

## INTRODUCTION

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### Understanding the Failed Welfare Revolution

In the 1960s, a new idea for combating poverty emerged that promised a revolutionary change for American social welfare policy. Though the idea had a complex history, one of its main justifications was articulated by a commission appointed by President Johnson to evaluate the nation's antipoverty programs. The commission, which was made up primarily of business leaders and economists, issued a report in 1969 that urged making a sharp break with past approaches to fighting poverty. On the basis of its analysis, the commission believed that the existing welfare system was founded on the untenable premise that good jobs at adequate wages were available to all. Therefore it did not provide sufficient coverage for the poor who were left behind in an increasingly postindustrial economy. The report accordingly criticized the existing system for sorting the poor into different types of programs based on their ability or willingness to work. The report contended,

Our economic and social structure virtually guarantees poverty for millions of Americans. . . . The simple fact is that most of the poor remain poor because access to income through work is currently beyond their reach. . . . There are not two distinct categories of poor—those who can work and those who cannot. Nor can the poor be divided into those who will work and those who will not. For many, the desire to work is strong, but the opportunities are not readily available.<sup>1</sup>

On these grounds the commission proposed replacing much of the current welfare system with a program that provided all Americans with a guaranteed annual income based solely on their economic need.

Guaranteed annual income programs broke sharply with past approaches to fighting poverty. Most important, they treated the unemployed and working poor in the same way. People who earned below a certain amount of income per year—whether because of unemployment or because they worked but were *still* poor—would receive cash benefits from the federal government to raise their annual income to a minimum level. The programs were innovative in other ways as well. They expanded eligibility for benefits from primarily single mothers with children to include two-parent families with a fully employed breadwinner. And they called for a comprehensive federal program to replace locally run programs that varied widely in their levels of support. All told, these changes marked a philosophical shift in which the government

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extended the right to basic economic security to the nation's poorest citizens for the first time. By the late 1960s both liberals and conservatives heralded the proposals as "a striking example of an idea whose time has come."<sup>2</sup>

From today's vantage point, it may seem strange that guaranteed annual income programs were ever seriously considered in the United States, since they run contrary to the nation's approach to welfare reform both before and after this era. So it may seem even more surprising that the strongest contender among these proposals nearly became law. President Nixon's Family Assistance Plan passed the House of Representatives by large majorities in both 1970 and 1971. Commentators at the time also expected it to pass in the more liberal Senate, but it never reached a full vote. Jimmy Carter made comprehensive welfare reform a major campaign issue in his bid for the presidency in 1976, and his administration took up guaranteed annual income plans once in office. This continuing consideration shows that the guaranteed income idea was not simply a product of "the 1960s." Carter's proposal fared less well than Nixon's and never reached the floor of Congress. This second failure of guaranteed annual income proposals marked their disappearance from the nation's legislative landscape and foreshadowed the diminishing prospect of a system that provides basic economic security for the nation's citizens.

The rise and fall of guaranteed annual income (GAI) proposals sheds light on the nation's provision for the poor in a number of ways. Perhaps most important, understanding the failure of these programs helps explain why the United States, while having one of the highest gross domestic product levels per capita in the world, lags considerably behind other advanced industrial democracies in rates of poverty reduction. Comparisons between these countries show that guaranteed income-style programs, such as family allowances, have proved to be among the most effective antipoverty measures available to policymakers.<sup>3</sup> More directly comparable evaluations of antipoverty measures in the United States and Canada show a similar pattern. Canada's more extensive incorporation of GAI-style programs during the 1970s and 1980s moved its poverty rates from nearly seven percentage points above that in the United States to four points below it.<sup>4</sup>

The history of GAI proposals is also significant because of its role in the evolution of U.S. social policy. These programs were the dominant welfare reform strategy of the late 1960s and 1970s, which was the transitional period between the liberal policy innovations of Lyndon Johnson's War on Poverty programs and the conservative reforms of the Reagan administration and beyond. Views of the welfare state clearly changed during this era. The struggle over GAI programs not only provides the primary lens through which this transition can be concretely understood, but in many ways, the strategies utilized during the debate over the plans actively produced, sometimes inadvertently, the intellectual and political groundwork for the subsequent conservative ascendancy.

From a more analytic perspective, examining why GAI plans became “the road not taken” can tell us as much, and in some ways more, about the nature of American antipoverty policy as examining episodes of successful legislative passage.<sup>5</sup> The proposals represent the boldest attempt to transform U.S. welfare policy in the twentieth century because they attacked the problem of poverty so directly.<sup>6</sup> Doing so called into question deeply held assumptions about the causes of poverty, the adequacy of the labor market, and the goals of welfare reform that are rarely debated in American society but that nonetheless guide policymaking. These assumptions are central to the cultural foundation of the American welfare state, but they are challenging to study because they usually go unspoken. The challenge posed by GAI proposals threw the impact of these assumptions on policy development into sharp relief, albeit for a brief period. This makes the struggle over GAI plans a valuable case for close examination, since it provides a rare window into the cultural processes that influence, and indeed constitute, policy development. As I will discuss later in the chapter, taking into account these types of cultural factors helps explain a number of puzzles about the politics of GAI plans that conventional perspectives on U.S. policy development have difficulty explaining.

Perhaps the most relevant puzzle is why GAI proposals disappeared, that is, why they are no longer considered by policymakers, even though many of the same problems that brought them to the public agenda in the 1960s and 1970s—low wages, economic restructuring, and inadequate welfare coverage—continue to be pressing concerns in contemporary America.<sup>7</sup> Guaranteed income plans are still consistent with goals held by both liberals and conservatives, as suggested by recent calls for these sorts of plans on both the political left and right.<sup>8</sup> Though there is a considerable amount of research on twentieth-century social welfare policy, little of it has focused on GAI policy.<sup>9</sup> Thus there is scant basis upon which to assess the significance and disappearance of these policies. This book traces the rise and fall of GAI proposals, illuminates the puzzling politics of the debates they launched, and finds that, despite their failure, the struggle over GAI proposals had a lasting impact on the American welfare state.

The book is oriented by three general arguments, which I briefly outline here and then elaborate in sections to follow. First, the main obstacle to GAI legislation was the cultural distinction that Americans draw between different categories of poor people. Put most simply, Americans have long considered some types of people, based on their perceived adherence to the work ethic, to be more worthy of government assistance than others. As the quote at the beginning of this chapter suggests, almost all welfare programs implemented before and after this episode have based the provision of government benefits on the *work capacity* of the poor. In contrast, the most significant feature of GAI programs was their provision of benefits based on *economic need* alone. The proposals placed all the categories of poor people in the same government

program and treated them in the same way. This challenged the political, economic, and cultural status quo: it presumed that previously separate categories of the poor were morally equivalent to one another; it called into question existing definitions of “welfare”; it created a new category of government beneficiary (the “working poor”); and it rested on the premise that the labor market could not serve as the sole source of economic security for the nation’s able-bodied citizens. After the failure of Nixon’s proposal, legislators responded to the threats posed by GAI plans by creating new antipoverty programs—Supplemental Security Income and the Earned Income Tax Credit—that institutionally reinforced the categories that Nixon’s plan had threatened to dismantle.

Second, GAI policy had multiple meanings attributed to it by various supporters. The proposals were ambiguous and underspecified when experts first advanced them.<sup>10</sup> Advocates from a number of ideological perspectives—libertarians, moderates, and socialists alike—all defined the plans as a promising way to alleviate poverty. Other stakeholders soon began to see the plans as a potential solution for other types of problems that were only tangentially related to poverty reduction, such as fiscal crises that beset state governments and administrative bloat within the government bureaucracy. These different policy meanings served as the basis for a diverse array of interests that propelled GAI proposals forward and, at least initially, masked the proposals’ threat to the categorical logic of the existing welfare system. Understanding this multiplicity of policy meanings is essential for understanding how GAI plans arose on the policy agenda. As the debates over the next fifteen years foreclosed many of these ways of seeing GAI plans, their challenge to the status quo became clearer. This narrowing process can be seen both in the ecology of competing policy ideas among policymakers and in the ways in which GAI proposals were depicted in the media.

