

Food Assistance Needs of the South's Vulnerable Populations

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Preface

It was in 1998 that the Economic Research Service (ERS) extended an invitation to the Southern Rural Development Center (SRDC) to be one of five centers to join in partnership with ERS in creating a food assistance small grants research program. The intent was to broaden the base of researchers across the nation who were actively engaged in food assistance and nutrition-related research. In addition, the linkage with the five centers was intended to diversify the type of research begun undertaken in the subject matter area—research that would further build on the unique missions of the five centers. In light of the unique challenges existing in the South, the SRDC opted to invest its small grant resources in addressing the needs of the region’s most vulnerable populations — those dependent on public assistance, the poor, the elderly, and children.

This report highlights the six research projects that were funded as part of the SRDC’s 1998 food assistance research competitive grants program. These projects were carried out over the October 1998 thru December 1999 time period. The author of this report, Tom Rowley, has prepared an interesting story that weaves many of the key findings from these six reports. We hope you find the story Tom paints both interesting and informative.

Bo Beaulieu
Director
Southern Rural Development Center

1998 SRDC Food Assistance Research Grant Recipients

“From Welfare to Wage Work: A Report on Food Security Among Louisiana’s Rural Welfare Population.” Pamela A. Monroe, Vicky R. Tiller, and Lydia B. Blalock, Louisiana State University.

“Assessing the Benefits and Problems Associated with the Use of Electronic Benefits Transfer for Food Stamps in Macon County, Alabama.” Andrew A. Zekeri, Tuskegee University.

“Economic Downturns and Welfare Reform: An Exploratory County-Level Analysis.” University of Kentucky Team: Stephan J. Goetz, Julie N. Zimmerman, and David L. Debertin; Tennessee State University Team: Fisseha Tegegne, Surendra P. Singh, Safdar Muhammed, and Enefiok Ekanem.

“Private Food Assistance in East Alabama: Issues of Access and Need.” Patricia A. Duffy, Joseph J. Molnar, LaToya Claxton, Ginger Grayson Hallmark, L. Conner Bailey, and Steve Miklouchich, Auburn University.

“The Impact of Food Stamp Reforms on Elderly in Mississippi.” Sheri L. Lokken, Mississippi State University.



“Assessing Food Insecurity in Kentucky.” Janet S. Kurzynske and Suzanne M. A. McGough,
University of Kentucky.

The six reports, in their entirety, can be accessed on the Southern Rural Development Center’s Web
site at: <http://ext.msstate.edu/srdc>.

Introduction

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), popularly known as Welfare Reform, changed the landscape of federal poverty assistance. Gone is the long-term guarantee of benefits under a variety of programs—most prominently Aid to Families with Dependent Children (AFDC). In its stead, is a program of short-term, temporary assistance to help families “get back on their feet”—Temporary Assistance to Needy Families (TANF) [18]. Under TANF, the federal government gives block grants and flexibility to the states in order to help them assist people in need. At the same time, the federal government gives people in need more responsibility for providing for themselves. Consequently, families are limited to five years of benefits over a lifetime, with most adults required to work after two years of receiving benefits. Underlying these changes was a belief that long-term assistance contributes to chronic welfare dependency. Therefore, the primary goal of the PRWORA was to reduce the number of people relying on long-term assistance, shifting the emphasis from poverty alleviation to self sufficiency through employment while providing a safety net for families experiencing temporary problems [6, 14].

The Food Stamp Program, the nation’s principal nutrition-assistance program, is one of the largest federal welfare programs, serving nearly 20 million people per month. Its primary mission is to enable low-income households to obtain a better diet by increasing their purchasing power for food [15]. And while the PRWORA reauthorized the Food Stamp Program through fiscal 2002, it did make major changes. Notably, it significantly reduced funding for the program. In fact, the Food Stamp Program (along with other food assistance programs) is expected to bear the brunt of the cuts, yielding nearly half of the expected \$54 billion in savings from 1997-2002 [a] [14]. The reductions are achieved by lowering the amount of per person benefits, eliminating benefits to most legal immigrants, and requiring able-bodied adults without dependent children to meet new work requirements in order to receive benefits[b]. Unlike TANF funds, however, food stamp funding was not folded into block grants and given to the states. As such, the food stamp program remains a federally controlled program.

In spite of these changes to the Food Stamp Program, it remains a very important strand in the federal safety net. Indeed, its importance may well increase for two reasons [7]. First, unlike TANF, the Food Stamp Program can increase in a recession. Second, food stamps will remain available to households that have depleted their five-year supply of TANF assistance. Thus, welfare-reliant families and working-poor families alike may be more dependent than ever on food stamps [11]. Nationally, some 90 percent of AFDC/TANF recipients also receive food stamps, while only 35 percent of households on food stamps also receive AFDC/TANF [7, 14].

