

FOCUS[®]

The monthly magazine of the Joint Center for Political and Economic Studies

LIFE SENTENCES:

*Denying Welfare Benefits
To Drug Convicts*

*By Patricia Allard
and Andrea Ritchie*

As critical issues in the reauthorization of the 1996 welfare reform act have been debated this year, one of the most punitive provisions of the law has gone almost unnoticed.

It's the lifetime welfare ban for persons with felony drug convictions. Under the Personal Responsibility and Work Opportunity Reconciliation Act, persons convicted of felony offenses for possession or sale of drugs automatically become ineligible for cash assistance and food stamps for the rest of their lives.

A recent study by The Sentencing Project estimates that since 1996, more than 92,000 otherwise qualified people have been ineligible for welfare benefits due to a drug conviction. With African Americans representing 53 percent of persons convicted of drug offenses, despite being just a 13 percent share of monthly drug users, it is no surprise that the ban has a particularly cruel impact on Black people — especially Black women.

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Perspective

Political Arithmetic Equals Coalitions

You don't need a political crystal ball to predict that any increase in African American legislators after this year's redistricting and fall elections is likely to be much lower than the major boost in numbers realized after the 1990 Census.

The Joint Center's Statistical Summary of Black elected officials shows that legislative reapportionment led to a 50 percent growth in the number of Black members of Congress between 1990 and 1993. The upsurge in African American state legislators was almost as much. But don't expect anything like those gains when members of Congress and state legislatures are sworn in after this November's election.

Rather than a crystal ball, participants at our recent conference, "Redistricting, 1992-2002: Voting Rights and Minority Representation," examined the cold, hard facts of political geography and predicted small increases in the number of minority legislators. That same political geography argues, more than ever, for stronger political alliances and cooperation among African American and Hispanic groups and against the kind of divisive competition that can result in lose-lose situations.

Much of the growth in Black legislative representation 10 years ago was generated by an increase in majority Black districts. There will be comparatively few new districts created this year with African American majorities. That is one reason it makes good political arithmetic for America's Black and Brown communities to develop strong, mutually advantageous coalitions. The Hispanic population exploded during the last decade. Yet, as this month's Political Report points out, Latino representation in Congress will grow much less than the Hispanic population spurt might indicate.

UCLA's Leo Estrada told the conference that Latinos are younger on average than the general population and are more likely to be non-citizens. Disturbingly, research shows that those who are citizens are less likely to be registered voters. All of this detracts from the potential political power of Hispanics.

Many Latinos have moved into once solidly African American neighborhoods. In some recent elections, we have seen political competition between Black and Brown people that became too strident.

Healthy competition promotes strong democracy. Disruptive tactics hurt solid political progress. Black and Hispanic Americans, who share many of the same social and economic problems, now have an opportunity to share real power in a political alliance that could have a powerful impact on American policy throughout this new century.

The proximity of minority communities, indeed the intermingling of Black and Brown populations in many neighborhoods, make such alliances feasible and attractive at the local, state and federal levels. The limited opportunities for growth in Black majority districts and the current limitations on Hispanic electoral power make such coalitions good politics.

Furthermore, simply increasing the number of African Americans in Congress isn't necessarily the top item on the political agenda of the Congressional Black Caucus. The CBC is particularly interested in helping the Democratic Party regain control of the House.

If the Democrats can win back control, Caucus members likely would become the chairpersons of two powerful committees: Ways and Means, and Judiciary. Others would lead important subcommittees. They would help write legislation that almost certainly would be more to the liking of mostly Democratic Black America than what the Republican controlled House produces.

Political realities will limit the growth in new legislators of color, particularly if votes are cast along strict racial and ethnic lines. But the muscle of minority communities can be stronger than ever this fall if voters and candidates avoid racially divisive politics and focus on true coalitions of power. ■

Eddie N. Williams
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Q & A

Moeletsi Mbeki Speaks on HIV/AIDS, Zimbabwe, Angola and Foreign Aid

Moeletsi Mbeki has long been an astute observer of African politics. A former journalist in exile from apartheid South Africa, Mbeki now is chairman of the Joint Center's Southern Africa Advisory Board in Johannesburg. The Advisory Board guides the strategic growth of Joint Center operations in the region. He also is a deputy chairperson of the South African Institute of International Affairs and executive chairperson of Endemol South Africa, a television production company. This is an edited transcript of Mbeki's recent interview with FOCUS editor Joe Davidson. It begins with a discussion of the New Partnership for African Development (NEPAD), a plan for social, economic and political progress on the continent. President Thabo Mbeki, Moeletsi Mbeki's brother, is one of NEPAD's main architects. Mbeki's views here do not necessarily represent those of the Joint Center.

FOCUS: Please characterize the development of NEPAD. To what extent do you think it will make a difference on the African continent?

MBEKI: Well, NEPAD was developed by the presidents of South Africa, Nigeria, Algeria and Senegal. And the concept document was then discussed with the G-8 countries, which are the seven richest countries (Canada, France, Germany, Italy, Japan, United Kingdom, United States) in the world, plus Russia. So in my view that's the first weakness of the document.

FOCUS: That's the first weakness?

MBEKI: In the sense that the western governments do not create economic activity. They are not like western corpora-

tions. Get into a dialogue between our governments and western corporations and it would have a different significance from being a dialogue between African governments and western governments. What western governments do is provide donor money, aid money, which is designed to influence the political policy of the recipient countries.