Third, as the discussion so far may suggest, the debates over GAI proposals did not simply reflect changing perceptions of poverty and the welfare state during this period; they were central in producing these changes. These changing perceptions, in turn, were the direct antecedent for the rise of conservative social policy reforms in the 1980s. Stated differently, Reagan’s welfare state retrenchment was a much more direct product of the debate over GAI proposals than it was a reaction to Johnson’s War on Poverty programs, to which it is more often seen as a response. Arguments for GAI proposals were based on new critiques of the existing welfare system and a new mode of expert analysis that focused on individual rather than social causes of poverty. The ascendant conservative movement appropriated these critiques and analytic innovations and effectively turned them against the welfare state in the 1970s. Guaranteed income proposals further served as the foil for critiques of an “entitlement” philosophy of welfare reform that directly paved the way for a new “paternalist” approach to welfare reform in the 1980s. Finally, the

new Supplemental Security Income and Earned Income Tax Credit programs not only divided the poor by giving different categories of people different stakes in the welfare system, but they relieved some of the social pressure for comprehensive antipoverty reform that was present in the 1960s. These new programs isolated the most politically weak categories of the poor, making them highly vulnerable to the budget cutbacks that targeted the “undeserving” poor in the 1980s.

The account I advance in the book differs from conventional social scientific perspectives on welfare policy development, though it is indebted to the many insights they have generated. This difference stems in part from the book’s main focus on the *idea* of providing Americans with a guaranteed annual income, rather than on a particular legislative episode. Yet it also reflects an effort to show the impact of cultural influences on welfare policy development in ways that are not typical, but that are essential for understanding the rise and fall of GAI proposals and, I would argue, policy development more generally. Broadly speaking, scholars typically emphasize the influence of two types of factors when seeking to explain patterns of policy development: the relative influence of various *stakeholder groups* such as business elites, government experts, and social movements; and the constraints on policy development imposed by U.S. *institutional arrangements*, such as federalism, sectionalism (regional differences), the congressional committee structure, and existing policy design.<sup>11</sup> These factors played important roles in the development and failure of GAI plans (though sometimes in unanticipated ways), and I discuss their impact throughout the book. Neither of these perspectives, however, is well equipped to examine how perceptions of worthiness attributed to different categories of poor people structured the entire debate over GAI proposals or how the varying meanings attributed to the proposals elucidate the puzzling patterns of support and opposition that the policies generated. My account highlights the importance of these factors and shows how they interact with more conventional factors—for instance, how perceptions of moral worthiness and stigma shaped the policy preferences of important stakeholders; how particular understandings of poverty and the poor gained prominence over others due to the nation’s policymaking process; and how the pattern of preexisting public assistance programs constrained advocates of GAI plans when it came to framing these new proposals in culturally resonant ways. In the sections that follow, I discuss the contributions of existing perspectives to understanding the trajectory of GAI proposals, point out where they fall short, and elaborate on how they can be strengthened by paying more sustained attention to the cultural factors at play in welfare reform.

The debates over GAI proposals took place simultaneously in two important places: among members of the federal policymaking community and in the public sphere through the mass media. I examined the deliberation over the proposals in each domain, collecting government documents from the Nixon

and Carter administrations and media coverage in newspapers and periodicals.<sup>12</sup> Comparing both expert deliberation and public discourse helps overcome a typical problem in policy studies, which is the difficulty of disentangling policy elites' "private" worldviews and "public" framing strategies.<sup>13</sup>

Furthermore, most studies of social policy focus mainly on elites, whether government bureaucrats, politicians, or interest groups. These groups are clearly crucial for shaping social policy. However, they do so within a broader public context that constrains their policy options and shapes their strategies of public persuasion. A full understanding of this episode requires looking at both how elite framing influenced public sentiments and how the "common knowledge" created by media accounts influenced decisions among policymakers.<sup>14</sup>

#### PERSPECTIVES ON AMERICAN SOCIAL POLICY DEVELOPMENT

Many Western nations experienced a process of rapid industrialization in the late nineteenth and early twentieth centuries that simultaneously increased their levels of economic development and disrupted traditional sources of economic security for their citizens. This industrialization process thus generated both the need for new sources of economic security and the fiscal means and administrative apparatus through which government could provide it, and it was during this period that the modern welfare state was born. As welfare states developed over the course of the twentieth century, they became central in defining the relationship between citizens and the state, regulating labor markets, and managing the social reproduction of the population.

There is a rich tradition in the social sciences devoted to understanding this process. Much of this research has sought to explain why the welfare states in Western industrial countries evolved in such different directions. Compared to the nations of Western Europe, for instance, social welfare policy in the United States is viewed as the most classically liberal—that is, oriented by its conformity to free market principles and norms of individualism. In contrast, Scandinavian social policy prioritizes solidarity and equality, and many other European welfare states, such as those in Germany and Italy, prioritize social stability and cultural traditionalism.<sup>15</sup> In light of these cross-national differences, scholars have offered a number of arguments to explain the relatively unique development of the U.S. welfare state. This body of work has made a deep contribution to our understanding of American social provision, especially by calling attention to the fact that the welfare state is a product of politics. What follows is a thumbnail sketch of some of the main lines of argument.

In the absence of a strong labor movement or socialist political party in the United States, social movements made up of poor and working-class citizens have been a significant force in social policy development. Especially nota-

ble in this regard are the 1930s and 1960s, decades characterized both by sustained popular protest and by landmark social legislation. Economic elites historically have been the main opposition to social policy expansion because of their fear that policy expansion will raise the costs of doing business. The political strength of big business coalitions in the United States, as compared to other nations, is a key reason for the more limited, market-based nature of the country's welfare system. Working somewhat independently from both social movements and economic elites, policy experts within and outside the government have, under the right conditions, been able to advance social reforms following their own political agendas.

Other factors that help explain the limited nature of U.S. social policy have more to do with the American political system than with the influence of particular stakeholders. A key factor is the weakness of the state itself, which lacks the centralized capacity necessary for policy innovation and significant intervention into labor market dynamics. Government power is instead diffused through a federal system in which state and local officials maintain authority over many aspects of policy development and implementation, particularly for means-tested programs. Political influence is diffused still further by constitutional checks and balances, but it is also concentrated in the hands of a few through the congressional committee system, the consequence being that a minority coalition can block legislation that the majority supports. Throughout the mid-twentieth century, southern political leaders did just that. They fought social welfare legislation that threatened to undermine their region's labor-intensive agricultural labor market or upset the southern system of racial domination by shifting power out of the hands of local officials and into those of federal policymakers or poor blacks. The overall weakness of the federal government combined with the political system's numerous veto points and the sustained opposition to welfare state expansion in the South together place substantial limits on American social policy development. One final constraint is that due to the sunk-costs of policy design, policy decisions that are made early on, such as during the New Deal, can have a lasting influence on subsequent policy development decades later.

As Edwin Amenta aptly characterizes it, these mainstream perspectives on U.S. welfare policy development draw from two traditions within classical sociological theory. Scholars who focus on business influence and social movements are informed by Marx's work on political economy, while studies focusing on state actors and institutional configurations draw from Weber's and Tocqueville's writings on bureaucracy and political institutions.<sup>16</sup> Neither of these orientations recognizes that systems of social provision are embedded in moral and symbolic orders (albeit contested ones) that shape their development. Therefore, existing perspectives suffer from a variety of blind spots that diminish their ability to incorporate the influence of factors such as moral categories, symbolic representations, and public discourse on policy develop-

ment. In the remainder of this section, I discuss in greater detail what existing theoretical perspectives contribute to understanding the politics of GAI policy and where they fall short.

