

World Poverty, Hunger, and the Effect of Welfare-to-Work Legislation in the United States: A Review of the Literature

Henry O'Lawrence
College of Health and Human Services,
California State University Long Beach, Long Beach, CA, USA

holawren@csulb.edu

Abstract

The purpose of this presentation is to inform the general public of the world poverty and how the effective informing could affect the result of the elimination. This article discusses the major problems affecting global efforts toward eradication of poverty and with Information Technology couple with several new mode of learning; it is possible that we are not that far away eliminating world poverty. Poverty is the most serious and costly social problem in the world, especially in the United States and Europe. Millions of Americans live in poverty and hundreds of billions of tax payer dollars are spent annually on efforts to assist the poor. In Africa and Asia, particularly, millions of children die every day because of hunger and child slavery. Each study selected in this review originated within the field of vocational education and training or welfare reforms programs across the United States.

Keywords: Poverty, Welfare-to-Work, employment

Introduction

Poverty is the most serious and costly social problem in the world. Europe and the United States lead the Western world (Economy Power) in efforts to find solutions to this problem. Each year millions of Americans live in poverty and hundreds of billions of taxpayer dollars are spent on efforts to assist the poor. In Africa, millions of children die from hunger every day, child slavery is a growing problem, and war is almost constant in areas such as Asia, Iraq, Afghanistan, and the rest of the third world. Even though the cost of services to the poor is staggering, considering major welfare programs in the United States and Europe, African nations are demanding relief from debtors, mainly the Western World, so that hunger in their countries may be combated.

According to Proctor and Dalaker (2003), the official poverty rate in the United States in 2002 was 12.1%, up from 11.7% in 2001. In 2002 people below the official poverty threshold numbered 34.6 million, about 1.7 million higher than the 32.9 million in poverty in 2001. The cost of services to the poor is staggering, considering major welfare programs in the United States and Europe addressing the issues of homelessness, poverty, and hunger among the minorities. There is a major gap between the rich and the poor, and to date there has been no effective way to close that gap. African nations are demanding re-

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lief from debtors, mainly the Western world, so that hunger in their nations can be decreased or eliminated.

A recap of legislative mandates from the Welfare-to-Work legislative act and the Childcare Legislative Act, which have influenced welfare recipients, is outlined as a model against world hunger and poverty. The focus of vocational education and training in producing a productive workforce is a major focus of discussion for global well-being, with a focus on economic well-being, income, inequality, and health as a road to poverty elimination, not only in the United States but all over the world. With many factors shaping the new economy of America, the European Union, and Africa, the importance of reevaluation of how to move the world out of its current economy difficulties has become a struggle and urgent for productive workforce through vocational education and training as the world's economic superpowers are challenged for not having done enough (Proctor & Dalaker, 2003).

Background

Of all the major Western industrial nations, the United States is more conservative about social welfare policy and America's welfare programs are the most recent in origin and the most limited in design, coverage, and cost. The welfare programs mainly rest on tentative public support, despite their comparative modesty. In all 50 states, the District of Columbia, and several territories, many have designed new welfare systems to find ways to help the poor to become independent through self-employment by placing many requirements and restrictions on the states but allow state officials considerable flexibility in designing new welfare systems (Rodgers, 2000).

In California, for example, many welfare recipients lack the basic skills needed to succeed in the workplace. They tend to have substantially lower basic skills than welfare recipients in the rest of the nation, and the basic skills gap between welfare recipients and workers is also greater in California than in the nation.

The basic skills requirements of the workplace are increasing; therefore, women's success in the labor force and their economic self-sufficiency depend upon both literacy improvement and employability training.

An estimated 23 million adults in the United States lack basic literacy skills and an estimated 23% of all adult females have severely limited literacy skills (compared to 17% of all males). About 75% of female heads of households with less than a high school diploma are living in poverty, and young women with below-average skills and below-poverty incomes are 5.5 times more likely to become teen parents. Also, nearly 40% of female single parents and 35% of displaced homemakers have an eighth-grade education or less (Kerka, 2000).

The Working Toward Independence Act of 2002 (HR 4092) provided estimates that hourly earnings increased from 19% to 23% for women earning an Associate degree. The Act also reported the following data, documenting important connections among education, employment, and income:

- Single female heads of households who have a high school diploma are 60% more likely to have jobs than those without a high school diploma or GED, and those with an associate degree are 95% more likely to be employed. For a TANF recipient with basic skills equal to a high school diploma, an additional 200 hours of education and training (the equivalent of a semester's worth of courses) could lead to jobs that pay \$5,000 to \$10,000 more per year.
- With at least one year of postsecondary education, poverty declines from 51% to 21% for families headed by African-American Women, from 41% to 18.5% for families headed by Latino women, and from 22% to 12% for families headed by Caucasian women.

