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The Illusion of Change,
The Politics of Illusion:
Evolution of the Family
Support Act of 1988

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The enactment of the Family Support Act was the outcome of a six-year legislative and administrative review of, and debate about, welfare policy and programs. Heralded as the opportunity of the century, it did little, however, to alter existing policy. This article examines the evolution of the Family Support Act within the United States Congress, spotlighting two important time periods leading up to its enactment: 1981 to 1985 and 1986 to 1988. Original documents from the files of the late Senator Moynihan, legislative sponsor of the Family Support Act, as well as a comprehensive investigation of Congressional records of hearings and debates, media editorials and commentaries, and extensive Congressional interviews form the basis for this analysis which vividly illustrates the politics of welfare policy-making in the United States. It concludes with observations about the policy implications of the Family Support Act and offers insight into how its passage paved the way for the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Keywords: Family Support Act, Daniel Patrick Moynihan, welfare reform, welfare policy, Reagan Administration

The Family Support Act of 1988 evolved out of a much heralded "historic bipartisan consensus" between conservatives and liberals. It was Congress' first success in two decades in changing the federal program of financial support to poor families (most female-headed) with children, Aid to Families with
Dependent Children, commonly referred to as AFDC. Yet, expectations that enactment of this new legislation would chart a new direction in welfare policy in the U.S. were not realized.

Even the legislative sponsor, U.S. Senator Daniel Patrick Moynihan, proclaimed: "I am near desperate for it to be understood that we are not reforming anything...we aren't going to be able to do a lot."

Moynihan was right; the Family Support Act did little to alter existing policy, to reform welfare. Centered on the themes of workfare and parental responsibility for child support, the intent of the legislation was to reduce the numbers of families on welfare. Debates centering on restricting financial aid and supportive services to one of the most vulnerable groups in society—poor women with children—occurred in one of the meanest conservative times in the 20th century and offered little hope of remediating the structural inequities that exacerbated the misery of poor families in the U.S. Despite the good intentions of some lawmakers, real reform was doomed.

The enactment of the Family Support Act did, however, exemplify the triumph of individualistic approaches to framing and understanding poverty, the politics of policy-making, and the power of political rhetoric. Antipoverty legislation introduced in the 98th and 99th Congresses (1983-84 and 1985-86) focused on the problem of poverty was lost to legislation focused on reforming the welfare system. This change of focus once again obscured both the precise character of social ills in the U.S. and the appropriate remedies for their resolution.

This article examines the evolution of the Family Support Act within the United States Congress. It spotlights two time periods: 1981 to 1985, which concentrates on House Ways and Means Committee activities surrounding the 1981 Omnibus Budget Reconciliation Act (OBRA) cutbacks in services to poor families and the 1983 poverty hearings; and 1986 to 1988, which focuses on the numerous House and Senate welfare reform proposals and examines the strategies employed in maneuvering them through the Congressional arena, culminating in the enactment of The Family Support Act on October 13, 1988. Original documents from the files of the late Senator Moynihan, legislative sponsor of the Family Support Act, as well as a comprehensive investigation of Congressional records of hearings and debates, media editorials and commentaries,
Evolution of the Family Support Act

and extensive Congressional interviews form the basis for this analysis which vividly illustrates the politics of welfare policymaking in the United States.

AFDC in Historical Context

The Aid to Families with Dependent Children Program (AFDC) arose out of the Social Security Act of 1935. Title IV, designated the provision of financial assistance to widows with children “for the purpose of encouraging the care of dependent children in their own homes or in the homes of relatives...to help maintain and strengthen family life and to help such parents or relatives to attain or retain capability for the maximum self-support and personal independence” (42 U.S.C. 601) through the creation of the Aid to Dependent Children (ADC) Program. Since its inception, three major policy changes (1962, 1967 and 1988) have altered both its focus and intent.

The focus in 1935 was to provide financial assistance to children living with their mothers (or relatives) who were deemed “needy and deprived of financial support” by reason of the death, absence or incapacity of a parent, usually the father (LaFrance, 1978). By 1936, 147,000 families received benefits through the ADC program: 534,000 recipients, including 361,000 children, ninety-two percent of whom had a deceased father. The federal expenditure was $50,000,000 (Rodgers, 1986, p.72-73).

