

The Past, Present and Future of the Food Stamp Program

Hilary Hoynes, UC Berkeley

Professor of Public Policy and Economics

Haas Distinguished Chair of Economic Disparities

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Evolution of Antipoverty programs in the U.S.

1930s

Social Security
AFDC
Unemployment
Insurance

Great Society

1960s-1970s

Food Stamps

Medicare
Medicaid
Disability
Civil Rights Act

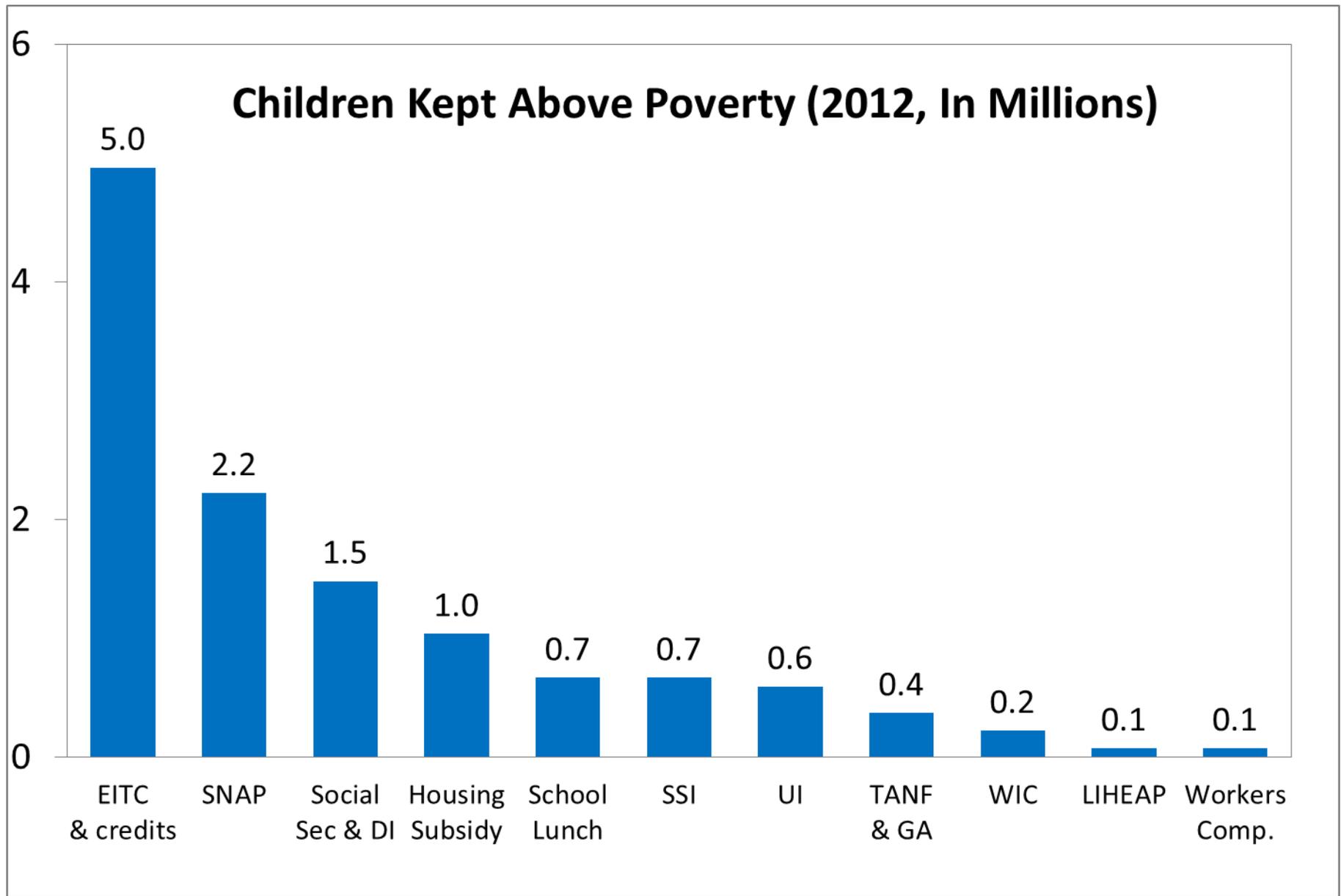
1990s

Welfare Reform
Rise of the EITC

2010

Obamacare

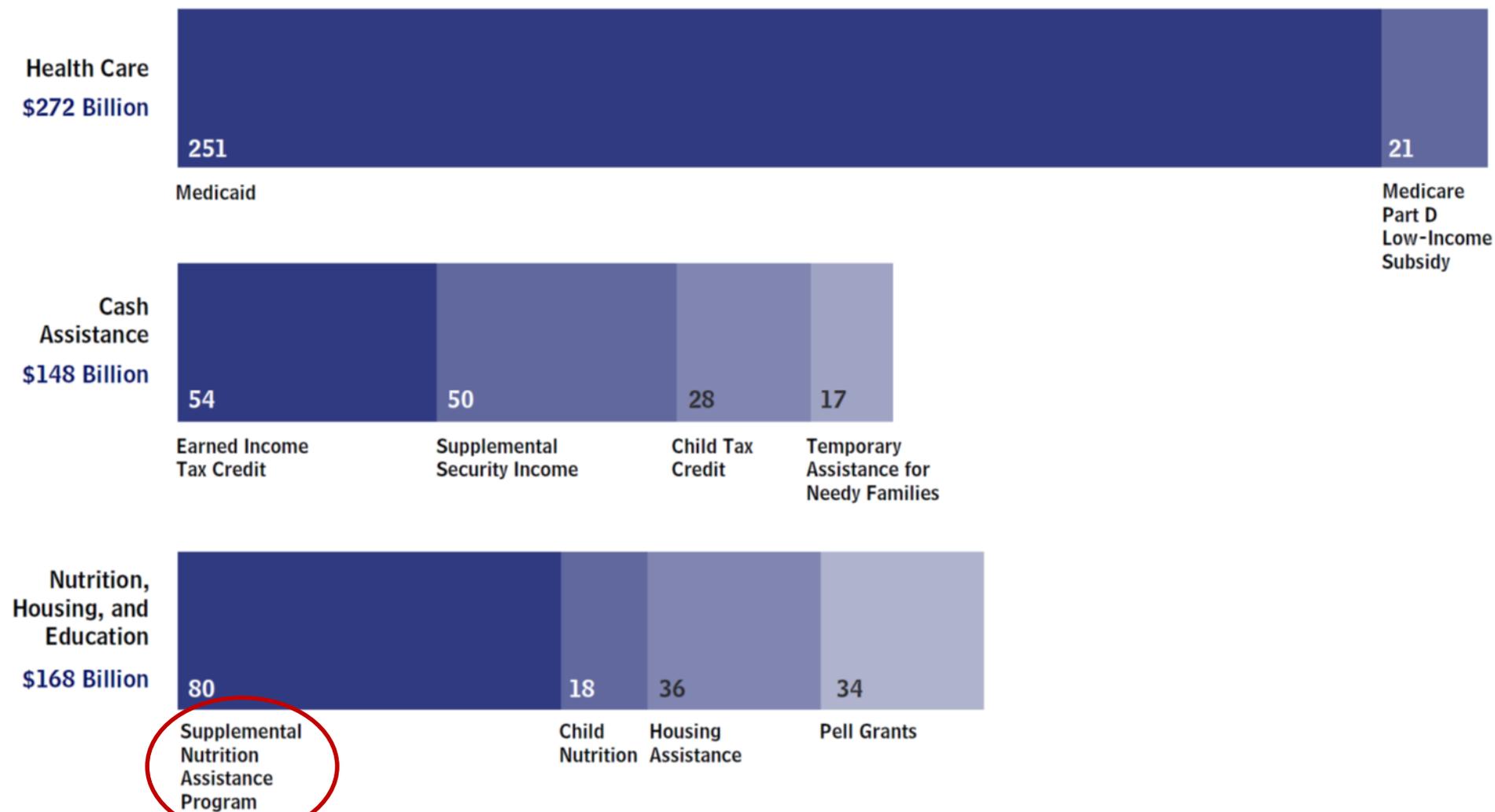
In the wake of welfare reform, food stamps is the fundamental safety net in the U.S.



