Welfare reform is unavoidably related to children. The importance of considering children's well-being when governments change the rules of support for poor families cannot be overestimated. Findings in the welfare reform proposal contained in the "Contract with America," and elsewhere, are deeply disturbing because they seek to: deny benefits for teenage mothers, limit the time of welfare receipt to 5 years without guaranteeing a workfare slot after that period, and end the entitlement to public assistance by folding that program into a block grant. All of these proposals interact with the balanced budget amendment, which has the potential to cut spending on discretionary entitlement programs by 30 percent.

Using the Foundation for Child Development as a case study shows how foundations have responded, and are now responding, to the welfare reform debate. The best solution is to commit to the hard, long-term enterprise of operating humane, individualized, serious welfare-to-work programs, and to try to be realistic about policies to make work pay. (WP)
"LEAVE NO CHILD BEHIND: BUILDING AND STRENGTHENING COMMUNITIES FOR CHILDREN"

By Susan Blank
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Thank you. Like probably everyone else at this conference, I'm glad to be here because it's good to get a dose of the CDF spirit. I want to carry it back to New York City, where the challenge, as in so many places, is to keep concern for kids and families alive as both our city and state governments, not to mention the federal government, make drastic cuts in spending for health and human services.

Let me begin with a thought exercise that I've used with groups that may not be as tuned in to the issues we're going to talk about as you are, but that I think illustrates a key point about welfare reform. Visualize, if you will, the typical welfare recipient. Now I'm not going to ask you details about who you saw; maybe she was African-American, maybe white, maybe sitting home in front of a TV, maybe out working hard part-time, but let me just ask you, how many of you visualized an adult? I know I often do instinctively, but I have to stop to remember that the typical welfare recipient is a child. So that's worth bearing in mind as we think about this topic.

My own assignment here is to talk about how foundations have responded to and are now responding to the welfare reform debate. I think the best way for me to do that is to focus primarily on my own foundation, the Foundation for Child Development, as a case study. I'll also try to talk more generally about work that other foundations I know are promoting, a lot of it under the auspices of an affinity group, the Grantmakers Income Security Task Force, or GIST, and along the way, I'd like to, if I may, throw out some ideas about what state and local groups can do in
this tough area, though I'm sure lots of you have thought about this longer and harder than many of the funders.

For those of you who don't know us, the FCD is a relatively small foundation that supports a mix of policy, research, and direct service projects to improve the lives of at-risk children. We're a little unusual for a foundation because besides making grants to other organizations, we occasionally do internal projects, and one we completed a couple of years ago that's relevant to this workshop is this policy report, Pathways to Self-Sufficiency for Two Generations. We've been involved in welfare reform issues ever since 1988 when the Family Support Act, the federal welfare reform act now on the books, was passed. Our president, Barbara Blum, is a former state human services commissioner, with a longstanding interest in welfare-to-work issues, so the Family Support Act, which set up new state welfare-to-work programs -- generically known as JOBS programs -- was a natural focus for us. But because we are the Foundation for Child Development, we had a somewhat different "take" on the Family Support Act than many of those involved in welfare-to-work issues. Many people who were following welfare reform were focused -- and they are to this day -- on incentives, disincentives, penalties, and rewards for the adult welfare recipient; our aim was to to sharpen awareness of the implications of the law for children. As highlighted by my little thought exercise, it's children we need to think about every time we change the rules of how much support we offer to poor families and under what conditions.
Back in the late '80's, early '90's, we, along with everyone else, thought that liberals and conservatives had reached something of a consensus, or at least a truce, about how those rules ought to work. The new state JOBS programs were to require participation in some kind of work, training, or job search in exchange for benefits -- and there were modest improvements in child care and Medicaid subsidies to support those activities. And states did have some discretion about how to put together their own JOBS programs.

