

## The Welfare Reform Debate: Myth vs. Reality

### *1996 – Myths of the Left*

### *2002 – The Reality*

<p>Marian Wright Edelman, President of the <b>Children's Defense Fund</b>, declared the new reform law an "outrage ... that will hurt and impoverish millions of American children." The reform, she said, "will leave a moral blot on [Clinton's] presidency and on our nation that will never be forgotten."</p>	<p>The poverty gap for families with children has decreased by \$4.5 billion since 1996. Decreases in poverty have been greatest among black children. The poverty rate for black children has fallen to its lowest point in U.S. history, from around 43.8% in the mid-1990's to 33.1% in 1999 (Census Bureau).</p>
<p>The <b>Children's Defense Fund</b> predicted that the reform law would increase "child poverty nationwide by 12 percent ... make children hungrier ... [and] reduce the incomes of one-fifth of all families with children in the nation."</p>	<p>Hunger among children has been cut nearly in half. There are nearly 2 million fewer hungry children today than when welfare reform was enacted (U.S. Department of Agriculture).</p>
<p>"There's going to be a million children thrust into poverty by this bill," the <b>CDF's</b> Debbie Weinstein apocalyptically warned on the CBS Evening News on August 22, 1996, the day welfare reform became law.</p>	<p>700,000 fewer single mothers live in poverty today than they did in the mid-1990's (Census Bureau). The poverty rate for children living with single mothers is at its lowest point in U.S. history.</p>
<p><b>The Center on Budget and Policy Priorities</b> asserted the new law would increase the number of children who are poor and "make many children who are already poor poorer still.... No piece of legislation in U.S. history has increased the severity of poverty so sharply [as the welfare reform will]."</p>	<p>In 1998, 3.8 percent of the total population was dependent in the sense of receiving more than half of total family income from TANF, food stamps, and/or SSI. This rate has fallen considerably from the 5.8 percent rate measured in 1993. As the dependency rate fell between 1993 and 1998, the poverty rate for all individuals fell also, from 15.1 percent in 1993 to 12.7 percent in 1998. The poverty rate fell again in 1999, declining to 11.8 percent, the lowest rate since 1979. (HHS)</p>
<p>Patricia Ireland, president of the <b>National Organization for Women</b>, stated that the new welfare law "places 12.8 million people on welfare at risk of sinking further into poverty and homelessness."</p>	<p>The percentage of children living in families experiencing extreme poverty has fallen from 10% in 1993 to 6% in 1999 (Census Bureau).</p>

<p><b>The Urban Institute</b> issued a widely cited report predicting that the new law would push 2.6 million people, including 1.1 million children, into poverty. In addition, the study announced the new law would cause one-tenth of all American families, including 8 million families with children, to lose income.</p>	<p>In reality, there are 2.3 million fewer children living in poverty today than when welfare reform was enacted (Census Bureau).</p>
<p>Hugh Price, president of the <b>National Urban League</b>: "It's almost as if Washington has decided to end the War on Poverty and begin a war on poor children."</p>	<p>Earnings for female-headed families increased by over \$4,000 between 1993 and 1998 (Health and Human Services).</p>
<p><b>AFL-CIO</b> president John Sweeney called the welfare reform bill "anti-poor, anti-immigrants, anti-women and anti-children."</p>	<p>There are 4.2 million fewer people living in poverty today than there were in 1996 (Census Bureau).</p>
<p>According to the <b>Urban Institute</b> in 1996, 3,500,000 children will be dropped from the rolls in 2001.</p>	<p>In 1996, there were 6.3 million children living in deep poverty; by 1999, the number had fallen to 4.9 million (Census Bureau).</p>

**Taxpayer Funding for Special Interest Groups:**

Many of the groups listed above receive federal funding. For example, 1996-2000 federal funding for the AFL-CIO, National Council of Churches, National Council of La Raza, National Urban League, and NOW Legal Defense & Education Fund totaled \$159 million (Federal Assistance Award Data System).

The Center for Community Change, which launched the National Campaign for Jobs and Income Support (NCJIS) in 1999, received \$1.1 million in taxpayer funding that same year (NCJIS's 1999 IRS Form 990).