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# POLICY GAMBIT: CONSERVATIVE THINK TANKS TAKE ON THE WELFARE STATE

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*Conservative policy institutes have reevaluated their position regarding welfare and begun to present proposals to change social welfare policy. Instrumental in this development are the American Enterprise Institute and the Heritage Foundation, conservative think tanks which have developed projects for the purpose of making social policy more consonant with conservative philosophy. If progressive organizations are to reassert their role in the policy process, they will have to use some of the aggressive techniques pioneered by the conservative think tanks.*

One of the most important phenomena in the last 20 years has been the emergence of public policy institutions as major players in Washington.

Frank Shakespeare, Chairman  
Heritage Foundation

## INTRODUCTION

Since the beginning of the Reagan presidency, welfare professionals close to the policy process have been dismayed at the influence of conservative policy institutes on social welfare policy. Prior to 1980, conservatives seemed content to snipe at welfare programs, reserving their attention for areas more in line with traditional conservative concerns: the economy, defense, and foreign affairs. With the election of Ronald Reagan, however, a hoary and worn rhetoric about counterproductive welfare programs suddenly gave way to some relatively so-

phisticated thinking about social welfare. In place of clichés about welfare cheats, parochial bureaucrats, and bleeding-heart social workers, conservatives made serious proposals about workfare, community development, and child welfare. In a short period, liberal hegemony in social welfare was challenged by conservative scholars who held a different vision of American social welfare.

The influence of conservative thought in social welfare policy was the manifestation of an institutional change in American society that will, in all probability, influence domestic affairs through the remainder of the century. This change was not the result of a benign convergence of random events—rather, it was orchestrated. In the 1970s, a group of conservatives set their sights on the New Deal and created the institutional base for its overhaul, the conservative think tanks. William J. Baroody, Jr., then President of the American Enterprise Institute for Public Policy Research (AEI), stated the mission clearly,

The public philosophy that has guided American policy for decades is undergoing change. For more than four decades, the philosophy of Franklin Delano Roosevelt's New Deal prevailed, in essence calling upon government to do whatever individual men and women could not do for themselves.

Today we see growing signs of a new public philosophy, one that still seeks to meet fundamental human needs, but to meet them through a better balance between the public and private sectors of society.

The American Enterprise Institute has been at the forefront of this change. Many of today's policy initiatives are building on intellectual foundations partly laid down by the Institute (Baroody, n.d.: 2).

Within a decade, conservatives halted a half-century of growth in governmental welfare programs, and in so doing effectively removed from public debate the classic agenda for liberal welfare reform—full-employment, a guaranteed annual income, and national health care. The ascendance of conservative thought reflected the capacity of conservative policy institutes to conceive bold approaches to social problems, present

these to legislators in succinct analyses, and promote conservatism to the public by effective use of the media. Through the quiet and persistent application of these methods, conservative think tanks dramatically took the middle ground in the debate on social policy. "Conservative thinking has not only claimed the presidency," Gregg Easterbrook concluded in his *Atlantic Monthly* article on conservative policy institutes, "it has spread throughout our political and intellectual life and stands poised to become the dominant strain in American public policy" (1986: 66).

### LIBERAL THINK TANKS

That initiatives to alter welfare are designed by "think tanks," as policy institutes are sometimes called, outside of public legislative process is not new—liberal institutes have been engineering social policy for half a century. Historically, policy institutes are a manifestation of the belief held by Progressives that social problems could be ameliorated through scientific analysis and the formulation of non-partisan policies. By 1920, corporate philanthropists were making substantial contributions to policy analysis organizations that weighed alternatives to the needs of the nation's labor force. Subsequently, much of the foundation for programs of the New Deal had been conceptualized earlier by the Brookings Institution, the National Bureau of Economic Research, and the Twentieth Century Fund (Domhoff, 1970: 195). Other organizations, such as the Russell Sage Foundation, the Carnegie Foundation, and the Urban Institute, were instrumental in defining the American welfare state. "Think tanks have had considerable impact, both on the private and on the public sector, in promoting the use of policy analysis, programming, evaluation and long-range planning," wrote Guy Benveniste, "Government agencies or private corporations with large planning staffs of their own turn to the think tanks for access to their sources of information" (1977: 115, 114).