First, the social movement perspective argues that economically disenfranchised groups create pressure for welfare policy expansion by creating social disturbances. In response, political elites seek to restore stability by extending social provision along lines that are prefigured by existing institutional arrangements.<sup>17</sup> The 1960s were clearly marked by social disruption. This social movement perspective highlights the important role that multiple sources of social pressure—stemming from nonviolent civil rights activism, urban rioting in the mid-1960s, and welfare rights activism later in the decade—played in moving the issue of poverty to the top of the national agenda. Yet the presence of this pressure cannot account for the rise of GAI plans specifically—as compared to other antipoverty policy options—since the plans were not prefigured by existing social policy. The main policy outcome that the social movement perspective anticipates is the expansion of existing Aid to Families with Dependent Children (AFDC) rolls, which research has in fact shown to be positively associated with social unrest.<sup>18</sup> However, it does not anticipate either the sharp break in policy design that GAI represented or the continuing consideration of GAI proposals through the 1970s, which was a period of social quiescence among economically disadvantaged groups.

A second perspective focuses on the role of business interests in shaping policy development. According to the main arguments of this perspective, business coalitions have been key actors in opposing the expansion of national social policy because they have interests in limited government, low corporate taxes, and maintaining a compliant labor force.<sup>19</sup> This perspective points to the central role played by business groups during the debates over GAI plans, but it is also challenged because much of the business class—including many small business owners, corporate CEOs, and big business coalitions—supported GAI proposals. Business opposition came almost exclusively from the national office of the U.S. Chamber of Commerce. When such intracapitalist divisions occur, divergent policy preferences are typically explained in reference to varying economic interests based in different organizational environments or business sectors.<sup>20</sup> However, debates over the impact of GAI proposals on business spending and labor market processes were marked by a high degree of uncertainty, making the identification of straightforward economic interests difficult to calculate. Moreover, groups with the most ostensibly similar interests, such as the U.S. Chamber of Commerce and the National Federation of Independent Business, held different preferences. Policy memos circulated within the presidential administrations and the passage of alternative antipoverty legislation reveal that competing perceptions of the poor, which are ignored in existing accounts, contributed to the divergence of policy preferences among business groups.

A third perspective argues that policymaking elites within government have the potential to advance policy proposals according to their own agendas, rather than solely reflecting the interests of groups outside government, such as social movements or economic elites. The main conditions that contribute to this potential are a professional class of civil servants and the availability of fiscal resources.<sup>21</sup> This emphasis on state experts provides considerable explanatory leverage for the development of GAI proposals. GAI proposals had been considered by the Kennedy administration and subsequently dismissed as politically implausible. The institutional capacity of welfare experts increased at the outset of President Johnson's War on Poverty initiatives, and this increased capacity allowed for the uptake of new policy ideas.<sup>22</sup> For the next fifteen years, GAI proposals were advanced first and foremost by experts within the government bureaucracy. Yet as some critics have noted, this state-centered approach, particularly in its early formulations, offers relatively little guidance about the actual direction and content of expert reform.<sup>23</sup> In the absence of greater attention to the content of expert knowledge, particularly the dominant influences that shape elites' epistemic culture, this perspective lacks an account of why government experts initially favored GAI proposals over competing welfare reform alternatives or why they continued to favor it, against mounting opposition, in the years to follow.<sup>24</sup>

A fourth perspective argues that that institutional configurations of the U.S. state—especially sectionalism, federalism, and the congressional committee structure—shape social policy development.<sup>25</sup> Differences between the South and the rest of the country, especially those having to do with race relations and regional labor market dynamics, have created competing objectives for welfare reform between these regions. The influence of these regional differences has been further amplified by federal power-sharing arrangements that grant local authorities considerable control over public assistance programs and by the structure of the congressional committee system. It is certainly the case that sectionalism and federalism have been important influences in U.S. policy development in general. Yet in the case of GAI policy specifically, far from constraining policy development, the federal system of social provision—namely state-federal cost sharing—generated much of the pressure for reform and the porous nature of the political system expanded the constituency of GAI supporters. More broadly, commentators have noted that institutional constraints constitute a static framework in which other factors are required to explain temporal dynamics and causal processes in policymaking.<sup>26</sup> Institutional explanations often smuggle the interaction between institutional arrangements and cultural patterns—such as conservative ideology—into their empirical accounts while this interaction itself is seldom explicitly theorized.<sup>27</sup>

In the South, for instance, the mutual constitution of the regional labor market and beliefs about the poor held substantial consequences for Nixon's GAI proposal. The president's advisors thought that his plan would be popular

in the South due to the fiscal dividends the region would reap, yet this is where the plan confronted some of its most forceful opposition. This opposition was not based on self-evident economic interests but on an interpretation of economic interests suffused with assumptions about the work ethic of black, low-wage workers. Since Nixon's advisors did not share these views of the poor, they calculated the effects of the plan in the South quite differently.

Institutionalists further argue that preexisting policy design channels policy development through “policy feedback” processes that allocate resources, shape incentives, and generate interpretive frameworks.<sup>28</sup> In general, this perspective has much to recommend it. Yet in practice, existing policy feedback arguments have focused on the *resource/incentive* dimension of policy feedback processes, while underplaying the *interpretive* feedback mechanisms—a mechanism that turns out to be central to the politics of GAI plans.<sup>29</sup> For instance, John Myles and Paul Pierson make a policy feedback argument in a comparative study of the failure of GAI proposals in the United States and their success in Canada during the same period.<sup>30</sup> The authors emphasize the importance of preexisting universal social policies in Canada that served as a “natural bridge” to new GAI policies and contend that GAI proposals failed in the United States in part because they lacked a similar programmatic bridge. These institutional legacies are clearly important. But what an examination of the actual debates over GAI policies shows is that supporters of GAI plans lacked a critical *symbolic* resource that a universal transfer program could have provided for defending a new type of social provision that did not distinguish between the deserving and undeserving poor, but that extended income benefits to a new category of recipient—fully employed workers—for the first time. This absence also helps explain a key difference between the U.S. and Canadian cases that Myles and Pierson argue is important but do not explain; namely, that GAI policy was so contentious in the United States because of its association with “welfare reform.”

Existing perspectives on social policy development contribute a great deal to understanding the rise and fall of GAI plans. In particular, by evaluating the American welfare state from a historical and comparative perspective, this literature identifies some of the most important factors in explaining the contours of policy development in the nation. But these theories do not illuminate many important aspects of the debate over GAI plans. This is not solely due to the inexact fit between general theoretical claims and the historical specificity of a single case, but also due to the neglect of cultural analyses in the mainstream welfare state literature.

#### CULTURE, INSTITUTIONS, AND THE WELFARE STATE

To suggest that a society's culture influences its antipoverty policies perhaps seems uncontroversial. Yet social scientists typically dismiss this type of argu-

ment because of its association with a heavily criticized theoretical perspective that was prominent a generation ago. This “national values” approach conceptualized culture as a relatively coherent set of beliefs and values shared by a country’s citizens.<sup>31</sup> If societies varied in their beliefs and values, they would, it stood to reason, produce different types of social policies. Social policy, in short, reflected a society’s culture. In one of the classic studies from this perspective, Gaston Rimlinger argues that national values—particularly the extent of a country’s embrace of classical liberalism—helped explain the divergent paths of welfare policy development taken by the United States, Britain, Germany, and Russia.<sup>32</sup> Critics responded in various ways to such arguments. They claimed that these approaches assumed an unrealistic level of cultural uniformity in heterogeneous societies; disregarded struggles for power and contention between competing stakeholders; and failed to specify the mechanisms through which values influence important aspects of policymaking, such as the timing, content, or fate of particular policies.<sup>33</sup> In evaluating these theories, for instance, Theda Skocpol queried, “Whose ideas and whose values? And ideas and values about what more precisely?”<sup>34</sup> Critics contended that these national values arguments were simply too vague to compete convincingly with other types of explanations.

