

Depression puts welfare on the chopping block

by Kathleen Klenetsky

Shortly after his inauguration, President Clinton went before the National Governors' Association to assure his former colleagues that he intended to fulfill his campaign promise to "end welfare as we know it."

Reaffirming his pledge to terminate benefits to welfare recipients after two years, Clinton told the governors: "I believe two years after a training program is completed, you have to ask people to take a job, ultimately, either in the private sector or in public service. There must be . . . a time certain beyond which people don't draw a check for doing nothing when they can do something."

Clinton's assertion that he intends to vigorously pursue welfare "reform" is part and parcel of a national crusade, driven largely by the nation's deepening economic depression, to slash spending on social programs. While the welfare-dependent poor, lacking any significant political clout, find themselves the first targets of this assault. Other groups, the disabled and elderly, for instance, are also facing potentially lethal cutbacks.

The crusade against welfare comes at a time when the welfare rolls have been swollen by an influx of people dispossessed of their livelihoods by the depression. After remaining relatively constant over the 1980s, both Aid to Families with Dependent Children (AFDC), the largest cash-benefit welfare program, covering 4.5 million families, and the food stamps program, began to skyrocket in 1989, reaching record highs by 1992.

Nearly every state has experienced a two-digit percent rise in both programs since 1989. In New Hampshire, food stamps soared by 133.7%, and AFDC by 98.1%. In Connecticut, the figures were 69.3% and 45.4%, respectively, and in Arizona, 61.6% and 64.1%

The human cost of cost-cutting

Some people may believe that forcing welfare recipients to find jobs is the only "responsible" thing to do. But have these same people considered the fact that this massive crack-down on welfare and related programs comes at a time when jobs, especially for the unskilled, have virtually disappeared? Or that the skyrocketing cost of living makes it well-nigh impossible for a person making minimum wage to support himself, much less a family? Or that forcing a young mother

off welfare and into the job market will, assuming she manages to get a job, almost certainly mean that her children will be left home alone, given the costs associated with decent day care?

Does it cause them no concern that the welfare cutbacks made over the last few years have forced hundreds of thousands of people deeper into poverty, and many hapless people into the ballooning ranks of the homeless?

Because that is precisely what has happened as states across the country have responded to collapsing tax revenues, caused by precipitous declines in economic activity and employment, by moving to slash welfare benefits, either across the board or by linking benefits to recipients' behavior, a method which has become known as the "new paternalism."

According to a survey released in December 1991 by the Center on Budget and Policy Priorities and the Center for the Study of the States, the round of state welfare cuts made in 1991 were felt most among the poorest of the poor. The study found that AFDC benefits, which had already experienced a 42% drop in purchasing power from 1970 through 1991, suffered a greater reduction in 1991 than in any single year since 1981.

The study also documented how general assistance programs, such as short-term, state-administered programs for indigent, childless adults, had been affected in 1991: Of the 30 states that finance such programs, 14 cut funding levels and 13 froze benefits. Several states did away with their general assistance programs altogether.

Massachusetts' General Relief Program "saved" \$56 million by eliminating benefits to 10,000 indigent adults. The budget reductions eliminated benefits for 4,000 disabled people, 1,600 residents of drug and alcoholic abuse treatment centers, and 4,000 adults with no work history, among others. Gov. William Weld, who had no qualms about allowing state monies to be used to finance abortions, boasted that the measure was "one of the most important political experiments of the entire year," and would "assure the world that we're going to live within our means."

Michigan went even further, terminating *all* general assistance benefits to 82,000 people, and slashing Supplemental Security Income payments to the elderly poor by more than 50%.

Connecticut saved \$51 million by changing eligibility rules and another \$24 million by eliminating cost-of-living escalators.

Illinois saved \$27 million by rolling back amounts to 1989 levels and not covering hospital costs for welfare patients.

