

WELFARE REFORM
AFTERNOON
~~**MORNING**~~ **REPORT**
(Sorry, so late)

Tuesday, June 14, 1994

INFORMATION WANTED

For this report to be as helpful as possible, we need to know your meetings, to get reports, and to get copies of any clippings you see on welfare. Please forward all information to Toby Graff at 401-9258; fax 205-9688.

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Part II. Press Clips

Part III

*President's Speech in
Kansas City*

June 1994

Welfare Reform Schedule

SUNDAY 12

US Conf. of Mayors in OR - DES, Ellwood

MONDAY 13

Council on Social Work Education - Ellwood
House Ed.& Labor Cmte. Staff- Bane, Ellwood, Reed
Sen. Dem. Press Secretaries - Skolfield
Rep. Martinez - Bane, Ellwood, Reed
Govs.&Mayors of Territories-Shelbourne,Sosa,Ivery

TUESDAY 14

Press - Secretary Shalala, Bane, Ellwood, Reed

Introduction of Welfare Reform Plan - Kansas City
APWA Press Briefing
Today Show - Ellwood
Good Morning America (tent.) - Reed
Nightline (focus on welform)

WEDNESDAY 15

Sen. Finance Cmte. Bipart. Staff - Bane, Ellwood

NGA,Govs'DC Reps,NCSL,APWA-Bane,Mason,
Monahan,Way
Senate Labor Cmte. Bipartisan Staff-Bane, Ellwood
JOBS video-conf (sponsored by NAB)-DES, Rosewater
Cong. Black Caucus - DES,Bane, Ellwood,Reed,Lavelle

THURSDAY 16

Sen. Packwood - Bane, Ellwood, Reed
Sen. Bradley (tent.) - Bane, Ellwood, Reed
Local Orgs.(NLC, Mayors, NACo)-Monahan,Primus,Way

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June						
S	M	T	W	T	F	S
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Note: Additional Briefings TBD

6/14/1994

Clinton Welfare Plan, Requiring Work After Two Years, to Be Unveiled Today

By RON SUSKIND

6/14

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — President Clinton's welfare reform plan, to be released today, is a methodical, 10-year program to alter decades of dependency.

The plan, which has been hampered by budget constraints, will be followed by legislation in the next few weeks. It centers on a two-year limit on benefits without work. After that, recipients will have to take public-sector or subsidized private-sector jobs in exchange for low wages.

Such a work program, however, has no clear end, undercutting the president's pledge to "end welfare as we know it." After vigorous debate inside the administration in the past few weeks, Mr. Clinton decided not to put a specific time limit on

those in the work program, allowing for some recipients to stay on indefinitely, and giving wide latitude for states to be either harsh or lenient toward those who don't leave the dole. The administration estimates that 400,000 people will have hit the two-year limit — and be poised for a work program — by the year 2000, but privately administration officials say that figure could be much higher.

"The public has been clamoring to substitute work for welfare, and this is a big step in that direction," says Judith Gueron, president of Manpower Demonstration Research Corp., a leading researcher on public-assistance programs. "The problem is that welfare is cheaper

than work, and a shortage of funds has been a constraint for the administration's program."

F The plan also phases in gradually, including only those born after 1972, or about half of total welfare population by 2000. Of them, about one-quarter would receive temporary deferments from the job requirement. The administration stresses that even those with such exemptions, which are to be granted for disabled parents and those with disabled children or a first child under one year old, would have to fill out forms to indicate what they'd need to begin working. Caseworkers could then help to provide special services to enable such recipients to work.

Beyond that, the reform package is a pastiche of programs, some tried, some new, that discourage teen pregnancy, provide child care and require hospitals to determine paternity at birth.

Many such features, however, are funded at less than the level the administration originally hoped for, especially child care, which was once intended to go to scores of working poor families and will now be almost exclusively for those specifically in the welfare reform program.

In all, the reform package will cost \$9.3 billion over five years, about half the cost of a more ambitious program presented to Mr. Clinton early this year.

Indeed, the months of floated, and quickly killed, financing options and hoped-for programs shaved down to fit budgets has opened the president's plan to some vigorous criticism.

"It's just tinkering with welfare, it doesn't do anything to honor his campaign pronouncements," said Republican Gov. Tommy Thompson of Wisconsin, which has a small pilot program that cuts off nearly all benefits after two years. "There's no time limit to his work program, it could just keep going. The president was confronted by liberals and he made a sharp turn to the left."

Yet the most widely supported Republican proposals in Congress, which get more money for reform by slashing benefits to immigrants, are similar to the Clinton plan, based around the core features of a two-year limit and work programs.

On the one disputed point, how many welfare recipients will ultimately be cut off and left without any public support, the debate goes to the "core of our basic philosophy" about government's obligation to children, says Ms. Gueron of Manpower Research. "Look, we have welfare because we care about children," she says, "not because we like their parents."

Welfare reform faces road blocks

By William M. Welch
USA TODAY

Paying for more jobs and services remains the flashpoint as President Clinton today unveils his long-awaited plan to overhaul welfare.

Clinton's announcement in Kansas City meets his promise to deliver a tough proposal this spring and attempts to meet his catchy 1992 pledge to "end welfare as we know it."

But his five-year \$9.3 billion plan is unlikely to get far this year in Congress, where health reform has top billing.

"Our administration has sought to strengthen families by rewarding parents who work," Clinton said Monday.

Republicans and some conservative Democrats don't think he's going far enough to require work and that his two-year time limit on benefits is riddled with loopholes.

Liberals say Clinton's bill doesn't do enough to create the jobs needed to give the poor an alternative to welfare, and oppose cutting social programs to pay for his plans.

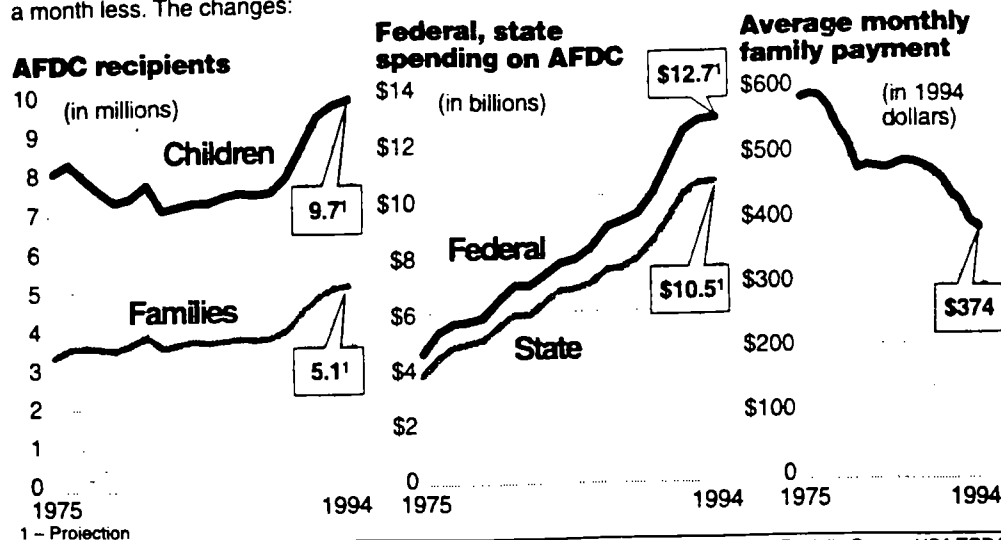
"We have to come up with real dollars that don't hurt somebody else," says Rep. Patsy Mink, D-Hawaii.

"The financing provisions are going to be extremely controversial," says Mark Greenberg of the Center for Law and Social Policy, an advocacy group for low-income families.

"It is extremely disturbing to see the federal government seeking to fund job training for some poor people by cutting homeless assistance to others, or by curtailing aid to elderly,

More welfare recipients, lower benefits

The average number of families receiving Aid to Families with Dependent Children has risen since 1975 by 51%. Total state and federal spending on the USA's primary welfare program has risen by 176%. But when adjusted for inflation, the average family receives about \$200 a month less. The changes:



Source: Office of Financial Management, Administration for Children and Families

By Julie Stacey, USA TODAY

blind and disabled legal immigrants," he says.

The administration was still nailing down its financing mechanism, but officials have made clear it will include a series of cuts in existing programs for the poor:

► Making it more difficult for legal non-citizens to receive welfare payments.

► Cutting an emergency assistance program aimed at preventing homelessness.

Clinton ran headlong into criticism of those cuts as he test-marketed his plan.

In a telephone hookup with the U.S. Conference of Mayors in Portland, Ore., Clinton heard Seattle Mayor Norman Rice, a

Democrat, complain that his proposal "cutting benefits to non-citizens and low-income Americans shifts some of those costs to state and local governments, and it hurts a vulnerable segment of our population."

Clinton responded: "I don't necessarily agree that there are better options available ... But I'm certainly willing to work with you on alternatives."

Clinton's plan also will trigger debate on other fronts.

Rep. Harold Ford, D-Tenn., chairman of the Ways and Means subcommittee that will handle the bill, has agreed to be a co-sponsor but says he can't vote for the bill without a provision for more public jobs.

Clinton's plan anticipates 400,000 public or subsidized jobs at the end of five years, just half the number created by a tougher and twice as expensive bill sponsored by House Republicans.

Ford says he wants another 300,000 jobs created immediately, reasoning that many people on welfare live in inner cities where unemployment runs 35% or higher.

"We ought to create a jobs pool on the front end," Ford says. "I've objected to their proposal without jobs on the front end. Too many adults on welfare now are job-ready."

Clinton welfare plan hit before getting out of gate

By Cheryl Wetzstein
THE WASHINGTON TIMES

6/14/94

The White House's welfare reform plan, scheduled to be unveiled today by President Clinton, strives to reorient the nation's "welfare culture" to get a paycheck rather than a welfare check.

But the plan also proposes voluminous changes in a bureaucracy already mired in regulations, and critics say it offers far too many loopholes and exemptions to be effective.

"It's not serious welfare reform," Wisconsin Gov. Tommy Thompson told The Washington Times yesterday. Under the administration's plan, "welfare never ends for anyone — unless they're caught by the government refusing a job."

The Clinton plan will create "vast, new, unfunded entitlement programs, which will raise the deficit in the future," said Heritage Foundation senior policy analyst Robert Rector. He noted at least a dozen major loopholes in the plan as detailed in a confidential 82-page outline now circulating in Washington.

Mr. Clinton is set to release his welfare reform plan today in Kansas City, Mo.

In remarks to the nation's mayors yesterday, the president said he had searched the federal budget for funding for his \$9.3 billion plan. Some of the money comes from cuts in social spending and restrictions on health and welfare benefits for noncitizen residents.

"I don't necessarily agree that there are better options available, because I've looked with a fine-tooth comb through the federal budget for them," Mr. Clinton said. "But I'm certainly willing to work with you on alternatives; if you have some alternatives, I'm willing to work with you on it."

The White House plan's core directive is to have states funnel a targeted population of adult recipients of Aid to Families With Dependent Children (AFDC) into the Job Opportunities and Basic Skills (JOBS)

"It's not serious welfare reform."

— Wisconsin Gov. Tommy Thompson

training program.

JOBS is a welfare-to-work education, training and job search program created by the 1988 Family Support Act. AFDC is the nation's main welfare program, servicing more than 13 million people, most of them single women with children.

JOBS participants can receive AFDC cash benefits for up to 24 months while they look for work, according to a new "personal responsibility agreement" they sign when they entered the AFDC system.

If a JOBS participant has not found a job by the time the 24 months is up, he will be offered a job in a newly created government program called WORK, which will resemble CETA, the Comprehensive Employment and Training Act. CETA enrolled 750,000 people in public service employment programs at its height in the 1970s.

The Clinton plan has a safety net, though: If a welfare recipient in the WORK program cannot find a paying job of more than 15 hours a week, he or she would be eligible for an "earnings supplement," equivalent to the amount of AFDC for a family.

The Clinton plan also would allow many welfare recipients to enter a pre-JOBS program, ostensibly to prepare them for entry into the JOBS program. Time in the pre-JOBS program would not be counted as part of the 24-month time limit.

Mr. Rector said the plan had so many exemptions in its work requirements that only 250,000 welfare recipients would actually have to work by 1999. The program's most expensive features, he added, go into effect after the fifth year and are both uncalculated and unfunded.

Clinton to unveil reforms for welfare, child support

Chances of passage this year seem slim

By Carl M. Cannon
Washington Bureau of The Sun

WASHINGTON — President Clinton will travel to the heartland today to unveil his long-awaited plan to fix welfare, a vast federal program that started with the best of intentions but that most Americans believe has created huge new social problems.

Mr. Clinton's pledge during his 1992 run for the presidency "to end welfare as we know it" was highly popular.

But figuring out exactly how to do it has taken some of the administration's most talented domestic policy advisers about 18 months. And the likelihood that welfare reform will pass this year seems slim.

Their \$9.3 billion solution, to be officially announced by the president today in Kansas City, Mo., includes the following:

■ A two-year time limit on cash benefits for single parents 18 and older. If those receiving welfare cannot find a job, they could enroll in either government-paid community service jobs or subsidized private-sector jobs.

Administration officials predicted that 400,000 mothers could be working under this program within six years.

■ A requirement that the youngest women on the rolls — those born after 1971 — stay in school or enroll in vocational education, job placement or child-care courses.

■ Allowing states to cap welfare benefits so that women receiving Aid for Families with Dependent Chil-

See WELFARE, 12A

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payments who additional children will no longer get an increase in monthly benefits.

■ Unleashing the federal law enforcement system on "deadbeat" dads who the White House says owe \$34 billion to their children in back child-support payments — more than the annual cost of AFDC.

