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WELFARE REFORM

*Blessed are those who hunger and thirst for righteousness
Blessed are the merciful*

Come to the Waters

BY RACHELLE SCHLABACH

Blessed are those who hunger and thirst after righteousness, for they will be filled. Blessed are the merciful, for they will receive mercy (Matthew 5:6–7).

Come, all you who are thirsty, come to the waters; and you who have no money, come, buy and eat!” (Isaiah 55:1). In the prophet’s vision, everyone is invited to the banquet. Those who come will receive abundant life, far beyond what they have dreamed.

This mercy and generosity of spirit characterizes God, who sends rain on the just and the unjust (Matthew 5:45). Yet, out of God’s never-ending mercy and compassion also comes a deep sense of outrage at injustice. The two are inseparable. “Righteousness and justice are the foundation of your throne; steadfast love and faithfulness go before you” (Psalm 89:14).

God calls us to show mercy and grant justice as well. “Be merciful, just as your Father is merciful” (Luke 6:36). “Act with justice and righteousness, and deliver from the hand of the oppressor anyone who has been robbed. And do no wrong or violence to the alien, the orphan, and the widow, or shed innocent blood in this place” (Jeremiah 22:3).

In fact, it is only when God’s people withhold justice that the all-merciful God threatens to withhold mercy (Isaiah 27:11). Jesus had particularly harsh words to say to

those who think they are righteous, but do not act accordingly (Luke 18:9-14).

In 1996, the U.S. Congress passed a major overhaul of the welfare system. The “reform” made dramatic changes in the system, sharply curtailing benefits for unemployed adults. It also made deep cuts in funding for the food stamp program and cut most benefits for legal immigrants.

This issue takes a look at welfare reform five years later. We hear reports from some of the most impoverished parts of our nation—Native reservations and Appalachia. Just as the biblical standard for justice is defending the rights of those who are most vulnerable, the standard of success for welfare reform should be whether or not it is helping those who are poorest in the United States.

As a nation, we can choose whether or not to extend mercy and seek after righteousness and justice. This choice is difficult, if not impossible, on our own. But the Spirit can empower us to extend an invitation like the one envisioned by Isaiah—where all who come to the table are welcomed and receive abundantly according to their needs. May all who come to the waters be filled. ■

As a nation, we can choose to extend mercy and seek after righteousness and justice.

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BY J. DARYL BYLER

While mercy is dependent on the giver's charity, justice shifts power to the one who is most vulnerable.

Showing Mercy, Hungering for Justice

Your government thinks that we are animals," the Iraqi official angrily scolded our MCC delegation in Baghdad. Her sentences spilled out quickly as if she feared that we would leave before she had said all that was on her mind.

She described U.S.-backed economic sanctions as "a crime against human rights." Her hunger for justice was unmistakable. A history of war and sanctions were taking their toll against her country. She had seen more than her share of suffering. Something must be done. And soon.

Her demand was repeated often as we traveled around the country. Iraqis wanted justice (an end to the sanctions), not simply mercy (donations of food and medicine).

Her words still sting nearly three years later. The sanctions will enter their 12th year August 6, 2001. Little has changed in Iraq. I wonder whether I have done my part to make a difference. It is hard to hunger for justice when I am not hungry myself.

For those of us who live comfortably, showing charity is the easier path. It keeps us in control. It fits more conveniently into our schedules.

While mercy is dependent on the giver's charity, justice shifts power to the one who is most vulnerable. Justice offers a right rooted in a moral or legal principle.

The biblical witness calls for both justice and mercy. Public policies protected the poor and most vulnerable with the promise of justice:

- *Interest free, forgivable loans.* It was illegal to charge interest to another Israelite. And while it was expected that loans would be repaid, if for some reason they could not be, the lender was to forgive the loan in the sabbatical year (Deut. 15:1–11).
- *Employment programs, small business development.* If an individual could not meet a financial obligation, a person of means was to pay off the poor person's creditors in exchange for a promise to work for six years. At the end of six years, the employer was to release the individual and provide a liberal portion of animals and grain so the debtor could be self-sustaining (Deut. 15:13–14).
- *Redistribution of capital.* Every fifty years—the year of Jubilee—property was to revert to its original owner (Lev. 25:8–24). The Jubilee recognized that, over time, inequities occur—perhaps due to health problems or crop failures or even poor judgment. But every fifty years was an opportunity for a fresh start.

