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## America's Misunderstood Welfare State: Persistent Myths, Enduring Realities

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AMERICA'S MISUNDERSTOOD WELFARE STATE: PERSISTENT MYTHS, ENDURING REALITIES. By Theodore R. Marmor, Jerry L. Mashaw, and Philip L. Harvey. New York: Basic Books. 1990. Pp. xiii, 268. \$22.95.

Theodore Marmor,<sup>1</sup> Jerry Mashaw,<sup>2</sup> and Phillip Harvey<sup>3</sup> concede that America's social welfare programs are generally viewed with suspicion. In *America's Misunderstood Welfare State*, the authors rebut this image and convey a simple message: "America's social welfare efforts are taking a bum rap" (p. 1). They speak to liberals on the defensive about the perceived "mess" created by the United States social welfare policy. The authors respond to antigovernment ideologues (pp. 1-2) who successfully portray America's social welfare effort as an abject failure (p. 1). This conservative portrayal has been accomplished by effective dissemination of conservative scholarly critiques and is supported by high poverty and crime rates and the growing number of homeless (pp. 3-12). Critics argue that the Great Society and War on Poverty did not solve the social ills of the 1960s; rather, "[they] converted an improving situation into an unmitigated social disaster" (p. 1 n.4).

The authors reinterpret the picture painted by conservative politicians through the mainstream media (pp. 13-17). They assail critiques of the welfare state from two fronts: ideological<sup>4</sup> and descriptive. First, they point out that despite having the social programs that make up a welfare state, Americans view "welfare statism" with suspicion (p. 19). In "[c]oming to terms with our ideological heritage," the authors proclaim, "a striking and coherent philosophy of our social welfare provision emerges" (p. 19). Second, Marmor, Mashaw, and Harvey draw upon their expertise in welfare policy to clear up com-

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1. Theodore Marmor is the author of T. MARMOR, *THE POLITICS OF MEDICARE* (rev. ed. 1973) and coeditor of SOCIAL SECURITY: BEYOND THE RHETORIC OF CRISIS (T. Marmor & S. Marshaw eds. 1988).

2. Jerry Mashaw is William Nelson Cromwell Professor of Law at Yale University and has written numerous books and articles, including J. MASHAW, *BUREAUCRATIC JUSTICE: MANAGING SOCIAL SECURITY DISABILITY CLAIMS* (1983), J. MASHAW, *REGULATION AND LEGAL CULTURE: THE CASE OF MOTOR VEHICLE SAFETY* (1986), Mashaw, *Dignitary Process: A Political Psychology of Liberal Democratic Citizenship*, 39 U. FLA. L. REV. 433 (1985), and Mashaw & Harfst, *Inside the National Highway Traffic Safety Administration: Legal Determinants of Bureaucratic Organization and Performance*, 57 U. CHI. L. REV. 443 (1990). He also coedited SOCIAL SECURITY: BEYOND THE RHETORIC OF CRISIS, *supra* note 1.

3. A practicing lawyer in New York, Phillip Harvey authored P. HARVEY, *SECURING THE RIGHT TO EMPLOYMENT* (1989) and Harvey, *Monitoring Mechanisms for International Agreements Respecting Economic and Social Human Rights*, 12 YALE J. INTL. L. 396 (1987).

4. Rather than using the vernacular of political theory to discuss the ideological underpinnings of the welfare state, the authors talk in terms of folk axioms, social myths, and general ethos. P. 4. This is a useful technique given their goal of entering into the political rather than academic dialogue surrounding social welfare policy. P. 51.

monly held misconceptions about the major elements of the United States' social welfare system: social security, "welfare,"<sup>5</sup> and medical care (pp. 53-212).

Competing visions are central to our ideological heritage.<sup>6</sup> The welfare system is no exception. Criticism of the welfare state is tempered by wide-scale public support for the individual programs.<sup>7</sup> The authors argue that the simultaneous presence of support and criticism suggests that a deeper reason exists for the American public's easy acceptance of criticism of the welfare state (p. 7). The declining national economy has created insecurity about the economic vitality of the country. Since the decline of the economy follows the expansion of the welfare programs in the 1960s and 1970s, a fearful public readily accepts the causal fallacy that the welfare state *produced* the nation's economic problems (p. 12).

In addition to blaming the welfare state for the country's economic woes, the public views welfare programs as failures because of the continued existence of poverty. According to the authors, this latter perception results from an incorrect assumption held by both the Left and the Right: that American social welfare policy has the central aim of eradicating poverty (p. 22). With such a "myopic" vision, each program, and indeed the overall policy, seems to fail because no program has eradicated poverty and many support the nonpoor as well (p. 22). If American welfare policy had been motivated only by a desire to eradicate poverty, Congress could simply have authorized transfer payments to everyone who falls below a certain income level.<sup>8</sup> Rather, Marmor, Mashaw, and Harvey contend that programs are not motivated by a unitary goal; several purposes coexist and compete in their design.<sup>9</sup>

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5. "Welfare" is commonly understood as means-tested cash payments such as Aid to Families with Dependent Children (AFDC) and General Assistance. Pp. 34-38.

