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Chicago Tribune

April 25, 2004 Sunday
Chicago Final Edition

SECTION: NEWS ; ZONE C; Pg. 1

HEADLINE: THE **WORKING POOR**;

They are the forgotten ones unemployment numbers don't track

BYLINE: By Tim Jones, Tribune national correspondent.

DATELINE: McARTHUR, Ohio

The food line begins to form during the sunrise chill, more than two hours before the metal gates to the Care United Methodist Outreach pantry open.

Hundreds of people like Theresa Ware arrive early because they fear the boxes of food stacked in neat rows will be gone by the time they push their rusty grocery carts to the head of the hours-long line. Ware keeps an eye on her watch because she can't afford to be late for work, not even if the reason is to pick up food.

"This is a have-to case for us. It's humiliating," said Ware, 49, who makes \$7.50 an hour working the afternoon shift at a nursing home. This recent visit was one of two food pantry stops she and her unemployed husband, Rocky, make every month.

"We shouldn't have to do this," she said.

Theresa and Rocky Ware toil in the ranks of the **working poor**, a growing category of millions of Americans who play by the rules of the working world and still can't make ends meet.

After tapping friends and family, maxing out their credit cards and sufficiently swallowing their pride, at least 23 million Americans stood in food lines last year-- many of them the **working poor**, according to America's Second Harvest, the Chicago-based hunger relief organization. The surge in food demand is fueled by several forces--job losses, expired unemployment benefits, soaring health-care and housing costs, and the inability of many people to find jobs that match the income and benefits of the jobs they lost.

The Center on Budget and Policy Priorities, a Washington think tank, reported recently that 43 million people are living in low-income working families with children. Other government data show the number of people living below the official poverty line grew by more than 3.5 million from 2000 to 2002, to 34.6 million. And the U.S. Department of Agriculture reported that the number of Americans who don't know where their next meal will come from--categorized as "food insecure"--jumped from 31 million to 35 million between 1999 and 2002.

"The reach of the economic slowdown has really pulled in a lot of folks who never expected to be poor," said Stacy Dean, director of food stamp policy for the Center on Budget and Policy Priorities. "What you see now is families turning to private relief for what often is a very small amount of help."

"This is not just a function of unemployment. A larger percentage of Americans are **working poor**, and the numbers have been growing for nine years," said Robert Forney, CEO of America's Second Harvest. "This could be the low-water mark for the economy, but for a whole lot of Americans--40 million of them--the option of [earning] a living wage and benefits? Forget it."

Exploding demand

Food pantry operators across the nation--urban, suburban and rural--tell similar stories of exploding food demand from families, senior citizens and the fastest-growing segment: the **working poor**.

In southern Ohio, where President Lyndon Johnson declared war on poverty 40 years ago, cars will line roadsides for a half-mile or more waiting for the boxed monthly buffet of dry milk, rice, cereal, canned fruit and vegetables, instant mashed potatoes and, on good days, canned meat and chicken.

"We're quickly seeing that communities that thought they were immune are now affected, whether urban or suburban," said Lisa Hamler-Podolski, executive director of the Ohio Association of Second Harvest Foodbanks.

Rev. Walt Goble, who runs the Care United Methodist Outreach in McArthur, Ohio, a small and long-ago thriving village about 60 miles south of Columbus, said, "We're here from 11:30 to 4:00, or until we run out of food. Usually we run out."

Theresa and Rocky Ware have reluctantly joined the lines at food banks. Last year, in the sparsely populated, nine-county region of southeastern Ohio, 9.1 million pounds of food were handed out--that's up from 3.9 million pounds in 2000. In the past three years, the number of households served by food banks has more than tripled, according to Second Harvest of Southeast Ohio.

Although the national economy shows fitful statistical signs of recovery, the data do not take into account that declining numbers of employers offer health insurance and many new jobs pay the minimum wage, \$5.15 an hour.

