



## UNDOING WELFARE REFORM

### The Foundation

"Wherever the real power in a Government lies, there is the danger of oppression." --James Madison

### Government

"The imperial Presidency has overturned Congress and the law again. Not content to stop at rewriting immigration policy, education policy and energy policy, Thursday, President Obama's Department of Health and Human Services (HHS) released an official policy directive rewriting the welfare reform law of 1996. The new policy guts the federal work requirements that were the foundation of the Clinton-era reform. ... Welfare reform replaced the old Aid to Families with Dependent Children with a new program, Temporary Assistance for Needy Families (TANF). ... The whole point was that able-bodied adults should be required to work or prepare for work as a condition of receiving welfare aid. [This reform was very successful](#). TANF became the only welfare program (out of more than 70) that promoted greater self-reliance. It moved 2.8 million families off the welfare rolls and into jobs so that they were providing for themselves. Child poverty fell, and single-parent employment rose. Recipients were required to perform at least 20-30 hours per week of work or job preparation activities in exchange for the cash benefit. Now, Obama's HHS is claiming that it can waive those work requirements that are at the heart of the law, and without Congress's consent. When it established TANF, Congress deliberately exempted or shielded nearly all of the TANF program from waiver authority. ... The TANF reform was one small step in the direction of reducing Americans' dependence on



Bill Clinton signing welfare reform in 1996

government programs and getting them back on their feet. Cutting its work component is likely to unnecessarily swell the ranks of welfare recipients and with no way to pay for it." --Heritage Foundation's [Amy Payne](#)

### Opinion in Brief

"Congress enacted the first federal minimum wage in 1938. ... The Labor Department reported that as many as 50,000 employees, mostly poor Southern blacks, were thrown out of work within two weeks of the law's taking effect. ... The federal minimum wage is currently \$7.25 an hour, and a push is underway to raise it yet again. ... Yet no matter how much politicians and activists may battle over minimum-wage laws, the *real* minimum wage in this country has never budged. It is \$0.00. According to the Bureau of Labor Statistics, that is the hourly wage being earned right now by 12.7 million Americans -- the 8.2 percent of the work force that is currently unemployed. ... Minimum-wage laws are typically thought of as a mandate on employers. In reality they constrain employees. As it stands now, the federal wage law tells workers that unless they can find a company willing to pay them at least \$7.25 an hour, they can't get a job. That may not seem like much of a barrier to ... Congress's wealthiest members, but it might as well be the Berlin Wall to an unskilled teen or young adult with no high-school diploma or employment history whose labor is only worth, say, \$5.50 an hour. ... With the best intentions in the world, lawmakers cannot raise the value of anyone's labor ... merely by passing a law. ... It may not be easy to survive on \$7.25 an hour. But life gets a whole lot harder when your hourly wage is nothing." -- columnist [Jeff Jacoby](#)

### Political Futures

"One of the most annoying things about this election is that people keep asking the candidates what they'll do to create jobs. The problem is that the only way the

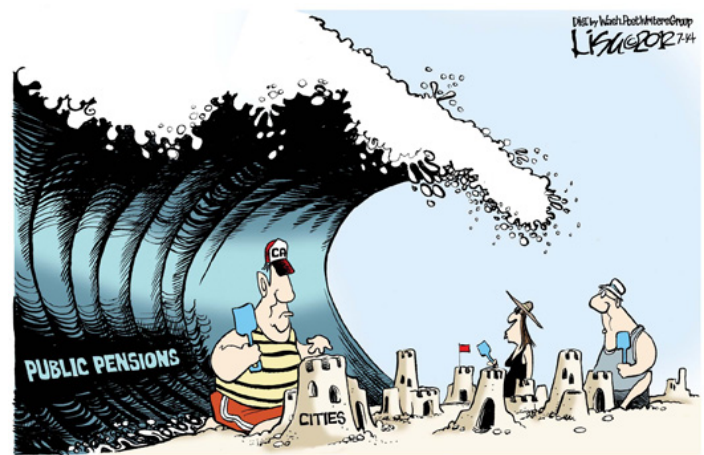
federal government can create jobs is by hiring more bureaucrats, which is the last thing any sane person wants to see. The job of the president is to create an environment in which entrepreneurs and small businesses can flourish. That means you cut the tax rate and you get rid of stupid, power-grabbing regulators, like the storm troopers at the EPA, and you take the jackboot of the federal government off the necks of those driven to succeed and get wealthy. Prosperity is the greatest engine for job creation and it's the only way that a \$16 trillion national debt won't sooner, rather than later, turn us into Greece." -- columnist [Burt Prelutsky](#)