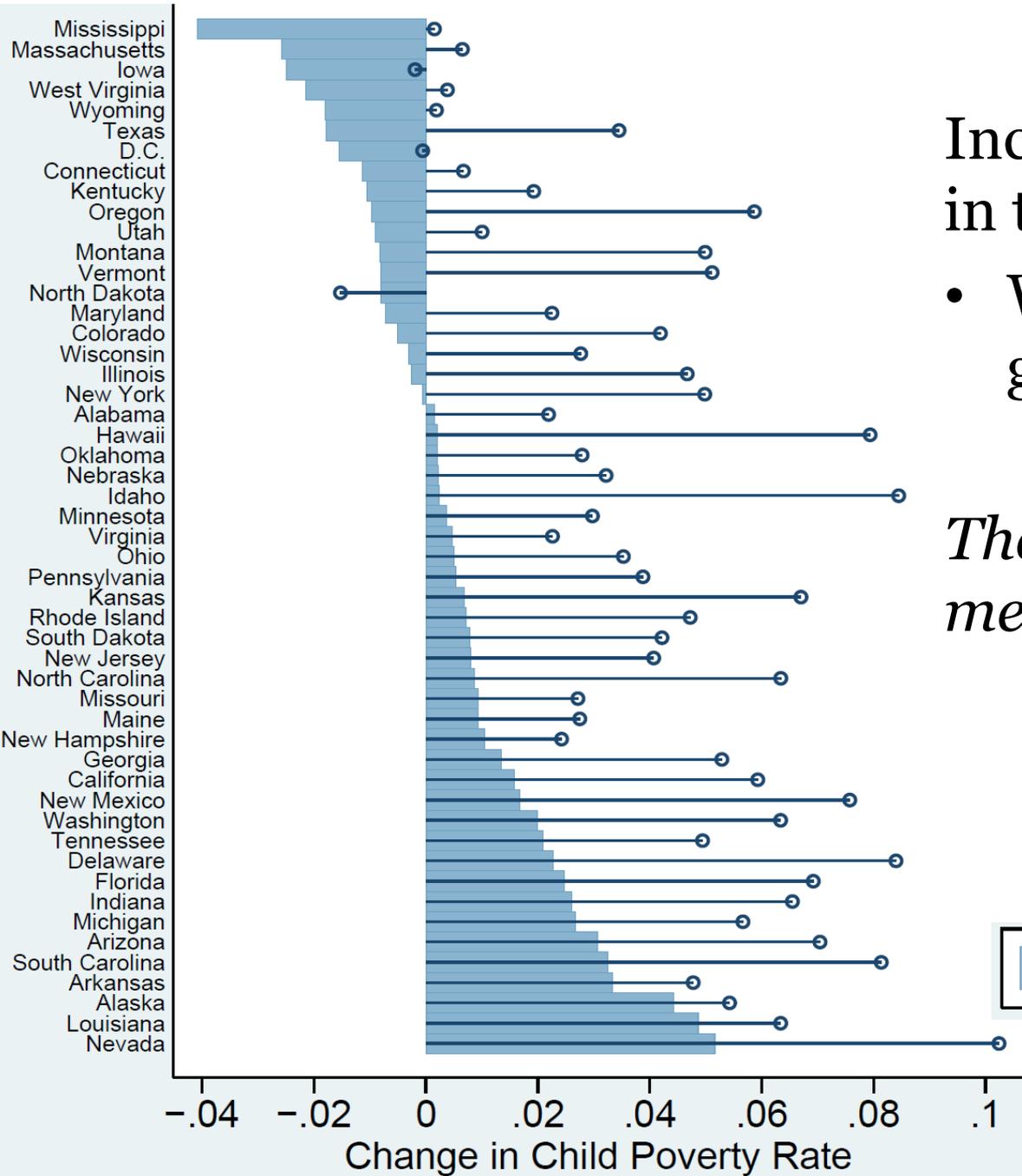
Source: Calculations based on *Supplemental Poverty Measure, 2012* (Kathleen Short), U.S. Department of Census, Current Population Report P60-247.

Federal Spending on Selected Means-Tested Programs and Tax Credits, 2012

(Billions of dollars)



Source: Congressional Budget Office.



Increases in child poverty in the Great Recession

- With and without government transfers

The social safety net mediates income losses.