So I think to pre-empt this influence, the African countries have given a number of concessions, which they think the western governments want from them — namely, democracy and good government.

FOCUS: Are the assurances for democracy and good government considered concessions?

MBEKI: Concessions to the West.

FOCUS: Good government and democracy are things that African leaders espouse quite often on their own, so why do you —

MBEKI: Well, not all African leaders aspire to these things.

FOCUS: Well, perhaps not.

MBEKI: Because, I mean, that's the reality of Africa. But in NEPAD, it's given a universal character, as if all African leaders aspire to it. . . . Foreign aid — if I can just go back historically — the first foreign aid program was the Marshall Plan. And the Marshall Plan went with a shaping of the politics of western Europe, defeating the communists in western Europe in the '40s.

So aid is an instrument of influencing your politics. It's not an instrument of economic development, which is why aid in Africa hasn't worked. In over 40 years of foreign aid, when you look around, what has been achieved? It has achieved a lot in terms of influencing policy, but it hasn't achieved anything in terms of economic development. But that's not the intention of foreign aid.

Now, that's very different from foreign direct investment, which is designed to create profit for the private investor and in the process to achieve economic development — technology, job creation, etcetera.

So I think it is a fallacy in NEPAD — the assumption that aid is designed for development.

FOCUS: But isn't aid a way to encourage economic development, aid in the form of increased education, better roads and transportation facilities?

MBEKI: In reality, it gets the recipient government to be attentive to the objective or the agendas of the donor government.

FOCUS: You also argue that NEPAD is based on the assumption that western governments are benevolent toward Africa.

MBEKI: Western governments are not benevolent towards Africa. They have their own agendas. The agenda of the western governments is to pump crude oil from Africa to their countries and then to refine it in their countries. It's not to develop petrochemical industries in Africa. If you look at the many civil wars we have in Africa, many of the western governments push their own agendas in those crises.

FOCUS: Speaking of civil wars, I'm going to move from NEPAD to Zimbabwe. At the recent Joint Center Advisory Board meeting, you said that it's a very, very unhappy state of affairs in Zimbabwe, and that the country could be headed to civil war. Are we really looking ahead to some actual fighting, combat in Zimbabwe?

MBEKI: Well, I think the government has an agenda to crush the opposition Movement for Democratic Change. And that agenda involves the force of arms and systematic violence. And so I expect that the opposition will have to defend itself.

FOCUS: Do you think there's any way of avoiding that?

MBEKI: Well, my own argument has always been the major way of avoiding it would have been a very strong message from South Africa that it will not tolerate that line of action, but South Africa has failed to give that message. So as we're talking now, the answer is no.

FOCUS: Let me bring you back home and talk with you about the HIV/AIDS situation in South Africa. The government reversed itself a few weeks ago and is now open to providing the anti-retroviral medicine that is so needed in AIDS communities. What do you think finally caused this change of mind? Was it a medical decision, a scientific decision, or simply a political decision?

MBEKI: Well, I think it's a political decision. There was enormous internal pressure on the government from its constituency, which included the trade unions, the churches, Bishop (Desmond) Tutu, Nelson Mandela, and the judiciary ruled against the government, so there was a huge popular upsurge against the government's position . . . and of course by the scientific community in South Africa as well. I think that was the primary factor, myself, in getting the government to change. And of course, I am told that the G-8 itself made it very clear that it will not go along with the South African government's [earlier] position on HIV/AIDS.

FOCUS: So is this another example of foreign aid being an instrument of public policy in Africa?

MBEKI: Well, Joe, you said it. [Laughter] It's a very good illustration in that respect.

FOCUS: Well, getting back to the domestic question, do you think that the popularity of the government has been in any way damaged by its policy on AIDS over the last couple of years?

MBEKI: Well, I suppose it has. I mean, there's been enormous fights between the government and its own constituency, as I said, like the trade unions, like the churches — who are supportive of the ANC government. And now, whether this has reduced its popularity overall, I don't know. But

definitely there's been a big fight between the government and its constituency.

FOCUS: Let's move to Angola. With the turnaround in events in Angola, with [rebel group] UNITA essentially fallen [following the recent killing of its leader, Jonas Savimbi, by government forces], are you looking now for true peace in that country?

MBEKI: Well, there are still major, major hurdles in Angola. I think in the government's view, UNITA has been defeated militarily. The next stage of their thinking is now to defeat it politically. So I think that is one of the things that is now playing itself out.

The second thing is that President (Jose) dos Santos' faction of the MPLA (the ruling Peoples' Movement for the Liberation of Angola party) has emerged enormously powerful and vindicated in its methods, so it considers itself to have a blank check to do whatever it wishes. However, that particular fragment of the MPLA is really inattentive to the welfare of the Angolan population. It's very attentive to the well-being of the elite, but is really not attentive to the welfare of the Angolan population. I have a nagging suspicion that it will continue to pay marginal attention to the welfare of the population, which will then create a lot of fury left by itself.

FOCUS: How would you characterize the African policy of the current administration in Washington, George W. Bush's administration?

MBEKI: I don't think there's been a departure by the Bush administration from what the Clinton administration was doing. They have maintained the Africa Growth and Opportunity Act, and they continue to give a lot of publicity to Africa. Colin Powell has been on the grand tour of Africa, and Treasury Secretary Paul O'Neill was on another grand tour of Africa.

