trainees spent an hour a day in group vocational counseling; individual vocational counseling was available as a backstop. Trainees also received "life skills" training to learn how to prepare a resume and to handle themselves during job interviews. They learned how to discuss arrests and addiction with prospective employers, and how to explain their Wildcat work records as a counterbalancing factor. Most of their time was spent, however, in mastering clerical and secretarial skills and learning to use various IBM machines.

Job developers in Wildcat's ESU concentrated their efforts on finding jobs for work-ready Wildcat workers assigned to this Center. An advisory committee composed of representatives of private corporations assisted the job developers and provided them with up-to-date information on the types and levels of skills currently being sought in the conventional labor market.

When Wildcat became one of the 15 supported work demonstration projects in the MDRC program in July 1976, it adopted MDRC's 18-month ceiling on duration of supported work employment.<sup>1</sup>

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<sup>1</sup> For welfare mothers, the tenure at Wildcat was limited to 12 months.

The impact of the time limit on the rate of transition from supported work will be reported in MDRC reports.<sup>2</sup> The effects of Wildcat's efforts to facilitate transition prior to July 1976 are discussed in chapter 9, which reviews Wildcat's impact on employment.

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<sup>2</sup> Partly as a result of the early Wildcat experience in which few employees left Wildcat on their own, MDRC imposed a time limit on an employee's tenure. Since it was not known what the most effective limit would be (i.e., which length of stay would result in a high rate of successful transition), MDRC required some sites to limit an employee's tenure to 12 months and other sites were given an 18-month limit. MDRC will compare the effectiveness of the different time limits in encouraging successful transition and rehabilitation.

## Chapter 6. Financing Wildcat Operations

Many people believe that welfare recipients capable of working should be put to work rather than supported in idleness, but this sentiment often falls afoul of some fiscal facts of life.

If jobs are to be supplied to welfare recipients, someone must put up the money for launching the program, supervising the work, administering the undertaking, and providing materials, supplies, and other overhead items. Inevitably, if countervailing benefits are ignored, it costs more to keep a person at work than to support the person in idleness on welfare--even though the stipend the individual receives remains the same. As a practical matter, moreover, the individual's stipend must be increased to take account of clothing, meals away from home, daycare, transportation, and other increased costs to the individual when he/she works. The voices which are loudest in demanding the welfare recipients be put to work, however, are often also the loudest in protesting any increases in welfare costs--increases which are inevitable if the welfare system itself is to supply or finance the jobs.

Supported work, though it did not start out that way, soon became a strategy for cutting through this dilemma. Wildcat pioneered ways of putting unemployed welfare recipients to work without increasing the drain on the welfare system, by requiring from welfare only that the supported workers' welfare payments be directed to help finance wage costs. Wildcat made this possible by supplementing the directed welfare benefits with two other revenue sources: contract income for services performed by the former welfare recipients and grants from agencies concerned with rehabilitation through work. This pooling of three types of funds--rehabilitation and employment grants and contracts, revenues from the service produced by supported workers who would otherwise be unemployed, and the welfare entitlements of those workers--worked well enough to become the financing model used by MDRC to spread supported work to 14 other sites in the United States. The three sources of Wildcat's revenues are reviewed separately below.<sup>1</sup>

### Rehabilitation and employment grants and contracts.

Wildcat launched with a demonstration grant providing \$1,000,000 per year for four years from the National Institute on Drug Abuse

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<sup>1</sup> In addition to these three sources of funds, Wildcat received small sums--an average of less than \$32,000 per year--from miscellaneous donors.

(NIDA),<sup>2</sup> an agency in the U.S. Department of Health, Education, and Welfare responsible for developing methods of rehabilitating exaddicts. The Law Enforcement Assistance Administration (LEAA), a unit in the U.S. Department of Justice, joined in the first-year financing by a grant of \$400,000. The Law Enforcement Assistance Administration was interested in developing techniques for rehabilitating exoffenders and in the possibility that supported work might lower recidivism rates. The Department of Labor's Manpower Administration (DOL/MA), interested in developing techniques for employing the hard-to-employ, also joined in the first-year financing. (But, as DOL/MA was still supporting Vera's Pioneer Messenger Service during the first year of Wildcat, its part in Wildcat financing was nominal until the second year.) The levels at which these Federal agencies subsidized Wildcat during each of the four years are shown in the following table.

Table 6.1

Wildcat's Grants from Federal Agencies

	<u>1972-73</u>	<u>1973-74</u>	<u>1974-75</u>	<u>1975-76</u>
NIDA	\$ 948,959	\$ 996,190	\$1,075,648	\$ 600,983
LEAA	370,976	1,224,937	493,265	344,421
DOL/MA <sup>3</sup>	42,277	444,386	540,991	808,991
Total Federal Grants	\$1,362,212	\$2,665,513	\$2,109,904	\$1,754,395
Proportion of total Wildcat budget met by Federal funds	83%	35%	15%	13%

<sup>2</sup> The grant originally came from the National Institute on Mental Health. In 1974, NIDA was made a separate agency.

<sup>3</sup> In 1975, the Manpower Administration became the Employment and Training Administration.

The table shows Wildcat's almost total dependence on Federal grants as "seed money" in the first year was followed by marked reductions of the Federal share each year thereafter, as other revenue sources were developed. A similar pattern is emerging in the financing of MDRC's other supported work programs.

The Federal grants to Wildcat were augmented by annual contracts with New York City's Department of Employment (NYC/DOE). Over the years, growth of this local source of finance permitted the reduced dependency on Federal subsidy and, as the following table reveals, NYC/DOE has become Wildcat's major source of income:

Table 6.2

Wildcat's Revenues from Employment Contract with New York City

	<u>1972-73</u>	<u>1973-74</u>	<u>1974-75</u>	<u>1975-76</u>
Payments from NYC/DOE	\$2,853	\$3,263,298	\$7,639,932	\$7,071,921
Proportion of total Wildcat budget met by NYC/DOE	a	42%	55%	54%

<sup>a</sup>less than 1/2 of 1%

New York City's Department of Employment, like the three Federal agencies, was concerned in part with worker rehabilitation through employment. The DOE contract was also, however, a means by which other New York City municipal agencies were enabled to secure Wildcat services without charge to their own budgets or at a charge lower than the value of the services rendered and much lower than Wildcat's salary costs incurred in providing the services.

Wildcat's fees for services rendered. Wildcat's income for services rendered has covered a small but growing portion of its budget.

Table 6.3

Wildcat's Revenues from Fees for Services

	<u>1972-73</u>	<u>1973-74</u>	<u>1974-75</u>	<u>1975-76</u>
Wildcat receipts for services rendered	\$77,240	\$832,550	\$1,653,222	\$1,677,323
Proportion of total Wildcat budget met by receipts for services rendered	5%	11%	12%	13%

Diversion of welfare entitlements. Under the statutes governing our welfare system,<sup>4</sup> recipients are usually not required to work. In fact, the terms of their welfare grants may encourage idleness because their welfare entitlements are reduced if they secure jobs paying more than a modest sum. Moreover, recipients are removed from the welfare rolls altogether if their earnings exceed a fixed amount (which often would leave them below the poverty line). Wildcat demonstrated that this system could be improved by diverting welfare payments into a salary pool for its supported workers.

Wildcat negotiated a waiver of regulations with the Federal Government and suggested certain legislative changes to the State government. As a result of these efforts, both Federal and State welfare agencies were enabled to contribute approximately \$2,000 per worker per year to Wildcat's salary pool. These funds would have been paid out in welfare checks had there been no Wildcat. (See appendix B for a more detailed discussion of the diversion mechanism.) Thus, instead of maintaining recipients in idleness, these welfare entitlements helped financing jobs for them. This, it was hoped, would lead in the long term to a reduction in welfare costs when at least some of the welfare recipients in Wildcat would, as a result of participation in supported work, leave the welfare rolls altogether by finding and holding onto nonsubsidized jobs.

The sums received by Wildcat through welfare diversion rose during the four-year period as shown below:

Table 6.4

Wildcat's Revenues from Welfare Diversion		<u>1972-73</u>	<u>1973-74</u>	<u>1974-75</u>	<u>1975-76</u>
Wildcat receipts from welfare diversion		\$151,046	\$951,907	\$2,427,258	\$2,449,848
Proportion of total Wildcat budget met by welfare diversion		9%	12%	18%	19%

<sup>4</sup> A requirement that certain able-bodied welfare recipients register for work and work if offered a job has, since the 1960s, been incorporated into selected welfare programs (e.g., Home Relief in New York State and the Work Incentive program nationally.) The ex-addicts whom Wildcat employs had traditionally been considered disabled and thus generally were not affected by such requirements.

**Pooling Revenues.** It cannot be said that the only funding sources for supported work are the three that have financed Wildcat--rehabilitation and employment funds, sale of services, and diversion of welfare entitlements. It is clear, however, that supported employment is not realistic without a combination of funds from a number of sources, as the following points illustrate:

- o During Wildcat's first four years, despite inflation, the gross cost of keeping a Wildcat worker employed for one year (including both payroll and overhead) ranged from \$10,000 at first to \$9,000 later on, and it averaged \$9,500. Approximately \$6,000 of this amount went to the employee as salary and fringe benefits; the additional costs, for supervision, were necessary to make this work force productive.
- o But most agencies concerned with rehabilitation of "unemployables," however well-financed and well-intentioned, cannot expend \$9,500 to keep each client employed for one year.
- o And New York City agencies were unable, in the continued fiscal crunch, to increase their budgets sufficiently to purchase the services of Wildcat employees at full cost.
- o Finally, the welfare system is not financed to increase to \$9,500 per person per year the welfare entitlements that presently average approximately \$2,000.

The following table shows the proportionate part played by each of Wildcat's funding sources in each of the four years.

Table 6.5

Proportionate Contributions to Wildcat Pool: 1972-1976

	<u>1972-73</u>	<u>1973-74</u>	<u>1974-75</u>	<u>1975-76</u>
Grants and Contracts				
Federal rehabilitation subsidies	83%	35%	15%	13%
NYC/DOE	*	42	55	54
Receipts for services rendered	5	11	12	13
Welfare diversion	9	12	18	19
Other	3	*	*	1
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Note: \*signifies less than one percent

No matter how the costs are distributed, the fact remains that it costs \$9,500 per year, on the average, to maintain one slot for one Wildcat supported worker. What were the effects of this \$9,500 investment? That is the question taken up in Part II of this monograph and translated into economic benefits and costs in chapter 14.

## PART II. MEASURING WILDCAT'S IMPACT

### Chapter 7. Introduction to Research Findings and Case Studies

The first part of this monograph outlined Wildcat's problems and successes in demonstrating that it could employ and maintain large numbers of exaddicts and exoffenders in public service, obtain contracts for that labor from the city, and develop a variety of funding sources. In this second part, the monograph turns, in greater detail, to issues about the programs impact: whether supported work has, in the long term, increased participants' employment possibilities and earning capacity, and hence their self-sufficiency; whether supported employment has reduced participants' criminal activity and drug use; and whether the benefits of a program such as Wildcat exceed its costs.

The impact of supported work (or of any social program) is perhaps best measured by the difference from what would have happened in the absence of the program. For this reason Wildcat's impact was evaluated by comparing a group of qualified applicants offered employment (experimentals) to a similar group not offered employment at Wildcat (controls).

The findings from this controlled research indicate that Wildcat significantly increased the employment and earnings of its employees and consequently decreased their welfare dependency. The differences between controls and experimentals narrowed during the three years, but three years after entering the study experimentals as a group were working and earning significantly more than were controls. Wildcat participation also apparently promoted the formation of stable family relationships. Wildcat does not appear, however, to have reduced criminal activity or drug use over the long term, nor changed the leisure time activities of its employees.

The methodology Vera used to measure Wildcat's effectiveness is detailed in the next chapter. The subsequent five chapters (9 through 13) examine, in turn, Wildcat's impact on employment, welfare dependency, criminal activity, drug and alcohol use, and lifestyle. In chapter 14, the costs of operating the program are compared to the benefits it has produced.

Before presenting the results, it seems appropriate to emphasize that the behaviors measured represent single and somewhat isolated dimensions in the lives of the sample members. For example, data showing that 25 percent of one group was arrested in a given year should not be interpreted to mean that the lives of that 25 percent were dominated by criminal activity. If a person who has a record of nine arrests and four convictions is arrested on a drug possession charge, pleads guilty at arraignment to a misdemeanor, and receives a conditional discharge, the event may have been trivial

to the individual and may not reflect a criminal lifestyle. He/she may have been in jail overnight, but it was not the first time; the incident consumed relatively little time and did not change the individual's self-image nor society's image of him/her. And even employment may not play a central role in an individual's life or world outlook. Work--like crime or drug abuse--is just one dimension in complicated and sometimes confused lives.

To help place the controlled research findings in context, about twenty illustrative case studies were conducted, each involving interviews and visits to the homes and work sites of members of the experimental and control groups. Two brief portraits, one of Dorothy (a member of the experimental group) and one of Robert (a member of the control group), are presented here to help the reader get a sense of the life experiences of sample members, of which employment, criminal activity, and drug use are but a small part.

Dorothy and Robert were not chosen because they are representative demographically or socio-economically of all sample members. They were chosen because their respective stories during the three years after entering the study seemed representative of the types of problems and experiences that participants and controls encountered. For both Dorothy and Robert, employment played a role in their lives, but a role shaped by other pressures.

## Dorothy

Dorothy, a tall, solid, 29-year old black, was having a double birthday party on a recent Saturday for two of her three children. Because Dorothy was a working mother--she held a job as a clerical typist--that Saturday was frantic. She had to go to Long Island to pick up her father, a retired porter, then to Manhattan to pick up the cake and party goods, and then home to clean the apartment.

Dorothy's mother, Emma, separated from her husband, brought Dorothy's youngest child Becca from Long Island. Becca was born on the day that Dorothy's oldest sister, Shirley, was shot by her husband. Dorothy was addicted to heroin during her pregnancy with Becca and the child was born prematurely. The courts awarded custody of Becca to her grandmother for a four-year period because of her mother's addiction.

Dorothy lives in an apartment in a two family home. The Bronx Zoo is nearby; she and her children often visit the zoo on weekends in good weather. Until a year ago, they lived in a building with a broken elevator and only the street for a playground. Dorothy's sisters, sisters-in-law, nephews, and nieces still live in that building. Dorothy prefers her independent quarters.

An important buttress of Dorothy's household had been the baby-sitter, Joan, who lived two doors away with two children of her own. Dorothy was able to walk Michelle and Steven to the school bus before she left for work; Joan picked them up when they came home from school and kept them until Dorothy came home. Joan, married to Dorothy's insurance agent, sewed Michelle's clothes, cooked for Dorothy, and took the children to the Baptist Church every Sunday.

Dorothy has an "old man" whom she sees regularly and who gets along well with her children; he doesn't like her to scold them saying, "Let kids be kids." He is a 31-year old machine technician who came from the West Indies six years ago. Dorothy has been with him for four years, and he contributes money and food stamps to the household. He gives her the use of the second of his cars, though it is often on loan to Dorothy's mother, Emma.

Emma came from Alabama; Dorothy's father came from Virginia. Emma's first three children were born in Georgia, the four younger children were born in the Bronx. The oldest living daughter is now a housewife in Harlem; the second is separated from her husband and works in a neighborhood bar. Emma also worked in a bar "until the last four kids." Two of Dorothy's sisters are twins; Geraldine works in a consumer protection program's office, and Barbara works in a department store. Dorothy's oldest sister Shirley had seven children, several of whom now have children of their own.

Dorothy grew up in the Bronx, attending public school. She took a clerical course in high school, wanting to be an executive secretary. From the time she was 14, she worked in a Harlem bar as a cashier, working after school from 4 to 12 and on Saturdays. That bar also employed her mother, sisters, nephews, and nieces. Dorothy says she could always go back to work there. She gave money to her mother when she was working during high school, and proudly reports that she paid for her own wedding.

Dorothy's husband, Steven, started "messing around" with drugs in high school. He was Dorothy's "childhood love" and the two were engaged at 17. Her family was pleased with the relationship, although Steven had already been arrested and jailed a few times. When they first married, Steven had a job as a welder for the railroad. Fired from that job because he was using drugs, he got another job as a welder in a toy factory. He lost that job when he was arrested and jailed on drug charges.

After graduating high school and marrying, Dorothy worked as a clerical typist at a life insurance company but that job ended when she was seven-months pregnant with her first child, Steven. Michelle followed a year later and Becca two years after that.

Dorothy's experimentation with drugs, like her husband's, began in high school. "My whole crowd was 'messing around.' My father wasn't very enthusiastic about it. It was after I got married that I really got strung out." Steven sold drugs, so there was always a steady supply. In all, Dorothy used drugs for five years and was arrested once during that time for shoplifting.

Becca's birth was a turning point for Dorothy. "One day, I just got tired of it all. I told my mother, 'I just can't stay with Steven. He doesn't want to quit. I'm leaving him.'" Steven was later killed in a prison brawl.

Dorothy knows the details of the law that prevents an addicted mother from taking her infant home from the hospital. Dorothy's mother took the children in 1971 when the court was about to place Becca in a foster home. It was then that Dorothy applied to a drug abuse treatment program. Emma was assigned as legal guardian for Becca, and Dorothy retained custody of the other two. Dorothy empathizes with "the many Wildcat women who are fighting for custody of their kids, children put in foster homes. I was one of the really lucky ones."

When Dorothy started working at Wildcat, her children received small welfare grants to augment Dorothy's earnings from employment. By the time she left Wildcat, such supplementary payments were no longer necessary.

Dorothy's methadone program referred her to Wildcat. Two years later she took a medical leave from Wildcat to detoxify from methadone. She reports no problems with detoxifying and says that she has no friends, either at home or in the neighborhood, still on drugs.

While at Wildcat, Dorothy was assigned to many different work sites. "I'm moved to something else every day.... In eight months I made it to \$115 a week. I've taken every training program they offered. I went first to RCA for three months. There I learned typing, math, reading, and life skills, and a manpower thing. I passed the test they gave at the end, but RCA doesn't place the students. So I came back to Wildcat. Then I took an IBM course; I learned the MTST machine, the Key Punch machine, and secretarial skills. I passed the test there too. I applied at Bankers' Trust. I passed the tests there. They do coding checks by machine. I don't really want a job I'm not interested in, because then you don't want to come to work. I get bored at home with nothing to do after cleaning up."

Dorothy left Wildcat after 2½ years for a job at a bank at \$140 per week. A month later she took a leave of absence because her babysitter, Joan, moved away from the neighborhood and she no longer had adequate care for the children after school.

#### Robert

At 26, Robert spends many hours each week playing basketball at a small playground near his home. He has lived all his life on 151st Street in West Harlem. The apartments on that street are rundown, with heavy women leaning from upper windows and unoccupied young men sitting on the stoops.

Robert's door has three locks in makeshift arrangements. (His family has never been robbed.) His is the only apartment on the fifth floor now occupied: "My good friend used to live next door, but everyone's moved away now."

Robert is up by 9 a.m. He spends the first part of his morning cleaning up, washing dishes and vacuuming. He gets his clothes ready; "I wash my shirt and pants and jacket every day." He shops, goes to see friends and buys the paper. He has lunch before going downtown for work at 3:30.

After work, he sometimes meets friends or comes home to watch television. He does not spend much time in bars. On weekends, "I mostly stay around here. I do my laundry and watch a lot of TV. All the sports are on the weekends."

All my mother's people came from the South, from Georgia. My father's people came from Poughkeepsie. Neither of my parents finished high school. My mother was 15 when the first baby was born. I lived with my grandmother till I was six; my mother always worked. My father and mother separated when I was 10; I used to see him every week until he got sick. He was an auto mechanic in a gas station and, even when he left, he lived nearby. He didn't have another family. He died of a liver ailment when I was 16.

My brothers and I had our own gangs; we've always lived in the ghetto and played a lot of basketball. I used to like it when my grandmother would take us to church on the holidays. We always got dressed up."

Robert is the third son, the "baby boy." His brother Walter is 35, George 32; both brothers are married and have four children apiece. Walter works at a messenger service, and George at a variety store. Both brothers, previously addicted to drugs and maintained on methadone, are now drug free. Robert's younger sister, Alice, now 18, was born blind but has completed high school and attends activities at the Manhattan Lighthouse.

Robert, kept back in the seventh grade, started experimenting with drugs when he was going into the ninth grade at age 15. He tried marijuana, cocaine, heroin.

"A lot of my friends were older and they had left to go to high school. I wanted to work but all my friends on the outside, my idols, were on the street hanging out. I went to night school a little while after I quit, but I didn't stick. My brother got his HSE. He even got a job in a training program teaching other people. He can even do income tax for people. But he is working in a messenger job like me. His mind is not ready yet. My mind wasn't ready when I was going to night school either."

When Robert was 19 he went to a training school for photography. "But I left to be closer to my friends again. I had gotten heavily into drugs. I only stayed at school a month. If I get enough money together I could get my own developing equipment. But in 1969, I had something else on my mind."

Except for two short jail stays, Robert was on drugs for five years. "It was hectic. I used to sell (drugs) to make a fast buck, but I would rather have been working. I haven't done anything illegal for a couple of years now. I lived at home the whole time, hanging out on the streets."

In 1968, Robert was charged with two counts of selling drugs. In 1969, he was arrested and charged with robbery while delivering stocks and bonds for an investment company. "I was already going to court for something minor, so they picked on me. They had my

prints in the police book. But I never did the robbery. They wouldn't hire me back anyway, so I ran numbers for a while, maybe three or four years. It's good money. Numbers take all day, though. You have to start at 6 a.m., you go 'til 5 p.m. I was locked up a couple of times, but the boss always bailed me out."

Robert entered a methadone maintenance program in 1971 at the urging of his probation officer. "I spent five years in the program. Methadone has helped me to take life a little slower.... I can see the error of what I did and methadone makes it possible for me to make corrections. I don't have to worry about dope and have time to put my energy <sup>in</sup> other places."

Now that he has detoxed, Robert has changed his view of methadone. "It was a hectic 5 or 6 years on methadone. You don't realize the effect methadone is having on you while you're taking it. They gave you too much then; I was high on methadone when I first went to Wildcat. As a drug, it's just one drug in place of another; it's doing more harm than good.... When I got off methadone, I tried to stop associating with the people I hung out with before. I wanted to have a whole other way of life."

