

FACTS ABOUT FOOD STAMPS

by

Senator George S. McGovern  
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Recently Treasury Secretary William Simon told a lie. No, this time it wasn't that the recession was over. It wasn't that gas prices were reasonable. This time Simon said that the Food Stamp Program was "a haven for chiselers and rip-off artists." In fact there have been substantial increases in food stamp costs. In fact they are not the result of "chiseling" and "rip-offs." In fact, and it may be a fact too uncomfortable for Mr. Simon to face, these increases are a direct consequence of recession, high unemployment and continuing food price inflation--in short, the ~~Simon-Ford~~ economic policy.

A review of the Food Stamp Program can be useful if it is based on facts. Instead the Ford Administration has made food stamps part of internal Republican politics. Unable or unwilling to yield to right-wing pressures against detente and Rockefeller, the White House apparently has decided that sacrificing food stamps may dampen the incipient revolt from the right. Now <sup>Executive Branch</sup> Administration officials have joined Senator Buckley, Governor Reagan and their allies in slandering and subverting the Food Stamp Program. The President is campaigning for the Republican nomination by having his Administration campaign against food stamps.

The Administration has blamed recent food stamp increases on fraud rather than its own failing economic policies. Yet the Administration itself has admitted consistently that food stamp fraud is nearly non-existent. In June 1973, Assistant Secretary of Agriculture Clayton Yeutter testified before the Senate Select Committee on Nutrition and Human Needs that the Food Stamp Program has

-2-

been "remarkably free from fraud." In the first three quarters of 1973, he said, "the percentage of fraud in the participating households... equaled 24/1000th of one percent." In 1974, the Department of Agriculture reported a fraud rate of 8/100th of one percent. In May 1975, the Department stated that the incidence of fraud remains negligible; indeed, it is so minor that it is difficult to measure.

A different but related charge is that taxpayers are footing the bill for food stamps for high income families. One advertisement in a national magazine was headlined: "Taxpayers Making Up to \$16,000 A Year Now Eligible." Though the Federal Trade Commission is considering charges of false advertising, the false impressions created by the ad persist. The truth, however, is that 77 percent of food stamp recipients have incomes after taxes below \$5,000 a year; 92% are below \$7,000; virtually all earn less than \$10,000. In fact, the Food Stamp Program continues to be what it is supposed to be: A low-income program to feed those who otherwise cannot afford to feed themselves and their families.

The program had been steady for some time at approximately fifteen million recipients. Then between August 1974 and June 1975, as the unemployment rate rose by 60%, food stamp rolls rose by 30 percent.

-3-

Millions of Americans who thought that they would never need food stamps suddenly found themselves with low or no income. They applied for food stamps, which they had paid taxes to provide for others in previous years. Today the program sustains their families through the worst recession since World War II, a national economic crisis which is a personal economic crisis for each of them.

Food stamps have increased in scope and cost not because the program is spiralling out of control, not because "wild-eyed liberals" have created another massive giveaway, not because of "chiselers and rip-off artists," but because nine million more Americans are out of work, and the program mandates that no Americans should be without food. Who will its opponents now pick to go hungry?

Administration officials have also stirred fears that the Food Stamp Program will soon involve unmanageable costs and perhaps a third or a half of the entire population. Part of this strategy of fear has been to suppress the facts. The July, 1975, Department of Agriculture Food Stamp Report to the Congress was censored at the White House to remove statistical data which decisively refutes the Administration's scare predictions about food stamps. This censored material was released by my office early in August. It demonstrates that the number of persons eligible for food stamps is likely to decline through 1980, or at the outside limit to increase only slightly. It projects that the program in 1980 will cost approximately the same as it does now. These projections

-4-

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have already been proven to be conservative estimates. As a consequence of the slight decline in the unemployment rate since April, the number of food stamp recipients has fallen even faster than the Agriculture Department Report forecast.

It has never been my intention, or as far as I know the intention of others who support food stamps, to provide government subsidies for those who can provide for themselves. To the extent that the Food Stamp Act allows such individuals or families to participate, reforms are justified and essential and I will introduce them in this session of the Congress. Changes which guard against excess and abuse need not and must not deprive needy recipients of food stamps.

Of course the best solution to the increasing costs of food stamps, as to so many of our national problems, is the restoration of our national economy. For every one percent increase in unemployment, an additional 600,000 Americans are forced to turn to food stamps. The food stamp budget will continue to rise until the economy offers sufficient jobs for all who can work at decent wages which are not constantly devalued by inflation.

Administration slanders of the food stamp program make only political sense; they rely not on statistics, but economic nonsense.

-5-

The Administration which created unprecedented unemployment now complains because the unemployed need food stamps to feed their families. The complaints are based on myths, and a self-serving desire to believe these myths are true. They are ransom for the right-wing of the Republican Party. The Ford Administration seems to think it can prove to the right wingers that it is sufficiently reactionary by attacking food stamps, and the facts be damned. The President seems to think he can keep Rockefeller and Kissinger, and defeat Reagan, by taking food from those whose jobs have already been taken.

Secretary Simon's irresponsible and inflammatory remarks about "food stamp chiselers and rip-off artists" are simply untrue, and Mr. Simon knows they are untrue. He did not offer a single statistic to support his statements. I have invited him to testify before the Select Committee on Nutrition and Human Needs if he can cite any evidence at all for his assertions. Otherwise he should retract them because they unjustly impugn millions of Americans who would rather work at good wages than be on food stamps, who have no jobs, but have to eat. Mr. Simon has not replied to my invitation. Obviously he has nothing further to say. He cannot defend his charges because they are false.

These are the facts: Nineteen million people are free from hunger because of food stamps. These people are unemployed or poor, not "chiselers or rip-off artists." They are on food stamps not because they want to be, but because they have to be. Their

-6-

numbers are likely to decrease, not increase--unless the Administration blunders from recession into a second Great Depression.

A rational evaluation and reform of food stamps is important. Equally important is that this be done fairly and factually. It cannot be done by scare words which are never defended when they are challenged, by empty slogans which do not save tax dollars, but merely serve narrow partisan purposes. Hunger is not a Republican or Democratic issue; it need not be an issue between the Administration and the Congress. Instead of making it a political issue, we should make food stamps as effective and efficient as possible on the basis of the facts.