The 1960s brought substantive changes. The 1962 amendments emphasized the provision of rehabilitative services to AFDC recipients, established community work and training programs for adult recipients and day care facilities for their children, increased incentives to work, provided for rehabilitative services, and expanded efforts to locate absent fathers. States could extend coverage to poor two-parent families with an unemployed father (AFDC-Unemployed Parent program [AFDC-UP]), a move signaling support for the preservation of families. In 1967 amendments focused on work, in part a reaction to the perceived failure of the 1962 rehabilitative approach. Recipients with children over age six were required to register for work and training through the Work Incentive Program (WIN).
The 1960s amendments were set within the context of a racially-motivated backlash against welfare in the previous decade, the influence of the civil rights movement, and the expansion of the welfare rolls due, in part, to welfare rights activism. As the population of what became known as “welfare recipients” grew and the ethnic and racial composition and marital status of recipients changed, welfare policy grew more stringent, restrictive, and prescriptive. The initial aim of keeping women in their homes to care for their children gave way to requirements forcing them to work outside the home, handing over to others the care of their children.

By 1970, $5 billion was being expended on almost 8.5 million AFDC recipients: 2,208,000 families with 5,494,000 children. Recipient benefits averaged $46 per month/$178 per family (Rodgers, 1986, p. 72-73). By the late 1970s, the welfare system was widely considered to be inadequate, inequitable, fiscally burdensome, and nearly uncontrollable. The resolution of the alleged “welfare crisis” declared by President Reagan in the early 1980s included several components: reconstituting the traditional family as a basic institution of American life; redefining the relationship between government and citizen; re-establishing the work ethic, especially among the able-bodied poor; and in doing so, reducing public dependency on government.

By 1986, an estimated 11 million recipients received AFDC benefits. The average benefit was $352 per family/$120 per person per month and the total U.S. expenditure was $15.4 billion, fifty-four percent of which was federal (Files', undated). While the increases over the years in both beneficiaries and expenditures were considerable, recipients of AFDC still represented no more than 5% of the U.S. population, while budgetary outlays accounted for only 1% of the federal budget.

Putting Out a Call for Reform

Ronald Reagan came into office in 1981 on the crest of a conservative wave. Ideologically, he found an audience receptive to views he had held for years. Marshaling public opinion, he used it as a platform from which to enact policies that both tapped and intensified skepticism about AFDC. In his 1986 State of the Union address, he called upon the White House Domestic Council to evaluate programs targeted on poor families and design a strategy that would meet their “financial, educational, social and safety concerns.” He was adamant that new strategies be devised that would insure poor families’ escape from the “spider’s web of dependency.”
Senator Daniel Patrick Moynihan (D-NY), an acclaimed welfare champion, responded to the President’s call and on July 21, 1987 introduced the Family Security Act of 1987 in the Senate (later renamed the Family Support Act of 1988). A key Senate aide, reflecting with exuberance on Moynihan’s actions, noted that he (Moynihan) “jumped at the chance to do something when Reagan mentioned it in his State of the Union.”

Optimism prevailed in 1987. Reformers talked of a “window of opportunity” for change: many citizens, concerned about the worsening conditions of poor people but experiencing greater personal economic security themselves, made the circumstances for this change politically viable and attractive. Here was an excellent position from which to express compassion, and the probability of altering the welfare system appeared quite good. Yet, welfare programs, of which AFDC is the most prominent, test the political limits of redistribution. Widespread and often intense dissatisfaction with public assistance coupled with substantial conflict and endless debate about the “deservedness” of recipients and over what government should or should not do most often characterize the discourse. These debates were to be no different. While amassing the political machinery in 1987 to once again “reform” the welfare system was not wholly unanticipated, the passage of a welfare reform package—The Family Support Act of 1988—was not wholly expected.