6. For example, the authors state that Americans have a "critical temperament, individualistic self-image, and preference for a limited government." P. 7. However, "if it ain't broke, don't fix it" counters our reformism. P. 4. Good neighborliness and a community barn-raising spirit balances rugged individualism. Pp. 4-5. Finally, despite a conception of freedom as limited government, the public looks to the federal government for protection when it feels threatened by either the market or state governments. Examples include antitrust, consumer protection, and civil rights legislation. Pp. 6-7.

7. The authors note that 88% of Americans support the continuation of social security (p. 134), 97.5% would maintain or increase expenditure for Medicare, and 75.6% would maintain support for the Food Stamp Program. P. 48.

8. The most straightforward poverty reduction program is a negative income tax (NIT). An NIT would grant to anyone with income below the poverty level a payment sufficient to bring their income to that level. Pp. 225-26. The NIT would be very target efficient since it would not transfer money to the nonpoor. However, it does not reward work and would be perceived as counter to the work ethic prized by Americans. Encouraging productivity in an NIT program creates complexities, compromises the poverty reduction capacity that makes the program attractive in the first place, and rewards the nonpoor. Pp. 225-26.

9. The authors describe four purposes which they term "behaviorist," "residualist," "social insurance," and "populist." P. 23. The behaviorist vision suggests that social welfare policy is

From the "jumble of seemingly contradictory goals" (p. 31) that shape social welfare policy, discernible and coherent commitments have emerged which make America an "insurance/opportunity state" (p. 31) rather than a welfare state. An insurance/opportunity state strives to protect people from economic destitution through earned entitlements and to ensure opportunity for all Americans to become productive citizens (p. 39). Accordingly, social insurance payments like social security and unemployment benefits, not means-tested transfer payments such as Aid to Families with Dependent Children or General Assistance, dominate domestic expenditures (p. 31). The authors conclude that the insurance/opportunity state is consistent with the general ideals accepted by most Americans. Moreover, the American insurance/opportunity state has accomplished many of its goals. Marmor, Mashaw, and Harvey support this assertion with a separate discussion of each of the major welfare programs.

The social security program, the United States' largest social insurance program, has been an extremely effective antipoverty program, *preventing* destitution in the elderly, disabled, and widowed, rather than responding to it (p. 156). Eligibility for social security is dependent upon prior contributions through taxes on wages (p. 34), thus constituting an earned entitlement. Other social insurance programs include Worker's Compensation, Unemployment Insurance, and Public Employee Retirement (p. 32), all of which have a "tight link between work and . . . benefits" (p. 34).

Contrary to their defense of social security, Marmor, Mashaw, and Harvey agree with critics of our health care system. The authors state that "[a]lthough some of the dismal portraits of American medical care are overdrawn, . . . these popular descriptions of a system in deep trouble . . . [are] not very far from the truth" (p. 176). Between 30 and 50 million Americans have little or no health insurance and yet we spend more than most other countries for this incomplete coverage.<sup>10</sup> The authors' solution, instead of limiting or eliminating government services as advocated by market-oriented commentators, is to implement universal, governmentally organized health insurance (p. 177).

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and should be concerned with inculcating a more socially acceptable behavior in the poor. This vision that the able-bodied should work and families should care for their own evolved from the English poor law system. P. 23. A residualist views the welfare state as a "safety net." The net exists to rescue "the victims of capitalism" and give subsistence level relief to those in need. Like the behaviorist vision, residualism developed from the English poor law tradition, but it reflects philanthropic humanitarianism rather than workhouse discipline. P. 25. Social insurance exists to prevent people from becoming destitute through universal contributions and benefits; its central image is the publicly administered earned entitlement. Pp. 26-27. The egalitarian populist aim is more radical and less influential in the design of the American welfare state than the others. The populist goal is the redistribution of wealth and power by the people themselves; the populists reject charitable institutions and government bureaucracies. Pp. 28-29.

10. The United States spends over 11% of its GNP on medical care, while Canada, France, and West Germany provide universal coverage to their citizens for 8 to 9% of their GNP. Pp. 175-76.

This, they argue, would be consistent with the insurance/opportunity goals outlined above.

Means-tested programs cannot be considered social insurance. Still, some means-tested programs — Head Start, college loans, and job training programs — are consistent with the second prong of the insurance/opportunity state: they attempt to ensure economic self-sufficiency (p. 91).

Though the authors create an ideological link between some means-tested programs and the insurance/opportunity state, generally, the discussion of “welfare” — understood as cash payments to poor people — is inadequate. Throughout the rest of the book, the authors spend a great deal of text disassociating America’s social welfare policy from welfare. They emphasize that the bulk of welfare expenditures are for other than means-tested programs. When they do deal directly with welfare as such, they claim to “examine one by one the familiar myths, misapprehensions, and half-truths that undergird the standard view” (p. 83), but fail to address the effect racism has on perceptions of welfare.