FOCUS: Let me ask about foreign aid versus trade. Do you think the emphasis in terms of the U.S. relationship with Africa should be on trade and not aid?

MBEKI: Well, Joe, this is a complex question because, as I said, one has to realize that trade and aid are not out of the same continuum. As I said, aid is about influencing policy — which is a political

issue. Trade is an economic exchange — you know, "I have something which you don't have," or "I can make something cheaper." So we're talking about totally different animals. One is a system of diplomacy and political influence, and the other one is an economic instrument.

FOCUS: Okay, let me ask you the question a little bit differently. Certainly, the United States gives far below what it should in terms of internationally accepted guidelines for foreign aid, in terms of a percentage of its GNP. It's far below the 0.7 percent level that the U.N. advocates. Do you think the United States in particular should give more foreign aid to Africa?

MBEKI: Well, let me go back to my formulation, which is that aid is about influence. The reality is that the United States has a whole lot of ways of influencing world opinion. Besides just giving poor countries money, it has, for example, music. It has television, it has Hollywood, where they have films or soap operas or whatever. If you take Denmark, Denmark doesn't have the levers that the United States has, like film, music. It doesn't have those levers, so it has to spend more money than the United States has to spend. The United States actually has a lot of other methods of influence in the world, besides throwing money in the pool or at governments and poor countries.

FOCUS: From the point of view of those living in Africa, do they benefit from increased aid even if it is primarily an instrument of influencing opinion and public policy?

MBEKI: Well, a road is useful almost irrespective of who builds it. But we shouldn't — as I said, we shouldn't blind ourselves to the fact or distract ourselves from the fact that the building of the road is a means towards influencing the government of the host country. It's not the road in itself that is the objective — which is why so much aid, you see, is just thrown in and it gets wasted.

FOCUS: Thank you. ■



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POLITICAL REPORT

Redistricting 2002: Little Gain for Latinos

This article is adapted from a paper delivered by Leo F. Estrada at the Joint Center's May conference on "Redistricting, 1992-2002: Voting Rights and Minority Representation."

At the beginning of the decade, political analysts expected Latinos to benefit the most in terms of representation after the 2000 Census. When the Census Bureau released its official figures last year, Latino leaders had every reason to be elated. The Census count of 35.3 million Latinos exceeded the Census Bureau's own official growth estimates by 3.5 million. A group that added 13 million people over the decade had to expect that it would advance its political representation. Yet Latino legislative representation likely will increase much less than the population growth would suggest.

Redistricting is based on population totals. Many therefore assumed that given the size of their population increase, Latinos would attain several goals: (1) have more districts with Latino constituents and gain greater visibility; (2) have more districts with Latino majority populations with an opportunity to elect candidates of their choice; (3) have more influence in local and state elections; and (4) gain greater representation in state legislatures and Congress.

The number of Latinos in Congress, however, probably will increase only by three, to 19. That's progress, but far less than could reasonably be expected when looking at the Census figures alone.

Although redistricting rewards population growth, it requires that the population be concentrated. Latino growth in the 1990s

did in fact increase the density of Latinos in the states where they have traditionally been concentrated: California, Texas, New York, Florida, Illinois, Arizona, and New Jersey. Two of these states, California and Texas, account for half of the nation's Latino population (31 percent and 19 percent, respectively). In addition, the same two states — plus Florida — account for about half of the total growth of Latinos over the decade.

Growth expanded, however, beyond these historically Latino states. The top 10 states by Latino percent change were North Carolina, Arkansas, Georgia, Tennessee, Nevada, South Carolina, Alabama, Kentucky, Minnesota, and Nebraska. The seven million Latinos that reside outside the top 10 Latino states (by population: California, Texas, New York, Florida, Illinois, Arizona, New Jersey, New Mexico, Colorado and Washington) are dispersed in metropolitan areas with limited opportunities for electoral influence. The exception to this is the growing electoral influence Latinos are having in small rural towns across the U.S.

Thus, the impressive growth of the Latino population was offset to some extent by the dispersion outside the most populous Latino states. In addition, in metropolitan areas, Latinos dispersed from their traditional ethnic enclaves into suburban areas.

Eligibility and Citizenship

An analysis of potential achievements in Latino electoral representation cannot ignore the issue of eligibility and citizenship. Latinos have several disadvantages in creating a strong electoral presence:

- Latinos are younger than the national average and thus a higher proportion of them are too young to vote;

- A sizeable portion of Latinos are non-citizens and thus ineligible to register to vote;
- Latino voter registration rates are the lowest of all groups.

Generally speaking, voting rates increase with age, higher education, employment, higher incomes and home ownership. Latinos generally are younger, have lower educational attainment, lower income, and lower rates of home ownership than the overall population. In time, the Latino population will begin to mature, and with greater educational attainment, employment levels, income and home ownership will increase. Until that time, Latinos' population size will not translate into effective voting power.

One positive sign is the higher than average rates of voting for newly naturalized citizens. With 4.1 million Latino naturalized citizens and millions more ultimately eligible for naturalization, Latino electoral strength can be accelerated by greater efforts to register newly naturalized citizens.