### For the Record

"As far back as the 1920s, a huge cut in the highest income tax rate -- from 73 percent to 24 percent -- led to a huge increase in the amount of tax revenue collected by the federal government. Why? Because investors took their money out of tax shelters, where they were earning very modest rates of return, and put their money into the productive economy, where they could earn higher rates of return, now that those returns were not so heavily taxed. This was the very reason why tax rates were cut in the first place -- to get more revenue for the federal government. ... Yet the invincible lie continues to this day that those who oppose high tax rates on high incomes are doing so because they want to reduce the taxes paid by high income earners, in hopes that their increased prosperity will 'trickle down' to others. ... When [Barack Obama] was a candidate for president back in 2008, Charles Gibson of ABC News confronted him with the fact that there was no automatic correlation between the raising and lowering of tax rates and whether tax revenues moved up or down. Obama admitted that. But he said that he was for raising tax rates on higher income earners anyway, in the name of 'fairness.' ... The point here is that Obama knew then that tax rates and tax revenues do not automatically move in the same direction. In other words, he is lying when he talks as if tax rates and tax revenues move together." --economist [Thomas Sowell](#)

### Re: The Left

"San Bernardino [California] has an annual budget of \$258 million; it is running a budget deficit of \$45 million. Where does that money go? To the unions, largely. About three-quarters of the general fund goes to personnel; 78 percent of that 75 percent goes to public safety employees, the most lucratively compensated of all government workers. The city retirement fund amounts to 13 percent of the general fund. ... The statistics are strikingly similar in Stockton. Sixty-eight percent of the general budget each year goes to city retirees and compensation for workers. Their budget deficit was \$26 million; the year before, it was \$37 million; the year before that, \$23 million. Retirement costs constituted some 17.5 percent of the budget. ... Then there's Los Angeles. Los Angeles faces a \$238 million shortfall; it faces a grand total of \$27 billion in unfunded pension liabilities. How much of the budget do union pensions consume? A full 15.4 percent of city expenditures. ... Noticing a pattern? Deficits as far as the eye can see. Rotten economic situations. And union pensions that take up a substantial chunk of the budget. ... This is what liberalism wrecks on cities. No city has ever gone bankrupt from spending too little cash. ... California is going the way of Stockton and San Bernardino. The only difference is that when the state does go bankrupt, the federal government will undoubtedly try to step in. But what happens when the federal government goes bankrupt for pursuing Californian policies?" --columnist [Ben Shapiro](#)



## Insight

"This war against our Constitution is not being fought way off in Madagascar or in Mandalay. It is being fought here -- in our schools, our colleges, our churches, our women's clubs. It is being fought with our money.... It is being fought twenty-four hours a day -- while we remain asleep." --Sen. William Jenner (1908-1985)

## The Gipper

"The gun has been called the great equalizer, meaning that a small person with a gun is equal to a large person, but it is a great equalizer in another way, too. It insures that the people are the equal of their government whenever that government forgets that it is servant and not master of the governed." --[Ronald Reagan](#)

## Essential Liberty

"Horizontal drilling and fracking have made oil shale and tar sands rich sources of oil and natural gas, so much so that the United States may prove to possess the largest store of fossil fuel reserves in the world -- in theory, with enough gas, oil and coal soon never to need any imported Middle Eastern energy again. 'Peak oil' is suddenly an anachronism. Widespread American use of cheap natural gas will do more to clean the planet than thousands of Solyndras. If the United States utilizes its resources, then its present pathologies -- massive budget and trade deficits, mounting debt, strategic vulnerability -- will start to subside. These new breakthroughs in petroleum engineering are largely American phenomena, reminding us that there is still something exceptional in the American experience that periodically offers the world cutting-edge technologies and protocols. ... Who would have thought that a few fracking innovators in Texas would change the world's carbon footprint far more than did Nobel laureate Al Gore -- while offering a way for the U.S. to be energy-independent." --historian [Victor Davis Hanson](#)

