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The Attack on Welfare Families: Causes, Consequences, and Cures

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The Attack on Welfare Families: Causes, Consequences, and Cures

In August 1996, after a cold-hearted debate, Congress passed and Clinton signed the Personal Responsibility and Work Opportunity Act of 1996. The PRA slashed a broad range of safety net programs, denied both documented and undocumented immigrants access to many benefits, and abolished Aid to Families With Dependent Children (AFDC), the program which has provided income support to poor women and children since its inception as part of the 1935 Social Security Act. The details of the "Block Grants For Temporary Assistance to Need Children" (TANF) which replaced AFDC remain to be worked out. But its punitive impact is very clear. The key provisions of TANF fall into three distinct clusters related to--enforcing work, regulating the family, and ending entitlements.

First I will review TANF's main features. Based on this I will try to show that TANF's work enforcement, family regulation and anti-entitlement provision are part of a broader strategy designed to promote economic recovery by imposing austerity on everyone else.

Enforcing Work

The key provisions of TANF move women from welfare to work. In an unprecedented change, TANF limits aid to five years in a lifetime (shorter at state option). Bad as it was, the former AFDC program assisted women as long as they satisfied its eligibility rules. TANF also intensified AFDC's already stiff work requirements. States must enroll 25% of their caseload in work activities by 1997; 50% by 2002. Individuals must find a job within two years of receiving aid and work a minimum of 20 hours per week in 1997; 35 hours in 2002. Meanwhile TANF narrowed what counts as work, diminished the emphasis on training and education, and allows the state to use funds for welfare checks to subsidize employers who hire recipients. Individuals who do not satisfy the work rules and states that do not meet participation quotas face still financial penalties even though the AFDC work program never placed even 10% of the caseload in jobs.

Regulating Family Life.

TANF also regulates family life. First it permits the states to deny aid to children born to women receiving welfare. Since many states have already used the federal waiver procedure to institute the child exclusion (or family cap) rule, this provision is more than likely to spread. TANF also includes a \$20 million fund to be shared by up to five states that decrease their out-of wedlock births without increasing abortions. The competition for share of this "illegitimacy" bonus will extend its impact far beyond the five top states

Contrary to the call to get the government off people's back, TANF also allows states to dock the check of mothers whose children are too truant or do not get their shots on time, requires teen parents under age 18 to live at home and stay in school, prohibits parents who have been convicted of drug felonies from ever receiving aid, except for pregnant women enrolled in drug treatment programs, and stiffens the existing child support rules.

Ending Entitlements:

Even more far reaching, TANF abolishes the individual entitlement to aid and eliminates the guarantee of federal funding to the states that backed-up this governmental commitment to the needy for the last 60 years. The TANF block grant transfers responsibility for providing benefits from the federal government to the states and gives them broad discretion to set their own rules, including contracting out the program to private agencies. Congress also capped TANF's federal funding at \$16.4 billion a year for the next five years. If a state runs out of money when recessions, population growth, or other events increase the number of people in need, they will have to choose between several bad options: raise taxes, cut other programs, create a waiting list, or simply turn people away.

Poor women and children will suffer first and foremost from this rejection of federal responsibility for the downtrodden. However, the passage of TANF and the entire PRA also legitimizes attacks on the more popular entitlement programs that serve the middle class as well, like Social Security and Medicare. And--the deficit hawks, budget balancers, Social Security fear mongers, and privatizers are standing in the wings just waiting for the right time to move.

WHY NOW?

These coldhearted welfare reforms are neither innocent nor unrelated. When we look at the impact of the TANF provisions that target work, family and entitlements it becomes clear that--point for point-- they are part of a wider strategy initiated by Reagan in the early 1980s and continued by Presidents Bush and Clinton. The strategy was designed to promote economic recovery and social stability by (a) cheapening the cost of labor, (b) strengthening the traditional family (c) weakening the role of the federal government. (d) limiting the influence of popular movements, and (e) redistributing income upwards from the have-nots to the haves.

Cheapening The Cost Of Labor.

One way to cheapen the cost of labor is to increase the number of people looking for work. TANF's work provisions do just that. The welfare reformers built support for replacing welfare with work by claiming that women on public assistance were lazy and that the programs were too costly. However, it is now widely acknowledged that TANF will not lower welfare costs, prepare women for work or place women in jobs--except in places where labor shortages exist. The current rage to deindustrialize, globalize and

downsize production means that only some of the women forced off welfare will find jobs. Once the labor market is flooded with many new job seekers, rising unemployment and increased competition for low wage jobs will make it easier for employers to keep wages down and harder for unions to negotiate good contracts. A long line of people waiting for one's job undercuts the power of workers and their unions to resist.