Robert was cautious about detoxifying. He went from 120 mg. per dose in 1971 to 80 mg. in 1974, 60 mg. in the summer of 1976, and detoxed from September to November 1976.

Robert has never been able to collect unemployment insurance because, he says, "You have to have worked somewhere for eight months before you can get unemployment." He says his probation was extended because he didn't have any one job for a long enough period of time. Since entering the methadone program Robert has had a patchwork of jobs.

He delivered typewriters part-time; he painted the inside of a variety store on his block. "And there were three jobs before that. Each lasted less than one month." He remembers that he worked for a moving company, part-time, for five months. Robert was hired as a security guard at a construction site at a Bronx hospital but quit because he didn't make enough money. In 1973, he got a temporary job with a messenger service for \$80 a week, making Christmas deliveries. This was followed by a stint at floor-waxing for \$65 a week.

In 1975, Robert was sent by his drug abuse treatment program to a manpower program in auto mechanics. The program was stopped after five months because of the City's financial crisis.

"We got paid in the program, \$75 every week.... I hated it when they cut the program short; but I got a certificate. I got it hung up on my wall. There are lots of garages--they just don't have

money to pay you. They have a steady mechanic already and they just want you to pump gas. I still see some of the guys from the course. They didn't get jobs, either."

When the auto mechanic's course ended and no related job appeared, Robert drove a cab. He was ambivalent about this job, because he considered it dangerous.

The summer of '75 brought "the best job I ever had." Robert worked for a food service company. Each morning at 6 a.m., he met his car pool mates under the George Washington Bridge, and they drove to New Jersey to pick up the dairy products for the lunches.

"We brought milk and juices back for the kids. I liked the guys a lot. They call me every summer to do the job again. It finished in September when the camps closed. I was just a helper and so I made \$109 a week. You have to have a New York State driver's license to be a driver. The driver is paid \$150 per week."

Robert, his mother, and sister live in the five-room apartment (including bath and kitchen) his mother has lived in for 30 years. The \$60 per month rent is covered by his sister's Social Security grant. His mother receives Home Relief funds, but also works four hours each morning as a housekeeper for a lady on West End Avenue and sometimes works additional hours for special occasions. Robert has contributed to various home purchases, such as an air conditioner. During the six years since he entered the drug abuse treatment program, periods of employment have alternated with periods of training programs and welfare receipt. He has obtained two jobs through the New York State Employment Service, the rest through friends. He notes that welfare is a "hassle"; it takes months to qualify. "There's not much I can do right now; I try to put aside \$20-30 when I get paid. My mother puts away money for me that I give her. I use the extra to help my mother, and recently things are better."

Robert has had the same woman friend since 1969. "I love Annie but I'm not ready to get married yet.... She's a registered nurse. We went to elementary school together. She graduated from high school and then went on to Manhattan Community College to study nursing. Now she has a B.S. and her master's. She works at a hospital in Harlem. She has another job at the same time, a private nursing job. She takes care of an old woman on Riverside Drive.... She lived with me at my house for a while in '75; but I wasn't ready yet for the financial responsibility. My income wasn't enough. In 1976, we took a bus trip to Canada. She has a car, but we took the bus--it's cheaper. I'll marry her, I suppose, someday if I ever find out what I want.... To go back to school or whatever. I see her about once a month now. She lives just three blocks away. I see her mother every day. She has always been after me to go back to school. I know that you have to have an education to get anywhere.

'I don't care what you do, so long as you work hard, not hang out on the street,' she says to me."

When pressed to consider the future, Robert is cautious. "I suppose if I could, I'd like to go to Georgia and get a home. It would be according to the kind of job I could get.... I think too about the High School Equivalency possibility. It depends on how it works out at the messenger job. I would rather have a full-time job now, but it takes so much in taxes. I have a friend at work who has another job in the evening; he sells papers. The cost of living is going up, but not the wages.... I couldn't go back to auto mechanics; there just aren't the jobs that pay enough. Pumping gas just isn't good."

About getting married he replies, "if I get my High School Equivalency...if I get another job...if I get my own business going.... It all comes down to money."

## Chapter 8. How Wildcat's Impact was Measured

Social programs are difficult to evaluate. It is often difficult to distinguish the impact of the social program from the impact of other factors affecting the behavior of the participants. For example, a program to train watchmakers may be hailed as a success if most of its alumni secure jobs in the watch industry, or condemned as a failure if few are hired--yet the outcome may depend far more on the trend of employment in the watch industry than on the effectiveness of the training program. Therefore, to measure the impact of the program, Vera's research staff built a controlled experiment into Wildcat from the beginning.

As noted above (chapter 2), exaddicts referred by drug abuse treatment programs were first screened to determine whether they met Wildcat's objective eligibility criteria, and then screened to determine whether they appeared "work-ready." Applicants who survived both procedures were next routed to Vera's research department. Between May 1972 and August 1973, 604 pre-screened exaddicts were referred to Vera's research staff and enrolled in the "preliminary research sample" for the controlled Wildcat experiment.<sup>1</sup>

Not all 604, however, were offered Wildcat jobs. Instead, each applicant was assigned randomly by lot to one of two groups. Half of the 604 qualified applicants were designated "experimentals" and were told to report for work. The other half were designated "controls" and were sent back to the referral agency. Three hundred and two applicants ended up in each group and, as a result of the

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<sup>1</sup> Exoffenders referred by corrections agencies were assigned to a second study. The decision to conduct separate studies was based on the concern that exaddicts in treatment might respond differently to Wildcat than nonaddicts or exoffenders recently released from correctional institutions. The more heterogeneous sample, the more difficult it would be to detect statistically significant differences between experimentals and controls. The study on exoffenders lasted a year and indicated that the impact of Wildcat on exoffenders was similar to the impact on exaddicts during the first year of Wildcat, although reductions in arrest rates were not as marked during the first six months among ex-offenders as they were among exaddicts.

random assignment procedure, there were no significant differences between the two groups.<sup>2</sup> If the two groups diverged later, the differences arising could be attributed with a high degree of confidence to the Wildcat experience of the experimentals and to the lack of such experience among the controls--since other factors, including the general economic level, would have an equal impact on both groups.

However, comparisons between experimentals and controls reported in this Part II of the monograph are not comparisons between employees who worked at Wildcat for three years and exaddicts offered no services. Rather, the comparison is between experimentals who stayed at Wildcat from one week to three years and controls who were enrolled in drug abuse treatment programs and were eligible for a wide variety of services including counseling, vocational training and guidance, and assistance in finding jobs. Many controls did in fact secure jobs, and some held on to them. If the control group were composed of "street addicts" who were not enrolled in other programs--if they lacked access to social and employment services--the contrasts between Wildcat workers and controls would probably have been more marked.

In many of the comparisons which follow, differences between experimentals and controls on a variable, such as arrest rate, are smaller than the differences between sample members (both experimentals and controls) who were steadily employed and those who were marginally employed. Significant differences between experimentals and controls, even though small, can be safely attributed to Wildcat. But differences between the employed and the unemployed cannot safely be attributed to employment, because self-selection factors confound the interpretation: the experimentals who managed well at Wildcat or in subsequent jobs, and the controls who secured and maintained jobs without Wildcat's help, were not a random sample of anything. Whatever constellation of factors (e.g., initiative, motivation, stability, intelligence) combined to make particular experimentals and controls succeed in the world of work may also have led them to refrain from anti-social activities. Another result of these self-selective factors is that the data do not permit separating out the extent to which employment per se, as opposed to supported employment, was responsible for differences in behavior evidenced by experimentals and controls.<sup>3</sup>

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<sup>2</sup> To check whether the random procedure had indeed created two equal groups, the controls and experimentals were compared on more than 100 demographic and socio-economic variables. At intake, they only differed significantly on five of the variables: since by chance it would be expected that they would differ on five of the 100, it was concluded that for statistical purposes the two groups were identical.

Many efforts to evaluate social programs are weakened by brevity of study, in addition to the abovementioned difficulties of isolating the program itself as causing any observed changes. Participants are usually studied when they enter and when they leave a program--but usually little or no data are collected concerning the long-range impact of the program on participants after they have left it. To remedy this, Vera planned to follow each participant for three years. An intake (or baseline) interview was given both experimentals and controls immediately before their assignment to one group or the other. Thereafter, interviews were scheduled at intervals through the next three years. Modest stipends were paid to controls to secure their cooperation for interviews, and similar stipends were paid to experimentals after they left Wildcat. Since the majority of experimentals left Wildcat before the end of the three years, data were available on alumni following termination of their supported work experience.

As in most controlled experiments involving people, the 'preliminary research sample' differed from the final sample. Twelve experimentals and fourteen controls died during the three-year period, reducing the sample to 578.<sup>4</sup> Eleven applicants originally assigned as experimentals were later found to be ineligible--that is, they did not meet Wildcat's objective eligibility criteria, and were therefore deleted from the sample. Wildcat intake staff did not always screen applicants against the list of those already assigned as controls. As a result, 19 of those accepted as controls were subsequently hired by Wildcat; these 19 were excluded from the control group. Eight experimentals and seven controls were excluded as the result of another kind of error; they had been referred by correctional agencies rather than by drug programs. Two experimentals were eliminated when it was discovered that imposters had taken their place at the annual interview. These exclusions shrank the research sample from 604 to 531--269 experimentals and 262 controls.

The intake interview and three year-end interviews were extensive, covering employment, welfare status, criminal activity, drug abuse treatment status, drug and alcohol use, and a variety of lifestyle

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<sup>3</sup> Ideally, a second control group would have been formed in which each member was provided a nonsubsidized job. It would then have been possible to isolate the effects of supported work from work. However, such a design was unrealistic given the problems of placing exaddicts in regular jobs. Indeed, part of the *raison d'être* of Wildcat was the difficulties of finding employment for exaddicts. (See Lenihan, K., Unlocking the Second Gate, 1976, for a report on an experimental program which included finding jobs for exoffenders. Exoffenders assigned to the job placement group were no more likely to be employed than those not in the job placement group.)

<sup>4</sup> For a review of these deaths, see appendix C.

questions such as living arrangements and use of leisure time.<sup>5</sup> These interviews were held with Wildcat employees at the work site or in the Vera research office, and were deemed a part of their duties as employees. Controls and Wildcat alumni received \$10 for each year-end interview; the interviews were held either in the Vera research office or at the respondent's home or drug abuse treatment program.

Intervening interviews (at bimonthly or quarterly intervals) were shorter; their chief function was to keep the researchers in touch with the sample. Wildcat workers were commonly given these interviews at their work sites; Wildcat alumni and controls were usually interviewed by phone and received \$5 per interview.

During most longitudinal studies, a few participants cannot be found for followup interviews and are lost to the study. Vera researchers expected that the followup loss for this study would be large--since many sample members did not have permanent homes, only about half had telephones, and almost none had a business address. Despite these factors, interviewers managed to secure all three annual interviews with 417 out of the 531 sample members--210 experimentals (78 percent of the 269) and 207 controls (79 percent of the 262).<sup>6</sup>

One further adjustment must be noted. Of the 302 members in the preliminary experimental sample, 30 (or 10 percent) failed to show up for work. Fourteen of these "no-shows" were lost to followup and thus excluded from the experimental sample for lack of complete data. Complete followup data were available for 16, but they were excluded from the experimental group nonetheless because the research was not concerned with what happens to a cohort of applicants offered supported work jobs, but with the impact of supported work on those who

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<sup>5</sup> Copies of the instruments are available from the Vera Institute.

<sup>6</sup> The followup data was incomplete for 114 sample members (59 experimentals and 55 controls). However, for 87 of these 114 people some data was available. At least one annual interview was completed for 38 experimentals and 27 controls, and data of other kinds (such as reports from family, friends, or drug abuse counselors on the whereabouts of the sample member) were available for 10 experimentals and 12 controls. No followup data were available for only six percent of the sample (11 experimentals and 16 controls). A comparison of the demographic data (available from intake interviews) showed no pattern of differences between sample members for whom complete followup data were available and those for whom data were incomplete.

are employed, even if for only a day. Analyses were done to determine whether their exclusion made any significant differences in the results. It did not.

The table below shows how the study sample (401) was derived from the preliminary research sample (604).

Table 8.1

Comparison of Preliminary Research Sample  
with Final Followup Sample

	<u>Experimentals</u>	<u>Controls</u>	<u>Total</u>
Preliminary sample	302	302	604
Corrected sample	269	262	531
Corrected sample with complete followup interviews	210	207	417
Corrected sample with complete followup interviews but with no-shows eliminated	194	207	401

The data collected through interviews with these 401 study sample members provide the basis for determining the impact Wildcat had on the employment, welfare receipt, drug use and lifestyle of its employees.<sup>7</sup> Since these data are based on self-reports, and the sample members may not have always reported their activities accurately, self-reports were checked against official records with respect to employment status, earnings, welfare data, and drug use for a subsample of participants.<sup>8</sup> For both experimentals and controls, self-reported welfare data was generally accurate. With respect to employment, however, controls were less candid than experimentals: controls were more likely to exaggerate earnings or report they were working when such employment could not be verified. While experimentals were more reliable than controls

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<sup>7</sup> Interviewers were a mixed lot: about 50 percent were male; about 50 percent were exaddicts or exoffenders; more than 70 percent were minority; and about 20 percent had college degrees with specific training in research. Analyses of self-reported data indicated that sample members were not systematically more candid (e.g., reported more crime) with interviewers who resembled them demographically (e.g., black, male, exaddict).

<sup>8</sup> The size of the subsample used for verification varied. (See chapters 9, 10, 11, and 12 for additional discussion of verification procedures.)

about employment, they were less reliable about drug use; the self-reports of experimentals were less likely to be confirmed by the drug treatment programs than the self-reports of controls. Although self-reported data on criminal activity and arrests were collected, the availability of official arrest records for virtually all sample members and the under-reporting of arrests by both experimentals and controls led to the use of police arrest data rather than self-reports.

A few more qualifications should be noted before reviewing the research findings; these qualifications concern the representativeness of the Wildcat sample:

The sample is not representative of all hard-to-employ people; only exaddicts referred by drug abuse treatment programs are included. Similarly, the sample is not typical of all exaddicts but, at best, it is typical of those who stay in treatment programs for three months, meet Wildcat eligibility criteria, are judged work-ready by the Wildcat staff, show up for interviews, and (for experimentals) actually start work.

And in two minor respects the sample is not a random sample of all Wildcat employees. Only applicants deemed eligible for work and processed between May 1972 and August 1973 were eligible for the sample. As previously indicated, sample members were slightly younger and more likely to be maintained on methadone than were the total population of Wildcat workers referred by drug abuse treatment programs before 1976. In addition, those hired for certain jobs during the sampling period--drivers and library clerks--were excluded from the sample because there were not enough eligible applicants with these skills to make possible the assignment of half as controls and still meet Wildcat's operating need. Despite these minor exceptions, findings of the controlled research study appear to be applicable to the entire Wildcat populations and, generally, to former addicts in treatment programs.

Confidence in applying the findings from Wildcat to other exaddicts has received preliminary confirmation from the results of the first followup interviews with exaddicts in four different Manpower Demonstration Research Corporation supported work sites. As noted in the Introduction, these results generally parallel the first year results from Wildcat. This suggests that the findings reported in the following sections could apply to other exaddicts employed by other supported work programs.

## Chapter 9. Impact of Wildcat Employment

The Wildcat research plan was designed to test four hypotheses about employment: 1) that chronically unemployed exaddicts would work if offered jobs; 2) that they would keep their jobs for substantial periods if the jobs were structured in particular ways (e.g., supported work); 3) that they would work productively in a supported work environment; and 4) that such work would prepare them for jobs in the nonsubsidized labor market.

The findings provide support for all four hypotheses. Of the 302 experimentals offered Wildcat jobs, all but 30 showed up for work. More than half of those who started work stayed on the job for at least a year. The typical supported work participant was absent one day in ten. About one-third of Wildcat workers graduated to nonsubsidized jobs and most held onto those jobs for at least six months.<sup>1</sup> The longer an employee stayed at Wildcat, the more likely the employee was to find subsequent employment.

The data on employment have been divided into three sections. First, data on the performance of employees at Wildcat are presented; second, the employment experiences of members of the experimental sample (both while at Wildcat and after Wildcat) are compared to those of the control sample; and third, Wildcat's impact on preparation of employees for nonsubsidized jobs is explored.

The employment data are based on the respondents answers to questions about whether they worked, where they worked, the type of job they held, and the salary they earned. Two methods were used to verify these self-reported data. First, efforts were made to contact employers of sample members.<sup>2</sup> Second, Social Security Administration (SSA) records of income were checked.

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<sup>1</sup> The above data are based on the experimental sample (n=194). A comparison with data from Wildcat as a whole suggests the experimental data are fairly representative. During the first four years, about 10 percent of all candidates offered jobs at Wildcat did not show up for work, absenteeism averaged 10.7 percent, 47 percent of those who showed up for the first day stayed at least a year, and 32 percent graduated by the end of their third year.

<sup>2</sup> In contacting employees, the researchers only mentioned Vera or Wildcat if permission from the respondent had been previously granted.

More than two-thirds of employers of controls and about half of the employers of experimentals, in a sample of 72 nonsubsidized jobs, could not be contacted because numbers were not listed in telephone directories. Of those contacted, the jobs reported in the personal interview were verified for 84 percent of the control group and 95 percent of the experimental group.

Social Security Administration data were available only in the aggregate: individual reported income could not be compared to individual official records. However, SSA provided Vera researchers average income for all experimentals and all controls. When these averages were compared to average income based on self-reports, they indicated that both experimentals and controls earned less than they reported in the personal interviews. This discrepancy may be partly attributed to respondents exaggerating their employment and earnings, but also to the fact that many governmental and nonprofit agencies do not require employees to pay SSA taxes and other employers work off-the-books, not reporting earnings or employment to the government. Although SSA earnings figures were lower than self-reported earnings, the difference in earnings between experimentals and controls was of the same magnitude.

These techniques for verifying self-reported employment data suggested that experimentals and controls may have reported more and better jobs than they actually had. However, both techniques also systematically undercounted jobs in which a record of employment is not sent to SSA or is not maintained at all. The finding that controls may have exaggerated more than experimentals suggests that the differences between experimentals and controls reported in this chapter understate the true differences. While the reader is cautioned to accept the numbers as ballpark figures, the relative employment rates of experimentals and controls appear reliable.

#### Work Performance at Wildcat

A threshold question about supported work--would exaddicts work if offered jobs--has been answered positively and definitely. Since Wildcat began, there have always been more applicants than positions open; about 90 percent of those offered jobs have shown up for work; about one-third of those who have not shown up for work have found nonsupported jobs in the interval between being offered the job and the first day of work.

Among those who show up for work, 75 percent have stayed more than three months; 56 percent more than a year; 33 percent more than

two years; 23 percent more than three years; and 10 percent more than four years.<sup>3</sup> More than half of those who stayed beyond three years were crew chiefs.

Why did workers leave Wildcat? Terminations can be divided into three categories; some workers were fired, some quit, and some graduated directly to nonsubsidized jobs. A small proportion of those who were fired or quit subsequently found jobs (see table 9.6). Among Wildcat workers who stayed less than one year, 30 percent graduated directly to conventional jobs; among those who stayed more than two but less than three years, 48 percent graduated (see table 9.1). These graduation rates were achieved despite the fact that, prior to 1975, Wildcat provided relatively little help to its workers in seeking regular employment. Sixty percent of the Wildcat workers who graduated to nonsubsidized jobs reported that they found their jobs by themselves or through family and friends; the same proportion of controls who found jobs reported that they also found them through family and friends.

Table 9.1  
Mode of Termination, By Year of Study<sup>a</sup>  
(Experimentals Only)

	Year 1 (n=70)	Year 2 (n=113)	Year 3 (n=134)
Graduated	30%	43%	48%
Quit	34	24	23
Fired	36	33	29
Total Terminations	100%	100%	100%

a. The n's reflect the cumulative number of employees who left Wildcat in each year. In each year, the mode of termination was unknown for 17 employees.

<sup>3</sup> These figures, like most other figures in this chapter, refer only to experimentals for whom three-year followup data are available. Fourth year data was available on the length of stay at Wildcat but not on other variables. Since followups of those who stayed at Wildcat are more complete than for those who did not, they are over-represented in the experimental sample. Among the more than 4,000 workers employed by Wildcat during its first four years, only 15 percent stayed three years or longer--as compared with 23 percent in the experimental sample. Current data on length of stay at Wildcat differs markedly because employees are now required to terminate after 12 or 18 months.

Among those who quit Wildcat, some no doubt quit because they knew they were about to get fired. Others quit for reasons unrelated to the job, such as illness, incarceration, a decision to move out of New York City, or a decision to go back to school. An unknown proportion may have quit because they did not want to work any longer, or because they did not like their Wildcat work.

About half of those fired were terminated for excessive absenteeism and lateness. Other firings were due to use of alcohol or other drugs on the job, abusive language, or violent behavior.

Absenteeism rates from the private and public sector have been collected in order to compare attendance at Wildcat with that in the nonsubsidized labor market. While it has been difficult to identify a comparable nonsubsidized company, a rough comparison can be made with some nationally collected data. Among manufacturing and nonmanufacturing companies and government agencies surveyed by the Bureau of National Affairs,<sup>4</sup> absenteeism rates ranged from 1.8 percent to 11.4 percent; Wildcats median absentee rate of 9.4 percent stood near, but not at, the top of this range. The quarter of supported work participants with the best attendance records had an absentee rate of 5.0 percent--as compared with a median 4.0 percent rate for all of the companies and government agencies surveyed. Wildcat experienced an excessively high rate of absenteeism (18.7 percent) among that quarter of supported workers with the worst attendance records.

Table 9.2

Comparison of Absenteeism Rates:  
Wildcat and Nonsupported Work

	First Quartile (Worst attendance)	Median	Fourth Quartile (Best attendance)
Wildcat	18.7	9.4	5.0
Nonsupported work (combination of manufacturing, non- manufacturing, and government)	5.3	4.0	3.0

<sup>4</sup> Survey No. 106, Personnel Policies Forum, The Bureau of National Affairs, Inc., Washington, D.C., May 1974.

