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About the Author

Professor Scott W. Allard is an Associate Professor at the University of Chicago's School of Social Service Administration, where his work revolves around issues of poverty, place, and social policy in the United States. He has written extensively on antipoverty policy, place, and nonprofit organizations. His recent book, *Out of Reach: Place, Poverty, and the New American Welfare State* (Yale University Press, 2009) explores the realities of safety net assistance in the U.S. and the role played by nonprofit service organizations in the delivery of assistance to the poor. He received his Ph.D. in Political Science from the University of Michigan in 1999. Professor Allard is an affiliate of the National Poverty Center at the University of Michigan, an affiliate of the Institute for Research on Poverty at the University of Wisconsin-Madison, and an affiliate of the Rural Poverty Research Center at Oregon State University. Previously, Professor Allard has held faculty appointments in the Department of Public Administration at the Maxwell School of Citizenship and Public Affairs at Syracuse University and the Departments of Political Science and Public Policy at Brown University.

A Reality-Check on the Safety Net

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As the recession deepens and unemployment rises, we can expect more and more working Americans will become poor. Families experience need in many ways: trouble finding a job, difficulty paying the mortgage or bills, struggles to have enough food. How do we as a country help working poor families today? The answer may be surprising.

Instead of depending primarily on cash assistance programs to help the poor – as the conventional wisdom supposes – most assistance we provide to the poor comes in the form of social supports that help with job search, address material needs, and promote greater self-sufficiency. This system of social service supports, however, will be severely tested in the coming months as funding from government and nonprofits decreases, and as the agencies operating programs become more vulnerable. If we are to meet the economic challenges ahead, we must have a reality-check in our discussions of safety net assistance and have accurate impressions of how we help the poor and the challenges that programs face in our communities.

While cash assistance programs are important sources of support, our safety net largely is oriented to the provision of employment services, child care programs, treatments for mental health or substance abuse problems, and help with basic food or housing needs. In a recent study, I estimate that for every \$1 we spend on welfare cash assistance, we spend some \$15 dollars on service programs that help millions of working poor adults provide for basic material needs and reach higher rungs on the job ladder. Even though most of these social service programs are funded by government, quite often they are delivered through nonprofit organizations that complement public dollars with private donations and volunteers.

Ironically, government funding for social service programs is cut during economic downturns and times of tight budgets. In the State of Illinois where I live, for example, a nearly \$3 billion potential deficit is forcing officials to contemplate substantial cuts in funding and staff to an array of programs serving low-income populations. Similar stories can be found in all states and communities. Rollbacks in private philanthropy to social service agencies also are a likely possibility in the coming months, as foundation endowments and private donations are battered daily by volatility in the economy.

The potential impact of these cuts can be drawn from research I recently published that examined how social service agencies coped with the economic downturn of the early 2000s. Based on interviews with nearly 1,500 service organizations, I found evidence of profound instability and turmoil in our local safety nets in the years following that downturn. About 30% of agencies listed in community directories were no longer operational or offering programs for the poor. Of those still operating programs, about 40% of public and nonprofit agencies reported recently losing at least some of their program funding. Even more troubling, of those that lost funding, 70% reported cutting services, staff, and/or caseloads as a result. Given the depth of today's economic distress, we might expect these numbers to understate the current challenges confronting community-based agencies that serve the poor.

Although my research suggests a tough road ahead, there is a lot we can do to strengthen our system. Our political leaders must resist the temptation to cut programs and at a minimum should maintain public funding levels for social service programs. We can help to better connect working poor families – many who are seeking help for the first time – to existing programs and resources nearby their homes. In addition, individuals energized by the spirit of volunteerism in the recent presidential election should direct time, advocacy, and fundraising to local nonprofit agencies that assist those in need. Even if concerned citizens give only a few dollars or a few hours per week, we could channel hundreds of billions of dollars in donations and millions of volunteer hours to nonprofits that help the most vulnerable Americans. To be sure, we cannot replace public funding for the safety net with volunteers and \$10 donations; rather these private commitments are essential to strengthening the nonprofit sector on which the public safety net rests.

The stakes are high. If we do not adequately support public social service programs and the nonprofits that often deliver those programs in the coming months, not only will a poor child go to sleep without enough to eat this winter or an unemployed adult will struggle to find work to support their family, it will mean that next year poor persons will have fewer and fewer agencies to turn to for help.