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## Ohio Works First: The Politics, Ideologies and Realities of Welfare Reform

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### Introduction

As President Bush, invigorated by the new Republican-controlled Congress, calls for even more draconian measures to stiffen welfare work requirements, it is useful to investigate several relevant ideological and political issues in the context of welfare reform realities. First, even though, politicians point to the work-ethic ideology as the “key to success in helping families lift themselves out of poverty,” (Associated Press, 2003) one can only be amazed at the current state of affairs in the United States political arena, where giving poor families a helping hand has been so demonized by politicians of various stripes (including “compassionate conservatives”), as to equate such help with creating the newly hatched “monster” of dependency.

A helping hand, which has long been part of American culture and Judeo-Christian values, has now been transformed into an evil “hand-out.” In the 1970s through the 1990s, welfare was defined as bad for the country and bad for the welfare recipients as well. Politicians and many intellectuals as well, raced to get on the bandwagon to use welfare recipients as scapegoats, particularly targeting women on AFDC (Piven and Cloward, 1993). Even now, we are preached to in glowing words filled with emotional fervor that welfare recipients (mostly women and children) are to be “empowered,” “enabled,” and “employed” right out of their

so-called pathological state of dependence on the government. Not surprisingly, at the same time that welfare reform has been undergoing a fever-pitched implementation since 1996, the gap between the rich and the poor, as well as between minorities and whites, has been widening. In a report recently issued by the Federal Reserve Board's Survey of Consumer Finances on January 22, 2003, the wealth and income of various groups were compared over a period from 1998 to 2001. The report suggests that the wealth of those individuals in the top 10 percent income levels increased dramatically more than the wealth of those in any other group. Specifically, the net worth of families in the same top 10 percent group increased by 69 percent to \$833,600 in 2001 from approximately half of that amount, \$492,400, in 1998. In comparison, the net worth of families in the lowest fifth of income earners rose 24 percent to a paltry \$7,900.

Additionally, the median accumulated wealth for families at the top income levels was about twelve times that of lower-middle-income families through much of the 1990s. However, in 2001, the median wealth of the top income earners jumped to about twenty-two times as great as those at the lower income levels (Survey of Consumer Finances, 2003). This trend represents levels of wealth inequality that are extreme considering the fact that most people in the U. S. register very little or no wealth at all; however, at the same time,

wealth is one of the most important factors in economic well-being and security. The severe inequality of wealth, which exists now, has not always been so severe but has steadily worsened during the 1980s and 1990s (Keister, 2000).

We must also ask why this trend has accelerated over the past twenty years. The simultaneous growth of poverty and wealth was, in part, a simple and direct consequence of lower taxes for the rich and social program cuts for the poor (Piven and Cloward, 1993).

Cuts in taxes on the wealthy and particularly the decreases in the amount of inheritance tax paid exacerbates the problem of the inter-generational transfer of wealth. This is not a new issue. In creating the Wealth Tax Act of 1935, and sending it to Congress for ratification, Franklin D. Roosevelt called attention to the practice of wealth transfers by stating:

“the transmission from generation to generation of great fortunes by will, inheritance or gift is not consistent with the ideals and sentiments of the American people. Great accumulation of wealth cannot be justified on the basis of personal or family security. Such inherited economic power is as inconsistent with the ideals of this generation as inherited political power was inconsistent with the ideals of the generation which established our government” (Phillips 2002).

The historical transmission of huge fortunes from parents to children must be addressed in order to comfort the problem of inequality at its very roots. It is not enough to concentrate only on salaries and per hour wages, though these are also important factors, but rather, income transfers and the overall unequal ownership of wealth in the U. S. must be confronted (Keister, 2000). As the rich have accumulated additional wealth, even accelerating this accumulation from 1998 to 2001, the welfare rolls have been expunged at record speed during roughly the same period. This expulsion is evidenced by a total of two million people,

mostly women and children, who have been “helped” right out of receiving any kind of aid from the government, and this figure represents a fifty-four percent reduction of welfare recipients. While governments and politicians hail the success of welfare reform, the question must be seriously asked, without all the disingenuous rhetoric, what is the actual condition of welfare “leavers,” as they are now defined in the current arena of political diatribe.

It is within these various political and economic contexts that this article investigates what has happened to poor families, since they were expelled from welfare assistance. The analysis will focus on one state, the State of Ohio, to ascertain the current situation of welfare leavers and examines the status of implementation of welfare reform in Ohio with a detailed explanation, critical assessment and analysis of various programs.

