

Well, it probably was better to do it during the upside of the business cycle than the downside, obviously; but the fact that the economy is good does not mean that all these people are getting jobs. In fact, large fractions of them aren't, and most of them are remaining poor, and many of them are poorer than they were before.

It did show up at the national level in one number. Once a year, they put the national poverty and income data out from the Current Population Survey. That's where the national poverty rate comes from, and the national median income. The latest out is 1997. They don't have 1998 out yet, that will come out in the fall. In 1997, you started to see the effect of this. The poverty rate went down in 1997, and the President had a press conference to take credit for it, and everybody was happy. The median income went up also for the country. But, although the poverty rate went down, they also measure it at different levels of poverty, one of which is 50% of poverty, that is, people who make only half of the poverty level. The 50% poverty rate went up in 1997.

**EIR:** We covered that at the time.

**Zeller:** That was the first indication at the national level that this was actually showing up in a national number. Even though the business cycle was favorable, the number of very poor people was also simultaneously going up. That was the direct result of the welfare cuts.

**EIR:** Very interesting. There's the joke going around that they're creating hundreds of new jobs. I know, because I have three of them.

**Zeller:** Actually, the people who were on welfare, a lot of them were working all along. In Ohio, a welfare benefit is \$362 a month for a family of three. That's the average family. That's \$4,344 a year. Well, how do you live with two children on \$4,344 a year?

**EIR:** In Texas and Louisiana, it's around \$190 a month.

**Zeller:** Yes, some of the Southern states are even lower than Ohio, but as Northern states go, we're near or at the bottom. Somebody who was on welfare was already very poor in Ohio. So, the fact is, a lot of these people, at least part of the year, or part time, were working as well, because you couldn't live on what a welfare benefit was. Now that they have lost their benefits, it's even more urgent that they do so. But, surprisingly, large fractions don't hold a job at all, and they are therefore just worse off and have moved into these larger households.

**EIR:** Do you track the numbers of people who use charitable food and shelter?

**Zeller:** I'm familiar with the efforts that we try to do. The trouble is, most of that is run by voluntary associations: churches, the Hunger Network, the food bank people. It's very heavily volunteer-operated, and therefore they don't feel

a compulsion to keep statistics that are aggregatable across the state, unfortunately. Although, there are people who do it. The anecdotal reports we're getting, or what statistics we do get out of the network, are showing that there's an increased demand at the food banks.

Tony Hall, who's the Congressman from Dayton, is well known as a hunger advocate, has been for a long time, not just in the U.S., but foreign countries also. He did a tour with some of the Ohio Congressmen about a year ago, where they went to a few food pantries and food banks in the Columbus-Dayton area. I talked at one of the events they had at Dayton, so I talked with Tony, and he told me that they went to some little town that was in Bob Ney's district, he's the Congressman from Appalachian Ohio. When they got there—this is just a little town with 2,000 people or something—and there was an enormous line of people out in front of this pantry, several hundred people standing in the wintertime, and Ney was astonished. He didn't realize this was going on in his district.

The trouble is that documenting all that is difficult. There is no national data collection on the number of people going into food pantries and so forth.

## Mississippi: 'reform' where there's no work

by Marianna Wertz

Mississippi is probably the best example of what "welfare reform" will look like when the speculative bubble now parasitizing the U.S. economy, bursts. With an official 10% unemployment rate, and upwards of 18% in such Delta areas as Sharkey County, welfare reform in Mississippi has been "less a work incentive than a welfare disincentive program," according to the Communications Workers of America Local 3570/Mississippi Alliance of State Employees, the union representing employees who work in the welfare system. The "bottom line" is that there are very few jobs for welfare recipients being forced to work, even with the state subsidizing \$4.15 out of the \$5.15 minimum wage employers are required to pay, and the vast majority of welfare recipients are simply being left on the human scrap heap. Since 80% of the caseload are African-Americans, the role that endemic racism plays in the difficulty of finding work is also quite real.

The state began its welfare reform policy in the fall of 1995, operating a trial program called WorkFirst in six counties. Rims Barber, head of the Mississippi Human Services Agenda, a non-profit advocacy group for the poor, put together a study of data from the Mississippi WorkFirst experiment's first nine months (October 1995-June 1996), which