Mr. Clinton will propose a national clearinghouse to track child-support cases across state lines.

He also will call for tightening the procedures for determining the paternity of children whose mothers receive AFDC.

Reforms controversial

Although nearly everyone in politics agrees that the system is broken, almost all of what Mr. Clinton will propose today — except the stepped-up effort at collecting child support — is proving controversial.

Conservatives who want to go much further — some want to end welfare altogether — spent the day saying that Mr. Clinton has shied away from true reform.

"Overall, his plan would expand entitlements, create new government welfare programs, and pour more money into a failed system that fosters a pernicious dependency," William Kristol, a prominent conservative, wrote in a memo to Republican leaders.

Republican Gov. Tommy Thompson of Wisconsin, a pioneer in devising alternatives to welfare, criticized the plan as "a total and complete capitulation to the left."

But liberal critics condemned certain provisions of the plan, too, particularly the "family cap," which many decried as heartless.

"It's coercive, it discriminates against low-income women and it punishes children," said Marcy Wilder, legal director of the National Abortion and Reproductive Rights League.

Other benefits to be cut

Other liberals complained — some to Mr. Clinton directly — about the administration's decision to finance his proposal by cutting other domestic programs, including restrictions on health and welfare benefits for legal immigrants whose relatives can afford to support them.

Seattle Mayor Norm Rice, speaking to the president via satellite from the U.S. Conference of Mayors convention in Portland, Ore., said the

administration's mechanism for welfare reform is a vulnerable segment of our population.

Mr. Clinton responded: "I do not necessarily agree that there are better options available because I looked with a fine-tooth through the federal budget for this. But I'm certainly willing to work with you on alternatives; if you have alternatives, I'm willing to work with you on it."

Financing the plan is proving to be a political problem, administration officials say, in part because the public's misconceptions about what welfare reform would

When voters tell pollsters they want it curbed, they want tax savings, not more. Such savings may come eventually, say welfare experts, but not immediately.

"It's much, much more to provide services for poor people to go to work — child care, transportation, things like that — than to just pay the grant," said Janet Goss, an official with the American Public Welfare Association.

Further complicating the president's task is that although welfare reform is a big hit with voters, Congress is still trying to digest the White House's sweeping 1,342-page health reform package and certainly will not be able to pass anything on welfare this year.

In the past, administration officials have stubbornly refused to acknowledge any conflict between the two initiatives.

In part, this was because, in Mr. Clinton's mind, welfare reform is inextricably linked with health reform.

The president insists that no matter what the government says it wants to accomplish, welfare can occur only when poor people can no longer have a disincentive to work because taking a job would rob them of the only health insurance they can now afford — Medicaid.

"I think that this bill, [coupled] with last year's increase in the earned income tax credit, plus widening health care coverage to people in low-wage jobs, will dramatically undermine the whole basis of dependency," Mr. Clinton said.

Finally, we go after what is the real source of this problem, which is the inordinate number of out-of-lock births in this country," he added. "I think all these things together give us a real chance to welfare as we know it."

Clinton's Welfare Reforms Shaped by Predecessors' Frustrated Efforts

The President's plan shares similarities with other attempts. But it differs in ways that reflect changing attitudes.

By RONALD BROWNSTEIN
TIMES POLITICAL WRITER

WASHINGTON—Richard Nixon promised "total welfare reform—the transformation of a system frozen in failure." Jimmy Carter asked Congress "to abolish our existing welfare system." Ronald Reagan called for "real and lasting emancipation" from welfare.

Now comes Bill Clinton, who will release a reform plan in Kansas City today that is intended to redeem his promise "to end welfare as we know it."

Like his predecessors, Clinton's plan begins with the assumption that the welfare system has failed both the taxpaying public and those it is intended to help. But, in both its ambitions and its modesty, Clinton's plan has been shaped by the frustrations that these earlier reform efforts left behind.

The most ambitious aspects of Clinton's plan attempt to distill into social policy a widening public consensus around both the importance of work and the urgency of reversing the growing trend toward out-of-wedlock births and single-parent families. In the plan, Clinton will require even the mothers of very young children to accept work after two years on the rolls, and launch several controversial initiatives to discourage illegitimacy—ideas almost entirely absent in the earlier reform efforts.

"The times have changed and today's debate reflects the changed times," says Richard P. Nathan, who directed Nixon's welfare reform effort. "The centrist Democrats today are further to the right than Nixon and the centrist Republicans were in the 1970s."

And yet, Clinton's plan envisions much more incremental change in the welfare system than the sweeping reforms Nixon and Carter offered. Constrained by the budget deficit and faced with public skepticism over the government's ability to manage large-scale public works programs, Clinton will cautiously phase-in his two-year time limit by imposing it only on recipients born after 1971. That will keep down the plan's cost to \$9.3 billion over five years—but will mean that only half the caseload will face the work requirement by then, a prospect that has led critics to call the plan

More Families on Welfare

The President's proposal focuses on Aid to Families With Dependent Children. The number of families receiving such assistance more than doubled from 1970 to 1990, a period when the U.S. population rose by 22%.

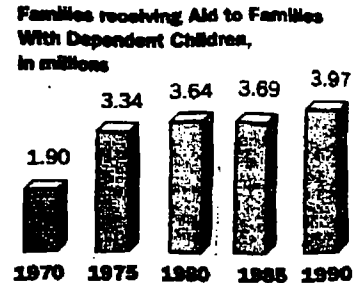
KEY ELEMENTS OF CLINTON PLAN

■ **2-YEAR LIMIT:** A 24-month lifetime limit on cash benefits for anyone over age 18.

■ **PUBLIC-SECTOR JOBS:** Subsidized private-sector jobs or community service, at minimum wage, for those who exhaust two-year cash benefits and have not found a job on their own.

■ **CHILD SUPPORT:** New penalties for those who refuse to pay, and a national child support clearinghouse to track payments and catch parents who flee across state lines to avoid paying.

Sources: Congressional "Green Book," the White House



Application window at Southland social services agency.

Los Angeles Times

"marginal tinkering."

What Clinton's plan shares most prominently with its predecessors is uncertain prospects in a Congress polarized over how to reform a system that has proved remarkably resistant to meaningful change. "What's the same is that this city has the ability to take the best reform ideas, wherever they are coming from, and ultimately turn them into mush," says Gary Bauer, Reagan's domestic policy adviser.

Both Nixon's "Family Assistance Plan" and Carter's "Program for Better Jobs and Income" fell into a valley of disdain between liberals and conservatives and failed to clear Congress—although each offered more generous aid packages than anything under consideration today. The Nixon plan offered a guaranteed minimum income to all families with children, conditioned in most cases on accepting work; Carter's would have created a vast public employment plan for welfare recipients and the jobless,

broadening eligibility to include childless couples and single adults.

Under Reagan, Congress in 1988 finally approved a major reform: the Family Support Act. But inadequate funding and delays in implementation have diluted its impact.

Clinton's call for requiring work after two years echoes the goals of these plans. In the first decades after Congress federalized the welfare program in 1935, women generally were expected to stay at home to rear their children, observes University of Wisconsin historian Linda Gordon in her forthcoming book "Pitied But Not Entitled: Single Mothers and the History of Welfare."

But as the percentage of women with children working outside the home increased, so did demands that welfare recipients work. In response to those shifting attitudes, the plans developed under Nixon, Carter and Reagan each sought the same balance: increasing the availability of child care and job training

for welfare recipients, and then requiring more of them to work. Clinton's plan shares that approach, but differs in ways that illuminate changing attitudes toward the family and government alike.

- Under Nixon's plan, mothers with children 6 years old and younger were exempt from work requirements; Carter's plan exempted women with children up to age 7. Even the Family Support Act in 1988 exempted women with children under age 3. Clinton's plan will exempt from work only women with children 1 year old or younger—and provide subsequent exemptions of only 12 weeks for children conceived while their mothers were on welfare, officials say.

- Clinton's plan also reflects the eroding confidence in government's capacity to design and administer massive new programs—as well as the increasing strain on its purse. The Carter plan would have created as many as 1.4 million public sector jobs. Clinton's calls for government to fund about 400,000 jobs for welfare recipients five years after implementation—and even many of those would be subsidized private-sector work, rather than public employment.

The increased emphasis on values—particularly deterring out-of-wedlock births—constitutes an even sharper break between Clinton's effort and its recent predecessors.

In some ways, this renewed focus on personal behavior echoes the welfare system's priorities in the first half of the century, when case workers aggressively policed the behavior of welfare recipients.

That intrusive moral inspection faded after World War II, and appeared in complete retreat even after the illegitimate birth rate started rising after 1960. The defining moment came in 1965 when Daniel Patrick Moynihan, then an assistant secretary of labor, wrote a paper warning that the black community was imperiled by a growing rate of out-of-wedlock births—then almost 1 in 4 of all births to African Americans.

Moynihan was roundly and ferociously denounced. In a typical response, civil rights leader Bayard Rustin said: "What may seem to be a disease to the white middle class may be a healthy adaptation to the Negro lower class."

Such arguments are still part of the political dialogue, but they have been largely marginalized at a time when 30% of all births, and two-thirds of black births, occur outside of marriage. With the public, there is now "a consensus that

you ought to discourage out-of-wedlock births," says political pollster Geoff Garin, who has extensively examined public attitudes toward welfare.

That consensus rests on a different foundation than the fears of "immorality" that dominated welfare policy in the first half of this century. Today, what's primarily driving the anxiety over births outside marriage are practical fears that family disintegration is contributing to crime, urban disorder and a cycle of dependency.

Yet the question of how to reverse the trend remains enormously controversial, with most Americans hesitant about any programs that "punish innocent children," as Garin says.

In his plan, Clinton will propose a nationwide campaign to discourage teen-age pregnancy—including efforts to encourage abstinence, requirements that teen-agers receiving welfare live at home or with other responsible adults and, most controversially, giving blanket approval for states to deny recipients additional benefits for children conceived while they are already on welfare.

Liberals denounce that "family cap" as punitive and ineffective and are mobilizing against it. But with illegitimacy fused in the public mind to the issue of crime, Clinton's biggest problem may be preventing the debate from careening further to the right.

Already ideas to deter illegitimacy are proliferating that are far tougher than his. Conservative social policy theorist Charles Murray has found a wide Republican audience for his proposal to cut off all welfare for women who bear children out of wedlock; a handful of other policy analysts, led by criminologists James Q. Wilson and John J. DiIulio Jr., are attracting increasing notice with calls for encouraging (or requiring) more unmarried mothers to place their children in orphanages and foster homes.

If some worry that unhappiness with the present system will produce change that is too radical, the most common fear is the opposite: that Congress will be unable to reach enough consensus to launch a significant departure. The same sort of left-right cross-fire that sank Nixon's and Carter's efforts is already pounding at Clinton's plan.

It will take all of Clinton's political skills to avoid his predecessors' frustration. "It is," says Nathan, "a very delicate balancing act to try to get a coalition to reform welfare."

Welfare: Putting People First

By JOHN H. FUND

Today, President Clinton unveils his long-awaited plan to "end welfare as we know it." But the public should remember that Washington has reinvented welfare six times. Since 1965, the U.S. has spent \$5 trillion on means-tested welfare. That's more, adjusted for inflation, than America spent on World War II. Genuine welfare reform is a Herculean task.

Public support for Mr. Clinton's plan to employ many welfare recipients in the public sector indefinitely will start out strong and then fade. It reminds me of the discredited Comprehensive Employment and Training Act program (CETA), for which I worked as a counselor in college. Its make-work jobs and the poor work habits it taught made a deep impression on me. And on others: CETA was killed in 1982. A new CETA is no answer.

Then what is? Welfare reformers in both parties underestimate the public's appetite for change. "Americans feel welfare rewards behavior that life punishes," says pollster Vince Breglio. Many also know how much welfare feeds bureaucracies and the middle class, not poor people. If we took what is spent on means-tested welfare

financial windfall and wanted to help the poor, would you even *think* about giving time or a check to the government?

Scholar Marvin Olasky has observed: "The major flaw of the modern welfare state is not that it's extravagant with money, but that it's stingy with the help that only a person can give: love, time, care, and hope." The impersonal government dole does nothing to cure the poverty of the soul that keeps so many mired in self-destructive behavior. When such problems persist they create "compassion fatigue," as people tire of programs that fail to uplift people.

In his 1992 book, "The Tragedy of American Compassion" (Regnery Gateway), Mr. Olasky tells the fascinating

story of America's early social workers. In battling poverty a century ago, they held that compassion required both warm hearts and hard heads. They believed antipoverty programs worked only when local communities were actively involved, and that such programs were truly compassionate when they stressed personal responsibility.

Most social workers back then opposed government welfare, fearing correctly that its "feed and forget" programs would crowd out and diminish private charity—the "I gave at the office" syndrome. Indeed, the proportion of philanthropic giving devoted to social welfare has declined to 10% in 1993, from 15% in 1960. More private money goes to symphonies than to homeless shelters.

Mr. Olasky documents how successful early private welfare efforts were. In a much poorer country they helped maintain poor, yet stable, communities where the vast majority of adults acted responsibly and gradually bettered themselves. Early social workers had no qualms about making moral demands of those they helped. "They saw family, work, freedom and faith as central to humans, not as life-style options," writes Mr. Olasky. "No one was allowed to eat and run."

Take the money saved from a welfare freeze and create a tax credit. Americans could take a credit for donations made to groups solely engaged in alleviating poverty.

Today, government programs give the poor money, but their value-free form makes it impossible to help the poor change. Efforts that really do work—such as Bob Cote's Step 13 job program in Denver and Sister Connie Driscoll's "tough love" shelter in Chicago—are private, promote values and accept no government money. "I'd like to see the welfare system

abandoned," says Sister Driscoll. "Cut off this easy government money. People must be pushed to decide what they want to make of their lives."

