the last thread of the "Federal safety net." This entry summarizes the consequences of abolishing welfare, and the odd political dynamics that led to its end.

THE STATES

Though it grew into a potent symbol of social decay, the A.F.D.C. program was established amid little controversy, as a sidelight of the Social Security Act. It was intended to provide small pensions to indigent widows, instead of placing their children in orphanages. But the program changed during a period of explosive growth in the late 1960's, as millions of never-married women joined the rolls. If the program's public face was once that of a West Virginia miner's widow, it then became that of a young black woman in an urban ghetto. There were about 14 million women and children receiving benefits when the program ended, with the average family of three getting about $370 a month.

Initially, those who warned of social catastrophe seemed alarmist. In abolishing welfare, Congress gave the states annual lump-sum payments, called block grants, to assist the poor virtually any way they saw fit. The states were barred from aiding families for more than five years, but most set much shorter limits. By later standards, the sizes of the first block grants were generous, and difficult as it is now to imagine, the late 1990's seemed a golden age of state experimentation.

In 1997, Mississippi contracted with church groups to run its relief programs; within a few years the teen-age pregnancy rate dropped 10 percent. Vermont placed a two-year limit on benefits but offered subsidized jobs to those who were still unemployed. Tennessee took a tougher tack, imposing a strict 18-month cutoff with no further aid. But in the late 1990's, Tennessee had a 3 percent unemployment rate, and most mothers found at least part-time work. While millions of poor families still led hand-to-mouth existences, they always had; local control, whatever its problems, was not unambiguously worse.

Then came the 1999 recession. Faced with declining revenues and rising aid requests, states slashed their payments; the mother of two who had received $370 in 1995 was now getting $180 a month. With families crossing borders in search of aid, the "race to the bottom" ensued, with each state trying to be as tough as its neighbors. Just months after Texas barred payments to legal immigrants, for instance, the other border states followed. As an entitlement, the old A.F.D.C. system promised, a check to any qualifying family within 45 days; waiting lists now grew as long as two years. As many as a million families who have received aid under the Federal system now received nothing.

Though the economy recovered in subsequent years, state spending did not. As the number of neglected children skyrocketed, the child welfare system snapped. In 1995, there were approximately 460,000 children in foster-care programs; a decade later, the number approached one million. As the numbers grew, the Federal Government began a 10-city experiment to test the performance of orphanages—an idea first broached by former House Speaker Newt Gingrich.

The experiment earned high marks, but Congress balked at its cost. A year at the latter-day Boys' Towns cost more than a year at Harvard, and lawmakers refused to keep financing them.

THE PEOPLE

The end of welfare was accompanied by major cuts in food, housing and medical programs. And it came when the wages of low-skilled workers were already in a free fall because of global competition. So it is not surprising that poor people have seen their standard of living decline, while their numbers are rapidly increasing. Until 1995, for instance, all poor children in America had health insurance under a program called Medicaid. The successor state programs have largely devoted their resources to the elderly, leaving about half the nation's poor children uninsured.

Not all former recipients have fared poorly. As many as a quarter of the five million A.F.D.C. families found and retained full-time work. For them, the end of welfare worked much as it was intended—as a prompt to greater self-reliance. They received considerable publicity in the late 1990's as welfare abolitionists tried to rebut charges that the cuts had been cruel. A coalition of conservative groups sponsored the "Million Mothers March," a day of speeches and prayer by former recipients to celebrate their new lives. While their earnings remained quite modest—often little more than they had received on welfare—many mothers praised the psychic rewards of serving as "positive role models."

Far more numerous are those in a second category: "cyclers," who have alternated between short-term employment and charitable aid. The cycling phenomenon was first identified in the mid-1980's by researchers at Harvard University who hoped to see expanded Government aid. Part of the cyclers' continuing problem has been economic: whether they work as telemarketers, cosmetologists, cashiers or clerks, they are typically the last hired and first fired.