Results to Date

According to at least one measure, welfare reform is working: caseloads are declining. The latest numbers from the U.S. Department of Health and Human Services show that from August 1996 to June 1999 the number of families receiving TANF funds dropped 43 percent; the number of individuals, 44 percent. Indeed, individual caseloads declined in all states. Likewise, food stamp caseloads declined 28 percent for individuals, 27 percent for households from October 1996 to October 1999.

That said, however, such a measure is limited at best. According to Gundersen,

The ultimate goal of welfare reform is to improve the well-being of poor families, not just to remove people from welfare. Declining caseloads in and of themselves do not give any information as to whether families are better or worse off; they indicate only that fewer people are receiving welfare. An accurate assessment of the Act's effects requires an analysis of the well-being of poor households before and after its implementation [7].

To which, Oliveira adds “Much of the success of the Act in reducing both welfare dependency and federal spending will ultimately depend on the degree to which welfare recipients obtain jobs that make them self sufficient” [14]. On that count, there are reasons for concern.

Reasons for Concern

Welfare to no work

A recent assessment shows that in many states approximately half of all former welfare recipients have not found a job [6]. Indeed, from 1992-97, labor force participation among the poor in rural areas did not change, despite declining welfare caseloads [c]. That is, many people have gone off of welfare without going to work [17].

Why? Not surprisingly, many of the characteristics of individuals and the places where they live that contribute to the need for welfare, also stand in the way of moving from welfare to work. Goetz et al., looked at the effects of personal and place characteristics on welfare caseload declines in Kentucky. With respect to

personal traits, they found that younger recipients had more difficulty moving off of welfare, as did recipients with more children, recipients with less than a general equivalency degree (GED), and recipients with little prior work experience. As for place, they found that higher unemployment rates, fewer retail sector jobs, the absence of childcare, and remoteness all dampened caseload reduction [6].

Welfare to low-wage work

Even when former recipients do find work, they often secure only low wage jobs, generally in the food service and retail sectors. For example, research on former welfare recipients in Kentucky shows that most only earn between \$5.15 (minimum wage) and \$7.99 per hour. Such wages are hardly enough to lift workers and the families that depend upon them to a level of self-sufficiency. Zimmerman and Garkovich calculated the full-time hourly wage needed by a single mother of two in rural Kentucky to meet her family's needs as \$10.61 [22]. Furthermore, most of the jobs available to current or former recipients are without health and other benefits [6].

Despite the low wages and lack of benefits, however, the number of recipients on food stamps or Medicaid has declined dramatically [6]. But, not surprisingly, poverty levels for rural adults have not—even though the levels for suburban and central city adults did. Likewise, the poverty rates for rural children have fallen only four percent—much slower than for those in suburbs and central cities [17].

Tremendous variation

Declines in welfare caseloads since reform have not been uniform across the nation. Indeed, the rate of decline varies significantly, ranging from 12 percent in Rhode Island to 86 percent in Wyoming. The same is true for food stamps, ranging from six percent in Rhode Island to 40 percent in Washington [d].

Variation also occurred across regions. Take for example, the South. While the total number of individual welfare caseloads in the nation dropped 44 percent from 1996 to 1999, caseloads in the South dropped 56 percent [e]. (Decline in food stamp caseloads dropped 27 percent in the region, roughly equal to the national decline.) In fact, the average number of caseloads in the southern states went from above the national average to below it in that time—absolutely and relative to population (see Figure 1). State-by-state declines in those states in which the Southern Rural Development Center operates are shown in Table 1.

At first blush, this larger than expected drop in welfare caseloads might look like unqualified success for the South—more people moving from welfare to work. As noted above, however, by some counts half of the people leaving welfare have not gone to work, and many of those who have are earning very low wages. In addition, conditions in the region also call for caution.

Figure 1
Declines in Welfare and Food Stamp Caseloads, 1993-99.