- Graduating from high school increases working mothers' earning by \$1.60 per hour (1997 dollars). A college degree is worth an additional \$3.65 per hour (1997 dollars). In contrast, each year of work experience adds only seven cents per hour to a recipient's hourly wage.
- A survey of 5,200 families who left the welfare rolls after 1996 found that the only group likely to escape poverty by their earnings alone was those workers with at least a two year postsecondary or vocational degree. Only 29% of welfare recipients who left welfare lacked a high school degree, compared to 41% of those still receiving welfare. (O'Lawrence & Sanchez, 2003, p. 51)

The U.S. Department of Health and Human Services and the U.S. Department of Education reported stated that former Temporary Assistance to Needy Families (TANF) recipients who were most successful in sustaining employment were also twice as likely to have a technical or 2-year degree. The NEWWS study of state welfare reform programs found that the most successful programs used a mix of education, training, and work rather than simply encouraging recipients to accept the first available employment. In New Mexico, for example, the job training and education provisions of TANF are viewed as an important component of economic development policy and as an opportunity to strengthen economic development and reduce poverty.

Many former welfare recipients remain in a state of poverty. More than 40% of former welfare recipients continued to live below the poverty line in 1999. Many welfare leavers lack funds for food, housing, medical assistance, child care, and other basic living expenses. Poverty impacts not only former recipients; their children also experienced higher incidences of problems in school, behavior and mental health issues, and health problems (Library of Congress, 2001). To get people out of poverty takes more time, constant training, and consistent motivation to overcome recipients' personal problems, which often include physical and mental disabilities, drug abuse, early pregnancy, and parenting responsibilities. Overcoming these challenges requires ongoing mentoring, motivation, education, and training (O'Lawrence & Sanchez, 2003).

Purpose of Study

Therefore, the purpose of the paper was to determine what role Informing Science can play in the elimination of world poverty and hunger, as well as the creation of special legislation among the industrial nations to achieve the elimination. With the Information Technology age and the growth computer usage, definitely the third world countries can benefits from different types of Workforce education and development across the globe.

According to Hugill, (1999) if information is power, whoever rules the world's telecommunications system commands the world. The Western World definitely need to share this power with third world countries in other to reduce illiteracy, poverty level through educational training and human resources development. Global communications industry is gravitating toward the promise of convergence and the ability to carry voice, data and video traffic (along with enhanced software applications) on a single pipe. In the US, upstart "next-generation" carriers are challenging the regional Bell operating companies (RBOCs) for market share and are aggressively adopting new technologies to build their networks, and rather than settle on equipment that will lock them into the same technology for years to come, they adopt gear that is flexible enough to complement the next generation of switches (Infantino, 2002). We can definitely help reduce World Poverty by transfer of technology and outsourcing some low-pay job that gives these people hope.

Research Methods

This study employed qualitative research methods to explore the degree of World poverty, hunger and to find effective solutions to what is becoming critical to world peace. Qualitative research using a case study approach was chosen to achieve the following objectives:

1. To better understand observed changes.
2. To fully explore the reason for the high rate of the world poverty and hunger.

Stake (1994, 1995) suggests that researchers have different purposes for studying cases. He suggests that case studies can be classified into three different types: intrinsic, instrumental, and collective. The intention here is to better understand intrinsic aspects of the World hunger and poverty; instrumentally, to provide insights into an issue such as hunger and poverty and finally, to collectively and extensively understand, insight, or perhaps to theorize the issue in a broader context. According to Yin (1995), a case study is an in-depth inquiry of a setting, group, or event that observes historical facts and developmental occurrences, presents conditions, and shows environmental interaction (O'Lawrence, 2003).

The two fundamental uses of the case study are to obtain descriptions and the interpretations of others (Stakes, 1995). Document review was used to gather information and because of multiple interests, there is no solid drawn between intrinsic and instrumental studies. The design used in this study is exploratory as a prelude to a large social scientific study, an organizational framework to would later serve as a pilot study when comprehensive investigation takes place sometime in the summer 2006.

Findings

The Welfare to Work (WTW) program in the United States has been relatively successful in providing additional services to clients through work-related services such as job readiness assistance, employment assistance for noncustodial parents, and supplemental resources for poor communities. WTW has been more effective in getting participants back to work, increasing their earnings, and reducing their dependency on the system; however, it has been only relatively successful in reducing poverty (Gueron & Hamilton, 2002). Statements like this are highly questionable; several scholars in the area of welfare policy have published empirical research that challenges these statements and argues the exact opposite of what is stated here. The issue of welfare reform and welfare recipients is very broad and works differently depending on how each state manages it.