The focus of the Family Support Act was two-fold: to enforce parental obligations to support children through paid work outside of the home and to transform welfare from an income maintenance program to a transitional support system requiring recipients to participate in programs which would facilitate their preparation for employment. This transformation would, it was thought, break the “cycle of dependency.” Strategies for accomplishing it included: enforced collection of child support payments from absent parents, required participation of recipients in education and/or work training, secured government provision of time-limited transitional services—child care and medical care to recipients moving into the labor market, and the adoption of a new social contract. This new social contract reflected a shift from financial support as an “entitlement” to one of a social obligation to work, with a corresponding societal obligation to provide supportive resources to facilitate work.
Evolution of the Family Support Act

The enactment of the Family Support Act was the outcome of a six-year legislative and administrative review of and debate about existing welfare programs. The debate which began in 1981 centered on poverty gave way in 1988 to reforming welfare. During the mid 1980s, participants not previously so engaged in the welfare debates entered the foray: social science researchers, policy analysts, theorists and scholars affiliated with both non- and quasi-governmental institutions. By engaging in the debates they would also influence its outcome. Thus, the history of the evolution of the Family Support Act actually begins some six years earlier than President Reagan's 1986 pronouncement to re-evaluate welfare programs. It is to that evolution that I now turn.

The House Ways and Means Committee Focus on Poverty: 1981-1985

In 1981 a new president took office and a Republican majority was seated in the Senate; both made explicit campaign promises to reduce the size of entitlement programs. During the first term, the Reagan administration proposed a 52% reduction in Food Stamps, a 29% reduction in AFDC, 64% in WIC (Special Supplemental Feeding Programs for Women, Infants and Children), 46% in child nutrition, 38% in Low-Income Energy Assistance, and 20% in Housing. Congress, reluctant to so severely cut programs that aided poor people, agreed to a 14% reduction in Food Stamps, 14% in AFDC, 28% in child nutrition, 8% in energy assistance, 11% in housing assistance and a 9% increase in WIC. Proposed reductions, had they been enacted at administrative request levels, would have decreased social program expenditures by $75 billion, more than one-sixth below prior levels. As it was, the reductions that were enacted represented a decrease 10% below prior expenditures. (See Bawden & Palmer, 1984.)

The enactment of the Omnibus Reconciliation Budget Act (OBRA) in late 1981 caused an outpouring of concern about the impact of the cuts on families, from both Congress (despite their previous support) and a number of non-governmental organizations. Democrats on the House Ways and Means Committee
were the first to express concern, although they focused more broadly on issues of poverty and the plight of poor families than on the more limited issue of AFDC. The Committee’s jurisdiction over the major low-income entitlement programs including Social Security, Medicare, Unemployment Compensation and AFDC legitimized their inquiry.

In late 1981 and early 1982, a few Ways and Means Committee members made field trips to five cities—Baltimore, Detroit, Indianapolis, Seattle, and Sacramento—under the direction of the Speaker of the House. Their purpose was to obtain information on the adverse effects of the OBRA cutbacks on poor families and AFDC recipients. Rep. Harold Ford (D-TN), Committee member and Chair of the Subcommittee on Public Assistance and Unemployment Compensation, likened the visits to Robert Kennedy’s 1960s Appalachian visits: a “cross-country show and tell.” Unlike Kennedy’s visits, which prompted a “rediscovery of poverty,” these encounters stirred the conscience of Committee members, providing them with anecdotal evidence but lacking in substantive impact findings (Primus, 1989, p. 25). Rep. Ford indicated that they “didn’t (as some had wanted) see evidence of the victimization of poor women” and subsequently solicited support from organizations like the Children’s Defense Fund and the Governor’s Conference to press for a more comprehensive study of the impact of the cuts. Their endorsement was secured.

As Ways and Means Committee members coalesced around the need to undertake an exhaustive study on the impact of the 1981 cuts, the question of which agency would undertake it arose: a non-partisan group was essential. The Government Accounting Office (GAO) was asked to take the lead with back-up from the Congressional Budget Office (CBO) and the Congressional Research Service (CRS) (see also Primus, 1989). The GAO study was well underway when the Department of Health and Human Services (DHHS), previously resistant to assessing OBRA’s impact, contracted with the Research Triangle Institute (RTI), a North Carolina-based think tank, to evaluate the changes resulting from OBRA. Interestingly, each study confirmed the others’ findings: four to five hundred thousand families (almost exclusively single mother-headed-households with children) were eliminated from the rolls, recipients who
lost eligibility suffered substantial losses of income that were not made up by either increased earnings or other means, lack of health insurance was common among former recipients, and families terminated from AFDC faced increased emergency situations in basic need areas: food, medical treatment, and shelter (Primus, 1989). The GAO study was covered extensively by the press and Committee members used the findings to heighten public awareness of poverty. They anticipated that by doing so they could influence perceptions and actions of the electorate, and subsequently of key policy makers.

