

I stressed that I needed his help to get anything done and underscored how frustrated I had been.

*“He grasped what I was saying and offered his full support, subject to two conditions: first, that I respect his priorities, such as the environment, and include them in my planning, and second, that I promise not to divulge anything related to the campaign to Lott. I readily agreed to both, and made clear that my talks with Lott were focussed on government issues, not on campaign issues.*

*“Gore told me that he had been increasingly troubled by the drift of the White House and badly shaken by the defeat in '94. He said that he had tried, in vain, to move the administration toward the center, but the White House staff had shut him out. . . . But, he said, ‘We need a change around here, a big change, and I’m hoping and praying that you’re the man to bring it.’ We shook hands on our alliance” (emphasis added).*

Morris confesses that he did tell Lott that, with the support he now had in the White House, the right-wing Republicans could push the welfare reform bill without fear of a veto, which, Morris said, is exactly what the Congressional Republican leadership did.

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## Documentation

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# They’ve taken out a contract on you!

*The following is excerpted from a Special Report in EIR (Feb. 17, 1995), “Phil Gramm’s ‘Conservative Revolution’ in America,” p. 69. It has been slightly edited.*

It is no surprise that in his Jan. 20 [1995] speech before the Republican National Committee, Newt Gingrich cast himself in the role of the chief prosecutor of the Jacobin Terror, Robespierre. Gingrich’s preference for the French Revolution is consistent with his faction’s “Contract on America,” a document that, if implemented, will drive down the living standards of more than 80% of the American people.

The crafters of the GOP’s “Contract” peddle a trashing of the living standards of senior citizens under the name “The Senior Citizens Fairness Act,” wipe out all civil rights and poverty assistance programs under “The Family Reinforcement Act” and “The Personal Responsibility Act,” establish a privatized prison slave-labor system under the name “The Taking Back Our Streets Act,” and dismantle the Federal government and force the states to administer draconian tax hikes under the misnomer “The Fiscal Responsibility Act.” Under the guise of “job creation and wage enhancement,” the

Contract delivers a whopping tax break to the richest 10% of the population.

## Victims of the ‘Contract’

If you are a member of any of the following constituency groups, here’s what the Gramm-Gingrich Contract will mean for you:

**Senior citizens.** Forty-three million elderly Americans receive Social Security. Gingrich and his cohorts propose recalculating the inflation rate and thus lowering the cost of living increase (COLA), which could cost the elderly \$20 billion per year. There is talk of scrapping Medicare. The philosophy is expressed by Daniel Callahan in his book *Setting Limits*, in which he states, “Age-based standards for the termination of life-extending treatment would be legitimate.”

**School-age children.** There are 45 million children enrolled in primary and secondary public schools. Under plans such as House Majority Leader Richard Armey’s (R-Tex.) “Parent and Student Empowerment Act,” schools would be privatized as an interim step toward the elimination of public education. In some proposals, instead of being in the classroom, high school students would work at low-skill jobs, which would fulfill a significant share of their high school credits.

**Prisons.** The Contract hails prison slave-labor as a “growth industry” in America. Nearly 30% of all young black men between the ages of 20 and 29 are either in jail, on probation, on parole, or awaiting trial. America has the highest incarceration rate in the world. The model for the slave-labor policies is the Federal Prison Industries, Inc., or Unicor program, a private profit-making corporation run by the Bureau of Prisons of the Department of Justice. The pay is minimum wage, out of which have to be paid fines, prison room and board, upkeep of one’s family, and any victim restitution. The prisoner keeps what is left over, on average, \$1 per hour.

**Poverty.** Thirty-four million Americans are below the poverty level: 20 million whites, 9.5 million blacks, and 4.5 million Hispanics. Roughly 28 million of them use food stamps. Conservative Revolutionists plan to cut food stamp payments by 5-10% immediately and phase out the program entirely. Those people below the poverty line are seen as an ultra-cheap labor pool. In a pilot project in five Mississippi counties, the women are paid the minimum wage in sweatshops, in which the state turns their welfare checks over to the employer, comprising \$3.25 out of the \$4.25 per hour that the employer pays the women. If the women refuse speed-up or any feature of the job, they are fired, and lose both welfare benefits and food stamps.