Essentially, this article argues that most of the disappearing recipients *have* gone to work, which provides the superficial basis of the “success” of the welfare reform programs at the national and state level, as the self-congratulatory Ohio Department of Jobs and Family Services (ODJFS) Web-site announces, “Ohio Works First It’s Working!” The announcement is specifically referring to the drop in the number of persons receiving welfare benefits. In other words, “it’s working,” means that people are being effectively cut-off from welfare, and that’s the real part of welfare reform that is working, rather than former welfare recipients *actually* getting a decent job or the problem of poverty *actually* being addressed.

Moving families from welfare to work, rather than the elimination of poverty, has been a primary concern of state legislatures

and welfare agencies in recent years, while at the same time the wealthy have enjoyed uncontested consolidation and aggregation in personal wealth. Since the implementation of welfare reform, TANF caseloads and recipients have been drastically reduced by more than 50 percent nationwide. As Kilty and Segal (2001) aptly comment, "Too bad poverty is not declining as sharply as the welfare rolls!" The majority of these former welfare recipients have been forced to take low-paying jobs at the bottom of the wage scale. Companies exploit the cheap labor pool taking comfort, not only in saving a poor welfare recipient from dependency and lack of moral fortitude, but in their slick pocketing of hefty profits as well (Piven & Cloward, 1993). Most of the jobs to "help" poor people out of their "pathological" state of dependency are part-time or seasonal existing in an uncertain and unstable labor market.

Additionally, in the worst cases, even though monthly earnings for welfare leavers may have grown slowly over time, these earnings still averaged below poverty level for a family of three and many welfare leavers had the following problems in Ohio: inability to pay rent, eviction from home, no electricity or heat at some time, phone disconnection, and/or incredibly in this wealthiest of nations, inability to buy food. These issues will also be explored in detail at the state level, as conditions of welfare reform, welfare recipients and welfare leavers are examined where the saying "the devil is in the details" is demonstrably true.

### **Welfare Reform in Ohio**

In August 1996, the United States Congress, with the full support of President Clinton, passed the Personal Responsibility & Work Op-

portunity Act into law. The effects of this law and the "end of welfare as we know it" have resoundingly rippled throughout all the states. According to the Ohio Department of Jobs and Family Services, the basic concepts of welfare reform evolved as follows: from a rule-driven welfare system to a performance/outcome-driven Ohio Works Program, from a focus on client eligibility to a focus on achieving client self-sufficiency, from the idea of entitlements to the temporary assistance program and from welfare recipient or client to an Ohio Works First Participant. Programmatically, ADFC (Aid to Families with Dependent Children) and TANF (Temporary Assistance to Needy Families) were both absorbed by Ohio Works First. CWEP (Community Work Experience Program) incorporating the public sector only was changed to WEP (Work Experience Program) and was expanded to target the private sectors. FEA (Family Emergency Assistance) became part of the new PRC (Prevention, Retention and Contingency) program. JOBS (Job Opportunities and Basic Skills) became part of Ohio Works First and FSA (Family Support Act of 1988) was transformed into the PRWORA (Personal Responsibility and Work Opportunity Reconciliation Act of 1996).

Specifically, the passage of PRWORA replaced Aid to Families with Dependent Children (AFDC) with Temporary Assistance to Needy Families (TANF). However, according to the Institute for Women's Policy Research (2002), AFDC provided considerably more cash assistance to poor children. In fact, cash assistance receipt has declined by nearly one-third for Ohio's children living at the lowest levels of poverty, from 42 percent in 1996 to only 29 percent in 2000. This decline is not due to the result of declining poverty, since if

this was the case, we would see a large reduction in poverty overall. By the year 2000, the number of quite poor children, that is, children living in extreme poverty with families who have incomes between \$7,075 and \$14,149 per year, receiving TANF was cut by approximately one-half from 59 to 31 percent. At the national level, the amount of cash assistance through TANF fell by nearly one-third for quite poor children from 42% in 1996 to only 29 percent in 2000. However, definitions of poverty are subject to change and re-interpretation, as the Census Bureau recently recommended increasing the household threshold to \$19,500 a year, which would have left 46 million Americans falling short of that amount in 2000 (Phillips, 2002).

As mentioned previously, in Ohio as throughout the nation, more poor single parents (mostly single mothers) are working, but for the most impoverished families, incomes have decreased, even though they are now employed. This is to be expected as the stated aim of the government, as a key target of welfare reform, was to reduce the amount of monthly cash benefits received specifically through the TANF program. This has been accomplished through implementation of welfare reform, such as the Ohio Works First (OWF) Program. OWF is Ohio's Temporary Assistance to Needy Families (TANF) program providing time-limited assistance to eligible families.

