

# Clinton's welfare reform has increased child poverty

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The Clinton administration has created greater instability and poverty for the largest and most vulnerable welfare recipients, the children of poor families. This was the conclusion of a conference to discuss the sweeping changes in welfare policy held on May 12 at Detroit's Wayne State University Skillman Center for Children.

Recent studies reveal that despite a drastic reduction in the welfare rolls and a drop in the official unemployment rate families have not been able to raise themselves out of poverty. In fact many families, particularly those with young children, face conditions that are worse now than at any time during the last 30 years.

Because the welfare changes occurred recently sociologists have not issued full reports on the impact of the legislation. However investigations producing interim reports have exposed the deplorable conditions facing welfare recipients, mainly women, who have been forced to work.

Little has been done by legislators to address the needs of children, asserted Dr. Alma Herrington Young, the main speaker. "Changes now being implemented in welfare policies ... are all driven by adult-focused goals. Yet," continued Young, "two-thirds of recipients of cash assistance are not adults, but children."

The report prepared by Dr. Young for the conference, *Welfare Reform, Focus on Children*, distinguishes the American government's welfare policies from those of other advanced capitalist countries. "Children in the United States have a far greater chance of living in poverty than children in other industrialized countries," she states. "In part this may be because of the higher rates of single motherhood in this country. But a significant reason is because of the limited public assistance that we give to single-parent families; what we give is much less than in other industrialized countries."

Despite its wealth America's social policy has never been generous to the poor. No other advanced country in the world has the level of concentrated poverty that you find in the US. In countries such as Germany and France, traditionally welfare has been a universal program available to all regardless of income. In America those who receive welfare are stigmatized.

Dr. Young's report shows that the most impoverished group in America is children. One in five under 18 are poor. One in

four under the age of six are poor. Her report cites a study by the Children's Defense Fund which showed that children in the 1960s were 34 percent more likely to be poor than adults. By 1996 that figure had grown to 81 percent. "The rate of poverty for children in single-parent households is particularly startling," states Young, "and the number of single-parent families is growing. We can expect that 61 percent of all children living in single-parent homes will be poor throughout most of their childhood."

Clinton's welfare "reform" replaced the federal entitlement program of cash assistance, called Aid to Families with Dependent Children (AFDC), with Temporary Assistance to Needy Families. TANF is a punitive bill that requires parent-recipients to work or face a cut-off of all aid. The act cuts cash assistance for housing, utilities, education or childcare, and limits aid to a lifetime total of five years. In place of the federal government running the program the act provides each state with a block grant and the flexibility to implement its own policies.

Since the passage of TANF there has been a near 40 percent reduction in the welfare rolls nationally—from 5 million families in 1994, including 9.5 million children, to 2.9 million families by the end of 1998. Clinton has boasted that since he has been in office the welfare rolls have dropped 46 percent—from 14.1 million people in January 1993 to 7.6 million in December 1998.

While many families have been driven off welfare the jobs they are taking are not enough to bring their families out of poverty. "What we know," states Young in her report, "is that in the quarter ending June 30, 1997, states reported that only 15 percent of closed cases were due to increased earnings of recipients. While this figure may be underestimated, it is still clear that most of those losing welfare benefits are not gaining paychecks that can support a family."

A 1998 report issued by the National Center for Children in Poverty, titled *Young Children in Poverty*, found that the child poverty rate remained high despite the fact that the parents of poor children were working. Arguing that work alone does not bring families with young children out of poverty the report reveals that the percentage of poor children with employed parents (63 percent) "has increased dramatically—up 16 percent

between 1993 and 1996.”

According to the report the most vulnerable are: children whose families are sanctioned; the children of families who face time limits for assistance; the children of families where economic hardship results in stress and maltreatment; children no longer eligible for SSI (Supplementary Security Income for the disabled); children of legal immigrants who lose their benefits. Also included were: children whose parents are substance abusers and/or have a criminal record; children now in relative or kinship foster care; children in care where work requirements may interfere with visitation and reunification; and youth "aging out" of the foster care system.

Several reports indicate that many states such as Wisconsin, Michigan and New York—which have vigorously driven recipients off the welfare rolls—often illegally deny families benefits that are available independently of welfare, such as food stamps and the government healthcare program for the poor, Medicaid.

Food stamp usage has fallen from 28 million in 1995 to 19 million in November 1998, because of the tough welfare policies adopted by states. Applicants for welfare in New York City have been told to go to soup kitchens rather than apply for food stamps.

Millions of low income people, including an estimated 4 million children, are not enrolled in the Medicaid healthcare program due directly to the cuts in welfare, even though their low-wage jobs make them eligible. According to the US Census 43.4 million Americans do not have health insurance. One-third of all poor people—31.6 percent—were uninsured in 1997. Medicaid rolls are down as more people move from welfare to work. At the same time most employers in the service sector are unwilling to provide healthcare to low wage workers. In Wisconsin, for example, of the families terminated from welfare, 100 percent received Medicaid before losing their cash aid; afterward the number dropped to 53 percent.

Spokespersons for several states have admitted they have told clients once they are off welfare they also lose their rights to food stamps and Medicaid, forcing a federal judge to issue a warning against the impropriety of the application procedures.

A major indicator of the poverty facing working parents formerly on welfare has been the growth of families requiring food assistance. Second Harvest, the largest private network of free food suppliers in America, servicing thousands of food pantries and soup kitchens, recently released the results of their survey. It found that 60 percent of the 21 million people they served in 1997 sought assistance because of a chronic food gap. The survey revealed that 40 percent of the households they served had at least one person employed.

A similar picture has emerged in other states, including Arizona and New York. The number of meals distributed throughout the charity network in Arizona has risen 50 percent since 1996. A 1997 survey found that 41 percent of the clients' families had at least one person with a job. In New York, the

number of grocery handouts and soup kitchen meals rose from 13.5 million in 1987 to 21 million in 1995.

Childcare and welfare advocates at the Detroit conference spoke about their firsthand knowledge of the impact of welfare policies on families and poor children. Lois Clay, a childcare advocate who specializes in homelessness, works for an agency called Child Care Coordinating Council. Clay reported about a mother of five who was sanctioned because the state could not find the father of her second child.

“She is presently making \$800 a month, \$209 per week,” said Ms. Clay. “She cannot live off that. Over a year ago she was receiving assistance (and getting approximately \$1,000 a month). When they questioned her about getting child support from the second child's father she gave them an address.” The caseworkers could not find the father. “They sent her a denial statement telling her she did not comply and dropped her from all benefits,” said Clay. This family currently faces homelessness and is now living without water or gas.

Her co-worker, Arthur Naulin, described similar experiences. She said there had been a 20 to 30 percent rise in homeless families during the past two years. “It is just phenomenal,” stated Naulin, explaining that one of the reasons is the high rates slumlords are charging for unsuitable housing. “Landlords are charging \$400 to \$500 for a two-bedroom apartment that is in a slum environment,” said Naulin. “I'm talking about terrible housing. And they are getting it because there are no choices. There is no decent housing available for these families that are being rendered homeless. It is a difficult circle that seems unnerving at times.”

Dr. Young stated that the reason welfare recipients were being driven off the rolls into poverty level jobs was the market demand for more people in low wage positions. “What is the rationale?” decried Young. “One is self-sufficiency. Self-sufficiency and the end of poverty are not one and the same. To get people off welfare and into the workplace, to do the kinds of jobs we have now, we either have to give an incentive to take these jobs or there has to be a stick. The stick is you are either going to work or you are going to starve.”



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