Absenteeism during a worker's first three months at Wildcat proved to be an excellent predictor of subsequent success both in and out of Wildcat. The lower the first three-months' absentee rate, the more likely a worker was to be employed at some job during the third year of the study.

Few employees were fired for not meeting performance standards. And, indeed, comparisons of Wildcat productivity with private and public sector standards suggest that Wildcat crews in most types of work were only somewhat less productive than nonsubsidized employees.<sup>5</sup> For example, in observations of library and custodial work, the following differences were noted:

Table 9.3

A Comparison of Wildcat and City Employees  
On Productivity in Library and Custodial Jobs

	<u>Wildcat Employees</u>	<u>Regular City Employees</u>
Book ordering in public library	.52 per minute	.77 per minute
Book processing	2.0 per minute	2.1 per minute
Custodial work		
- sweeping 2 rooms and stairwell	37 minutes	25 minutes
- vacuuming 10 rooms	27 minutes	33 minutes
- mopping stairs and bathroom	10 minutes	6 minutes

<sup>5</sup> Estimates of productivity are available for a sample of Wildcat work sites. Since members of the experimental sample worked at a variety of sites and not necessarily those studied for productivity measures, data on the average value of services provided by an experimental is not available. The available data for a sample of projects indicate that on the average a Wildcat employee provided \$8,100 worth of services per year.

Analyses of 17 randomly selected projects revealed that, on the average, Wildcat employees produced at 80 percent of the productivity of nonsubsidized workers. The gap in productivity appears to widen as the skills required increase, thus supported workers generally produce about 75 to 130 percent as much as nonsubsidized employees at custodial jobs, from 75 to 100 percent at low-skilled clerical jobs, but only 25 to 50 percent at building renovation jobs. (For further data on productivity, see chapter 14.)

#### Employment Experiences During the Three Year Study Period: Experimentals and Controls Compared

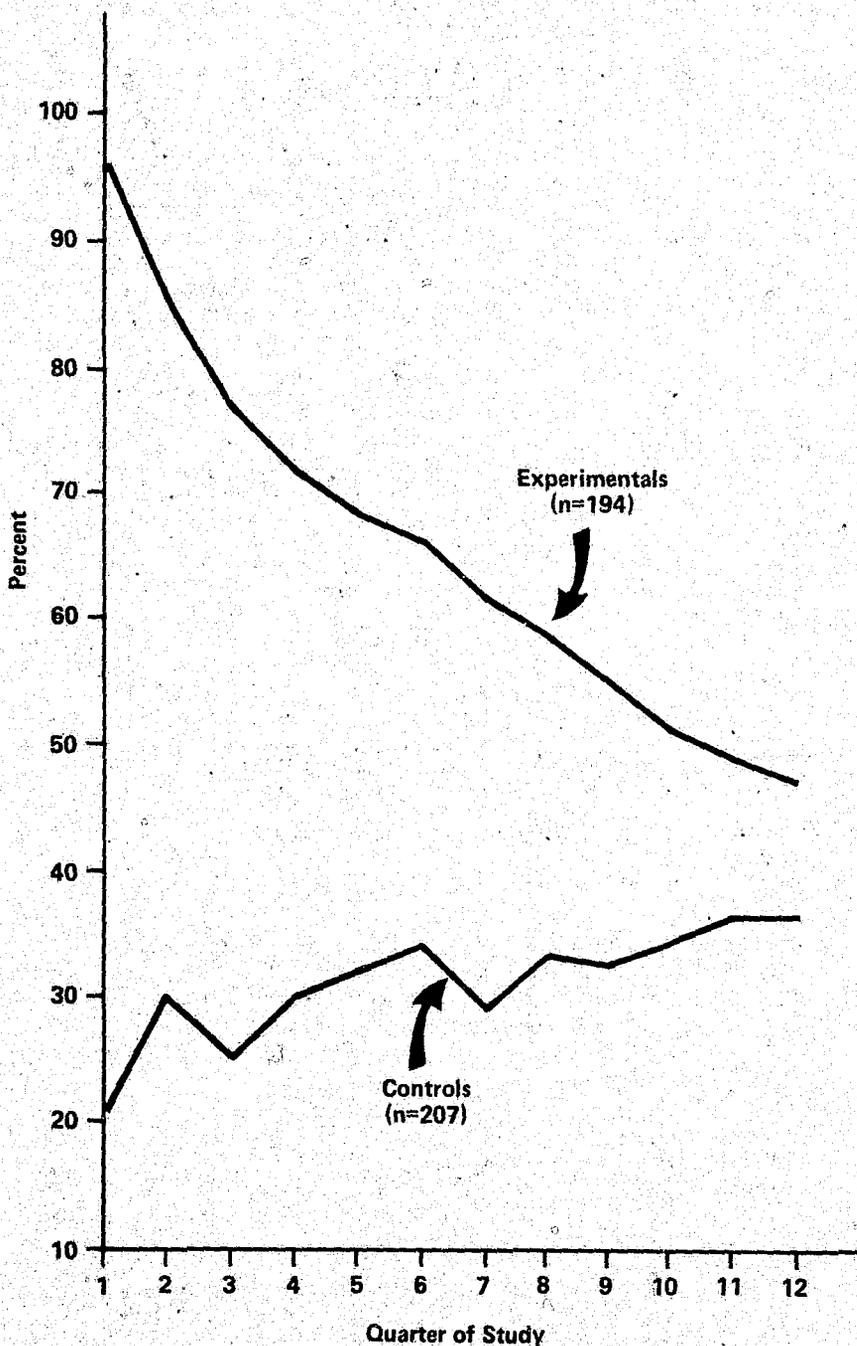
The last section outlined what has been learned about the employment experience of experimentals while at Wildcat. It is necessary to compare this employment experience with that of the controls to determine whether a program such as Wildcat was in fact needed. Both groups had weak ties to the regular job market. By applying to Wildcat, however, members of both groups demonstrated a desire to work. But were they ready and able to obtain and maintain a job?

Before the beginning of the program, none of the experimentals or controls had worked more than 12 of the last 24 months and only one in five had worked a single day in the preceding six months. During the three years, 36 percent of the experimentals and 2 percent of the controls worked steadily. Naturally all the experimentals worked at some time during the three years; one third of the controls reported no employment at all during the three years after applying to Wildcat. Figure 9.1 shows the proportion of experimentals and controls employed full-time during each quarter of the three-year period. During the first quarter, as might be expected, almost all the experimentals but only one in five controls were employed full-time. As more and more experimentals left supported work, the proportion employed full-time fell off until, by the twelfth quarter, only 49 percent of the experimentals were still working full-time--a little over half of these were in non-Wildcat jobs. By then, full-time employment among the controls had risen to 36 percent, but the difference between experimentals and controls remained statistically significant.<sup>6</sup>

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<sup>6</sup> Findings in this report are labelled "statistically significant" if the probability is less than 1-in-20 that the difference reported was due to chance alone ( $p < .05$ ). Findings are labelled "marginally significant" if the probability is between 1-in-20 and 1-in-10 ( $p > .05 < .10$ ).

**Figure 9.1**  
**Percentage of Sample Members Employed Full Time**  
**By Quarter of Study and Sample Status**



During each year of the three-year study, experimentals worked significantly more weeks than did the controls, and consequently earned more during the year (see table 9.4). On both indicators--weeks worked and annual earnings--the differences between experimentals and controls narrowed over time, but remained significantly different through the end of the three-year study.

Table 9.4

Average Weeks Worked and Average Income,  
By Year of Study and Sample Status

Year of Study	Weeks Worked	
	Experimentals (n=194)	Controls (n=207)
Year 1 <sup>a</sup>	42	12
Year 2 <sup>a</sup>	33	17
Year 3 <sup>a</sup>	26	17
Total <sup>a</sup>	101	46
	Annual Earnings \$ <sup>b</sup>	
Year 1 <sup>a</sup>	\$4,434	\$1,160
Year 2 <sup>a</sup>	4,206	1,847
Year 3 <sup>a</sup>	3,596	1,951
Total <sup>a</sup>	\$12,236	\$4,968

a Indicates a statistically significant difference at the 95 percent level between experimentals and controls.

b The average earnings include those sample members who did not work at all.

In contrast to the experimentals, the controls increased their involvement in the labor force between the first and second year, with an average number of weeks employed rising from 12 to 17, and an average annual earnings rising from about \$1,200 to about \$1,900. Moreover, these improvements occurred during a period when employment prospects were generally worsening in New York City.

It was not predicted that the proportion of controls who were employed would increase during the three years. This improvement in employment status suggests that some controls were slowly gaining footholds in the economy. It should be remembered that by applying and being found eligible for Wildcat, controls had exhibited some stability, initiative, and motivation--they were not a random sample of street addicts. Although not offered a position at Wildcat, many controls, often with the help of vocational counselors at their drug abuse treatment programs, sought and eventually found steady jobs. Naturally the controls took longer to find employment than did the experimentals who were offered jobs at Wildcat immediately upon entering the study and whose employment status therefore in the short term was markedly better than that of the controls. The employment rate of experimentals decreased as time passed as the proportion of experimentals who were receiving the experimental treatment (employment at Wildcat) decreased. As more and more experimentals left Wildcat and stepped into the environment of the controls, the employment picture of experimentals increasingly resembled that of the controls. Thus, some experimentals who were fired from Wildcat found other jobs, but the majority did not (see table 9.6, below). But, despite the converging employment profiles of experimentals and controls, experimentals were still employed significantly more after three years than were controls.

This pattern, in which the status of the controls as a group slowly improves and that of the experimentals deteriorates, was not limited to employment; during the three-year period, dependence on welfare and involvement in criminal activity decreased among the controls, while--after a first-year drop--it increased among experimentals. These data suggest that some controls did not need Wildcat; they found jobs and were reintegrated into society without the intervention of supported work. And among the experimentals, some employees could not be integrated even with the help of Wildcat. As fewer experimentals remained in the program environment, the natural (or control) environment became the governing one and the profiles of the two groups increasingly resembled each other.

Although experimentals and controls seem to have approached the same rate of full-time employment as time passed (see figure 9.1), the average weekly salary of experimentals who worked increased much more than the average weekly salary of working controls.

As table 9.5 shows, weekly salaries of experimentals (both at Wildcat and after they left) were significantly higher than those of controls during each year of the study. And, in contrast to the pattern in figure 9.1 and table 9.4, average salaries of working experimentals and working controls were further apart in the third year than in the first year. Table 9.5 clearly suggests that supported work significantly increased the earning capacity of its participants.

Table 9.5

Average Weekly Salaries,  
By Year of Study and Sample Status

<u>Year of Study</u>	<u>Weekly Salary<sup>b</sup></u>	
	<u>Experimentals</u>	<u>Controls</u>
Year 1	\$104 (N=192) a	\$ 96 (N=113)
Year 2	125 (N=153) a	104 (N=100)
Year 3	133 (N=123) a	108 (N= 97)

<sup>a</sup>Indicates a statistically significant salary difference at 95 percent level between experimentals and controls.

<sup>b</sup>Includes only sample members who worked during year and only the salary at the most recent job.

While controls worked fewer weeks than experimentals, those who did work were more likely than experimentals to hold skilled or semi-skilled jobs. This was in large part because most Wildcat jobs were classified as unskilled. As the proportion of experimentals graduating from supported work to nonsubsidized jobs increased, the differences in skill levels at which experimentals and controls were employed decreased.

Post-Wildcat Employment

The research was also designed to determine whether supported employment would prepare participants for nonsubsidized jobs. Because the study lasted only three years and because Wildcat employees were not required to leave, a final answer to the question of whether supported work helped its employees become self-sufficient earners awaits further research. This section is concerned only with the 149 experimentals who left Wildcat before the end of the three years--77 percent of the sample. Ironically, the 45 experimentals not considered, because they were still working

at Wildcat at the end of three years, may have been among the higher achievers in the experimental group. Because the longer an employee stayed at Wildcat the greater the likelihood the employee would succeed in nonsubsidized jobs, exclusion from the analyses of the 45 employees still at Wildcat after three years may result in an understatement of Wildcat's impact on employment.

As might be expected, those who left Wildcat for a nonsubsidized job fared better than those who quit or were fired. Those who graduated during their first or second years, for example, worked four times as many weeks during the third year and earned three times as much as those who quit or were fired during the first or second years:

Table 9.6

Post-Wildcat Employment Experience in the Third Year,  
by Reason For Leaving Wildcat (experimentals only)

Reason for Leaving Wildcat in Years 1 and 2 <sup>a</sup>	Employment Experience in Third Year	
	Average Weeks Worked	Average Weekly Salary <sup>b</sup>
Graduated (n=49)	28	\$156
Quit (n=27)	6	130
Fired (n=37)	5	107

<sup>a</sup>This table excludes 17 experimentals for whom data about the reasons why they left Wildcat were missing.

<sup>b</sup>Includes only sample members who worked during the third year and salary at most recent job.

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Most of the experimentals who left Wildcat before completing six months of supported work were fired; they fared significantly worse than those who stayed with Wildcat more than six months:

Table 9.7

Post-Wildcat Employment Experience in the Third Year,  
by Length of Time at Wildcat (experimentals only)

<u>Length of time at Wildcat (in weeks)</u>	<u>Percent Working Full-Time, End of Third Year</u>	<u>Average Weeks Worked in Third Year</u>	<u>Average Weekly Salary in Third Year<sup>a</sup></u>
1-26 (n=45)	20	7	\$123
27-52 (n=38)	45	25	150
53-104 (n=45)	51	23	136

<sup>a</sup>Includes only sample members who worked during the third year and salary at most recent job.

Those who stayed more than six months but less than one year and those who stayed between one and two years fared about equally well. These data suggest that six months of supported work marks a turning point; an employee who cannot survive longer than six months at Wildcat is unlikely subsequently to find and hold a nonsubsidized job.

In table 9.8, the third-year employment experience of controls is compared to the third-year employment experiences of the 128 experimentals who had left Wildcat by the end of the second year. The differences in percent working at the end of the third year and in average weeks worked were negligible--perhaps because a particularly motivated and stable group of experimentals were still at Wildcat and were therefore excluded from this analysis. Again, significant differences were observed between experimentals and controls with respect to average weekly salary (see table 9.5).

Table 9.8

Nonsupported Work Experience in Third Year, by Sample Status

<u>Employment Indicator</u>	<u>Experimentals (n=128)</u>	<u>Controls (n=207)</u>
Percent Working Full-Time at End of Year	38	36
Average Number of Weeks Worked	18	17
Average Weekly Salary <sup>a</sup>	\$139	\$108

<sup>a</sup>Indicates a statistically significant difference at .95 percent level between experimentals and controls.

Table 9.9 shows that the skill levels at which workers were employed in their most recent jobs were similar for experimentals and controls. But at each of the skill levels shows in table 9.9, the average weekly salary of experimentals was higher than of controls.

Table 9.9

Skill Levels and Average Weekly Salaries  
in Nonsupported Work, by Sample Status  
(Most Recent Job)  
During Third Year

Type of Work	Experimentals (n=96)		Controls (n=104)	
	Percent	Average Salary	Percent	Average Salary
Unskilled	42	\$100	36	\$ 83
Semi-skilled & Skilled <sup>a</sup>	23	117	37	95
Clerical	18	123	19	95
Professional/Management	17 (100%)	140	9 (100%)	100

<sup>a</sup>Only two percent of experimentals held skilled jobs, no controls did so.

It was not possible to describe adequately the nonsubsidized employment experience of experimentals within the confines of a three-year study during which experimentals were not required to leave Wildcat's employ. Forty-nine experimentals graduated from Wildcat during the first two years of the study--too small a sample to provide reliable data on Wildcat's impact on employment stability in nonsupported jobs. Consequently, a sample of 150 graduates, randomly selected from the first 500 graduates, were also studied. Of these 150 graduates, researchers succeeded in locating 106. Of the 106, 93 (88 percent) had kept their nonsubsidized jobs for at least one year; 85 percent had kept them for two years or longer.

Summary

In sum, Wildcat did not convert all of its employees from chronically unemployed exaddicts into continuously employed and well-paid workers. The research on Wildcat, however, has demonstrated that:

- o Many unemployed exaddicts are anxious and willing to work. More than 90 percent offered jobs showed up for work.
- o More than half of the exaddicts hired by Wildcat worked productively in the supported work environment for at least a year.
- o Without Wildcat, only 68 percent of the exaddicts would have found any employment and only 2 percent (compared to 36 percent of Wildcat participants) would have worked steadily during the three years. While the percentage of experimentals working decreased over time, at the end of the third year significantly more experimentals (49 percent) than controls (36 percent) were employed.
- o Experimentals consistently obtained better paying jobs than did controls; however, there were no differences in the skill levels in the jobs of controls and in the post-Wildcat jobs of the experimentals.
- o An employee who stayed at Wildcat for more than six months was twice as likely subsequently to find and keep a steady job as was one who stayed less than six months.
- o Although three years was too short a period for reliable measurement of Wildcat's long-term impact on employment in the open market, the data suggest that Wildcat significantly improved the employment prospects and earning capability of its employees.

## Chapter 10. Impact on Welfare Status

The Wildcat population was a welfare population. More than 90 percent of the research sample, both experimentals and controls, were welfare recipients prior to enrollment in the sample. Thereafter, the two groups diverged. Among the experimentals hired by Wildcat, about half (46 percent) stayed off direct welfare payments throughout the three-year period of the study, but only 6 percent of the controls did.<sup>1</sup>

Figure 10.1 shows the proportion of sample members receiving welfare at any time during each of the three study years.<sup>2</sup> During the first year, 28 percent of experimentals received welfare some time during the year, usually after their Wildcat employment terminated.<sup>3</sup> The proportion of experimentals receiving welfare increased gradually from 28 percent the first year, when most were still employed at Wildcat, to 35 percent the third year, after most had left Wildcat. An opposite pattern emerged for the controls. The proportion of controls receiving welfare decreased--from 88 percent receiving welfare at some time during the first year to 59 percent during the

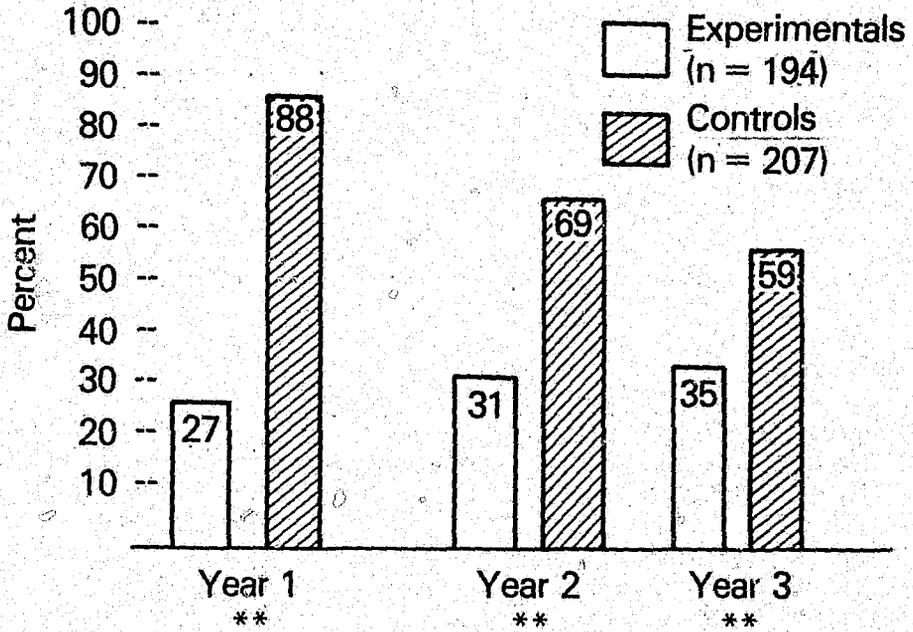
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<sup>1</sup>As used in this chapter, "welfare" includes both Federal assistance programs (Aid to Disabled and its successor, Supplemental Security Income), and State-local assistance (Home Relief). Direct welfare refers to stipends that were paid to the experimental in the form of a public assistance check. While experimentals were employed at Wildcat, welfare stipends that might have been paid to them were diverted into a salary pool and were used to make up part of their salary check. For a discussion of the diversion mechanism see chapter 6 and appendix B.

<sup>2</sup>Data in this chapter are based on self-reports. Verification of the data for a partial sample (n=60) indicated that, in virtually all cases, official records agreed with self-reports as to whether an individual had received welfare in a given year. There were disparities between official records and self-reports for both experimentals and controls as to amount of payment and length of time on welfare, but the disparities did not suggest any systematic bias.

<sup>3</sup>A few experimentals were on welfare during their employment at Wildcat--those with large families receiving modest supplementary payments to bring their family income up to the New York State minimum, and a few others who seem to have been receiving welfare through fraud.

Figure 10.1  
 Proportion of Experimentals and Controls  
 Receiving Welfare During Year,  
 by Year of Study



\*\* Indicates a statistically significant difference at the 95 percent level between experimentals and controls.

third year. This decreased dependence on welfare among controls reflects the improvement in their employment status (see chapter 9). Despite the improvement among the controls, the difference between the experimental and control groups during the third year (35 percent vs. 59 percent receiving welfare) remained statistically significant.

The difference between experimentals and controls in welfare dependency survived the termination of Wildcat employment. Table 10.1 shows proportion of experimentals and controls receiving welfare excluding those quarters during which experimentals were employed by Wildcat and were therefore not "at risk" with respect to dependency on direct welfare payments. Following the conclusion of their Wildcat employment, welfare dependency among experimentals is significantly lower than welfare dependency among controls.

Table 10.1

Welfare Receipt During "At Risk" Period,  
by Sample Status

Period for Which Sample Member Received Welfare While "At Risk" <sup>a</sup>	Experimentals (n=149)	Controls (n=207)
Never received welfare	40%	9%
Received welfare for less than half the time "at risk"	18%	30%
Received welfare for more than half the time "at risk"	42%	61%

<sup>a</sup>Controls were "at risk" for 12 quarters: experimentals were "at risk" for between 1 and 11 quarters.

<sup>b</sup>Indicates a statistically significant difference at the 95 percent level between the distribution of welfare receipt for experimentals and for controls.