So because there were these new JOBS programs around, we asked ourselves how could these programs benefit, and not harm, children -- and the answer we arrived at was to recommend that the programs not only offer parents substantive help in building their skills or finding a decent job but that they also pay attention to kids. So for example, a JOBS program that did an assessment of an enrollee could make it a family assessment, or rather than treating subsidized child care as a means to an end, like a transportation subsidy, a JOBS case manager would help the parent find a preschool situation that is stimulating, so that child care became a beneficial intervention in its own right. In the Pathways report we used the term two-generation intervention to describe this kind of package of services -- meaning that a family gets two sets of services simultaneously: serious employment and training help designed to get the family on the road to escaping poverty and key services for children like high quality early childhood education and preventive health care. So as a foundation one of our goals over the past few years, both
in our grantmaking and in the Pathways report, was to seek out and publicize the handful of JOBS and other welfare-to-work programs that did take this family-oriented approach to welfare reform. Some of them are profiled in the Pathways report. And our hope obviously was that this approach would catch on, that there would be more interest in bridging the gap between the adult welfare-to-work system and the world of children's services.

To a degree, we were successful in that the concept of taking children into account in welfare-to-work programs is considerably less foreign than when we began, and a number of our grantees and other organizations have done excellent work in putting these kinds of services together. Our most recent venture has been to make a series of small grants to community-based organizations in New York City for program planning to create two-generation services. Two of the projects, for example, offer case management with a strong employment focus to parents who began their association with the agency by taking part in parent education programs like HIPPY and PAT. These grants aren't to JOBS programs, but they may work to get parents hooked up with JOBS or other employment and training services. As lots of you know, the work of forging these kinds of connections is very labor-intensive, but we believe that the holistic family-oriented approach these programs are taking is much preferable to the approach that puts family services over here in one agency and employment and training services in a completely different box.
But despite some of the promising work we've seen, it is also very true that like just about everyone else who focused on welfare reform during the past four years, we were overtaken by events. One event was the recession, which cut down on the amount of dollars states were willing to put up to match federal contributions to JOBS, with the result that the program never reached its full capacity in many states. Meanwhile, with the recession and possibly other factors enlarging the caseloads, political leaders in state after state decided that after all, they really weren't satisfied with the consensus that had been reached to enact the Family Support Act; instead, they wanted to revisit the question of under what conditions and how long should families get AFDC. So they began applying for federal waivers to make all sorts of changes in their rules. And of course, the Clinton administration's rhetoric of "end welfare as we know it" and its support for the two-year limit on benefits ratcheted up the pressure to undertake yet another round of welfare reform.

To see where we are now, you only have to open the newspaper. When the FSA and JOBS were the newest wave of welfare reform, they were barely blips on national consciousness -- to this day most people don't know they exist -- but especially since the November elections, the new proposals to change the welfare system are highly visible. And as you know many of them, found in the Contract with America and elsewhere, are deeply disturbing: deny benefits for ever after to anyone who has a baby as a teenager, limit welfare receipt to five years without even guaranteeing a workfare slot after than, end the entitlement to
public assistance by folding that program into a block grant. And of course, all of these proposals interact with the balanced budget amendment, which, as CDF points out, has the potential to cut spending on discretionary entitlement programs by 30 percent, shredding the safety net.

We do know from several polls that contrary to the spirit of many of these proposals, Americans say they're willing to invest more in poor children. But it's hard to know what to do to get that concern translated into a very different kind of policy, and along with other like-minded organizations, foundations that have children on their agendas are at the beginning of trying to figure out how to respond, while at the same time sensing the urgency to act. I would say at this point, there are not many dramatically new ideas for a response emerging, and that's not a surprise because if there were easy solutions for how to make welfare policy more child-friendly, they would have been discovered long ago. Still, funders do seem to be holding more and more conversations about how to raise the level of the welfare reform debate. One reason why that's happening, and a development that may be encouraging to those of you who work on welfare and related income support questions, is that funders now have a forum for holding those conversations. It's the two-year-old GIST, which meets quarterly to discuss issues like budgetary and income distribution policies. One reason for the formation of GIST was the sense that it's much more common for foundations interested in social policy to focus on services than on income security issues, and a number of funders who attend GIST meetings
have welcomed the chance to learn more about subjects like the EITC, the balanced budget amendment and research on welfare-to-work programs.

So what directions do GIST funders think they and their grantees ought to be taking with respect to welfare issues? The group is very diverse and it doesn't disseminate explicit policy statements, but it's fair to say that one broad recommendation that a number of GIST funders would endorse would be that there's a compelling need for more and better information on welfare recipients and welfare-to-work issues. For example, GIST sponsored a conference on the low-wage labor market, which took a hard look at the question of just what sort of jobs the typical welfare recipient could hope to get.

