

Unraveling the Safety Net: 1997 and Welfare Reform

Center for Urban Research and Learning
Policy Research Action Group
Organization of the NorthEast
Howard Area Community Center

PREFACE-

This research project results from a collaborative effort between Loyola University's Center for Urban Research and Learning (CURL), Policy Research Action Group (PRAG) and our community partners, Organization of the Northeast (ONE) and Howard Area Community Center HACC). Utilizing a collaborative process, CURL and PRAG have engaged in an equal partnership with ONE and HACC to develop a research agenda on the timely and critical issue of welfare reform. This is the first in a series of four linked reports on the populations most affected by changes in welfare policy. This section of the report focuses on legal immigrants as they are one of the first groups to be affected by welfare reform. The second report will explore welfare reform's impact on individuals disabled due to substance abuse. The third and fourth reports will discuss welfare reform's impact on women and children.

To prepare this report, we used a variety of methodologies including: conducting in-depth interviews with elderly legal immigrants of various ethnicities and with service providers from organizations that help meet immigrants' needs; attending public meetings at which immigrants spoke on how their lives would be affected by welfare reform; observing an English as a Second Language (ESL) class in which elderly immigrants were attempting to learn English; attending various professional seminars and meetings on the new welfare legislation and its potential impact on welfare recipients as well as the broader community; and utilizing census data and data provided by other organizations to assess the numbers of immigrants living in the Chicago Metropolitan area and in Uptown, Edgewater, and Rogers Park. As we prepared this report, both federal and state legislation on welfare reform continued to be crafted. The process of welfare reform is still in a state of flux; cuts for some current welfare populations are still to come. Therefore, this report should be viewed as preliminary research on the issue of welfare reform and legal immigrants.

As this report will discuss, welfare reform will affect not only those most directly affected by the cuts, but also the communities in which recipients live. Therefore, we also explore welfare reform's potential impact on three Chicago communities: Uptown, Edgewater, and Rogers Park. It is our hope that this report which projects the possible impact of changes in welfare policy on legal immigrants will contribute to the ongoing debate of welfare reform.

WHY IS THE SAFETY NET FALLING APART?

The social safety net protecting our country's neediest residents is unraveling. Due to the Personal Responsibility and Work Opportunity Act which President Clinton signed August 22, 1996, millions of people across the country are losing or will lose needed cash, food, and medical assistance. While theoretically the main intent of this law is to move welfare recipients from welfare and into work,

in practice, it will likely move many people toward increased poverty, homelessness, hunger, mental anguish, even death. In this report, we explore the potential impact of welfare reform as it relates to legal immigrants and the broader community. We focus on three Chicago communities: Uptown, Edgewater, and Rogers Park. These are among the most ethnically, racially and economically diverse communities in the nation, and therefore represent windows to the future. At the same time, these communities have enjoyed residential stability and continued business and housing investment.

Consequently, as a matter of national policy, it is critical to evaluate the impact of welfare reform on both recipients and non-recipients living in these neighborhoods.

CLARIFICATION OF TERMS USED IN THIS REPORT

Legal Immigrants - Foreign-born individuals with legal status in the United States (i.e., not undocumented).

Naturalized Citizens - Immigrants who have undergone the voluntary process of acquiring U.S. Citizenship.

Non-Citizens - Immigrants who have not become U.S. Citizens.

Refugees and Asylees - Legal immigrants who have immigrated to the U.S. due to persecution or a well founded fear of persecution in their home countries. Welfare policy allows this group to receive welfare benefits for their first five years in the U.S.

Low-Income Immigrants - Refers to immigrants having low income as defined by the federal government.

All discussion of welfare benefits refers to legal immigrants. We are not discussing welfare policy as it relates to undocumented (or illegal) immigrants.

HOW DOES WELFARE REFORM AFFECT LEGAL IMMIGRANTS?

Several of the changes in welfare policy affect legal immigrants who are non-citizens. Two of these are the termination of Supplemental Security Income (SSI) and food stamps for the elderly and/or disabled. SSI benefits are set to stop by the end of August, 1997; the maximum individual SSI benefit is \$484.00 per month (SSI Coalition). Food stamp eligibility is already being phased out as of April, 1, 1997. According to the new policies, most legal immigrants will no longer be eligible for these benefits unless they are citizens. Nationally, 45 percent of current non-citizen SSI recipients who have no other source of income will lose their benefits (John Callahan, Acting Commissioner of Social Security, White House Briefing, 3/21/97). Exceptions to the cuts include refugees and asylees during their first five years in the United States, immigrants who have worked for ten years and have paid social security taxes, honorably discharged veterans, and active military personnel and their spouses and children.