We have no idea what it means to be poor if we have not experienced it. We have no idea what poverty is all about, or war, hunger, slavery, and living with lack of human development society. It is hard when a significant percentage, including a majority of the population, is struggling to survive. Even though a few places around the world may see increasing rates of growth in a positive sense, there is globally a negative change in income distribution. Unfortunately, the gap between the rich and poor is widening, as about 13% of the world's population controlled 25% of the world's assets in 2004, and 20% of the world's population consumed 86% of the world's goods (Shah, 2005).

In some countries, successive military governments and/or corrupt leadership and international economic policy have combined to create debt traps and wealth siphoning that is affecting the poorer citizens the most, due to the costs of debt being "socialized." Latin America has the world's highest disparity rate between the rich and the poor. The World Bank reported that income inequality in the region had worsened, with the richest tenth of the population earning 48% of total income and the poorest tenth earning only 1.6%. Race has also been a factor: Indigenous and Afro-descended people are at considerable disadvantage with respect to Whites, with the lat-

ter earning the highest wages in the region. The United State has the largest gap and inequality between rich and poor of all industrialized nations: The top 1% receive more money than the bottom 40%. The gap is the widest in 70 years. In the past 20 years, the share of income going to the top 1% has increased while it has decreased for the poorest by 40% (Shah, 2005).

The developing countries are not the only ones facing poverty. Even in Europe and the United States, poor people do not seem to get enough attention or resources to alleviate their problems. Even though Britain is one of the most affluent members of the European Union (EU), the bottom 50% of the population owns only 1% of the wealth, compared to 1976, when they owned 12%. The United States, considered to be the wealthiest nation on earth, has the widest gap between rich and poor, and disparities continue to grow. About 268 people are billionaires, but 34.5 million people are living below the poverty line, which is about \$13,000 for a family of three (Shah, 2005).

The G8 ended its most recent economic summit in Gleneagles, Scotland, with a positive disposition that set a road map to rescue Africa from its perennial economic crisis. It is to be hoped that this will bring positive changes to lives of women and children on that continent. Truly, a 100% increase in financial aid to African countries from \$25 billion to \$50 billion in the next 4 years, outright cancellation of external debt owed by the world's poorest nations (most of which are African), universal access to HIV/AIDS treatment, and a commitment to a peace-keeping force in Africa will surely bring dramatic changes in the life of the poor, although this will not happen overnight. No doubt, Africa needs support from rich nations to overcome its backwardness. The human development score card is quite heart rending in its report that half of Africa's 700 million people live on less than a dollar a day. The loan given to that continent should be spent on vocational education training to create a middle class, an opportunity for individuals to provide for themselves and their families (Marsden & Hyland, 2005).

Education and Training

Developed countries can adopt the type of education and training conducted under PRWORA that focuses on individual instrumental growth and economic development. Research by the General Accounting Office (GAO, 1999) suggested that programs that combine job search assistance with education and training are more effective over a 5-year period than programs that focus on either job placement or basic skills training. But programs that used a combined approach were indicated to be more successful in helping participants to obtain employment and increase their earnings while reducing welfare payments.

O'Lawrence and Sanchez (2003) indicated that the United States has failed to invest sufficient resources and effort into promoting transitional services in education systems—a failure that increases the numbers of recipients needing government assistance. The lack of a clear, direct connection between education and employment opportunities for most young people is one of the most devastating aspects of the existing welfare system. The lack of sufficient programs to provide training and education for unskilled, nonprofessional, and hourly workers, including welfare recipients, also undercuts the United States' competitive position in the global market. Due to our high standard of living, U.S. producers have difficulty in competing with other countries in the area of low-paid, low-skilled labor. The human capital investment theory suggests that investing in human capital and increasing the skills and wages of employees are the best ways to increase productivity. In order to create high-skills/high-wage workers, it is necessary to invest in training (Gray & Herr, 1998).

According to Friedman (2000), to break out of the cycle of poverty and welfare dependency successfully, there is a need for assistance as well as programs that support the transition from school to work. Continuing education, job readiness, and life skills training can play a major role in help-

ing them to attain self-sufficiency. Also, the U.S. Department of Labor's WTW grants provide transitional assistance to the hardest-to-employ welfare recipients by providing them with job - readiness and job placement services, transitional employment, and other job retention and support services needed to achieve long-term, unsubsidized employment and self-sufficiency. Workforce education can improve adaptation to the new global economic environment by teaching a broader set of skills and a global mind set (Kerka, 1993). To guide professionals who are training these people, the main goal must be to adopt four principles outlined by Gray and Herr (1998). These principles are aimed at meeting trainees' needs and helping the provider (center) responsible for such training to focus efforts. The principles are summarized as follows:

1. The curriculum for WTW programs should be designed by formal methods of task analysis. Formal task analysis is the most reliable and valid method because it is based upon objective descriptions of occupational tasks. Skills, knowledge, and attitudes for a certain occupation are identified and used as the basis for curriculum content design.
2. Workforce educators should design curricula to incorporate a specific set of ethical standards. In the case of workforce education, the four ethical imperatives are to promote learning, ensure health and safety, protect the public or private trust, and facilitate the transition from school or training to work.
3. The WTW curriculum should promote learning of job readiness techniques, ensure the health and safety of participants, protect their confidentiality and trust, and assist them in their transition from welfare to the world of work.
4. In the WTW program it is necessary to teach welfare recipients methods of job search that will help them to become employed within a limited amount of time. If a client is not tested on new learning and is not successful in the job search, there has been a failure on the part of the workforce educator to determine how to assist the client in learning.