Another project that's brought together two GIST funders, the Ford and Casey Foundations, looks to state and local child advocacy groups as sources of useful information to the public. Under this project, 12 of these groups are being given technical assistance to sharpen their skills at analyzing state budgets, figuring out the implications of budgetary decisions for poor families, including welfare families, and in many cases, using that information to make a case for maintaining the safety net. The National Association of Child Advocates, the umbrella organization for state and local groups, is also focusing on budget work, and especially if different services are subsumed by block grants, it seems critical for all kinds of state and local groups, including maybe some of you, to spend more of your energies figuring out where the money goes.
In another project, several GIST members, the Casey Foundation, the Rockefeller Foundation, and mine, have come together to sponsor a small grants program operated by the Urban Institute for the development and dissemination of information on welfare issues. Grants ranging from $5,000 to $40,000 will be awarded for projects in three complementary areas of work: for policy analysis and research projects that will fill in gaps in knowledge about the transition from welfare to work, often by making new use of data that's already been collected; for the development of innovative program models; and for recognizing and disseminating information on models that have already been developed. I've left information on the project as a handout for any of you who are interested.

The spirit behind this grants program is to produce and gather systematic information on welfare and welfare-to-work programs and to try to introduce that information into public discourse pretty rapidly. I think this effort is on the right track for a couple of reasons. First, this is a field where rhetoric about how to treat welfare recipients is much more prevalent than efforts to learn from the experience of programs that actually have tried to help recipients move from welfare to work. Second, the irony of the conservative revolution is that it could very well shrink, rather than expand, services designed to help poor families help themselves to escape poverty in part because resources in state welfare block grants could get eaten up by income supports with little or nothing left over for JOBS programs. So with the threat of macro-budget cutting, it's
very important to try to keep alive as many pockets of innovation as we can, and to mine them for information. Just to run down some of the questions that these programs can help us answer: We need to know more about what kind of job training techniques really make a difference. We need to know more about what works for fathers. Just recently, Chicago Commons, an innovative welfare-to-work program, talked to a small group of fellow program operators around the country and issued a report saying that spousal abuse is a largely invisible problem that holds welfare back from making progress in improving their skills and getting a job. So we have to find out what can be done to help fathers support and not impede a family's efforts to escape poverty. We also need to know more about what it takes to help women who leave welfare stay employed. Project Match, another small but important program in Chicago, has done exceptional work that demonstrates just how prevalent cycling in and out of jobs is for this population. But is there anything more that can be done to help some of these women and some of their employers resolve work-related problems before they explode and the woman quits or is fired? We definitely need to know more about the child care experiences of families who have been involved in welfare-to-work programs like JOBS. And even more fundamentally, what do we know about the family lives of these children? Here, I should say, we will soon know more, thanks to a new research study that combines surveys of mothers in the JOBS programs with a finer-grained observational study of the way parents and their preschoolers interact. And to return to the two-generation
concept I mentioned earlier, I think it would be enormously helpful to have continuing information on those programs, like the ones my foundation is supporting in New York, that are working hard to combine employment-related services with family services. Obviously, on a lot of the questions I've just mentioned, there's a need not only for collecting information but for ongoing program development work at the state and local level. At this point, it's futile to expect large-scale government-sponsored demonstrations, but from smaller grassroots experiments, we can document progress when it occurs.