More recent studies in a variety of policy domains address these criticisms by integrating insights from the “cultural turn” in the social sciences that began in the 1970s.<sup>35</sup> The most widespread advance is the recognition that policymakers and other stakeholders are guided by their interests, but that these interests are constituted by ideas. In other words, people do not simply have interests; they have ideas about their interests. This approach stands in contrast both to analyses that see policymaking as guided by values, such as individualism, and to analyses that view social policy as the end product of actors pursuing self-evident interests. Instead, scholars from this perspective seek to explain why, in a complex world of conflicting values, competing interests, and considerable uncertainty, some interests become more salient to people than others.<sup>36</sup> Most broadly, this orientation marks a shift from a narrow focus on *policy interests* to an expanded analysis of *policy meanings*, which entails looking at how actors define social problems, potential solutions, and the boundaries of political legitimacy.<sup>37</sup> This has led scholars to look at two types of ideas in particular: the policy paradigms that guide decision making among elites and the frames that actors employ to articulate and justify their policy positions amid competing claims.<sup>38</sup> The specification of these types of ideas, along with greater attention to contestation and mechanisms of influence, distinguishes this approach from what critics claim is an overly “anthropological” conception of culture in “national values” perspectives.

Another insight from the cultural turn, but one that has been insufficiently applied to policy studies, goes beyond the importance of ideas alone by grounding elements of culture more firmly in their institutional context. As William Sewell, Jr., argues, enduring institutions—such as social policy regimes—repro-

duce both social structure (such as patterns of relations and the distribution of material resources) *and* our subjective understandings of that structure. Furthermore, these structural patterns and subjective understandings mutually constitute one another.<sup>39</sup> Thus, for instance, a great deal of power in Western societies is based on private property holdings; this only makes sense, and appears legitimate, with the attendant notion of property rights. This view of institutions does not mean that culture is static or epiphenomenal and therefore has little causal influence.<sup>40</sup> Subjective understandings actively reproduce institutions. Moreover, when stakeholders alter interpretive understandings through definition work, they can profoundly transform social institutions. One example of this is the change in subjective perceptions, or “cognitive liberation,” among black activists that Doug McAdam identifies as crucial for understanding the civil rights movement’s challenge to longstanding structures of injustice in the American legal system.<sup>41</sup> Another example can be seen in the socially prescribed role of “wageworker” that characterizes employer-employee relations in a capitalist society. This is one of the most durable and powerful interpretive schemes in industrial societies, but its meaning, and thus its legitimacy, can be transformed through the definitional work contained in legal statutes, socialist tracts, union strikes, and so forth.<sup>42</sup>

The broader lessons derived from seeing institutions as mutually constituted as Sewell describes are threefold. Understanding the mutual constitution of cultural schemas and structural patterns through institutional reproduction allows us to account for cultural coherence in the face of social heterogeneity and fragmentation.<sup>43</sup> Moreover, when challenges to the existing institutional order emerge, such as challenges to an existing policy regime, they must overcome “institutional” obstacles that are both material and symbolic. Finally, interpretive change requires entrepreneurs who impose new schemas on existing social patterns, often by drawing these new understandings from other institutional realms.<sup>44</sup>

Seeing institutional patterns, such as policy design, in this manner sheds light on how social policies and cultural understandings impact one another over time. Drawing from the explanatory logic of “policy feedback” arguments, scholars have shown how policy decisions create interpretative feedbacks.<sup>45</sup> John Skrentny, for instance, has demonstrated how affirmative action programs for African Americans shaped policymakers’ definitions of deservingness for arguably analogous minority groups, such as women, white ethnics, and the disabled.<sup>46</sup> Along similar lines, Nicholas Pedriana and Robin Stryker have shown how affirmative action legislation in the late 1960s provided symbolic resources for affirmative action supporters during subsequent debates over equal employment law.<sup>47</sup> Of course, the direction of influence between social policy and interpretation can also run in the opposite way. The dominant ideas that emerge in policy debates often provide the basis for new institutional arrangements. According to Judith Goldstein and Robert

Keohane, this is one of the main causal pathways through which culture influences policy development.<sup>48</sup> Once institutionalized, these ideas shape the definition of interests and this influence can last over generations, even when the original ideas are no longer widely held. This type of cultural influence is often neglected in studies of policy. Yet to use Ronald Jepperson and Ann Swidler's analogy, much as Marx viewed capital as "dead labor," policy design can be seen as something like "dead culture."<sup>49</sup> This process of embedding culture into the pattern of new institutions brings us full circle to Sewell's insight that institutions such as government social programs are mutually constituted by both social and symbolic relations.

These conceptual developments from the cultural turn, which I have sketched out at a general level, cast light on a number of key processes at play in the rise and fall of GAI proposals, as I will discuss in the following two sections. Most centrally, the plans faced obstacles that were simultaneously symbolic and grounded in the political economy of the labor market. These obstacles were not insurmountable, but successfully transforming the existing welfare regime required a new schema through which to understand American social provision, one that provided an alternative basis of worthiness that did not depend solely on labor market participation. Though such schemes were available, neither Nixon nor Carter advanced them, in part because existing patterns of social provision lacked symbolic resources for convincingly making this type of argument. Despite these obstacles, the multiple policy meanings attributed to the plans initially worked in their favor by masking the plan's threat to the status quo. After the failure of Nixon's plan, legislators created new programs that reinforced existing categories of worth.

#### CHALLENGING THE DISTINCTIONS BETWEEN POOR PEOPLE

The primary obstacle to GAI proposals proved to be the moral and programmatic distinctions drawn between poor people in American society. Based on perceived adherence to the work ethic and bolstered by Anglo-American individualism, the distinctions between "deserving" and "undeserving" constitute the cultural foundation of American social provision dating back to the colonial era.<sup>50</sup> Historically, these categorical distinctions have long been tied to labor market participation. Those who fall into the deserving category during a given historical period are not expected to work due to factors such as their age, sex, or family status. This classification pattern has clear affinities with the functional requirements of capitalism. The moral stigma attached to poverty and the meager benefits, if any, extended to undeserving populations have helped ensure a ready supply of cheap labor for business owners.<sup>51</sup> Yet the influence of these cultural distinctions on the development of antipoverty policy cannot be reduced solely to the instrumental maneuverings of the busi-

ness class. In other words, they are not simply elements of ideology, as neo-Marxists may be wont to suggest. Their influence transcends direct class interests and is more accurately conceived as part of the nation's broader culture, albeit a contested culture and one that provides symbols and arguments that segments of the business class have effectively mobilized.<sup>52</sup>

The development of the modern welfare state in the 1930s further institutionalized these distinctions, though this was part of a more protracted differentiation process that only culminated decades later. Contributory social insurance programs, such as Old Age Insurance ("social security"), established the template for federal programs that served the deserving poor, and these programs were relatively generous and politically protected. Aid to Dependent Children ("welfare") initially served deserving widows, but it soon became the conduit for the more meager benefits provided to the undeserving poor through a set of politically vulnerable programs that varied widely by state.<sup>53</sup> A third category, the "working poor," included full-time workers who remained in poverty due to their low wages. Individuals in this group did not receive cash benefits from the government.