While justice gets major attention in the Bible, charity is also an important theme:

- *Food distribution programs.* Every three years, the community restocked the "food pantry" for use by resident aliens, orphans and widows (Deut. 14:28–29). Landowners were to go through their fields only once during the harvest. Everything missed was to be available for the poor to glean (Lev. 19:10). The early church had similar practices: *food distributions* for widows (Acts 6:1–6); *special offerings* for those affected by famine and persecution (Rom. 15:25–28); and *property sales* with redistribution of resources to any who had need (Acts 2:45, 4:34).

Faith-based initiatives are in vogue these days. It is right that the church should take the lead in offering compassionate responses to poverty, drug addiction and homelessness. But only government can provide the framework for justice for all members of society.

As we grow in showing mercy, may God also stir in our bellies a growing hunger for justice. ■

WASHINGTON MEMO is written by Mennonite Central Committee U.S. Washington Office staff. It interprets national legislation and policy, seeking to reflect biblical concerns for justice and peace as represented in the work and statements of MCC U.S. and Mennonite and Brethren in Christ churches. All biblical quotes are from the New Revised Standard Version, unless otherwise noted.

Staff: J. Daryl Byler (Director), Elisabeth T. Harder, Christina Leaño, Rachelle Schlabach (Managing Editor), Martin Shupack, David Whettstone.

To contact the MCC U.S. Washington Office, please see our address on the back page. See our weekly commentary at www.thirdway.com

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Globalization in the United States

BY MARTIN SHUPACK

Many people in the United States appear to benefit from economic globalization. Consumers enjoy low-priced imports made by low-wage workers in poor countries. Investors, service providers, agribusinesses and manufacturers find growing markets in developing countries by undercutting the local competition, while enjoying protection from foreign imports.

These morally dubious benefits may dissolve if the economy continues to slow. Meanwhile, the principles of economic globalization harm impoverished people everywhere, including in the United States:

- *Free market globalization calls for reduction in governments' size and spending.* The 1996 welfare reform legislation reduced funds for public assistance. The recently-passed tax cut may squeeze such programs for decades. Yet, one in six children live in poverty and 42.6 million Americans have no health insurance.
- *Economic globalization calls for deregulation of economic activity.* Congress has failed to enact a minimum wage to keep pace with inflation. In the 1950's one minimum-wage earner could almost lift a family of four out of poverty. This is far from true today. Vulnerable immigrants labor as apparel workers and migrant farm workers for even less.
- *Economic globalization calls for "lean" corporations with little or no long-term commitment to employees.* U.S. companies have replaced many full-time employees earning livable salaries and benefits with temporary, part-time and contract workers, most of whom earn low wages and receive no benefits.
- *Economic globalization places downward pressure on wages, as corporations threaten to relocate or "out-source" operations.* For most U.S. workers, real wages (their actual purchasing power, taking inflation into account) have been stagnant or falling since the early 1970's. Families have made up for this by the entry of a second wage earner into the workforce. Still, the bottom fifth of families are poorer than they were twenty years ago.
- *Economic globalization calls for selling off, or "privatizing," government-owned enterprises.* Many public employers now contract with private companies for a variety of services, such as cleaning, garbage collection and data systems. Minimum-wage jobs replace those once held by unionized public sector employees. Under-funded public schools promote corporate products, such as soft drinks, to help meet their expenses. ■

CAPITAL QUOTES

"It keeps the peace. In a dominating, intimidating sort of way."

—Boeing advertisement for its Apache Longbow attack helicopter.