By 1982 official poverty rates were higher than in 1981; 15% up from 14% (Danzinger, Haveman & Plotnik, 1986). By 1983 the official poverty rate would rise again to 15.2%, an increase of 38% from 1978 (Day, 1989). Increased poverty rates were a clear response to the severity of the 1981-83 recession and to the reductions in government support programs. Unemployment rates were also up: 1982 rates (9.7%) were 2.1% higher than in 1981 (7.6%) [Green Book, 1988]. The figures were discouraging, but predicted by those who feared adverse affects from the 1981 cuts.

In 1983 the Committee on Ways and Means, prompted by these and earlier findings, began Congressional hearings focused on poverty. The hearings persuaded Congressman Ford, Chair of the Public Assistance Subcommittee, and Congressman Charles Rangel (D-NY), Chair of the Oversight Committee, to request the CRS and CBO to undertake a major study of children in poverty. What resulted, according to Wendall Primus, Chief Economist of the House Ways and Means Committee, was the most comprehensive study ever done on this issue (Primus, 1989). Released on May 22, 1985 it offered two new and important contributions to knowledge: (1) a detailed demographic analysis of childhood poverty and (2) a descriptive analysis of income inequality among families with children. It was the combination of these activities, Primus notes, that established poverty as a major public policy agenda item in the 1980s.

The Neo-Conservative Influence

While poverty blossomed on the Congressional agenda, conservative think-tanks flourished. But the notion of changing
culture, not politics, prevailed. Neo-conservatives were joined by the administration in claiming that “L.B.J. had changed aid of worthy widows (AFDC) into a vehicle through which selfish people indulged their desire for children without marriage and forced taxpayers to pick up the check” (Berkowitz, 1991, p. 143). They realized, however, that criticizing the liberal policies of the past was not sufficient; lasting change and substantive reform would occur only with the institution of an alternative, conservative vision of the welfare state in America. The intellectual climate now in place was necessary but by itself not sufficient to carry out a conservative vision that would transform the social policies of the past. Political power, centered in the Office of the President, was crucial and with the election of Ronald Reagan it was now possible.

Thus, the welfare reform debates of the 1980s were structured differently than those of the past. What characterized and differentiated them from past ones was that they took place within a highly refined intellectual atmosphere. Although both neo-conservatives and liberals participated, it was the neo-conservative arguments that complemented those of the administration and it was those arguments that the administration used to justify their actions, albeit often after the fact. Liberals, usually the champions of poor people’s causes and the architects of reform, were confronted with conservative theorists’ proposals for reform, and it was these reform proposals that the administration took seriously.

barriers that kept people off the welfare rolls, increased welfare dependency” (Berkowitz, 1991, p.144). Public welfare programs were cast as a costly extravagance that increased rather than eliminated poverty by fostering work disincentives. As a collection, the works provided conservatives with a potent critique of welfare programs and serious proposals for reform.

Conservatives were now spearheading a drive toward reforming the system of social and financial supports for poor people. The change they sought was not, however, directed toward establishing more adequate support for poor people but toward a position wherein the state would play a significantly lesser role in assuming responsibility and providing for vulnerable people. The neo-conservative argument against strong government intervention was a persuasive one for both public officials and citizens. It was precisely the intrusive nature of government, illustrated by the proclaimed failure of the War on Poverty programs to eliminate poverty, they argued, that exacerbated the deteriorating condition of poor people and imprisoned them to internalized notions of helplessness, lack of motivation, immorality, and despair. The mutual obligation required between a citizen and their state had gone awry. It was now necessary to free poor people from their imprisoned state by forcing them to work, as others were doing, and by reducing or eliminating their dependence on the state. Breaking the cycle of dependency by reversing decades of social policy was the administrative goal.