By the mid-1970s, however, some liberal analysts were expressing misgivings about uncontrolled expansion of welfare programs; and, the correct role of government in social welfare

became a subject for discussion in liberal institutes. In 1977 Charles Schultze, having been Director of the Bureau of the Budget in the Johnson administration and Chairman of the President's Council of Economic Advisors under President Carter, wrote *The Public Use of Private Interest* as a senior fellow at Brookings. In it, he argued that government intervention, through higher expenditures and increased regulation, was inferior to market strategies in dealing with social problems (1977). In 1978, the Urban Institute published *Private Provision of Public Services*, a programmatic evaluation of non-governmental activity in several areas including social welfare (Fisk, et al., 1978).

In seeking to elaborate and innovate welfare policies and programs, the liberal think tanks followed a formula that had worked well in the past. High quality research conducted by distinguished scholars and presented in a non-partisan format was the best way to evaluate existing programs and propose new policies. In so doing, the liberal institutes served as technical consultants, addressing social problems with a studied reason that reflected their essentially reactive role. While liberal think tanks sought to elaborate and innovate welfare policies and programs, conservative think tanks were marshaling resources with other objectives in mind. Conservatives' stockpiling of money and staff paid off when the election of Ronald Reagan assured them an unobscured target—the welfare state. Ironically, much of the groundbreaking for the conservative assault on the welfare state had been done in liberal institutions.

## CONSERVATIVE POLICY INSTITUTES

The rapid rise of conservative think tanks is usually attributed to Irving Kristol, a political scientist and editor who reasoned that the business community had little basis for complaint about the products of liberal policy institutes as long as it continued to fund their operations (1982). Instead, Kristol proposed supporting conservative institutes, an idea that promised superior return on investment—and one that was pursued by American corporations and their foundations with an en-

thusiasm that approached vengeance. In a short period, two conservative policy institutes came to typify the second generation of think tanks: the American Enterprise Institute and the Heritage Foundation.<sup>1</sup>

### The American Enterprise Institute

Long noted for its slavish adherence to pro-business positions on social issues, AEI had developed, by the early 1980s, a sophisticated sense of American “intellectual politics” (Steinfelds, 1979: 11). With a budget and staff comparable to a prestigious college, AEI was able to recruit an impressive number of notable figures and scholars, and maintain projects on a number of important domestic policy areas: economics, education, energy, government regulation, finance, taxation, health, jurisprudence, and public opinion.<sup>2</sup> Under “religion, philosophy, and public policy,” AEI promoted two important projects to be considered shortly: the mediating structures project and the project on democratic capitalism. In addition to these ongoing projects, AEI sponsored investigations in several special areas: the study of private initiative, neighborhood revitalization, and legislative analyses (AEI, n.d.).

The scope of AEI activities was matched only by the pool of influential and talented personnel comprising the staff. At the height of its influence, AEI maintained a stable of over thirty scholars and fellows *in residence*, on salaries ranging from \$30,000 to \$50,000 a year (Stone, 1981) who prepared analyses in the various policy study areas. The institute’s senior fellows included the aforementioned Kristol, Herbert Stein, an economist and chairman of the President’s Council of Economic Advisors in the Nixon administration, and Ben Wattenberg, a veteran public opinion analyst. The AEI distinguished fellow was Gerald R. Ford, thirty-eighth president of the United States.

As the most prominent conservative organization in the idea industry of the period, AEI’s budget swelled—from \$800,000 in 1970, to \$5 million in 1978, to \$11.7 million in 1982. Forty-three percent of the 1982 budget was derived from large corporate contributors, such as Bethlehem Steel, Exxon, J.C. Penney, and the Chase Manhattan Bank. An equal portion of

AEI BOARD OF TRUSTEES—1984

Name	Organization	Position	Fortune "500" Sales Ranking, 1983 (unless otherwise indicated)
Richard B. Madden (chairman)	Potlatch Corporation	Chief Executive Officer	317
William J. Baroody, Jr. W. Wallace Abbott	AEI Proctor & Gamble American	President Senior Vice President	Not applicable 22
James G. Affleck	Cyanamid	Chairman of the Board & Chief Executive Officer	107
Robert Anderson	Rockwell International	Chairman of the Board & Chief Executive Officer	43
Warren L. Batts	Dart & Kraft	Chief Executive Officer	33
Willard C. Butcher	Chase Manhattan Bank	Chairman & Chief Executive Officer	3 (Banking)
Edwin L. Cox	Edwin L. Cox Co.		Not listed
John L. Creedon	Metropolitan Life	President & Chief Executive Officer	2 (Insurance)
Charles T. Fisher III	National Bank of Detroit	President	24 (Banking)
George M. Keller	Chevron Corp.	Chairman of the Board & Chief Executive Officer	Not listed
Ben F. Love	Texas Commerce Bancshares	Chairman & Chief Executive Officer	30 (Banking)