This three-part distinction between the deserving, undeserving, and working poor served as the basis of American social policy through the New Deal and postwar eras, but by the early 1960s a variety of groups began to call this distinction into question. The reigning economic orthodoxy of the postwar era stipulated that the main remedy for poverty was economic growth. From this perspective, if poverty was primarily caused by unemployment, then a stronger economy would lower rates of unemployment and alleviate poverty. However, increasing affluence combined with trends in industrial automation cast doubt on this formulation. Moreover, the southern civil rights movement exposed systemic forms of injustice in American society, such as job discrimination, that most Americans until then had disregarded, and it drew attention to the fact that blacks were especially vulnerable to industrial displacement.<sup>54</sup> These factors led experts to recognize a new kind of unemployment: *structural* unemployment. This was persistent unemployment among populations who were structurally disadvantaged in the economy because of such factors as age, race, educational attainment, geographical location, or family circumstance. According to this emerging view, the poverty experienced by many disadvantaged populations was beyond the assistance of economic growth and therefore had to be addressed in new ways. This marked the beginning of a significant shift within the government from attacking poverty with a growth-based employment approach to one based on direct income transfers that guaranteed the needy a minimum income.<sup>55</sup>

The defining feature of GAI proposals was their direct challenge to the categories upon which existing antipoverty policies were founded. The plans based social provision on the economic need of the poor rather than on their capacity to work, and thereby placed all three categories of the poor in the

same government program on the basis of need alone. Proponents of GAI plans did not consider the poor morally deficient or otherwise living outside the mainstream of American values. Their poverty was viewed in circumstantial, not behavioral, terms. Therefore the poor did not deserve social stigma or programmatic separation from the broader population for the purposes of moral rehabilitation. Furthermore, the most favored type of GAI proposal, the negative income tax, not only blurred the lines between the deserving and undeserving poor but extended income benefits to the working poor for the first time. Until this point the working poor had not received cash assistance from the government. Thus the structure of GAI plans created a new category of government beneficiary: people who worked but were still poor.

Placing these formerly distinct social groups in the same program led to what Mary Douglas has described as *symbolic pollution*, a process in which the “impure” status of one group contaminates the “pure” status of another.<sup>56</sup> Neither experts nor the general public viewed the deserving poor, undeserving poor, and working poor as equivalent to one another, and in the absence of programmatic boundaries separating them, the morally tainted status of recipients receiving “welfare” benefits from AFDC contaminated the status of the other, more deserving categories of recipients in the program. This symbolic pollution, along with the drive to maintain distinctions between categories of poor people, affected the fate of GAI proposals in three ways.<sup>57</sup>

First, it influenced the way people *perceived* GAI programs. Perceptions of government programs are shaped by the cultural characterizations of the target populations they contain.<sup>58</sup> Since GAI plans contained the “welfare” population, both supporters and opponents of Nixon’s proposal viewed it as a “welfare” plan, even though the majority of its benefits (up to 90 percent in some versions) went to “deserving” recipients. Because Nixon’s plan was defined as a “welfare” proposal, even though it could have been defined otherwise, it then raised concerns about “welfare” spending, growing “welfare” caseloads, and other volatile political issues. Symbolic pollution also shaped the policy preferences of influential groups such as policy experts, business leaders, and the poor themselves. Conservative business leaders, for instance, opposed Nixon’s plan even though it socialized the costs of low-wage labor. They feared stigmatizing the working poor with “welfare” benefits and the associated repercussions this stigma might have on the work ethic and labor market processes, even though state-of-the-art government studies suggested that there would be few negative labor market effects. Just as significantly, the working poor never lobbied on behalf of the program, even though they stood to gain from it economically. The plan did not make sense *culturally*. The working poor did not consider themselves to be “welfare” recipients; in fact, they actively distanced themselves from the label. Yet they were especially susceptible to being considered “welfare” recipients under Nixon’s program due to the prior design of American social programs. Since the working poor had not previously re-

ceived cash-based income maintenance from the government, there was no existing alternative status through which to define them as “non-welfare” recipients of income benefits.

Moral differentiation between categories of poor people, with its roots in the work ethic, was further reinforced by the strong racial dimension that welfare reform took on during this period and by gender-differentiated notions of worthiness.<sup>59</sup> Despite some high-profile incidents in which racial animus motivated welfare backlash in the 1950s and early 1960s, poverty was viewed throughout this period as a largely white phenomenon, and the moral differentiation between deserving and undeserving poor was between whites. Over the course of the next decade, views of poverty and welfare became racialized in American society for reasons including the shift in focus of the civil rights movement from legal equality to the fight for economic rights, the urban unrest that swept the country during the mid-1960s, and the distorted media depictions in the popular press that overrepresented blacks in stories about poverty, especially stories that contained negative portrayals of the poor.<sup>60</sup> By the early 1970s, despite the fact that blacks were neither the majority of the poor population nor the majority of people receiving public assistance, “welfare” and race had become largely synonymous in the public mind.<sup>61</sup>

While deservingness for men has long been based on labor market participation, for women it has historically been based on gendered expectations toward child rearing and sexual morality.<sup>62</sup> Beginning in 1967, however, policymakers increasingly used welfare reform to push single mothers into the labor market, even if their children were quite young. Work expectations began to factor into assessments of worthiness for women as well as men, though with less clear normative guidelines. By the Carter era, rates of female labor participation had increased to such a degree that conservatives and feminists alike were reconsidering whether expectations toward women’s employment should be any different from men’s unless unmarried mothers had preschool-aged children or younger. Yet beyond these changing work expectations, which began to approximate those of men, issues related to family structure and sexuality continued to define the boundaries of worthiness for women in distinctly gendered ways, as contestation during the Carter era revealed.

Second, the longstanding distinction between categories of the poor shaped the *language* people used to discuss GAI proposals. Opponents of Nixon’s plan, for instance, mobilized language that presumed moral contamination between categories of the poor. Claims couched in this language were effective because they resonated with existing moral categories and pollution beliefs, and they capitalized on the uncertainty associated with erasing the existing policy boundaries. Nixon himself used public rhetoric that consistently reinforced moral distinctions between categories of the poor, even though his proposal outlined a completely new form of social provision that dissolved the existing categorical distinctions.<sup>63</sup> He sharply differentiated between the “work

ethic” and the “welfare ethic,” and between the “welfare rolls” and “payrolls,” despite the fact that the structure of his plan created a continuum between “welfare” and work. Nixon also consistently referred to the “choice” not to work, which implied that the poor made different moral decisions (namely the wrong decisions) than did members of mainstream society, rather than acknowledging that poverty was a systemic problem.

In short, Nixon’s language was categorical even though his proposal was not. Neither Nixon nor other administration officials provided the American public with a conceptual template for understanding the new type of social provision they proposed. This new template was available. Proponents ranging from liberal business groups to sympathetic government bureaucrats put forth alternative framing strategies along these lines. Yet neither Nixon nor his advisors ever took up the challenge. Doing so did not align with their broader political strategy, nor would this new rhetorical strategy have resonated with popular understandings without considerable definitional work. Open discussion of the fact that GAI plans were based on need and not work capacity would have entailed recognizing that the economy could not provide economic security for all able-bodied Americans. This recognition would have created the potential for a shared class-based identity among the unemployed and working poor rooted in their similarly disadvantaged economic circumstances.<sup>64</sup> In the absence of such a class-based identity, low-wage workers interpreted Nixon’s proposal on the basis of existing racial, ethnic, or moral identities that placed distance between themselves and the “welfare” population.

Third, the distinction between categories of poor people served as the basis for *new institutions*—namely two new social programs for the deserving and working poor. Subsequent to the failure of Nixon’s plan, policymakers enacted Supplemental Security Income (SSI) legislation, which was a GAI program for the aged, blind, and disabled. The programmatic separation of these groups from the undeserving poor was undertaken explicitly to protect them from the social stigma connoted by “welfare.” The Earned Income Tax Credit (EITC), which was enacted in 1975, was a negative income tax plan for the working poor. Its design borrowed directly from Nixon’s proposal, except that eligibility was restricted to people in the labor force. Therefore, it operated in accord with existing cultural categories of worth. Conservatives favored providing income supplements to the working poor under the EITC, even though it was precisely this type of income supplement that had been their main source of opposition to Nixon’s GAI plan.