If there's a consensus that welfare undermines community values, then it's time to be bold. Sy Fliegel of the Manhattan Institute has a simple definition of insanity: You do the same thing over and over again and keep expecting different results. Let's stop the insanity.

The only sure way to do that is to permanently freeze all means-tested welfare spending now. The Heritage Foundation counts at least 79 federal welfare programs for the poor (this doesn't include Social Security or Medicare). State and local programs are additional. In fiscal 1992 welfare cost a staggering \$305 billion, more than the defense budget. The cost of these programs grows by at least 10% a year, far outstripping inflation. If that spending (or at least the \$180 billion federal component) were frozen—with no increases for inflation or population—chaos would not result. Natural job attrition would mean no bureaucrats would have to be fired. And if welfare advocates really wanted to maintain benefit levels, they could downsize the bureaucracy and just mail out checks.

What should be done with the money a freeze would save? The National Center for Policy Analysis in Dallas once suggested that since government welfare doesn't meet individual needs well, the answer is to give the government some competition. But large nonprofit groups aren't the way to do that. Since the 1970s they've gotten half their income from the government and many aren't truly independent.

Rather, we must empower individual Americans to become personally involved in deciding how the poor are helped. The attitude we must transcend was best expressed by Christopher Edley Jr., former issues director for Michael Dukakis. "I pay taxes for social workers to determine who is truly needy."

Let's take the \$30 billion saved from a welfare freeze and create a tax credit for all 100 million income-tax filers. In Year One, each American could take a credit of up to, say, \$300 for donations made to groups that are solely engaged in the alleviation of poverty and that are largely unsupported by the government.

The credit would be in addition to normal charitable deductions. Each year the

Poverty Tax Credit would grow by at least the inflation rate, and more people would pay closer attention to how their state "spend it." Projects would publicize success stories in hopes of attracting more tax credits; some people might even give more than their credit. Innovative approaches would spring up: Homeless shelters might provide on-site work or training if the could require drug and alcohol testing. Schools for troubled teenagers might teach responsibility if they could enforce standards of conduct.

In the midst of this ferment, government welfare would be under increasing political pressure to reform. It has many workers who want to improve the system but who are now powerless. If unflattering comparisons with some private efforts became known, these workers might gain the bureaucratic upper hand and force change. Some might transfer their functions to private entities—Michigan has handed over its homeless programs to the Salvation Army. What's certain is that every year government welfare would take up a smaller share of a growing economy.

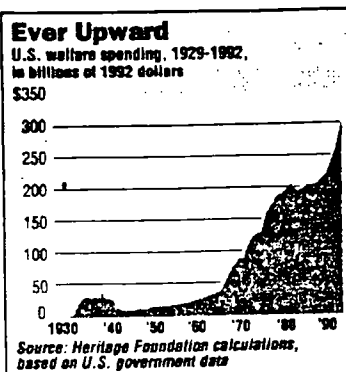
A Poverty Tax Credit could also stimulate volunteerism. Americans would be encouraged to learn more about the groups they gave money to, and many might donate time as well as silver to them. More than 80 million Americans already volunteer nearly one billion hours to charitable causes. If more of them spent actual time with the distressed, they would learn that writing a check is only the first step in meaningfully helping others.

Worth Finding Out

Do I believe private groups can take over many functions of the welfare state? The answer is maybe. It's at least worth finding out. We will spend no more than we are spending now, and we'll have more improving grounds where ideas now blocked by the bureaucracy can be tested.

Politically, a Poverty Tax Credit could have broad appeal. Rep. Rob Andrews, New Jersey Democrat, is intrigued by how it would mean "dollars would follow people, not a system." "My hope is we can see the withering away of the state, so that other institutions can do their work," says Rep. Michael Huffington, the moderate GOP nominee for U.S. Senate in California. Finally, Charles Murray, the Jeffersonian who first proposed ending welfare as a "thought experiment" a decade ago, is supportive. "The welfare state and money can't improve the underclass," he says. "We need to recreate bonds and affiliations that help us live together. Give private 'little platoons' more of a chance to cement those bonds is a start."

Mr. Fund is a Journal editorial writer.



and divided it among all poor families, it would amount to more than \$25,000 a year for every family of four.

End the System

Rather than keep rewarding a failing "Poverty Pentagon" with more money, Americans want to end the welfare system. They want to help, but in ways that work, not that wreck people.

But there are enormous political force fields protecting the welfare empire. It will fight any effort to cash out existing programs or change the social pathologies, such as illegitimacy, they encourage.

The way out is to rethink the transfer of responsibility for aiding the poor from private groups to government that began in the New Deal. Ask yourself: If you had a

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^President Travels to Heartland to Launch His Reform Proposal

^By JENNIFER DIXON

^Associated Press Writers

WASHINGTON (AP) - President Clinton challenged critics Monday to find a better way to pay for reforming the country's welfare system if they don't like his idea of using money from other programs.

Pushing to "end welfare as we know it," with time limits and work requirements, Clinton plans to outline his proposal Tuesday in a speech in Kansas City.

The president, speaking to the nation's mayors Monday, said he had searched the federal budget for money to pay for his \$9.3 billion blueprint to turn welfare into a job training and placement system for thousands of single mothers.

Much of the money for his plan comes from cuts in social spending, including a homeless prevention program, and restrictions on health and welfare benefits for legal immigrants whose relatives can afford to support them.

The financing plan came under fire from city leaders attending the U.S. Conference of Mayors meeting in Portland, Ore.

Seattle Mayor Norm Rice, speaking to the president via satellite, said cutting benefits to immigrants and low-income Americans shifts the burden of caring for them to the states and local governments and "it hurts a vulnerable segment of our population."

Clinton, in response, said: "I don't necessarily agree that there are better options available because I've looked with a fine-tooth comb through the federal budget for them. But I'm certainly willing to work with you on alternatives; if you have some alternatives, I'm willing to work with you on it."

Conservatives and liberals were lining up to attack the president's proposal, which has been in the works for more than a year and delayed several times because of the painful search for the savings to pay for it.

"Overall, his plan would expand entitlements, create new government welfare programs, and pour more money into a failed system that fosters a pernicious dependency," William Kristol, a conservative Republican strategist, said in a memo to GOP leaders.

Republican Gov. Tommy Thompson of Wisconsin said the plan is "a total and complete capitulation to the left." Thompson, who has pushed to test welfare reform in his state, said the plan expands the bureaucracy and "never gets people from welfare into jobs with any degree of certainty."

WLM

Liberals criticized the cuts in aid to immigrants, many of them elderly, and said the plan would do little to help lift families out of poverty.

"The administration is opening a door to immigrant bashing and scapegoating which threatens to overshadow the entire welfare reform debate," said Cecilia Munoz, senior immigration policy analyst at the National Council of La Raza, a civil rights advocacy organization.

"It's just not legitimate to finance an anti-poverty proposal by making a group of people in this country more vulnerable," she said.

Rep. Ron Wyden, D-Ore., said the president's decision to scale back spending on child care for the working poor is the "Achilles heel of the plan. For Americans struggling to get off welfare, if there is no child care it's a prescription for failure."

The cornerstone of the Clinton plan is a two-year time limit on cash benefits for single parents 18 and older. The proposal singles out the youngest women on the rolls - those born after 1971 - for intensive services including job training, placement and child care - to help them prepare for the work force.

Those who remain unemployed after two years of cash benefits would be assigned to a subsidized job or community service. The administration predicts that as many as 400,000 parents could be enrolled in the work program in 2000, just 6 percent of the current caseload.

Critics say the plan is phased in so gradually that it will be "well into the next century" before significant numbers of parents are required to work for their benefits, and that it writes off the generation of women born before 1971.

Aides to members of the Democratic leadership in Congress say the odds of welfare reform passing by year's end are slim, despite the issue's potent appeal with voters this election year.

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Family cap is good start

OPPOSING VIEW Failure of the welfare system demands reforms that send messages about responsibility.

By Charles A. Donovan

President Clinton has said that it's time to "end welfare as we know it." He is right, and imposing a family cap on benefits is one way to do just that.

Will it work to discourage illegitimacy by reducing its admittedly modest financial rewards for welfare mothers? That's uncertain, but if a certainty is needed before imposing a family cap, we have this one: The current system has only fostered more of the problems it was designed to solve.

To be sure, finding a strict linkage between economic status and illegitimacy is an increasingly risky business. Over the past decade, the illegitimacy rate among women with some college education more than doubled — to 11.3%.

America's illegitimacy crisis cuts across economic and ethnic lines. Something powerfully corrosive is at work in virtually all of Western culture, where the U.S. illegitimacy rate of just under 30% is second only to Sweden's. Welfare mothers are not alone in the flight from marriage.

Married or not, most welfare families

form when a teen-ager gives birth. In Mario Cuomo's New York, three terms of exploding government spending have coincided with an increase of nearly 20% in illegitimate births to teen-agers. This is supply-side illegitimacy.

It's possible no welfare mother thinks about a benefit hike when she conceives a second or third child, but over time a culture which substitutes state payments for paternal responsibility will get more of what it subsidizes.

At root, welfare reform is not about economics. It is a character issue. The failure of today's system not only warrants but demands experiments in reform.

If the family cap seems Draconian, we should remember that it does not remove government's help but merely exposes the mother to the actual up-front costs that childbearing imposes on every family. Moreover, it is far less Draconian than the Malthusian proposals now being resurrected to condition future benefits on the mother's acceptance of Norplant.

Religious groups opposed to the family cap rightly worry about the injunction to care for the poor. Now is the time for them to step forward and to furnish the sense of community and character the welfare state has shown it cannot.

Charles A. Donovan is senior policy adviser, Family Research Council, Washington, D.C.

"USA TODAY hopes to serve as a forum for better understanding and unity to help make the USA truly one nation."

—Allen H. Neuharth
Founder, Sept. 15, 1982



Peter S. Prichard
Editor

Karen Jurgensen
Editor of the
Editorial Page

Thomas Curley
President and Publisher

Today's debate: 'FAMILY CAPS'

Limiting children is no answer to welfare woes

OUR VIEW Don't buy the myth that women keep having children just to receive more welfare.

Whether you call it a "family cap" or a "child exclusion," the idea of limiting or denying benefits to welfare mothers who have additional children is just a crude attempt to limit the family size of the poor.

Still, it's a bad idea whose time has come. New Jersey already is testing such a scheme, and President Clinton's welfare plan, expected on Capitol Hill today, will allow more states to conduct similar experiments.

Those in favor of this idea argue that welfare mothers will stop having babies if states stop increasing monthly welfare payments for each new child. That cruel logic is based on the common misconception that welfare mothers produce more babies in order to collect more money.

First, welfare mothers do not have more babies than other women. In fact, the Congressional Budget Office reports that most women who receive Aid to Families with Dependent Children have fewer children than women in general.

Second, no evidence links welfare pregnancy rates to the value of public assistance. Arkansas, Mississippi, Nevada and New Mexico have the highest birth rates

among welfare mothers, even though they provide lower than average AFDC benefits. Massachusetts, New Hampshire, North Dakota and Vermont report low birth rates among their welfare mothers despite higher than average benefits.

Finally, most illegitimate births to welfare mothers are unintended — just as they are for most other unwed mothers. It's hard to see how family caps can reduce the number of births if the births aren't planned in the first place. Indeed, if caps deter childbirth, they are likely to do so only by increasing the rate of abortion.

Outrage over that possibility has produced an unusual alliance of pro-choice and anti-abortion groups who intend to fight family-cap programs in court along with civil rights organizations and religious groups.

These groups agree, as do most Americans, that the welfare system is not working, but they also agree that its problems will not be fixed by family caps.

The truth is that family caps are family punishments, and that they punish all the wrong people. Instead of deterring additional children, restricting benefits will take food from needy children and make it even tougher for the poor to survive.

The federal government and states can do much to help mothers get off and stay off welfare by providing job training, child care and affordable health care. But government efforts to limit how many children a poor mother may have don't help our needy families. They hurt them.



Hotline 6/14

===== NATIONAL BRIEFING =====

*1 WELFARE REFORM: CLINTON PLAN TO MEET GOP, LIBERAL OPPOSITION

Pres. Clinton travels today to Kansas City to announce his proposal for welfare reform, "a methodical, 10-year program to alter decades of dependency." The plan will cost \$9.3 billion over five years -- dramatically less than the \$16 billion that his task force once considered it would take to keep Clinton's promise "to end welfare as we know it." Clinton has considered raising billions of dollars with a tax on gambling casinos to get to the larger figure, but chose to fund the program solely through budget reallocation and no tax increase of any kind. His more modest proposal still calls for ending AFDC assistance to welfare beneficiaries after two years, at which time recipients must take a public sector or subsidized private sector job. But it has been narrowed so that it will only affect those welfare recipients born after 1971. There will be no time limit for those in the work program to move to a non-subsidized or non-govt. job. Welfare analyst Judith Gueron of Manpower Demonstration Research Corp.: "The public has been clamoring to substitute work for welfare, and this is a big step in that direction. The problem is that welfare is cheaper than work, and a shortage of funds has been a constraint on the administration's program" (Suskind, W.S. JOURNAL, 6/14). Clinton's plan, "in the works for more than a year, is seen as a carefully crafted compromise intended to meet his pledge to promote real reform while trying not to alienate traditional Democratic constituencies" (Spears, KNIGHT-RIDDER/PHILA. INQUIRER, 6/14).