## Where are ‘The Disappeared’?

*Sen. Paul Wellstone (D-Minn.) made the following statements to his colleagues in the U.S. Senate on May 25, 1999. He was given 20 minutes by the Senate Republican leadership to introduce an amendment, debate, and have a vote, which came within one vote of being passed.*

*Some observers described the action as the first step toward repealing the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996. Senator Wellstone said:*

This amendment speaks to the priorities of the Senate or lack of priorities of the Senate.

We have here a bill that really talks about authorization, leading to appropriation of hundreds of billions of dollars for defense, for the Pentagon.

I will talk about the priorities of some low-income families in our country. Their priorities are how to keep a roof over their children's heads. Their priorities are how to get food in their children's stomachs. . . .

Mr. President [addressed to the presiding officer of the Senate], two years ago we passed a welfare bill, and as we start to see more and more families slide deeper and deeper into poverty, and as we see around the country some of these families losing their benefits, I have not heard so much as a whisper of concern, let alone a shout of outrage, from the Senate. . . .

Current law requires the Secretary of Health and Human Services to provide an annual report to Congress. My amendment requires . . . [it] include information about families who have move off the welfare rolls. . . .

To see the welfare rolls reduced dramatically does not mean necessarily that we have reduced poverty in this country. It doesn't mean these families have moved from welfare to economic self-sufficiency. These statistics, the drop in the welfare caseload, which has been so loudly talked about as evidence of success by Republicans, Democrats, and by this Democratic administration, doesn't tell us what is really happening. . . . It doesn't tell us whether or not these families are better off now . . . or whether they have fallen further into poverty. It doesn't tell us if the mothers can find work. It doesn't tell us if they are making enough of an income to lift themselves and their children out of poverty. . . .

No one seems to know what has happened to these families. . . . I am worried that they are just disappearing and this amendment is all about a new class of citizens in our country. I call them "The Disappeared."

What is going on here? What is happening to these women and children? *Should we not know?* . . .

### **Below poverty wages**

*Speaking in strong support of Senator Wellstone's amendment, Sen. Edward Kennedy (D-Mass.) stated on the Senate floor on May 25, 1999:*

The most important indicator of welfare reform's success is not just declining welfare caseloads. It is the well-being of these low-income parents and their children after they leave the welfare system. . . . Millions of families have left the welfare rolls. . . . The obvious question is whether former welfare recipients are doing well, or barely surviving, worse off than before. The data we do have about former welfare recipients is not encouraging. According to a study by the Children's

Defense Fund and the National Coalition on the Homeless, most former welfare recipients earn below poverty wages after leaving the welfare system. . . .

### **Gore defends attacks on the poor**

*On June 15, 1999, Vice President Al Gore, Jr. returned to his native Confederacy in Carthage, Tennessee, to launch his Presidential campaign. There he defended his welfare bill that kicked immigrants off public assistance, and condemned welfare families to slave-labor programs. In a complete cover-up of what has happened under his welfare "reform," Gore said:*

I want all of our communities to be working communities. We have moved more than 6 million people off our welfare rolls; now we must make sure the jobs and opportunities are there. . . . I want to extend our prosperity to the unskilled and underprivileged, to Appalachia and the Mississippi Delta, to our farms and inner cities, to our new immigrants — *y tambien en las comunidades.*

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## Case Studies

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# California destitution rises as welfare ends

by Marcia Merry Baker

Beginning in July 1998, the County of Los Angeles began implementing a time-limit policy on eligibility for welfare payments, called "General Relief" (GR), for those designated as employable. The limit for receiving welfare was set at five months out of twelve. As of July 1, payments to the first group of 6,352 individuals were stopped, and over the subsequent seven months, to Feb. 1, 1999, a total of 15,000 individuals lost their GR benefits. Ninety-seven percent were between ages 20 and 64, and 63% were male.

A detailed follow-up study showed that, overall, the rate of hunger, homelessness, dependence, and criminal recourse increased measurably for these individuals. The study was done by Dr. Ailee Moon and Rebecca Hawes, of the UCLA School of Policy and Social Research, and published in April 1999. Summing up their report, they state, "In concluding, we believe that the adverse impact of GR time limits, especially in the areas of basic human needs, such as food and housing, is substantial enough to warrant re-examination of the policy."

The study approach sent interviewers to homeless shelters, social service offices, and food pantries, to canvass individuals about specifics of their circumstances during the last three months before termination of GR payments, and their