Wildcat resulted in decreased welfare dependency not only among experimentals, but also among their spouses and others with whom they lived (see table 10.2). During both the first and second study years, among sample members who were living with others, controls were significantly more likely than experimentals to be living with someone on welfare--usually a legal or common-law spouse. The disparity continued in the third year, though no longer at a statistically significant level. In general, the more sample members worked during the year, the less likely it was that those with whom they lived received welfare; the earnings evidently provided a financial cushion for their families as well as for themselves.

During the periods when they did receive welfare payments, the size of the payments received by experimentals and controls was similar, averaging \$195 per month in the first year and increasing to \$225 per month in the third year of the study.

Table 10.2

Percentage of Sample Members Who Were Living With  
Persons Receiving Public Assistance  
by Sample Status and Year of Study

Year of Study	Percentage Living with Persons Receiving Public Assistance	
	Experimentals	Controls
Year 1	31 (n=153)	a 45 (n=127)
Year 2	31 (n=128)	a 45 (n=124)
Year 3	41 (n=126)	49 (n=114)

<sup>a</sup>Indicates a statistically significant difference at the 95 percent level between experimentals and controls.

Welfare recipients and low-income families not on welfare are entitled to Medicaid benefits and are eligible to buy food stamps.<sup>4</sup> Table 10.3 shows that during the first year of the study 88 percent of the experimentals used Medicaid, but only 15 percent used food stamps. Only 14 percent of experimentals used both Medicaid and food stamps in the first year, compared with 38 percent of controls-- a significant difference. The difference remained significant during the second year. By the end of the third year, however, there was little difference between experimentals and controls with respect to use of Medicaid and food stamps.

<sup>4</sup>Most Wildcat employees were not eligible for food stamps after January 1, 1974.

Table 10.3

Proportion of Sample Members Using Medicaid and Food Stamps,  
by Sample Status and Year of Study

Type of Benefit	Proportion of Sample Members Receiving Benefits					
	Year 1		Year 2		Year 3	
	Exp. <sup>a</sup>	Con.	Exp. <sup>a</sup>	Con.	Exp.	Con.
Medicaid Only	74	56	68	52	56	51
Food Stamps Only	1	1	1	1	0	1
Both	14	38	9	28	14	21
Neither	<u>10</u>	<u>5</u>	<u>22</u>	<u>18</u>	<u>29</u>	<u>27</u>
Total	100	100	100	100	100	100
(n)	(134)	(186)	(138)	(176)	(150)	(172)

<sup>a</sup>Indicates a statistically significant difference at the 95 percent level between the distribution of types of benefits for experimentals and controls.

The employment and earnings of Wildcat workers following termination of their Wildcat employment were better than those of the controls, but were not sufficiently better to make a significant difference in their dependence on Medicaid and food stamps.

#### Summary

The data on welfare dependency suggest that:

- o A smaller proportion of experimentals (54 percent) received direct welfare payments as some time during the three year study than did controls (94 percent). Also a smaller proportion of experimentals lived with someone else receiving welfare.
- o The proportion of experimentals receiving welfare increased gradually, while the proportion of controls receiving welfare decreased gradually during the three-year study. However, at the end of the three years, experimentals were still significantly

less likely to be welfare recipients than were controls.

- o The amount of a monthly welfare payment was not different for experimentals and controls and although experimentals used less auxiliary services (Medicaid and food stamps) in the first and second years, about 70 percent of both groups were using Medicaid, food stamps, or both in the third year.
- o Those who left Wildcat were less dependent on welfare than were the controls, suggesting that in the long term Wildcat decreased the welfare rolls.

## Chapter 11. Impact on Criminal Behavior

Few members of the Wildcat research sample were professional criminals. Rather--like Robert, whose case history was reviewed above--many engaged in some criminal activity from time to time, much as they secured legitimate jobs from time to time or depended on welfare from time to time.

There is evidence that Wildcat workers were more law-abiding than controls during the first year of the study. Although this difference between experimentals and controls narrowed and disappeared by the third year, over the three-year study period, a higher proportion of controls were arrested (51 percent) than experimentals (43 percent).

In this chapter, criminal behavior is measured primarily by arrests. The measure is at best an approximate one, for many law violators commit crimes for which they are not arrested and some may be arrested for crimes they did not commit. A comparison of self-reported data with official arrest figures showed that experimentals reported 74 percent and controls 69 percent of the arrests on the official records. Accordingly, official arrest figures were used rather than self-reports: they were available for more than 95 percent of the sample.<sup>1</sup>

Some comparisons below are based on the proportion of experimentals and controls arrested during a particular year. A percent arrest figure, however, does not take account of periods during which members of the sample were incarcerated and therefore not "at risk" of being arrested; and it does not differentiate between those arrested once and those arrested more often. To remedy this artifact and provide a fair basis of comparison, arrest rates per-person-year have been calculated. The arrest rate reflects the number of arrests per sample member per year "at risk," and have been determined in the following manner: for each participant, the months at risk (months not in prison) and the number of arrests per month at risk were calculated. The arrest rate per month "at risk" was multiplied by 12 to give an annual arrest rate. For example, if during a given year a person was not in prison at all and was arrested twice, the person's arrest rate was 2.0 (2 arrests divided by 12, then multiplied by 12 or  $2 \div 12 \times 12 = 2$ ). If the individual was in prison for three months and arrested once during the nine months at liberty, the arrest rate was 1.3 (1 arrest divided by 9 then multiplied by

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<sup>1</sup> A missing arrest record could have signified either no arrest or unavailable information. The absence of an arrest record was counted as the absence of an arrest. Since data on the disposition of arrests are difficult and expensive to obtain in New York City, arrest figures were used as the measure of criminal activity. Disposition data were, however, collected for a subsample of participants during each year.

12, or  $1 + 9 \times 12 = 1.3$ ). Arrest rates were calculated for each individual, then averaged separately across all experimentals and controls

### Percentage Arrested and Arrest Rates During Three-Year Study

During the first year of the study, both experimentals and controls were arrested significantly less often than in the year prior to intake (see table 11.1). However, the decreases were significantly greater for experimentals than for controls both in the percentage arrested and in the arrest rates; as a consequence, on both measures the experimental group scored significantly lower than the control group in the first year.

In the second year, the percentage arrested continued to drop for both experimental and control groups; however, the decrease was greater for controls than for experimentals. Moreover, while the arrest rate dropped for the controls, it increased for the experimentals (but remained lower than the arrest rates in the year prior to employment at Wildcat). This change in the second year meant that the percentage of experimentals arrested was lower than that of the controls, but the arrest rates were similar.

In the third year, the downward trend in percentage arrested and arrest rates continued for the control group. In contrast, both measures increased for the experimental group, with the result that the experimental group has a higher percentage arrested and a higher arrest rate than did the control group.<sup>2</sup>

It is possible that this surprising trend in arrests--a decrease for controls and an increase for experimentals--is partially explained by the fact that experimentals were less likely to be sentenced to prison than were controls. (See figure 11.1 below). The consequence of this sentencing practice may have been that the criminal recidivists among the controls were more likely to be in prison than the same group among the experimentals--in other words, the bad actors among the experimentals were more likely to be out on the street, free to commit crimes, while the comparable controls were behind bars. Thus, while the arrest rate measure took into account the fact that controls had less opportunity to commit crimes, it could not account for the result of the differential sentencing policy. Other explanations for the unexpected increase in arrest rates among experimentals are discussed at the end of this chapter.

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<sup>2</sup>The figures in table 11.1 can be analyzed in a variety of ways. For instance, there are problems in using year-prior data as a standard (i.e., if only the year-prior records are considered, the controls appear to have been arrested more than the experimentals). More importantly, it seems unpersuasive to interpret the arrest data as evidence of Wildcat impeding a natural decline in criminal activity. Future research should help clarify the interpretation of these data.

Table 11.1

## Arrest Measures for Experimentals and Controls

	<u>Experimentals</u> (n=194)		<u>Controls</u> (n=207)	
	<u>Percentage Arrested</u>	<u>(Percent Change from Year Prior)</u>	<u>Percentage Arrested</u>	<u>(Percent Change from Year Prior)</u>
Year prior to study	31		37	
Year 1	19	(-39) a	31	(-16)
Year 2	17	(-11)	22	(-29)
Year 3	24	(+41)	16	(-27)
Ever arrested during the 3 years	43		51	
	<u>Arrest Rate</u>	<u>(Percent Change from Year Prior)</u>	<u>Arrest Rate</u>	<u>(Percent Change from Year Prior)</u>
Year prior to study	(.53)		(.65) <sup>b</sup>	
Year 1	.26	(-51) a	.58	(-11)
Year 2	.31	(+19)	.32	(-45)
Year 3	.40	(+29)	.27	(-16)
Ever arrested during the 3 years	.31		.39	

a Indicates a statistically significant difference at the 95 percent level between experimentals and controls.

b The arrest rates in the year prior to study were not corrected for time "at risk."

In table 11.1, arrest data for the entire three-year period are also presented. Overall, a larger proportion of experimentals than controls were never arrested during the study period and the arrest rate for experimentals (.31) was lower than for controls (.39).

The seriousness of the offenses with which experimentals and controls were charged was similar; the proportions of felony, misdemeanor, and violation arrests were approximately the same for experimentals as for controls during each of the three study years.

Table 11.2 shows the arrest rates per person per year by category of offense charged--offenses against persons, offenses against property, and drug offenses. In the first and second years, the proportionate distribution of type of charge was similar for experimentals and controls. The arrest rates for personal and property crimes were similar, but were higher than for drug crimes. During the third year, a reduction in arrest rates for personal and drug crimes among controls and an increase in arrest rates among experimentals for the personal and property crime categories brought the overall third-year rates for controls below the rates for experimentals in the three categories and significantly below the experimentals' rates for offenses against persons.

Table 11.2

Arrests per Person-Year  
by Type Charge and Sample Status

	Personal <sup>a</sup>		Property <sup>b</sup>		Drug <sup>c</sup>	
	Exp.	Con.	Exp.	Con.	Exp.	Con.
Year 1	.08	.17	.09	.18	.05	.08
Year 2	.09	.11	.08	.09	.07	.08
Year 3	.12 <sup>d</sup>	.05	.16	.14	.05	.02

<sup>a</sup> Crimes against persons include homicide, rape, assault, and robbery.

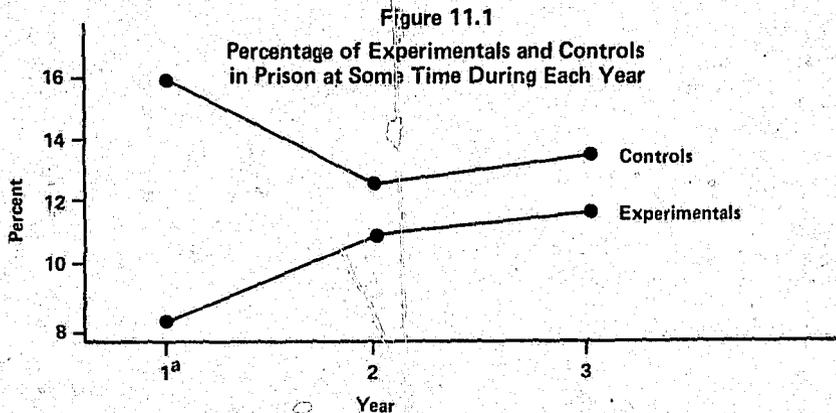
<sup>b</sup> Property crimes include burglary, grand larceny, criminal possession of stolen property, petit larceny.

<sup>c</sup> Drug crimes include possession and sale of drugs.

<sup>d</sup> Indicates a statistically significant difference at 90 percent level between experimentals and controls.

In each year, similar proportions of arrests for experimentals and controls terminated in convictions (about 60 percent). During the first year, however, controls who were convicted were significantly more likely to be sentenced to prison than were convicted experimentals--probably because judges took Wildcat employment into consideration when sentencing. During the second and third years, as the number of experimentals remaining at Wildcat decreased, those convicted were almost as likely to receive jail or prison sentences as convicted controls. However, jail and prison terms were shorter for experimentals (an average of 27 days) than controls (40 days).

Figure 11.1 shows the proportion of experimentals and controls imprisoned in each of the three years. During the first year, a significantly smaller proportion of experimentals were incarcerated than controls. This difference narrowed in the second and third years of the study.



<sup>a</sup> Indicates statistically significant difference between experimentals and controls at 95 percent level of confidence.

#### Employment and Arrest Rates

During the three-year period arrest rates for experimentals and controls were approximately the same when stability of employment is held constant for the two groups. Table 11.3 shows that arrest rates for the more steadily employed were significantly lower than for the less steadily employed in both groups. However, overall arrest rates for experimentals were lower than for controls because a significantly higher percentage (50 percent) of experimentals than of controls (25 percent) were employed steadily for at least 18 months of the 36-month study period.

Table 11.3

Arrest Rates per Person-Year  
by Time Employed and Sample Status

	<u>Employed less than 18 months</u>	<u>Employed more than 18 months</u>	<u>Total</u>
Experimentals	.50 (n=72)	.23 (n=122)	.31
Controls	.47 (n=144)	.22 (n=63)	.39
Total	.48	.22	.35

Arrest rates by types of charges (personal, property, and drugs) and time employed were also analysed. The patterns for each type of crime replicated the pattern revealed in table 11.3: the more steadily a person was employed, the less likely the person was to be arrested for personal, property or drug crimes. These findings point to a strong relation between unemployment and crime but do not shed light on the nature of the relationship. The fact that employed people were less likely than the unemployed to engage in drug and personal crimes as well as property crimes suggests that the relation of crime and employment is not purely economic.

Whereas breaking down the data in table 11.3 by type of charge did not help elucidate the association between employment and arrest rates, an examination of the relation in each of the three years did. As table 11.4 shows, in the first year of the study, the arrest rates for experimentals employed for more than six months of the year as well as those employed for less than six months were lower than for the comparable groups among the controls. In the second and third year, this pattern changed: the arrest rates for steadily employed experimentals and controls were similar, whereas the arrest rates for experimentals who were not holding down stable jobs was increasingly higher than for the comparable groups of controls. The arrest rates of the marginally employed experimentals increased from the first to the third year, whereas for controls it decreased.

Examining the data in table 11.4 from a different perspective one finds that the relationship of arrest rates and stability of employment for experimentals differed from the relationship for controls. Over the three-year period, the difference in arrest rates for steadily employed compared to marginally employed experimentals widened from .22 (.43-.21) to .43 (.61-.18). In contrast,

Table 11.4

Arrest Rates per Person-Year by Time Employed  
and Sample Status for Each Year

		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Employed less than six months	Exp.	.43	.53	.61
	Con.	.65 <sup>a</sup>	.38 <sup>a</sup>	.31 <sup>a</sup>
Difference (Exp. - Con.)		-.22	+.15	+.30
Employed more than six months	Exp.	.21	.16	.18
	Con.	.30	.19	.18
Difference (Exp. - Con.)		-.9	-.3	0

<sup>a</sup> Indicates a statistically significant difference at 95 percent level between experimentals and controls.

the difference for controls between the two employment groups narrowed from .35 (.65-.30) to .13 (.31-.18).

Tables 11.3 and 11.4 reveal a strong association between employment and arrest rates--a relationship differentially affected by employment at Wildcat. In an effort to better understand the relation of Wildcat employment and arrest activity, length of employment at Wildcat and average arrest rates were compared. Table 11.5 indicates that the longer an employee worked at Wildcat, the less likely the employee was to be arrested. Employees who stayed at Wildcat more than two years had arrest rates one-third as high as those who left before completing six months. The relationship between duration of Wildcat employment and arrest rates was true separately for offenses against persons, offenses against property, and drug offenses.

The data do not permit determining whether the prolonged stay at Wildcat caused the low arrest rates. The relationship between employment and low arrest rates may result from the stability that regular employment introduces into the lives of former addicts or

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**1 OF 2**

Table 11.5

Arrests Per Person-Year, by  
Length of Time Worked at Wildcat (Experimentals Only)

Length of Work at Wildcat (in weeks) <sup>a</sup>		All				
		Arrests	Personal	Property	Drug	Other
1-26	(n=53)	.53	.14	.21	.10	.08
27-52	(n=45)	.29	.10	.10	.04	.05
53-104	(n=48)	.29	.09	.10	.05	.05
105-156	(n=46)	.17	.06	.03	.03	.05

<sup>a</sup> For two experimentals, length of time at Wildcat was unavailable.

it may be that continuous employment reduces social alienation, which in turn reduces criminality. It may also be that a third factor is responsible both for prolonged employment at Wildcat and a decrease in criminality.

It might be expected that arrest rates would be relatively low among those remaining at Wildcat or graduating to nonsubsidized jobs, and even higher among those fired. Table 11.6 shows this proved to be generally true--with two exceptions.

Table 11.6

Arrests Per Person-Year,  
by End-of-Year Work Status, and Year of Study  
(Experimentals Only)

	Working at Wildcat at End of Year		Graduated		Resigned		Fired	
		(n) <sup>a</sup>		(n)		(n)		(n)
Year 1	.20	(108)	.45	(20)	.38	(24)	.27	(26)
Year 2	.09	( 64)	.18	(49)	.46	(27)	.49	(37)
Year 3	.20	( 45)	.34	(64)	.52	(31)	.62	(39)

<sup>a</sup>The sample sizes are cumulative and thus they change: at the end of each successive year, the number still at Wildcat decreased and the number in the other categories increased.

Those graduating from Wildcat to take regular jobs during the first year had high arrest rates and those fired from Wildcat during the first year had low arrest rates. Both groups were small (20 and 26 members, respectively), so that the anomalies may well be due to chance alone. The high arrest rates in the third year among experimentals is partially explained by the particularly high rates (.52 and .62) among experimentals who were fired or resigned.

### Summary and Discussion

- o Experimentals were significantly less likely than controls to be arrested during the first year of the study. This difference narrowed in the second year and was reversed in the third year. Despite this reversal over the entire three-year period, the percentage arrested and the arrest rates were lower for experimentals than controls. Assuming that arrests are an indication of the amount of crimes committed, it can be concluded that Wildcat reduced criminal activity among its employees.
- o In general, the severity and types of charges for which experimentals and controls were arrested did not differ. In the third year, however, experimentals were more likely to be arrested for crimes against persons than were controls.
- o Conviction rates were similar for experimentals and controls; however, experimentals, if convicted, were less likely to be sentenced to prison than were controls. This difference in sentencing was greatest in the first year, and narrowed in the second and third years.
- o The more a person worked, the less likely the person was to engage in criminal activity as measured by arrests. However, type of charge was not related to amount of employment.
- o Unemployment and arrest rates were very high in the third year among experimentals who had been fired from Wildcat within the first six months. Apparently, the experience of failing at Wildcat was associated with, and perhaps caused, a high level of subsequent criminal activity.

The data reviewed in this chapter concerning Wildcat's impact on arrest rates, as well as the more general issue of the relation of employment and crime, raise more questions than they answer. Perhaps the prickliest question is why the arrest rates for experimentals increased. (The observed reduction in arrest rates among controls may be attributed partially to a maturing-out phenomenon--the tendency for crime rates to decrease naturally as a person grows older, especially as the person reaches his/her 30's.) The increase in arrest rates for experimentals and corresponding decrease for controls may be related to the employment patterns: as unemployment increased among experimentals, so did arrest rates; as unemployment decreased among controls, so did arrest rates.

In the third year of the study, however, experimentals were significantly more likely to be employed than controls, but were also more likely to be arrested. What explanations can be offered? One possibility, discussed earlier, is that the lower proportion of prison sentences meted out to experimentals resulted in more criminal recidivists among the experimental group being free to commit crimes than among the controls. The data (tables 11.4 and 11.5) indicating that experimentals who did not survive long at Wildcat were responsible for the high average arrest rates of the experimental groups as a whole suggest two other possibilities. One is that Wildcat peer pressure effectively inhibited anti-social behavior, but that, when an experimental left Wildcat, anti-social feelings that had been building at Wildcat were released and that Wildcat terminee engaged in an exaggerated amount of criminal activity. Another is that an employee terminated from Wildcat felt extraordinarily frustrated or hopeless because of failing in a situation specially designed for exaddicts and in which many exaddict peers were succeeding. This sense of anger or futility may have led a terminated employee to become more involved in criminal activity than he/she would have without this one--and perhaps, from the employee's perspective--most damaging additional failure.<sup>2</sup>

The surprising and disturbing upturn in arrests among experimentals may be attributed to some combination of these alternatives or yet to some other explanation. What emerges from these data is that unemployment and criminal activity are closely associated and that the association is not purely economic--an increase in employment is accompanied by a decrease in personal and drug-related charges as well as property arrests. The data suggest, but do not prove,

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<sup>2</sup> If other evidence confirmed this hypothesis, Wildcat might consider modifying the termination process to help ease the sense of failure.

that if a work environment could be created in which terminations were avoided or reduced, arrest rates could be lowered. Research focusing directly and intensely on the relation of unemployment and crime now underway at Vera may better our understanding of this complex relation.<sup>3</sup>

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<sup>3</sup> The research on the relation of employment and crime is being sponsored by the National Institute of Law Enforcement and Criminal Justice as part of its Research Agreements Program. The research, intended to last five years, will address such questions as whether there are identifiable groups of potential offenders for whom employment is a preventive or deterrent to crime; whether some types of employment are particularly effective in curbing crime; and whether some types of criminal activity are more likely to be averted or reduced by employment. Tentatively, four theoretical perspectives have been identified that link employment and crime: characteristics of neighborhood settings, subcultural patterns, reasons for choices between legitimate and illegitimate activity, and the structure of labor markets. The work, which has been underway since October 1977, will involve a search of the literature to ascertain what is known about the relation between employment and crime, a survey and analysis of data on programs that address the problem of crime through employment, and cohort studies of high-risk youth and exoffender populations.

## Chapter 12. Impact on Drug and Alcohol Use

Members of the Wildcat sample, like other New Yorkers in the same age brackets, used drugs and alcohol--though to a greater extent. Employment at Wildcat had little impact on either the drug use or alcohol use of its employees.

The average participant in the study became addicted to heroin at age 19, stayed an addict for the next 12 years and kicked the habit 15 months before entering the sample. Thus, through the participant's 20's, a period during which most young men and women are gaining a foothold in the labor market, the participant's primary concern was getting the next fix.