More specifically, OWF provides cash benefits to families for 36 months and stipulates very limited exceptions to the 36-month time limit. For example, after 24 months off assistance, if the family meets a good cause provision established by the county department of job and family services, a family may receive 24 more months of OWF. However, the em-

phasis is clearly on self-sufficiency, personal responsibility and employment, rather than on providing additional economic aid for families in dire need.

It is also important to note that applications and eligibility determinations for OWF are now administered at the county agency level. This represents an important transformation in the way welfare has been administered in Ohio. In Franklin County (Central Ohio) for example, there are Community Opportunity Centers, which have been newly created to decentralize services and administer them in the neighborhoods where they are needed. There are five of these centers in Franklin County, which embrace various philosophies such as, "total case management." Total Case Management is the idea that a client (a euphemism for a welfare recipient) may have many different needs and therefore will utilize many different county administered programs. Such a client will be assigned only one case manager who will completely monitor all the needs of that client.

It is at each of these Community Opportunity Centers where perspective OWF clients must fulfill eligibility requirements. Each family must meet all OWF eligibility requirements as follows: an eligible family must contain a minor child, or a pregnant woman in at least her sixth month of pregnancy; a child must be living with a parent, specified relative, legal guardian or legal custodian; unmarried minor parents must reside with a parent, legal guardian, specified relative, legal custodian or in a supervised living arrangement; adults and minor heads of household applying for or in receiving assistance must sign and comply with a self-sufficiency contract (SSC), which details the requirements of the Ohio Department of

Jobs and Family Services; and lastly, adults and minor heads of households are required to participate in activities, which may include developmental or alternative work activities.

The Self-Sufficiency Contract (SSC) is one of the important centerpieces of the Ohio Works First Program, and its terms are strictly enforced. Any failure by the adult/minor to sign the SSC, or failure to comply with the terms of the SSC, will result in denial or termination of benefits or other sanctions against the family. Any assistance group containing any individual who refuses to sign the SSC, who does not comply with the terms of the SSC, terminates employment without just cause or has income that exceeds the appropriate limits for that assistance group size is not eligible for aid. The first paragraph of this contract, which individuals are forced to sign, states that the members of the assistance group agree that the goal of Ohio Works First is to help people become employed, take care of the family, become self-sufficient, and take charge of their lives. It makes clear that Ohio Works First is temporary assistance to help families reach self-sufficiency and personal responsibility, and give them the opportunity to develop a plan based on the County Department Jobs and Family Services appraisals and assessments.

Furthermore, while participating in Ohio Works First, the client must agree that all of the responsibilities and obligations of the Self-Sufficiency Contract will be met. Clients are specifically responsible for actively seeking and accepting a job; cooperating with the Jobs and Family Services Department in establishing eligibility for Ohio Works First, including giving complete answers to all questions about family, income, and other eligibility require-

ments; attending all scheduled appointments and interviews and being on time; following instructions and the rules of the assigned work-site unless the CDHS determines otherwise; not quitting any job unless the CDHS determines that there is just cause; cooperating in establishing paternity and securing child support unless the CDHS determination already exists; reporting everything they know regarding an absent parent, if required to do so; cooperating with the public children services agency, if required to do so; and discussing the client's self-sufficiency contract with the caseworker, if there are any questions.

Another important part of Ohio's Welfare Reform has been the Work Opportunity Tax Credit (WOTC) Program and the Welfare-to-Work (WtW) Tax Credit. WOTC and WtW are federal tax credits that encourage employers to hire from nine targeted groups of job seekers by reducing employers' federal income tax liability by as much as \$8500 per qualifying job seeker working 120 hours or \$1200 if working 400 hours or more per qualified summer youth. The new employee must belong to one of the following nine target groups as dictated by ODJFS:

1. TANF Recipient - A member of a family that is receiving or has recently received TANF or benefits under a successor program for any 9 months during the period ending on the hire date.
2. Food Stamp Recipient - A member of a family that is receiving or has recently received food stamps and is at least 18 but not yet 25 on the employment hire date.
3. Empowerment Zone/Enterprise Community/Renewal Communities - An 18 to 24 year old living in one of the federally designated Empowerment Zone (EZ), or Enterprise Com-

munity/Renewal Communities (RC). The EZ/EC/RC areas in Ohio are: Akron, Cleveland, Cincinnati, Columbus, Ironton and Portsmouth area.