DEM OPPOSITION FROM LEFT AND RIGHT: Clinton "may win little more than faint praise for his trouble." Liberal Dems "are already labeling the Clinton plan a 'blueprint' that will undergo major alteration by Congress. They argue that Clinton's proposed two-year limit on welfare benefits, while much softened from early versions, remains too harsh and threatens to throw women and children onto the streets." Rep. Bob Matsui (D-CA) said he will introduce his own bill that removes the time limit: "It's my hope as we move through the legislative process that we can change the debate from two-years-and-you're-out to mandatory work requirements. ... [Welfare] really is a 1995 issue, because the positions of the parties are still developing." Frosh Rep. Lynn Woolsey (D-CA), a welfare recipient 25 years ago, "strongly opposes" the 2-year limit, noting that she needed benefits for three years before she could make it (Lochhead, S.F. CHRONICLE, 6/14). More Woolsey: "There's a lot of good things in his plan, but as far as child support collection and as far as training for jobs that will actually pay enough to live on, I think we've got a ways to go" ("CBS This Morning," 6/14). "The likelihood that welfare will pass this year seems slim" (Cannon, Balto. SUN, 6/14). Rep. Harold Ford (D-TN), chair of the Ways and Means subcmte that will handle the bill, "has agreed to be a co-sponsor but says he can't vote for the bill without a provision for more public jobs" (Welch, USA TODAY, 6/14). Clinton also faces criticism from conservative Dems who say the time limit now "is

so watered down as to be meaningless" (CHRONICLE, 6/14). Other key elements of the Clinton plan: The "family cap," which would allow states to not increase AFDC payments to mothers who have additional children while on welfare; and unleashing federal law enforcement against "deadbeat dads" who officials say owe \$34 billion to their children in back child-support payments -- "more than the annual cost of AFDC" (Cannon, SUN, 6/14).

GOP REACTION: WI Gov. Tommy Thompson (R), who has instituted "a small pilot program that cuts off nearly all benefits after two years": "There's no time limit to his work program, it could just keep going. The president was confronted by liberals and he made a sharp turn to the left" (W.S. JOURNAL, 6/14). Family Research Council's Gary Bauer: "This city has the ability to take the best reform ideas and ultimately turn them into mush" (L.A. TIMES, 6/14). GOP strategist William Kristol, in a memo to GOP leaders, calls on his party to derail any welfare reform for this year: "This ... is not a real effort to pass welfare in this Congress. ... the welfare reform PR campaign now underway is the Clinton Administration at its most cynical.

... What we are witnessing is a well-honed Clinton tactic: when the polls go south, reach for welfare reform. ... [Like Lamar Alexander has written], the most meaningful welfare reform plan will involve radical decentralization, ceding most authority to the states, ending the entitlement nature of welfare, and discontinuing fruitless attempts at federal micromanagement. That level of reform will not happen this year. ... What we can do in the meantime is shape the debate and position ourselves to advance more thoroughgoing changes to the welfare system next year. We can begin this week by refusing to lend legitimacy to the president's welfare posturing and showing how he has utterly failed to fulfill his promise to end welfare as we know it" (PRF release, 6/14). Empower America's Bill Bennett: "This one's really shameless, even for this crowd. This is classic Clinton, except to the nth degree. Over-promise, under-deliver, and then try to fudge the difference. ... What we've got here is marginal tinkering which will cost more money. ... Once this is examined, we will see that this is yet one more broken promise by Bill Clinton" ("GMA," ABC, 6/14). Rep. Rick Santorum (R-PA), sponsor of the GOP plan: "The provisions that have to do with work are a positive step in the right direction. ... There are two other major issues that he really doesn't address" -- the plans' failure to "save any money" as well as its failure to address the issue of children born out of wedlock (NPR, 6/14). House GOP Conf. release: "Rather than ending welfare as we know it, Pres. Clinton has chosen to defend welfare as we know it" (6/13).

MORNING VENDERS: HHS Asst. Sec. David Ellwood, a leader of the WH welfare reform task force: "Everyone seems to agree our plan is very bold and dramatic and really does fundamentally change the system. ... Health care is a vital part of this" ("Today," NBC, 6/14). WH domestic adviser Bruce Reed, another leader of the task force: "We're going to end welfare by requiring people to go to work. That's a fundamental difference in the system. ... I think there's overwhelming bipartisan support for what we're trying to do here" ("GMA," ABC, 6/14).

Welfare Reform

Clips from

Weekly Magazines

COVER STORIES

The Vicious



TIME

Photograph for TIME by Mark Pickards --1991

Cycle



When young, single women have children, it almost guarantees they will be poor. Can welfare reform break the pattern?

By NANCY GIBBS

ONE DAY THIS PAST WINTER there came a defining moment in the fight over the true cause of America's moral breakdown. It was the day police in Chicago arrived at a small apartment, opened the door and faced 19 children living in a squalor so wretched that one child pleaded to a female officer, "Will you be my mommy? I want to go home with you."

This is how a conservative like Bill Bennett responds to a crime scene like that: "Body count!" barks the former Education Secretary. "Body count, yes, body count. Kids dying, kids abused, kids cut up, kids burned with cigarettes, kids whose brains are so poorly developed they can't function in school. This isn't child neglect, it's child endangerment." The Chicago story was a classic example of how a big-hearted, deep-pocketed government ends up subsidizing disaster. In all, the six mothers who lived in filth were collecting \$5,496 a month in welfare payments. The system will keep on paying such women as long as they keep having children, don't get married and don't get a job. Which leads to an inflammatory proposal, one that is seeding a revolution.

Women who have children they cannot support and are not fit to raise, Bennett and his disciples argue, use their children as hostages to win benefits. In response, the government should not hand out welfare and food stamps and counseling. It should cut off aid, take the children away and place them in foster care or orphanages. "It's not the state tearing the child away from the arms of a clutching mother," he says. "Nobody cares about the kid. I know the initial reaction would be to say this is the hard approach. But this is the compassionate approach if you use as an index two words: body count. We will have a lower body count with our proposal than they have with theirs."

A FAMILY TRADITION

Delores St. Onge, 37, has been on and off—mostly on—California welfare since she became pregnant at 19. She says, "It broke all my heart and all of my plans," when her 17-year-old daughter Hope became pregnant with Tarci and went on welfare too.

Fundamental reform 81%
Minor reform 16%

Encourages 10%
Discourages 84%

Take money out of the paychecks and tax refunds of fathers who refuse to make child-support payments YES 95%

Require all able-bodied people on welfare to work or learn a job or skill 92%

Spend money to provide free day care to allow poor mothers to work or take classes 90%

Replace welfare with a system of guaranteed public jobs 74%

End increases in welfare payments to women who give birth to children while on welfare 42%

Cut the amount of money given to all people on welfare 25%

Require women to find a job and get off welfare within two years and if they can't take care of their children at that time, give them to an orphanage 17%

Eliminate all welfare programs entirely 7%



Their plan, in this case, is the one that President Clinton is expected to lay out this week when he finally unveils his proposal for overhauling the welfare system. No promise in his race for the presidency proved so popular as the pledge to "end welfare as we know it." No issue in his first term has inspired such bipartisan, near universal agreement on the need to do something dramatic. And for all the attention paid in the past year to his health-care plan, no policy has such potential to reinvent whole aspects of American public and private life. Behind all the bureaucratic tinkering is a moral campaign against illegitimacy, aimed at persuading poor people to become stable, self-supporting workers before they be-

come parents. If this crusade works, its supporters promise, it could do more to fight crime, strengthen families, and rebuild the fabric of the inner cities than any other anti-poverty program on the table.

Given the failed history of welfare reform, Clinton is already proposing to do something radical. He wants to make able-bodied people work for their benefits, cutting them off after two years if they refuse. But he too has seen that putting people to work is not enough. Since teenage mothers form the hard core of the welfare population, consuming \$34 billion in benefits a year, and are the least likely to climb out of poverty, he has made teen-pregnancy prevention a pillar of his program. He has in-

vited states to cut off additional payments to women who have children while on the dole, a hotly controversial measure but the "family cap."

Clinton's ideas have great popular support, but his plan will still come under fire from all sides. A group of conservatives are taking his themes and raising the stakes even further. They don't want to reform welfare; they want to abolish it. Only drastic measures, they argue, will break the cycle of dependency that has destroyed so many families. To liberals, such a policy is cruel and racist, and it punishes children for their parents' behavior. When the Philadelphia *Inquirer* ran an editorial suggesting that women on welfare be implanted

“Everyone recognizes that dealing with births ou



with the contraceptive Norplant—a sort of chemical family cap—the newspaper was fiercely attacked, even by some of its own staffers, for advocating genocide. “Who will put the limit on the number of kids a family should have?” asks Buffy Boesen, a Denver community organizer. “In China the government does it. Is that the way we’re going—if you’re poor, you can’t have any more?”

Of all the domestic-policy battles of this Administration, none is more politically incendiary than taking money away from mothers with children. The President needs to define himself as a new kind of Democrat yet preserve the liberal base he will need to pass his health-care bill. For

Congress the challenge is to show that it is capable of reversing a disaster of its own making. Meanwhile, more than half the states, tired of waiting for Washington, have started a revolution of their own. Virtually everything in Clinton’s plan is already being tried somewhere. The basic principles of encouraging regular work and intact families are becoming so firmly established that nothing Washington does—or fails to do—will diminish the pressure for change.

What could be easier than scrapping a program that is widely derided as morally poisonous, politically stupid and a fiscal swamp? Welfare is a relatively tiny budget item, only 1% of annual government

TWO YEARS AND OUT

After the last of her five children was born with crack cocaine in his system, Vonnie Owens, 37, cleaned up and volunteered for Florida’s pilot Family Transition Program. She has two years to complete an education program, get a job—and get off welfare.

spending. But the stories of fraud and abuse are so common and the evidence of disastrous unintended consequences so compelling that a large majority—81% of those surveyed in a TIME/CNN poll—thinks it is time for “fundamental reform.” Clinton’s plan, like the three major bills already proposed in Congress, has as its core a requirement that people work for their benefits, if not in the private sector, then in a government job. The bureaucracy’s role would change from check writing to job training and placement.

BUT EVEN AS THIS CONSENSUS about putting welfare mothers to work was building, the debate was shifting again. The problem is not that too few single mothers are working, the conservatives are saying. The problem is that there are too many single mothers in the first place. To critics like Bennett, author Charles Murray, former Housing Secretary Jack Kemp and their allies in Congress, illegitimacy is the underlying cause of poverty, crime and social meltdown in the inner cities. Far better to discourage people from having children before they are ready, the conservatives argue, than to burden society with weaving the safety net of jobs, child care, Head Start, health care and a collapsing foster-care network for those who cannot cope.

It is hard to argue with the evidence they cite. Nearly a third of American children are born out of wedlock, and those children are four times as likely as the others to be poor. Unwed mothers average nearly 8 years on welfare, in contrast to 4.8 years overall. “From the President on down, there has been an amazing shift in attitude,” says Douglas Besharov, a resident scholar at the American Enterprise Institute. “Today everyone recognizes that dealing with births out of wedlock is the central issue of welfare reform, so much so that the President’s draft plan makes dealing with illegitimacy the No. 1 priority.”

There is a long-term price of illegitimacy as well, one that resonates at a time when the fear of crime, particularly the crimes committed by a generation of young, pitiless men and boys, has become a national obsession. When people ask

of wedlock is the central issue of welfare reform.”

“Arguments made around a table in Washington”

where all these 16-year-old predators are coming from, one answer is chilling: from 14-year-old mothers. More than half the juvenile offenders serving prison time were raised by only one parent. If present birthrates continue over the next 10 to 15 years, the number of young people trapped in poverty and tempted by the streets will increase dramatically. Says John DiIulio, professor of politics and public affairs at Princeton University: “You have a ticking crime bomb.”

The second point of consensus is that historically the welfare system has rewarded everything it ought to prevent and punished everything it ought to promote. “The Federal Government has created a monster,” says Ann Clark, a welfare case manager in Colorado Springs, Colorado. “I’m dealing with third-generation recipients. Welfare has become their way of life. It scares them to death to try to get off it.” The idea is not that the government get into the business of deciding who should have children; rather it is to get the government out of such decisions, by removing all the perverse rewards and punishments embedded in the system.

Across the country, welfare case workers argue that most recipients want to



A PLACE OF THEIR OWN

Tina Tuciar, 27, of Portland, Maine, was in her teens when she had her first two sons. She worked briefly as a housekeeper. But with the birth of a third son, Tuciar became too overwhelmed to work. She recently moved from a shelter to a subsidized apartment.

work. “The problem is not work ethics,” argues law professor Julie Nice of the University of Denver. “It is the lack of jobs.” But those who do manage to find work can instantly lose their health coverage, food

stamps, public housing and child care. Marriage too comes with a penalty. Mary Ann Mendez, a mother of three in Harlingen, Texas, received only Medicaid benefits when she was living with her common-law husband, who worked periodically. When he left her, however, her broken home was showered with benefits: Aid to Families with Dependent Children (AFDC), more food stamps, gas money to get to and from school, and free day care. “It doesn’t seem like they want families to stay together,” she says.

But when it comes to correcting all the other damaging incentives of the welfare system, the arguments break out. The hottest topic at the moment is the family cap. Already in New Jersey, Arkansas and Georgia, families receive no increase for children born while on the dole, and Clinton’s plan would allow other states to follow suit. Since the average increase of about \$67 is much less than the cost of raising another child, welfare mothers didn’t really have much economic incentive to have more kids. But this above all is a symbolic issue, a chance for the government to send a message about how it plans to treat parents who have children they cannot afford.

The co-chairs of Clinton’s welfare-

“We Go After the Real Source of This Problem”

Last Friday, President Clinton spoke about welfare reform with TIME correspondents Ann Blackman and James Carney:

TIME: The plan you’re about to announce cuts off cash benefits after two years but has no firm limit on the amount of time recipients can remain in subsidized jobs. Is this in fact “ending” welfare?