But even in good times, the chaos of many low-income homes spills onto the job. Brokendown cars, sick relatives and a lack of child care are perennial problems—indeed, a 2007 study by the Children's Defense Fund found that dozens of mothers were arrested each year for locking their children in cars as they worked. Sociologists estimate that since welfare ended, about half the former population has fallen into this pattern of sporadic work with little hope for advancement.

At the same time, about 25 percent of the A.F.D.C. families—that is, more than a million of them—have fallen into utter destitution. The public now sees them lining up at shelters, stealing into abandoned buildings and begging on street corners. At the time of abolition, half the welfare mothers lacked a high-school diploma, and in inner cities as many as one in three had histories of some drug or alcohol abuse; a subsequent study by the Rockefeller Foundation emphasized how many remained deeply disturbed. It found that by 2005, three-fourths of the families entering shelters were those of welfare mothers who had exhausted their lifetime eligibility.

The Rockefeller study, "Repeating Mistakes," compared the 1995 law ending welfare with the 1960's move that deinstitutionalized the mentally ill. Schizophrenics were supposed to find community-based programs; welfare recipients were entrusted to state agencies. In neither case did the local safety net appear. Like the 1980's street people, the homeless families of the early 21st century enjoyed a brief period of Hollywood vogue. Meryl Streep won an Oscar in 2006 for her portrayal of a destitute woman.

But one again, charity chic faded.

The end of welfare also brought unintended consequences in the area of morality. The abolitionists had hoped to spur a return to work, marriage and responsibility. But for some of the poorest women, the loss of aid had the opposite effect. Some became more reliant on abusive boyfriends, and reports of domestic violence rose. Abortion rates hit record levels and so did arrests for prostitution, leading several cities to decriminalize the practice in specified red-light zones.

POLITICS

Antipathy for the dole is as old as the country itself, but it gained a sudden new potency in the mid–1990's, just before the program's demise. Oddly enough, it was President William Jefferson Clinton, a Democrat, who set the new forces into motion. In his 1992 campaign, he famously promised to "end welfare as we know it" by imposing time limits and work requirements. When he later failed to promote his plan, the Republicans pushed his rhetoric to a conclusion he had not envisioned.

Clinton's initial plan for ending welfare had included new training, universal health care and job guarantees. But the actual end meant only that. And a President who had pledged to expand the income and medical security of all Americans wound up presiding over an unprecedented contraction of the safety net.

In his recent memoirs, the ex-President describes his handling of the issue as "one of my greatest regrets." He acknowledges that his party's defeat in the 1994 elections left him reluctant to spend political capital on the welfare poor. His own plan had included the toughest work requirements any President had ever proposed. But by the fall of 1995 Clinton had joined those dismissing it as weak, apologizing in an interview: "I wasn't pleased with it either."

At the same time, Clinton argues in his memoirs that he was genuinely surprised that the subsequent state-based system collapsed so quickly. Throughout 1995 he had looked skeptically at his own aides' predictions that poverty would rise sharply. But the memoirs do recount one moment of doubt. On the day before Thanksgiving 1995, Clinton served dinner at a homeless shelter in Washington, where, as he explained at the time, he was distributed to see that "the fastest growing group of homeless people in our country are young women and their young children."

Looking back 20 years later, Clinton confessed something he did not disclose that day at the shelter. Standing in the serving line, a month before welfare's end, he feared that he had just got a glimpse of America's future.●

UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT ON H.R. 1530

Mr. MACK. Madam President, I ask unanimous consent that when the Senate resumes consideration of the Defense authorization conference report at 9:30 a.m. on Tuesday, December 19, that there be 3 hours for debate equally divided in the usual form, with the Democratic time in the morning divided as follows:

Senator NUNN, 45 minutes; Senator BYRD, 15 minutes; Senator GLENN, 30 minutes; Senator BRYAN, 15 minutes.

I further ask unanimous consent that at 2:15 p.m., on Tuesday, there be time for the following Senators:

Senator DORGAN, 10 minutes; Senator EXON, 15 minutes; Senator KENNEDY, 5 minutes; Senator LEVIN, 10 minutes; Senator DASCHLE, 10 minutes; Senator THURMOND or his designee, 1 hour.