4. Summer Youth - A 16-17 year old resident of the EZ/EC/RC areas in Ohio.

5. Veteran - A veteran who is a member of a family that is receiving assistance for at least a 3 month period.

6. Vocational Rehabilitation Referral - A disabled person who completed or is completing rehabilitation services from the state or the U. S. Department of Veteran Affairs.

7. Ex-Felon - An ex-felon who is a member of a low-income family, and has been convicted of a violation of any statute of the U. S. or any state.

8. Supplemental Security Income (SSI) Recipient - An individual receiving SSI benefits under Title XVI of the Social Security Act.

9. Long-Term Welfare Recipient - Any individual who has been certified as a member of a family that received TANF or benefits under a successor program for at least 18 consecutive months.

There are various employers that participate in the Ohio Tax Credit Programs, which hire welfare recipients within these nine target groups. Most of the jobs represented in the following list are low-pay service-based positions.

The percent of employers in Ohio, which take part in these programs, by category, are as follows:

Health Care Services	5.7%
Automotive Services	7.6%
Grocery	10.6%
Food Service	21.4%
Retail Service	25.7%
Miscellaneous Services	28.7%

A brief perusal of these percentages illustrates

that most employers that participate in Ohio Tax Credit Programs offer jobs at the lowest end of the wage scale in food service, sales and miscellaneous services. Most of these unskilled jobs pay somewhere between \$5.15 and \$7 per hour.

According to Ohio Job and Family Services' Prevention, Retention and Contingency (PRC) Program Summary (2001), there are now fewer Ohioans receiving monthly cash benefits than at any time *since 1968*. In this report, Ohio's Prevention, Retention, and Contingency Program is referred to as the "new face of welfare," and a key component of reform. TANF funds are now re-directed away from support to the prevention of dependency by focusing on outcomes. Thus, a critical change in focus of Ohio's PRC Program dictates that all welfare expenditures must specifically address one of the four purposes of the federal TANF block grant program, as follows:

- 1) Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
- 2) End the dependence of needy parents on government benefits by promoting job preparation, work and marriage;
- 3) Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies;
- 4) Encourage the formation and maintenance of two-parent families. Thus, whereas before TANF responded to the issue of need during a critical time, ***the focus of TANF is now to control the behavior and values of welfare recipients in order to prevent a critical need from arising in the first place*** (emphasis mine).

The above highlighted quote regarding the

focus of TANF makes clear the real goal of the new welfare reform program, which is to control the behavior and values of welfare recipients. The stated purpose has nothing to do with eliminating poverty by providing real training or education in order to truly aid persons in escaping from poverty. This is actually not a new government policy, as the historical roots of TANF/ADFC were based on the Mothers' Pension. The idea of a pension for poor mothers arose during the Progressive Era (1896-1914) and represented a movement spearheaded by women. Initially, the basic purpose of the pension was to ensure government responsibility for the well being of poor women and children, but the focus was on widows. By focusing on widows and representing the pension as a grant for the special services that these "worthy" mothers provided, progressive women's groups were able to deflect the criticism of those who condemned aid to "immoral" and "unworthy" women (Abramovitz, 2000).

Though it has recently been argued (Weisner, Gibson, Lowe, and Romich, 2002) that the historical base of the welfare program sought to provide economic security for children in single-mother families, whether the mother was divorced, widowed or unmarried, in reality this has never been the case. Even in the case of "deserving" widows who received pensions in the 1900s, there was insistent pressure by public officials to make sure that widows conformed to gender and cultural norms. Agency investigators closely monitored women for signs of drinking, dirty homes, relationships with men, lax spending and improper childrearing practices (Abramovitz, 2000). Thus, welfare has always been a program in ideology, practice and implementation, that has sought to control the behavior, morals, and

values of welfare recipients and to reward or punish them based on their compliance.

Welfare reform reflects an ideological agenda, particularly at the TANF block grant point of implementation, to force traditional family values on women and men who may not be practicing the basic tenants of familialistic dogma, as interpreted in American conservative cultural and religious circles. In other countries, such as Scandinavia, being pro-family and promoting family values implies a woman-friendly welfare state, which is far from what has been created in the U. S. In fact, the brand of familialism in America and the new welfare reform based system has been defined as "a familialistic welfare regime," that is, a program which is based on placing the impetus of welfare responsibility and support on the family (Esping-Andersen, 1999). In these Nordic countries, social policy is constructed and specifically designed to meet the needs of women in order to assure their economic independence, rather than turning back the clock and reifying the male bread-winner role with the concomitant women's economic dependence, which reinforces and solidifies the traditional model of the patriarchal family.