Robert H. Malott	FMC Corporation	Chairman of the Board & Chief Executive Officer	110
Paul W. McCracken	President's Council of Economic Advisors	Chair (Nixon Admin.)	Not applicable
Randall Meyer*	Exxon	President	1
Paul A. Miller	Pacific Lighting Corp.	Chairman & Chief Executive Officer	41 (Utilities)
Richard Morrow	Standard Oil of Indiana	Chairman & Chief Executive Officer	8
Paul F. Oreffice	Dow Chemical	President & Chief Executive Officer	28
David Packard	Hewlett-Packard	Chairman	75
Edmund T. Pratt, Jr.	Pfizer	Chairman & Chief Executive Officer	99
Mark Shepherd, Jr.	Texas Instruments	Chairman & Chief Executive Officer	77
S. Bruce Smart, Jr.	Continental Group	President & Chief Executive Officer	68
Roger Smith	General Motors	Chairman & Chief Executive Officer	2
Richard D. Wood	Eli Lilly	Chairman, President & Chief Executive Officer	130
Walter B. Wriston	Citicorp/Citibank	Former Chairman of the Board & Chief Executive Officer	1 (Banking)

\* Added to the Board in 1985

the budget came from foundations, notably the Lilly Endowment, the Smith Richardson Foundation, the Rockefeller Brothers Trust, and the Earhart Foundation (Weinraub, 1981). With a budget so heavily dependent on corporate funding, AEI required a lifeline to the business community, and the Board of Trustees served that function. Of the twenty-four members of the AEI Board of Trustees in 1984, twenty-one were chief executives of *Fortune* 500 firms.<sup>3</sup>

AEI has also been careful to select its staff from government service and to grant leaves to staff when their services are desired by an administration. When Ronald Reagan assumed office, eighteen AEI staff joined the new administration. A review of AEI scholars and fellows in residence revealed broad exposure to government agencies, including the Departments of Housing and Urban Development, Justice, and Treasury. Two were former members of the President's Council of Economic Advisors. Among AEI staff cycled back into government service were Rudolph Penner, now Director of the Congressional Budget Office and James Miller III, the current Director of the Office of Management and Budget.<sup>4</sup>

This assured that no social policy proposal received serious consideration without first passing the review and comment of AEI. By the time a policy proposal had reached the legislative arena, the odds were high that the AEI imprint would be reinforced by testimony from one or more of the highly-credentialed scholars in residence, or the 77 adjunct scholars, or the 250 professors across the nation who were affiliated with AEI (Stone, 1981). Sometimes, however, influence was exerted in a subtle manner. In 1982, for example, AEI marked the completion of its project "to determine whether the private sector [could] play a larger role in dealing with a range of problems in our society and in delivering needed human services" by publishing *Meeting Human Needs: Toward a New Public Philosophy*. The first copy was delivered to President Reagan at the White House by AEI's President Baroody—personally (AEI, 1982).

In domestic affairs, AEI has focused its considerable resources and talent on two projects in its mission of social reform. The first project in the endeavor, the "mediating struc-

tures project," enlisted the services of Peter Berger, a sociologist, and John Neuhaus, a theologian. In the major publication of the project, *To Empower People*, Berger and Neuhaus stated that the fundamental social problem of our times was the growth of megastructures, such as big government, big business, big labor, and professional bureaucracies, and a corresponding diminishment of individuals. The route to empowerment of people, then, was to revitalize "mediating structures," among them, the neighborhood, family, church, and voluntary association (1977). *To Empower People* was a readable and lucid booklet that served AEI well. The apparent impartiality of the mediating structures project, however, was little more than veneer—Peter Berger's hostility toward liberals was to surface in later works.<sup>5</sup> The project's implicit critique of government programs was clearly evident in a modest study of the Meals on Wheels program by AEI's Michael Balzano. In *Federalizing Meals on Wheels*, Balzano argued that the Older Americans Act diminished the voluntary impulses of church and community groups (mediating structures) by subsidizing nutritional programs for the elderly. "In most cases, common sense and the desire to help one's neighbor are all that are necessary," Balzano concluded. "One does not need a masters degree in social work or gerontology to dish out chow at a nutrition center" (1979: 37).