2000 Redistricting Results

Texas

In the decade of the 1990s, Texas grew by 3.8 million persons, and 60 percent of that growth was due to Latino growth. The 2000 Census reported 6.7 million Latinos comprising 32 percent of the total state population. Based on that growth, it was expected that Latinos could gain two additional congressional seats.

Texas was among the first states to redistrict, and it set the tone for what was to come. Because the legislature failed to consider redistricting measures, the task passed to the Texas Legislative Redistricting Board, which created a status quo plan. In a Mexican American Legal Defense and Educational Fund (MALDEF) lawsuit against the Redistricting Board, the U.S. District Court ruled partially in favor of the plaintiffs. It redrew the state House districts, adding one more

Latino-majority district. Latinos now have majority populations in 34 out of 150 state House districts. The court, however, let stand the Redistricting Board's state Senate and congressional plans. Thus, Latino growth in Texas did not result in any additional state Senate or congressional seats. The situation remains the same with six Latino-majority state Senate seats out of 31 and six Latino majority congressional seats out of a total of 32.

Thus, Latino growth in Texas did not result in any additional state Senate or congressional seats. The situation remains the same with six Latino-majority state Senate seats out of 31 and six Latino majority congressional seats out of a total of 32. MALDEF lost its appeal before the Supreme Court.

New York

In the last decade, New York's population increased by 986,000 persons and Latino growth accounted for 66 percent of that growth. Latinos comprise 2.9 million or 15 percent of the state's population and continue to be concentrated in the New York City metropolitan area. Latinos will retain their two (out of 29) congressional seats.

Florida

Florida grew by three million persons during the 1990s and Latinos accounted for 36 percent of the growth. The 2000 Census counted 2.7 million Latinos, who represent 17 percent of the state's total. Florida's Latinos continue to be concentrated in the southernmost part of the state, particularly Dade County (Miami).

With two new congressional seats resulting from the census, the legislature designed one of the new districts to be in a Republican-leaning area. It is now being contested by two Latinos. Whoever wins, Latino congressional representation will increase by one, to three out of 25.

Illinois

During the 1990s, the state grew by 989,000 persons, and Latinos accounted for 63 percent of that growth. In 2000, the 1.5 million Latinos comprised 12 percent of the state's population, but they are largely concentrated in the Chicago metropolitan area. Due to reapportionment, Illinois actually lost one congressional district. The state legislature originally created four majority Latino state House seats, and two majority Latino state Senate seats.

Latino groups organized to advocate for additional seats, and eventually the state legislature added Latino districts. The Illinois Supreme Court upheld the legislative plan. Thus, after the next election, Latinos likely will attain majorities in 10 of 118 state Assembly districts, and two of 59 state Senate districts, and they will retain the fourth district congressional seat. One achievement of the plan is the creation of six Latino-majority Assembly districts outside the city of Chicago.

California

California's census rose by 4.1 million persons, and Latinos accounted for 80 percent of that. In 2000, Latinos numbered an impressive 11 million persons, representing 32 percent of the state's population, and they remain concentrated in the southern part of the state, particularly Los Angeles County. The governor and state legislative leaders agreed to create a status quo plan that would retain the same numbers of Democratic and Republican legislative seats as in 1990. To do so required that the Latino population be highly concentrated in Latino districts and, in several cases, be fragmented to dilute their voting strength. As a result, Latinos hold 16 of 80 seats in the state Assembly and seven of 40 seats in the state Senate.

Latinos now hold seven of the 53 congressional seats. When the state legislature failed to include a single new congressional seat in the San Fernando Valley,

which has a Latino population of over 800,000, MALDEF sued but the case was dismissed. This challenge has received some notoriety because it focuses on two congressional districts held by Congressmen Howard Berman and Brad Sherman, whose progressive political positions have generated Latino support. The data show that one of the two districts could have been configured to be an effective Latino majority seat. But rather than jeopardize the incumbency of either of the popular incumbent congressmen, the state legislature chose to fragment the Latino population. Latino congressional representation would increase by one with an expected win by Linda Sanchez in Southeast Los Angeles County.

Other States

Arizona: The 2000 Census counted 1.3 million Latinos, comprising 25 percent of the total state population. Reapportionment probably will add two more congressional seats, and one of them in the Tucson area is likely to be won by a Latino.

New Mexico: The 2000 Census counted 765,400 Latinos, who comprise 42 percent of the state's population. New Mexico is the only state with two state-wide Latino elected officials — Secretary of State Rebecca Vigil-Giron and Attorney General Patricia Madrid, possibly soon to become three should a Latino candidate for governor (former Rep. Bill Richardson) be victorious. A Latino is also a candidate in a hotly contested race for the first congressional district against the current incumbent. A Latino victory there would give the state one Latino representative among the current three U.S. House seats.

New Jersey: In 2000, the Census counted 1.1 million Latinos or 13 percent of the state's population. The current representative from the 13th congressional district likely will continue to be the sole Latino out of 13 House members. ■

ECONOMIC REPORT

By Michael Agres and Eve Boertlein

MBEs Can Grow From E-Commerce

E-commerce is an important competitive tool in the new economy. It provides companies with the opportunity to broaden their market base, nationally and globally, which should lead to increased revenue, improved efficiencies, and lower costs.

Although e-commerce has grown dramatically over the past few years, only about 13 percent of the nation's largest minority-owned businesses use the Internet to sell products and services. A recent study indicates that many minority executives underrate the value of this global selling

There are, however, a number of programs designed to help minority firms overcome the obstacles to e-commerce and to facilitate global access by these companies.