However, there is one important and fundamental practical difference in the old patriarchal model and the neo-conservative patriarchal model in the U. S. The neo-conservative model offers only the illusion of the male-breadwinner role without the substance, since most men situated in low-income jobs cannot fully support a family without the additional income of the wife's salary. As downsizing and restructuring have swept the U. S., labor market changes have created unemployment and work insecurity. Work that once paid a living wage with good benefits done by full-time and

long term employees is increasingly done by part-time workers or temporary employees, who are called euphemistically "independent contractors." These practices provide a large pool of workers who will accept low wages and bad working conditions in order to have a job, *any job*.

The decline in the wages of the unskilled is a well-known reality of the 1990s. This decline in wages occurred in tandem with the unprecedented accumulation of wealth and privilege of the rich. As the Washington-based Economic Policy Institute reported in 1998, almost 30 percent of the workforce gets paid \$8 an hour or less. Real wages of most workers plunged over the past twenty years with the real wages of the lowest 10 percent falling faster. Even though the minimum wage was increased in 1996, the real value of the minimum wage has fallen to thirty percent below its peak in 1968 (Piven 2001).

Thus, in reality, women in low-income families cannot rely on a husband to completely support the family and since welfare reform, they can no longer rely on the state either. Thus, women are first, forced to work in low-paying, mind-numbing, dead-end jobs, with such work defined as "empowering." Secondly, women are strongly pressured to marry and maintain a two-parent family, which resonates strongly with feminist theories demonstrating that welfare and work have been historically linked through two, at times competing, ideological systems, i.e., the family ethic and the work ethic (Coffield, 2001; Piven 2001). In this case, family ideology effectively functions through welfare reform to tightly control women in both the neo-patriarchal family and the inter-locking role of providing a cheap, docile labor force. The clash between

the two systems of family and work ideologies has been neatly resolved in order to dictate the behavior, choices and freedom of poor women in their productive and reproductive spheres, as both worlds blend seamlessly into a completely regulated existence.

The strong emphasis on employment and not on the true welfare of the family or children, can be illustrated by an examination of the State of Ohio's priority in funding for PRC Programs in 2002. Not surprisingly, at the top of state funding for PRC programs was employment and training at \$229.9 million. In second place, work support and retention programs were funded at \$107.7 million and child welfare at \$91.9 million coming in a poor third. Next, was youth educational support services (birth to age 18) listed at \$88.6 million with emergency, contingency and disaster services at \$67.8 million. The early start program was funded at \$41.2 million and pregnancy prevention at \$11.2 million with domestic violence services at the very bottom of the funding priorities at \$6.8 million.

No longer are welfare programs dedicated to reacting to families in a crisis situation and securing the well-being of children, but welfare programs have now been cast in the role of enforcement of putting people to work in *any jobs that are available, no matter how low the wage*. Since most welfare recipients are women and children, the behavior of women, in both the public and private realms, is controlled through state regulation and economic sanctions (Abramovitz, 1988; Piven and Cloward, 1993). Welfare recipients have a mandatory number of approximately twenty hours that they must spend in one of the following activities: unsubsidized employment, subsidized private and public sector employment,

work experience program, on-the-job training (including that of child care provider) job search, job readiness, and job skills training; community service activities; and vocational education training, which cannot exceed twelve months. They must also participate in developmental/alternative programs for a total of twenty-one to thirty hours including: education activities, e. g., GED and post-secondary; parenting classes and life skills training; participation in alcohol or drug addiction program and English as a second language classes.

As mentioned in the introduction to this article Ohio, as well as most other states in America, is experiencing a budget crisis at the same time that labor market conditions are worsening throughout the U. S. While the national unemployment rate rose from its November 2001 level of 5.6 percent to 6.0 percent in November 2002, in Ohio the unemployment rate rose to 5.4 percent in November 2002, which is higher than the November 2001 level of 4.7 percent. The largest losses in jobs occurred in manufacturing with 12,800 jobs lost in 2002. These jobs were lost in primary metal industries, industrial machinery and equipment, as well as transportation equipment. The next largest group of job losses occurred in business service jobs with a loss of 8,300 jobs since last November 2001, and the number of jobs in retail trade plunged 7,400 (Ohio Department of Research, Assessment and Accountability, 2002).