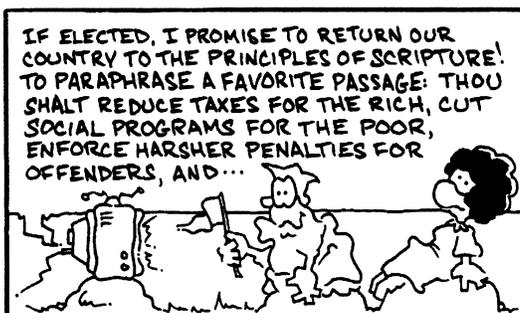
"We burn more fossil fuel than we did a decade ago, we block international treaties, we are nothing short of a rogue nation when it comes to global warming. Yet nobody seems too exercised about it all."

—Environmentalist and social critic Bill McKibben, as reported in the April 22, 2001 Washington Post.

"The president believes . . . it should be the goal of policy-makers to protect the American way of life. The American way of life is a blessed one. . . ."

—Ari Fleischer, spokesman for President Bush, responding to a question as to whether American consumption, which far exceeds that of other industrialized countries, should be addressed as part of the energy "crisis."

Pontius' Puddle



Reforming Welfare “Reform”:

Where Justice and Mercy Meet

BY ELISABETH T. HARDER

“We respectfully call upon government to create an economic environment in which . . . there are adequate opportunities to assume a productive role.”

—MCC U.S. STATEMENT REGARDING CARE FOR THE POOR (1995)

In 1996, the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) marked a fundamental shift in the way the U.S. government views its responsibility to assist families living in economic poverty. Welfare “reform” was ushered in with hopes of ending dependence on welfare through self-supporting work, and thereby reducing caseloads.

Five years later, the moment is ripe for analysis. “Reform” implies that the old has been improved for the better. Is this a proper reference, then, to post-1996 welfare?

The prevailing argument in 1996 was that a welfare system pre-occupied with ending national poverty is misguided. The emphasis, it was argued, ought to be on discouraging destructive personal behaviors so that people could take responsibility for their own lives.

Personal responsibility, however, is an idealistic demand without an equally strong call for and commitment to social responsibility. Long-term empowerment and development of human resources will not materialize without significant investment of money and time.

MCC U.S. affirms that government *and* the church share responsibility to find ways to overcome poverty (seek justice) and care

for those who hunger and thirst (show mercy). The church is challenged to provide direct assistance to the most needy, as well as create opportunities for people to assume a productive role.

The church is also challenged to “speak out, judge righteously, defend the rights of the poor and needy” (Proverbs 31:9). We respectfully call upon government to *also* seek justice and show mercy.

Welfare “Reform” a Success?

If success is defined as ending dependence on welfare, the dramatic reduction in the number of welfare recipients seems to indicate resounding success. Nationwide, caseloads have dropped by more than half since 1994. Between 60 and 65 percent of former recipients now have jobs.

But if welfare hand-outs are quick fixes, so are “results” such as these. If our measuring stick is poverty reduction, long-term reform has not happened. The level of poverty, though it has fallen in recent years, is higher today than in the early 1970’s. More than one in ten U.S. Americans—and one in six children—remains officially poor. The poverty rate among both African-Americans and Hispanics is about three times that of European-Americans. Poverty is highest among families headed by single women.

Churches and faith-based groups that provide material aid and social services have reported an increase in need since TANF was enacted. Government’s diminishing role in providing assistance reflects not diminishing need, but rather a shifting of responsibility to the limited resources of the non-profit sector.

A robust economic period has also helped to make welfare reform appear successful. The demand for low-wage labor accommodated the movement of hundreds of thousands of people from welfare to work.

Other impacts are yet to be determined. What will happen to those who are least employable? Persons with disabilities, drug or alcohol addiction, or victims of domestic

REFORM IN 1996

The 1996 law replaced AFDC with the Temporary Assistance to Needy Families (TANF) program. States were given a set amount of funding, and have great flexibility in spending it. Cash assistance, as well as supports and development programs, are funded through TANF.