The study, a result of over 1,600 nationwide interviews of minority business owners with an average of \$3.5 million in annual sales, finds that the proportion of these MBEs using computers in their businesses is similar to the proportion of majority businesses of equal size. In addition, they are as likely as majority businesses to be connected to the Internet and to have web sites that they use for disseminating company information, but not sales.

addition, at least a fifth of these entrepreneurs believe that their product or service does not lend itself to e-commerce.

This suggests, according to Lopez-Aqueres, that some minority business owners are "under-investing in e-commerce technology" because they overlook the advantages of selling products or services on-line. They will only participate more fully in e-commerce when they recognize that there are increased market opportunities justifying further investment.

One minority-owned firm that has successfully used e-commerce is Commodities Management Exchange (CMXchange.com), led by CEO A. Demetrius Brown. As a broker bringing together steel suppliers with manufacturers, Brown says that using web-based commerce is a perfect fit for his business. It allows CMXchange to display its products creatively and has given Brown global reach. About 600 of the Exchange's members represent 13 different countries.

Moreover, Brown says, "We lowered our overhead. Once we built the site, we won't have to do it again, and as a result, we are able to pass cost savings of 5 percent on to our customers." CMXchange expects e-commerce will double the company's revenue in the near future.

Brown also says that CMXchange implemented its e-commerce initiatives entirely in-house. His information technology department settled on using ColdFusion software, which can handle ever-changing data and convert it to up-to-date information accessible to customers. The web designer for CMXchange created a web site that is user friendly and provides the navigator with steel prices and other industry information in real time.

For CMXchange, e-commerce was an opportunity to be on the vanguard in an explosive new environment. In today's plugged-in business arena, there is no assurance that today's customer base will be tomorrow's. To protect and expand that customer base, minority business

Minority Business Participation Rates in E-Commerce

	Latino	African American	Asian American	Native American
E-Commerce	13%	11%	12%	10%
Web/ No E-Commerce	29%	45%	36%	44%
Firms w/ Website	42%	56%	49%	54%
Firms w/o Website	58%	44%	51%	46%
Internet Only	5%	5%	5%	3%
Number of Firms	500	406	479	287

Source: Department of Commerce, Minority Business Development Agency

tool as their firms seek to capture a larger slice of the national economy.

According to a report by Waldo Lopez-Aqueres of the Tomas Rivera Policy Institute, a Latino studies think tank based in Claremont, California, even those minority business enterprises (MBE) that appreciate the benefits of Internet technology lag behind majority owned firms in the move to become fully engaged in e-commerce.

While 60 percent of those in the study understand the general benefits of e-commerce, fewer than 13 percent of the total actually assimilate it into their business plans. Owners who recognize the benefits, but have not fully incorporated e-commerce, cited a lack of proper software, a lack of technical expertise and a concern that there is too much competition from other firms already on the Internet. In

Major Reasons Cited as to Why Minority Firms Do Not Have an E-Commerce Site

	Latino	African American	Asian American	Native American
Product does not lend to e-commerce	20%	23%	21%	24%
Does not want to and does not need to	15%	11%	14%	13%
Company infrastructure is not ready	10%	14%	17%	12%
Too much competition, market is too small	6%	6%	5%	9%
Offer services, not products	5%	8%	4%	9%
Not a priority/waiting to see what happens	7%	9%	4%	4%
Lack of expertise	6%	7%	5%	4%
Too costly	6%	6%	5%	3%

Source: Department of Commerce, Minority Business Development Agency

executives should consider how, where and to what extent e-commerce will be a functional tool for their companies, and then apply an appropriate e-commerce strategy to the business plan that made them successful.

While the value gained from e-commerce will vary according to a firm's industry and customer base, for most the benefits will likely exceed the costs. According to "Digital Economy 2000," a report published last November by the Commerce Department's Minority Business Development Agency (MBDA), businesses across industry sectors have benefited from increased high-tech communications links. Business strategies, as well as the structure of companies and industries, have been transformed. There is more customized information, interactivity, and timeliness than ever before. In general, the richness of communication that once was limited to a small group of close contacts can easily be extended to a much wider reach.

E-commerce is not a panacea. It will not support a faulty business plan — or a poorly run organization. However, it can provide opportunities for minority owned

businesses that already have been successful without the Internet.

Once the decision has been made to integrate e-commerce into a corporate strategy, business people can take advantage of programs to assist in the transition and implementation. Microsoft will sponsor a "Build Your Business" tour (www.msbigday.com) in numerous cities

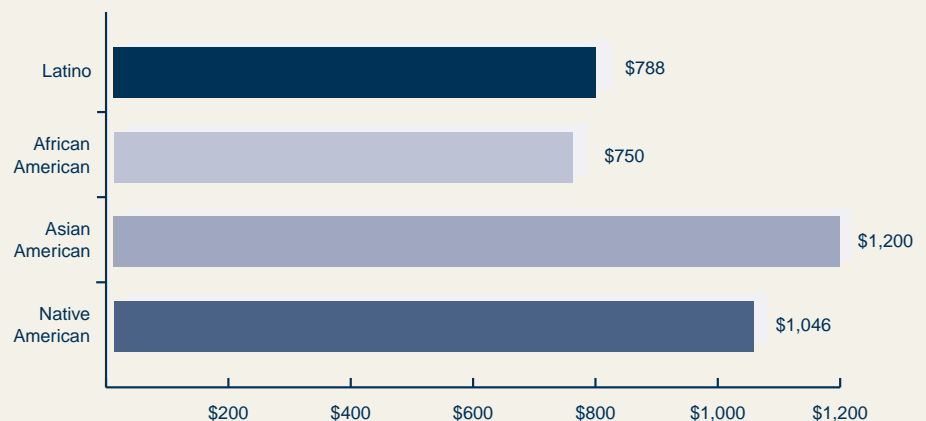
across the country through December. At each stop, the tour offers a series of free, technology-oriented workshops, which in some cases are customized for African American and Hispanic business owners.