Additionally, the effects of unemployment are not felt evenly throughout the state, as counties in the southern part of Ohio have particularly high unemployment rates and have historically been areas where jobs are scarce and rates of poverty are high. While the overall unemployment rate for the state of Ohio is

stated as 5.0 percent (Ohio Department of Research, Assessment and Accountability, 2002), thirty-one of Ohio's eighty-eight counties have unemployment rates between 5.7 percent and 10 percent and three counties located in southern Ohio, Morgan, Vinton, and Meigs have unemployment rates of 10 percent and above.

In such a context, where both overall labor conditions are unstable and unemployment levels are increasing, state and national reforms force welfare recipients into this low wage market providing a large numbers of workers who must accept whatever jobs they are offered. Thus, even though there are now more working families, such families still face tremendous economic difficulties, and this article will now turn to the realities that many of these individuals experience on a daily basis.

### **Impact of Ohio's Welfare Reform**

Reflecting the national trend, in Ohio the number of people receiving cash benefits is the lowest since 1968 and the number will, no doubt, drop even lower as the Ohio Department of Job and Family Services looks to slash TANF further through the preparation of new regulations that affect county job and welfare services. The government of Ohio has stated that it is reducing TANF funding because it is faced with a \$234 million deficit in TANF and related programs (Kemmer 2003).

While the state government reduces funding, according to the U. S. Census Bureau, Census 2000, the number of persons living below the poverty line in Ohio numbered 10.6 percent of the state population, a total of 1,170,698. These figures show that many of the people living in poverty are children under 18 years of age. The following breakdowns among individuals living below the poverty line were reported:

18 years and over	762,013
65 years and over	115,742
Related children under 18 years	395,540
Related children 5 to 17	268,274
Unrelated individuals 15 years and over	405,022

Additionally, Ohio's welfare caseload (TANF /AFDC families) has dropped an astounding 61.5 percent. Case numbers have dropped from 257,801 cases in January 1993 to 99,333 in September 1999 and even further to 83,434 in May of 2002. This decrease is even higher than the U. S. average caseload reduction of around 48.8% with Ohio ranking 16<sup>th</sup> among all states and the District of Columbia in welfare caseload reduction over the last six years (National Conference of State Legislatures, 2002).

Most states allow poor families the full five consecutive years allowable under the federal government provisions. Some states have even opted to continue providing benefits or vouchers using state funds for families who reach the cut-off under the new federal provisions. However, Ohio has implemented one of the harshest time limit policies in the United States with a three-year limit, and thus ended cash assistance for many families with children on October 1, 2000. According to the Children's Defense Fund (2000), 26,000 families were cut-off on this date and within these 26,000 families approximately 55,000 children lost their cash assistance.

Additionally, sanctions are strictly applied in Ohio for any breach of rules resulting in the sudden terminations of thousands of families from welfare assistance. Miscommunications between recipients and caseworkers resulted in nearly half of the sanctions/terminations. Many of these cases involved problems with

child care (a major obstacle when working for many poor women) arrangements and transportation, which led directly or indirectly to their being sanctioned. Caseworker mistakes accounted for approximately twenty percent of the terminations with many individuals unaware of the fact that they had the right to appeal. Sanctions such as these caused tremendous stress and hardship on families with children and many of these families could not pay even basic bills (such as rent, utilities, telephone) because of the sudden and complete loss of cash assistance (ODJFS and the Ohio State University Center for Human Resource Research, 2001).

Specifically, according to this same report, 26 percent of welfare leavers had difficulty finding child-care and of course, one of the primary reasons was the high cost. Approximately 43 percent of leavers got behind in their rent, 13 percent were actually evicted and 8 percent found it necessary to use a homeless shelter. Additionally, 14 percent of leavers went without electricity or heat at some time and 47 percent had their telephone disconnected. The most shocking statistic is that 51 percent of leavers reported being unable to buy food and more than half of these received food money from relatives or friends in order to survive. Furthermore, being sanctioned or terminated did not lead to employment (Ohio Empowerment Coalition, 2000).

As mentioned before, most welfare leavers in Ohio work, but many soon return to welfare. Approximately 71 percent of these welfare leavers worked at some point with 37 percent returning to welfare within the first year and only 40 percent continued working all quarters after leaving welfare. Low earnings leave many welfare leavers near poverty. Some of

PRC success stories (ODJFS - Executive Summary III, 2001) reflect the attitude of caseworkers and the situation of welfare recipients. For example, one success story involves the purchase of a used car:

"The agency's very first customer for a used car purchase two years ago has maintained two jobs for two years now. Prior to purchasing a car, this customer had been on and off public assistance. Her main obstacle was transportation. The transportation services available through a local organization were too expensive. Each time a stop was made for her to drop-off or pick-up a child from daycare, an additional fee was charged. Not only did these stops eat away her meager earnings, but they also made it difficult for her to squeeze in enough work hours so her paycheck would cover her expenses. Purchasing an inexpensive used car has proven to be cost effective for the agency and empowering for the customer."