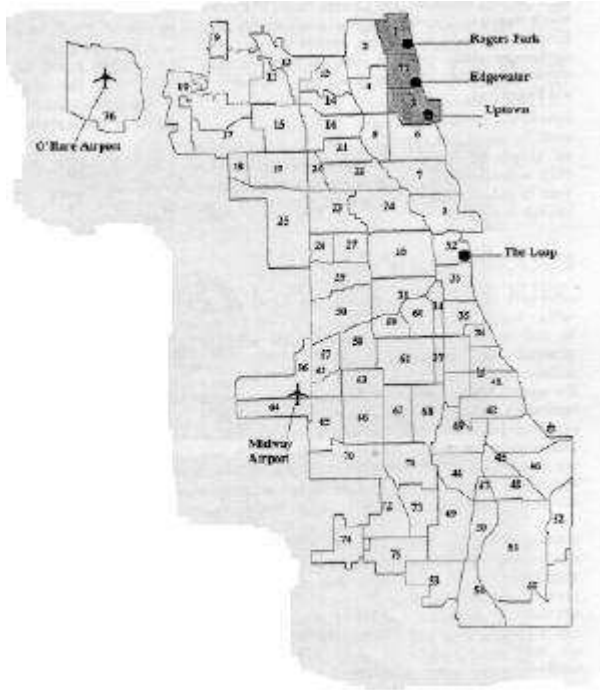
A large portion of the welfare "savings" anticipated by the supporters of the federal legislation comes from legal immigrants. According to the Illinois Welfare

News, nationally immigrants account for 5 percent of all welfare recipients, but will bear 44 percent of all the budget cuts imposed by the welfare bill (Seubert, IL Welfare News, Sept. 1996:6). While the government will allow legal immigrants to retain or resume benefits if they become naturalized, our research indicates that many immigrants will experience formidable obstacles to the citizenship process.

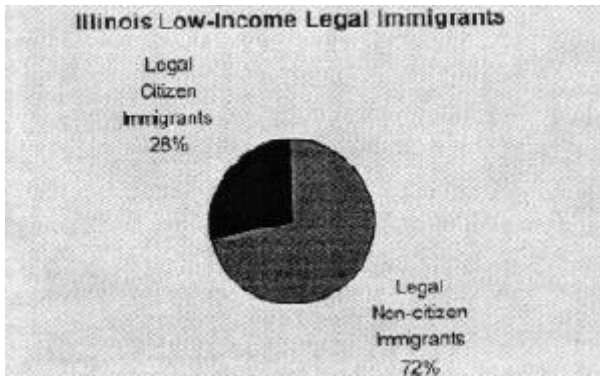
WHO ARE THE IMMIGRANTS IN ILLINOIS AND THE CHICAGO METROPOLITAN AREA?

According to the 1990 U.S. Census, out of a total Illinois population of 11,393,796, 8 percent are immigrants (945,672) (most of the following census figures on immigrant populations come from reports published by the Illinois Immigrant Policy Project). The top three countries of origin for the immigrant population are Mexico (278,640), Poland (83,130), and the Philippines (48,330). Of all the Illinois foreign-born population, 55 percent (524,010) are noncitizen immigrants. The top three countries of origin for the non-citizen population are Mexico (209,976), Poland (45,846), and India (24,501).

In Illinois, thirteen percent (125,000) of the foreign-born population are low-income. Seventy-two percent (90,000) of these are non-citizens. Immigrants who have both low-income and non-citizen status comprise only about 9.5 percent of the total Illinois immigrant population. The majority of low-income non-citizens in Illinois were born in three countries: Mexico (40,262), Poland (6,603), and Korea (3,939). About two-thirds (86,000) of all low-income foreign-born people in Illinois live in Chicago.



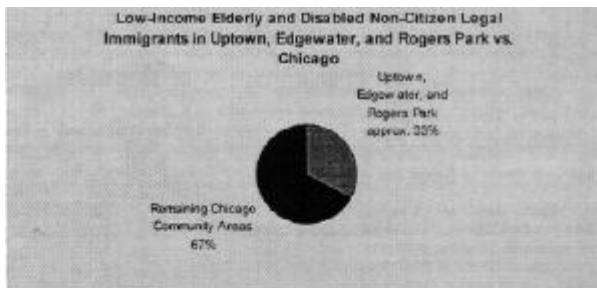
In the communities of Uptown, Edgewater, and Rogers Park, more than 36,000 immigrants were welcomed between 1980-1990. Out of a total population of 183,495 in these three northeast community areas, 29 percent (54,069) are immigrants. Non-citizen immigrants account for 67 percent (36,465) of this foreign-born population in Uptown, Edgewater, and Rogers Park. The top three countries of origin for the immigrant population are Mexico (12,774), Vietnam (2,757), and the Philippines (2,574).