Clinton: I think it is. Most Americans believe that working, even if it’s in a subsidized job, is preferable to just drawing welfare and not working. I made that clear all along, that if we’re going to end welfare after a two-year period, people had to be able to work. And if there was not work in the private sector, then we’d have to create the jobs. Second, I think that this bill, plus the earned-income tax credit, plus providing health-care coverage to people in low-wage jobs, will dramatically undermine the whole basis of dependency. Finally, we go after what is the real source of this problem, which is the inordinate number of out-of-wedlock births in this country. I think all these things put together give us a real chance to end welfare as we know it.

TIME: Your plan has been scaled back considerably. Why was the added money for child care for the working poor cut back?

Clinton: It would be better if we could do more, but this will help. A lot of the folks that need the child-care support are going to get cash benefits with the earned-income tax credit.

TIME: All the proposals on the table will cost money. But doesn’t the public expect that reform will produce savings?

Clinton: I think it will produce savings. In the long run the expenditures we make will be more than repaid by people who move into the work force and stay there for a lifetime instead of coming back on welfare. And if we can change the value system of the society toward more work and responsible parenting, the savings are going to be enormous. Many of them can’t even be calculated in terms of how many more successful children you’re going to have who don’t drop out of school and don’t get in trouble.

TIME: In coming up with the money to pay for this plan, why did you decide against going after mortgage-interest deductions for the wealthiest homeowners?

Clinton: Because I did not want to have a big debate here about whether this was some back-door way to eventually have die-class people paying even more money for a welfare state. I think it would have been a bogus debate.

are far removed from the concerns of real people."

reform task force, policy adviser Bruce Reed and welfare experts Mary Jo Bane and David Ellwood, warned the President last month that child-welfare groups hated the family cap and would fight it. So would the Catholic Church and some right-to-life groups, out of a fear that it might encourage abortion. So, ironically, would certain liberal groups, on the grounds that being pro-choice includes defending a woman's right to choose to have children—even if she can't afford them without taxpayer help.

Clinton has always stressed the need to bring the welfare system in line with real-world values. Why should women on welfare be rewarded for making a decision that reduces their chances of getting off welfare? Working women do not get a raise in return for giving birth; they have to bear the responsibility and financial burdens themselves. "We're sending a clear message that we will pay for your first kid for a short time while you get ready for the work force," says Donna Shalala, Clinton's Health and Human Services Secretary, "but we will not pay for the second kid."

The record so far in New Jersey, where the cutoff started last August, suggests that the family cap may have some deterrent effect. By last November, evaluators claim,



LIVING WITH LEARNFARE

Wisconsin has adopted a *Learnfare* program that ties a family's welfare benefits to school attendance. Some people fear the strict rules will undermine families. But the program has enabled Crystal Torgler, 16, to stay in school by providing day care for her baby.

births to welfare mothers were down 16% from the same month a year earlier. But its critics still argue that in the long run it will do more harm than good. "The premise that women have children for economic

reasons is a joke," argues Betsy Smith, a sociologist at Florida International University who has extensively studied women and welfare. "It's a complicated internal process. Women have children to fulfill an emotional need: to have someone that loves them unconditionally, or simply to have the experience of raising a child."

But far more effective than limiting the number of children born to welfare parents, experts agree, is discouraging girls from becoming parents in the first place—hence the heavy emphasis on preventing teen pregnancy. Clinton's plan would provide \$400 million over five years, with most of the money earmarked for schools and school

districts in poor neighborhoods to start teen-education programs that combine sex education with encouragement of abstinence. Teens who do have children must stay in school to be eligible for benefits; high school graduates must be in job-training programs.

Like so many aspects of the illegitimacy debate, pregnancy prevention puts the conservative critics in a bind. Besides not wanting to be seen as pushing abortion, these reformers tend to oppose extensive sex education or making contraception more easily available to young people, on

TIME: Do you plan to go after this provision in a second term?
Clinton: The answer is no.

TIME: The Talent-Faircloth bill cuts off welfare entirely to younger mothers and calls for establishing orphanages. Why not try something like this?



The President speaking to middle-school students in Baltimore

Clinton: I don't think that taking children away from parents against their will, if they want to try to be good parents, is the way to go. We've got enough families breaking up as it is.

TIME: You've left it to the states to decide whether to impose a "family cap," limiting benefits for mothers who have more children while on welfare. Critics say it will deprive mothers of the money to buy basic necessities.

Clinton: We've got some states that are trying it now, and we'll have evidence as it comes in. That's why I think the states ought to be free to try. We ought to let this thing be debated by people who are closest to the problem. I was in an alternative school in Atlanta, and I asked the kids if they thought teen pregnancy would drop if there were limitations on reimbursement after one or two kids, and 80% of them did.

TIME: Most people don't expect that there will be action on this until next year. If not, won't there be a loss of momentum?

Clinton: I don't think so, because the American people are too interested in it. Whether the bill itself passes this year or early next year is not of monumental significance. I think that the chances of ultimate passage are enhanced by the fact that Republicans did offer their own plan. There are lots of similarities. Ultimately, I don't care who gets the credit for it. I want the result.

“The current system has already pulled the family apart. Nothing could be more harmful.”

the ground that this fosters sexual activity. So the focus tends to be on abstinence campaigns, which are spreading through school districts across the country, and on increasing the deterrents and penalties for girls who get pregnant before marriage.

In some cases, the most powerful impetus for change may come from the welfare mothers themselves, who know too well the price of parenthood. Delores St. Onge, 37, a welfare mother in Riverside, California, looks at her daughter and sees how much they are alike—and it breaks her heart. Delores got pregnant at 19, left school and has been on welfare most of the years since. Her daughter Hope dropped out when she got pregnant, intentionally, at 17. “She saw other girls with babies,” Delores sighs, “and thought they were cute.” She and Hope share a house and their welfare checks, but Delores is relentless about breaking the cycle. “I don’t say, ‘If you finish school . . .’ It’s always, ‘You will finish school, and then you will go to college.’” Delores is a supporter of the family cap. “If you get pregnant and have another child, it’s like you’re getting paid to have kids,” she says.

Elke Baca, 28, a former welfare mother in Denver who now works as a telephone installer, doubts the cap would make much difference. “They’re not having babies for the money in the first place,” she says. She has more faith in the work requirements: “Give them a limit, then cut them off. That’s what I’d do. That ought to be enough motivation.”

Though young mothers are the ones who cash the welfare checks, the reformers are targeting men as well in an attempt to break the pattern of irresponsible behavior on both sides. Clinton proposes that each welfare mother be required to give the name and location of her child’s father before she can collect welfare. Men who fail to make payments will have their driver’s licenses revoked. Massachusetts has made willful non-payment a felony punishable by as much as a five-year term in prison. Maine’s new welfare law, which threatens to take away the professional and driver’s licenses of parents who fall behind on child-support payments, is persuading deadbeat dads to fork over roughly \$1 million a month.

Penalties, however, are never enough. Social critics point to the need to change

the patterns and assumptions that guide the behavior of young people growing up in desperate neighborhoods. Elijah Anderson, a sociology professor at the University of Pennsylvania, argues that young black males have such trouble finding family-sustaining jobs—the traditional mark of adulthood—that they end up building their self-esteem through games that emphasize sexual prowess. Their babies become evidence of their manhood. “I ask why they don’t marry the girl,” Anderson says, “and they say, ‘Because I can’t play house.’ That

for me, you wouldn’t be getting this check.”

Such patterns can provide ammunition for reformers at the extreme end of the debate who argue for abolishing the welfare system altogether. “How does a poor mother survive without government support?” asks author Charles Murray. “The same way she has since time immemorial. If she wants to keep a child, she must enlist support from her parents, boyfriend, siblings, neighbors, church or philanthropies. She must get support from somewhere, anywhere, other than the government.” In Murray’s view, state-run orphanages become the caregivers of last resort.

But that proposal may be hard to stomach, even for “family values” conservatives, who traditionally want to the government as far as possible from the business of raising children. “One thing we know about poor families is that parents love their children,” says Judith Gueron, president of the Manpower Demonstration Research Corporation, a welfare and poverty think tank. “Why should we be confident that an institutional arrangement is going to provide any benefit to these children?”



GETTING THE LEAD OUT

In Ohio, 1,800 welfare recipients have opted off the rolls by signing up with Cleveland Works. Financed by public and private sources, the program trains workers for tasks like lead-paint removal, then places them in jobs with benefits.

means they don’t have a job that allows them to support a family.”

The welfare system often creates strange distortions in social relationships that soon become traditions of their own. It is not uncommon, says Anderson, for a young man to persuade a young woman living at home with her parents to have a baby so she can get on welfare. “She lives home with Mom and Dad, and the \$158 she gets every two weeks amounts to an allowance,” Anderson says. “And she gives a lot of it to the boy.” The welfare check binds a boy and girl together, just as a baby can. “There’s no ring involved, but the boy comes to expect his share of the check. Sometimes he’ll demand his share from the girl and fight about it, saying, ‘If it weren’t

Conservative activists are unmoved by images of Dickensian poorhouses, the breakdown in families and the case-loads drowning the foster-care system. “Nothing could be worse than the current system,” argues Robert Rector, a senior policy analyst with the Heritage Foundation. “The current system has pulled the family apart. The system having a child out of wedlock as a favored life-style that’s deliberately subsidized by the government. Nothing could be more harmful than that.” True enough, but Clinton’s point man Reed disagrees with the orphanage solution. “It’s the goofy social engineering that these conservatives have made fun of for their lives,” he says. “The whole point of welfare reform ought to be to reinforce families and a sense of parental responsibility—not to take people’s children away.”

The debate leaves open the question of how to pay for whatever reform is enacted, a problem that has dogged both Clinton and the reform sponsors in Congress. The cheapest possible welfare program is on

that just hands out checks—like the system now in place. Anything that adds job training or child care or orphanages involves new bureaucracies and new costs. "The real question is how you overcome the belief that welfare reform should save money," admits a senior White House official.

"We're entering a counterintuitive era when closing bases costs money, the GATT trade agreement costs money, and reforming welfare costs money. And the public is already kind of sticker-shocked."

CLINTON'S DELAY IN INTRODUCING his bill, and his retreat from his radical rhetoric, presented moderate Democrats and Republicans with the chance to define the issue for themselves. Of the competing bills in Congress, two are almost identical to Clinton's in philosophy, differing only in financing and thus the pace at which people would be pushed into the work force. The Mainstream Forum Plan, proposed by moderate House Democrats led by Dave McCurdy of Oklahoma, would put a three-year limit on how long a welfare recipient can stay in a publicly funded job. A C.O.P. bill submitted last November, which is sponsored by 160 out of 176 Republicans in the House, would speed up the work requirement so that half of all welfare recipients would have to be holding jobs within five years of the bill's passage.

Both plans actually cost more than Clinton's scaled-down version: \$12 billion over five years, vs. \$9.3 billion. Yet House Republicans promise a saving of \$31 billion over the same five years. Where will all the extra money come from? From a proposal, in the words of the sponsors, to "simply end welfare to most noncitizens." To fund either approach, the sponsors propose cutting off millions of legal immigrants from school breakfast and lunch programs, foster care, emergency food and shelter and child care, as well as AFDC. Though Clinton's plan also includes cuts in programs for noncitizens, they are far more modest. "It's a matter of priorities," says McCurdy. "We believe American citizens are the priority."

The most extreme proposal, with very little chance of passage, is the Talent-Faircloth bill, introduced by Representative James Talent and Senator Lauch Faircloth. Their plan would deny benefits to unwed mothers under 21, without promis-

DREAMS OF COSMETOLOGY

While raising her six children, Charmaine Wright, 26, of Mexico, Missouri, has been training as a cosmetologist. She even has a job lined up. But without enough money to pay a babysitter and no way to travel to her job, she's still scraping by on welfare.



STEVE LINN FOR TIME

ing them a job or any other means of support. The savings would go to the states for setting up orphanages and group homes. To those who have called these requirements harsh, Talent replies: "What the existing system does is tell young people they can raise a child without waiting until they're old enough to handle the responsibility. It's a cruel lie to people."

THE PRESIDENT MUST KNOW how useful—or how dangerous—welfare reform can be politically. All during his campaign, when his pollsters monitored the responses to commercials promising a drastic revolution, the response was off the charts. One White House aide and campaign veteran estimates that 40% of Clinton's paid advertising mentioned ending welfare. It formed the basis for Clinton's claim to be a New Democrat. Middle-class voters, argues Al From of the centrist Democratic Leadership Council, "just never expected to hear a Democrat say, 'You can stay on welfare for two years, but then you have to get a job.'"

There is another motivation: the cost of continued delay. Some activists are warning of the risks of social explosion if something is not done to break the desperate cycles of life in America's poorest precincts. "The conditions are desolate now," Housing Secretary Henry Cisneros warned Clinton, after Cisneros visited housing projects in Chicago. "With meager public resources coming in, what people would do in desperation, I don't know. But what I do know is that some intellectual arguments made around a conference table in Washington are far removed from the concerns of real people."

For years it was easy to argue that welfare needed reform in order to save money. But the current crusade proves that the most powerful motives lie elsewhere. Tightfisted Republicans are prepared to spend more; large majorities of voters are willing to spend more, so long as the money is going to support the values and programs that strengthen families and community life. As enraging as the stories of fraud and waste may be, what has saddened most people is the evidence that a program designed with the best of intentions—to help those most in need—could end up doing them so much harm. Spending more money, on the right things, becomes a way of making amends.