In early 1993, the same two policy organizations issued a followup report, which found that the situation had become even grimmer over the intervening year. In 1992, it disclosed, five states cut AFDC benefits and 39 others froze them, despite the fact that the official inflation rate stood at 3%. The effects of these reductions were predictably devastating. In Nevada, for example, an AFDC recipient's purchasing power declined by over 9% in 1992, due to a combination of benefit cuts and inflation. In California, benefits fell by 16%, as a result of cuts in 1992 and 1993.

The study also disclosed that in those states which cut their general assistance programs in 1991 and 1992, the average maximum benefit had been reduced to \$215 a month.

The 'new paternalism'

But it's not simply benefit cutbacks that are on the agenda. Increasingly, welfare is being used as a behavior modification program.

Under the banner of making welfare recipients behave more responsibly, state and federal legislators are linking welfare benefits, not only to work requirements, but to birth control and other intrusive measures.

In 1988, Congress passed a precedent-setting "workfare" bill, the Family Support Act, which was the brainchild of Sen. Daniel Patrick Moynihan (D-N.Y.) and then-Governor Bill Clinton, who headed the National Governors' Association welfare task force.

Billed as a vehicle for moving welfare recipients from the rolls into the workplace, the bill requires recipients to participate in education and employment programs as a condition of receiving benefits. But since there are virtually no employment opportunities available in the current depression, the only way to make the bill function is to put welfare recipients into jobs, especially public sector jobs, already held by a non-welfare worker.

"If people are really serious about getting people off welfare," says civil rights activist Roger Wilkins, "they would be talking about how you create jobs that these people can do."

The absence of decent-paying jobs has not stopped the states from pushing ahead with allegedly innovative welfare reform programs that, stripped off all the public relations blather about making the "underclass" into responsible citizens, are pure and simple Nazi-style, "useless eaters" policies.

In Maryland, Democratic Gov. William Schaeffer introduced a program to cut welfare payments by \$25 a month for recipients whose children do not attend school; subsequently, Schaeffer proposed that welfare recipients be forced to accept

Norplant or vasectomies in order to continue receiving benefits.

Pushing Norplant on welfare recipients has been embraced by a number of states, including Arkansas and California, as a means to reduce welfare rolls. Early last year, California authorities announced that, despite the state's terrible fiscal crisis, Norplant would be made available free of charge to the estimated 1.3 million women currently receiving AFDC benefits. The state budget included a \$5 million allocation for Norplant alone.

While California and other states want to prevent children from being born, still others chose to penalize those who are.

In January 1992, New Jersey, under the leadership of Democratic Gov. James Florio, implemented a welfare reform package worthy of Communist China's one-child-per-family policy. The program eliminates the usual increase in a mother's AFDC grant following the birth of an additional child. Since AFDC grants are hardly generous to begin with, the loss of that extra money will place a tremendous burden on the family as a whole.

Wisconsin adopted a similar program later that year, with the blessings of President Bush. Called the Parental and Family Responsibility Initiative, the Wisconsin experiment caps welfare benefits to recipients who dare to have more than one child. The program gives only a half-benefit to the second child born to a welfare recipient, and none at all to any additional child.

A number of other states, including Connecticut, Georgia, Florida, Maine, and South Carolina, are considering adopting programs that cap benefits for women who have more children.

What's wrong with this picture?

Should able-bodied adults work? Of course. But what happens in a depression, when there is no work, or when the work that is available pays poverty wages and no benefits? In 1969, according to the National Research Council, black male high-school dropouts between 18 and 24 years old earned \$334 a week, sufficient to support a family of four at a working-class level. That income had fallen below poverty level, to \$286 per week, by 1986. What happens to them and their families? What does a mother do when she's forced to take a job, but can't find decent daycare for her child?

It's not just the so-called "underclass" which is affected. Social workers across the country can recount one case after another of white-collar workers, engineers, professors, business executives, fired as a result of "downsizing," who, when their unemployment benefits run out, are forced to turn to food stamps and other welfare assistance. As of 1992, one out of every 10 Americans was receiving food stamp assistance, an astonishing number for what claims to be the world's remaining superpower.

Slashing welfare rolls will do nothing to reverse the depression. It will merely throw more people into misery.