The contrast between their positions on these two pieces of legislation revealed that conservatives’ influential opposition to Nixon’s plan had not been based simply on the straightforward *economic* threat of income subsidies to low-income workers. Their opposition was based on the *cultural* threat of stigmatizing the working poor with “welfare” benefits that connoted dependency and the repercussions they feared this might have on workers’ behavior.

These conservatives pursued their economic interests, but they did so in ways that were mediated by their subjective understandings of the poor and their perceptions of various types of government benefits.

One of the ironies of the struggle over Nixon's program was that the SSI and EITC legislation programmatically reinforced the categorical distinctions that GAI plans initially promised to dissolve. Thus when President Carter again took up a GAI proposal in 1977 he faced more challenging legislative and cultural terrain than had existed only a few years earlier. The discourse produced in the debates over Nixon's programs had reinforced the symbolic distinctions between categories of the poor, so it was even more difficult for most Americans to see the economic vulnerabilities shared by these groups. Moreover, SSI and the EITC created new constituencies in favor of keeping benefits in these programs, which produced greater political pressure to maintain the existing categorical distinctions between groups. These new programs also increased the number of technical obstacles to comprehensive reform strategies such as GAI plans. Thus by the late 1970s, the boundaries drawn between these different poor populations were symbolically and institutionally stronger than they had been a decade earlier. Any welfare reform plan that proposed to dissolve them faced a daunting challenge, one that the Carter administration could not surmount.

#### POLICY MEANINGS AND THE POLITICS OF GUARANTEED INCOME

Despite their challenge to cultural categories of worth, GAI plans garnered considerable support in the 1960s. This was due in part to the changing views of poverty, unemployment, and justice that weakened the normative basis of the existing categorical system. Yet an equally important reason for the rise of GAI plans was that a broad array of supporters favored them for very different, often contradictory reasons, some of which had little to do with poverty reduction. These multiple meanings, especially in the early years, obfuscated the ways in which GAI plans challenged the categorical nature of the existing system. Rather than seeing the prospects for GAI plans as doomed to failure from the start, just because the plans ultimately failed, the account I present here illuminates the factors that made them appear attractive initially and then explains why their promise diminished. Doing so situates GAI plans in a population of actors, interests, and meanings that evolved and winnowed considerably over time.<sup>65</sup>

Understanding how GAI plans aligned with or challenged policy experts' competing antipoverty paradigms is a key part of the story. The plans rose to prominence as part of a heated (and subsequently rare) debate over the causes of poverty, and it was through these debates that actors challenged the categorical nature of the existing system. Yet support for GAI proposals went beyond

their potential to reduce poverty. The plans emerged during a period of social tumult. For influential stakeholders such as governors, big-city mayors, business coalitions, and civic groups, the plans came to be seen as a potential solution to a number of social problems. In other words, these stakeholders viewed GAI proposals not only as antipoverty policy but as urban policy, family policy, fiscal policy, and labor policy. Recognizing these multiple policy meanings helps us move beyond what Steven Teles calls the “consensus politics” view of welfare reform, one characterized by a shared understanding between actors of the meaning and consequences of pursuing particular policy options.<sup>66</sup> Tracing the multiple meanings refracted in GAI plans paints a more complex picture of policymaking, but only this approach can make sense of the plans’ rapid rise to prominence and broad appeal.

Media depictions of GAI plans loosely tracked GAI plans’ changing policy meanings over the 1960s and 1970s. As the debate progressed, the political discourse not only changed but narrowed, thus simplifying the terms of debate. During the 1960s, the policy discourse was marked by considerable heterogeneity. But over time it came to emphasize the fiscal and work-related aspects of the plans in ways that conferred greater legitimacy on the views of the plans’ opponents. As an examination of the media coverage shows, a citizen reading about the plans during the Carter years would have taken away a very different picture of the stakes in debates over GAI plans than one reading the news a decade earlier. Just as important, some policy meanings, such as seeing GAI plans as a response to structural unemployment and low wages, were virtually absent from popular coverage, even though they had been prominent in policymaking discourse.

### *Antipoverty Paradigms and Social Problems*

Government welfare experts played the most central and consistent role in advancing GAI plans. Though this lends support to perspectives on social policy development that emphasize the importance of state experts, proponents of this perspective have more typically focused on the conditions under which state actors can be independent from external societal influences than on the question of what motivates these actors to begin with. This has led some scholars to examine the content of experts’ policy paradigms: the interpretative frameworks that define the nature of social problems and the solutions needed to address them.<sup>67</sup> These paradigms are typically tacit, but they are reflected in the specific legislative programs that experts and their political allies advance.<sup>68</sup> Deborah Stone extends this idea by arguing that a great deal of the political struggle involved in policymaking is generated by conflict between competing “causal stories” that allocate blame and responsibility for social problems.<sup>69</sup> Competition between causal stories can be fierce because they may distribute the burden of responsibility for reform quite differently. She

further distinguishes between *problems*, which experts believe can and should be addressed through government policy, and *difficulties*, which are viewed as “natural” and therefore considered to be outside the realm of policy intervention. Stone contends that one of the driving dynamics of the political process is the attempt to convert difficulties into problems and vice versa, and an example she uses to illustrate this process comes from environmental policy. During the early phases of the environmental movement, activists tried to show that the deterioration of the environment was not a “natural” difficulty but the result of human actions that could and should be ameliorated through government regulation.

Competition between antipoverty paradigms was a central feature in the development of GAI plans, and the eventual success of one particular causal story naturalized some sources of poverty more than others. At the outset of the Nixon administration, proponents of four fundamentally different antipoverty paradigms, each of which contained a different causal story, competed for influence. (See chapter 3 for a more detailed discussion of these paradigms.) Three of these paradigms supported GAI plans. Proponents of an *economic citizenship* paradigm identified the economic system, especially structural unemployment and the wage structure, as the source of poverty. For proponents of this view, the objective of GAI policy was to alleviate poverty and provide citizens with basic income security. The *family stability* paradigm identified the social system, especially changing family structures within poor, typically black communities, as the source of poverty. Proponents of this view hoped that GAI policies would decrease poverty by providing additional support for maintaining two-parent families, since rates of marital breakup appeared to be correlated with poverty rates. The *laissez-faire* paradigm, which GAI supporters with a libertarian orientation invoked, identified the welfare system and its alleged perverse incentives against work as the root of the problem. Laissez-faire proponents felt that GAI plans would rationalize the welfare system by creating stronger incentives for labor market participation while also granting the poor greater freedom. The main opposition to GAI proposals within the administration came from officials who saw the behavior of the poor themselves as the primary cause of poverty and believed that welfare reform should rehabilitate the poor by exposing them to the discipline of the labor market. This *rehabilitation* paradigm argued that limiting eligibility for social provision and requiring recipients of government benefits to work would be the best path to eliminating poverty.

Over the next decade, a series of changes took place that contributed to the demise of GAI plans. These were a combination of what Peter Hall refers to as “first-order” and “second-order” changes within the field of policy knowledge.<sup>70</sup> First-order change refers to the changing definition of the social problems that concern policymakers. These are the most substantial type of policy change. Second-order change happens when the definition of a social

problem remains constant but the policy instruments used to address the problem change.