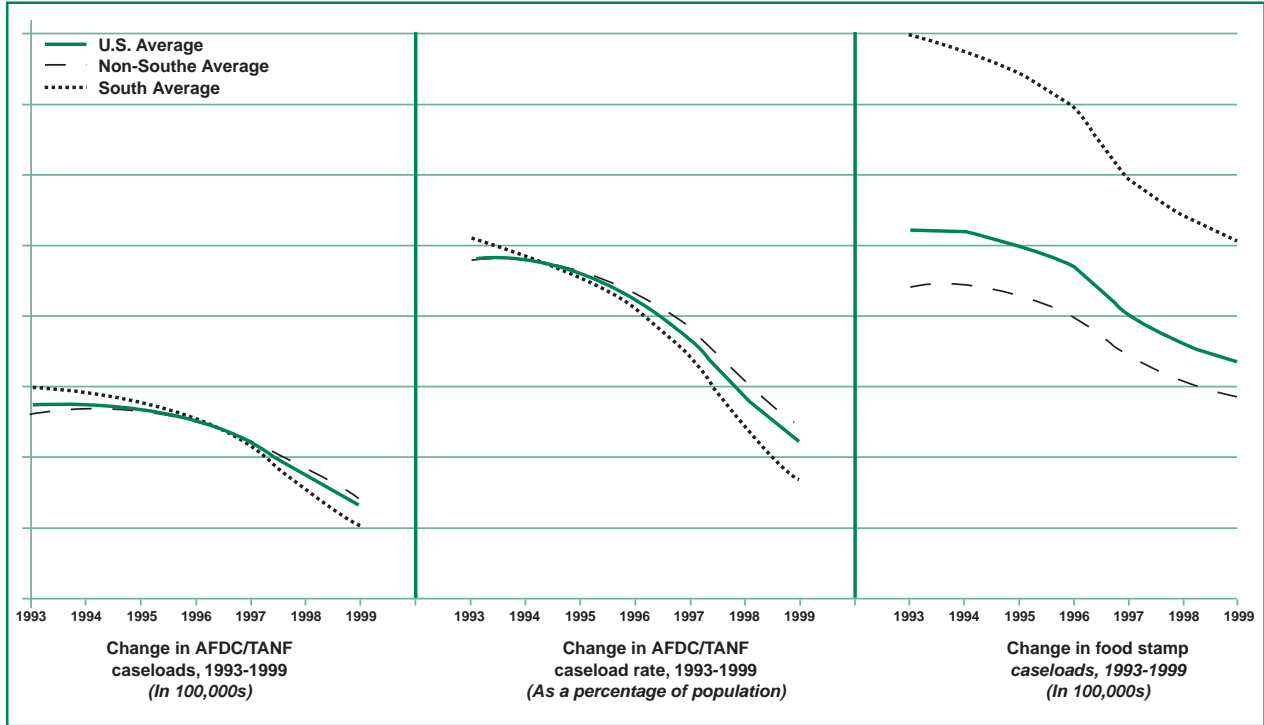


Table 1
Change in Southern Rural Development Center State Caseloads, 1993-96 and 1996-99

	AFDC/TANF		Food Stamps	
	Jan. '93- Jan. '96	Aug. '96- June '96	Oct. '93- Oct. '96	Oct. '96- Oct. '99
Alabama	-23.6	-55	-10.6	-20.3
Arkansas	-20.0	-48	-2.2	-9.6
Florida	-18.0	-68	-10.2	-31.8
Georgia	-8.6	-61	-6.5	-23.5
Kentucky	-22.5	-46	-10.6	-13.1
Louisiana	-9.2	-56	-18.0	-18.4
Mississippi	-23.6	-73	-19.0	-33.8
North Carolina	-14.9	-53	-.1	-20.7
Oklahoma	-24.6	-47	-11.0	-21.1
South Carolina	-19.4	-65	-7.1	-17.5
Tennessee	-17.3	-42	-19.0	-20.8
Texas	-9.0	-56	-18.9	-39.3
Virginia	-14.5	-45	-5.0	-32.9
United States	-8.7	-44	-10.3	-28.2

Source: U.S. Departments of Health and Human Services, and Agriculture Web Sites.

As recently as 1994, the region—particularly rural areas in the region—suffered an acute welfare-to-work spatial mismatch. According to Nord and Beaulieu, while the South had, in 1994, 42 percent of the nation’s counties, it had 52 percent of the nation’s counties with both high unemployment and high welfare dependence (see Figure 2) [12]. Thus, for many places in the rural South,

the issue may not be so much the availability of well paying jobs, but rather whether jobs will be available at all for TANF recipients. The possible scarcity of rural jobs could prove problematic for TANF recipients who must find work in order to maintain their benefits. And former welfare participants who have lost their benefits and must find employment in order to survive also could be significantly impacted by these rural job shortages [f].

Although the overlap of welfare dependence and unemployment may have improved some since 1994, the situation still holds several obstacles. Namely, unemployment, underemployment, and poverty rates remain higher, while educational attainment remains lower, in the rural South than in the rest of the nation [16].