Another success story, quotes a teen attending a pregnancy prevention program, as follows:

"The program explained everything in a way that really made me think about my actions. It makes you aware of how serious sex can be and the outcome of it. I learned that I can talk to my parents about issues like these without feeling really odd or nervous."

An additional PRC success story concerned a program called TEACH, which focuses on building caseworker and client relationships that serve as a vehicle for change:

"One of our non-custodial fathers was adamant about not paying child support because he did not have a good relationship with the mother. He refused to work (legally) because he knows that his wages would be garnished. After attending TEACH classes for a few weeks, he has changed his life. He has married his current girlfriend with whom he has several children. He has gotten a job and is paying child support under three separate cases for several children. He has told his TEACH employment retention specialist that he is grateful to TEACH for opening his eyes to the situation. He indicated that through his years of non-support he never thought of the damage he was doing to his children, only his anger with their mothers. He now recognizes the impact of his former choices and says he pays his child support proudly."

Lastly, a story about the SteppingStones, a child welfare protection and counseling program:

"A father has been with SteppingStones since June doing supervised visitation twice a week with his two children. Throughout the duration of the visits, the mother kept in contact with us about the outcome of each visit. She began to feel quite confident with the father and the positive changes he was making in his life. At the end of September, she requested that we end the supervised visits and change to supervised exchanges with the father taking the children for the weekend(s). The children were very happy, as was the father."

In three of these stories, success is framed in terms of changing behaviors based on traditional family values, e. g., maintaining the two-parent family and practicing sexual abstinence. Only in one of these quoted stories is success defined in terms of economics, i. e., the purchase of a used car, so that a single mother could squeeze in enough hours at her *two jobs that produced meager earnings*, just so she could cover her expenses. This story resonates with other information about the meager earnings of the "working poor." The Economic Policy Institute has calculated that a "living wage" would be approximately \$30,000 per year for a family of one adult and two children, which amounts to an hourly wage of about \$14. This amount is more than twice the \$5.15 to \$7.00 per hour wages, which welfare leavers are forced to accept. Sixty percent of the American workforce actually earns less than \$14 per hour, which makes it necessary for both wife and husband to work in the low-income job market to pool their resources. Many of the working poor apply for government help in the form of the earned income tax credit, food stamps, housing vouchers or in states which provide it, subsidized child care, and these services do help families make ends meet. However, in the case of single mothers

who constitute the majority of welfare leavers and recipients, there is nothing to live on except their own wages.

### Conclusion

Individuals on welfare, at both the state and national level, have been harshly criticized by Democrats and Republicans for their laziness, their persistence in the reproduction of circumstances that make escape from poverty difficult, and their variously defined pathological behavioral problems, i.e., which leads them to the worst crime of all dependency. It is argued that the welfare poor live on "handouts" from the government, rather than being self-sufficient like most others in American society. However, now that the number of people on welfare rolls has plunged, how can we view the situation of the overwhelming numbers of people who are still poor, even though they are now working at fast food shops, and retail discount stores at the lowest levels of the labor market?

It is patently clear that the United States of America is no longer a country that brims with opportunities for the poor to work their way up from rags to riches, as in the American dream. Much economic research over the past ten years has shown that upward mobility is more a myth than a reality. Most rich families and their children stay rich and most poor families and their children stay poor. It is estimated that it is about two or three times as difficult for children of poor families to rise above their economic circumstances as economists estimated in the 1970s and 1980s (Francis, 2003). It seems that the economists of this time period miscalculated due to a bit of wishful thinking and cloudy perceptions about equality and opportunity in the U. S.

Much of Ohio welfare reform focuses on behavior modification, control of women through marriage, employment in low-paid dead-end jobs, and the reform of so-called moral values.