The MBDA's website (www.mbda.gov) offers a tutorial for MBEs in e-commerce implementation. Included are checklists to assess an MBE's technological competencies that are necessary for e-commerce (such as web design, e-commerce software installation, web site maintenance); information to help MBEs decide if they should have a stand-alone e-commerce site or become part of a larger electronic mall (a collection of different sites that compose a much larger network of businesses operating under a preset infrastructure); an FAQ section about e-commerce; and tips on how to implement e-commerce effectively. ■

For additional information on the Tomas Rivera Policy Institute and the report by Waldo Lopez-Agueres go to www.trpi.org. A copy of "Digital Economy 2000" can be downloaded from www.esa.doc.gov/dek2k.htm.

Michael Agres and Eve Boertlein were formerly an intern and a project associate, respectively, with the Joint Center's Minority Business RoundTable.

"What Are the Approximate Annual Costs of Operating Your E-Commerce Site?"



Source: Department of Commerce, Minority Business Development Agency

UNFAIR TRADE HURTS MORE THAN AID HELPS

OXFAM CITES 'RIGGED RULES'

JOHANNESBURG (IRIN) - The flouting of international trade rules by rich countries costs the poor world more than \$100 billion a year, according to a recent report by Oxfam.

"For every dollar we give in aid, two are stolen through unfair trade," says David Gallagher, an Oxfam manager in South Africa. Oxfam is an international humanitarian aid organization based in Britain.

In a report released this spring, *Rigged Rules and Double Standards*, Oxfam said, "More than 128 million people could be lifted out of poverty

if Africa, Latin America, East Asia and South Asia each increased their share of exports by just one percent." A one percent increase in exports for Africa was worth a staggering five times the amount it received in aid and debt relief combined, according to Oxfam.

But those exports are stymied by unfair rules imposed by rich countries on poor ones, Oxfam argued. For example, Oxfam says western countries subsidize sugar, rice and milk, then sell them below cost, a practice known as dumping, which hurts farmers who produce those commodities in Mozambique, Haiti, Jamaica and other countries.

Meanwhile, the European Union, Oxfam reported, imposes prohibitively high tariffs on processed foods. Rules like that hinder the creation of industries in developing countries. "These tariffs lock countries like Mozambique into trading raw sugar, blocking them out of exporting processed sugar to Europe, which would be worth considerably more....If Mozambique was able to refine its own sugar, it could generate

wealth and create thousands of more jobs in the processing sector," Oxfam added.

An official with the U.S. Trade Representative's office would not comment on the dumping charges. Strong farm subsidies and supports, of the type Oxfam says hurts poor countries, were included in the recently passed farm bill.

Oxfam blames unfair trade rules for helping to widen the gap between the rich north and the developing south. Africa, as the world's poorest continent in terms of income, bears the brunt of the rigged rules.

While rich nations maintain various market supports, poor countries have dismantled that same kind of assistance for their producers at the urging of the rich nations. "The fundamental rules have changed in this new trade environment and developing country producers are at a distinct disadvantage," said Charlie Mather, senior lecturer at the Wits School of Geography in Johannesburg.

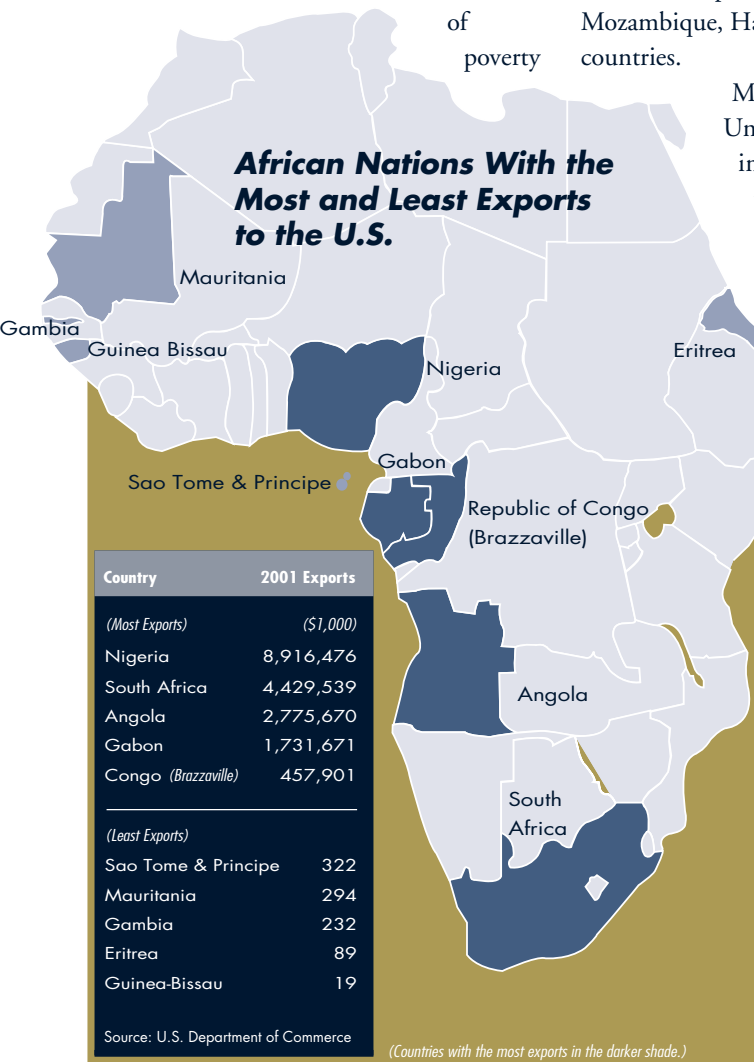
Mather added that in the face of what may appear as an insurmountable challenge, developing countries need to develop strategies for dealing with the double standards. Over the longer term, he said, the World Trade Organization should be reformed so that it represents the trading interests of developing nations and not just rich ones.

