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The Journal of Sociology & Social Welfare

Volume 21
Issue 1 *March*

Article 13

March 1994

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Recommended Citation

Ginsberg, Leon (1994) "Review of *Reconstructing the American Welfare State*. David Stoesz and Howard J. Karger. Reviewed by Leon Ginsberg, University of South Carolina.," *The Journal of Sociology & Social Welfare*: Vol. 21: Iss. 1, Article 13.

DOI: <https://doi.org/10.15453/0191-5096.2115>

Available at: <https://scholarworks.wmich.edu/jssw/vol21/iss1/13>

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Book Reviews

David Stoesz and Howard J. Karger. *Reconstructing the American Welfare State*. Savage, MD: Rowan and Littlefield, 1992. \$54.50 hardcover, \$21.00 papercover.

This brief, well written book summarizes the development and many critiques of the current American welfare system, which is what the authors mean by the term 'American Welfare State.' They demonstrate that few Americans, even many who are potential beneficiaries, feel positively about the nation's social welfare.

Stoesz and Karger, who also collaborated on *American Social Welfare Policy*, propose some revisions they believe will both improve American welfare for its beneficiaries and build support among the non-poor. They describe their proposals after five analytic chapters, each written by only one of the two authors, and an informative foreword by James Midgley on the evolution of government involvement in welfare.

Five principles, according to Stoesz, ought to be the bases on which social welfare programs should be reconstructed. These are productivity, the family, social cohesion, the community and social choice. These principles comprise a 'radical pragmatism' which can make the American welfare state "more congruent with domestic demands as well as international events (p. 108)."

The key to the new structure, the authors propose, includes a family conservation program designed to "preserve, stabilize, and strengthen the American family (p. 120)." It would consist of a series of income maintenance improvements such as setting an annually and regionally adjusted minimum wage, establishing national standards for unemployment insurance, creating a minimum package of benefits, providing a national health insurance program such as Canada's, operating a universal maternal and child health program, providing day care, enhancing Individual Retirement Accounts, and establishing Individual Development Accounts along the lines suggested by Michael Sherraden.

Minimum benefits would be mandated for all employees and would be transferable from one employment site to another. Employers would pay for benefits for part and full-time employment as well as short term employees.

Social security would be expanded by lifting the current \$51,300 ceiling on taxable earnings. Those with economic difficulties would be served through a 'stable incomes program' which would combine the assistance and funding of Aid to Families with Dependent Children, Supplemental Security Income, the Earned Income Tax Credit, Food Stamps, Low Income Energy Heating Assistance, the Women's, Infants and Children's Program, and Section 8 Housing. The participants capable of working would have mandatory work requirements. Social service vouchers would be available to those who need such help.

They also propose a community revitalization initiative which would combine elements, it would appear, of the Community Enterprise Zone effort and New Deal style programs such as paid employment in community work like those provided by the Works Progress Administration and the Civilian Conservation Corps.

In fact, they propose establishing much of what has been suggested by advocates on all sides of recent social welfare policy debates as well as rationalizing and reforming existing programs in ways that are comparable to those proposed by Presidents Richard Nixon and Jimmy Carter in the failed Family Assistance and Better Jobs and Income Programs.

The book is an excellent summary of many of the elements of the current system and a thoughtful analysis of how the parts and their sum might be improved. However, the authors say less about why the American political system is such that it always seems more acceptable to add a program here and there than it is to integrate and improve existing systems or why similar proposals for reform have either failed or been severely diluted. Their proposed increase taxes for social security and unemployment insurance alone may be enough to prevent positive Congressional consideration.

As a proposal for rationalizing and streamlining American welfare, the book succeeds and is well worth reading. It neither promises nor delivers a blueprint for bringing about the

adoption of the suggestions it makes, which may be the next requirement for any restructuring of American welfare.

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David Osborne and Ted Gaebler. *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*. New York: Addison-Wesley, 1992. \$22.95 papercover.

For most, the concept of a public entrepreneur is an oxymoron much like military music. But for a new generation of thinkers, such as those at the Progressive Policy Institute, government can be held accountable to its constituency by combining democratic representation with lessons learned in the marketplace. Therein lies the essence of a series of publications of which the present volume is among the better recent examples. Beginning with Peter Drucker's *Age of Discontinuity* in 1968 and culminating in the 1991 publication of Susan Rose-Ackerman's *Rethinking the Progressive Agenda*, non-conservatives have been considering the importance of market forces and consumer accountability to the management of the public sector. Lessons from the private sector are being incorporated into the building of a new model of democratic capitalism that the authors contend is being practiced from the schoolhouse to the Pentagon.

It was inevitable that principles similar to those advocated by Thomas Peters and Robert Waterman in their 1982 best seller *In Search of Excellence* eventually be applied to government. Peters and Waterman advocated several simple guidelines for making business more competitive and responsive to the consumer. A similar approach has been taken by Osborne and Gaebler who have defined ten axioms that describe a revolution that is taking place in public management. The authors contend that in the face of severe budget constraints, public managers, particularly at the local level, have been forced to reconceptualize their traditional bureaucratic way of doing business. By slashing red tape, decentralizing decision making, empowering constituents through social choices, and making public