Following the mediating structures project, the project on democratic capitalism endeavored to elevate the role of the corporation in public life. This necessitated a bit of theoretical hanky-panky since the mediating structures project had portrayed big business as a megastructure and, therefore, inimical to the vitality of mediating structures. The problem was disposed of deftly by Michael Novak, a theologian and director of the project. In *Toward a Theology of the Corporation*, Novak used no more than a footnote to transfer big business from its designation as a megastructure to that of a mediating structure, effectively portraying big government as an institution of cultural and economic oppression against a corporate sector that has been the genius behind the American experience (1981:5).

Under the direction of Novak, the project on democratic

capitalism intended to reform the national philosophy by depicting the corporation as a promoter of cultural enlightenment rather than a perpetrator of vulgar capitalism. "The social instrument invented by democratic capitalism to achieve social goals is the private corporation," he proselytized.

The corporation . . . is not merely an economic institution. It is also a moral and a political institution. It depends on and generates new political forms . . . Beyond its economic effects, the corporation changes the ethos and the cultural forms of society (1981: 50).

At the same time, Novak took careful aim at the public sector, explaining, "I advise intelligent, ambitious, and morally serious young Christians and Jews to awaken to the growing dangers of statism. They will better serve their souls and serve the Kingdom of God all around by restoring the liberty and power of the private sector than by working for the state" (1981: 28).

Subsequently, AEI's "democratic capitalism" became a cultural analysis in which the corporation is part of a three-part system of checks and balances.<sup>6</sup> Society, according to Novak, is a trinity comprised of the economy, the state, and a social-culture, each represented by the corporation, government, and mediating structures (including the church), respectively. By elevating the concept of pluralism from the political context to the cultural, the viability of the corporate sector is positively associated with a free society. Thus sanctified, the corporation is less an economic abstraction and more a vehicle for social-cultural, indeed religious, transformation. "Capitalist productivity, efficiency, and economic rationality," observed a critic of Novak, "are conducive to virtue and self-government" (Steinfelds, 1983, 13).

## The Heritage Foundation

In 1986 AEI faltered. Organizational problems led to the resignation of Baroody; and, the Heritage Foundation assumed leadership in defining the conservative outlook on social policy. Established in 1973 by a \$250,000 grant from the Coors

family (Reeves, 1984), the Heritage 1983 budget of \$10.6 million already approximated those of the Brookings Institution and AEI (Heritage, 1983). Espousing a militant conservative ideology, Heritage effected social policy by proposing radical alternatives to established programs and by slanting its work to the religious right. By breaking new ground while building mass support for policy initiatives, Heritage complemented the less partisan analyses of AEI. Like AEI, Heritage sustained a livery of conservative scholars—over 100—who prepared position statements. Like AEI, Heritage placed staff—26 full-time and 13 part-time—in government posts during the Reagan administration (Reeves, 1984).

Heritage social policy initiatives emphasized privatization, reforming social welfare by transferring activities from government to business. Implicit in this is an unqualified antagonism toward government intrusion in social affairs. Government programs are faulted for a breakdown in the mutual obligations between groups, the lack of attention to efficiencies and incentives in the way programs are operated and benefits awarded, the induced dependency of beneficiaries on programs, and the growth of the welfare industry and its special interest groups, particularly professional associations (Butler, 1984).

This critique served as a basis for the aggressive stance taken by Heritage in urban development, income security, and social welfare policies. The Heritage prescription for urban revitalization, the urban enterprise zone (UEZ) concept, was imported from the Adam Smith Institute of England in the form of Stuart Butler (Lewthwaite, 1984). According to Butler, economically disadvantaged areas would attract industry by reducing taxes, employee expenses, and health and safety regulations (Sternlieb, 1981). The UEZ concept came to the attention of Congressman Jack Kemp who convinced the Reagan administration to make it the centerpiece of its urban policy. This market strategy for urban renewal was proposed as a replacement for Economic Development Administration and Urban Development Action Grant programs in which government had provided technical assistance and funds to direct urban development (Butler, 1981). When UEZ legislation be-

came stalled in Congress, Heritage changed tactics targeting states and localities. By late 1984, Butler noted that 30 states and cities had created over 300 UEZs (Lewthwaite, 1984).

