

POINT OF VIEW

Our View

Working it out

Five years ago when politicians, with the assistance of welfare reformers and public policy pros, implemented the federal welfare-to-work concept, they likely didn't take into account the damage that a pernicious economic downturn could wreak on the philosophy of matching able-bodied employees with needy employers and limiting lifetime benefits to a period of five years.

For certain, they didn't, and for their part, couldn't factor in the effects that the most devastating terrorist attack on U.S. soil could have on a slumping economy, and key economic indicators such as consumer spending were already flagging prior to Sept. 11.

As it is, the nation is in the throes of an economic downturn, exacerbated by the attacks by kamikaze pilots on the World Trade Center towers and the Pentagon. Las Vegas, with its tourist-dependent economy, has suffered a double hit, with skittish Americans forgoing flights to our city, leading to the cancellations of dozens of revenue-generating conventions, drastically reduced room rates and empty rooms. The end result: more than 15,000 casino industry employees were laid off in the weeks following the attacks. Though nearly a third have been hired back on a part-time basis, the remaining laid-off workers are flirting with homelessness.

What's uncertain is how many of the newly unemployed are participants in the welfare-to-work program. Given the fact that many of the 230,000 hospitality industry jobs are in the service sector, it's a fair bet that welfare-to-work participants were prominent among the thousands axed.

Ironically, being formerly destitute might be a blessing to some of them. They are now able to tap into their welfare benefits. There's even good news for those who think they've exhausted all their government-sponsored resources: the program, at least in Nevada, is spread over seven years, meaning the earliest their benefits could run out is 2004.

Should the 7-year time limit elapse, welfare-to-work proponents say assistance is still available. They point to "hardship" exceptions, for which benefits can be extended. There are no time constraints on Medicaid and food stamps, and a number of programs exist to show low-income individuals and families how to become self-sufficient.

But, enough of the silver lining. Make no mistake: living on welfare is not the American dream, nor should it be a goal. Able-bodied people should work.

Hear that, casino barons?

The least of us

When news broke that prominent media figures had received letters containing anthrax spores, the government moved quickly. Last week, many in congress and their staffs were quarantined because of anthrax, one of a handful of biological agents that U.S. security officials fear terrorists will use to conduct an attack on America.

Testing our elected officials was prudent and necessary, as they are important people who any twisted terrorist would love to toe-tag.

A case can be made that postal workers, the people who first come into contact with mail, deserve to be quarantined, too. No, they don't sit in some hoity-toity office, schmooze with aristocrats or breathe the rarefied air of congress, but they do deliver the correspondence and dutifully, we might add- that mail and correspondence, which keeps everyone connected.

That many of the postal workers in Washington, D.C. are black, only drives home the point that advantages given to the "most" of us should also be extended to the least of us.



To save economy, rescue consumers

Special to Sentinel-Voice

The aftershocks from the September terrorist attacks continue to reverberate seemingly right from the zone of devastation that was once the World Trade Center complex and across the American economy.

From business once housed in the buildings themselves, to those in the immediate vicinity, to an entire web of local businesses, New York City's economy has suffered a staggering blow. Official statistics indicate the city's jobless rate leapt to 6.3 percent last month, from 5.8 percent in August and 5 percent flat for July.

But the most alarming fact about the statistic is that, because the jobless survey was conducted the week of the terrorists attacks on New York and Washington, it's a measurement that yet understates the wave of joblessness that's swept over the city.

Nationally, 490,000 laid-off workers filed new claims for unemployment insurance last week, making the fourth consecutive week in which new jobless claims approached numbers not seen since the last months of the recession which ended in 1992. No one doubts that the nation's unemployment rate is now higher than the 4.9 percent it registered in early September before the attacks.

These numbers are no surprise, given the blow the already-softening economy sustained when, after September 11, airlines, hotels, and tourism industries all began laying off workers in droves.

But they have intensified concern at a time when states' revenues have plummeted- "falling off a cliff," in the

To Be Equal

By Hugh B. Price
President
National Urban League



words of one official- and numerous states face a dire possibility of having to cut spending and raise taxes simultaneously.

Looming in the background are the Congressionally-imposed deadlines for moving people off welfare rolls by next year. A recent federal study has found that many states' welfare rolls were increasing even before September 11-a trend almost certain to intensify now because, overwhelmingly, most of the 2.5 million adults who've left the welfare rolls since 1996 hold the low-skilled positions that are the first to go in an economic downturn.

The Bush Administration and Congress are debating the key features of an economic stimulus package to jump-start the U.S. economy. Ideas under discussion include tax cuts for corporations, cut in the capital gains tax, and even relief for investors who have lost money in the stock market.

However, federal and state governments must also help those victims of the economic downturn whose case is most compelling but whose voice is almost always the quietest: hotel workers, waiters, clerks in small shops, people who worked for cleaning services, and others at the lower end

of the wage scale.

Many of these workers, a significant proportion of whom worked part-time, barely made enough money to make ends meet to begin with. Now, few have any savings to speak of to tide them over, and many are up to their eyeballs in credit-card debt.

You'd think these workers would be prime candidates for unemployment benefits. But as the legendary Cab Calloway used to croon, *it ain't necessarily so.*

According to a recent story in the *New York Times*, states are rejecting many of these workers' applicants for unemployment benefits because they didn't earn enough money over the recent 18 months to meet the states' requirements.

Harvard University economist Richard B. Free-

man has a simple-and correct-assessment of this system, under which these workers have paid unemployment insurance when they worked, but now can't get unemployment benefits. He said: "it's not right."

Any sensible economic stimulus plan crafted by Washington should start by quickly repairing the social safety net so that it shields these unemployed wage earners from sudden poverty.

Then congress should move on to liberalize unemployment insurance in order to help the laid-off workers who are bearing the brunt of the slowdown.

And then, boost the purchasing power of working people, who as consumers are the key to a thriving economy- by providing a tax rebate to low-wage workers, and, to lower their debt burden, by allowing them to deduct the interest on their credit-card bills from their income taxes, just as they used to be able to do

We should remember that consumers fueled the economic recovery in the 1990s. with an economic stimulus package aimed right at them, they can come to the economy's rescue once again.

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