Before they applied to Wildcat, sample members had used a wide variety of drugs besides heroin. Three-quarters said they had used cocaine, at least on an occasional basis, and marihuana use was almost universal (91 percent of the sample reported some use). Other drugs were less popular: barbiturates had been used at some time by 24 percent of the sample, amphetamines by 19 percent, and hallucinogens by 16 percent. Reported alcohol consumption was low: under 8 percent of both experimentals and controls reported daily drinking, whether of hard liquor, wine, or beer.

Just as sample members had long experience with drug abuse, they also had extensive contact with drug abuse treatment programs. Before entering the study, the average sample member had been in treatment for 13 months. The large majority (85 percent) of referrals to Wildcat were from methadone maintenance programs; the remainder came from drug-free programs.

For several reasons, participation in Wildcat was expected to enhance the beneficial effects of drug abuse treatment programs and to reduce drug abuse below the levels normally reached by such programs. First, the experience of being employed and bringing home a regular paycheck was expected to confer a sense of self-respect and worth which would help obviate the need to escape reality through drugs. Secondly, the new peer group of co-workers and supervisors at Wildcat was expected to exert pressure toward a drug-free lifestyle. And third, working people would have less free time for "hanging out" on the streets with those who use and sell drugs.

In general, the results of the controlled study do not confirm these expectations. About a fifth of the experimentals and controls alike returned to some heroin use (ranging from a report of occasional use to daily use). Use of alcohol and other drugs was similarly unrelated to experimental or controls status. However, experimentals were significantly more likely to graduate from their drug abuse program and significantly less likely to quit their drug abuse

programs than were controls. In a pattern which parallels arrest rates, experimentals and controls who were employed at least 18 of the 36 months were much less likely to abuse drugs and alcohol than those whose employment was spotty or nonexistent.

Data on drug and alcohol use are based on self-reported information elicited during the annual interviews. Limited verification of this information was conducted on about 50 experimentals and 50 controls by checking their drug abuse program urinalysis records; but the process proved so expensive and was so strongly resisted by the drug abuse programs that wider verification was not attempted. However, this limited effort at verification indicated that interview responses underrepresent the true extent of drug use. Official data on arrests for drug-related crimes may be regarded as a "bottom-line" indicator of drug abuse. Straight-forward questions about the frequency and amount of alcohol consumption were supplemented by four "CAGE" questions designed to detect alcohol abuse by focusing on problems related to excessive drinking.<sup>1</sup>

The first section of this chapter presents general findings on drug use by all sample members, while the second section compares drug use among individuals referred from methadone and drug-free programs. The third section deals with the relationship between drug use and employment, whether at Wildcat or in a nonsupported setting.

The data reveal no significant differences between experimentals and controls in the extent or pattern of drug use. As table 12.1 indicates, half of all sample members used drugs at some time during the three years of the study. Cocaine was the drug of preference; it was used by over 90 percent of all hard drug users (47 percent of all sample members). Over a fifth of the sample (23 percent of experimentals and 22 percent of controls) returned to some use of

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<sup>1</sup> Developed by researchers at the University of North Carolina School of Medicine, the CAGE questions are relatively innocuous and can be asked of anyone admitting to any alcohol use. The four items for which the word CAGE serves as a mnemonic, are the following:

1. Have you ever felt you ought to cut down on your drinking?
2. Have people annoyed you by criticizing your drinking?
3. Have you ever felt bad or guilty about your drinking?
4. Have you ever had a drink first thing in the morning to steady your nerves or get rid of a hangover? (E=eye-opener)

Affirmative answers to at least three of the four questions indicate a high probability of alcoholism. See John A. Ewing and Beatrice M. Rouse, "Identifying the Hidden Alcoholic," paper presented at the 29th International Congress of Alcohol and Drug Dependence, Sydney, S.S.W., Australia, Feb. 2, 1970.

heroin, although not all of these individuals became readdicted.<sup>2</sup> Use of barbiturates and illegal methadone was much less common, and only a small number of people experimented with amphetamines or hallucinogens.<sup>3</sup>

Table 12.1

Types of Drugs Used by Sample Members, and Drug-Related Arrests, by Sample Status

Type of Drug	Percentage of Respondents Who Reported Using Drugs at Any Time During Three Year Period for Experimentals and Controls	
	Experimentals <sup>a</sup>	Controls <sup>a</sup>
Any Drug (Excluding Marihuana)	50	50
Heroin	23	22
Cocaine	48	46
Barbiturates	10	13
Hallucinogens	3	4
Amphetamines	2	4
Illegal Methadone	11	8
Arrested/drug-related crime	11	15

<sup>a</sup>Data was incomplete on some questions, thus the number of respondents to questions about drug use varied from 177 to 181 for experimentals and 189 to 190 for controls.

<sup>2</sup> Since information from drug abuse programs was not available on all sample members, it was not possible to assess independently what proportion of people were readdicted. Estimates made on the basis of arrest records, self-reports, and reports from family or friends suggests that only a handful of participants were readdicted and used heroin daily.

<sup>3</sup> Four typical patterns of drug and alcohol use were noted: 1) combined use of heroin and cocaine; 2) combined use of heroin and illegal methadone; 3) combined use of cocaine and marihuana; and 4) alcohol consumption unrelated to use of other drugs.

Only a small proportion of sample members were arrested for drug-related charges: never more than seven percent of either group in any one year. During the three years, 11 percent of the experimentals and 15 percent of the controls were arrested for drug-related offenses. Five sample members died of drug-related causes.

During each of the three years, marihuana continued to be used by a majority of sample participants (See table 12.1). Before the study, 91 percent of the sample members reported using marihuana at some time; during the course of the three-year study, 86 percent of the sample reported some marihuana use. The majority of people who used marihuana reported doing so only occasionally (less than once a week).

Table 12.2  
Marihuana and Alcohol Use,  
By Sample Status and Year of Study

	Percentage of Respondents, by Sample Status and Year of Study					
	Year 1		Year 2		Year 3	
	Exp. (n=194)	Con. (n=207)	Exp. (n=194)	Con. (n=207)	Exp. (n=194)	Con. (n=207)
Reported Using Marihuana	55	53	63	69	69	65
Daily Alcohol Consumption During at Least One Quarter	26	28	29	27	22	28
Probable Alcoholism <sup>a</sup>	6	5	10	7	9	12

<sup>a</sup> Indicated by at least three affirmative answers on the CAGE questions. See footnote no. 1 in this chapter.

In contrast to the stability of marihuana use, daily alcohol use increased markedly for both experimentals and controls. At intake, only eight percent of the sample reported daily drinking. However, during each year about 25 percent of experimentals and controls reported daily drinking during at least one quarter. Although frequency of drinking may have been underreported at intake, there is reason to think that alcohol use did increase during the first year of the study and stayed at the new level, and that, to some extent, alcohol was a substitute for other types of drugs. In each year, about three quarters of the respondents reported drinking once a week or more, and almost half the sample reported daily drinking during at least one of the twelve quarters of the study period.

Daily drinking is not necessarily synonymous with problem drinking; and indeed a much lower proportion (averaging 10 percent a year) of the sample responded to the CAGE questions signaling probable alcoholism than reported drinking as a daily routine. During the three years, 18 percent of each group indicated alcoholism problems at some time. In the third year, experimentals reported less use and less difficulty with alcohol than did the controls, suggesting that Wildcat directly, or through its effect on employment, has a long-range impact of reducing frequency of and problems with alcohol.

Although experimentals and controls were generally similar in drug use, during the three-year period experimentals were significantly more likely than controls to graduate from their drug abuse programs (34 percent vs. 22 percent), and less likely to drop out of treatment (26 percent vs. 39 percent). The relationship between drug abuse program participation and substance abuse is discussed in the next section.

#### Treatment Modality and Drug Use

Table 12.3 largely replicates tables 12.1 and 12.2: however, experimentals and controls are divided according to the type of treatment modality from which they were referred. The data indicate that people referred from methadone maintenance programs were more likely during the study period to abuse drugs (particularly cocaine and barbiturates) than were their counterparts from drug-free programs. However, the data on frequency of heroin use reverses this pattern; experimentals and controls referred from methadone maintenance programs reported minimally less heroin use than people referred from drug-free programs. This might be expected, since methadone blocks the "high" that heroin imparts. The incidence of marihuana use, daily drinking, and alcoholism did not differ significantly by modality of treatment program.

Table 12.3

Drug and Alcohol Use, Drug Program Participation, and Drug-Related Arrest Rates Among Sample Members, by Sample Status and Type of Referral

	Percentage of Respondents, by Sample Status and Type of Referral			
	Experimentals		Controls	
	Drug-Free (n=33)	Methadone (n=161)	Drug-Free (n=28)	Methadone (n=176)
Ever used any drug (excluding marihuana)	39	52	25 <sup>b</sup>	54
heroin	24	22	27	22
cocaine	39	50	27	49
illegal methadone	14	10	9	8
barbiturates	7	10	5	15
Ever arrested on drug-related charge	3	12	11	15
Ever used marihuana	85	89	89	83
Ever reported daily alcohol consumption during one quarter	49	45	54	47
Ever indicated probable alcoholism <sup>a</sup>	21	17	11	19
Graduated drug abuse program	61 <sup>b</sup>	29	46 <sup>b</sup>	19
Quit drug abuse program	30	25	46	38

<sup>a</sup> Indicated by at least three affirmative answers on the CAGE questions. See footnote no. 1 in this chapter.

<sup>b</sup> Indicates a statistically significant difference at the 95 percent level between drug-free and methadone maintenance.

Drug-free referrals were significantly more likely to report graduating from their programs, and they were also more likely to drop out of treatment.<sup>4</sup> But neither graduation from nor continued participation in a drug abuse program necessarily indicates commitment to a drug-free lifestyle. Drug abuse program graduates were as likely as nongraduates to have used drugs at some time during the three years. Among experimentals, drug abuse program dropouts were considerably more likely to have used drugs than those who either graduated or remained enrolled, but the disparity was not significant for controls. Although drug use rates were generally highest among those who remained in their programs for half a year or less after entering the study, progressively longer stays in programs were not associated with progressively lower rates of drug use.

### Work and Drug Use

While the connection between participation in drug abuse treatment programs and substance abuse is ambiguous, there is a clear inverse relationship between employment and drug use. As table 12.4 indicates, experimentals who worked more than half of any year were consistently less likely to report using hard drugs, drinking alcohol daily, or exhibiting a drinking problem than those whose work records were spottier; and many of these differences achieved levels of statistical significance. The same patterns generally hold for controls, although differences within this group are more attenuated.

The data in table 12.4 make it tempting to conclude that employment reduced dependence on drug and alcohol use and that, because the difference between steadily and marginally employed experimentals was greater than for controls, Wildcat more than other types of employment reduced drug and alcohol use. The lack of differences, however, between experimentals and controls in drug and alcohol use makes such a conclusion tenuous.

How experimentals fared in supported work was related to their use of alcohol, and to a lesser extent, of drugs (table 12.5). In all three years, experimentals who were still working at Wildcat at the end of the year or who had graduated to nonsupported employment were less likely to drink daily, and less likely to indicate alcoholism in response to the CAGE questions, than were those who had

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<sup>4</sup>This difference may be in large part inherent to the differing nature of the programs. If the methadone maintenance program enrollee does not make a regular pick-up from a treatment facility, the enrollee may begin to experience withdrawal symptoms; furthermore, detoxification from methadone is often a drawn-out process.

Table 12.4

Extent of Drug and Alcohol Use, by Sample Status and  
Percentage of Time Worked

Year of Study and Work Status of Sample Members	Percentage of Sample Members Reporting Drug or Alcohol Use		
	Any Drug (Excluding Marihuana)	Daily Alcohol Consumption in One Quarter	Probable Alcoholism <sup>a</sup> in One Quarter
Year 1			
Experimentals			
Worked > 50% (n=152)	19 <sub>b</sub>	23	5
Worked < 50% (n= 42)	45 <sup>b</sup>	36	9
Controls			
Worked > 50% (n= 40)	17	27	5
Worked < 50% (n=167)	31	28	5
Year 2			
Experimentals			
Worked > 50% (n=117)	31 <sub>b</sub>	24 <sub>b</sub>	4 <sub>b</sub>
Worked < 50% (n= 77)	52 <sup>b</sup>	38 <sup>b</sup>	18 <sup>b</sup>
Controls			
Worked > 50% (n= 67)	29	21	5 <sub>c</sub>
Worked < 50% (n=140)	34	31	9 <sup>c</sup>
Year 3			
Experimentals			
Worked > 50% (n= 95)	32	20	5
Worked < 50% (n= 99)	35	24	13
Controls			
Worked > 50% (n= 67)	28	22	7
Worked < 50% (n=140)	39	31	14

<sup>a</sup>Indicated by at least three affirmative answers on the CAGE questions. See footnote no. 1 of this chapter.

<sup>b</sup>Indicates a statistically significant difference at the 95 percent level between those who worked more and less than 50 percent of the year.

<sup>c</sup>Indicates a statistically significant difference at the 90 percent level.

Table 12.5

Extent of Drug and Alcohol Use,  
By Wildcat Work Status at End of Year  
(Experimentals Only)

Year of Study and Wildcat Work Status at End of Year	Percentage of Experimentals Using Drugs or Alcohol		
	Any Drug (Excluding Marihuana)	Daily Alcohol Use in at Least One Quarter	Probable Alcohol Problem <sup>a</sup>
Year 1			
Still working (n=113)	14	21	0
Graduated (n= 20)	20	20	0
Resigned (n= 32)	32 <sup>b</sup>	32	23 <sup>b</sup>
Fired (n=24)	63	42	13
Overall (n=189)	25	26	6
Year 2			
Still working (n= 67)	30	24	3
Graduated (n= 48)	40	17	4
Resigned (n= 26)	46	35 <sup>b</sup>	15 <sup>b</sup>
Fired (n= 37)	43	57	27
Overall (n=178)	39	29	10
Year 3			
Still working (n= 44)	34	18	5
Graduated (n= 63)	35	14	6
Resigned (n= 31)	39	35	10
Fired (n= 40)	30	30	23
Overall (n=178)	34	22	9

NOTE: The table excludes those experimentals whose Wildcat status at the end of the year was unknown.

<sup>a</sup> Indicated by at least three affirmative answers on the CAGE questions. See footnote no. 1 of this chapter.

<sup>b</sup> Indicates a statistically significant difference at the 95 percent level in use of substance among the work status categories.

resigned or who had been fired during the year. In the first year, the same pattern held for drug use, but by the end of the third year there was no apparent connection between Wildcat tenure and taking drugs.

These data suggest that Wildcat imposed relatively stringent standards on participants at the outset: workers who used drugs to excess were likely to be fired. With time, standards with respect to drug use may have loosened. (It is reasonable to assume that occasional use of hard drugs interfered less with job performance than chronic alcoholism.) Conceivably, too, employees who remained in the program longer could more easily afford the high price of drugs such as cocaine.

The data do not indicate, however, whether drug and alcohol use preceded or followed the termination of Wildcat employment. It is possible that while some workers lost their jobs because they "nodded out" or were drunk at the work site, others turned to drugs and drink for consolation after they were fired.

#### Summary

Wildcat apparently had little effect on drug and alcohol use and no obvious explanation emerged indicating the reasons for this lack of impact. In sum, the findings indicate that:

- o About one quarter of experimentals and controls used heroin at some time during the study and half the members of each group used at least one illegal drug some time during the three years.
- o Alcohol use increased after entering the study for both experimentals and controls. About one-quarter of each group reported daily drinking at some time during each of three years and between 5 and 10 percent had alcoholism problems in any given year.
- o Sample members referred from methadone maintenance programs were more likely to report drug use than were drug-free referrals. The type of referral, however, was not related to alcohol use.
- o Employment was associated with lower drug and alcohol use. The data do not, however, indicate the causal direction. Did employment help workers to become more stable? And was this stability manifested in lower rates of drug and alcohol use? Or were employees who used drugs less able to hold their jobs?

## Chapter 13. Impact on Lifestyle

The lives of two sample members, Dorothy and Robert, were described in chapter 7. In this chapter, an effort is made to assess Wildcat's impact on the lives of its employees by examining family relationships, type of housing, residential mobility, use of medical facilities, saving and spending, and returning to school.<sup>1</sup>

Most significantly, participation in Wildcat appeared to encourage family stability. Experimentals were more likely than controls to marry or to enter into common-law relationships and to live with their children. Not all these new families survived three years, but many did. Experimentals were also more likely than controls to be supporting dependents. Stability of employment was related to marital status and the number of dependents, but was not associated with other lifestyle variables.

Increased employment, decreased reliance on public assistance, reduced drug use and criminal activity--these were the positive effects that supported work was expected to have, impacts that can be measured in dollars and cents and that benefit not only the supported worker but also the general public. These effects, in turn, might be regarded as external, quantifiable indicators of internal, qualitative changes accompanying the conversion of chronically unemployed exaddicts and exoffenders into stable, productive members of society. Moreover, it was hypothesized that Wildcat might promote family formation and family support while enabling participants to live in more comfortable living quarters, and to enjoy more of the goods of a consumer society. Experimentals were expected to take better care of themselves, both because of improved living and eating habits and because of the need to stay healthy for the job.

More subtle alterations in attitudes and values were also hypothesized. As Wildcat workers gained experience in the work force and compensation for their labor, they were expected to develop a greater stake in their own futures and in the future of society as a whole. Thus, deciding to resume schooling might be indicative of greater thought being given to the future.

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<sup>1</sup> Self-reported data was used for all lifestyle variables. None were verified through official records.

The data reported in this discussion are necessarily more problematic than those presented in preceding chapters, for three related reasons. First, because interviews were necessarily limited in length and scope, structured questions about lifestyle could not be made as detailed and probing as those that dealt with employment and criminal activity. For example, the interview ascertained the frequency with which respondents read the newspaper, but did not reveal whether, or how far, that reading extended beyond a cursory examination of the headlines, the comics, or the daily number.

Secondly, the structured questions rarely asked for the respondent's interpretation or evaluation of his/her own behavior; hence, it is difficult to know whether, for example, the respondent regarded a move from a walk-up tenement apartment into a high-rise housing project as a change for the better or for the worse. While the interview made note of the living arrangements of children who did not reside with the respondent, it did not ask the reasons for these arrangements, nor did it ask the respondent to rate satisfaction with them. And it is not clear whether a Wildcat dropout who enrolled in trade school was "future oriented" or simply looking for a way to fill time, or (as is likely) was prompted by a combination of motives.

Third, it is difficult to make judgments, especially in the absence of clarifying data, about whether each change in lifestyle should be seen as positive or negative. There is unanimity that working and staying out of jail are good, and that using heroin is bad; but no similar consensus exists that owning a car represents a step up in the world, or that marriage is a satisfactory indicator of personal stability. Such judgments are often subject to culture-related biases: Is a commonlaw marriage "less good" than a legal one? How is one to evaluate the purchase of a color television set on a limited income?

This chapter takes cognizance of such issues without necessarily resolving them. It reports the data and discusses the interpretive dilemmas they present. Living arrangements are discussed in the first section of this chapter. Subsequent sections deal with housing, health, consumption patterns, and planning for the future.

### Family Relations

Upon entry into the study, the marital status of experimentals and controls did not differ appreciably. As the first column in table 13.1 indicates, just over 40 percent of the members of each group had never been married. About one in six was divorced or separated.

Table 13.1

## Marital Status of Experimentals and Controls, by Year of Study

Marital Status	Percentage of Sample Members in Each Status, by Year							
	Intake		Year 1		Year 2		Year 3	
	Exp.	Con.	Exp.	Con.	Exp.	Con.	Exp.	Con.
Single	43	46	31	39	31	40	31	42 <sup>a</sup>
Married	17	16	23	15	20	13	19	15
Commonlaw	21	20	30	21	39	20	27	21
Divorced or Separated	18	18	15	24	19	26	20	21
Other	<u>1</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>	<u>1</u>
Total	100	100	100	100	100	100	100	100
(n)	(189)	(198)	(194)	(205)	(192)	(207)	(190)	(200)

<sup>a</sup>The increase in the proportion of single controls may be due to two factors: slightly different sample size, and the dissolution of commonlaw relationships.

<sup>b</sup>Indicates a statistically significant difference at 95 percent level between experimentals and controls in distribution of marital status.

<sup>c</sup>Indicates a statistically significant difference at 90 percent level between experimentals and controls in distribution of marital status.

One in five sample members was involved in a commonlaw relationship.<sup>2</sup> After three years, marital patterns had shifted markedly, with most of the change taking place in the first year of the experiment. During that year, the proportion of experimentals who were either married or living in commonlaw relationships rose from 38 percent to 53 percent; for controls, on the other hand, the proportion remained constant. (Although seven percent of the controls married during the first year, this increase in marriages was offset by an increase in the proportion of those previously married who were separated or divorced by the time of the first annual interview.) Not all changes were lasting; by the end of the third year, similar proportions of experimentals and controls were estranged from their mates. Nonetheless, at the end of the third year, experimentals remained less likely than controls to be single, and more likely to be married or living in commonlaw relationships.

In addition to reporting aggregate year-end statistics, changes in marital status can be charted in a different way, by tracing the course of individuals over time. About two in five experimentals who were single when they entered the experiment were married or "living commonlaw" three years later, while for the controls who were single at intake, only one in four were married or living commonlaw three years later. Fifty-three percent of the experimentals who were married or living commonlaw at intake were still married or living commonlaw after three years. The marriages of controls appear to have been less stable: 39 percent of controls who were married or living commonlaw at intake were still in such relationships at the time of the third annual interview.

It is reasonable to speculate that because Wildcat provided some measure of economic security, participants were able to think of themselves as breadwinners and to take on or continue to maintain responsibility for others. And to some extent, the data do point to an economic explanation; both experimentals and controls who worked more than 50 percent of the time during the first year were more likely to be married or living with someone, and less likely to be divorced or separated, than those who worked less. However, when the percentage of time worked during the first year is held constant, experimentals still emerged as more likely than controls to enter into formal or informal unions. (During the next two years, work and marital status were less closely related.) These findings suggest that not just work but the Wildcat program made a difference. Perhaps experimentals felt that they were making a fresh start, and regarded marriage as a key dimension of that new phase in their lives.

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<sup>2</sup>The term "commonlaw marriage" may have been somewhat ambiguous. The term is probably a synonym for "living together," since no length of cohabitation was specified.