HOW MANY ELDERLY AND DISABLED IMMIGRANTS WILL LOSE SSI IN UPTOWN, EDGEWATER, AND ROGERS PARK?

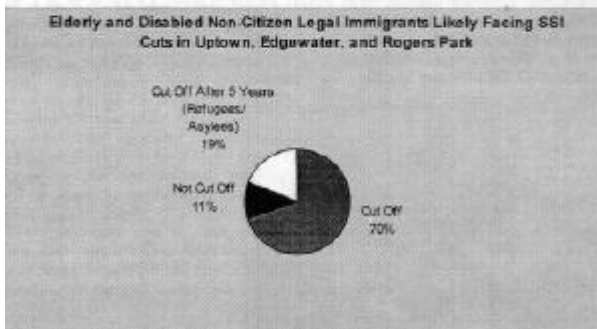
The best available statistics regarding how many elderly and disabled immigrants will lose SSI in Uptown, Edgewater, and Rogers Park are provided by Region V of the Social Security Administration. It should be noted that the data are organized by SSA office and corresponding zip codes. The Chicago North SSA office, which represents Uptown, Edgewater, and Rogers Park, includes zip codes which are outside of the three community areas; therefore, the following numbers represent an area slightly larger than Uptown, Edgewater, and Rogers Park.

Approximately 10,300 low-income elderly and disabled non-citizens are served by the Chicago North SSA office. This represents about 30 percent of the Illinois elderly and disabled non-citizen total of 33,888, and 33 percent of the Chicago total of 31,055. It is projected that in Uptown, Edgewater, and Rogers Park, 70 percent (7,161) of elderly and disabled low-income non-citizens will not be eligible for SSI. Probably only 1,138 of the 10,300, or 11 percent, will be eligible to receive SSI. The remaining 2,006 elderly and disabled low-income non-citizens are refugees and asylees who are eligible to receive SSI for up to five years.



HOW MANY ELDERLY AND DISABLED LEGAL IMMIGRANTS WILL LOSE SSI IN CHICAGO?

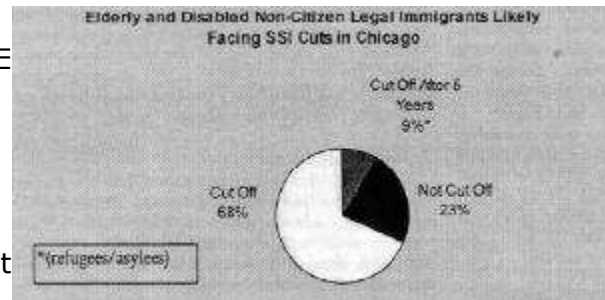
Low-income elderly and the Elderly and Disabled constitute a large segment of non-citizen SSI recipients who will lose aid as a result of the changes in federal welfare policy. Out of an Illinois total of 33,888 elderly and disabled non-citizens, 31,055 reside in Chicago, according to the Region V of the Social Security Administration (SSA). This office projects that 21,031 elderly and disabled non-citizens in Chicago will be cut off from SSI; 7,145 will be eligible for continued SSI. Another 2,879



elderly and disabled non-citizens are refugees and asylees who can receive SSI for up to five years from the date of entry to the U.S. Overall, Chicago residents account for approximately 21,000 of the 21,800 Illinois elderly and disabled immigrants who will lose SSI. The other 800 live in downstate Illinois.

ONCE AGAIN: HOW MANY IMMIGRANTS WILL LOSE SSI? NO ONE KNOWS FOR SURE.

According to our research, the SSA does not know with certainty how many elderly and disabled immigrants will be terminated from SSI. The Region V SSA office does estimate that in their district-an area slightly larger than Uptown, Edgewater, and Rogers Park- 7,161 elderly and disabled legal immigrants will likely lose their SSI. However, this number is only a prediction. The lack of clear governmental data on the potentially affected population is problematic in terms of assessing welfare reform's potential impact on elderly and disabled legal immigrants.



With the intent of ascertaining the accurate number of immigrants who will lose SSI in Uptown, Edgewater, and Rogers Park, The Loyola University Center for Urban Research and Learning (CURL) filed a Freedom of Information Act (FOIA) with the Social Security Administration on March 4, 1997. The law gives agencies ten business days to respond to FOIA requests and, although CURL has made several phone calls, no response has been given. Also, CURL has a request pending from the General Accounting Office in Washington D.C., but we have not received the requested information yet. One of our researchers has also visited the Immigration Naturalization Service (INS) office in Chicago, but they did not have any information.