I further ask that following the disposition of, or yielding back of time, the following Senators have 20 minutes under their control:

Senator LEAHY, Senator THURMOND, Senator NUNN, Senator WARNER.

Further, that upon the use or yielding back of time, the Senate vote, without any intervening action, on adoption of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

IRAN OIL SANCTIONS ACT OF 1995

Mr. MACK. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 280, S. 1228.

The PRESIDING OFFICER. The clerk will state the bill by title.

The bill clerk read as follows:

A bill (S. 1228) to impose sanctions on foreign persons exporting petroleum products, natural gas, or related technology to Iran, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Iran Oil Sanctions Act of 1995''.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The efforts of the Government of Iran to acquire weapons of mass destruction and the means to deliver them and its support of international terrorism endanger the national security and foreign policy interests of the United States and those countries with which it shares common strategic and foreign policy objectives.

(2) The objective of preventing the proliferation of weapons of mass destruction and international terrorism through existing multilateral and bilateral initiatives requires additional efforts to deny Iran the financial means to sustain its nuclear, chemical, biological, and missile weapons programs.

SEC. 3. DECLARATION OF POLICY.

The Congress declares that it is the policy of the United States to deny Iran the ability to support international terrorism and to fund the development and acquisition of weapons of mass destruction and the means to deliver them by limiting the development of petroleum resources in Iran.

SEC. 4. IMPOSITION OF SANCTIONS.

(a) IN GENERAL.—Except as provided in subsection (d), the President shall impose one or more of the sanctions described in section 5 on a person subject to this section (in this Act referred to as a ''sanctioned person''), if the President determines that the person has, with actual knowledge, on or after the date of enactment of this Act, made an investment of more than $40,000,000 (or any combination of investments of at least $10,000,000 each, which in the aggregate exceeds $40,000,000 in any 12-month period), that significantly and materially contributed to the development of petroleum resources in Iran.

(b) PERSONS AGAINST WHICH THE SANCTIONS ARE TO BE IMPOSED.—The sanctions described in subsection (a) shall be imposed on any person the President determines—

(1) has carried out the activities described in subsection (a);

(2) is a successor entity to that person;

(3) is a person that is a parent or subsidiary of that person if that parent or subsidiary with actual knowledge engaged in the activities which were the basis of that determination; and

(4) is a person that is an affiliate of that person if that affiliate with actual knowledge engaged in the activities which were the basis of that determination and if that affiliate is controlled in fact by that person.

(c) PUBLICATION IN FEDERAL REGISTER.—The President shall cause to be published in the Federal Register a current list of persons that are subject to sanctions under subsection (a). The President shall remove or add the names of persons to the list published under this subsection as may be necessary.

(d) EXCEPTIONS.—The President shall not be required to apply or maintain the sanctions under subsection (a)—

(1) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanction; or

(2) to medicines, medical supplies, or other humanitarian items.

SEC. 5. DESCRIPTION OF SANCTIONS.

The sanctions to be imposed on a person under section 4(a) are as follows:

(1) EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO SANCTIONED PERSONS.—The President may direct the Export-Import Bank of the United States not to guarantee, insure, extend credit, or participate in the extension of credit in connection with the export of any goods or services to any sanctioned person.

(2) EXPORT SANCTION.—The President may order the United States Government not to issue any specific license and not to grant any other specific permission or authority to export any goods or technology to a sanctioned person under—

(A) the Export Administration Act of 1979;

(B) the Arms Export Control Act;

(C) the Atomic Energy Act of 1954; or

(D) any other statute that requires the prior review and approval of the United States Government as a condition for the exportation of goods and services, or their re-export, to any person designated by the President under section 4(a).

(3) LOANS FROM UNITED STATES FINANCIAL INSTITUTIONS.—The United States Government may prohibit any United States financial institution from making any loan or providing any credit to any sanctioned person in an amount exceeding $10,000,000 in any 12-month period (or two or more loans of more than $5,000,000 each in such period) unless such person is engaged in activities to relieve human suffering within the meaning of section 203(b)(2) of the International Emergency Economic Powers Act.