In each of the three years, experimentals were less likely to live alone and more likely to live with their children<sup>3</sup> than controls (table 13.2). Twice as many experimentals supported at least one person. During the three years, experimentals had an average of 1.9 dependents compared to 1.4 for controls. By and large, these differences between experimentals and controls held up even when the proportion of time worked during each year was taken into account.

The differences between experimentals and controls in living arrangements, as in employment and welfare, generally attenuated with time. The patterns in table 13.2 may be explained in part by the changes in marital status shown in table 13.1; as the divorce rate among experimentals increased so did their tendency to live alone; and support for dependents dropped between the first and second year, remaining steady thereafter. For controls, the picture is less complicated; little change occurred along any of the variables.

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<sup>3</sup>It is interesting that, while experimentals were more likely than controls to live with their children or step-children, they were not significantly more likely to have children (some 60-70 percent of sample members were parents), nor were they more likely to live with all of their children. Each year about three quarters of experimentals and controls who had children said that some or all of these children were living with a person other than the respondent. In the majority of these cases, the children were living with their natural mother or with the mother's parents. These findings suggest that a substantial proportion of sample members fathered children out of wedlock or in relationships that did not endure, and that in such cases, children almost always remained with their mother: at intake, about 40 percent of both experimentals and controls reported having been married to, or having previously lived with, someone other than their current spouse for a year or more.

Table 13.2

Frequency of Living Alone, Supporting Others,  
and Living with Children by Sample Status and  
By Year of Study<sup>a</sup>

	Year 1		Year 2		Year 3	
	Exp.	Con.	Exp.	Con.	Exp.	Con.
Percentage of Respondents Living Alone	17	32	21 <sup>b</sup>	32	24	31
Percentage of Respondents Living with Children	37	23	35	31	34	27
Percentage of Respondents Supporting at least one Person	54 <sup>b</sup>	22	41 <sup>b</sup>	27	41 <sup>b</sup>	20
Mean Number of Persons Supported	2.1 <sup>b</sup>	1.4	1.8 <sup>b</sup>	1.5	1.8 <sup>b</sup>	1.4

<sup>a</sup> Missing data on these questions meant that sample sizes varied from 186 to 195 for experimentals and from 200 to 207 for controls. In the question on percentage of respondents living with children, sample size varied from 142 to 170 for experimentals and 143 to 169 for controls.

<sup>b</sup> Indicates a statistically significant difference at the 95 percent level between experimentals and controls.

### Housing and Mobility

Data on living quarters reflect living arrangements discussed in the previous section. As table 13.3 shows, controls, who were more likely to be single than experimentals, were also more likely to live in hotels or residence halls, accommodations that are generally inappropriate for families. Experimentals were more likely than controls to live in elevator apartment buildings or private homes, perhaps housing of better quality.

Table 13.3

Type of Dwelling of Experimentals and Controls,  
by Year of Study

	Percent of Sample Members in Each Type of Dwelling by Year					
	Year 1		Year 2		Year 3	
	Exp. <sup>a</sup>	Con.	Exp. <sup>a</sup>	Con.	Exp. <sup>a</sup>	Con.
Walk-up Apartment	56	59	56	59	45	57
Elevator Apartment	27	19	27	19	31	22
Hotel or Residence Hall	5	13	7	14	5	7
Private House	9	6	9	5	9	5
Other	<u>3</u>	<u>3</u>	<u>1</u>	<u>3</u>	<u>10</u>	<u>9</u>
Total	100	100	100	100	100	100
	(n=182)	(n=179)	(n=179)	(n=190)	(n=185)	(n=198)

<sup>a</sup> Indicates a statistically significant difference between experimentals and controls, in the distribution of dwelling types, at the 95 percent level.

Given the higher incomes of experimentals in all three years, it is not surprising that in each year they paid more rent than did the controls (table 13.4).<sup>4</sup> In the first two years, experimentals were more likely than controls to have a bathroom and kitchen available for their exclusive use, a finding related in part to the fact that they paid more rent, and were less likely to live in hotels and residence halls, where such facilities are often communal. Regardless of the type of housing, however, experimentals were more likely to report having a private bath or kitchen, an indication that with their increased incomes they were able to purchase more comfortable living quarters. By the third year, these differences were no longer evident.

<sup>4</sup> In any event, New York City's complicated regulations concerning rent control and rent stabilization make rent a less adequate indicator of housing quality than it might be in other cities.

Table 13.4

Housing Characteristics of Experimentals and Controls,  
by Year of Study<sup>a</sup>

	Year 1		Year 2		Year 3	
	Exp	Con	Exp	Con	Exp	Con
Mean Rent (\$) -4th Quarter	104 <sup>c</sup>	90	106	98	111 <sup>c</sup>	96
Percent with Private Kitchen	89 <sup>c</sup>	80	91 <sup>d</sup>	84	92	90
Percent with Private Bathroom	85	79	89	84	89	89
Percent Living in Crowded Condition <sup>b</sup>	49	47	37	44	43	40

<sup>a</sup> Missing data reduced the sample size from 185 to 167 for experimentals and from 198 to 174 for controls.

<sup>b</sup> See text for definition.

<sup>c</sup> Indicates a statistically significant difference at the 95 percent level between experimentals and controls.

<sup>d</sup> Indicates a statistically significant difference at the 90 percent level between experimentals and controls.

Another gauge of housing quality is the degree of overcrowding. In this analysis, the space standard employed is one promulgated by the Community Council of Greater New York, an independent organization concerned with the welfare of low-income families. Its standard allows one room per person plus one extra room for households of up to four people.<sup>5</sup> Table 13.4 shows that, by this

<sup>5</sup> For a more complete discussion of space standards, see Ira S. Lowry, Judith M. Gueron, and Karen M. Eisenstadt, Welfare Housing in New York City (The New York City Rand Institute Office of Policy Research, Department of Social Services, Human Resources Administration, City of New York).

standard, there is substantial overcrowding among all sample members (as among low-income households generally), but that controls and experimentals did not differ significantly in this regard.

By and large, the sample was mobile: only one in four members, whether experimental or control, maintained the same residence throughout the three-year study. Controls moved significantly more often than experimentals, as one might expect of a group less encumbered by family ties. Of those controls who moved, 61 percent did so more than once, while only 48 percent of experimentals moved more than once.

### Use of Medical Facilities

Years of drug abuse left a legacy of medical problems. Two out of five sample members (similar proportions of experimentals and controls) were hospitalized at some point during the three-year study. More than 90 percent of each group had a medical check-up each year.<sup>6</sup>

As table 13.5 shows, most check-ups were required by drug abuse programs. Experimentals were slightly more likely than controls to have check-ups that were not mandated by their programs, but the differences are small and do not attain statistical significance. (In fact, only a third of the sample members, whether experimentals or controls, reported having any unrequired check-ups in any of the years studied.) On the other hand, controls made a greater number of nonroutine trips to the doctor; the difference is significant in the third year. Nonroutine trips were those made in response to an illness, and perhaps because controls were less likely to be employed they had more time to visit the doctor. In each year, only one third of experimentals and less than half of controls made non-routine doctors' visits, a finding that suggests that a small number of sample members were responsible for a large proportion of medical care provided.

The data indicate that Wildcat participation discouraged nonroutine doctors' visits and that this difference, unlike most others reported here, increased with time. There is no obvious reason for the declining number of doctors' visits for experimentals and the reverse trend for controls.

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<sup>6</sup> As table 10.3 indicates, the proportion of experimentals and controls receiving Medicaid was similar each year. It ranged from 94 to 70 percent of the sample.

Table 13.5

Doctors' Visits of Experimentals and Controls,  
by Year of Study

	Mean Number of Doctors' Visits by Sample Status and Year of Study <sup>a</sup>					
	Year 1		Year 2		Year 3	
	Exp	Con	Exp	Con	Exp	Con
	(n=194) (n=207)		(n=194) (n=207)		(n=194) (n=207)	
Required check-ups	1.4	1.4	1.1	1.1	1.0	1.2
Nonrequired check-ups	0.6	0.5	0.5	0.5	0.5	0.4
Nonroutine visits	2.3	3.2	3.0	4.0	2.0 <sup>b</sup>	4.5
Total Visits	4.3	5.1	4.6	5.6	3.5 <sup>b</sup>	6.1

<sup>a</sup> Due to missing data, sample size varied from 132 to 183 for experimentals and from 148 to 199 for controls.

<sup>b</sup> Indicates a statistically significant difference at the 95 percent level between experimentals and controls.

Savings and Spending

Upon entry into the sample only one in eight experimentals and one in 20 controls had a bank account.<sup>7</sup> One year later, nearly half the experimentals (46 percent) had money in the bank, while for controls the proportion was substantially and significantly lower (19 percent). Over time, however, these differences diminished as experimentals closed accounts that had been opened in the flush of early prosperity and as controls began to make greater economic headway. By the end of the third year, 30 percent of all sample members--a virtually identical proportion of experimentals and controls--had bank accounts. The majority of these were savings accounts; sample members paid bills either in cash or with money orders.

<sup>7</sup> This baseline difference was not statistically significant.

In the first year after Wildcat entry, experimentals increased their stock of material possessions. Television sets and stereos were common purchases. At the end of the first year, experimentals were significantly more likely to own a television set than controls (93 percent vs. 86 percent), and that set was more likely to be a color one; furthermore, 69 percent of the experimentals reported owning a stereo as opposed to 55 percent of the controls. Automobile ownership was rare (as among Manhattanites in general), although here, too, experimentals more frequently reported having a car (14 percent vs. 3 percent).

Once again, however, these differences largely disappeared over time. By the end of the third year, experimentals were marginally more likely than controls to own a television set (93 percent vs. 89 percent), but no more likely to own a stereo (65 percent vs. 64 percent). Apparently, experimentals and controls had similar preferences in consumer goods: as controls increased their earnings they bought the same things as experimentals.

Experimentals and controls used leisure time in similar ways. More than half the members of each group reported watching television for more than three hours a day. Movie-going was a common pastime: on the first annual interview, three-quarters of both experimentals and controls reported having seen a movie within the past month. By the time of the third interview, these proportions had dropped slightly: 60 percent of the experimentals and 68 percent of the controls reported having gone to the movies within the preceding four weeks.

In the first two years, experimentals were significantly more likely to report reading the newspaper daily than were controls (80 percent vs. 69 percent respectively during the first year, and 76 percent vs. 65 percent during the second). Over time, this difference also was erased. The proportion who said they never read the paper rose slightly for experimentals (from six percent to nine percent) and fell slightly for controls (from 13 percent to 11 percent); at the end of the third year, about 70 percent of both groups said they read the newspaper each day.

### Returning to School

Did experimentals do more than the controls in thinking about and, perhaps more importantly, planning for the future? Did the experience of earning regular wages in a supported job give them a greater stake in the society as a whole?

Changes in attitudes and values were not measured directly, but were inferred from changes in behavior. One dimension of lifestyle that perhaps reflect changes in value and outlook is continuing education.

The average person who entered the controlled study was a high school drop-out. Many sample members regarded this lack of education as a potential obstacle to getting a good job, and many decided to do something about it. About half the experimentals (47 percent) and a significantly lower but nonetheless substantial number of controls (37 percent) attended school at some time during the three-year study period.

Table 13.6 presents the educational data year by year. It shows that during the first year of the study, about one quarter of the sample attended school. During the second year, that proportion dropped to one fifth. In the third year, this downward trend was reversed for experimentals but continued for controls, so that by the end of the third year, the disparity was significant. This difference may be attributable to the increasing number of educational and training programs offered by Wildcat.

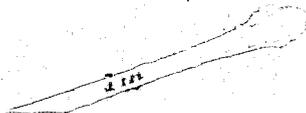
Table 13.6

Proportion of Sample Members Attending School,  
by Sample Status and Year of Study

Year of Study	Percent Attending School, by Sample Status	
	Experimentals <sup>a</sup>	Controls <sup>a</sup>
Year 1	27	24
Year 2	20	19
Year 3	25	<sup>b</sup> 16

<sup>a</sup> Missing data reduced the samples to between 191 and 194 for experimentals and 201 and 206 for controls.

<sup>b</sup> Indicates a statistically significant difference at the 95 percent level between experimentals and controls



Going to school does not seem to have been simply a way of filling leisure time. If that were the case, one would expect that those who worked less would have attended school more; but the data are inconsistent in this regard. Although full-time school attendance was more frequent among those who worked more, no more than half the sample members attending school in any year went full time. Evidently, many part-time students were juggling both a job and schooling or had a "test the waters" approach to going back for more education. Full-time school attendance did not differ significantly between experimentals and controls in any of the three years, nor was there a difference in the types of schools they attended (high school equivalency, trade school, or college). Members of both groups appear to have had similar expectations about the material rewards that education would confer: about half the sample members going to school each year believed that their training would qualify them for a particular job upon graduation.

Although school enrollment was fairly commonplace, graduation was rarer. Only 34 percent of the experimentals and 27 percent of the controls who went to school reported graduating from any of the institutions they attended. Some members of the sample were still attending school at the time of the third interview. But others had dropped out because they had secured jobs, because they found combining work and study too difficult to manage, because they disliked school, or because they learned that even with a diploma in hand no job would be waiting for them.

In one sense, going to school was a "low risk" undertaking: the majority of sample members paid nothing for schooling. During the first year, 20 percent of the sample members who continued schooling reported that they or their families had paid something toward their education; by the third year, that proportion had dwindled to five percent. The rest either attended schools that were free or were able to take advantage of government training programs, scholarships, and other kind of financial aid.

### Summary

- o Experimentals were more likely to marry or enter into commonlaw relationships than were controls and their marriages were more likely to endure.
- o In each year of the study, a significantly higher proportion of experimentals than controls were supporting dependents. During the three years, experimentals supported an average of 1.9 people, compared to the 1.4 people supported by controls.

- o Experimentals were more likely to be living in elevator apartments or private homes than were controls; controls were more likely to be living in hotels or residence halls and walk-up apartments. Experimentals paid higher rent and were more likely to have a private bathroom.
- o Participation in Wildcat reduced the frequency of doctor visits. Experimentals made fewer visits than controls and this difference increased over time: in the third year, experimentals visited doctors an average of 3.5 times, compared to 6.1 times for controls. Hospital stays, however, were similar for experimentals and controls.
- o The buying habits and leisure time activities of experimentals and controls did not differ significantly. Initially, experimentals were more likely than controls to own a television, stereo, and car, but these differences narrowed by the end of the third year. Bank accounts were more common among experimentals than controls in the first year. However, at the end of three years, 30 percent of each group had a bank account.
- o The proportion of experimentals attending school (25 percent) was significantly higher than controls (16 percent) in the third year.

## Chapter 14. Are the Benefits Worth the Costs?

Over the three-year study period, experimentals worked in Wildcat an average of 75 weeks, and each earned an average of \$105 in salary and \$10 in fringe benefits per week, or \$8,625 during the period. Over the same 75-week period, supervision, supplies, and overhead cost \$5,102 per Wildcat employee. Thus the cost per experimental averaged \$13,727. or \$9.517 per year.<sup>1</sup>

What did the taxpayer receive in return? The benefits have been estimated at \$15,405 per experimental. Benefits are, however, much more difficult to calculate than costs and, at best, provide only a rough approximation of the savings and services accruing to the taxpayer as a result of an investment in Wildcat. While expenditures can be determined directly, benefits are determined by attaching dollar values to the differences between experimentals and controls, in taxes paid, welfare payments received, and arrest and incarceration rates,<sup>2</sup> and by estimating value of services produced by Wildcat employees.

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<sup>1</sup> In the benefit/cost analysis, data from a variety of sources were used. Average tenure at Wildcat was calculated from the average for the 194 experimentals. The estimated savings from increased taxes and reduced welfare and criminal justice costs were derived from a comparison of the experience of experimentals to that of controls. It was not possible to retrieve, for experimentals alone, data on average costs and average value of services produced. The estimated value of services per experimental was therefore derived from the value of services provided by a sample of Wildcat employees working on a random sample of 17 projects. The average cost of 75 weeks of employment for an experimental was based on average weekly cost for all Wildcat employees over the four years (June 1972 to July 1976).

<sup>2</sup> For example, in the first year, the 194 experimentals accounted for 48 arrests and the 207 controls accounted for 87 arrests. The estimated police and court costs of an arrest in New York City is \$2,150 (see note 8 of this chapter). Thus, arrest processing of experimentals in the first year cost \$103,200 (48 x \$2,150), or \$532 (\$103,200 ÷ 194) per experimental; arrest processing of controls cost \$187,050 (87 x \$2,150), or \$904 per control (\$187,050 ÷ 207). The savings in criminal justice processing due to Wildcat in the first year are therefore estimated at \$372 (\$904-\$532) per experimental.

These estimates suggest that, during his/her 75 weeks at Wildcat, the typical experimental returned to the taxpayer \$11,449 in services as well as \$3,956 in increased taxes,<sup>3</sup> decreased direct public assistance, and decreased expenditures by the criminal justice system. Table 14.1 summarizes the estimated average costs and benefits to the taxpayer from the employment of an exaddict in supported work.

Table 14.1

Average Costs and Benefits for an Experimental  
During the Three-Year Study Period

<u>Cost</u>		<u>Benefits</u>	
Salary and fringes to crew members	\$ 8,625	Increases Taxes paid by employee	
Supervision, supplies, overhead	5,102	Income tax	\$ 751
		Sales tax	223
		Savings from Reductions in	
		Direct Welfare	1,399
		Welfare related Benefits	893
		Savings from Reduction in Arrests	
		Reduced Police and Court processing	184
		Reduced Incarceration	506
		Value of Services	<u>11,449</u>
Total Cost:	<u>\$13,727</u>	Total Benefit	\$15,405

<sup>3</sup> Wildcat employees paid taxes on their entire earnings, even though some of the earnings represented welfare entitlements.

These data suggest that the taxpayer's investment in Wildcat was a good one. The average investment of \$13,727 per employee produced \$15,405 in savings and services, or \$1.12 for every dollar invested.

The calculation leaves out the possibility of certain longer-term benefits such as increasingly higher levels of tax payments and continuing lower levels of dependence on welfare. It also leaves out short-term benefits, difficult or impossible to quantify, such as those which might follow from changes in employer attitudes about hiring exaddicts. The calculation also takes no account of any macro-economic costs or benefits such as a possible displacement of formerly employed individuals from work that Wildcat took, or a stimulation of the economy by the productivity of the formerly unemployed Wildcat workers.

It must not be forgotten, when considering the economic "benefit" of Wildcat, that both groups--the experimentals and the controls--cost the taxpayer money. As welfare-dependent exaddicts, they were all the beneficiaries of a deliberate policy transferring resources to members of society who are not self-sufficient. Therefore, the taxpayer's benefit is lower cost--not a net gain for the public purse, but a net reduction in the drain on it. Another way to answer the question with which this chapter begins--are the benefits worth the cost?--is to figure that net drain upon the public purse of an experimental and a control, and to calculate the difference. Such an analysis is set forth in appendix D. It suggests that, despite the increased spending required to provide exaddicts with supported work, an experimental's net drain on the public purse over the three years was \$1,678 less than the net drain of a control.

The remainder of this chapter describes in greater detail the way that costs and benefits have been calculated.

### The Cost of Wildcat

During the experimental period (July 1972 to June 1976), roughly \$25,870,000 in new government funds went to the operations of Wildcat.<sup>4</sup> An additional \$5,980,000 in welfare payments were diverted to Wildcat, and \$4,240,000 from the operating budgets of City agencies was paid to Wildcat for services rendered. (For more details, see chapter 6.)

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<sup>4</sup>The slight additional overhead cost to New York City for administering the DOE contract is ignored here because of the difficulty of making reliable estimates. Equally difficult to determine were the value of administrative savings to the City, resulting from essential municipal services provided by contract to Wildcat. Because of these difficulties, the administrative costs and savings were ignored. Administrative costs of Wildcat were, however, included.

How did Wildcat spend this money? A position for a supported worker in the Wildcat workforce cost an average of about \$5,500 in salary and \$500 in fringe benefits per year. For each slot, about \$2,000 was spent on supervision and about \$1,500 on overhead.

#### Estimated Benefits of Wildcat

Tax revenues: During the three-year study period, experimentals earned an average of \$12,236 in Wildcat and in nonsubsidized employment; controls earned an average of \$4,968. During the period, an experimental paid \$1,301 and a control paid \$550 in income taxes.<sup>5</sup>

A study of their daily expenditures showed that 46 percent of experimentals' income and 41 percent of controls' incomes were spent on taxable goods. Considering income differences (including earnings and welfare as "income"), it has been estimated that experimentals spent an average of \$6,410 and controls an average of \$3,625 on sales-taxable items during the three-year period.<sup>6</sup> At a rate of eight percent, the City and State governments received \$513 in sales taxes from an average experimental and \$290 from an average control during the period. Summing income and sales taxes over the three years, experimentals paid \$1,814 in taxes or just about \$1,000 more than controls (who paid \$840).

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5 Although FICA (Social Security) "taxes" were also withheld from the wages of experimentals and working controls and took a substantial portion of those wages, FICA "taxes" are not considered taxes for the purposes of this report because they are paid toward the individual's eventual social security benefits. Excluding FICA from the tax calculation probably diminishes differences between the tax contributions of experimentals and controls. Taxes from Wildcat staff have also been excluded on the assumption that the staff would have been employed with or without the program.

6 The daily expenditure study indicated that both experimentals and controls borrowed money from friends and families. Estimates of these funds were included in calculating average amount spent on sales-taxable items.

Welfare costs: Although experimentals were in technical receipt of welfare while at Wildcat, their payments were diverted into a salary pool and these public expenditures have been included on the calculation as part of the operating cost of Wildcat. But, as not all experimentals worked a full 12 months at Wildcat, even during the first year the average annual direct welfare payment was \$34 per experimental (24 percent of experimentals received some direct welfare in the first year). The welfare payments to controls averaged \$888 in the first year. The difference continued throughout the three-year period, but it was less marked as time went on. Over the three years an experimental received an average total of \$811 in direct welfare payments, while a control received an average total of \$2,210. In addition, the average experimental cost the taxpayer \$1,004 in Medicaid and food stamps--<sup>7</sup> roughly half the \$1,897 cost per control.

During the third year, when most had left Wildcat, the experimentals relied less on and received less welfare than controls, suggesting that the welfare system realized a saving as a result of Wildcat, even after employees left supported work.