So these are some of the kinds of questions that I think need to be addressed. I think it's also fair to say that a number of funders concerned with welfare issues, including many in GIST, believe that it's critical to take what already is known and do a better job of conveying it to the press and the media. One example of a project that tries to do that that comes to my mind isn't tied to GIST but does I think illustrate a new resolve to get the story out. It's a project my foundation supports that goes by the name of the "good news" project, and it operates under the auspices of the APWA, the membership organization for state human service commissioners. The idea is that it's time for these officials to proactively tell reporters what's right with their systems rather than warding off the press and the media off so they can't find out what's wrong. The project offers state human service departments technical assistance to get information about the accomplishments of their welfare-to-work programs out to the media, and in fact there are
a number of these good-news stories to tell, as we at the foundation learned when we put together the profiles for the Pathways report. Recently, too, in a related project sponsored by the Ford Foundation, APWA convened a panel of successful graduates of JOBS program who told their stories to a roomful of Washington staffers and to the press. At the most recent GIST meeting and at other gatherings of funders that I've attended, there was a lot of support expressed for these kinds of efforts to make welfare recipients more visible. Of course, we need to recognize that if we ask people to speak from their experience, we have to be prepared for all the human complexity that emerges. For example, one of the women on the APWA panel described herself as having exceptional drive and some of her fellow recipients as lacking in ambition. Taken alone, a statement like that could work at cross-purposes with efforts to protect benefits from being cut. But I think we need to trust that ultimately, holding the lives of welfare families up to the light will serve us better than keeping them in the shadows.

Besides APWA's work, another very different example of getting good information out to the press quickly was the mobilization of a group of eminent researchers to make a collective statement about the lack of evidence that welfare causes out-of-wedlock births. The analyses these researchers presented has been in the journals for years, but it had a very different impact when released that way to the press.

Let me just touch briefly on one more emerging trend in the welfare-to-work field that I suspect is going to get increasing
attention from funders and the groups they work with. I heard this theme articulated eloquently by Angela Blackwell, who has just moved to the Rockefeller Foundation from the organization she founded, the Urban Strategies Council in Oakland. Our board held an informal discussion on the future of child advocacy this fall, and at that meeting Angela, who attended, made the point that for a long time, the case made for providing a safety net to children on welfare, and indeed to all poor children, has centered on the investment argument. In other words, the reason for society to pay for services for kids is that in the long run, it saves money. Maybe, Angela speculated, it's time to put more emphasis on the even more fundamental argument for investing in kids, and that's the moral argument. Invest because it's wrong not to. To extrapolate from Angela's point, we don't stop making public assistance an entitlement regardless of any fears we have about welfare being a disincentive to work because it's just wrong to take food off the table when kids are sitting at it. CDF in its emphasis on establishing stronger ties to religious organizations over the past several years has been stressing the bedrock ethical reasons to give children a safety net, and at a time when children's advocates are recognizing that they have to make the case that family values shouldn't mean war on families, this willingness to stand up for the moral argument makes more and more sense. And of course, this strategy becomes all the more powerful when it's combined with expert media work. CDF is one organization that knows how to do this; another recent interesting example is an initiative of the Coalition for
America's Children, an umbrella group of 300 organizations, which responded almost instantaneously to the Contract with America with a 10-point Contract for America's Children, which includes planks to help working families stay out of poverty and help families get access to education and training. The Contract attracted a lot of excellent press attention, and that kind of rapid response is heartening. For sure, it's very useful to have these same kinds of coalitions operate at the state and local level. In New York City, which is known for the complexity and often divisiveness of its provider and advocacy groups, my foundation is pleased to be supporting a new network that's come together to educate citizens and politicians about the effects of budget cuts on poor children.

Speaking for a moment not so much as a representative of a foundation but personally, I'd like to finish by pointing out one potential ray of hope in this somber environment on welfare and welfare reform. It's that I think debate on new proposals like the ones in the Contract for America is finally surfacing the fact that has been too easy to gloss over, the fact that I began with today, that welfare reform is unavoidably about children. When we at the foundation and many of our colleagues made the point that the JOBS program should look at the whole family, to a certain extent we could be ignored, because in truth, a welfare-to-work program can manage to function without taking kids into account -- the program may pass up a chance to get the child's health needs looked into, and down the road, maybe that will obstruct the parent's ability to work, but in the short run,
children can be left out of the picture. But when the plan is to cut families off welfare when a clock stops ticking or simply because state funds run out, then it could become harder to ignore the fact that there's no way for the system to impose certain conditions on the parent without affecting the child. And maybe, just maybe, when the possibilities of malnutrition, and homelessness, and shipping kids off to big institutions at big expense become real enough, political leaders will finally acknowledge that there's no simple solution to welfare dependency. They'll come to see that our best shot is to commit to the hard long-term enterprise of operating humane, individualized, serious welfare-to-work programs and trying to get real about policies to make work pay.