Finally, we spoke with a staff person at the Chicago Region V SSA office. We learned that a key reason for the SSA's uncertainty on how many immigrants will lose SSI stems from their lack of information on whether immigrants who currently receive SSI are legal residents or citizens. This information is important because immigrants who are not citizens will have SSI terminated, but immigrants that have naturalized will remain eligible. The staff person explained that in the past the SSA did not require immigrants to state their legal status when signing up for SSI. Since citizenship was not a requirement for receiving SSI prior to the new welfare reform bill, this information was not always included in an immigrant's SSI application.

Therefore, as a result of past application practices for SSI, the SSA does not know with any accuracy how many SSI recipients are immigrants who are non-citizens. Consequently, they do not know exactly how many immigrants that currently receive SSI will be terminated from SSI due to welfare reform. In view of this information void, it becomes apparent that the government has made sweeping policy changes without having a clear indication of these policies future impact. Therefore, at this time, it is still unclear how many elderly and disabled

legal immigrants in Uptown, Edgewater, and Rogers Park will have their SSI benefits terminated.

OBSTACLES TO CITIZENSHIP: WHY CAN'T MANY LEGAL IMMIGRANTS BECOME U.S. CITIZENS?

In order to become U.S. citizens, legal immigrants must go through the naturalization process. To successfully prepare for the citizenship test, the immigrant must learn basic English, and be able to answer 100 questions and write 30 sentences related to the U.S. Constitution, government, and history. During the citizenship test, the immigrant takes a multiple choice test of ten questions and writes three sentences in English.

While these requirements may seem reasonable, our research finds that for elderly immigrants, they are quite formidable. By talking directly with elderly legal immigrants and staff people at mutual aid associations that serve immigrants, we have found serious doubts that many immigrants can pass the citizenship test. Four possible barriers elderly immigrants face include:

1) Lack of Literacy in Their Own Language:

Many immigrants came to this country without an ability to read and write their own language which makes learning a new language extremely difficult. This is particularly true for some groups of immigrant women. According to Qua Tran, a Senior Counselor with the Vietnamese Association of Illinois, most Vietnamese women do not receive any formal education in Vietnam. Nancy Quinn, an ESL teacher in Uptown, has found illiteracy in a native language to be a major obstacle to learning English on the part of the Cambodians she teaches. Quinn explained that it takes a long time to teach immigrants how to write their names and addresses on a form. Many of them have not developed the fine motor skills required for writing. These problems exist because some immigrants grew up in peasant families where time was spent helping their families in the fields and not attending schools. While it is feasible that some of her students will eventually master the skills required for literacy, Quinn noted that it is a formidable process for elderly people. She believes that some will take an inordinate amount of time, and others will never pass the citizenship test.

2) The Aging Process:

Research on aging, memory retention and cognitive functioning indicate that as people age their "memories aren't as sharp",- and most have some partial decline in mental function by the time they reach eighty (researchers cited in Schardt & Schmidt 1997). As a result of such problems, elderly legal immigrants find it difficult to study for the citizenship test. As one Russian refugee put it, "Learning English is impossible now.... I want Newt Gingrich to [try and] learn one to two phrases in Russian, then he'll understand how hard it is at 91 to pass the test." Similarly, Qua Tran explained that since elderly immigrants have a difficult time learning and memorizing new information, the road to success is long and bumpy. We have some success, but we take it month-by-month, because they can't remember well. [For instance] we have to keep telling them [who] the President [is] over and over again. They can't learn like you and me.

3) Medical Problem:

Many elderly immigrants have medical conditions that make studying for the citizenship test problematic. Some problems affect memory and cognitive abilities. A 67-year-old Vietnamese immigrant with high blood pressure explained that his condition makes him dizzy and therefore he is unable to focus on learning. A Russian refugee who requires constant oxygen reported that his treatment negatively influences his head... [and] his memory. Given these side effects, he indicated it is unrealistic for him to try and take the citizenship test. Elderly immigrants are hindered by other physical disabilities as well. A Mexican immigrant who already failed the citizenship test once stated, "I can't walk well or read well anymore. I have problems with my legs. . - I sometimes can't stand up." In asking this 65-year-old woman if she plans to take the test again, she indicated she will try, although she is doubtful she will succeed. "I can't see well. I need glasses. My vision is bad. [But] I will try my best to become a citizen." Physical disabilities also prevent immigrants from attending ESL and/or citizenship classes. A 70-year-old Vietnamese refugee explained, "I cannot get out. I have bad vision, serious glaucoma, hearing problems, arthritis, and many other medical problems." With limitations such as these, immigrants find they cannot master the citizenship test.