An examination of the mainstream media, as well as publications that express distinct political perspectives, reveals the impact of racism on public support of welfare. A Chicago Tribune article written in 1989 states that while Illinois is one of the wealthiest states in the country, it ranks 44th in its assistance to disadvantaged people and communities.<sup>11</sup> The article reports, “a significant overlay of race . . . tends to identify the poor in Illinois as blacks in Chicago”<sup>12</sup> and therefore unpopular. Several months later, a letter to the editor states that taxpayers “do not want to pay the hundreds of millions of dollars in AFDC payments that allow unmarried teenage girls to conceive, then neglect, their children.”<sup>13</sup> Lest anyone assume this complaint is race-neutral, a review in *The Nation* of sociologist Ruth Sidel’s book *Women and Children Last: The Plight of Poor Women in Affluent America*<sup>14</sup> observes that the term “welfare” is “now used to mask, barely, negative images of teeming black female fecundity — particularly among teenagers — and of feckless black males who abandon their children.”<sup>15</sup> The *National Review* obliquely agrees with Sidel, claiming that “everyone from Bill Moyers to sanity now recognizes that AFDC was responsible for destroying the black urban family.”<sup>16</sup>

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11. Reardon, *Cheapskate: Well-To-Do Illinois Keeps Helping Hands in its Pockets*, Chic. Trib., Feb. 5, 1989, § 4, at 1, col. 2.

12. *Id.*

13. Platt, *Listen, Democrats*, Chic. Trib., June 3, 1989, § 1, at 14, col. 4 (letter to the editor).

14. R. SIDEL, *WOMEN AND CHILDREN LAST: THE PLIGHT OF POOR WOMEN IN AFFLUENT AMERICA* (1986).

15. Wilkerson & Gresham, *Sexual Politics of Welfare: The Racialization of Poverty*, THE NATION, July 24, 1989, at 126.

16. *Tory Budget, Whig Reasoning: George Bush’s Budget*, 41 NATL. REV. 11 (1989).

These examples indicate the pervasive linking of race-based images with welfare, as well as the likelihood that racism affects the discourse surrounding its reform. *America's Misunderstood Welfare State* does not confront this issue.

The authors do, however, deconstruct the now standard view that AFDC creates dependency and leads to illegitimate births (pp. 104-12). They reason that if the economic incentive of AFDC is the decisive factor in decisions whether to marry or to have children, states with high AFDC payments should have higher illegitimacy rates (p. 110). This is not the case. For example, although California families are entitled to welfare payments five times greater per month than Mississippi families, the illegitimacy rates are essentially the same.<sup>17</sup> The authors contend that, according to the evidence, welfare benefits do not significantly alter behavior (pp. 112-14). While illegitimacy and divorce rates have increased, this increase is due to a host of factors other than higher welfare benefits (pp. 109-10).

The authors conclude their critique with an instructive chapter entitled "How Not to Think about the Welfare State" (pp. 213-41). They provide "a set of rules about policy talk" (p. 216) to help avoid common ways of analyzing social welfare issues which, the authors claim, lead to misconceptions. This chapter illustrates the authors' intention to write for readers *unfamiliar* with welfare policy and social policy generally. Even for these readers, however, the set of rules is simply an oversimplification of arguments made earlier in the book.

Overall, Marmor, Mashaw, and Harvey put forth a lucid analysis of the purposes and goals of our social welfare policy and with persuasive data argue that the purposes have been followed and many goals achieved. To reinvigorate the discussion of social welfare policy and dispel "persistent" and misleading myths is a worthy and useful aim. The authors accomplish their goal; they illuminate areas where our welfare policy has succeeded while pointing to areas in need of reform. In doing so, they change the nature of the debate. The facts and analyses they use, however, are drawn from available but not popularly disseminated data.<sup>18</sup> Thus anyone well versed in the field will not gain much new insight or new information. Still, those with no expertise will find a well-reasoned and well-supported counterargument to the

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17. The Mississippi rate for a family of three is a maximum of \$118 a month while the same family in California is entitled to \$663 a month. P. 110.

18. The authors admit this readily telling the reader that "over the past twenty years there has been much truly fine research on the problems and prospects of American social welfare policy" and stating that "we [the specialist policy community] know what is happening." P. 51. They draw extensively from this research to support their conclusions. See, e.g., *A DECADE OF FEDERAL ANTI-POVERTY PROGRAMS: ACHIEVEMENTS, FAILURES, AND LESSONS* (R. Havemann ed. 1977); D. ELLWOOD, *POOR SUPPORT: POVERTY IN THE AMERICAN FAMILY* (1988); *FIGHTING POVERTY: WHAT WORKS AND WHAT DOESN'T* (S. Danziger & D. Weinberg eds. 1987); and R. PLOTNICK & F. SKIDMORE, *PROGRESS AGAINST POVERTY: A REVIEW OF THE 1964-74 DECADE* (1975); .

attacks on the “welfare state” made by conservative politicians and the mainstream media.

— *Rachel D. Godsil*