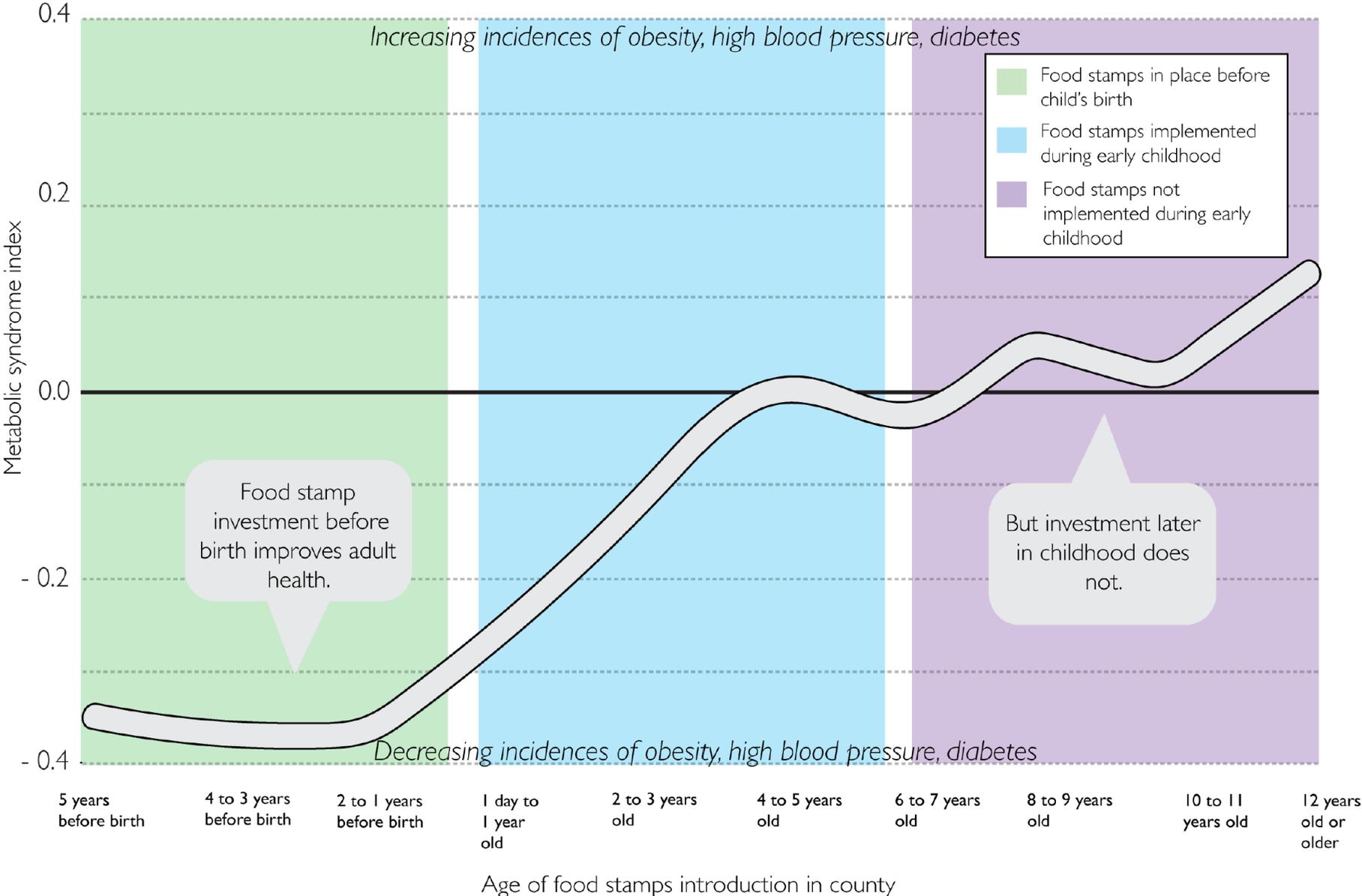
Features of the Food Stamp Program

- Food Stamp benefits are paid as vouchers that can be used to purchase most foods at grocery stores that are designed to be taken home and prepared.
- Excludes hot foods intended for immediate consumption, vitamins, paper products, pet foods, alcohol and tobacco.
- Because all households need to purchase food, my research shows that vouchers and the cash equivalent lead to similar choices for households
- Key: Food Stamps is essentially an income support program → it promotes increases in food spending (as well as other spending)

My research on the effects of Food Stamps on health

- **STUDY 1:** Pregnant women who have access to food stamps have healthier babies (significantly lower risk of low birth weight)
 - Reductions in LBW → better cognitive achievement and adult human capital
- **STUDY 2:** Access to food stamps in early childhood leads to reductions in the likelihood of metabolic syndrome (obesity, high blood pressure, diabetes) in adulthood
- Demonstrates potential for positive benefits of social safety net programs that have, to date, not been quantified. Benefit individuals and society.