4) Post-traumatic Stress Disorder:

Post-traumatic Stress Disorder (PTSD) is another barrier that affects a segment of the immigrant population in Uptown, Edgewater, and Rogers Park. According to the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders (DSM-IV), PTSD is a psychological disorder which occurs after an individual witnesses and/or experiences a traumatic event that is outside the range of usual human experience. Our research found that many refugees have left their native countries because they were the victims of war or of politically-motivated torture. For example, one Cambodian refugee who escaped to the U.S. explained that under the repressive Pol Pot regime, he was jailed and tortured by having a plastic bag put over his head for two hours every day.

Some Jewish immigrants of the former Soviet Union not only escaped from the anti-Semitism of the USSR, but also survived the Holocaust. "These are people who have been through the worst of the worst and have a lot of trouble dealing with regular daily life issues," stated Donna Pezzuto, Assistant Director of Resource Services for the Council for Jewish Elderly. Dr. Alan Levy, Associate Professor in Loyola University of Chicago's School of Social Work indicated that immigrants who have escaped torture and persecution "are in a vulnerable state because of their background of persecution." Therefore, cuts in welfare benefits contribute to elderly immigrants' longstanding distrust of government and increase their levels of anxiety and depression. Levy, Associate Professor in Loyola University of Chicago's School of Social Work indicated that immigrants who have escaped torture and persecution "are in a vulnerable state because of their background of persecution." Therefore, cuts in welfare benefits contribute to elderly immigrants' longstanding distrust of government and increase their levels of anxiety and depression.

UNCERTAINTY AND INCREASED FEARS

The impending welfare cuts are causing great levels of anxiety among elderly

and disabled immigrants as they try to figure out how they will cope with the new regulations. For those immigrants who will apply for citizenship or who have already done so, economic survival during the period between when their benefits are terminated and when they are resumed is worrisome. According to recent media reports, there is reason for this concern since the Immigration Naturalization Service (INS) is currently backlogged in their processing of citizenship applications. Pamela Seubert, of the Jewish Federation, stated the naturalization process takes a minimum of six months. However, she predicted that as time goes on, the wait will jump to a minimum of "nine months and probably in excess of a year" (Chicago SunTimes, 3/27/97:6). Therefore, due to the slow processing of applications by INS, many immigrants will be without benefits for a significant period of time. These immigrants are left to cope with the uncertainty of not knowing when their benefits will resume or how they will survive until that time.

According to one service provider, immigrants are so fearful about the impending cuts that they refer to the notification letters they receive from Social Security as "death certificates." A refugee who listens to a Russian radio call-in program said that people have been calling in and telling of elderly immigrants who have been having strokes and heart attacks at "the very thought of being left without a penny." He stated that several people have died due to the "shock" of receiving the letter which informs them of the termination of benefits. Carrie Pugh, Associate Director of the Chinese Mutual Aid Association, has learned that elderly immigrants are talking of suicide. In her capacity as a volunteer at the Korean American Resource and Cultural Center, staff members advised her that some Korean immigrants claimed they wanted to kill themselves as a solution. As these examples demonstrate, immigrants are experiencing intense anxiety due to concerns over the welfare cuts.

COPING WITH THE CUTS: HOW WILL IMMIGRANTS SURVIVE ONCE THEIR BENEFITS ARE STOPPED?

In view of the welfare cuts, the central question becomes, how will immigrants survive? According to our research, most immigrants have no idea how they will cope once their benefits are terminated. There is much concern over how basic needs will be met. A married Russian refugee couple explained they would be desperate if their benefits stopped since they have no other source of income. They stated, "We would literally have nothing to eat."

Several immigrants indicated that they could not resort to work as an alternative strategy for generating an income. An elderly Mexican woman said, "What can my body do? I am old, unable to go back to work since I was on disability. The government is taking away disability from the disabled. What are we supposed to do?"

Another elderly and sick Vietnamese man commented, "If I tried to work, nobody will hire me because I am too old and my health is bad. No one will hire me to work."

At a public meeting on welfare reform, held March 10, 1997, and co-sponsored by the Illinois Department of Public Aid, Alderman Mary Ann Smith and the

Organization of the NorthEast, a 91-year-old Russian refugee indicated he might have to return to work to earn money for his needs. "Maybe I'll start playing the violin again to earn \$10 or \$15 dollars so I won't die of hunger."

Service providers are equally concerned about how immigrants will cope with the welfare cuts. Donna Pezzuto is worried that once immigrants lose their benefits, they will have to make critical choices on what basic needs to give up. She said, "I think people will make choices in terms of not paying for one thing [in order] to try to do something else. I think they'll start going without food." Or they will forgo buying some medicine that is not covered by Medicaid. She indicated, "We've seen people do that" where they will go without one basic need in order to afford another.

WHAT ABOUT FAMILY MEMBERS? CAN'T THEY HELP THOSE IMMIGRANTS WHO ARE DENIED BENEFITS?