There were indications that this saving would continue in the long term. Interview data suggests that experimentals may cost the government less in child support and foster home care than controls. At the end of three years, in 53 percent of the controls' homes compared to 40 percent of experimentals' homes, at least one person was being supported by public assistance. Reliable estimates were not available on the savings generated by these differences between experimentals and controls.

Criminal Justice System: In the first year, the difference in arrest rates between experimentals and controls was significant; this difference disappeared over the three years. The police and court processing of an arrest are estimated at \$2,150.<sup>8</sup> Experimentals cost the taxpayer \$532 per sample member, and controls cost \$904 per sample member, for arrest processing in the first year (see note 2, this chapter, for a more detailed derivation of these average costs). Over the three years, the estimated average arrest and court processing costs totalled \$1,862 per experimentals and \$2,046 per control.

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<sup>7</sup>Until January 1, 1974, Wildcat employees were eligible for food stamps. All but a few dollars of the experimentals' benefit were for Medicaid.

<sup>8</sup>In 1971-72, the cost per arrest (police and court costs) was estimated at \$1,705. (See Expenditure and Employment Data for the Criminal Justice System, 1971-1972, National Criminal Justice Information and Statistical Service SD-EE No. 4, U.S.G.P.O., 1974). The 25.7 percent cost inflation from 1971-73 through 1974-75 places the estimated cost per arrest for the experimental sample at \$2,150.

Another source of cost differences between experimentals and controls is that 15 percent of experimentals and 20 percent of controls were incarcerated at some point during the three years. The average length of incarceration for experimentals was 181 days; for controls, it was 202 days. Estimating incarceration costs as \$40 per day,<sup>9</sup> the reduced incarceration resulting from participation in supported work saved \$506 per experimental--incarceration cost \$1,086 per experimental and \$1,592 per control during the three-year study period.

Adding together the estimated three-year arrest and incarceration costs, the experimentals cost an average of \$2,948 and the controls cost an average of \$3,638.

Estimated Value of Services: A random sample of 17 Wildcat projects was selected in 1974-1975 to measure value of services produced by Wildcat crews.<sup>10</sup> Vera researchers observed the work of each project and analyzed the production reports. The results were compared with standards normally prevailing in industry or the Civil Service, or with estimates from private contractors, to provide a basis for determining market value. On the basis of observation and analyses described below, the average market value produced per worker on Wildcat projects was estimated at \$8,184 per year. Table 14.2 summarizes the analysis.

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<sup>9</sup> A precise estimate of the marginal cost of one more prisoner is difficult to determine. The \$40 figure provided by the New York City Department of Corrections, is lower than the per-person cost one would obtain if the total corrections budget is divided by the number of prisoner-days in a year. The New York City Comptroller estimated the cost of a day in the City jails at \$56.77 (New York Times, 11/21/76).

<sup>10</sup> Since there were more than 1,000 work sites during the years studied, it was not possible to estimate value of services for each.

Table 14.2

Summary of Market Value  
Per Worker by Project

	<u>Project Average</u>	<u>Weighted Average</u>
<u>Maintenance</u>		
Bronx Police Precinct	\$ 7,267	
Hostos College	8,915	
Police Headquarters	14,010	
Queens Criminal Court	14,682	
Fashion Capital	3,057	
		\$11,415
<u>Construction</u>		
Housing Development	3,057	
Administration Rehabilitation		
Sunset Park	4,800	3,929
<u>Clerical</u>		
City Planning Commission	7,566	
Housing and Development		
Authority Block and Lot	9,261	
Buildings Dept. License	8,873	
NY Public Library Circulation	8,873	
NY Public Library Technical	7,232	
		7,823
<u>Moving</u>		
Human Resources Administration	5,130	
NY Public Library Move	6,110	
		5,767
<u>Messenger</u>		
Manhattan Messenger	7,267	
Brooklyn Messenger	5,340	
		6,335
<u>Paraprofessional</u>		
		8,551
OVERALL WEIGHTED AVERAGE		<u>\$ 8,184</u>

Six types of work were studied: building maintenance, construction, clerical, moving, messenger, and paraprofessional. Each type of work required a different method for estimating value of services. The methods of analysis and the estimates they generated are described below.

**Maintenance:** Observations of Wildcat maintenance projects indicated that the Wildcat productivity rate varied from 40 percent to 150 percent of the expected productivity rate of a commercial maintenance worker. On the average, it took a Wildcat worker 10 minutes to do a task an industry worker would have completed in 12 minutes. Thus a market value for Wildcat maintenance services was set at 120 percent of the prevailing wage rates (\$5.60 per hour plus \$ .35 per hour OTPS, as established by industry standard).<sup>11</sup>

The result was that Wildcat workers in maintenance produced \$7.20 in labor value per hour worked. On the basis of the hourly production rate and the total number of hours worked, the annual value of Wildcat maintenance services was estimated at \$11,415 per worker.

**General Construction:** The productivity of Wildcat crew members on project sites was observed and compared with the average standard productivity rate for industry.<sup>12</sup> Most of Wildcat's construction projects were housing rehabilitation. Since there are few regularly accepted standards in renovation of housing, two registered architects and a professional engineer were consulted to adjust the standards for the work Wildcat was doing. Wildcat's observed average productivity rate was 37 percent of the commercial productivity rate.

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<sup>11</sup> Standard industry salaries were obtained from William K. Phillips Building Services Management (MacNair Dorland Co., N.Y., 1970). Civil Service equivalents were found in Wages and Benefits of New York City Municipal Government Workers, April 1972 and April 1974, Regional Report No. 47 (September 1975), and Wages October 1974, both from the Bureau of Labor Statistics, U.S. Department of Labor. In addition, the fringe benefits of municipal workers (30 percent of the salary) were added before calculating the Wildcat values. Differences between Wildcat workers and those with whom they are compared, in the number of hours worked per week, were also taken into account.

<sup>12</sup> Estimates and procedures are based on industry standards as found in 1975 Dodge Manual for Building Construction Pricing Scheduling (McGraw-Hill Information System Co., (New York 1975), Robert Snow Means Manuals, and 1976 Building Cost File (Eastern Edition) (Construction Publishing Company). Since these books are guides (continued on next page)

The skilled average base rate including fringe benefits and overhead costs is \$15.30/hour. Thus, the hourly construction market value of Wildcat crew members was \$5.66 per worker hour or  $.37 \times \$15.30$ .

For construction tasks similar to maintenance projects, the number of hours worked on those tasks was multiplied by the maintenance rate of \$7.20 per hour. In sum, the overall annual value of services for construction was estimated at \$3,929 per worker.

Clerical Services: There are few industry standards for clerical work or clearcut ways to measure clerical productivity. Thus, Wildcat workers holding clerical jobs were observed to determine whether crew members appeared familiar with the work, whether they worked independently, whether they worked continuously or had long periods of inactivity, and whether they were satisfying the agency's requirements.

By observing and comparing Wildcat crew members and City workers performing a variety of similar clerical tasks, it was determined that Wildcat crew members maintained an average productivity rate of 78 percent.

Using the salary and fringe benefits of the City clerical employees, an average hourly market production rate for each Wildcat crew member was calculated. This rate is the productivity rate multiplied by an equivalent municipal worker's yearly salary (including fringe benefits of 30 percent). Thus, the average Wildcat worker in clerical work produced \$4.50 in service per hour of work or \$7,823 per year.

Moving: The value of moving projects was calculated from Wildcat records of quantity of items moved. These figures were used to determine the number of hours it would have taken a private mover to do the same work. The commercial hourly rate used for moving from one location to another is \$30/hour. When the moving was on one floor or from one floor to another, a \$10/hour rate was used. The estimated value of services was \$5,767 per year.

Messenger: A messenger's market value depends upon the number of messages delivered. Wildcat messengers delivered approximately 660,000 messages over a three-month period (or 2,640,000 during the year). A price of 13¢ message was used--which was the cost of a

for the general contractor, they reflect only the costs of the subcontractor and do not include the normal seven percent surcharge imposed by the general contractor on the retail price.

one-ounce first class piece of mail. (This may be a low estimate, as the municipal messenger services operated like most corporate internal message services, providing faster, more direct service than that delivered by the Postal Service. That extra service, of course, costs more.) A daily average of 54 employees were working as messengers, thus the annualized value of services was \$6,335 (2,640,000 x .13 ÷ 54).

Paraprofessional: Wildcat's paraprofessional projects are those which emphasize personal informational skills. "Ask Wildcat"--a tourist information service--was the only such project sampled,

As a result of comparative observation and discussions with the City government tourist information bureau, it was found that Wildcat workers produced on an equivalent level to a regular worker. Thus the average annual wage of \$8,551 was used in this category.

Weighted Average: After the average per person value of services was calculated for each type of project, an overall weight average was derived by determining the proportions of employees working at each of the project types. For example, because three times more people were working in maintenance than in moving projects, the value of maintenance services was given three times the weight of moving services.

Only the service provided is included in these estimates of the value of supported workers' labor. However, the provision of the services by Wildcat results in a number of other benefits which do not fit into the limits of this analysis.

There is an overall efficiency and value in having a large mobile multi-skilled work force (like a general contractor) to handle special emergencies and projects--e.g., the message system established on the Lower East Side shortly after a fire destroyed the telephone communications system there. This is a characteristic of Wildcat, not shared by many other programs, which provides flexibility, increased response time to problems and lowers overhead costs within City government.

In some projects special indirect benefits accrue from the services Wildcat provides. An example is the increase in tourist spending possibly resulting from information provided by Ask Wildcat. A different type of benefit is Wildcat's success in changing perceptions about the employability of ex-addicts by competently providing needed services. In this respect, a Wildcat crew working in a police station may be more effective than human relations courses for police.

## Summary

From comparison with the control group, it is possible to estimate what the experimental would have cost the taxpayers, had it not been for the offer made to them to participate in supported work. The comparison shows that the taxpayers would have borne reduced tax revenues, reduced services, and increased welfare and criminal justice system costs. The value of services produced by experimentals were estimated on the basis of work done and productivity records. The costs of the program per employee were determined from the annual budget; these estimates indicated:

- o If Wildcat did not exist, its employees would have cost the taxpayer about \$7,000 during the three-year study: Wildcat reduced this to \$5,000.<sup>13</sup>
- o The experimentals produced \$11,449 worth of services over an average stay at Wildcat of 75 weeks. Other benefits were realized because participation in Wildcat resulted in increased tax payments and reduced public assistance and criminal justice costs. These benefits were estimated at \$2,557. The average benefits were thus \$15,405; and the costs were \$13,227 per employee. Thus, for every dollar invested in Wildcat, the taxpayer received \$1.12 back during the three years.

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<sup>13</sup> See appendix D.

## Chapter 15. Concluding Observations

Preceding chapters described Wildcat's impact on employment, welfare status, criminal activity, drug and alcohol use, and lifestyle. In chapter 14, some of these variables were translated into financial terms to determine the costs and benefits of Wildcat.

An overall index of success was also constructed in an effort to pull together in one measure the impact of Wildcat. It is presented in the first part of this chapter; the remainder of the chapter is devoted to concluding reflections on the research findings and thoughts about what they may mean for the future of Wildcat and of supported work.

The term success eludes definition and measurement. A Wildcat "success," as the term is used here, refers to a person who (1) is employed in a nonsupported job, (2) is not receiving welfare, (3) has not been arrested, and (4) reports no drug or alcohol abuse. The success index on which controls and experimentals were compared is based on these four criteria and for each criterion a score of 1 or 0 is possible in each of the three study years:

### Employment

Worked more than 26 weeks	= 1 point
Worked less than 26 weeks	= 0

### Welfare Receipt

No welfare (direct or indirect)	= 1 point
Received welfare (direct or indirect)	0

### Criminal Activity

Never arrested	= 1 point
Arrested at least once	0

### Drug and Alcohol Use

Never used drugs and never had alcohol problem	= 1 point
Used drugs or had alcohol problem	= 0

Individual scores can range from 0 to 4 in a given year, creating five groups. A score of 3 or 4 is taken as indicating success, while scores of 0 or 1 indicate a lack of success. This point system discriminates somewhat against an experimental sample member during the period of employment at Wildcat, since the crew members salary at Wildcat consists in part of the diverted welfare payments. Thus, the experimental member could not receive a perfect score of 4 while at Wildcat.

The distribution of the employees in the five groups for each of the three years of the study is shown in figure 15.1. In each year proportionally more experimentals than controls were in the successful groups. The proportion of experimentals in the most successful group (i.e., score of 4) grew steadily from none in the first year (because all experimentals were employed at Wildcat for part of the year and thus received some welfare diversion) to a quarter of the group in the third year. The proportion of controls in the top group also increased but not as markedly as among the experimentals; from four percent in the first year to 15 percent in the third year. For experimentals, the two successful groups constituted about half the sample each year with the proportion of the second group getting smaller as the top group grew. For controls, the size of the two top groups grew gradually from 18 percent to 34 percent. Thus, in the third year, half the experimentals compared to a third of the controls were in the successful groups.

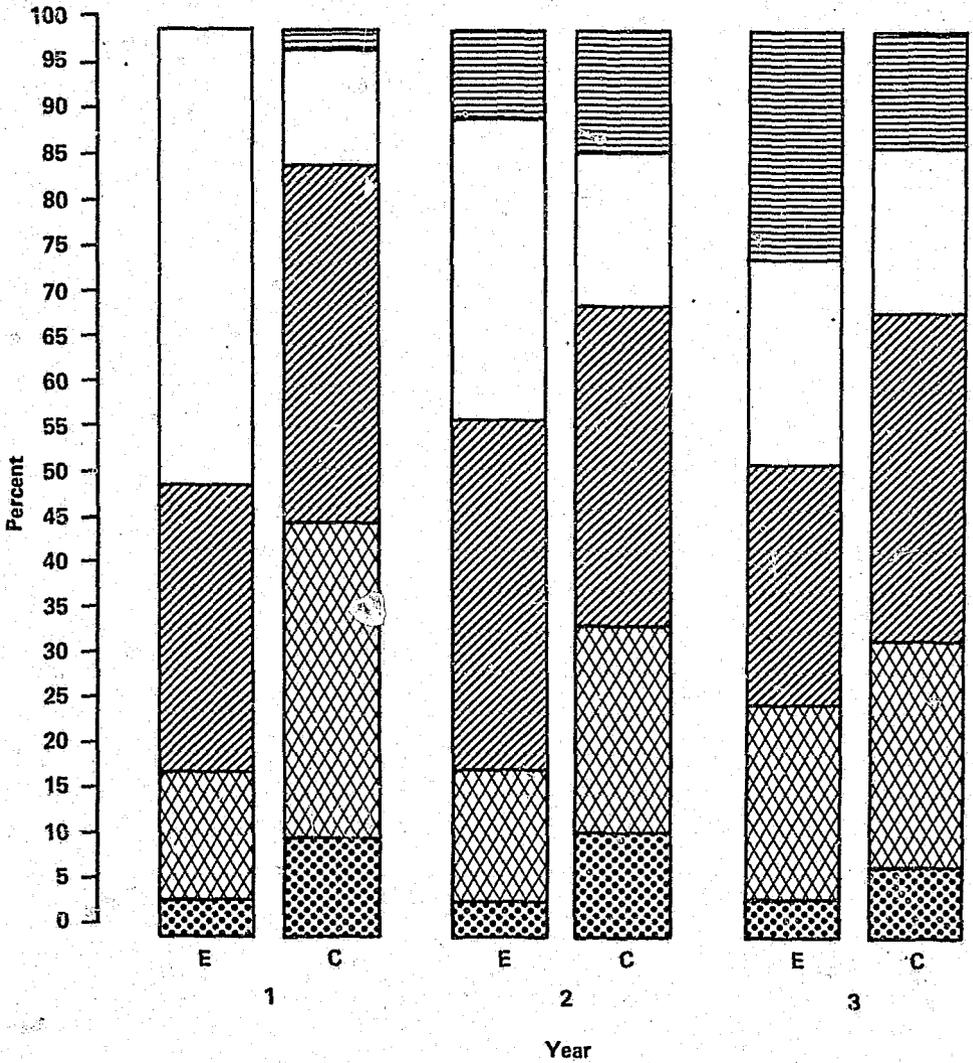
The least successful group (consisting of sample members who during a given year received welfare, worked less than 26 weeks, were arrested, and reported drug and alcohol use) stayed small for both samples during the three years; however, in each year, more controls than experimentals were represented in this least successful group. For experimentals, the portion of people in the two bottom groups increased gradually from the first to the third year; for controls, the proportion decreased. However, even in the third year, the proportion of experimentals in the least successful groups was smaller than the proportion of controls.

In sum, Wildcat appears to have helped a significant proportion of its employees lead productive lives. Although the control group data indicates that many Wildcat employees would have restored their lives without supported work, Wildcat appears to have provided a headstart for some and been the critical vehicle of rehabilitation for others.

The task of determining what characteristics of Wildcat participants were associated with success has been facilitated by the creation of this success index. Demographic characteristics of participants in each "success" group were examined in an effort to determine if Wildcat was especially effective or ineffective for certain groups.

Employees who subsequently succeeded at Wildcat did not differ on demographic variables from those who did not. It was difficult to predict who would, and who would not, be successful three years later. None of the demographic or socio-economic characteristics measured was significantly associated with subsequent success for either experimentals or controls during each of the three years.

Figure 15.1  
 Degree of Success for Years 1, 2, and 3  
 Experimentals and Controls Compared (Percents)



Key:

-  least successful score = 0
-  score = 1
-  score = 2
-  score = 3
-  most successful score = 4

However, attendance record during the first three months at Wildcat, as shown in table 15.1, was an excellent and consistent predictor of overall success. Although the predictive value of attendance is attenuated somewhat by the third year, particularly in distinguishing between the moderately successful and unsuccessful groups, attendance appears to be a good indicator of which employees may have difficulty in holding down their supported work jobs. Thus, while Wildcat cannot predict which employees will succeed and which will fail on the basis of characteristics evident at intake, this attendance information could be used as a warning signal of an employee who may have problems surviving at Wildcat. Special supports could be introduced after three months for employees with spotty attendance records in an effort to reduce future work problems.

Table 15.1

Absenteeism During First Three Months  
at Wildcat and Success Index

	Average Absenteeism in First Three Months		
	Year 1	Year 2	Year 3
Successful Groups (3, 4 points)	8%	6%	8%
Middle Group (2 points)	14%	a 15%	a 18%
Unsuccessful Groups (0, 1 point)	30%	24%	17%

<sup>a</sup> Indicates that differences in absenteeism among the groups are significant at 95 percent level of confidence.

Wildcat was designed to answer four questions: Could an environment be created which would productively employ the traditionally hard-to-employ? Would it prepare such people for the nonsubsidized labor market? Would such employment rehabilitate the participants? Would it be cost effective? The research indicates that the first and last questions can be answered affirmatively and provides limited affirmative support for the second and third questions. From its first day of operation Wildcat has attracted more applicants than it can accommodate. And, once at Wildcat, most are anxious to stay: Of the 4,068 exaddicts and exoffenders Wildcat employed in its first four years, about half stayed at least a year and produced, on the average, more than \$8,000 worth of services.

Wildcat has been a good short-term investment from the taxpayers' perspective, because the benefits flowing from the program have exceeded the cost of operating the program. While the data do not allow an estimate of its long-range benefits and costs, they suggest that pay-offs from Wildcat will continue beyond the three-year study.

Although three years was a comparatively long time to follow a cohort of exaddicts, it proved too short to respond reliably to concern about Wildcat's ability to prepare its employees for the competitive world of work. During the study, employees were permitted to stay at Wildcat indefinitely. Although more than 80 percent of those who have graduated from Wildcat have maintained their nonsubsidized jobs for at least a year, the proportion (about 30 percent) of employees who have graduated from Wildcat into nonsubsidized jobs has been disappointing.

The lack of a time limit on tenure at Wildcat coupled with a shrinking job market (unemployment in New York City rose from 7.0 percent in 1972 to 11.2 in 1976) meant that almost one-quarter of the sample was still at Wildcat three years after entry. Because these employees who stayed at Wildcat were among the more stable and motivated workers, analysis of the post-Wildcat employment of supported workers necessarily underestimates Wildcat's positive influence by systematically excluding this group of participants from the analysis. Although it is not possible to say what proportion of these long termers would find and keep nonsubsidized jobs, data on those who left Wildcat showed that employees who stayed at Wildcat more than six months were likely subsequently to find and keep nonsubsidized employment.

Answers regarding the rehabilitative impact of Wildcat also need to be qualified: Wildcat influenced the criminal activity, marital stability, and drug and alcohol use of participants more strongly while they were employed at Wildcat than after they left.<sup>1</sup> The effects of supported work were strongest initially, and weakened with time; they were stronger on behavior related to employment than behavior related to drug use and criminal activity. Wildcat appears to offer a headstart to its employees, facilitating reintegration into society. For some employees, Wildcat seems to have been the critical ingredient in gaining a foothold in the world of work, but it did not appear to be the critical ingredient in reducing criminal activity or drug and alcohol abuse. The data suggest that as the time from leaving Wildcat increased, the positive effects gradually decreased.

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<sup>1</sup> This reversion to attitudes and behaviors held prior to a social intervention has been noted in other longitudinal studies of change. See e.g., Newcombe, 1964.

Do the research findings on Wildcat suggest the need for some policy changes? The reluctance of supported employees to leave Wildcat for nonsubsidized jobs suggests that merely encouraging employees to leave was not sufficient and that limiting tenure was necessary to convey to the employees that Wildcat management took seriously the goal of transition. This change--limiting tenure at Wildcat to encourage employees to step into the real world--has already been implemented. For their further testing of the supported work concept, the Manpower Demonstration and Research Corporation (MDRC) has decided that a time limit is needed, but that sufficient data were not available to determine what the time limit should be. Consequently, MDRC has required some of its experimental sites to impose a 12-month time limit on its employees and has required the others to impose an 18-month time limit. The employment and earning experience of graduates from sites with 12-month time limits will be compared with that from the 18-month sites, to determine the more effective time limit. When Wildcat became the fifteenth MDRC site, a time limit of 12 months was imposed on welfare mothers and 18 months on all other new employees. Enthusiasm for this policy, which requires employees to leave the nest, should be tempered by the research finding that employees are more law abiding and less dependent on alcohol and drugs while employed in supported work. Therefore the goals of encouraging self-sufficiency and discouraging anti-social activities may lead to conflicting policies. The current policy decision weighs the goal of self-sufficiency more heavily--and this may well be appropriate, since such a policy means that the numbers of people able to work at Wildcat is increased because new openings are regularly developed.