In income security, Heritage prepared an oblique assault on the Social Security program in conjunction with the conservative Cato Institute, promoting a parallel system of Individual Retirement Accounts (IRAs). Under "The Family Security Plan," proposed by Peter J. Ferrara, former senior staff member of the White House Office of Policy Development, the initial IRA provisions of the 1981 Economic Recovery and Tax Act would be expanded to allow individuals "to deduct their annual contributions to . . . IRAs from their Social Security payroll taxes" (1982: 51). While substituting IRA investments for Social Security contributions was not well-received by liberal politicians, Heritage banked on future support from egoistic workers of the baby boom generation. "If today's young workers could use their Social Security taxes to make . . . investments through an IRA," hypothesized Ferrara, "then, assuming a 6 percent real return, most would receive three to six times the retirement benefits promised them under Social Security" (1984: 7). According to this calculus, the interaction of demographic and economic variables would lead to increasing numbers of young workers salting away funds for themselves because of high investment returns as well as the fear that Social Security would provide only minimal benefits on retirement. If correct, the result would be a sure-fire formula for eroding the popular and financial support for Social Security.

Regarding welfare policy, Heritage was instrumental in scouting Charles Murray, whose *Losing Ground* provided much of the rationale for the conservative assault on federal welfare programs. In 1982, a pamphlet Murray had written for Heritage, entitled "Safety Nets and the Truly Needy," came to the attention of the Manhattan Institute, a conservative New York think tank (Lane, 1985). Traded by Heritage to Manhattan, Murray elaborated his allegation that government social programs of the Great Society had actually worsened the conditions of the poor. Murray's wrecking-ball thesis advocated no less than a "zero-transfer system" which consisted of "scrap-

ping the entire federal welfare and income support structure for working-aged persons" (1984: 226, 227). Remembering his earlier sponsor, Murray returned to Heritage on December 12, 1984 to promote his book to a standing-room-only audience for a symposium entitled, "What's Wrong with Welfare?"

Heritage, unlike the restrained AEI, has been willing to lend its name to militant conservatives of the religious right, providing intellectual support to "the traditionalist movement." The most comprehensive—and sympathetic—treatment of the traditionalist movement is *Back to Basics* by Burton Pines, vice-president of the Heritage Foundation. In this highly readable book, Pines applauded local conservative activists for their challenge to liberal values and chronicled the offensive launched against programs of the welfare state. "Pro-family" traditionalists had disrupted the White House Conference on Families, a grass-roots mobilization that effectively precluded any progressive legislation that might have evolved out of the Conference. Traditionalists also enjoined proponents of the Domestic Violence Bill in protracted debate, holding up the legislation until a Republican-controlled Senate let it expire. Finally, traditionalists supported the Family Protection Act, a conservative proposal limiting contraception, abortion, children's rights, and sex education, and reducing federal support for programs aiding homosexuals and the divorced (1982). Although the Family Protection Act was not passed, it succeeded at diverting the attention of the public toward traditional values, which were portrayed positively, and away from liberal values, which were considered ruinous.

Pines noted the pivotal role of conservative think tanks in the traditionalist movement and was quick to acknowledge his debt to AEI, an organization he described as focusing "primarily on long (sometimes very long) range and fundamental transformation of the climate of opinion." Bringing the conservative Hoover Institution of Stanford into the fold, Pines characterized their work as a crusade. "Together," he concluded, "Hoover, AEI, and Heritage can today deploy formidable armies on the battlefield of ideas—forces which traditionalist movements previously lacked" (1982: 254).

## DENOUEMENT

By the end of the second term of the Reagan presidency, the welfare policy gambit of the conservative think tanks had met with mixed results. On the one hand, policy institutes—like AEI and Heritage—have effectively reversed the liberal momentum in social welfare that had characterized domestic policy since the New Deal. Nowhere is this more evident than in current proposals for welfare reform. While conservative plans, such as that of the Reagan administration, are typically punitive, plans from liberal politicians are reflecting the shift toward conservatism. Congressman Harold Ford's "Family Support Program" focuses on workfare and is budgeted at \$2.5 billion per year, an amount that fails to come close to recouping the amounts cut from social welfare programs during the Reagan era.<sup>7</sup> The "Family Security Act" of Senator Daniel Patrick Moynihan emphasizes child support enforcement and workfare, and is budgeted at \$2.3 billion for the first five years of the program (Moynihan, 1987). The "Family Security Act" is symbolic of reversals suffered by liberals in their attempt to define social welfare policy—during the Nixon administration, Moynihan promoted a guaranteed annual income proposal, the "Family Assistance Plan." And, Moynihan does not stand alone. Within two months of presenting the Family Security Act, 54 senators had signed up as co-sponsors, many of them liberals ("Moynihan," 1987).