A common argument made by Americans who are critical of immigrants receiving benefits is that they should be supported by family members. However, our research indicates that if immigrants do have family members who are working in the United States, they typically are employed in low wage jobs. For example, a Russian refugee stated, "My son-in-law works as an orderly in a hospital. It's a very low paying job They are a low income family." Similarly, an elderly Vietnamese man said, "My daughter has two children. She has a low income. She cannot feed me. She can only feed her children."

Donna Pezzuto concurs that many elderly immigrants will not receive financial support from employed relatives due to insufficient incomes. Additionally, she noted that some immigrants do not have working family members. She recalled a widow whose sole family member is her 79-year-old sister. "When people say, 'Oh, their families will help them,' maybe in some cases, but there are a lot of cases [where it's not possible]." Similarly, Ida Galvan, Director of Social Services with the Howard Area Community Center, recognizes that immigrants may not have family members to turn to for support. She spoke of an elderly refugee who came to her agency with concern about the cuts. Since SSI is her only source of income, and she has no family here, "the cuts will definitely affect her." Although refugees will remain eligible for SSI during their first five years in the United States, they become ineligible after that time. According to Margaret Haywood, a board member of the National Association for the Education and Advancement of Cambodian, Laotian, and Vietnamese Americans, it is not surprising that some refugees have no family to whom they can turn. Unlike the typical immigrant, refugees are not sponsored into our country by family members. Refugees flee to the United States to escape persecution in their native countries, and many of them immigrate alone. Haywood explained, "Many Cambodian refugees have no family members in the United States because their families were murdered by the Kluner Rouge in the Cambodian Civil War of 1975-1979."

EVEN IF SOME IMMIGRANTS WILL HAVE A HARD TIME MAKING IT, WHY SHOULD WE CARE? AREN'T THEY JUST COMING HERE TO TAKE ADVANTAGE OF OUR SOCIAL WELFARE SYSTEM?

Although some Americans believe that the United States has become the

retirement capital for the world, according to an editorial by David Broder in the Chicago Tribune, this belief is wrong. Broder wrote "only one in five legal inurligrants receiving SSI went on the rolls in their first two years of residency. Two of five had lived here (and paid taxes) for more than six years before filing claims" (4/9/97:23). This perspective is also supported by Catholic Charities. In an article titled, "It's time to correct myths, misperceptions about immigrants," Father Michael Boland wrote, "Immigrants contribute about \$25 to \$30 billion more in taxes than they consume in services" (The New World, 2/23/96). In Illinois, according to Pamela Seubert of the Jewish Federation of Chicago, "Immigrants pay \$3 million more in taxes than they collect in benefits" (Chicago Sun-Times, 3/27/97:6). Therefore it is a mistake to assume that legal immigrants are simply taking advantage of our social welfare system.

The fact is most immigrants in our country work. As David Kennedy wrote in an article titled, "Can We Still Afford to Be a Nation of Immigrants?," "immigrants are not parasitic on the native economy but productive participants in it.... Most immigrants come in search of work, and most find it" (The Atlantic Monthly, 11/96:67). Moreover, according to reports published by the Illinois Immigrant Policy Project, a partnership of the Jewish Federation of Metropolitan Chicago and the Latino Institute, "low income legal immigrants are much more likely than low-income natives to be in the labor force" (1995:16). They state that when comparing Illinois immigrants to Illinois natives, 67.9 percent of the immigrants are in the labor force as compared to 66.1 percent of the native population (1990 Census).

An elderly Mexican immigrant we interviewed who had previously "worked as a housekeeper and in factories" also believes that immigrants come to this country to work. She said, "We as immigrants work hard ... we do the most difficult manual labor." Although this woman is disabled now and has been receiving SSI, Donna Pezzuto pointed out that even when immigrants such as her receive welfare benefits, they still contribute in other ways. "Anybody who spends a dime here is paying tax . . . Every time you pay your rent, part of your rent is going to property tax." And, she added, there is sales tax every time you buy something. Therefore even when immigrants receive cash benefits such as SSI, part of it is recycled back to the government in the form of various taxes.

Finally, a significant number of immigrants are refugees who come to the United States to escape persecution. A 70-year-old Russian refugee explained his reasons for immigrating: "I lived in a small town in the Ukraine ... It was becoming very dangerous because we were Jews. My daughter was beaten. My grandson was beaten. His teeth were knocked out. We had a lot of trouble. It was dangerous." Similarly, a 70-year-old Vietnamese who was in a concentration camp stated, "The reason I came here is not to get free food but for political reasons ... I could not survive [in Vietnam]."