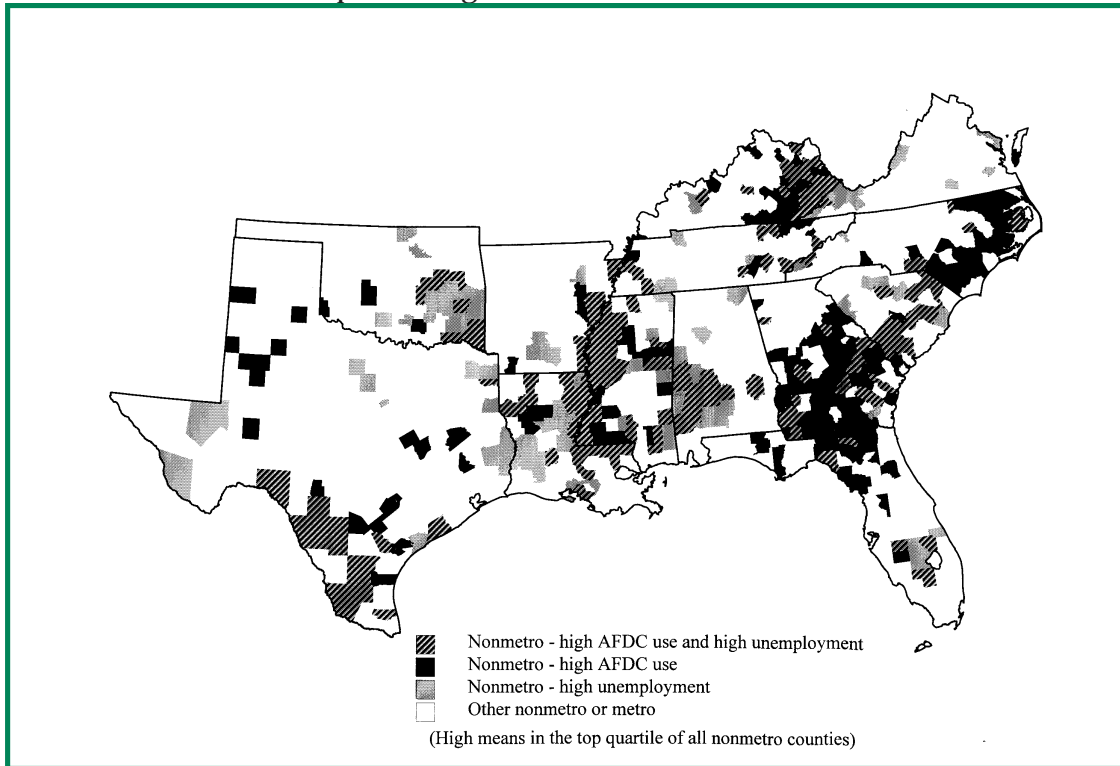
The dependence of rural areas, particularly those in the South, on transfer payments means that reductions in assistance will adversely affect their economies. Garkovich puts a fine point on it [5]: “As these monies decline, small businesses will be hard pressed to maintain solvency, especially if transfer dollars are not replaced dollar for dollar with earned wages. ... Will the loss of rural main street businesses be an unintended consequence of welfare reform?”

A temporary condition

Finally, the fact that at least some of the decline in caseloads is due to the nation’s long-running economic expansion, means that a recession could spell even more trouble. In that event, unemployment rates would rise, caseloads would rise, TANF assistance from the federal government, however, would not [3]. Consequently, many people could find themselves in dire need.

In sum, leaving welfare is not equal to self-sufficiency and economic well being for poor families. Nor is it even equal to food security. Indeed, former welfare recipients are much more likely to report difficulty in feeding their families. Consequently, welfare reform may make hunger worse for some—especially families with children [11]. As Kuhn et al. put it [8], “Decreases in transfer payments to poor families will have significant effects on food production, consumption, and nutrition. Lower transfer payments will lead to reduced expenditures on food, changes in the kinds of food consumed, and reduced expenditures on other goods by low-income households.”

Figure 2
 Overlap of High AFDC Dependence and High Unemployment
 in Southern Rural Development Region Nonmetro Counties, 1994.



Food Insecurity

The USDA defines food insecurity as “limited or uncertain availability of nutritionally adequate and safe foods or limited or uncertain ability to acquire acceptable foods in socially acceptable ways [3].” And from 1995-98, some 10.3 million households in the United States (nearly one-tenth) experienced food insecurity. About 36 million people lived in those food-insecure households, with children comprising nearly 40 percent of the group. Of those 10.5 million households, 3.7 million reached a level of severity great enough that one or more members went hungry at least some of the time [g] [13].

