

US food stamp use projected to swell to record levels

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In yet another indication of worsening social conditions in the United States, a new government report anticipates one and a half million new applicants to the federal Food Stamp Program serving working class households over the coming year.

The Congressional Budget Office (CBO) projects that by October, 28 million people will depend upon federal food assistance, up from 26.5 million in 2007. This will be the largest number of people depending on food stamps since the program began in the 1960s.

Although officials have noted that there is greater public awareness of the program and reduced social stigma associated with food stamps, the CBO estimate is based on rising inflation and an expected acceleration of job losses as the US recession deepens.

The cost of basic foods has risen by 5.8 percent in the past year, according to the Bureau of Labor Statistics. Prices are projected to continue rising for the foreseeable future based on spikes in the grain markets and rising transportation and production costs. At the same time, prices for other essentials, such as gasoline and home energy costs, have also increased.

In addition, after years of leveraging living expenses through borrowing, home equity has collapsed and both the credit market and job prospects have constricted, leaving most families stretched thin and with few financial resources to cope with inflation.

Officials note that applications for food assistance have increased in 43 states. At least seven states—Florida, Maryland, Rhode Island, North Dakota, Arizona, Nevada, and Washington—saw increases of more than 10 percent in the number of recipients between December 2006 and the end of 2007. More than a dozen other states recorded increases of between 5 and 10 percent over the period.

Only eight states, mainly in the most sparsely

populated regions of the country, registered decreases in the percentage of residents receiving food assistance.

Eligibility for the Food Stamp Program is complicated, and applying for benefits entails jumping through a large number of bureaucratic hoops. Households must have no more than 130 percent of the federal poverty threshold in total monthly incomes, and no more than 100 percent of the poverty threshold in net income after taxes.

This amounts to a net income of less than \$851 per month for an individual, just over \$210 per week. A single mother with two children would not qualify for food assistance if she had a net income of more than \$360 per week.

In order to qualify for food stamps, households must have no more than \$2,000 in monetary resources, such as savings accounts. Applicants are expected to provide all financial records, pay stubs, medical bills, receipts for rent and child care, proof of mortgage and utility payments, proof of vehicle worth, as well as official birth certificates and other personal documents for every family member.

Not surprisingly, officials and experts widely estimate that at least 40 percent of those eligible for the program do not know they qualify, or they find the process of applying too difficult. Therefore, an increase in the food stamp rolls is a conservative measure of the number of working families that have been exposed to precarious circumstances.

In a March 31 article, the *New York Times* noted that in former manufacturing strongholds such as Michigan, Ohio, and Illinois, “The climb in food stamp recipients ... has been relentless, through economic upturns and downturns, reflecting a steady loss of industrial jobs.”

Michigan’s Department of Human Services spokesperson, Maureen Sorbet, told the *Times* that the

state's caseload has more than doubled since 2000. "We've had poverty here for a good while," she said. One in eight Michigan residents currently receive food stamps, and applications have increased in recent months.

A closer look at federal data shows that the trend is a widespread phenomenon. One in ten residents in the states of Illinois, Indiana, Ohio and Pennsylvania are enrolled in the program. In all of these states, the proportion has climbed steadily from the end of the last recession five years ago, according to monthly participation data from the US Department of Agriculture (USDA), which administers the Food Stamp Program.

Other areas, such as the persistent poverty regions of Appalachia and the South, did not register drastic percentage increases over the past year, although they also have a high proportion of food stamp recipients, have experienced a steady increase, and expect sharper increases as the recession unfolds. In Kentucky, one in seven residents currently rely on federal food assistance. According to the *Charleston Daily Mail*, one in six West Virginians receive food stamps.

Accessing the food stamp program is by no means a guarantee that one will have enough to eat. Most recipients receive only \$85 a month, and many find that this allocation runs out days or even weeks before the end of the month.

In comparison, according to the USDA, the average family of four on a "moderate-cost" shopping plan currently spends upwards of \$900 per month for groceries.

This expense is increasingly unmanageable for many both off and on the food stamp rolls. In response, families are turning in large numbers to charity and emergency food banks. An April 1 Associated Press report noted that national food bank America's Second Harvest, which distributes some 2 billion pounds of food in the US each year, reported that its client load rose by 20 percent in the fourth quarter of 2007.

Food banks, in turn, are strained by demand and the rising price of goods and transportation costs. In addition, most food banks depend heavily on individual donations, which shrink drastically during economic downturns. Food banks also receive agricultural surplus purchased by the federal government as a way of subsidizing the farming industry. These stores have

also dried up in the past year because of global grain shortages and soaring commodities prices. America's Second Harvest reported that shortages at its pantries were the worst the organization has seen in at least 26 years.

According to a March 31 report from the USDA, staple grain prices are set to rise substantially over the year, with further food inflation certain to follow. The USDA said that farmers are planning to plant 8 percent less corn, ubiquitous in both the human and livestock food supplies in the US, and devote a larger proportion of it to ethanol production. This will have the tendency to further push up bushel prices for corn, already projected to rise as high as \$7.50 by the summer—triple the per bushel price three years ago.

International Food Policy Research Institute researcher David Orden commented to the *New York Times* Tuesday in reference to the USDA report, "We're hoping for good yields. If we get bad yields and tight commodity markets are pushed even tighter, we'll get food prices skyrocketing, inflationary pressures and food riots in developing countries, and countries cutting off their exports."

Orden then noted that these trends were already realities in many regions of the world. Food shortages and exorbitant prices have triggered mass protests and strikes throughout Asia, Africa, and the Middle East over the past several months. In fact, the very same explosive social conditions are developing in the United States as well.



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