

Food Assistance Program Participation

Food Stamp Dynamics Across Rural and Urban Landscapes in the Era of Welfare Reform

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Welfare reform has encouraged researchers to develop new conceptual and empirical frameworks for examining low-income populations. The authors extend previous research by integrating into a single model the influence of individual, place, and geographic-setting characteristics on Food Stamp Program (FSP) participation dynamics. They tested whether local resources influence the dynamics of FSP participation. They also gauged the effect of spatial inequality, in terms of economic resources and social resources, across rural and urban populations.

The authors estimate that FSP recipients who exited the program were most likely to do so between the 1st and 13th months following passage of the 1996 Welfare Reform Act. The probability of exit leveled off by the end of the second year after the passage of the welfare reform legislation.

The authors used logistic regression analysis to estimate the effect of individual and community characteristics on the probability that an individual stopped receiving food stamps during the year after passage of the welfare reform legislation. The community characteristics included as explanatory variables in the regression analysis were measures of local labor market conditions, measures of civic capacity (such as the number of churches per person), and indexes that measure how active local organizations are in addressing issues such as poverty and unemployment. They also examined the variation in the probability of exiting the FSP across metropolitan and nonmetropolitan regions of Mississippi.

The estimation results indicated that Whites were more likely to stop receiving food stamps than African-Americans and that households without children were more likely to stop receiving food stamps than those with children. The community characteristics with the largest estimated effect on the probability of individuals leaving the FSP were the indexes of community activity in addressing local issues. Individuals in communities with organizations that focus on job promotion and with churches actively engaged in local issues were more likely to exit the FSP than individuals in communities without those organizations. In addition, FSP recipients in nonmetropolitan regions were less likely to exit the program than those in metropolitan regions, and those in the Delta region were the least likely to exit the program.

The authors conclude that individual and community characteristics are important factors to predict exit from the FSP. They suggest that future research focus on the extent to which policies resulting from welfare reform legislation affect declines in Food Stamp Program participation at the community level.

A County-Level Analysis of Food Stamp Caseload Changes in Tennessee

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This study examines the factors associated with the decline in the Food Stamp Program (FSP) caseload in Tennessee from 1994 to 1999. Previous studies used State-level data to assess the effect of economic conditions and the 1996 welfare reform legislation on cash welfare and food assistance caseloads. The authors extend this research by focusing on the effect of local labor market conditions on the FSP caseload. They used county-level FSP data and unemployment insurance administrative data obtained from the Tennessee Departments of Human Services and Employment Security as well as data from the Regional Economic Information System.

The authors estimated a regression model, with FSP caseload change as the dependent variable. Their estimation results indicated that the unemployment rate and growth in retail jobs were important determinants of caseload changes. Their finding that a higher unemployment rate is associated with a smaller decline in the caseload suggests that, in times of economic difficulty, people tend to stay in the program rather than leave. This finding is consistent with the general trend of caseload change for the country over the years. The study finds that the growth in retail jobs reduces the FSP caseload because, given their education and skill levels, most of food stamp recipients found jobs in the retail sector. In contrast, growth in wage and salary jobs in the primary labor market—where jobs offer relatively high wages, good working conditions, and advancement opportunities—was not associated with a decline in the FSP caseload. The authors suggest that changes in the primary labor market do not affect FSP recipients, because they are unlikely to have the qualifications for primary labor market jobs.

The results of the study underscore the importance of focusing on that segment of the local labor market in which recipients find jobs. The authors recommend a focus on job creation in areas where job opportunities are limited. In addition, the authors suggest that the expansion of education and training programs may enable food stamp recipients to access jobs in the primary labor market.

The Interactive Effects of Food Stamps and Housing Assistance

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The Food Stamp Program (FSP) and housing assistance are two of the largest Federal in-kind transfer programs for the poor, and the overlap in the clientele of the two programs is substantial. In 1999, about 38 percent of food stamp recipients also received housing assistance, and 30 percent of housing assistance recipients used food stamps. Unfortunately, virtually no research exists on the combined effects of the two programs. The authors examined the effect of housing assistance on food expenditures both for recent food stamp recipients and nonrecipients.

This study used data from the Panel Study of Income Dynamics that was address-matched to a census of assisted housing units over the period 1968-93 to identify housing assistance recipients. The following characteristics were examined: (1) out-of-pocket food spending per household member for food consumed at home, (2) food stamp benefits per person for households that receive food stamp benefits, (3) total out-of-pocket food spending plus food stamp benefits per person, and (4) total family income. Changes in these characteristics that occurred between the 2 years just before and the 2 years just after a family moved into assisted housing were compared with changes that occurred over a similar period for a matched set of families who did not move into assisted housing, thereby statistically controlling for other characteristics. Separate models were estimated for two major types of Federal housing assistance programs: public housing and privately owned housing that was built or renovated using Federal subsidies.