Key Features:

- **Welfare to work.** Adults receiving cash assistance must be employed within two years.
- **Time limits.** Benefits are available for a lifetime limit of five years. Some states have even shorter cut-off dates. States are allowed to exempt up to 20 percent of families from this limit.
- **Food stamps.** Huge cuts in funding were made, with some funding restored. Food stamps remain an entitlement program, separate from TANF.
- **Medicaid and CHIP.** The government’s low-income health insurance programs were de-linked from TANF. One may qualify for these even if not eligible for cash assistance.
- **Immigrants.** Most assistance was eliminated for five years after arrival; food stamps are not available even after that time.

violence need significantly greater investments to become self-supporting members of the community. For some, employment will never be an option.

From Welfare to Work

Welfare reform has indeed encouraged many former recipients to enter the labor force. In one recent report, over 200 former and current recipients describe the transition from welfare to work. About one fourth are “success” stories. Most important to self-sufficiency were generous work supports offered outside of TANF: subsidized child care, Medicaid, transportation, and food stamps.

But half the population in the study experienced a problematic transition, largely because work supports were not accessible. Many were forced to take the first job they came across, which often meant part-time work at low pay. Lack of education was a barrier to better work for many; limited opportunity to count education as work activity continues this trend.

The fastest growth of the poverty population is among working families with children. Over three-fourths of poor children live in families where at least one parent has a job. Faith-based social service providers surveyed by the National Council of Churches in 2000 reported that the greatest increase in need is among the working poor.

For many low-income working parents, the lack of quality and affordable childcare is a major roadblock to self-sufficiency. Subsidies currently reach only 1 in 10 eligible children. Single mothers especially are in a difficult situation: welfare policy urges work outside the home and is resistant to count at-home caregiving as work activity, while funding for childcare falls far short.

Lack of accessible employment is a barrier in itself. Rural welfare recipients generally must look harder and further for a job that can be reached with limited transportation resources. In the case of an economic downturn those with marginal skills and modest job experience are often the first to

be let go. In the meantime, the federal minimum wage is not enough to lift a full-time worker with even one child out of poverty.

Looking Ahead

TANF, the Food Stamp Program, and the Child Care and Development Block Grant are all funded through September 2002. Congress must vote to extend funding prior to that date. It is likely that key policy changes will be considered.

Preliminary policy recommendations include:

- *Funding.* TANF and Food Stamps at no less than current levels, and substantially increase the Child Care and Development Block Grant so states can serve all eligible children.
- *Time Limits.* Stop the clock when parents are working, in post-secondary education, or caring for elderly parents or young children. Count post-secondary education as part of required work activities. Raise the percentage of allowable exemptions from time limits.
- *Work Supports.* Ensure that workers receive supports after leaving TANF. Fully reinstate benefits for immigrants.
- *Earnings.* Raise the minimum wage and expand the Earned Income Tax Credit, which offsets payroll taxes for low-income workers.

The next phase of our national welfare policy should emphasize the development of human capacity as well as employment creation. Work is a powerful antidote to poverty.

At the same time, there is great opportunity to be merciful. Direct assistance will always be necessary for the most vulnerable members of society. In all of this, more—not less—financial resources, time, and energy are required.

There is a window of opportunity to truly reform the welfare “reform” of 1996. May we reclaim poverty reduction and human development as the goal of this critical social policy. ■

The fastest growth of the poverty population is among working families with children.

CURRENT LEGISLATION

Family Care Act

Would allow states to provide health insurance to parents of children eligible for Medicaid and Children’s Health Insurance Program.

Nutrition Assistance for Working Families and Seniors Act

(H.R. 2142, S. 583)

Would restore food stamp benefits to qualified immigrants and increase the minimum food stamp benefit level.

Children’s Health Improvement Act

(H.R. 1143, S. 582)

Would allow states to lift the five-year bar on health coverage for qualified immigrant children and pregnant women.