Who are these people and where do they live? Not surprisingly, poverty plays a big role in food insecurity. Indeed, people in poverty—all else equal—are more than 3.5 times as likely to be food insecure as people not in poverty. Still, there is no one-to-one correspondence between poverty and food insecurity. According to Duffy et al., while 60 percent of food insecure households are poor, only 10 percent of poor households are food insecure [3]. In fact, high poverty accounts for only about half of state-to-state variation in food insecurity [4]. Other factors contribute. For example, minorities, people in single-female headed households (especially those with children), people

THE ELDERLY

As a group, the elderly in the rural South are of particular concern with respect to food insecurity for several reasons. First, a national survey by the Urban Institute found that 8-16 percent (2.5-4.9 million) of elderly people experienced food insecurity within a six-month period [10]. Second, the South has the highest rates of poverty for people over the age of 65, with Mississippi having the highest rate at 29 percent [10]. Likewise, 14.4 percent of food stamp recipients in Mississippi are 55 years old or older—more than double the national average of seven percent. Finally, the elderly who are at risk of food insecurity are unlikely to benefit much from the current or future economic expansions; they are no longer, if they ever were, in the workforce and they are not likely to have significant revenue-generating assets. What factors contribute to food insecurity in the elderly? The list is quite long and includes factors related to finances, health, social and personal traits, and mobility.

Factors Contributing to Food Insecurity in the Elderly

Financial	Health	Mobility	Personal
• limited income	• poor health	• restricted	• minority
• Medicaid recipient	• poor perceived health	mobility	• live alone
• Food Stamp recipient	• physical disabilities	• limited access to	• male
• inadequate cooking	• unplanned weight	transportation	• little education
utensils	changes	• limited access	• lack of nutrition
• frequent unexpected	• high medical expenses	to grocery stores	education
expenses/emergencies	• tooth or mouth problems		

Food insecurity in the elderly, as in any population, naturally results in health problems—among other things, exacerbating diseases and reducing the resistance to infection. Approximately 80 percent of all older adults have chronic medical conditions that could be helped by proper nutrition[10]. And apparently, the rural elderly have it even worse. Lokken cites evidence that the elderly tend to have poorer health profiles than their urban counterparts. In her own study of the elderly in Mississippi, she found that majority of food stamp recipients were at high nutritional risk.

The seeming inability of food stamps to solve the nutritional needs of the elderly is exacerbated by certain factors that make it difficult to serve the elderly. First, nationwide in 1994 only 35 percent of elderly Americans who were eligible for food stamps actually applied for and received them [10]. Reasons for this low rate include difficulties associated with applying for them, the fact that the elderly generally qualify for such a small amount that they often deem the benefit not worth the effort, and a belief on the part of the elderly that they are not eligible [10]. Indeed, in Lokken's interviews with elderly in Mississippi, the researchers often perceived a great need while the interviewee did not. Finally, pride may also play a role in discouraging application for assistance.

with less than a high school education, and legal immigrants, are more likely to experience food insecurity. Kurzynske et al. found that black and Hispanic households had nearly three times the rate of food insecurity than that of white households [9]. Likewise, households with children had more than double the rate of households without.

Finally, participation in the Food Stamp Program is no guarantee against food insecurity. According to USDA, 50 percent of food stamp recipients experience some level of food insecurity. In fact, food stamp recipients are more likely to experience food insecurity than people who are eligible for food stamps yet do not receive them [19]. This fact is particularly disturbing given that more than half of all food stamp recipients are children [11].

As for their location, the answer again comes as little surprise; a large portion reside in the rural South. Food insecurity is a bigger problem in rural areas than in either the suburbs or metropolitan areas outside central cities. In fact, 10.6 percent of all rural households are food insecure [13]. Despite this, food stamp participation rates are significantly lower in rural counties than urban ones—even when experiencing the same level of poverty [10].

And as for the South, the rate of food insecurity among households in that region consistently outstripped the national average from 1995-98, and was second only to the West (see Table 2). On a state-level basis, the rate of food insecurity was significantly above the national average in 11 states—six of which are in the South: Arkansas, Florida, Louisiana, Mississippi, Oklahoma, and Texas. Indeed, Mississippi, with 14 percent of its households facing food insecurity, has the nation's second highest number, trailing only New Mexico. Likewise, the incidence of hunger is significantly above the national average in six states—three of which are in the South: Arkansas, Florida, and Texas [13]. The percent of households that are food insecure, and with hunger, in the 13 Southern states are presented in Table 3.