## Culture

"Capitalism is not inherently sinful, capitalists are -- but so are socialists, progressives, conservatives, libertarians and every other label we apply to human

beings. When I hear people complain about the evils of capitalism, it's like they think there's something especially corrupt about capitalistic institutions, as if every other institution -- including government itself -- isn't prone to the same basic shortcomings. If you don't think socialists or bureaucrats are just as likely to rig the rules to their benefit, you're quite simply ignorant of a lot of history -- and current events. You can never eliminate the temptations of sin. But you can create accountability for sinning. That's one reason why our system of liberal democratic capitalism is superior to other systems: It creates more opportunities to hold wrongdoers -- and fools -- accountable. Or at least it's supposed to. ... The key to all of this is the rule of law and the minimization of what Edmund Burke called 'arbitrary power.' When institutions -- any institutions -- become immunized against the legitimate forces of accountability, it should be seen as a scandal. The more inured we grow to such stories, the more we come to accept that acceptable behavior is simply whatever we can get away with." --columnist [Jonah Goldberg](#)

## Reader Comments

"Kudos, Alexander, for the clear case made in [Retreat is NOT an Option!](#) I hope grassroots Patriots will take a moment and carefully read and digest your perspective on the CJ Roberts decision. Roberts has given us a wake-up call. He has essentially told us to get off the couch, get involved, and take personal responsibility for the government we elect. It's not his fault that we have the Congress we have. It's our fault. If we lack the fight to defeat Obama this November, then it really wouldn't matter what he decreed about ObamaCare. This November is our chance for a second 'Boston Tea Party.' Imagine the message that would be sent to the world if we elect a Congress and a president that start turning this Ship-of-State back onto a course toward Liberty." --Mike from Maryland

"The [UN effort to regulate guns](#) is simply another reason for the U.S. to sever all ties to and support of the UN. The trends are historic, obvious and clearly threatening to ALL of our liberties, and not JUST the Second Amendment. I would feel better if they were meeting in Europe or the Middle East where the

intents and politics of the organization more closely match those of the local governments and tyrants who are pulling the puppet strings." --Dick in Kansas City, MO

"The UN is totally useless -- why in the world are we still in this organization? Better yet, why is the organization still in the United States? There is nothing but a bunch of third-world lunatics and communist countries running the asylum anyway." -- Bill in Las Cruces

"As a Bible-believing pastor I am dismayed at the arrogance of Phoenix minister Michael Salman's [in-your-face disobedience to civil law](#). Scriptures are clear that good government is one of the three divine institutions God set up. While there are no perfect governments, believers are to pray for and obey the laws, even the ones they don't like. If Mr. Salman wants to have a church as well as a burger business let him get a building suitable for it. I applaud his desire to serve the Lord! However, I think his testimony is harming the cause of Christ." --Richard in Virginia

**Correction:** In [Friday's Digest](#), "Income Redistribution: Producers in Exile," an editing error misidentified the head of Change Maryland, Larry Hogan, as a former Republican governor of Maryland. He only considered running for the office. We regret the error.

### **The Last Word**

"Most Americans don't care about whether Attorney General Eric Holder is hiding Fast and Furious

documents because they don't understand the story. ... [T]he problem with Republican rectitude in discussing this scandal is that as soon as they start talking about subpoenas and dates and documents, TV channels change across America. They're never going to get answers unless they first explain to the American people why it matters. ... The notion that most guns used by Mexican drug gangs came from the U.S. was a lie -- exposed on about 1 million gun blogs and on Fox News. So, then the Obama administration did exactly what Democrats had been falsely accusing American gun sellers of doing: They put American guns in the hands of Mexican drug cartels. The only explanation for Fast and Furious is that it was a program to prop up a losing gun control argument. ... Republicans refuse to state this clearly because they can't prove it. Instead, they just keep chattering about the documents that haven't been turned over and subpoenas that haven't been answered. ... This isn't just another government program gone bad -- a \$300 ashtray, stimulus money fraud, Solyndra or Van Jones. ... It would be as if the Bush administration had implemented a covert operation to dump a dangerous abortifacient in Planned Parenthood clinics, resulting in hundreds of women dying -- just to give pro-lifers an argument about how dangerous abortion clinics are. That's what Fast and Furious is about." -- columnist [Ann Coulter](#)

Semper Vigilo, Fortis, Paratus et Fidelis!

Nate Jackson for *The Patriot Post* Editorial Team