Fair Minimum Wage Act

(H.R. 665, S. 277)

Would raise the federal minimum wage by \$1.50 to \$6.65/hour over two years.

Reforming Poverty in Indian Country?

BY DAVID M. WHETTSTONE

Tribes, like many states, have advocated for more control over federally funded programs. Yet, lifting and sustaining Native American families, children, and communities out of poverty is a complex challenge linked to a long history of oppression, economic depression and broken promises.

In the 19th century, many tribes were “given” trust provisions within treaty agreements. These provisions promised essential health, education and social service supports from the federal government in exchange for Indian land. These arrangements were often made under conditions of conflict, assimilation, displacement, relocation and oppression. Tribal self-sufficiency and self-governance as well as individual rights and liberties were infringed. In spite of the negative circumstances, a promise of trust, responsibilities and government-to-government relationships was established.

Over time this promise has done little to alleviate the entrenched poverty that members of Indian Country face. The National Congress of American Indians reports: “Indian reservations have a 31 percent poverty rate—the highest poverty rate in America. Indian unemployment is approximately 46 percent. Indian health, education and income statistics are the worst in the country.”

Tribal governments have had direct funding and relationships with their federal counterparts that allowed for flexibility, cultural sensitivity and creativity to respond to these needs. Welfare reform has now shifted these relationships and funds to other partners—states.

One group affected by this change is children. Welfare reform often requires young mothers to leave their infants and young children for work. In many parts of Indian Country, there is no child care or adequate transportation. Such demands are culturally as well as practically unacceptable.

In the Oglala Sioux Nation (the Pine Ridge Reservation in South Dakota), families including some 2,088 children receive state Temporary Assistance to Needy Families (TANF). Under welfare reform, the state program exempts mothers with children under the age of 12 weeks from work requirements. However, the federal standard is 12 months. Many child services on the reservation simply won’t accept children at the younger age level.

“The Oglala Sioux decided against running their own TANF program, largely because the state of South Dakota will not provide matching funds,” says Angie Eagle Bull, who directs employment programs for the Oglala Sioux Nation. “It would cost the tribe approximately \$1 million to run a TANF program. The tribe simply does not have the resources available.”

Persistent needs require persistent determination and effort. Many tribes are more than willing to accept the responsibility to encourage self-sufficiency. However, the necessary economic development and job opportunities for success are simply not present. Tribal governments do not have the authority, cooperation or full complement of resources to comprehensively address poverty alleviation. Mercy—a sense of generosity and understanding which reflects the most basic acceptance of people—is needed more than ever between tribal, federal and state governments. ■

“Indian reservations have a 31 percent poverty rate—the highest poverty rate in America.”

—NATIONAL CONGRESS OF AMERICAN INDIANS

FOR MORE INFORMATION

National Congress of American Indians, 1301 Connecticut Avenue, N.W., Suite 200, Washington, D.C. 20036; 202-466-7767; www.ncai.org.

Appalachia:

A Local Perspective on Welfare Reform

The economic argument behind welfare reform is that dollars are best left to circulate in the economy where they will generate profits and stimulate growth, and the benefits of that growth will “trickle down” to all levels of society. There is also an implicit assumption in the economic strategy underlying welfare reform that poor individuals are non-productive, or deliberately under-productive, by their own choice or due to factors within their control. Welfare reform seeks to motivate individuals from a non-productive state toward economic participation and productivity.

This image of the poor is opposite to Christ’s compassionate view, and the biblical exhortation to “have mercy.” As Christians we need to be aware that, for significant segments of society, poverty is systemic, not an individual choice. Further, we are commanded to show mercy—not because the recipients have warranted our attention, or because the conditions indicate the potential for good results. Rather, we show mercy because we have obtained mercy. As the “state” moves further away from a compassionate stance toward the poor, Christians must make Christ’s message of compassion and showing mercy more evident.

One fallacy of economic participation of the poor is that there is access to economic opportunity that is currently being rejected. While there are stories about individuals where this may be true, a macro view shows significant segments of society where economic opportunity is systemically restricted, controlled, or influenced.