Danny Palmer, who lives in the Ohio River village of Cheshire, lost his \$20-an-hour welding job and now works at Wal-Mart for \$5.95 an hour. Insurance coverage he got as part of a severance package from his former employer runs out next month. He has no health coverage with Wal-Mart.

Melissa Barringer holds three part-time jobs to augment the income she and her husband, Brian, a laborer, earn to support themselves and their three teenage children. Last year, their combined income was \$18,000.

"We can't keep up," Melissa Barringer said as her children ate at a soup kitchen in Coolville, Ohio.

Oscar Sanchez shows up every Thursday for bags of canned and dry goods at the Catholic Charities' Latin American Youth Center in Chicago's Pilsen neighborhood. Sanchez, 52, is a self-employed painter who lost his construction job three years ago. His hourly wage is \$7. He has no health insurance.

And in the St. Louis suburb of Ferguson, Mary Williams works as a temp and drives her 1983 Mercury Marquis to jobs that pay \$7 to \$8 an hour. The work is not steady. Neither she nor her son has health insurance.

All of them tell different stories but have one thing in common: They have jobs and are regulars at food pantries.

What the numbers miss

The plight of people like the Wares is not reflected in monthly unemployment figures. These Americans fly uneasily beneath the radar of the government's officially recognized economic distress status, the federal poverty line of \$12,490 for a couple and \$18,850 for a family of four.

"The official economic numbers often lag behind the real story," said Gregory Acs, a senior research associate at the Urban Institute, a Washington-based research organization.

"Poverty numbers usually tell only part of the story. You can be technically not poor, but you still skip bills and go once or twice a week to the food pantry," Acs said, noting that upward adjustments in poverty levels do not account for all the financial pressures facing families.

For example, the share of Americans under age 65 with employer-sponsored health insurance dropped from 70 percent in 1999 to 68 percent in 2002, according to the Urban Institute. Among low-income workers, the percentage dropped from 40 percent to 35 percent.

Some of those who are struggling visit Felipe Ayala, who has been running Chicago's Latin American Youth Center for 32 years.

"We used to run out of food at the end of the month. Now we can run out at the end of the first week," Ayala said.

The increasing demand comes from people who are either out of work or, in the case of Oscar Sanchez, don't earn enough to provide a living for themselves.

"It has gotten worse," Ayala said. "All the jobs are in the food industry or else they are in the suburbs. The lines here are always increasing."

Sanchez, who is divorced, said he goes every other Thursday to the basement of the old school. People begin to file in at 9 a.m. and move from one metal folding chair to another before they can pick up white plastic food bags on which "Thank You" is printed in red letters. They wait patiently for their turn to get the food bags.

"This is what keeps me going," said Sanchez, who has used the pantry for two years. As the weather warms up, Sanchez said, he is hopeful that there will be more work and steady work. He does not expect, however, to break his pattern of regularly visiting the pantry on 17th Street.

Nor is Mary Williams particularly hopeful. With three years of college behind her, the 42-year-old former factory worker has not had health insurance since last summer. Williams makes about \$400 a month and regularly visits a Salvation Army food

pantry in St. Louis.

Williams' battered car is starting to break down, and sometimes she has to drive up to an hour, one way, to get to work.

"Most of the time it's a struggle," said Williams, a single parent. "And things aren't looking any better."

The pressure on working families has increased in the past few years as many states have cut back Medicaid coverage in the face of their own budget troubles. Two recent reports show that as many as 1.6 million low-income people have lost publicly funded health coverage because of state budget cuts.

In response, they cobble together an existence by skipping meals, borrowing from friends, moving in with family and cutting prescription pills in half or bypassing dosages altogether. Some ignore bills, which is one reason Ohio, for instance, a state hit hard by the recession, has the highest rate of loan foreclosures in the nation, according to the Mortgage Bankers Association.

Many are trapped in a bureaucratic vise: They make too much money to qualify for Medicaid, the government's low-income health insurance program, yet too little to buy health coverage.