There is no focus on an actual improvement in well being or elimination of poverty. While believing that hard work, self-sufficiency, and individual empowerment are attitudes that are positive for a person's life, there are many real, substantial problems and obstacles for people at the bottom of America's economic heap. It may be that the poor are at times too fatalistic and lack confidence in their ability to rise out of poverty; yet on the other hand, perhaps they are more accurate in their perception of the reality of life in the U. S. than the economists of the 60s and 70s. After all, poverty through life is statistically associated with higher rates of activities detrimental to individuals and to society in terms of crime, violence, underemployment, unemployment and isolation from the surrounding community (Duncan and Brooks-Gunn, 1997). A Federal Reserve Bank of Chicago economist, Bhash Mazumder, recently calculated that on average fully 60 percent of the income gap between any two people in one generation carries over into the next generation. Thus, poverty continues over several generations, as does wealth, shattering the myth of equality of chance and opportunity in America.

At the national level, while welfare reform has continued with harsh sanctions for the slightest infraction of requirements under new programs, the Bush administration has proposed \$10 billion in spending cuts in the appropriations bill for 2003. The list of spending cuts include: reduction in the job training for the unemployed, child care, education for poor and disadvantaged children, assistance for the

poor in paying winter heating bills, and repairs to public housing for the poor. It is argued that these reductions are necessary due to the proposed \$674 billion in tax cuts based on the elimination of taxes on corporate dividends. Two-thirds of the savings from these tax cuts would go to the top 5 percent of individuals in terms of income. Even more serious, Bush wants to accelerate and make permanent the 2001 tax cuts, which include the abolition of the estate tax.

In Ohio, many welfare leavers struggle to pay winter heating bills, face eviction from their homes, while local shelters experience record numbers of homeless desperately needing a place to stay. Even more horrific is the fact that hunger problems are growing while food banks and charities struggle to feed the additional hungry people (Ehrenreich, 2001). It is clear that the benefits for the wealth and privileged are being obtained on the backs of poor women and children, who have been purged from the ranks of welfare. This is further evidence of the growing hereditary aristocracy of the United States (Phillips 2002).

What can we say for the future? What can we say to the growth in inequality and privilege in our country? One way to start to bridge the gap between the poor and the rich would be to give the poor a better education. This would provide a structural basis for true competition for the fewer and fewer good jobs between the children of the rich and the children of the poor. The second issue, which must be confronted as previously mentioned, is the overall ownership of wealth through intergenerational transfers and the apparent blindness of society to the consolidation of family assets and enormous fortunes. The effects of income transfers among the wealthy could be

ameliorated through a more progressive tax system using such policy instruments as higher estate and capital gains taxes. In fact, estate and inheritance taxes are the only way that we currently take wealth away from the wealthy (Keister, 2000). Without an adjustment in the tax system to address these transfers of family assets, any hopes to address the fundamental causes of poverty in the future will be doomed.

As this article has demonstrated, though the effects of welfare reform are continuing, it is apparent that the United States does not actually have a system of welfare that is worthy of the name (MacLeod, 1995). By any international standards, the United States lags behind every industrialized country in the world in its provisions and aid to poverty stricken women and children, who can barely make ends meet while living in the shadow of unimagined wealth and affluence. The questions still exist in Ohio and throughout America; how much inequality are we going to allow as a society and what kind of a society do we want for our future and for the future of our children.

## NOTES

1. In the current political and ideological arena, "pathological state" of the family frequently refers to single mothers, who head a household, and instead of being dependent on the "male-breadwinner's just wage," they are dependent on the state. Thus, the argument has been advanced that the state takes the place of the male breadwinner's economic role, which emasculates men and removes them from their traditional position as head of the patriarchal family in which the wife is dependent on a husband's economic provisions.
2. In Ohio, House Bill 408 enacting welfare reform

was passed by the House on June 5, 1997 and in the Senate on June 26<sup>th</sup> of 1997. Democrats and Republicans widely supported the passage of the bill. Subsequently, then Governor Voinovich signed HB 408 into Ohio law on July 2, 1997.

3. A quick survey of these five centers, all located in the Columbus area, notes the following locations: East Opportunity Center on Mount Vernon Ave., Northwest Opportunity Center on Agler Rd., North Opportunity Center on East Fifth Ave., South Opportunity Center on South High St., and West Opportunity Center located on North Wilson Rd. All of these centers are, in fact, now located in low-income and inner city neighborhoods. Each center has standardized hours of operation from 7:00 a.m. to 6:00 p.m. on Monday, Wednesday, Friday and 7:00 a.m. to 7:00 p.m. on Tuesdays and Thursdays and on Saturdays from 8:00 a.m. to 4:00 p.m. by appointment only. The services offered through each center are similar, but each site has some variations in services, which are listed at each respective location.

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