Oxfam urged western nations and international finance organizations to improve market access for developing nations, stop export dumping and end foreign aid conditions that "force poor countries to open their markets regardless of the impact on poor people." ■

IRIN, the Integrated Regional Information Networks of the UN Office for the Coordination of Humanitarian Affairs, provided reprint permission for this story. Joe Davidson contributed to this story.



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LIFE SENTENCES

Continued from cover

A state-based analysis reveals even greater racial disparity in five states, where African American women represent over half of those banned: Illinois (86 percent), Delaware (65 percent), Virginia (63 percent), Alabama (61 percent), and Mississippi (54 percent).

The six-year-old ban was introduced and ratified with bipartisan support after just two minutes of Congressional debate. Sen. Phil Gramm (R-TX), sponsor of the provision, urged its approval, because, he said, “if we are serious about our drug laws, we ought not to give people welfare benefits who are violating the nation’s drug laws.” Drug felonies were the sole offenses written into the legislation as disqualifying offenses. Even rape and murder were not included.

The lifetime ban applies to all states unless a state legislature elects to either

modify or opt out of the provision. The ban is currently in effect in 41 states, but there is a growing trend among states to abstain from or change the restrictions. Nine states and the District of Columbia eschew the ban and 21 states have amended it, demonstrating that the majority of states have rejected the strict application of the law, which can deny both cash assistance and food stamps for life. This trend apparently reflects a mounting recognition among state policy-makers that the ban is unsound public policy and should be repealed by Congress.

Impact on Communities

Studies show that most women with drug convictions committed their crimes while in active addiction, were using drugs to self-medicate the pain of physical or

sexual assault abuse, and have had little access to services to help them combat their addictions or the abuse they were experiencing prior to being arrested. The lifetime welfare ban hobbles the rehabilitative efforts of mothers (who make up the overwhelming majority of welfare recipients) as they attempt to rebuild their lives. As one affected woman has said, “Now it really matters because I’m trying to do the right thing.”

The restriction also slashes a poor family’s resources. For example, a single mother with one child will receive cash assistance and food stamps to cover the expenses of her child, but not her. As a result, the ban endangers access to some of the needs of poor families, including food, housing, and clothing, and interferes with the ability of mothers to find work or return to school or enter job training programs. Moreover, because community-based drug treatment programs rely heavily on the welfare benefits of their clients to cover operating expenses, the services offered by treatment centers are seriously hindered by the ban.

“These programs are able to operate at a low cost by maximizing whatever benefits

State Implementation of Lifetime Welfare

STATE	DENIES BENEFITS ENTIRELY	PARTIAL DENIAL/ TERM-DENIAL	BENEFITS DEPENDENT ON DRUG TREATMENT	OPTED OUT OF WELFARE BAN
Alabama	■			
Alaska	■			
Arizona	■			
Arkansas		■		
California	■			
Colorado		■		
Connecticut				■
Delaware	■			
District of Columbia				■
Florida		■		
Georgia	■			
Hawaii			■	
Idaho		■		
Illinois		■		
Indiana	■			
Iowa		■		
Kansas	■			
Kentucky			■	
Louisiana		■		
Maine	■			
Maryland			■	
Massachusetts		■		
Michigan				■
Minnesota			■	
Mississippi	■			
Missouri	■			
Montana	■			

their clients are eligible to receive,” says Linda Wolf Jones, executive director of the Therapeutic Communities of America.

As a result of the ban, women who seek to rebuild their lives face a very uncertain future, and must surmount greater obstacles than before their contact with the criminal justice system. Consequently, there is an increased likelihood that women will be compelled to live in very precarious environments — abusive relationships, overcrowded households — and to engage in illegal activity to survive and avoid homelessness.

Moreover, the welfare prohibition increases child poverty and family dissolution, placing an estimated 135,000 children at risk of coming in contact with child welfare services and the criminal justice system, according to the Sentencing Project report.