Attendance during the first three months is a good predictor of future success, which suggests that each employee should be re-assessed at that juncture. Employees with poor attendance during the first three months could be terminated, thereby limiting Wildcat's investment, or provided with special services that might remedy those problems which prevent them from coming to work each day.

The disturbingly high rate of arrest and of reported alcohol use among employees fired by Wildcat may mean that the program effectively identifies and filters out "trouble makers," but it may also mean that the manner in which employees are terminated encourages anti-social and self-destructive behavior. If Wildcat workers are fired in an insensitive manner and without being given a sufficient explanation, the termination process could add to the employee's feelings of failure or anger, and thereby encourage criminal activity and drug use. Wildcat should perhaps consider a more protracted termination process which includes some counseling and referral services. Without such an effort, Wildcat may be counter-productive for those employees who are destined to fail in its own

program terms but who are not necessarily "failures" from a broader point of view. Wildcat's experience during its first four years, coupled with the research indicating that the benefits outweigh the costs, confirms the wisdom of extending and expanding the supported work concept. And, indeed, MDRC has already taken steps to employ other groups of people previously considered unemployable. Building upon the Wildcat experience, MDRC has launched 14 supported work sites which employ about 2,000 welfare mothers, out-of-school youth, former mental patients, alcoholics, exaddicts, and exoffenders in a variety of supported work projects. These projects, sponsored by government agencies and labor unions as well as by nonprofit corporations, are based on the Wildcat model. MDRC is also testing the private sector as a source for supported work projects; jobs include manufacturing screws, operating a printing shop, repairing upholstery, and running a gas station. Preliminary MDRC data suggest that the concept of supported work can be successfully applied to these other target groups, with different sponsoring agencies; it may turn out that other chronically unemployed groups are more successful in supported work than Wildcat's exaddicts.

At the same time that MDRC sites began operations, and in response to Wildcat's inability to place a substantial number of its graduates into nonsubsidized jobs, Vera and Wildcat began to explore the creation of jobs for Wildcat graduates which would help overcome various barriers to their transition from supported work. In some cases, Wildcat workers have developed good work habits, but do not have many marketable skills. Often employees are reluctant to leave Wildcat because they are comfortable working among their peers in a setting in which they know what is expected. Sometimes, the graduates' work goals create another obstacle: many express a desire to work in human service jobs which do not require formal skill, but have more appeal than maintenance or clerical jobs. The appeal of human services jobs to Wildcat employees, as observed by researchers, lies in the opportunity to help others that such jobs provide; the helping role seems in turn to confer a sense of self-worth. This opportunity is not available in most clerical and maintenance jobs. A general barrier to employment in nonsupported work has been the reluctance of employers to hire any exaddicts and exoffenders, but this has proven especially true for the human service jobs, in hospitals and schools for example, which are particularly attractive to supported workers.

These obstacles to transition to nonsubsidized work stimulated the development of Vera's first job creation project, Easyride, a transportation service for elderly and disabled residents of Manhattan's Lower East Side. Easyride was launched in July 1976, with five former Wildcat workers as drivers. By January 1978, Easyride had provided more than 35,000 trips to the elderly and disabled and

employed 18 Wildcat graduates. Although Easyride offers its employees group support, sensitive supervision, and a job that provides visible social services--three important characteristics of supported work--the job is less "supported" than Wildcat, and the employees are off the welfare rolls entirely.

Easyride has developed close working relationships with the Metropolitan Transportation Authority and with area health and social service facilities. These agencies regard Easyride not as a rehabilitation project for exaddicts and exoffenders, but as a transportation service of high quality. The distinction is an important one to the former Wildcat employees and to their future employment prospects.

The project also extends the innovative financing arrangements evolved for Wildcat. For example, in Easyride's second year, approximately half the operating costs will be borne by the Medicare program, under special authorization from the Secretary of HEW: like waiver of SSI regulations for Wildcat's "welfare diversion," waiver of Medicare regulations for Easyride's financing is intended to permit testing Easyride's potential for saving public assistance monies. In Easyride's case, the saving is expected from increasing the mobility of a population at risk of costly institutionalization, so that they may continue to live in the community. This funding approach parallels Wildcat's, but Easyride's subsidy comes from novel use of money that might otherwise be spent to institutionalize Easyride's clients rather than from welfare checks that would otherwise support Easyride's work force.

The job creation efforts of Vera and Wildcat have focused on those employees who are judged job-ready but for whom barriers exist that prevent them from obtaining conventional jobs in the open market. However, for many other employees (perhaps as many as 2,000 of the first 4,000 employed), the problem is not to find a nonsubsidized job, but to meet attendance and performance standards set in Wildcat--standards that have been purposely lowered in order to embrace people who could not meet conventional work standards. Wildcat must fire those who do not develop a capacity to meet its standards, both because the productivity demands of customers require Wildcat to drop them and because not to drop these employees erodes the concept that Wildcat is an employer and not a counseling service--a concept thought to be important to the improved self-regard of others. However, many of those Wildcat fired for these reasons might be productively employed in a less demanding environment, perhaps on a part-time basis.

A more productive response to Wildcat's "failures"--the employees who cannot make it to work more than four days out of five and are late or who leave early on at least one of those four days--may be

to create another type of employment: supported day labor. If an exaddict or other "hard-to-employ" person is not ready to come to work five days a week, perhaps the person can work three days a week. If not seven hours a day, perhaps the employee can work four hours. Pay could be for work completed and, perhaps welfare benefits could be distributed on a prorated basis. The work would require few skills, be easily measured, and closely supervised. Employees would be paid on a daily, hourly, or even on a piece-work basis. Such a scheme would magnify some of the structural supports of Wildcat-- the group setting, sensitive and rigorous supervision, immediate feedback, and clearly defined rewards. Length of stay should probably not be limited, but small financial incentives might be provided so that an employee would find it profitable to enter full-time supported work when the employee was ready.

Supported work has led to exploration of different ways to structure and fund public service employment. Such efforts have grown from Wildcat's basic finding that exaddicts and exoffenders want to work and that it costs less to subsidize them in work than to maintain them in idleness. Thus, the challenge may lie not in rehabilitating the chronically unemployed through support services, but in finding ways to structure work so that such groups can work productively.

APPENDICES

Appendix A

Wildcat Projects Active on June 30, 1976

Project Description	Number of Employees
<u>Clerical and Paraprofessional Projects</u> (municipal agencies)	293
Board of Education. Office work and offset printing.	33
Board of Higher Education.	
o General clerical duties, printing and computer data processing	21
o Lehman College. Operation of electric collating and photocopying machine; direct responsibility for duplicating the monthly Chancellor's Report.	5
Bronx Borough President's Office. Photographing and reproduction room assistance.	2
City Planning Commission. Preparation of map overlays on census data and land use; correlation of information for a community planning board handbook.	1
Corporation Counsel. Clerical duties related to bill processing.	6
Cultural Commission Foundation. Telephone answering and information service.	1
Department of Consumer Affairs. Examination of default judgment records.	4
Department of Finance, Registrar's Office. Logging, coding and recording of all transactions involving real and personal property.	4
District Attorney's Office. General clerical duties including legal document searches.	2

Project Description	Number of Employees
<u>Clerical and Paraprofessional Projects</u> (municipal agencies - continued)	
Finance Administration. Stock inventory, microfilming, indexing, data processing filing in various locations.	50
Health and Hospitals Corporation. General clerical duties.	1
Housing Development Administration.	
o Office of Rent Control - General clerical duties for protest division and other departments; assistance in recertification process of rent exemption for senior citizens.	28
o Department of Buildings - Indexing, coding and filing of block and lot folders.	2
o General clerical duties and micro-filming in various locations.	47
Human Resources Administration.	
o General clerical duties.	32
o Office of Case Intake Management, Record auditing, form counting, data verification, typing and receptionist work.	16
o Contracts Division. General clerical duties.	1
Mayor's Office. General clerical duties and print work duplication.	1
New York Public Library. Filing and typing for various departments of the Library.	25
Port Authority. Administration and operation of a paper recycling project at World Trade Center, Kennedy and La Guardia Airports.	8
Temporary Commission on City Finances. Pick-up, delivery, filing of documents and statistical reports, operation of adding machines and copiers.	2

## Project Description

## Number of Employees

Clerical and Paraprofessional Projects  
(municipal agencies - continued)

Transportation Administration.  
Drafting, estimation and data  
conversion in pen and ink.

1

Clerical and Paraprofessional Projects  
(nonprofit organizations)

77

Bronx Council on the Arts, Apprentice  
Printing. Training in various aspects  
of printing work.

10

Democratic National Committee. Assembling  
of 8,000 cardboard kits for the Democratic  
convention: collation of transit maps,  
New York City guides, documents from  
Washington, D.C., convention material.

9

Hospital Audiences, Inc. General clerical  
duties, including booking tickets for  
hospital and prison performances.

5

Interdependent Learning Model. General  
clerical, typing and reception duties.

1

Theatre of Riverside Church. General  
clerical duties.

2

Twin Parks Association. General clerical  
duties, telephone service, operation of  
duplicating machine.

1

Vera Institute, Research Department.  
General clerical duties.

4

Wildcat. General clerical duties.

45

Social Service and Public Service Projects 135

Argus Community Center, Counselor Trainees.  
One-to-one, group sensitivity and encounter  
counseling in Argus Teenage Program.

6

## Project Description

## Number of Employees

Social Service and Public Service Projects  
(continued)

Ask Wildcat, Information Service. Operation of booths in public areas dispensing information on points of interest in New York City.	2
Bronx Community College. Kitchen preparation of hot lunches for senior citizens; assistance in food and tray preparation, lunchroom clean-up.	10
Bronx District Attorney's Office. Spanish-English translating assistance.	10
Citizens Advice Bureau, Senior Citizen Minor Repair Program. Assistance to senior citizens in making minor home repairs.	3
Community Action Legal Services. Interpreting Assistance for Intake Department and for lawyers in fair hearings for welfare clients.	8
Fashion Capitol. Maintenance and clean-up. Staffing of information center in the garment district.	18
Fashion Institute. Security guards for dormitories, library and other facilities.	16
Fort Greene Health Technicians. Administration of blood pressure test at the health center.	4
Harlem Teams, Self-Help Community Service. Comparison shopping, building maintenance and clerical duties.	4
Mt. Sinai Hospital. Spanish-English interpreting assistance for emergency room personnel.	15
New York Public Library. Assistance in the moving of library books.	11

Project Description	Number of Employees
<u>Social Service and Public Service Projects</u>	
(continued)	
Office for the Aging, Meals on Wheels. Food delivery to shut-in and disabled senior citizens for the Stanley Isaacs Senior Citizen Center.	5
Operation Stop. An Escort Service for senior citizens to medical appointments and public agencies; assistance in the preparation and serving of their meals.	2
Scorecard. Rating of streets for cleanliness by work crews following sanitation truck routes.	15
South Brooklyn Legal Services. Assistance to attorneys representing indigent clients at welfare hearings.	3
Whist. Escort services for senior citizens from the Washington Heights area to cultural events and points of interest in New York.	3
<u>Construction, Renovation, and Painting Projects</u>	78
Best Head Start. School painting.	8
Environmental Protection Administration. Partition erection.	4
Pratt Institute. Apartment house painting.	6
Parks, Recreation, and Culture Administration. Orchard Beach and Bronx Swimming Pools. Painting of pool areas.	23
P.S. 191. Painting of Auditorium.	10
Soldier's, Sailor's, and Airmen's Club. Renovation.	5

Project Description	Number of Employees
<u>Construction, Renovation, and Painting Projects (continued)</u>	
South Bronx Overall Economic Development Corporation. Renovation.	12
South Street Seaport. Restoration of Wavertree.	10
<u>Maintenance and Upgrading Projects</u>	280
Board of Higher Education, Lehman College. Maintenance of outdoor sidewalk and lawn areas, cleaning of building exteriors.	10
Bronx State Hospital. General maintenance of seven psychiatric wards.	7
Department of Public Works, Municipal Services Administration. Custodial services for several city agencies.	19
Environmental Protection Agency.	
o Grounds keeping and pollution control at Newton Creek and Coney Island	9
o Servicing of litter baskets from Central Park West to Riverside Drive.	1
Ft. Washington Presbyterian Church. Daily maintenance of Church.	4
Housing Development Administration. General maintenance services at two sites.	3
Municipal Services Administration. General maintenance at various locations.	24
New York Police Department. Maintenance services in 21 precincts and at Police Headquarters.	136

Project Description	Number of Employees
<u>Maintenance and Upgrading Projects</u>	
(continued)	

Parks, Recreation, and Cultural Administration, Broadway Malls, Mall Maintenance on Broadway from 64th Street to 110th Street.	5
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Queens Botanical Garden. Horticultural training and maintenance; priming, seeding, planting, etc.	6
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Riverdale Neighborhood House. Maintenance of house, grounds, swimming pool.	2
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Washington Heights Neighborhood Preservation. Sweeping, dusting, and clean-up duties.	2
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Wildcat. General maintenance of Wildcat facilities.	50
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Wildcat Van Security. Inspection and clerical services related to Wildcat vehicle use and maintenance.	2
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<u>Messenger Projects</u>	70
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City University of New York. Messenger and package delivery service.	4
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Corporation Counsel. Messenger and mailing service.	2
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Finance Administration. Messenger service to inter-agency offices.	1
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Housing Development Administration. Delivery of correspondence to various housing departments.	1
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Mayor's Office, Civic Center Messenger Service. Messenger and package delivery service to other city agencies.	61
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New York Telephone Company. Messenger service from 1250 Broadway to branches.	1
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Project Description	Number of Employees
<u>Training Programs</u>	121
Argus Building Trades Training. Training in carpentry, electricity and vocational counseling.	40
IBM. General clerical and keypunch training.	22
IBM/Wildcat. Introductory Typing Classes. Basic typing classes, keyboard and office practice; education and vocational counseling.	40
Office of Vocational Rehabilitation/Wildcat. Training in dentistry, building maintenance, tractor trailer, and radio repair.	19

## Appendix B

### Obtaining the Waivers for Welfare Diversion

One month after Wildcat began, the U.S. Department of Health, Education, and Welfare approved the corporation as a demonstration project and waived some requirements of existing welfare laws to permit diversion into the salary pool of Wildcat participants' Aid to the Disabled (AD) welfare payments (about \$2,000 per employee per year). Midway through Wildcat's second year, the Federal Social Security Administration (SSA) took over the State-administered AD program, replacing it with the Supplemental Security Income (SSI) program. Wildcat then obtained authorization from SSA to continue diverting welfare payments--an average of \$2,400 a year for each employee.

Two provisions of the SSI statute had to be waived before diversion could be applied to Wildcat's exaddict employees. First, under the new regulations, only exaddicts who had been receiving AD in December 1973 (and at least one month prior to July 1973) could be "grandfathered" from one program to the other; all "new" exaddicts had to apply to the State program of general assistance, which had not authorized diversion and eligibility waivers. Because there were relatively few people who qualified, and their numbers were decreasing, Wildcat had to apply for a waiver that permitted addicts in treatment to be enrolled in SSI if they were employed by Wildcat and if they could have qualified for AD under the standards in use in New York before the SSI legislation was passed in July 1973.

Second, the SSI statute limited the amount of income an eligible participant could earn and still remain on SSI. Because that limit was less than a Wildcat employee's average earnings, the corporation had to obtain a waiver of that requirement, as well.

It was anticipated that the switchover to SSI would cause one additional problem for Wildcat. The Social Security Administration required that each recipient of diverted SSI benefits receive each month payment of at least the amount of his/her SSI benefit, regardless of how much work was actually done or how much was actually earned at Wildcat. Wildcat feared that absenteeism and terminations would increase as participants realized that they were guaranteed a minimum income. These fears were not realized; only about two percent of active Wildcat participants failed to earn more than the amount of their diverted SSI checks each month.

Expiration of the SSI waivers required Wildcat to find other welfare funds to help finance supported work. The corporation has turned to State welfare programs, in particular Home Relief (HR), the New York State system of general assistance. Most Wildcat employee's are eligible for HR, but its governing statute sets limits on the amount of outside income a recipient may earn and still be eligible.

In July 1976, a bill was passed by the New York State Legislature to amend the social services law until June 1977 to disregard income derived from supported work in determining eligibility for HR ("in the interest of furthering self-support for Home Relief recipients") and to transfer HR funds to supported work salary pools. (The bill was not restricted to Wildcat; the income disregard covers any non-profit organization that would use transfer payments in a similar way.) In June 1977, a second bill was passed extending HR diversion until June 1979.

## Appendix C

### Death Rates and Causes of Death

The death rates of the experimental and control samples were similar to national death rates for exaddicts.<sup>1</sup> However, these rates were five times higher than the average death rate for New York City and twice as high as the rate reported for 24-47 year olds in Central Harlem, a primarily nonaddict population demographically similar to Wildcat's.

The death rates and causes of death of experimentals and controls did not differ, as table C.1 shows.

Table C.1

#### Causes of Death

Violent/Homicide (including stabbings, gunshot wounds, falling down an air shaft while being pursued by police and being pushed down stairs during an argument.)	(11)	55%
Drug Overdose	( 5)	25%
Accident	( 3)	15%
Illness	( 1)	5%
Total	(20) <sup>a</sup>	100%

<sup>a</sup> The reason for death was available for 20 of the 26 known deaths.

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<sup>1</sup> Watterson, O., Simpson, D., and Sells, S., "Death Rates and Causes Among Opioid Addicts in Community Drug Treatment Programs During 1970-1973," Amer. J. Drug & Alcohol Abuse, 2 (1), pp. 99-111 (1975). See also, Ball, J., Levine, B., Demaree, R., and Neman, J., "Pre-treatment Criminality of Male and Female Drug Abuse Patients in the United States," Addictive Diseases: an International Journal, 1(4), pp. 481-489 (1975); and Fitzpatrick, J., "Drugs, Alcohol, and Violent Crime," Addictive Diseases: An International Journal, 1(3), pp. 353-367 (1974).

That violence plays a major role in the lives of Wildcat participants-- and the communities in which they live--is suggested by comparison of the data in table C.1 with data from a national study of 50 methadone maintenance programs. In that study, only a quarter of the ex-addict deaths were attributed to violence or homicide. The higher proportion of violent deaths in the Wildcat research sample suggests that they were more involved in violence than addicts in treatment nationally. The arrest rate of sample members who died was higher than for the sample as a whole.

Appendix D

Comparison of Average Costs  
and Benefits for Experimentals and Controls

Tables D.1 and D.2 present the costs and benefits of each sample member, averaged separately for experimentals and controls and summarized first for the first year and then for the three-year period.

Table D.1

Comparison of Average Estimated First Year Costs and Benefits for  
Experimentals and Controls

	First Year	
	I. With the Program in Operation (Experimentals)	II. Without the Program Having Existed (Controls)
(a) Operation costs <sup>a,b</sup>	+7306 <sup>a</sup>	0
(b) Minus taxes paid by Experimentals/Controls	- 553	- 168
1. income taxes	(-375)	( -86)
2. sales taxes	(-178)	(- 82)
(c) Plus Welfare costs	+ 424	+1438
1. direct payments	(+ 34)	(+888)
2. related benefits	(+390)	(+550)
(d) Plus Criminal Justice System Costs	+ 767	+1719
1. arrest process	(+532)	(+904)
2. incarceration	(+235)	(+815)
(e) Minus value of services provided by Experimentals <sup>b</sup>	-6125	0
Net Cost per Person	\$1819	\$2989

<sup>a</sup> The funds diverted from welfare to Wildcat are included among the costs: they averaged \$1855 per employee in the first year.

<sup>b</sup> See footnote 11, chapter 14 for explanation why operations costs and value of services were estimated at 0 for controls.

Table D.2

Comparison of Average Estimated Three Year Costs and Benefits for  
Experimentals and Controls

	Over Three Years	
	I. With the Program in Operation  (Experimentals)	II. Without the Program Ever Having Existed (Controls)
(a) Operations costs <sup>a,b</sup>	+13,727	0
(b) Minus taxes paid by Experimentals/Controls	- 1,814	
1. income taxes	(-1301)	(- 550)
2. sales taxes	(- 513)	(- 290)
(c) Plus welfare costs	+ 1,815	\$ 4,107
1. direct payments	(+ 811)	(+2210)
2. related benefits	(+1004)	(+1897)
(d) Plus Criminal Justice System Costs	+ 2,948	+ 3,638
1. arrest process	(+1862)	(+2046)
2. incarceration	(+1086)	(+1592)
(e) Minus value of services provided by Experimentals	-11,449	0
Net cost per person	\$ 5,227	\$ 6,905

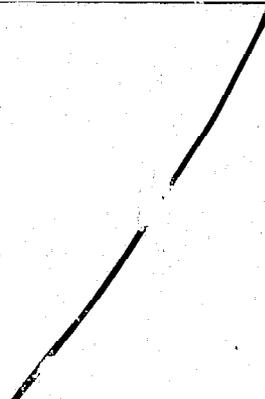
<sup>a</sup> The funds diverted from welfare to Wildcat are included among the costs: they averaged \$2,747 per employee in the three years.

<sup>b</sup> See note 1, this chapter for explanation why both the cost of operations and the value of services were assumed to equal to 0 for controls.

In the first year, the net cost of providing supported work, per person offered that opportunity, was \$1,170 less than the net cost of not making that offer (\$2,989 - \$1,819). Over the three-year period, the benefit of an offer of supported work was \$1,678 (\$6,905-\$5,227). The net cost per experimental was lower than that per control, despite the greater public expenditure for experimentals because experimentals returned, through their labor, some of the taxpayer's investment in them.<sup>1</sup>

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<sup>1</sup> Although, undoubtedly, many controls produced valuable services, these have not been included in the analyses because it was not feasible to calculate their value. Rather it has been assumed that the value of services rendered by controls in the nonsubsidized labor market was equal to the cost (e.g., if a control was working as a messenger and his/her services cost \$90 a week in wages and benefits, the value of those services is assumed to equal \$90 per week). Both are therefore excluded from the calculation.



**END**