—Reported by Ann Blackman and James Carney/Washington, Richard N. Ostling/New York and Richard Woodbury/Colorado Springs

Want a Baby? First Get a Life

By RICHARD LACRO

BY THE AGE OF 12, KATHERINE MIMS WAS WHAT YOU MIGHT CALL A WELFARE mother in training. That was in 1965, when home was a two-bedroom Harlem apartment that she shared with her mother, four brothers, one cousin and a pregnant aunt who was 14. All of them were supported by welfare checks, a background that might have put Mims in line for early pregnancy, an education cut off in the ninth grade or so and a long stretch on public support. Instead, she is married today and looking forward to starting a family—after she finishes her degree program at Manhattan's Hunter College. Even she sounds surprised by it all. "I didn't think I'd make it out of high school."

And what might it take to accomplish such a small miracle? This much: private tutoring to help her finish school, weekly lessons in sports like swimming and tennis, career counseling, a summer job—and a guaranteed college education. All of that became available to Mims the year she turned 19 and heard about the Family Life and Sex Education Program of the Children's Aid Society, a social-service agency in New York City that aims to help inner-city teenage boys and girls to get a life before they go about conceiving one. The goal is to reduce teenage pregnancy in a sneaky way, not so much by preaching against sex as by bringing enough structure and accomplishment to the lives of the kids involved that they keep themselves in line. As the ultimate incentive, every graduate is promised admission to Hunter, with full tuition. "We knew we needed a carrot-and-stick approach—and Hunter

was the carrot," says Donna Shalala, Bill Clinton's Secretary of Health and Human Services, who initiated the program in 1985 when she was the school's president.

Program Director Michael Carrera claims that of the 250 teen graduates there have been only eight out-of-wedlock pregnancies among the girls. Only two of the boys are known to have fathered children. Forty-one percent of those who finish the program go on to college. "The most potent contraceptive you can provide is to help them believe that they are valuable," he says. "Young people who feel that

"We give guidance and support and love," says director Carrera, with program graduate Harvin

way are rarely irresponsible sexually." Because it works with small numbers of kids who are at least sufficiently motivated to sign up, it's not possible to tell if the same program would be as successful with a full cross section of inner-city kids, or whether its potentially costly combination of close supervision and college-tuition guarantees could be duplicated on a wider scale. Even so, 10 cities around the U.S. have developed programs modeled after Carrera's.

Though the program includes classes in sex education and family planning, the focus is on gaining skills that lead to a life of stability and regular employment. "In some sessions they would ask, 'How much do you plan on making?' Then they showed you how much it would cost to raise a kid," says Donell Harvin, who completed one of 10 New York programs that have sprung up in emulation of Carrera's. "They were never really pushy about sex." Experts in teen sexuality say that's one of the most effective ways to discourage early pregnancies. "Most middle-class youths take a strong interest in their future and know what a pregnancy can do to derail it," says Elijah Anderson, a sociology professor at the University of Pennsylvania who has studied sexual norms among the urban poor. "In contrast, many inner-city youths see no future to derail." That leaves open the question of what Americans are willing to pay to put them on the right track.

—Reported by Ann Blackman/New York



The end of welfare—sort of

The inside tale of Clinton's plan and why radical reform is elusive

Sometimes, the grandest campaign pledges have the humblest origins. Bill Clinton's memorable promise to "end welfare as we know it" was cobbled together late in 1991 by a 31-year-old aide named Bruce Reed, who was stuck in his Washington, D.C., office one Saturday night. Reed had to draft an upcoming speech for Clinton, and pollster Stanley Greenberg and media consultant Frank Greer wanted "concrete calls" in it to draw press coverage. Polls showed that voters disliked welfare, and Reed thought limiting benefits might be a good idea. Early Sunday morning, a colleague helpfully supplied him with a paper by Harvard Prof. David Ellwood: a plan to limit cash relief to 18 to 36 months. "We'll more or less split the difference," Reed figured. He typed: "In my administration, we are going to put an end to welfare as we have come to know it. . . . We'll give [those on welfare] all the help they need and we'll keep them on public assistance for up to two years but after that, people who are able to work, they'll have to go to work."

That vow was later shortened in campaign ads to a pledge "to end welfare as we know it" — one of the most radical social policy proposals a president has embraced since the New Deal. Now, after more than 200 meetings with interest groups, uncounted consultations with elected officials and a year of work by a 32-member interagency task force, Clinton plans to unveil his welfare plan and make good on his epic pledge.

The story of how his administration put together its historic plan is a morality play of sorts about how Washington works — and doesn't work. It shows the often byzantine personal and institutional rivalries of the capital, where one figure in particular, Sen. Daniel Patrick Moynihan, played a large role. Yet the story of the plan's evolution is larger than any individual or agenda. It also illustrates a frustrating paradox: How can it be that the great mass of voters consistently hungers for welfare reform, that virtually every president for the past 30 years has promised to overhaul the system, and yet no administration has ever succeeded in cleaning up the mess?

The answer, in part, is that most of the obstacles to reform lie inside the Washington beltway. A U.S. News poll last year found that 9 in 10 Americans support Clinton's two-years-and-out proposal. Yet in Washington, an unlikely coterie of

liberals and conservatives has persistently blocked far-reaching reform. This time, they again helped shrink Clinton's radical scheme and may ultimately stifle it in Congress.

No one has been hurt more by the stalemate than public-aid recipients themselves, who month in and month out confront endless paperwork hassles but receive little help in becoming independent. The recent recession only compounded the mess. Since 1989, the number of Americans on relief has mushroomed; at present, a record 14.3 million individuals are on Aid to Families with Dependent Children and 1 in 7 children is on the dole. As dismaying as the numbers are, the symbolism is also troublesome. In toto, more whites and Hispanics than blacks are on AFDC, but most voters, says sociologist Nathan Glazer, associate welfare with the broken families

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and crime of the black inner-city poor. "It is this image," Glazer argues, that "drives the politics of welfare."

The mess and the president. If any president was in a position to crack the welfare gridlock, it was Bill Clinton. Coming from a man endorsed by liberal Democrats, his two-years-and-out plan had a Nixon-goes-to-China appeal. Moreover, Clinton knew more about the welfare system than any president in generations. A lifelong policy devotee, he even kept abreast of technical reports on education and job-training programs for welfare recipients. He handed out so many copies of one paper by Ellwood that gubernatorial aide Carol Rasco took to carrying the study everywhere.

Unlike most candidates, Clinton laid out his reform plans in some detail. He promised to provide recipients with health

DELICATE BALANCE ■ Clinton's challenge is to meet voters' demands to get tough on welfare mothers without hurting their children, who make up two thirds of AFDC recipients.

coverage, child care, education and training during their first two years if they needed it, after which they would be required to work in community service or the private sector. Campaign officials calculated that an impressive 1.5 million AFDC recipients would eventually be required to work. That posed formidable problems, since training unskilled mothers, providing child care and monitoring work sites are far more complex and costly than just sending out relief checks. Clinton also had to

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pull off the perilous juggling act that had frustrated his predecessors: cutting dependency by getting tough with welfare mothers, while not hurting their children—two thirds of all AFDC recipients. Even Ellwood was nervous about Clinton's campaign plan. "For me," he wrote shortly before joining the administration, "the greatest fear is that desperately needy people will be cut off welfare and hurt."

The senator. The fledgling administration started disastrously with the man who mattered most in Congress—Moynihan. Barely a week after Clinton took office, an anonymous official was quoted saying that "we'll roll right over" Moynihan. But before the year had passed, Clinton and his aides were kowtowing to Moynihan, not the other way round. As White House Counselor David Gergen says admiringly: "Moynihan is now the de facto chief of social policy."

He achieved that status partly through his position as chairman of the Senate Finance Committee, in which he oversaw not only the welfare overhaul but administration initiatives on health care, tax reform and trade. But none mattered to him like welfare reform, for its rocky history was his own. In 1969, as an adviser to Richard Nixon, Moynihan had championed the Family Assistance Plan. Afterward, he wrote an opus accusing myopic liberals of helping kill the plan in Congress. Finally, Moynihan got Congress to approve his Family Support Act of 1988, which raised child-support awards and put more emphasis on training and educating chronic welfare recipients.

For all his expertise, Moynihan sometimes was maddeningly obtuse and could be the ultimate contrarian, brilliantly defining problems but offering few solutions. Clinton did not help his cause with Moynihan by picking health care, not welfare, as his legislative colossus and by removing funds for welfare reform from the '94 budget—a decision Moynihan forcefully protested at a private meeting. Just how Clinton could ever pay for welfare reform was a mystery, given the deficit, his expensive domestic agenda and the fact that he was unlikely to propose a second tax raise. To aggravate matters, Clinton then appointed to key positions several individuals whom Moynihan considered closet leftists with no intention of "ending welfare as we know it."

His chief suspects were Secretary of Health and Human Services Donna Shalala and Assistant Secretary Mary Jo Bane. Shalala, like her friend Hillary Rodham Clinton, had chaired the Children's Defense Fund, which opposed Moynihan's welfare bill in 1988. Bane, a Harvard professor who had co-authored several oft-cited research reports with Ellwood, had run the social services department in Moynihan's home state of New York—where the senator believed she had lamely implemented the work provisions of his 1988 bill. At her long-delayed confirmation hearing, Moynihan taunted Bane when she failed to give the precise illegitimacy rate nationwide, for New York State and New York City. "If you do not know that, you do not know what your job is," he declared. "Do not insult the intelligence of this committee," Moynihan warned. "Part of that pattern is saying . . . we're going to end welfare as we know it." Moynihan instructed Bane to "take a message" back to the White House. If Clinton was not going to send up legislation soon, he should stop talking about ending welfare. "It is beginning," he said, "to be an embarrassment."

The best and the brightest. In early June, the president appointed Bane and Ellwood of HHS and Bruce Reed, now a



White House staffer, to head the administration's interagency working group. Beyond their intellectual firepower, each brought a special talent to the endeavor. Bane was sensitive to administrative issues and believed many reforms that sounded nice in Washington failed to alter the enervating culture of field offices. Reed, described by one congressional aide as having a "Buddha-like" reserve, was the centrist Democrat who knew Clinton's views and regularly reminded fellow officials that "we have to meet the public's perception of the president's pledge." Ellwood had grown up in a family steeped in social activism and had a gift for the succinct quote; he coined Clinton's catch phrases about "making work pay" and rewarding those who "play by the rules."

The co-chairs, joined by White House aide Kathi Way, asked Clinton for preliminary guidance on several aspects of his plan in a memo they sent shortly before the first cabinet-level briefing on June 18. Clinton, however, never answered most of their questions; the meeting evolved, as one official present said, into a "kind of Rorschach test where you tried to figure out what the president would say." When Ellwood, 39, started talking about alternatives, Clinton scribbled to an aide: "I had no idea Ellwood was so young."

One of the few bits of guidance Clinton did provide was to be "bold": "If you get everything else right, but get the values wrong, we'll fail." Participants soaked up that early optimism.



At a meeting not long after the briefing, a congressional aide suggested to the cochairs that the administration might do better to start with a 10-state demonstration project, a proposal Ellwood himself had recommended in December. "That's not bold enough," Ellwood responded. "Ellwood," says the aide, "used the word 'bold' 25 times in the meeting — before I gave up counting." The cochairs also downplayed the warnings of former Carter aides at a dinner weeks later to proceed incrementally. "Key Clinton people said, 'You don't understand — I'll give you four reasons why the environment for reform is better today,'" recalls ex-Carterite Bob Greenstein.

The chorus speaks. Soon after their appointment, the cochairs pledged themselves to an "open and collaborative" process. The working group began the Washington protocol of setting up subtask forces, holding field hearings, meeting with AFDC recipients in focus groups and consulting the professional welfare establishment. They quickly found the advocates were horrified by time-limited welfare. One notable exception was AFDC recipients; welfare mothers often spoke in favor of time limits, saying they wanted to preclude the possibility of spending their lives on public assistance.

The doubts of the advocates grew when the *New York Times* reported that the working group had agreed in late November to make reform "deficit neutral." Under the recent "pay as you go" budget law, any increase in entitlement spending had to be

A DEADENING CULTURE ■ No one has been more victimized by the political stalemate over welfare than recipients, who confront endless paperwork hassles in welfare offices but receive little help in becoming independent.

paid for with an entitlement cut or tax increase. That meant the administration would have to fund its welfare plan largely by slashing other programs for low-income Americans, even as the biggest chunks of HHS's budget (Social Security, Medicare and Medicaid) were politically untouchable or reserved for health care reform. A donnybrook was in the offing.

The rebellion began at a December 9 meeting in Ellwood's office with two lobbyists from the powerful American Federation of State, County and Municipal Employees. AFSCME's chief concern was that tens of thousands of members would lose their government jobs because of competition from Clinton's potentially massive community work program for AFDC recipients. Union representative Chuck Loveless believed some officials were trying to set up AFSCME as the "bogeyman." AFSCME could support tinging more money into the underfunded 1988 welfare law perhaps a series of well-designed demonstration projects, but it was better to put off reform to 1995 with antiwelfare sentiment on the Hill so strong. "You've got 9 million people out of work," Loveless fumed, "and you're going to create 1.5 million jobs for welfare recipients?"

Ellwood responded almost like a psychologist at a group therapy session: "What I'm hearing is a lot of anger here." Reed jumped in to say the administration didn't "want this to be another NAFTA [the 1993 trade fight that pitted liberals against each other]. We think most Democrats will support it." Even so, Ellwood stressed, mere demonstration projects wouldn't do. "At the end of this," he said, "we can't have a headline that says 'President Fudges on Two-Year Limit.'"