Addressing Food Insecurity

That one-tenth of the households in this land of plenty where—according to USDA the food thrown out by restaurants and grocery stores or left in the field to rot could feed 49 million people a year—should live with limited or uncertain access to food is a particularly disturbing problem. That the programs designed to correct the problem may fail to do so, is doubly so [h]. Nevertheless, that is the case. Consequently, many in this country are forced to adopt other means to meet their nutritional needs. Monroe et al. cite several of these including the following: skipping meals, cutting the size of meals, borrowing money or food, pooling food stamps with others, allowing children to eat before adults, and having children eat subsidized meals at school [11].

Table 2

Food Insecurity and Hunger, 1995-1998

Percent of All Households								
<i>Census Region</i>	1995		1996		1997		1998	
	<i>Insecure</i>	<i>Insecure w/ Hunger</i>	<i>Insecure</i>	<i>Insecure w/ Hunger</i>	<i>Insecure</i>	<i>Insecure w/ Hunger</i>	<i>Insecure</i>	<i>Insecure w/ Hunger</i>
Northwest	8.7	3.3	7.7	3	7.8	2.9	9.1	3.2
Midwest	9.3	3.5	8.7	3.3	7.5	2.9	7.7	2.6
South	11.0	4.1	11.8	4.5	9.4	3.1	11.1	4.0
West	11.7	4.7	12.2	4.9	9.5	3.2	12.2	4.2
US	10.3	3.9	10.4	4.1	8.7	3.1	10.2	3.6

Source: Household Food Security in the United States, 1995-1998 (Advance Report).

Table 3

Food Insecurity and Hunger in Southern Rural Development Center States, Average 1996-98

Percent of All Households					
	<i>Insecure</i>	<i>Margin of Error</i>		<i>w/ Hunger</i>	<i>Margin of Error</i>
Virginia	8.3	0.91	North Carolina	2.6	0.43
Kentucky	8.4	0.91	Virginia	2.9	0.75
North Carolina	8.8	1.07	Alabama	3.2	0.71
Georgia	9.7	1.65	Georgia	3.2	0.86
South Carolina	10.2	1.59	Kentucky	3.2	0.61
Tennessee	10.9	1.32	South Carolina	3.4	0.89
Alabama	11.3	1.58	Florida	4.2	0.52
Florida	11.5	0.87	Mississippi	4.2	0.91
Oklahoma	11.9	1.47	Oklahoma	4.2	0.79
Arkansas	12.6	1.34	Tennessee	4.3	1.08
Louisiana	12.8	1.88	Louisiana	4.4	1.13
Texas	12.9	0.81	Arkansas	4.6	0.58
Mississippi	14.0	1.82	Texas	5.0	0.59
US	9.7	0.18	US	3.5	0.14

Source: Nord., et al, 1999.

Private Assistance—An Example

Food banks are a relatively recent addition to the list of food assistance providers and consequently to the list of coping strategies. Prior to the 1980s, private food aid was largely limited to urban soup kitchens. Federal policy changes coupled with a deep recession, however, led to an expansion of assistance. The 1990s, despite economic growth, have seen an increase in the need for private aid in many areas. Second Harvest, the nation's largest private hunger relief agency, estimates that in 1997, nearly 26 million people, over one-third of whom were children, received food and groceries through the Second Harvest network of food distribution centers [3]. Indeed, Duffy et al. found that half of the urban food pantries they studied reported an increase, as a result of welfare reform, in the number of people receiving assistance. Other pantries, including rural ones, may well see similar increases as the five-year time limit on TANF benefits runs out [3].

In addition to the increase in numbers served, the pantries are seeing increases in the length of time that assistance is needed. Originally created as emergency assistance providers, the pantries are now serving more and more chronic cases. A study of pantry users in Pennsylvania found that the median length of use was two years [3]. “Reliance on the pantry system may be a long-term prospect for such clients, especially given the declining Federal support for the poor [3].”

The increasing demand for them notwithstanding, food banks are not without their critics. For example, some see food banks as playing a negative role in the community—contributing to a cycle of dependence and poverty, and leaving people feeling hopeless. “Some view food banks as part of the long term poverty problem because they shift the focus away from the structural inadequacies of the welfare system and government’s responsibility to create viable economic opportunities for its citizens. In short, critics argue that food banks do a good job of covering up the poverty crisis [3].” Another criticism leveled at food pantries claims that they demean users by subjecting them to the humiliation of requesting help and the stigma that goes along with that.

In a study of East Alabama food banks, however, those criticisms did not ring true.

The food pantries in the [East Alabama Food Bank] case study did not appear to create dependency among their users. “The agencies” [were] not designed to be the only source of food for their clients. Instead, they are a supplement to the food a client already has and often help during emergency situations such as job loss, divorce, illness, or other special circumstances [3].