How food stamps impact long-term health

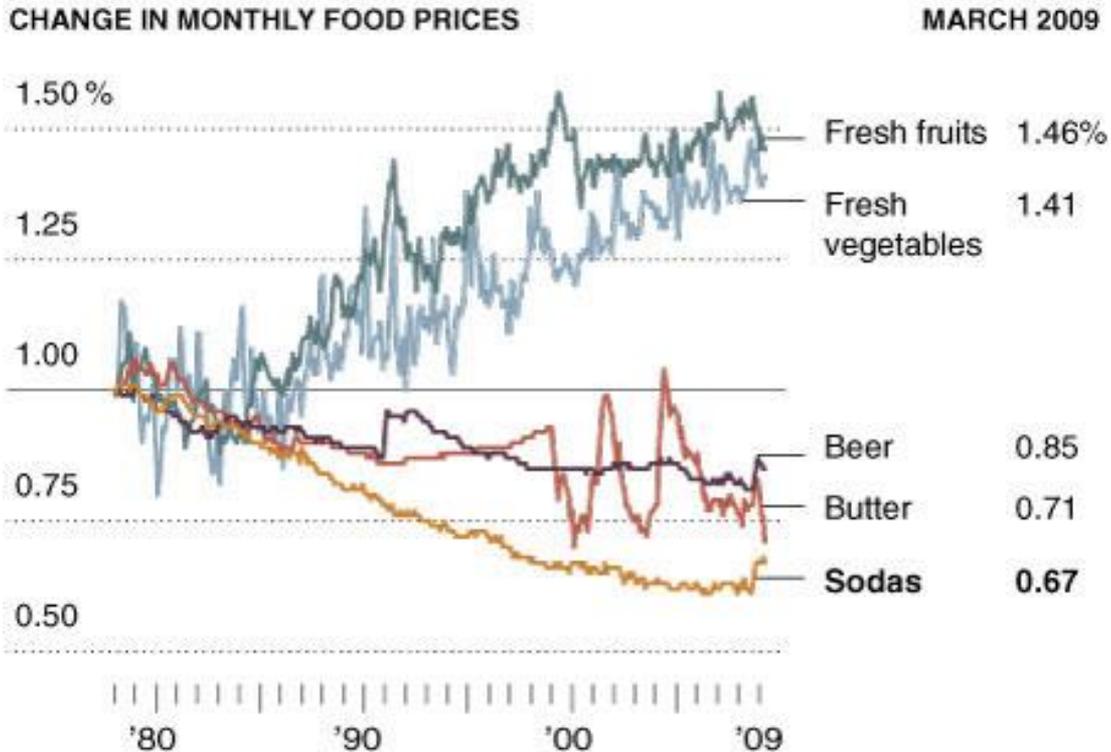


The future of food stamps

- There is much attention on the poor diet and health of Americans, particularly those of low socioeconomic status
- If you look at the diet of food stamp recipients, the quality is low. But this represents low income and poverty rather than the effects of the program per se

The Cost of Healthy Eating

The cost of many unhealthy foods, like soda, butter and beer, has fallen in the last three decades, while the cost of fruits and vegetables has risen substantially.



Lines show change in price of items since 1978, relative to overall inflation as measured by the Consumer Price Index. The price of vegetables, for example, has risen 40 percent faster than the overall index.

Source: Bureau of Labor Statistics, via Haver

Healthy foods are much more expensive (per calorie) than unhealthy foods.

Overtime, prices of unhealthy foods have fallen relative to healthy foods.

Food Stamp policies going forward

1: *Reduce the price of healthy foods*

- Massachusetts Healthy Incentive Pilot: A 30% bonus for purchasing fruits and vegetables led to a 25% increase in consumption of healthy foods
- Bonus incentives at farmer's markets

2: *Restrict the food bundle*

- Could jeopardize the core income support features of the program

3: *Increase the price of unhealthy foods?*

- Berkeley Measure D, SF Measure E ??