Two subtle first-order changes reallocated the blame for poverty in ways that proved to be highly consequential. Among liberals who held a systemic view of poverty, the main split during the late 1960s was between people who viewed the labor market and people who viewed the welfare system as the primary problem. Over the following few years, the dominant causal story shifted to defining the welfare system as primarily responsible for poverty. This shifting orientation was not readily apparent, since both critics of the labor market and critics of the existing welfare system favored GAI plans. But it had important consequences. Defining the welfare system, rather than the labor market, as the main problem inadvertently established the groundwork for the conservative critique of the welfare state that emerged in the 1970s. The other first-order change happened among conservatives. By the early 1970s, the libertarian critique of the welfare system had lost influence to the rehabilitationist view. The remaining lines of battle then were between GAI supporters (primarily liberals though including some libertarians) who viewed the plans as a way to improve the welfare system and conservatives who sought to reform the poor themselves. The problems posed by structural unemployment and insufficient wages virtually vanished from the debate and the labor market became a “difficulty” beyond the realm of policy intervention through a GAI plan.

After the failure of Nixon’s plan, two second-order changes occurred as well. Many of the remaining liberals who continued to criticize the inadequacies of the labor market shifted their policy preferences to public jobs programs instead of GAI plans. This split among liberals significantly weakened the legislative prospects for a GAI proposal during the Carter era. The opposite process happened among conservatives, who had been split between GAI supporters and opponents during the late 1960s but who subsequently united around an alternative welfare reform strategy. Laissez-faire conservatives shifted their allegiance, reluctantly in some cases, from GAI plans to the emerging “California-style” welfare reform strategies advanced by Governor Ronald Reagan. This type of plan was in keeping with the goals of rehabilitating the poor because it tightened welfare eligibility rules and contained strict work requirements. Though this approach ran at odds with some of the goals that libertarians sought, it did appear to remove the work disincentives in the existing system.

Aside from this contestation between proponents of competing antipoverty paradigms, other significant stakeholders initially supported GAI proposals because they viewed them as a potential solution to social problems not directly related to poverty.<sup>71</sup> These stakeholders’ changing views or policy positions held further consequences for the proposals. Governors and big-city mayors supported Nixon’s plan because rapidly mounting welfare expenditures

were draining local treasuries. The FAP offered them much-needed fiscal relief because it included a full federal takeover of welfare payments that up until that time had been the obligation of state governments. But in 1972, amid the debate over the second version of the FAP, Nixon separated revenue-sharing legislation from his welfare proposal, which gave this group an alternative source of fiscal relief. After this point, support for Nixon's plan among governors and local leaders declined precipitously. Many business and civic leaders supported GAI plans for two reasons: to quell the urban unrest that beset many cities between 1964 and 1968, and to remove perceived work disincentives from the existing system. As unrest subsided after 1968, the push for GAI plans became less urgent for many of these groups, though some continued their advocacy through the end of the Nixon era. Yet social unrest alone did not motivate business moderates to support Nixon's plan. Along with many libertarians, they favored GAI plans because they promised to streamline government welfare administration while simultaneously removing perceived disincentives in the existing welfare system. However, these goals ran up against cultural categories of worth, which helps explain why even institutionally powerful players within the Nixon administration, such as the head of the Department of Labor, backed away from the plans. As the debates over the plans progressed, it became increasingly clear that the problem for libertarian supporters of Nixon's plan was that it granted increased personal autonomy and unconditional benefits to a population that was widely depicted as morally suspect.<sup>72</sup>

Opposition along these lines came from proponents of the rehabilitationist paradigm. This view had an influential set of sponsors behind it, including the U.S. Chamber of Commerce and some of Nixon's domestic advisors. One striking aspect of their opposition was its infusion with explicitly moral language. In contrast to government policy experts and moderate business groups, who typically couched their claims in the language of rationality and efficiency, the leaders of the chamber and their political allies argued that Nixon's plan would corrupt the work ethic of low-wage workers by rendering them dependent on the government. This moral impoverishment would damage the nation's economic productivity. These views were powerfully represented in Washington, since the chair of a key congressional committee viewed the corrupting influence of "welfare" in this way, as did many of his conservative allies in the South. These views of the poor served as the basis for "California-style" welfare reform, which these same conservatives quickly embraced.

Somewhat surprisingly, another source of opposition to Nixon's plan came from a group at the opposite end of the political spectrum: the National Welfare Rights Organization (NWRO). Welfare rights groups strongly favored GAI plans in principle, but they opposed Nixon's plan. A mix of economic and cultural factors drove this opposition. Since the NWRO's main constituency

was unmarried mothers with children, their economic interests focused on raising benefits for the “welfare” poor rather than extending benefits to working poor families. Since the NWRO’s membership was concentrated in the Northeast, where benefit levels were the highest in the country, the organization’s leaders complained that the benefit levels in Nixon’s plans were inadequate and persuaded some liberal members of Congress to support plans that more than tripled the benefit levels in Nixon’s program. Their opposition was also based on Nixon’s rhetoric, which often cast welfare recipients as lazy, undeserving, and degenerate. This rhetoric incensed activists, who were deeply suspicious of Nixon’s motives; he had a history of using thinly veiled, race-based rhetoric to woo working-class voters into the Republican Party. Because the NWRO’s leaders focused more on the FAP’s benefit levels and Nixon’s rhetoric than on the plan’s substance, they showed little recognition that it was ultimately likely to benefit the poor because of its design. This stood in contrast to the views held by many conservatives, who understood the structural implications of Nixon’s plan and vigorously opposed it for this reason.

From an entirely different perspective, proponents of the family stability paradigm lobbied on behalf of GAI plans throughout the early 1970s, but during the Carter era, results from a set of government experiments undercut these grounds for support. The experiments showed that GAI payments did little to reduce men’s work effort, which had been the dominant concern for policymakers during the debate over Nixon’s plan. Yet the most widely reported findings from the experiments showed that families who received GAI payments had substantially higher rates of marital dissolution than those who did not. Though the interpretation of these results was widely contested and their implications for the well-being of poor women were ambiguous, the findings about marital breakup were released during a period of mounting concern about the fate of the traditional family.<sup>73</sup> They delivered a fatal blow to arguments for GAI plans based in the family stability paradigm.

### *Framing GAI Plans in the Media*

Coverage of GAI plans in the *New York Times* illustrates the competing ways in which the proposals were depicted and how the public discourse on the plans shifted over time.<sup>74</sup> Instead of containing elaborate policy paradigms, newspaper articles more typically contain fragments of policy meanings in the form of *policy frames*. These policy frames “promote a particular problem definition, causal interpretation, moral evaluation, and/or treatment recommendation” and make some aspects of a policy debate more salient to readers than others.<sup>75</sup> A social activist could frame GAI policies in terms of their impact on poverty reduction, a business leader might frame them in terms of their impact on work, and a senator might frame them in terms of their costs. Research shows that these types of frames influence the ways in which people

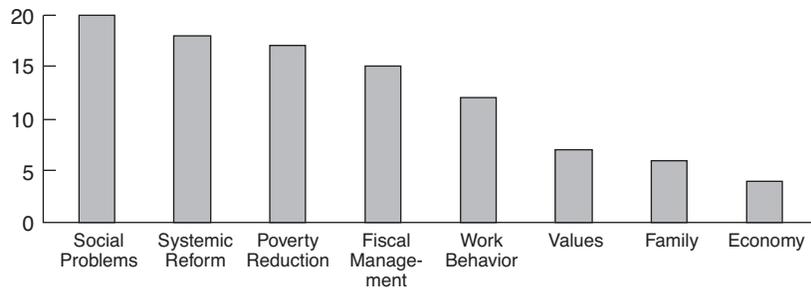


Figure 1. Percent of policy framing discourse, 1966–68.

make sense of complex policy issues and shape their policy preferences.<sup>76</sup> Thus examining patterns in policy framing both shows how spokespeople covered in the media sought to depict GAI policies and provides a picture of the dominant policy meanings that citizens had at their disposal for determining their views of GAI proposals.