The authors found that both types of housing assistance increased FSP participation and benefit levels for those not receiving food stamps at the time they initially received housing assistance, but did not prolong or increase it for those already receiving food stamps. Public housing reduced out-of-pocket and total food spending among those already receiving food stamps. But among those not already receiving food stamps, public housing tended to raise food spending because it increased food stamp participation rates. Privately owned assisted housing had no statistically significant effects on total or out-of-pocket food spending.

Those who move into public housing are more disadvantaged than other housing assistance recipients, which is why public housing has a different effect on food stamp recipients and nonrecipients. Food stamp recipients who move into public housing have the lowest income of all groups, and their income drops sharply after they move. It may be that the income loss is cutting into the food budgets of this group. In contrast, in the period before the move, food stamp nonrecipients who move into public housing spent less on food than any other group. The large increase in their food stamp participation and benefits connected to the move into public housing may have helped to ensure adequate spending.

The study results indicated that those who move into either type of assisted housing experience a decrease in income. The magnitude of this income loss is about the same for food stamp recipients as it is for nonrecipients. Thus, the work disincentive effects of housing assistance do not appear to be magnified for food stamp recipients.

The implications of this research for food and nutrition assistance programs are mixed. On the positive side of the ledger, there is no evidence that the work disincentive effects of housing assistance are magnified in the presence of food stamps. In addition, housing programs appear to serve as a conduit into food assistance programs, helping nonrecipients gain food stamp benefits for which they are eligible. Public housing, which raised the food expenditures of those not receiving food stamps when they moved in, is especially notable in this regard. These considerations suggest complementary roles for housing and food assistance programs.

On the negative side is the income decline associated with moving into assisted housing. For food stamp recipients who move into public housing, the income drop may contribute to reduced spending on food. This income decline may also explain, at least in part, why privately owned assisted housing fails to increase food

expenditures. Additional research is needed to understand why incomes decline when families move into assisted housing and to examine more closely whether the drop in income contributes to the failure of housing assistance to increase food spending for most groups.

The Impact of Food Assistance Programs on the Tohono O’odham Food System: An Analysis and Recommendations

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The Tohono O’odham Nation sits in the heart of the Sonoran Desert, 60 miles west of Tucson, AZ. Approximately 18,000 of the tribe’s 28,000 members live on the main section of the Tohono O’odham Reservation. The Nation encompasses nearly 4,600 square miles, roughly the size of Connecticut.

Per capita income is \$3,113, the lowest of all U.S. reservations. Almost 66 percent of the population has income below the poverty line, and almost 63 percent of the adult population is unemployed. More than 50 percent of all Tohono O’odham adults have adult-onset diabetes, the highest rate in the world. Life expectancy is more than 6 years shorter than the U.S. average.

The Tohono O’odham have moved from producing almost all of their own food to being almost entirely dependent on food produced off the reservation. The authors investigated the causes of the loss of the traditional Tohono O’odham food system. Their research found that the causes of the decline in food production

on the reservation are (1) Federal work projects developed on cotton farms, (2) the introduction of processed food through commercial outlets and Federal food programs, (3) dependence on Federal food assistance programs, (4) environmental factors, such as the lowering of the water table due to nearby development, and (5) the movement of Tohono O’odham people off the reservation to attend boarding schools and participate in the U.S. military.

The authors note that many scientific studies have confirmed that traditional Tohono O’odham foods—such as tepary beans, mesquite beans, acorns, and cholla (cactus) buds—help regulate blood sugar and significantly reduce the incidence and effects of diabetes.

The authors documented the use of Federal food assistance programs on the Tohono O’odham Reservation. They found that, in an average month in 2001, 475 households received food through the Food Distribution Program on Indian Reservations (FDPIR), while 1,209 households received food stamps. About 750 people received WIC benefits each month. The authors note the positive effect of the food assistance programs, but also recommend some changes that might encourage the use of traditional Tohono O’odham foods and improve the health conditions on the Tohono O’odham Reservation. Some of their recommendations are to establish the WIC Farmers Market Nutrition Program on the Tohono O’odham Reservation, allow and encourage the purchase of locally produced food through the FDPIR, and encourage the development of culturally appropriate nutrition education efforts.

The authors recommend further study of the specific nutritional needs of Native Americans to be used as a guide in the implementation of Federal food assistance programs.