Rita Urwitz, a Philadelphia Department of Human Services supervisor, paints a very clear picture of what awaits women and their children who are denied benefits because of a drug conviction: “If a mother is not able to support her child, we would take the child; and at the end of 12 months of placement, we have to terminate parental

rights unless there are compelling circumstances. If you’ve ever made a mistake in your life, it’s very punitive. I imagine it would come into play as more and more women lose their benefits.”

The welfare prohibition not only affects female ex-offenders and their children, but also has profound consequences for our communities. As an increasing number of women return to their communities without any support to assist in their transition, develop marketable skills, or access comprehensive and adequate drug treatment, the societal costs associated with the ban will extend to the criminal justice and health care systems, as well as child welfare services, among others.

Response to Welfare Ban

Legislation introduced by Rep. Patsy Mink (D-HI) would repeal the ban. A diverse array of over 70 national, state and local organizations, including the Children’s Defense Fund and the Leadership Conference on Civil Rights, have endorsed a letter supporting the repeal. There is similar public support to address drug issues through more rehabilitative means rather than punitive ones.

A recent survey examining public attitudes toward the criminal justice system shows that 65 percent of Americans favor fighting crime by “attacking the social and economic problems that lead to crime,” while only 29 percent prefer “detering crime by improving law enforcement with more prisons, police, and judges.”

Such public sentiment clearly shows that elected representatives should reexamine the use of punitive approaches to resolving social problems facing this nation. The lifetime restriction is one of these punitive approaches that undermines both the rehabilitative efforts of ex-offenders and the safety of our communities. ■

Patricia Allard is a policy analyst with The Sentencing Project in Washington, DC. Andrea Ritchie is a Howard University School of Law student.



For more information on this and related topics, visit our website.

Ban on People Convicted of Drug Offenses

STATE	DENIES BENEFITS ENTIRELY	PARTIAL DENIAL/ TERM-DENIAL	BENEFITS DEPENDENT ON DRUG TREATMENT	OPTED OUT OF WELFARE BAN
Nebraska	■			
Nevada			■	
New Hampshire				■
New Jersey			■	
New Mexico				■
New York				■
North Carolina		■		
North Dakota	■			
Ohio				■
Oklahoma				■
Oregon				■
Pennsylvania	■			
Rhode Island		■		
South Carolina			■	
South Dakota	■			
Tennessee			■	
Texas	■			
Utah			■	
Vermont				■
Virginia	■			
Washington			■	
West Virginia	■			
Wisconsin			■	
Wyoming	■			
U.S. Total	20	10	11	10

Source: The Sentencing Project, May 2002

SCHOOL SPENDING VARIES WIDELY

NEW JERSEY AT TOP, UTAH AT BOTTOM

BY KATHLEEN MURPHY

When it comes to per pupil school spending, New Jersey is at the head of the class.

The Garden State spent \$10,283 per student in 2000, outdoing second-ranked New York by \$244, according to a recent Census Bureau report on public education.

Both New Jersey and New York were well above the national median of \$6,835. The median increased by \$377, or 5.8 percent, over 1999. The Census figures are important because they fuel the debate over whether student achievement and school spending are linked.

“What we’ve seen is that even though spending has increased, certainly the performance of American students has not matched that,” said Richard Sousa, associate director of the right-leaning Hoover Institution, a public policy research center based at Stanford University.

“I can demonstrate the exact opposite,” said Kathleen Lyons, spokeswoman for the National Education Association, an organization of 2.7 million educators which argues that school funding affects academic performance.

How much a state spends per student can vary widely state-to-state because of

geographic differences in wages, costs, and legislative priorities. For example, hiring the same teacher is cheaper in Alabama than in New York. School resources and property cost more in some states than others.

Political pressures or court orders, such as the push to equalize school expenditures across counties, often lead legislatures to increase per-student funding statewide.

Besides New Jersey and New York, other big spenders per student were Massachusetts, \$8,444; Alaska, \$8,743; and Connecticut, \$8,800. Utah spent the least per student, \$4,331, followed by Mississippi, \$5,014; Arizona, \$5,033; Idaho, \$5,218; and Tennessee, \$5,343.

Though the District of Columbia was among the top spenders with \$9,933 per pupil, that figure can be misleading when D.C. is compared to the states, Lyon said. A significant portion of urban school spending goes to non-educational expenses, for example lunch for low-income students.

Some studies, including a 2001 report by the American Legislative Exchange Council, a Washington-based policy group that advocates less government, have found no correlation between spending and achievement.

The ALEC report showed that Maryland spent \$3,252 more per student than Utah in 1999, but both states reported the same reading test scores for eighth graders.

But Lyons points to numerous studies indicating increased public school spending has positive results both on educational achievement and on the future earnings of students. In a 1994 paper, for example, David Card and Alan B. Brueger, Princeton University economists, reported that “a 10 percent increase in school spending is associated with 1 to 2 percent higher annual earnings for students later in life.”

Spending per student has increased nearly 20-fold since 1920, according to the Department of Education. The causes of increased spending have been smaller pupil-teacher ratios, rising teacher salaries, and increasing non-instructional expenses, Sousa said.

The Census’ annual report shows how much state, local and federal funds were spent on school operations and construction. The report uses financial data on public elementary and secondary school systems with enrollments of 15,000 or more.

The report showed that state governments provide the most school funding, \$186 billion annually, compared to \$161 billion from local governments and \$27 billion from the federal government. ■

Kathleen Murphy is a writer with Stateline.org, which provided permission to reprint this article.



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