News stories in the *New York Times* framed GAI plans in reference to eight broad frames: a *social problems* frame that drew attention to civic disturbances and social divisions based on race and class; a *systemic reform* frame that focused on improving the deficiencies of the existing welfare system; a *poverty reduction* frame that focused on alleviating poverty for individuals and families; a *fiscal management* frame that viewed welfare reform as a policy instrument to control government spending; a *work behavior* frame that focused on the attitudes and practices of the poor concerning work; a *values* frame that connected welfare reform to abstract values such as freedom, compassion, equality, and fairness; a *family* frame that emphasized the relationship between welfare reform and family structure; and an *economy* frame that linked poverty to the broader economic system.

During their first three years of media coverage, beginning in 1966, GAI plans were not associated with any one dominant meaning. News stories depicted GAI plans in diverse ways (see figure 1). The plans were most strongly linked to the social turbulence that characterized this period and to the problems that experts and activists identified with the existing welfare system. There was a clear focus on reducing poverty, but the plans were just as closely associated with managing state and local spending. Though the media coverage brought attention to the work ethic and work behavior of the poor, these issues did not dominate the national discussion by any means.

Notably, frames that discussed GAI plans in relation to the labor market and economy were nearly absent. Many government experts and business leaders initially supported GAI plans out of their concern over structural unemployment. They believed that the economy could not provide enough jobs at adequate wage levels to keep all Americans out of poverty. Yet this

rationale was rarely discussed in the *New York Times*. Therefore, the adequacy of the labor market was rarely called into question, and one of the most prominent rationales for GAI proposals among policy experts was missing from public discourse. This meant that citizens lacked an important perspective with which to evaluate the merits of GAI plans and other welfare reform proposals.

A few months after President Nixon took office in 1969, it became clear that GAI plans were a frontrunner in his plan to overhaul the welfare system. From this point forward—through debate over two versions of Nixon’s FAP and the Carter plan—the discourse surrounding GAI plans increasingly crystallized around a two main issues: government spending and the work behavior of the poor. Big-city mayors and many state governors viewed Nixon’s plan as a means to garner federal funds for their mounting welfare expenditures. Opponents of the plans complained that they would only increase welfare spending. During the same period, concerns about work incentives, work requirements, and the work ethic increased, so much so that even supporters of GAI plans had to debate the proposals on these terms. In contrast, policy frames emphasizing poverty reduction and social divisions waned. The strong similarities between the debates over Nixon’s second plan and the Carter proposal—despite the partisan differences between the two administrations—suggest that the terms of debate were well established and that discourse regarding government spending (both state and federal), welfare fraud and abuse, and the deficient work ethic of the poor was entrenched (see figure 2).

The dominant media frames reinforced cultural categories of worth, even if the language in the articles seldom used these categories explicitly. Frames that invoked concerns about the work behavior of the poor, as opposed to the functioning of the economy, both presupposed and validated the moral distinctions drawn between the deserving and undeserving poor. It cast the poor as impoverished due to their own moral deficiencies, which was the causal story embedded in the rehabilitation paradigm. Similarly, policy frames that depicted welfare reform as a means through which to limit government spending only made sense if the “welfare” poor were largely considered to be undeserving in the first place. This stood in direct contrast to the arguments made by proponents of the economic citizenship paradigm, who argued that people were often poor for reasons that had little to do with personal shortcomings. Some members of the Carter administration, including cabinet-level officials, tried to make this argument, but it received scant attention in the press.

In sum, although news stories on GAI plans never really contained elements of the causal story embedded in the economic citizenship paradigm, they did highlight issues related to poverty reduction and social divisions by class and race in the early years. Yet over time, media accounts increasingly told the causal story at the foundation of the rehabilitation paradigm. This

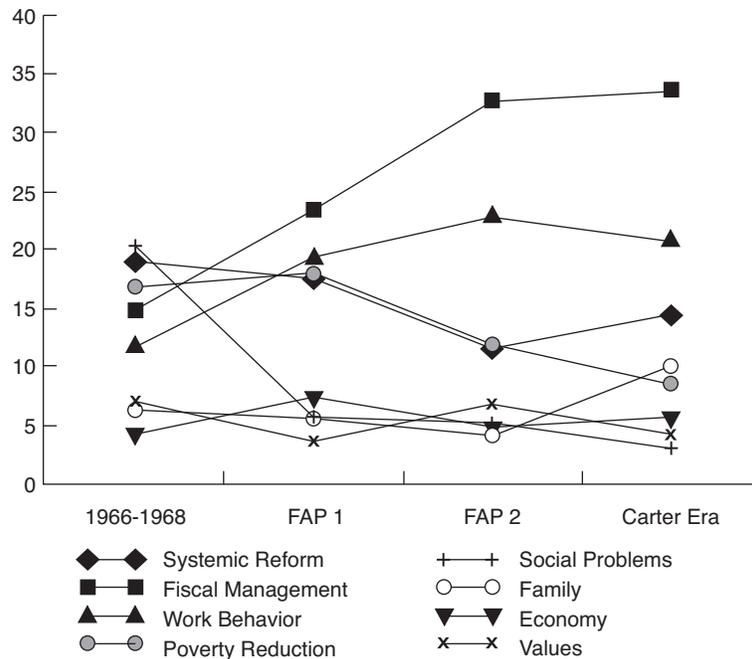


Figure 2. Percent of policy framing discourse, by period.

was a story about poverty in which the labor market was naturalized and therefore not considered blameworthy for the conditions of the poor. This transformed the market from being a “problem” amenable to human intervention, as it had been seen by many people in the 1960s, to a “difficulty” beyond the scope of policy intervention through a GAI plan.

#### BOOK OVERVIEW

The first six chapters of the book are organized chronologically. Chapter 1 discusses the emergence of GAI plans on the national agenda in the early 1960s. During this period, discussions of the idea were mainly restricted to policy experts, economists, legal scholars, and activists. Chapter 2 covers the years from 1966 to 1968, the period during which GAI proposals gained public attention and grew to be seen by many people as “inevitable.” A major reason for this increasing support was the contention that GAI plans not only would address problems within the economy but that they could also address problems associated with the existing welfare system and with urban unrest. Chapter 3 examines the evolution of GAI plans during Nixon’s first

six months in office. Though Nixon surprised both his supporters and detractors by proposing guaranteed income legislation in August 1969, the debates and compromises that took place between the proponents of competing policy paradigms during this formulation period transformed both the substance and symbolism of Nixon's ultimate plan. Chapters 4 and 5 cover the four-year struggle over Nixon's proposal, the Family Assistance Plan. They reveal how the cultural distinction between the deserving and undeserving poor, and the symbolic pollution that resulted in blurring these categories, shaped stakeholders' policy preferences, presidential rhetoric, and public perceptions. After the failure of Nixon's plan, the creation of the SSI and EITC programs further reinforced the distinctions between categories of the poor by embedding them in the design of new legislation. Chapter 6 covers the consideration of GAI plans by the Carter administration. Many government experts continued to favor GAI legislation for its promise of income assistance based on need alone, while Carter favored the plans primarily for their promise of comprehensive reform. Carter's proposal, which many considered a diluted GAI plan, faced both familiar and new obstacles and never reached the floor of Congress.

The last two chapters offer assessments of different types. Chapter 7 traces some of the roots of welfare retrenchment during the 1980s back to the struggle over GAI plans during the preceding two decades and examines the future prospects for GAI plans in the United States. Despite the fact that there are compelling new justifications for this type of approach—such as providing income maintenance for nonmarket work like caregiving—the cultural threat implicit in any GAI proposal is still a central obstacle that supporters must confront more directly than they did during earlier periods. Chapter 8 outlines some insights for scholarship on the welfare state that can be drawn from examining the rise and fall of GAI plans.