Follow-up research, ongoing efforts, and data analysis from well-defined research are essential to determine public policy and educational services for welfare recipients. It is suggested that the CalWORKs program should not be discontinued. This temporary assistance program for women must continue because it is very important to the decrease in poverty. However, vocational education and training, work study, and job readiness assistance should be major emphases to move this population out of poverty.

According to Kerka (2000), linking literacy education to employment and training programs can be a significant factor in improving a woman's basic skills and laying a stronger foundation for increasing her employability. Such programs should strive to be (a) comprehensive, meeting the specific needs of low-income and single mothers; (b) learner-centered, recognizing individual abilities, experiences, interests, and goals; (c) flexible; (d) standards based; and (e) policy linked, incorporating advocacy activities for public policy issues that will help to shape literacy services.

Discussion and Conclusion

This review supports the continued emphasis on training and transition services as an effective means for moving high-risk participants from welfare to employment. What the third world countries need is access to education. Education is power, and these countries are lacking power because of their higher levels of illiteracy. A program such as reauthorization of TANF, as in the United States, can be established to provide job training and education to reduce poverty and revitalization of the economy. Vocational education and continued training will stop world hunger and poverty and will bring both increased earnings and greater employability for employees and greater productivity and profit levels for employers in third world countries.

Overall, WTW legislation that promotes the growth and development of welfare recipients will have the most positive effect on the recipients and the economy. When there is a large influx of welfare participants into the economy at one time, there will be temporary increase in unemployment of low-skill workers. However, if enough of the welfare participants are educated and trained enough to get higher-skill jobs, the distribution of new workers in the economy should not affect the employment of low-skilled workers as much.

WTW legislation will also benefit the economy because current workers do not have to pay as many taxes to support the welfare recipients who are not working. WTW programs are the most successful at getting recipients to work when they use a mixed, flexible method of work first and education or training first. However, a large problem with current WTW programs is that, although they can move large numbers of participants to work, they often fail to get them out of poverty (Welfare Information Network, 2002). If adopted, mandatory basic education, vocational education, and enhanced preparation and development would provide WTW services to families all over the world whose incomes are not adequate to meet their basic needs.

The fight against poverty must be fought through expansion of wealth creation machineries, self-reliance, and value orientation. Elimination of poverty depends on welfare reform programs that provide steady employment toward self-sufficiency by gaining employment and maintaining that employment, vocational education and training women and youth that provide job skills, creation of opportunities for advancement, free education, and scholarships for children coming from poor homes. Job training and education is a very important component of economic development and a key to reducing poverty and revitalizing the economy all over the world.

The efficacy of training for recipients of welfare reported in this review of the literature aligns with training, occupational experience, placement, and comprehensive support services of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 in the United States. All 50 states, the District of Columbia, and several territories have designed ways to help the poor become independent through self-employment after training (Imel, 1998). With the new Information Technology (Distance Learning), other countries can emulate this idea with the support of the United Nations if the world superpowers are serious about eradicating the global problem of poverty and hunger. Debt forgiveness may not be the only solution; rather, creating vocational educational programs and training can make an immediate impact in the lives of women and children in poor countries.

Even though adult and vocational education have been linked with welfare reform since the Family Support Act of 1988, passage of the PRWORA in 1996 radically changed the environment for welfare recipients and the educators who serve them (Imel, 1998). California has the largest welfare caseload in the United States and has more strict legislation regarding participant requirements than those of the federal government (Office of Planning, Research and Evaluation, 2000). Although precise data do not exist about the costs associated with less-than-effective services for students or adults making the transition from school or training to employment, there is no doubt that there are economic implications for both individual and social competitiveness.

Assessing the efficacy of Workforce training programs for welfare recipients to determine whether recipients are gainfully employed and functionally independent is very important to both public policy and educational policy, not only in the United States alone but also in Europe and the developing countries. Third world countries are not doing enough to invest in their people. The human capital investment theory suggests that investing in human capital and increasing the skills and wages of employees are the best ways to increase productivity. Creating high-skill/high-wage workers requires investment in training (Gray & Herr, 1998).

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