Welfare Reform as a Public Issue: 1986 - 1988

Thus, it was in Ronald Reagan’s 1986 State of the Union address that he called upon Congress and the citizenry to join with him to:

redefine government’s role...revise or replace programs enacted in the name of compassion that degrade the moral worth of work, encourage family breakups, and drive entire communities into a bleak and heartless dependency...escape the spider’s web of dependency...the success of welfare should be judged by how many of its recipients become independent of welfare. (CQ Almanac, 1986, p.3-D, 4-D)
Reflecting his distaste about welfare, he mimicked Franklin Roosevelt's characterization fifty-one years earlier, calling it as "a narcotic, a subtle destroyer of the human spirit." Reagan inferred that the present welfare system could not continue as presently designed and put out a call for change, which unleashed a flurry of activity within the Congress and among a diverse group of non-governmental institutions and organizations. Welfare reform was now on the public agenda. It would remain there over the next 21 months and result in the enactment of legislation that would change AFDC for the first time in 20 years.

In response to this call for reform, the National Governor's Association (NGA) assembled a bipartisan working group on welfare reform in March 1986. A number of reasons motivated the Governors interest in reform—among them the "new federalism" challenge to move AFDC to the states, the political appeal of the issue, and perhaps most significantly, decreased federal funding for the WIN Program: Between 1981 and 1986 federal appropriations for WIN declined by 70%. Welfare reform became the top priority of the NGA and in February 1987 they adopted a statement stating their intent "to turn what is now primarily a payments system with a minor work component into a system that is first and foremost a jobs system, backed up with an income assistance component" (NGA Welfare Reform Policy, 1987, p.1).

The House Ways and Means Committee momentum from earlier poverty hearings continued into 1986. The Subcommittee on Public Assistance and Unemployment Compensation, chaired by Congressman Ford, began hearings which focused on the identification of appropriate federal responses to the problem of poverty. By now, they had turned away from the previous concern of the impact of poverty on families (Primus, 1989).

Meanwhile, a number of mostly non-governmental organizations set out to more thoroughly investigate the issue of welfare reform, the issue Reagan had raised in his State of the Union address. Their participation was symbolic of their and others' unwillingness to allow the administration to have sole authority in designing any new welfare approach. Unlike welfare reform efforts during the Nixon and Carter years, when the primary impetus came from and remained in the Executive
Office, these organizations intended to make conscious and concerted efforts to engage themselves in the debate and influence the outcome. In fact, during the last two months of 1986 and the first three months of 1987, six organizations issued seven reports on welfare reform. The last report, issued by the Working Seminar on Family and American Welfare Policy, came out only days before the first Congressionally sponsored bill was introduced.

The most notable thing about the reports, as Robert Reischauer pointed out, was that they “revealed a surprising degree of consensus. Liberals, moderates, and conservatives generally agreed about what is wrong with the current welfare system and what general directions reform should take.” With great optimism, he contended that “for the first time in decades, (there is) a relatively hospitable environment in which to formulate welfare policy, which, in turn, has allowed Congress to move forward with reform legislation” (Reischauer, 1987, p.4).

The seven reports arose from a diverse spectrum of groups: two from the White House, one from a state task force, two from independent think tanks, one from a coalition group, and one from the governors. A comparative analysis of the reports revealed five broad themes around which a consensus emerged: responsibility, work, family, education, and state discretion (see Deprez, 2002). These themes were “…proclaimed as a reaffirmation of basic American values…their widespread acceptance reflects changes in the political and economic environment…” (Reischauer, 1987, p. 4). This observation was supported by David Ellwood (1988): He argues that social welfare policies are acceptable to the citizenry only if they reflect dominant cultural values such as the obligation to work, support and nurture families, and affirm both community and personal responsibility and accountability. The reports concluded that regardless of intent, the result of welfare policy over the past two decades had sharply increased dependency, lowered skills among recipients, and raised costs for government.

Welfare Reform Legislation in Congress

The elections of 1986 turned control of the Senate back to the Democrats, and a Democratic majority in the 100th Congress
meant that the prospects of getting a welfare reform bill passed were on the "probable side of maybe." A favorable review from the Senate Finance Committee was crucial for passage; a Democratic majority could better secure such action.