The Illinois Coalition for Immigrant and Refugee Protection states that 10 percent of the immigrants admitted each year to the U.S. are refugees (1996). By granting such immigrants refugee status, the United States makes a commitment to provide a safe haven for them. In view of this commitment, many refugees are confused as to why the government has decided to deny

welfare benefits to those in need. According to Qua Tran, many Vietnamese refugees are asking "Why have they brought us here and [then] drop us?"

Donna Pezzuto said many Russian refugees are perplexed at what they see as a change in rules. Several of them have told her, "When I was in Moscow and talked to the immigration people, they said that when I got here I'd be eligible for some money." Pezzuto explained that when refugees made the decision to come here, it was made with the knowledge that they would be able to survive economically. If they had known otherwise, that the government was going to change the rules once they were here, some refugees would have chosen to immigrate to Israel instead. Others may have stayed in the former Soviet Union despite the dangers. As one refugee explained, "It was very bad there, but of the two evils, to live in a strange country without being supported at all, or to stay there in very bad conditions ... conditions that at least you are more or less familiar with, perhaps, we might have chosen the lesser of the two evils."

WELFARE REFORM AND THE COMMUNITY: HOW WILL COMMUNITIES BE AFFECTED?

The impact of welfare reform will extend far beyond the individuals most directly affected by it. According to our research, as immigrants try to survive without SSI and food stamps, their struggles will spill over into the communities in which they live. In this next section of our report, we discuss welfare reform and its potential impact on Uptown, Edgewater, and Rogers Park.

HOW WILL RELIGIOUS CONGREGATIONS IN UPTOWN, EDGEWATER, AND ROGERS PARK BE AFFECTED BY WELFARE REFORM? CAN THEY "PICK UP THE SLACK?"

One of the consistent themes from the beginnings of the welfare reform debate has been the argument that religious congregations ought to take care of former welfare recipients. Although it was an argument first suggested in conservative political circles, it has been adopted by President Clinton. In his State of the Union Address, Clinton said, "I applaud the work of religious groups and others who care for the poor. More than anyone else in our society, they know the true difficulty of the task before us, and they are in a position to help" (1/23/96).

The question must be raised as to the feasibility of such a suggestion. To get a sense of how many immigrants each congregation must assist in order to help "pick up the slack," we performed the following steps: First, through using the phone book, we estimated there are 119 churches in Uptown, Edgewater, and Rogers Park. Then, we increased the number of churches in our estimate to 220 to account for the fact that the Social Security Administration's number of 7,161 includes immigrants from an area slightly larger than these three communities. Finally, by dividing 7,161 by 220, we found that each congregation must assist an additional 33 individuals. While the addition of 33 individuals might, at first glance, seem manageable for such congregations, if we look at the financial impact that such a change means, the picture changes. Currently many SSI recipients receive the maximum individual benefit of \$484.00 per month. With the cuts, this substantial part of their incomes is lost. If, as some have suggested, congregations are to assist these people, at a rate of 33 per congregation, that means finding an additional \$15,972.00 per month per

congregation to meet the loss of income. This would be a sizable demand on already tight congregational budgets. Furthermore, the pressure on such budgets is likely to increase as congregations are asked to assist not only legal immigrants impacted by welfare reform but other individuals affected as well.

SERVICE PROVIDERS: HOW WILL THEY BE AFFECTED BY THE WELFARE CUTS TO IMMIGRANTS?

Welfare reform will negatively affect social service providers in Uptown, Edgewater, and Rogers Park. The main impact will be an increased demand for services. According to Qua Tran, the Vietnamese Association of Illinois has experienced two times the amount of immigrants coming in for help with the citizenship process. To Qua, a main concern is how his organization will generate new resources to meet increased demand. Although he expects they will hold fundraisers and seek community donations, he predicted these methods will not raise enough money to meet the needs of Vietnamese immigrants impacted by welfare reform.

Donna Pezzuto agreed with Qua that there will be an "overrun on- community services." She stated that clients are coming to the Council for Jewish Elderly and asking, "Where are the emergency food pantries?" In order to meet the increased demand in needs, Pezzuto said the community will have to help. Her agency is planning to ask Jewish synagogues to help "raise money or get food" for needy immigrants. She also indicated that the Jewish Federation of Chicago, their parent organization, is gearing up to see what kinds of emergency resources they can gather.

According to Pezzuto, even with community efforts to generate resources for immigrants, "There's not enough money in all the social service agencies in the city to support [all] these people." She added, "Yes, we can help people. We can give them some emergency food, we can let them stay in our [subsidized] housing, we can help them . . . but we can't replace their income." What complicates matters even more, according to Ida Galvan of Howard Area Community Center, is that many of the agencies will be competing for the same money. "The government is basically saying that somebody else needs to pick up the pieces in terms of helping immigrants survive." Thus, service providers are pessimistic that this can be done effectively.