(4) PROHIBITIONS ON FINANCIAL INSTITUTIONS.—The following prohibitions may be imposed against financial institutions sanctioned under section 4(a):

(A) DESIGNATION AS PRIMARY DEALER.—Neither the Board of Governors of the Federal Reserve System nor the Federal Reserve Bank of New York may designate, or permit the continuation of any prior designation of, such financial institution as a primary dealer in United States Government debt instruments.

(B) GOVERNMENT FUNDS.—Such financial institution shall not serve as agent of the United States Government or serve as repository for United States Government funds.

SEC. 6. ADVISORY OPINIONS.

The Secretary of State may, upon the request of any person, issue an advisory opinion, to that person as to whether a proposed activity by that person would subject that person to sanctions under this Act. Any person who relies in good faith on such an advisory opinion which states that the proposed activity would not subject a person to such sanctions, and any person who thereafter engages in such activity, may not be made subject to such sanctions on account of such activity.

SEC. 7. DURATION OF SANCTIONS; PRESIDENTIAL WAIVER.

(a) DELAY OF SANCTIONS.—

(1) CONSULTATIONS.—If the President makes a determination described in section 4(a) with respect to a foreign person, the Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over that foreign person with respect to the imposition of sanctions pursuant to this Act.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue such consultations with that government, the President may delay imposition of sanctions pursuant to this Act for up to 90 days. Following such consultations, the President shall immediately impose a sanction or sanctions unless the President determines and certifies to the Congress that the government has taken specific and effective actions, including, as appropriate, the imposition of appropriate penalties, to terminate the involvement of the foreign person in the activities that resulted in the determination by the President pursuant to section 4(a) concerning such person.

(3) ADDITIONAL DELAY IN IMPOSITION OF SANCTIONS.—The President may delay the imposition of sanctions for up to an additional 90 days if the President determines and certifies to the Congress that the government with primary jurisdiction over the foreign person is in the process of taking the actions described in paragraph (2).

(4) REPORT TO CONGRESS.—Not later than 90 days after making a determination under section 4(a), the President shall submit to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives a report which shall include information on the status of consultations with the appropriate foreign government under this subsection, and the basis for any determination under paragraph (3).

(b) DURATION OF SANCTIONS.—The requirement to impose sanctions pursuant to section 4(a) shall remain in effect until the President determines that the sanctioned person is no longer engaging in the activity that led to the imposition of sanctions.

(c) PRESIDENTIAL WAIVER.—(1) The President may waive the requirement in section 4(a) to impose a sanction or sanctions on a person in section 4(b), and may waive the continued imposition of a sanction or sanctions under subsection (b) of this section, 15 days after the President determines and so reports to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives that it is important to the national interest of the United States to exercise such waiver authority.

(2) Any such report shall provide a specific and detailed rationale for such determination, including—

(A) a description of the conduct that resulted in the determination;

(B) in the case of a foreign person, an explanation of the efforts to secure the cooperation of the government with primary jurisdiction of the sanctioned person to terminate or, as appropriate, penalize the activities that resulted in the determination;

(C) an estimate as to the significance of the investment to Iran's ability to develop its petroleum resources; and

(D) a statement as to the response of the United States in the event that such person engages in other activities that would be subject to section 4(a).

SEC. 8. TERMINATION OF SANCTIONS.

The sanctions requirement of section 4 shall no longer have force or effect if the President determines and certifies to the appropriate congressional committees that Iran—

(1) has ceased its efforts to design, develop, manufacture, or acquire—

(A) a nuclear explosive device or related materials and technology;

(B) chemical and biological weapons; or

(C) ballistic missiles and ballistic missile launch technology; and

(2) has been removed from the list of state sponsors of international terrorism under section 6(j) of the Export Administration Act of 1979.

SEC. 9. REPORT REQUIRED.

The President shall ensure the continued transmittal to Congress of reports describing—