The wider attack on all cash benefits cheapens the cost of labor in still another way. Instead of creating dependency as the critics proclaim, cash benefits have the potential to level the playing field in the work place. As alternative source of income the AFDC, Food Stamps, and Unemployment Insurance programs provided a financial back up for jobless and low paid workers. Like a strike fund, this helped workers fight back by increasing their bargaining power, enabling them to avoid the most dangerous and exploitative jobs, and making it harder for employers to keep workers in line. Perhaps this is why public aid has been set lower than the lowest wage since colonial times and why welfare programs periodically come under attack.

Restoring The Traditional Family

In addition to cheapening the cost of labor, TANF seeks to restore the traditional family. Its stated purposes include reducing out-of-wedlock pregnancies and encouraging the formation and maintenance of two-parent household. In this view, single motherhood is the major cause of nation's social ills from school drop-outs to drive by shootings to the deficit. The child exclusion, the "illegitimacy" bonus, and the other efforts to control women's reproductive choices were passed not because the data supports the existence of a relationship between welfare and a woman's childbearing decisions. Rather they were passed to stigmatize and penalize single motherhood. Playing to the racial stereotype of black women as hyper-sexed and the moral panic unleashed by changes in family structure, women's roles, and gay rights, the nation's leaders are using the government to promote a limited version of family values.

The availability of cash benefits, which has the potential to empower women, gets in the way of this campaign. Rather than promoting dependency as the critics claim, the availability of an income outside of men and markets may increase women's leverage in the home as well as on the job. It can strengthen women's bargaining power in the family provides a way for them to escape relationships with dangerous and exploitative men, and simply allows them to raise children on their own. As I see it, the call to end welfare "as we know it," at least in part reflects an effort to contain these threats to patriarchal controls by forcing poor women off welfare into marriage and by sending a message to the rest of us about happens to those who do not play by the rules.

Redistribution Income Upwards

In addition to cheapening the cost of labor and restoring the traditional family, welfare reform has been part of the wider effort to dismantle the welfare state and shrink the federal government, both of which further the third plank in the economic recovery plan noted above--namely an upward redistribution of income. From 1935-1975 the welfare state grew and expanded due to pressure from social movements but also because it benefited business and industry. Its service and benefit programs facilitated the consumption of goods and services; assured employers a ready supply of healthy, educated and properly socialized workers; and by meeting the demands of movements, helped to quiet political unrest.

By 1975, international competition and the search for cheaper and cheaper labor

led industrial leaders to export capital, production and jobs abroad. The wage cuts, the attack on trade unions, and the reduced investment in social welfare marked their diminished stake the U.S workforce. Corporate leaders rationalized their abandonment of American workers by arguing that social welfare spending increased the cost of borrowing money and constrained profitable investment. Playing to both economic panic among the working and middle class and the racial panic among the so-called "angry white men" that followed the institutionalization of hard-won civil rights gains, the nation's leaders began to equate tax and spending policies with "big and bad government," to call popular movements greedy "special interests" seeking "too much democracy." Reversing 40 years of, however begrudging, support for social welfare, they insisted on reducing benefits, cutting programs, privatizing services and turning social welfare responsibility back to the states. It wasn't just social welfare that interested them. When extended to still other functions a less powerful federal government would have the added advantage of weakening the capacity of the state to regulate and limit business profits.

Fighting Back

The effort to solve the problems of business and government by imposing austerity on everyone else has as taken its toll. During the last two decades, the purchasing power of both wages and government benefits has fallen sharply; the income gap between the rich and the poor has reached record highs, and the social movements have taken a major beating. Unfortunately, the moral, racial and economic panics created by these and other changes have become a breeding ground for the backlash against the downtrodden. The divisive politics of hate have obscured the true causes of the nation's ills.

However, the people of this nation are rising up angry. They are becoming wise to officialdom's tricks and are not taking the mounting pain or punishment lying down. To all of you involved in fighting against poverty, homeless, and unemployment and draconian welfare reforms, I say dare to struggle, dare to win and please join and keep up the good fight.