Although liberals are no longer dominant in establishing public philosophy in the United States, conservatives have failed to place a coherent set of alternative policies in the breach—particularly as regards social welfare policy. This is surprising considering the momentum achieved by conservatives early in the first term of the Reagan administration and the quality of thought given to programs proposed by conservatives. Perhaps the best concept around which to organize a conservative version of the welfare state was the enterprise zone idea, which was endorsed by groups as disparate as the U.S. Chamber of Commerce and the Urban League. But, the enterprise zone legislation faded due to lack of enthusiasm on

the part of the Reagan administration. Thus, it is with no small sense of frustration that—seven years into the Reagan “revolution”—Stuart Butler, proponent of the enterprise zone concept and Director of Domestic Policy for Heritage, complained that a conservative formulation of welfare had yet to be fashioned (1987).

## CONSERVATIVE LESSONS FOR A PROGRESSIVE FUTURE

The success of conservatives in halting the liberal impetus in welfare policy, coupled with the failure to install a viable candidate to the welfare state, have created the opportunity for progressives to regain influence in social welfare policy.<sup>8</sup> Already, new policy institutes have emerged around progressive groups, among them the Center on Budget and Policy Priorities, the Children’ Defense Fund, and the National Center for Social Policy and Practice. What remains to be seen is whether this “third generation” of policy institutes will be able to exploit the methods pioneered by the second generation of conservative institutes or return to the passive stance characteristic of the first generation of liberal think tanks.

Apart from the pragmatic consideration that conservative policy institutes have developed effective methods for packaging and marketing social policy, there is a theoretical basis for arguing that progressive organizations should adopt conservative tactics. Early in the industrial revolution, Marx posed a central question: “Who controls the means of production?” A mature industrial order and the expansion of civil bureaucracy provoked Weber to offer a sequel: “Who controls the means of administration?” The evolution of a post-industrial order where primary economic activity occurs in a service sector dependent on processed information raises another key question: “Who controls the means of analysis?” Clearly, the conservative think tanks have proven adept at fashioning an analysis that is both compatible with the interests of their sponsors and effective at swaying public opinion. That such organizations should become so influential in the social policy process is consistent with power structure theorists, such as C. Wright Mills

(1956) and G. William Domhoff (1970, 1979). Their work helps explain much of the triumph of the conservative think tanks, and it provides a clue for the new, liberal policy institutes. Progressive think tanks will be effective to the extent that they exploit the power structure and learn to control the means of analysis.

## END NOTES

1. Other conservative institutes, such as the Hoover Institution and the Cato Institute, are not considered here because of space limitations and their somewhat less influential role vis-a-vis welfare policy compared to AEI and Heritage. For details on Kristol's role in the development of conservative think tanks, see Peter Steinfels, *The Neoconservatives* (New York: Simon and Schuster, 1979).
2. AEI was active in foreign policy as well. The Institute had ongoing projects in "international affairs" and a "center for hemispheric studies." The former U.S. Ambassador to the United Nations, Jeane J. Kirkpatrick, was an AEI fellow.
3. The composition of the Board of Trustees is noteworthy for its omissions. There were no clergy, retired military officers, or labor leaders on it. In 1982 all members of the Board were white and male. During the same period, of all AEI staff and resident scholars and fellows, only two were women and one was black.
4. Recently appointed Supreme Court Associate Justice, Antonin Scalia, is also an AEI alumnus.
5. In a book co-authored with his wife (and regular AEI contributor), Peter Berger's reaction to liberalism took on phobic proportions. See Brigitte Berger and Peter Berger, *The War Over the Family* (Garden City, N.Y.: Anchor, 1983).
6. In his formulation, Novak failed to explain how, on the one hand, the corporation was one of the mediating structures, suffocated by big government, and, on the other, it was on a par with government as part of the system of checks and balances. Such classification by convenience raises questions about the purpose of the analysis.
7. The Center on Budget and Policy Priorities estimated that \$60 billion was cut from federal welfare programs which benefited low- and middle-income Americans between 1982 and 1986.
8. See Robert Morris, *Rethinking Social Welfare* (New York: Longman, 1986).

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