Because they can't afford the property taxes, the Wares have turned their home over to their adult children, who pay the tax bill. Medical bills from Rocky's treatments for emphysema are mounting.

"I get bills and I say to hell with it. They can come and throw me in jail," Theresa Ware said as she loaded food into the back seat of her truck.

This is not the vision a hopeful President Johnson had in mind four decades ago when he told students at nearby Ohio University in Athens: "We must abolish human poverty." In promoting his Great Society program, Johnson described in a May 1964 speech a new society "where no child will go unfed. . . . Where no man who wants work will fail to find it."

Johnson's "unconditional war on poverty" going badly. Unemployment in Athens County in February was 5.9 percent, but about one-third of the county's residents live at or below the federal poverty line. Many of the good jobs are gone as Ohio, like many states, is making the transition from a manufacturing to a service-based economy.

In a state that produced industrial giants such as John D. Rockefeller, Harvey Firestone and B.F. Goodrich and provided the nation with cars, tires, soap, glass and steel, the largest private sector employer is Wal-Mart. Kroger, the grocery chain, is second.

About 200,000 manufacturing jobs have left Ohio since the start of 2001. In February, 14 counties had jobless rates in double digits, up from only three last November. Studies say job growth is in the service sector, led by fast food and retail, positions that rarely pay \$10 an hour.

Jack Frech, director of the Athens County Department of Human Services, said the

working poor "are all playing by the rules, yet they are sacrificed" in an economy that often doesn't provide a living wage.

"People here couldn't tell you where the poor people are, even though they see them every day," Frech said. "These people are invisible. They're doing some of the most difficult jobs in the world and they are doing it for nothing. And we all benefit from it. They keep the price of food and child care down because they're willing to take jobs at sub-poverty wages."

A recent report from the U.S. Conference of Mayors said jobs lost between 2001 and 2003 will be replaced with jobs paying 20 percent less. For some, the drop has been much steeper.

Puzzled and angry

The so-called new poor, like Danny and Shirley Palmer, are puzzled and angered by their situation. Danny Palmer held his job with a power company for 25 years until one day in late November 2002, when he came home for lunch after being told not to return.

"He rattles the bushes, but he can't find anything," Shirley Palmer said of her husband, who obtained a union card as a pipefitter six months ago. He pays monthly dues but has not been called for any jobs. Their monthly mortgage payment is \$343.20 and they are drawing down their savings because his Wal-Mart salary doesn't measure up.

"It makes me angry," she said.

"So many people way up here," she added, holding her hand up high, "are making astronomical money, and these folks way down here are making it all possible, and they get nothing."

"That's the way of the world," she said, shrugging.

Shirley Palmer's brief flash of anger is not often heard. People who go through food lines will express their unhappiness with government policies, frequently mentioning the billions of dollars spent to rebuild Iraq. But fiery outbursts are rare. Politics and the presidential race are shoved to the background by the more immediate concerns of food, bills and health care.

President Bush has been to Ohio 15 times since taking office, but he hasn't been in this region of the state. Nor has Sen. John Kerry, the presumptive Democratic nominee. Sen. John Edwards (D-N.C.), who campaigned across the nation for the Democratic presidential nomination on the theme of "Two Americas," never got close to the food line in McArthur, which Creasid Wright visits every month.

The food line, Wright said, "is a long-term option" for her family, including her husband, William, and their five children, all boys. She makes \$10.55 an hour as a nursing home aide.

"I got a raise of 15 cents. I would have liked 50," she said. Like many food line regulars, she knows her hourly wage and monthly bills down to the penny.

Wright, 36, lives with her husband, William, along U.S. Highway 50, designated the Appalachian Highway. William is a day laborer making \$10 an hour. Last year their combined income was about \$23,000. In recent years they have hauled junk cars and cut firewood to make money.

