

Discussion Questions for 17.317, U.S. Social Policy

Conclusion: The Future of American Social Policy

- Between 1789 and 1934, the size and scope of government was far smaller than it is now. Many fewer policy responsibilities, much lower revenues
- This begins to change in late 19th century – Civil War and mothers’ pensions, for example.
- Then a second era, from 1935 to 1975, the high watermark of government involvement in people’s lives. Not just distributive policy but redistributive policy aimed at helping the poor, and regulatory policy as well.
 - govt programs touch far more lives than ever before
 - more systematic and routinized – less particularistic and local
 - many more categories of people eligible for govt programs
 - The golden era of big government (some think that’s a good thing, some think it’s a bad thing).
 - Easy to see role of government in one’s life
 - Easily half of Americans could see tangible effect
 - Mettler says “American governance proved highly redistributive, shifting resources toward middle-class and working-class citizens” and that gap between rich and poor smallest of any point in 20th century
 - What are all the causes of this shrinking gap?
 - Direct govt transfers
 - Like means tested and SS, which both redistribute
 - Indirect Govt effects on incomes
 - Labor organizing increases incomes
 - Human capital programs, like Education benes (GI Bill, grants, loans) allows poor and mc to earn more, shrinking gap
- Third era: 1975 – on
 - People treated in different ways depending on their age, employment status, and income
 - continuation of some benefits, esp for elderly
 - shrinking of many govt programs, esp for nonelderly working aged people and the poor
 - growth of hidden welfare benefiting mostly high income
 - Consequences of these changes?
 - on what basis does one get govt benefits?
 - Being old
 - Being more affluent
 - Being a taxpayer
 - Less and less:
 - Being a veteran
 - Being a working aged person, esp working class
 - Being poor (except Medicaid if a poor child and EITC, if a taxpaying poor person)
 - Not at all:

- Being a mother (no more mothers' pensions)
 - (although do have child and child care benes through tax system; survivors' benes through SS)
- So less and less about non-market identities and more on the basis of your market identity (as affluent or taxpayer).
- What does this mean for attitudes toward government?
 - people less likely to think govt does stuff for them
 - hostility to govt
 - less trust in govt
- What does this mean for political participation?
 - resource effect: diminishing govt programs means diminishing resource for participation
 - engagement effect: less likely to think govt relevant to your life
 - mobilization effect: less identity as recipient of govt program, so less likely to be basis for mobilization
 - AND distributional effect: many govt programs had disproportionate effects on low-income people. As those wither, likely that political inequality will be worse in the future.
 - AND generational effect:
 - WWII generation: high mark of govt largesse b/c of war then the experience of the 1940s through 1970s.
 - Subsequent generations: govt does much less
- What does it mean for individual people?
 - face more risk as individuals (Hacker article)
 - financial insecurity
 - because less pooling of risk through govt programs
 - the pooling of risk that happens through private employers increasingly reserved for higher income people
- Could have political consequences: economy supposedly in good shape, but people don't feel it
 - Ask students: is the economy in good shape right now or bad shape?
 - State of the stock market? Great – last two quarters huge gains. Dow at all time high
 - Do you think avg American feels that? No: ironically, consumer confidence very low

So social policy is enormous consequential, affecting not only individuals' well-being, but also through its effects on attitudes toward government and political participation, the very health of American demo