The following week, the cochairs got quashed by the liberal members of the key House subcommittee handling welfare legislation. The liberal views of Chairman Harold Ford of Tennessee and his members were almost the opposite of Senator Moynihan's. Ford wanted to reform AFDC by creating guaranteed jobs with fringe benefits that paid at least \$18,000 a year. He opposed requiring recipients to slot in poorly paid "workfare" slots and told Ellwood that the best solution to the welfare problem was "to just dust off the old CETA [massive public works] program."

Other liberals at the session argued that the administration couldn't finance welfare reform and should put the bill off for a year while they concentrated on health care. "It's stupid for the president to keep talking about ending welfare after two years, because it's not going to happen," said Washington Rep. J. McDermott. "We can make this work," Ellwood pleaded. "All of us have been advocates for poor children all our lives." Robert Matsui of California, a key committee member, unwavering. "How are you going to pay for it?" he asked. "Nothing is decided," Ellwood responded. Matsui erupted. "You have to start keeping us informed. We don't want to first read about what you're thinking in the *New York Times*!"

The debate over *how* to reform welfare was soon consumed by the question of *when* to send up a bill. The cochairs planned to have legislation ready to be introduced in the 1994 State of the Union address. But in a meeting in early December, House Speaker Thomas Foley and Majority Leader Richard Gephardt urged Clinton to avoid overloading the committees that handled health care. If, however, Clinton did defer reform, he would be ravaged in the press and risk losing the

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issue to the Republicans—who had introduced their own bill incorporating a two-year time limit.

The timing issue was raised before Mrs. Clinton on December 15. She thought the welfare planners should press ahead. Her most prescient piece of advice was: "Whatever Senator Moynihan wants, we should listen to."

Moynihan unbound. In the fall, Moynihan and the administration had seemed the best of friends. On "Meet the Press" in November, Clinton had cited the need for policies to stem family breakdown. The next day, Moynihan sent him a chart that showed if trends continued, half of American children would be born out of wedlock by the year 2000. "Listening to you discuss family policy yesterday," he wrote, "I found myself thinking of that distant time when I brought it to the attention of the White House. Things started so well. Then, ruin." A month later, Moynihan hailed Clinton in a speech. Clinton returned the kudos, calling Moynihan a "national treasure."

Then, as the senator might say, ruin. On January 5, the *New York Times* published a story by Jason DeParle that implied Clinton had decided to delay welfare until health care passed. The story annoyed Clinton, who felt he had not made a decision. Moynihan was indignant. He had long felt the president was moving too slowly. "If you want a bill, 32 people on a task force can't write it," Moynihan had advised. "You put two people in a room over a weekend, and they write you the bill." Now, he might have to wait another year to take up reform.

The next day, Moynihan blasted Clinton. He told the *New York Post* that unless he got his welfare bill, "I might just hold health care hostage." Adapting a line from William F. Buckley, he said Clinton was using welfare reform as "boob bait for the Bubbas." Two days later, he added injury to insult on "Meet the Press": "We don't have a health crisis in this country. We do have a welfare crisis." The humbling worked. Even Hillary Clinton called Moynihan to say, "We got you."

Moynihan told senior Clinton aide George Stephanopoulos he wasn't all that serious about holding up health care, but his threat ended debate about a delay. In his State of the Union address, Clinton pledged to unveil his welfare bill in the spring. Three days later, Ellwood and Reed briefed Moynihan on seven reform financing options. The senator plainly appreciated

getting his first glimpse at hard numbers. He also seemed pleased by a panegyric from Ellwood. Some time before, Moynihan had complained that a sentence in Ellwood's 1988 book *Poor Support* mischaracterized the Moynihan report on the black family. Now, Ellwood told Moynihan that he had reread the 1965 report and found it "brilliant." When he finished his paean, the senator smiled. "Go on!" he urged.

The reporter. One reporter, DeParle of the *New York Times*, almost single-handedly framed public debate on the Clinton proposal. DeParle, 33, had earned a reputation as a cerebral and tenacious reporter, and in the first half of 1994, critics of the administration's plan leaked documents and details of private meetings to him. His subsequent stories painted a picture of disarray and infuriated the three cochairs.

Part of the problem was the task force now had to find a way for reform—via either tax hikes or entitlement cuts. No member was anxious to finance reform on the backs of the poor, but except for HHS officials, no one was volunteering money from his own budget. The money hunt, said one observer, "was a little like watching cannibals when the pot is empty—pretty

INTERVIEW WITH THE PRESIDENT

Making 'a dramatic difference'

President Clinton discussed welfare with U.S. News's Matthew Cooper and David Whitman. Excerpts.

Q Did you have to compromise your vision of welfare reform?
No. It's like a lot of things—we may not have all the money we need. We've been very disciplined in working within the budget. But I think we're going to make a dramatic difference. With the funding we have, we'll go from 15,000 welfare recipients required to work to 400,000 people who will hit the time limit by the end of the decade. That's a huge increase. I think this is going to be a dramatic departure from anything that's ever been proposed. There's a real bipartisan consensus in the Congress and in the country to do something.

Q Are you frustrated by special interests? If you're a change agent, you're going to have that. In this case, it's a little more complicated because the budget rules are very rigorous. Some people are saying, "Don't single us out just to pay for welfare." When I take on interest groups, I'd rather do it from



Reformer. A consensus?

tally like we did on the economic program, the health care program, the crime bill. I enjoy those because those are open, honest, straightforward debates.

Q Would a 10 percent reduction in the rolls be a success? I think that would be substantial. But the size of the rolls at any given time will be partly a function of the economy. I think we can do a lot better.

Q Is this plan fair to immigrants? We did try to raise

some money by controlling the growth of benefits to immigrants, and I think that's entirely appropriate. But some folks think we can pay for this much and more simply by cutting off all benefits to [legal] noncitizens. After a careful study, we decided that we couldn't do that.

Q Was Senator Moynihan right when he said you had used welfare as "boob bait for the Bubbas"? I thought [he was] very supportive yesterday. I think that's a pretty hard case to make. I don't know that there's a public official in America today—except Moynihan, who's been talking about this for 30 years—who's got a record that stretches back any longer than mine. I believe you'll see real support from grassroots leaders who represent poor people when they see [the plan]. I don't think it's just the Bubbas of this country who believe there's something badly wrong with a system that maintains people in a state of dependency. This is something the Bubbas of America and the liberals can get together on.

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soon you start eyeing each other, and no one is happy."

DeParle's first story on financing quoted an anonymous official calling the cuts under review "unconscionable." The February 13 piece listed several options, highlighting one especially draconian proposal—taxing food stamps and housing assistance. The concept of taxing food stamps was harsh but not necessarily absurd: Unemployment compensation, for example, was taxed. But first impressions prevailed. Even Jay Leno joked on the "Tonight Show," "If Clinton is going to raise taxes on the poor and cut the benefits, what do we need the Republicans for?" Clinton told aides to drop the idea.

The following month, the financing hunt expanded to include new taxes and a grab bag of almost 40 budget cuts. Meanwhile, the leaks to DeParle continued. In response, the

very head Ellwood dreaded ("President Fudges on Two-Year Limit") since in 1999, only a third of all welfare recipients would be covered by the limit, and perhaps 10 percent of those 1.67 million families would then be in the work program. Another problem was that older mothers drew more public ire than younger ones for staying on AFDC for years at a time. As one task force member wrote in a memo to the cochair, "The 'sound bite' that comes immediately to mind... is 'The president's proposal won't touch the 30-year-old welfare queen.'"

Back at the White House, Carol Rasco and Bruce Reed convened a meeting to discuss ways to regain control of the news coverage. Reed complained that DeParle was trying to "set the administration up for failure by writing stories about things he knows we aren't going to do," and, with the concurrence of White House Counselor Gergen, arranged to leak the news about the phase-in to the *Los Angeles Times*.

The cochair's paranoia hadn't crested quite yet. The working group's second all-day-Saturday retreat took place February 26, and the troika prepared as if drafting blueprints for the Manhattan Project. The night before, HHS officials arranged to print a confidential 43-page issue paper so that each member got a copy with his name on the top of every page. That way no one could out a page without the cochair's knowledge. When the working group arrived Saturday morning everyone got 45 minutes to the document but had to return it at the end of the meeting. Mary Jo Bane pleaded with the group not to talk about the contents for the next two weeks. "We wanted to brief the cabinet," she explains, "without having them read about the plan and filter it first through the *New York Times*."

After an all-day debate that dealt chiefly with the design of the work program, task force members who had been irate at the lack of consultation seemed assuaged; people even applauded moderator Bane at the conclusion. But the collegial spirit didn't last: Task force members "an-

noyed at... [the] excessive secrecy" gave DeParle an acc of the meeting within 24 hours. Soon, he had a 12-page summary of the retreat that Bane had drafted for the cabinet. Abruptly, HHS called a bizarre briefing for a half-dozen reporters to hand out copies of the confidential cabinet memo and also the retreat paper they had gone to such lengths to keep secret. The briefing's purpose was plain to everyone—keep DeParle from controlling the coverage with another exclusive.

Some Clinton officials thought the anger at DeParle was misdirected—and belatedly, a hunt of sorts began for the leakers. The chief suspects were Andrew Cuomo (Department of Housing and Urban Development) and Christopher Edley (Office of Management and Budget), two outspoken liberal critics of the plan. Bruce Reed learned of a potentially inciting conversation between them in the men's room the morning of the retreat, and both men's bosses were notified by White House aide Rasco. Neither, however, was reprimanded.



POLITICAL SYMBOLISM ■ More whites and Hispanics are on welfare than blacks, but many voters associate welfare with the problems of poor urban blacks. "It is this image," argues sociologist Nathan Glazer, that "drives the politics of welfare."

cochairs started holding fewer meetings and put less down on paper. At one session, Ellwood gestured toward a security camera in the corner of a conference room in a White House conference facility, and joked, "That's Jason's camera."

In mid-February, the White House tried a new ploy: leaking to DeParle's competitors. The cochair had tentatively decided to phase in the two-year time limit so it applied only to mothers born after 1969. Two developments had persuaded the troika to scale back. First, state administrators told them that even a jobs program with 300,000 slots would be hard to set up by the end of the decade. Second, Moynihan aide Paul Offner wrote a *New Republic* article suggesting the time limit apply only to mothers under the age of 20 or 25. While work programs for young mothers had a spotty record, Offner's recommendation to target the next generation had a moral simplicity and would sell well with Moynihan. Still, one drawback was obvious. The administration could end up with the

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manded, and it turns out they had been unfairly singled out. DeParle's chief source in the administration, providing proof of culpability beyond a doubt, called *U.S. News* to make sure that Edley and Cuomo were not wrongly impugned.

Back to the president. In March, Rasco and Shalala convened three cabinet meetings. They wanted to avoid the pattern of the health care briefings, where aides ringed the room, making cabinet members self-conscious about betraying ignorance or inadvertently undermining some carefully honed position. No one was allowed at the welfare meetings except the cochair, a few senior Clinton aides and principals—Shalala, HUD Secretary Henry Cisneros, Lloyd Bentsen, Robert Reich, Janet Reno and OMB Director Leon Panetta.

Whereas the health care meetings often had a dry, mathe-

way." Labor Secretary Reich suggested lowering the cap on the mortgage deduction to raise funds, and Bentsen said he would have Treasury look more seriously into a gambling tax.

Finally, the cabinet deferred to the president. After pulling a virtual all-nighter, the cochair and Ellwood deputy Wendell Primus completed a 95-page, single-spaced briefing book. It spelled out five options, from a bare-bones plan costing \$6.2 billion over five years to a Cadillac version at \$16.1 billion. The latter included add-ons favored by liberals, such as a five-year, \$4.5 billion child-care program for the working poor that eliminated the incentive to go on AFDC to get free day care.

The cochair suggested that Clinton could trim most of the plan except for the work and training programs for young AFDC mothers affected by the time limit. Because of the phase-in decision, they warned, "we are already under some attack for not going far enough fast enough." The plan might

not end welfare for everyone, but Clinton could aim at "ending welfare for the next generation."

Clinton didn't have time before the March 22 session to read the memo, but he told senior aides he liked what he had been hearing. Earlier, Rep. Tim Valentine of North Carolina had asked him: "Now why does it cost more money again to end welfare?" The more the administration spent on reform, Clinton said, "the more we will have to meet the burden of answering the Tim Valentines... that's why we need to be especially careful to show the results of every dollar we spend."

At the trough. Meanwhile, Panetta renewed the quest for money from sources other than low-income programs. He found it—along with a passel of special interests who denounced every program cut as it leaked in the *New York Times*. By the time Clinton finished his treasure hunt, plan was actually cheaper and provided fewer public service jobs than the House Republicans' plan. They outspent him and put more AFDC recipients to work, relying on big cuts in benefits for noncitizens to fund reform.

The interest group parade began when the *Times* disclosed that OMB might limit the amount the wealthy could build up in tax-deferred annuities. Before long, the Hill was inundated with mailgrams from the life insurance industry, and after House Ways and Means Chairman Dan Rostenkowski warned Clinton officials off the proposal in May, the president abandoned it. Then, Richard Marbes, national commander of the Disabled American Veterans, wrote to say he was "shocked, appalled and indeed outraged" that OMB wanted to impose some restrictions on veterans' benefits and use nearly \$2 billion in savings to help pay for welfare reform. On May 20, Veterans Affairs Secretary Jesse Brown wrote Marbes that the idea was dead, stressing how pleased he was "that the president has again demonstrated his commitment to veterans."