HOW WILL WELFARE REFORM AFFECT THE QUALITY OF LIFE IN UPTOWN, EDGEWATER, AND ROGERS PARK?

One outcome of the welfare reform cuts will be the negative impact on the local economies in Uptown, Edgewater, and Rogers Park. This will occur because as immigrants lose benefits, they will have less money to spend in their communities. Therefore, grocery and drug stores and other business entities will experience diminished profits as their sales decrease. Landlords will lose money as welfare recipients are unable to pay their rents.

To estimate how many dollars will be lost in Uptown, Edgewater, and Rogers Park due to the SSI cuts, we made some projections using the Social Security number of 7,161 (which covers an area slightly larger than Uptown, Edgewater and Rogers Park). We calculated that if 7,161 elderly immigrants lost monthly

payments of \$484.00, then the total amount of potential dollars lost will be \$3,465,924.00 per month. That is, each month over three million dollars may be lost to the local economies. And if we calculate this figure per year, we find that over 41 million dollars annually may be lost to the local communities due to the termination of SSI to legal immigrants.

Sheli Lulkin, Director of the East Edgewater Chamber of Commerce, indicated that local business owners in her area are concerned about increased requests for store credit since many immigrants will not have enough money to pay for their food and other needs. Furthermore, Lulkin said, store owners are concerned about a rise in shoplifting. Service providers predicted that some individuals will resort to criminal activities in order to meet their individual and family needs.

Health care providers in our communities will also be affected by welfare reform as medical facilities attempt to cope with increased numbers of elderly patients. Donna Pezzuto believes that more elderly immigrants will become ill as they are forced into substandard housing, homelessness, or hunger. Moreover, since many sick immigrants will not have the available funds to pay for transportation to doctors, it is likely that by the time they finally go to a medical facility, their conditions will be of an emergency nature. As a result, hospital emergency rooms in our communities may experience increased pressures. Pezzuto also predicted that as immigrants' health increasingly worsens, they will be forced into nursing homes. While it is tragic from a humanistic perspective that welfare reform will adversely affect immigrants' health, Pezzuto stated it is an unsound fiscal policy as well. She commented that it makes more sense for the government to pay elderly immigrants SSI payments of \$484.00 per month, than to pay nursing homes, "two or three thousand dollars a month in Medicaid dollars".

CONCLUSION

The 1996 Personal Responsibility and Work Opportunity Act is likely to have a devastating impact on immigrants, their families, and the communities in which immigrants live. The termination of SSI benefits and food stamps will push many elderly and disabled immigrants into states of economic crisis. As immigrants try to cope with the loss of crucial benefits, their physical, emotional, and mental well-being will be severely jeopardized. Refugees especially are at risk, particularly if they suffer from Post-traumatic Stress Disorder. Although governmental policy allows legal immigrants to retain or resume benefits if they naturalize, this is not a realistic option since many elderly and disabled immigrants face formidable barriers in preparing for and passing the citizenship test.

Welfare policy changes on immigrants will also impact the communities in which immigrants live. In Uptown, Edgewater, and Rogers Park, negative outcomes will likely affect residents, business owners and others who live and/or work in these areas. Service providers that assist immigrants will be overwhelmed by immigrants' needs. Local economies in Uptown, Edgewater, and Rogers Park will potentially lose millions of dollars due to immigrants' loss of benefits. The quality of life will likely diminish as poverty, homelessness, hunger, and crime increases.

Furthermore, the negative outcomes of welfare reform are likely to adversely impact the overall stability of Uptown, Edgewater, and Rogers Park. This is particularly problematic since these communities are three of the most ethnically, racially and economically diverse communities in the nation. As stable diverse urban communities, Uptown, Edgewater, and Rogers Park represent important and hopeful models in a country that has a preponderance of segregated communities. Thus, the continued viability of these communities is in our country's best interest.

Finally, it is important to recognize that there are many unanswered questions regarding the potential severity of welfare reform on immigrants and the communities of Uptown, Edgewater, and Rogers Park. As we discovered, the government passed welfare reform without having a clear indication of the numbers of immigrants that will be affected by its new policies. Moreover, despite government assertions that religious congregations and mutual aid associations should assist immigrants affected by welfare reform, this idea is unrealistic. These institutions and organizations cannot raise the massive funds needed to effectively meet the basic needs of elderly and disabled immigrants.

Our research predicts that the economic and social costs of welfare reform will be high for both immigrants and the larger communities of Uptown, Edgewater, and Rogers Park. Therefore, these costs must be considered as federal and state welfare reform legislation is further modified and implemented.

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