After living 13 years in a cramped trailer, Creasid and William built a five-bedroom log cabin--"with no credit," she adds. The trailer's concrete foundation in the front yard is a reminder of how far the Wrights have come. The food line is a reminder of how far they have to go.

She is planning a garden. The television antenna they put up behind their log home picks up three channels. They have no phone.

"I would rather have groceries than a phone," she said.

While the children's health care is covered by Medicaid, neither parent has health insurance. They take their chances. When William Wright suffered from cellulitis last year, his antibiotics cost \$300. "That almost did us in," his wife said.

Creasid Wright said she is not angry because "life has always been tough." She refuses to go to the state welfare office for food stamps because she finds it demeaning. The food line, on the other hand, is a necessity that does not undermine dignity, she said.

"I don't feel ashamed to come here. I don't feel above or below anything," she said.

On this day, Creasid Wright baked a birthday cake for her 9-year-old son, Jared. Then, after a family birthday party, she headed to the nursing home to start her 12-hour shift.

Not everyone is so stoic. Dave, a single parent who did not want his last name reported because two of his three daughters are embarrassed that he goes to the food pantry in Logan, north of Athens, called his reliance on charity "humiliating." He borrowed gas from a neighbor's lawn mower gas can to get to the pantry. Washington, Dave said, cares more about Iraq than it does Americans.

The jobs crisis has called into question the fundamental assumption behind national and state efforts to reform the welfare system by requiring people to work for their benefits. The jobs are leaving, and the ones that are left often will not support a family.

"There's nothing wrong with making people self-sufficient. The problem is there aren't any jobs they can go to to make themselves self-sufficient. They're working but they're still in poverty," said Dick Stevens, a division director for Hocking-Athens-Perry Community Action in Logan.

"You may have helped the system, but you haven't helped the people. . . . It's such an alarming thing to watch unfold before your eyes and get the feeling that nobody sees it.

"Why isn't anybody alarmed? How can this many jobs be replaced by service and minimum-wage jobs?" Stevens asked.

Visits to food pantries in this area of southeast Ohio totaled more than 204,000 last year, up from 130,000 in 2000. Dannie Devol, who helps run the St. James Chapel pantry in Logan, said many people are too proud to go to food banks. Used clothing--shoes, dresses and coats--is draped from hangers or stacked on folding tables at St. James. Phonograph records and paperback books line the walls, along with toys.

"When this place opened, everything was free, and nothing moved," said Marilyn Sloan, a food bank coordinator. "When they put a quarter price tag on everything, then they would sell. It's pride and dignity and a sense of ownership that they could pay a quarter. That means a lot."

Some who are regulars at the McArthur pantry, like Vance Reaser, 35, a union carpenter, say it "feels odd" to go through the line.

Reaser was laid off in January 2003 from a job that paid him \$25 an hour. His unemployment benefits ran out three months ago. He has worked three months in the past 15 and now shows up at the McArthur food pantry four days a week to help out--and to eat at the soup kitchen.

"I can't afford health insurance for me and my two girls," said Reaser, who is divorced. "There are some things you are supposed to take care of and you can't. In a way it makes you feel like a failure."

Reaser, like many in this region, is hopeful that something will work out. But in the meantime, local officials grapple with the fallout from the jobs crisis.

David Martin, the sheriff of Gallia County, said, "Crime has gone through the roof in the last three years." In the past year, there have been six armed robberies, a crime previously unheard of in Gallipolis, a town of 4,900.

"People will do what they have to to feed their families," Martin said.

Devol, who is 78 and has clear memories of growing up with 11 brothers and sisters during the Depression, said it is easier to understand what is going on now "if you've been there before."

Devol has dealt with a family of four living in a car after the father lost his job in Marietta. On this day, Devol talked about several families--16 people--living in one trailer. That's part of the economic wreckage he has watched for years.

But Devol said he never dreamed he would again see people lining up for food like they do today--like the 635 families that lined up for food boxes on the Monday after Easter.