Even apparent boondoggles had their defenders. One OMB proposal would have raised \$490 million over five years by limiting crop subsidies to farmers with nonfarm incomes over



JOB TRAINING ■ One ambitious and expensive part of Clinton's plan is an expansion of training programs to help welfare recipients find work before their time on the dole runs out. Most training programs have only modest success, though.

matematical quality, the welfare sessions were filled with debate about values. At one point, Shalala, Bane and Ellwood argued that teen mothers should be required to live at home instead of helped to set up their own households. Cisneros interrupted. "In some Hispanic families," he said, "it is a badge of dishonor for a teenager to get pregnant out of wedlock. Some of these girls will get abused if they have to stay at home."

The cabinet embraced most task force policy decisions but nixed several of the harsher financing options. Yet when it came to finding funds for reform, the cabinet, too, was stymied. Cisneros, Reich, Shalala, Gergen and Stephanopoulos argued with Panetta and Bentsen that relying chiefly on cuts to low-income programs to finance reform would backfire. "When we send the bill up," said Stephanopoulos, "we can't have the first reaction be that the Hispanic and black caucuses and the women's groups go bonkers. The [congressional] caucuses are going to be unhappy with the two-year limit any-

\$100,000 a year. Panetta told administration officials, "This is never going to happen." Sure enough, House Democratic leaders nixed the idea at a May 17 meeting because lawmakers would never be able to explain to farmers why they were singled out to help pay for welfare reform. Then, last week, cash-starved officials restored the crop-subsidy cut.

Ultimately, the Democratic leaders endorsed only two financing measures: restricting disability payments for addicts and alcoholics and trimming welfare payments to elderly immigrants. Special taxes fared just as poorly. In April, a hullabaloo erupted over the plan for an excise tax on the gross revenues of gambling establishments. The *Las Vegas Sun* reported a lobbying blitz funded by the Nevada Resort Association, and Nevada Gov. Bob Miller flew to Washington to protest the tax to White House Chief of Staff Mack McLarty, among others. Nevada Sen. Harry Reid pledged that to kill the

off \$1.8 billion in excess corporate taxes. According to HHS estimates, the plan at first will have little impact on the welfare rolls. In the year 2000, roughly 390,000 heads of AFDC families will be working out of a population of 5.7 million. But if all goes as planned—a big if—the program could have a large impact by 2004. By then, two thirds of the caseload will be covered because more mothers born after 1971 will be subject to time limits, child-support collections should rise and universal health coverage could ensure that no one has to quit a job to get AFDC. HHS projects 1.5 million recipients—a quarter of those on the rolls—will be working, in school or in training.

Epilogue: The center holds? Clinton's tardiness in announcing his plan could hurt its chances in Congress. The delays have already made it unlikely a bill can be enacted this year and have cemented opposition on the left and right. A splinter group of Republicans has unveiled an unprecedented bill to eliminate

all benefits to women under 21 who have children out of wedlock; one GOP aide contends some Hill Republicans now say they "don't care if Clinton proposes to shoot welfare recipients at dawn—I still oppose whatever he sends up here for not being tough enough." Democrats are badly split, too. The moderate Mainstream Forum has introduced a costly bill that loosely resembles the House GOP legislation and cuts benefits for immigrants. Meanwhile, Matsui has rejected the concept of time-limited AFDC and introduced his own bill to bolster spending on existing training and jobs programs.

Will the political center ultimately hold? Reed thinks so. "A powerful idea," he says, "will outlast efforts to subvert it. I constantly been grateful that the president made such dramatic, specific promises during the paign because without them we would have had a hard time getting anywhere." But not every was so upbeat. For some force members, welfare reform was a slow process of whittling away, in which they compromised Clinton's radical vision, an

"open" process went underground and poor families became pawns in ideological struggles. "We had a little cognitive dissonance syndrome at work here—'this is the best we can do so this must be good enough,'" argues one member.

In fact, there is little reason to assume that the welfare will somehow soon evaporate. The budget deficit persists, that alone is incentive for pressing ahead with experimental programs. Of the many officials who toiled on reform, Clinton himself seems most pleased by the plan and unruffled by questions over its fate. "You never know," he said at a May 16 meeting, "this might just catch fire and pass this year." The president even appreciated the press coverage that so dismayed his advisers. At one of his final meetings on welfare, he declared: "I just think it's great the country is having this debate now—it's real important."

BY DAVID WHITMAN WITH MATTHEW COOPER



WAITING ON WASHINGTON ■ The big question now is whether the political center can reach a compromise that will help those struggling in the welfare system or whether ideological partisans will thwart a deal as they have in the past.

tax he would "become the most negative, the most irresponsible, the most obnoxious person of anyone in the Senate."

At a hush-hush meeting with the vice president, Stephanopoulos, Rasco, Reed and Kathi Way, Clinton finally rejected the tax. Most of the money would finance more child care for the working poor, which had not been part of his core campaign plan. By dropping the tax, Clinton effectively settled for a scaled-down version of reform that would cost a little over \$9 billion over five years. On April 26, the coauthors warned him in a memo that they could not trim the education, training, work and child-support provisions "much further while still meeting the commitment to end 'welfare as we know it.'"

Finally, at a May 24 meeting with cabinet members, Clinton appeared to settle on the last few billions. His program would be financed primarily with \$7 billion in cuts from social programs; one of the only non-HHS programs affected was the Superfund environmental cleanup, from which Clinton picked

Taking On the Welfare Dads

Teen Parenthood: Clinton's controversial reform limits benefits and confronts the complex psychology of boys who make babies

BY STEVEN WALDMAN

IF I HAVE FIVE GIRLFRIENDS," 20-year-old Anthony Jackson explains, "I'll use a condom with four of them." The fifth one is his special girlfriend, "the one who I know and she really knows me." With her, Anthony says, he would not use a condom. "Pregnancy is, like, for your real girl."

President Clinton's new welfare-reform program is supposed to make young men like Anthony think again about getting their girlfriends pregnant. Much of the focus of welfare reform is aimed at teenage mothers (chart), but the White House also wants to make it harder for men to walk away from their children. Since the plan would cut off welfare after two years, the fathers would no longer be able to count on taxpayers to take care of their kids indefinitely. Clinton's plan would beef up efforts to collect child support and force women to identify the fathers of kids born out of wedlock. "Mothers [already] have to take some responsibility, but men face no consequences," says David Ellwood, the Department of Health and Human Services official who helped write the plan.

Will welfare reform force young men to become more responsible about fatherhood? Consider the examples of three from Lawrence, Mass., a low-income community with a high teen-pregnancy rate. Each shows a deep confusion about what it means to be a parent. Some reforms called for by Clinton would have little effect on their behavior. But all three young men show an affection for their children that might be nurtured into a sense of responsibility, given the right mixture of rewards and punishments.

Babies before marriage: Anthony visits his 1-year-old son in Boston regularly, which is a lot more than he saw his own father. "I want to be there for my baby," he



MAGGIE STERN FOR NEWSWEEK

'I want to live long enough to see [my daughter] grow up'

says. He often helps buy clothing and food for the child. He has studied to get a GED (high-school general-equivalency diploma) so he can earn and contribute more. He criticizes girls who get pregnant just to increase their welfare checks—and he wants it to be clear that his son was no accident.

But he treats his boy more like a favorite nephew than a son. He knows that if he doesn't contribute money, a welfare check will keep his child from starving. Tougher child-support enforcement would work in theory, but local agencies that would have to implement reform are notoriously bureaucratic and understaffed. Greater availability of birth control wouldn't have helped; Anthony wanted the baby. More important, welfare reform would not alter his conviction that child rearing does not require marriage—or even

cohabitation. "Marriage is a big step," he says earnestly. "I want everything to be right. I might have a baby with her. I haven't found Miss Right." In his group, sex happens when you're a kid, babies when you're a teen and weddings—maybe—when you're an adult.

The proposal that seems most likely to change Anthony's behavior is a two-year limit on the mother's receiving welfare. If she lost her benefits, "I'd have to get another job," he says. "I'd step up."

Settling down: As a demonstration of love for his daughter, Kayla Ashley, Carmelo Rodriguez frequently sold drugs. "I'd make \$700 a week and by Saturday it was gone," says Carmelo, who is now 19. "I to because my daughter didn't have everything I wanted her to have. I got her a christening dress—it's so beautiful it looks like a wedding dress."

Carmelo has skated on the edge for several years, moving from town to town

at one point landing in a detention facility. But he still talks sentimentally about Kayla's birth. "I remember that day like it was crystal clear. She was 21 centimeters, 8 pounds 7 ounces. Born at 4:08 and 30 seconds. Just two minutes after, I held her for, like, 45 minutes without putting her down." Like Anthony, he didn't know his father—"somebody killed him"—and is determined to do better for Kayla. "I was there when she first said da-da."

Carmelo's motivations are poignant yet in some ways backward. Carmelo wanted a child to help him straighten out. "I felt like if I had a kid, it would settle me down," he says. To a certain extent it has. Carmelo joined the GED course for a few months and spends less time hanging out with his friends. His ex-girlfriend, Shana Paduana, had equally misguided reasons. Bounced from one foster home to another as a child, Shana thought getting pregnant would bring stability by forcing Carmelo to stay around. "I imagined I'd have a husband and a family, but..." she says, finishing the sentence with only a shrug. Now she's on welfare, and she and Carmelo have broken up.

Shana believes the two-year limit might help others but wouldn't have prevented her daughter's birth. What would help? She



PHOTOS BY MAGGIE STERN FOR NEWSWEEK

points to her upper arm, where she now has a Norplant contraceptive implant to prevent pregnancy for five years. Clinton would provide \$400 million to help set up family-planning programs. But so far, low-income communities have strongly resisted efforts to pressure girls into using the device.

Imagining the prize: "Guess what? I'm pregnant," Amy Lister said to Efrain Talavera when he was 16 and she was 15. "Oh yeah?" Efrain recalls responding with all the nonchalance he could muster. "Guess what? I'm hungry. Let's go to McDonald's." He spent the next several months being cruel to her in the hope she would leave him. "She would call and I'd tell [whoever answered the phone] 'I'm not here'—but I'd say it loud enough so she

heard." He was terrified and angry about the prospect of fatherhood. "I'm chasing girls—and now it's over. It's over!" he thought to himself. Abortion was out of the question; both believed it was wrong. Amy had not wanted to get pregnant, but she desperately wanted to keep the baby. "I wanted the responsibility," she says, trickling down her cheek. "I wanted: one to love me—to love me forever. I wanted something more—more of a challenge."

As the delivery date approached, Efrain decided he couldn't abandon his child. "I want to live long enough to see her grow up," he says. He stood by Amy's side when Lillyana was born. Times, when he looks at the little girl, he imagines she's thinking, "Oooh! That's my father—I'm proud of him." He changes diapers, bathes her every day, irons her clothing "so it's always creased."

Efrain and Amy seem the most likely to be helped by policy solutions. They contraception, but not tently—"If he used a rubber

I would feel like a slut," she says—so Norplant would seem to have been. Amy received welfare after the birth but now lives with Efrain and his mother and doesn't need government benefits. Efrain just got a job as a janitor to help pay the bills. Both believe taking away the security of welfare would force kids to be more

ful about birth control. But the most effective welfare-prevention

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As Long as You're Under This Roof . . .

President Clinton's expected \$9.4 billion proposal to reform welfare casts him as a caring but demanding parent, showing "tough love" to teens whose families cost the country about \$34 billion a year in benefits. Here's how he'd change the life of a typical teen parent:

	Child Support	School	Marriage Penalty	Family Cap	Work
Now	Unwed dads often aren't named on birth certificates, foiling attempts to collect child support. If he pays, Mom's check shrinks.	A teenager is a kid, but a teen mother is an adult. She can get her own check, her own apartment and drop out of school.	If a pregnant teen gets married or lives with the father of her child, she is probably ineligible for welfare.	After a year or two, she's likely to have another child. Her AFDC check increases as her family grows.	Work is for suckers. If Mom gets a job, her check is reduced by the amount she earns, and she's likely to lose her Medicaid and free child care.
Clinton	If Mom doesn't identify the father, she doesn't get a check. States can threaten deadbeats with garnishing wages and suspending professional and driver's licenses.	A teen mother must live at home until age 18 and has to stay in school or lose her benefits. If the family's income is high enough, she gets no check at all.	States can abolish the "marriage penalty" and make it easier for married couples to get welfare.	States can decide to cap payments: if a welfare mother has another child, her check stays the same. If reduced income leads to child neglect or abuse, authorities step in.	Benefits disappear two years after graduation. Mom takes a private-sector job or is assigned a minimum-wage government job. National health care replaces Medicaid.

NATIONAL AFFAIRS

program in Lawrence has nothing to do with benefits checks. It is the Greater Lawrence Boys' Club. Not one of the 300 to 400 boys who visit daily has fathered a child, says associate director Steve Kelley. The key, he says: providing a safe and stable pseudofamily. The kids eat, study and play sports there from 3 p.m. to 9 p.m. (A sign on the door says: IF YOU LEAVE THE BOYS' CLUB YOU MUST GO HOME FOR THE DAY.) Kelley talks incessantly about the importance of going to college and brings in successful "alumni" who have graduated from prestigious schools to illustrate how far the kids can go. If their aspirations are raised high enough, Kelley figures, they will begin to view fatherhood as a burden instead of a lift. "It's the ones who have goals that make it," he says.

Clinton's welfare-reform plan recognizes the importance of reaching kids before they make tragic and irrevocable decisions. The president intends to launch a publicity campaign emphasizing the self-destructiveness of having babies too young, and there will be more money for programs like the Greater Lawrence Boys' Club. Still, Clinton is up against some deeply ingrained behavior. Anthony, Efrain and Carmelo have internalized the message that marriage is a serious matter, yet missed the message that child rearing is. They have little faith they can succeed in the world, yet exaggerated notions of their capacity to be good parents. And even under the most generous welfare-reform plan, there won't be enough Boys' Clubs to turn all of these fathers into men. ■