As for the criticism about demeaning clients, the researchers found no evidence of that either. Indeed, almost all of the clients interviewed said that they were treated with respect at all times by pantry staff [3].

Governmental Assistance—Policy Implications

With the enactment of welfare reform in 1996, the federal government declared its intent to move people toward self-sufficiency and away from public assistance. A measure of success—whether from growth of the economy or changes in policy—has followed; welfare caseloads have declined. Still, the need for assistance in the rural South (and elsewhere)—as exemplified by continuing high rates of poverty, the predominance of low-skill, low-wage work opportunities (when even those can be found) for current and former assistance recipients, and the presence of food insecurity and even hunger—has not gone away. And private assistance efforts, while effective and laudable, cannot alone carry the load. What, then, might government do to ensure that rural Southerners and all Americans have their basic needs met? The research suggests several possibilities.

First, unlikely though this option is, funding for food assistance programs might be increased. Lokken, for example, found that the amount of food assistance received by the elderly in Mississippi she surveyed is simply inadequate, with most getting only \$10 per month [10]. Indeed, 50 percent of all food stamp recipients experience some level of food insecurity, 17 percent experience moderate hunger, and five percent experience severe hunger despite the assistance.

Second, assistance works best when part of a holistic effort. For example, transportation is a key concern. Without adequate transportation, recipients cannot easily access jobs, training, shopping, or assistance providers. The concern is especially great in rural areas where people must travel greater distances to meet those basic needs and where public transportation is greatly limited. Duffy et al. report that 60 percent of people getting assistance from Second Harvest food banks have no car [3]. Likewise, childcare is a major concern. Without it, parents face additional obstacles in landing and holding jobs. Another linkage that bears examination and possible expansion—despite its potentially controversial nature—is that of assistance programs with religious institutions. According to Duffy et al. “One major finding of this study is the important social welfare function of the rural church and how the food bank program is expanding this role [3].” Indeed, half of Second Harvest’s food banks are affiliated with churches, and the research indicates that people who are involved in church are less likely to experience food insecurity.

Finally, the need is great to expand awareness of the issues and of the availability of assistance. Much of the research indicates that people who are eligible for assistance did not know that they were or did not know where and how to obtain it. Duffy et al. report that lack of knowledge of the food pantry system is the major obstacle to its use [3]. Reaching people that need assistance is absolutely critical. Other information needs run the gamut from nutritional education—so that food assistance translates into a healthy diet—to increasing sensitivity to reduce the social stigma of receiving assistance, to information about jobs and training. Again, many of the defining characteristics of rural areas work against this, making information harder to come by.

Running through each of these implications, of course, is the need for flexibility—flexibility to recognize differences within the region, in people, in needs, and in resources. Programs designed with the South’s urban areas in mind often do not translate well to its rural situations. Programs designed for rural areas in the Delta often fail to meet the needs of rural areas in Appalachia. As with most policy issues, one size does not fit all.

Electronics Benefits Transfer

In addition to the many other changes it instituted, the Personal Responsibility and Work Opportunity Reconciliation Act required that all states issue food stamp benefits electronically by October 1, 2002. As of March 2000, 40 states plus the District of Columbia and Puerto Rico have implemented EBT systems. The system works much like a debit card—with value added and deducted electronically at grocery store checkouts and automated teller machines.

The reasons for moving from paper coupons to EBT include potential reductions in the cost of administering the system and in fraud and abuse of the system, as well as potential increases in the percentage of eligible people participating in the program. Specifically, the use of EBT is believed to reduce the social stigma and embarrassment felt by recipients—factors that may lead to lower participation rates.

Early assessments indicate that the first two goals are being met. Evidence of success on the third, however, is lacking. According to USDA researchers, “The evidence to date, however, does not indicate that EBT increases Food Stamp Program enrollment, recognizing that evidence of the impact of EBT alone is hard to distinguish from other factors that also affect enrollment, such as the level of general economic activity or the unemployment rate” (Oliveira and Levedahl).

That said, EBT does seem to be finding favor with recipients. In a survey of Alabama food stamp recipients, Zekeri [21] found that the majority believed that EBT

- is easier to use than paper coupons,
- reduces embarrassment associated with paper coupons,
- is better than receiving coupons in the mail
- reduces theft and fraud,
- is more reliable, and
- makes benefits more secure.

Zekeri also found that retailers and banking institutions favored the system as it reduced their transaction costs and administrative burdens. Thus, he concludes, “the system was seen as satisfying and more likely to bring out the best in food assistance programs.”