The Appalachian context provides ample evidence. Here, in the heart of President Lyndon B. Johnson’s “war on poverty” in the 1960’s, it appears, as someone once said, “as though poverty has won.” The area magnifies the widening gap between rich and poor across the United States. Despite local efforts, creation of a new economy with new jobs is a continuing battle. In Appalachia, the economic “distress” of many counties remains unchanged. With a few notable exceptions, lack of infra-

structure and funding play into systemic barriers to limit alternatives. Missing are many of the traditional incentives and supports for the growth of entrepreneurial enterprises.

As a rule, economic alternatives are minimal. Local economies match the ebb and flow of the traditional industries—mining and logging. Technological advances are making these jobs more difficult to obtain due to worker certification requirements. The fact that local economic and political systems act as disincentives against alternative economic expansion is well documented.

Many individuals are isolated from economic opportunity due to a variety of factors including lack of transportation, skills, or information, and systemic or political barriers. In many counties the majority of the population—in some cases upwards of 90 percent—live in rural areas, in contrast to the nationwide average of 25 percent (2000 Census figures). As their financial affairs become bleaker, they are faced with selling their cars, moving in with other family members, and in effect becoming further removed from any opportunity they or their children might otherwise have. Local food pantries are reporting record numbers of clients, in some cases double from several months ago. Welfare reform promises to exacerbate challenging conditions for individuals and families without creating any new opportunities.

As Christians seek to understand the impacts of welfare reform policies, let us factor in our obligation to show mercy because we have obtained mercy. Let our voices and actions make Christ’s message of compassion and showing mercy more evident. ■

IN OTHER’S WORDS

BY JIM HUEBNER

Jim Huebner and his wife, Ellie, direct MCC’s program in Appalachia.

Welfare reform promises to exacerbate challenging conditions for individuals and families without creating any new opportunities.

SOUND THE TRUMPET!

ISSUE	SUMMARY	ADVOCACY NEEDED
IRAQ SANCTIONS	The U.N.-imposed sanctions on Iraq enter their 12th year in August. Under the sanctions, infant mortality rates have more than doubled. According to UNICEF, one in four Iraqi children are chronically malnourished. U.S. restrictions are even more stringent, forcing organizations like MCC to use lengthy licensing procedures to ship food and medicine. The <i>Humanitarian Exports Leading to Peace Act</i> (H.R. 742) would lift U.S. sanctions on humanitarian goods and replace licensing requirements with a simple notification process. The bill also calls on the United States "to take all necessary steps to end the suffering of innocent populations" in Iraq.	Ask your member of Congress to co-sponsor H.R. 742. For the text of the bill and an up-to-date co-sponsor list, go to http://thomas.loc.gov and type in "H.R. 742."
DEATH PENALTY	The <i>National Death Penalty Moratorium Act</i> would place a moratorium on federal executions, while a commission reviews whether the death penalty is consistent with constitutional requirements of fairness, justice, equality and due process. The <i>Innocence Protection Act</i> would ensure access to DNA preservation and testing. It encourages states to establish minimum standards of defense, offers compensation for unjust incarceration and requires that juries be fully informed of sentencing options. It also states that the death penalty is disproportionate.	Ask your member of Congress to co-sponsor both the Moratorium Act (S. 233, H.R. 1038) and the Innocence Protection Act (S. 486, H.R. 912).

USEFUL ADDRESSES



MCC U.S. Washington Office
 110 Maryland Ave NE
 Suite 502
 Washington DC 20002
 (202) 544-6564
mccwash@mcc.org

Senator _____
 U.S. Senate
 Washington DC 20510
 (202) 224-3121
www.senate.gov

Representative _____
 U.S. House of Representatives
 Washington DC 20515
 (202) 224-3121
www.house.gov

President George W. Bush
 The White House
 Washington DC 20500
 (202) 456-1111
president@whitehouse.gov

21 South 12th Street
 PO Box 500
 Akron, PA 17501-0500

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