"People complain about the cars lining up on the road, blocking traffic," Devol said. "But when they see the lines, then they begin to understand what's going on."

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April 25, 2004 Sunday
Chicago Final Edition

SECTION: NEWS ; ZONE C; A FOOD PANTRY AT WORK ; Pg. 21

LENGTH: 693 words

HEADLINE: Still such a thing as a free lunch

BYLINE: By Tim Jones, Tribune national correspondent.

DATELINE: COOLVILLE, Ohio

BODY:

At noon sharp, the Lord's Prayer is recited to the loud popping accompaniment of percolating coffee. Seconds later, about two dozen metal chairs scrape across the gray painted concrete floor, and the regular Wednesday lunch begins at Coolville's haven of last resort.

For the next three hours, scores of people of all ages--jobless, underemployed, deep in debt and hungry--step through the orange metal door of the Friends & Neighbors Community Food Center, seeking help that most never dreamed they would need.

They'll get a hug from Hazel and a kind word from Lisa--the two women who run the pantry--and, on this Wednesday, hot roast beef with mashed potatoes and gravy, salad and blueberry cake, served on Styrofoam plates.

In this hardscrabble southeastern Ohio village of 528 people, there is such a thing as a free lunch. Just take the sharp turn onto Third Street and head for the Lions Club, where Jeni Brannon rules the kitchen, never knowing on any given Wednesday how many to cook for.

But after nearly 16 months of operation, Hazel Life and Lisa Roberts do know who will be coming through the door, and when.

The seniors arrive at the beginning of the month because they have spent much of their money on prescription drugs. Large numbers of working families start to show up after the third week of the month because they've run out of money. The number of children soars during the summer because the free school lunch program ends on the last day of classes.

What they can't anticipate is the numbers, which keep growing. In January the pantry served 167 adults, 83 children and 97 households. In March the numbers jumped to 301 adults, 161 children and 153 households.

"It's going to go up and up and up," said Life, 38, a single mother of three who lost her \$19-an-hour job as a hospital systems analyst and now works the cash register at a grocery store for \$5.15 an hour. Health insurance for her children, ages 17, 13 and 6, is covered by Medicaid. Hazel Life herself has no medical coverage.

"Most of the people here live in trailers, including myself. They're just trying to survive," Life said.

The holes in the state and national social safety nets--and specifically the people who fell through them--are on display here every Wednesday, for lunch and waiting for boxes of food and dry goods. Around long folding tables, the dynamic of shared human misery is embraced by the best of community compassion. People exchange stories about their kids, their circumstances and where they can get deals on clothing and food.

Some, like Julie Smith, 27, struggle to make that last step into the pantry. The single mother of two daughters was laid off two months ago from several temporary jobs and is more than two months late on her car payment.

"I thought I would always make it on my own. I have a pride thing--I don't like to accept things," said Smith, who first came to the pantry in February.

"This bothers me in a way but I don't care because I have to do it to feed my kids," said Smith, who is hoping a part-time job as a high school janitor becomes full time. She earns \$7 an hour and has no health insurance.

Pantries used to be dominated by the elderly, but now more than half the people who show up are **working poor**. Ruth Dillon came here with her husband, Roger, to celebrate her 61st birthday this month. Ruth had to quit her \$5-an-hour job to care for Roger, who had open-heart surgery.

"This is the very last resort for people. They've gone through friends, they've gone through family," said Lisa Roberts. "Once you get them over the hump of coming here, they come back."

Friends & Neighbors, which resembles a church basement with a kitchen and a long, open counter, distributed 42,000 pounds of food last year on a budget of \$1,580, including \$20 a month from one local church, \$5 from another and \$20 from "old Mr. Bibby, whenever he can," Life said.

Some draw comfort beyond the free meal and box of food. Roger Dillon said he has run into old friends at the pantry that he hasn't seen in years.

"We see so many people we know and hadn't seen since we were kids," he said. "I always thought you saw people like that only at funerals."