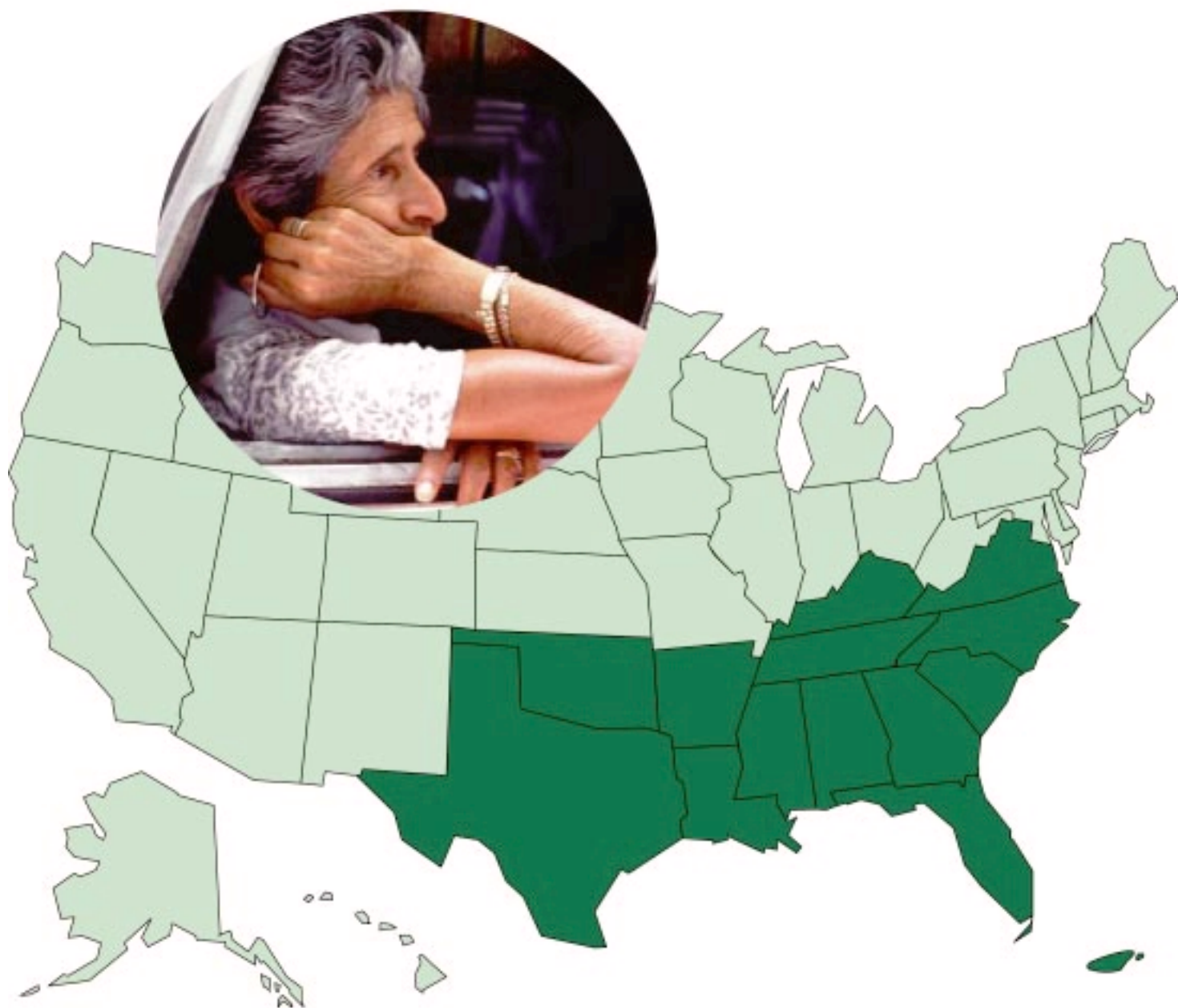
Endnotes

- [a] For description of changes to other food assistance programs, see Oliveira.
- [b] The Murray/Gorton Amendment allows states to establish their own benefit programs for people ineligible for food stamps due to non-citizen status or work requirements.
- [c] Note that rural welfare recipients are more likely to be employed while receiving welfare assistance recipients in central cities (Goetz et al.).
- [d] Declines in individual recipient caseloads.
- [e] The South is defined here as the 13 states in the Southern Rural Development Center region—AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX, and VA.
- [f] States can request a waiver of the “able-bodied work requirement” of the Food Stamp Program for areas in which the average unemployment rate in the past 12 months exceeded 10 percent (Oliveira).
- [g] Food insecurity does not equate to hunger or necessarily result in it.
- [h] According to Duffy et al., a recent study by Tufts University found that changes in state welfare programs in 34 states and the District of Columbia would likely worsen the economic security of families.

References

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