Early in 1987, Senator Moynihan was appointed Chair of the Senate Finance Committees' newly established Subcommittee on Social Security and Family Policy. Under the auspices of the Subcommittee he opened up hearings on welfare. The first hearing was held on January 23, 1987 and the last on February 4, 1988. In all, 124 witnesses testified, and over 3,500 pages of testimony were published. (House and Senate hearings yielded over 200 witnesses and more than 6,000 pages of testimony.) Using the authority vested in him, he vowed to answer the President's call to change the present system of welfare. The result of his work, S. 1511: The Family Security Act of 1987, was introduced in the Senate on July 21, 1987. In the months to follow, the Senator would regularly refer to this bill as the "Governor's Bill," a move calculated to motivate their self-interest and secure strong gubernatorial support.

The road to introduction on July 21st had not been easy; there were many minefields in the Senate, in the House, and in the White House. Maneuvering the bill through the legislative process demanded the utmost political and strategic skill of the Senator and his staff. The ultimate passage of the bill was considered a tribute to the Senator's political wisdom, intellectual prowess, and Congressional stature. Many in Congress, when asked the question, "Why was it possible in 1988 to pass a bill reforming the welfare system?" responded, "because of Moynihan."

Early in 1987, months prior to the introduction of Senator Moynihan's bill, four welfare-related bills were introduced in Congress. The first, H.R. 30: Fair Work Opportunities Act of 1987, called for an expansion of WIN funding but disallowed funds for mandatory workfare. The second, S.514: Jobs for Employable Dependent Individuals Act entitled states to bonuses for successful job placement of selected AFDC recipients. A third, S. 539: Trade, Employment and Productivity Act of 1987, introduced by Senator Bob Dole (R-KS) at the request of the Administration, sought to replace WIN with a work program requiring participation of employable adults (except for mothers of newborns)
in state-selected work activities with child care and other necessary supportive services provided. The fourth bill, S.610: Low-Income Opportunity Improvement Act of 1987, introduced on February 26, 1987 again by Senator Dole at Administrative request, embodied the recommendations put forth by the Domestic Policy Council Low-Income Opportunity Working Group in 1986. This bill sought to authorize states to conduct anti-poverty experiments of their own design with “funds appropriated for income-tested benefits or allocated in part on the basis of the distribution of low-income persons.”

On March 19, 1987 Representative Harold Ford and 68 co-sponsors introduced a fifth bill, H.R. 1720: Family Welfare Reform Act of 1987, in the House. It was the outcome of poverty hearings held by the House Ways and Means Committee from 1983 to 1986. It was a partisan bill, the welfare reform bill of House Democrats (which would eventually incorporate provisions from S.610, Senator Dole’s bill) and represented a consensus which had developed within the House: by equipping welfare recipients with job skills and encouraging them to seek employment, welfare programs could end the “cycle of dependence.” It focused on adjusted benefit levels with increased federal matching funds, national education, training and work programs, Medicaid coverage, earnings disregard, child care, extension of benefits to two-parent families, targeting of families with teenage parents, and state discretion in administering work/welfare programs. However, “Despite attempts to draft the bill so that it would remain solely within the jurisdiction of Ways and Means,” the bill was referred to three committees: Ways and Means, Education and Labor, and Energy and Commerce, on March 24, 1987 (Files, March 24, 1987).

On June 10th the Ways and Means Committee completed action on H.R. 1720. Having considered more than 30 amendments, it reported the amended bill to the House for consideration: “The final vote to report was 23:13, along straight party lines” (Files, June 11, 1987). Rep. Hank Brown (R-CO), echoing Republican members of the House, stated: “This bill is a tragedy. It hurts welfare recipients by restricting work opportunities and keeping them in welfare” (Brooks, 1987). Similar hard-hitting comments would be forthcoming from the Administration.

Cognizant of the partisan and contentious nature of the
House bill, Senator Moynihan and his staff mapped out a strategy that could secure passage of his bill in the Senate and the House and culminate in its acceptance by the White House. Up until July 21, 1987, the day on which Senator Moynihan introduced S. 1511: The Family Security Act of 1987 to the full Senate, the Senator’s staff worked tirelessly, negotiating with Senate and White House staffers to draft a bill that would be politically feasible.

Senator Moynihan’s staff focused their “lobbying” attention on both Republican Senators and the White House. General agreement among Republican Senators was that the “bill is a good one,” but as of June 17, 1987 no uniform Republican position had come forth (Files, June 17, 1987). Both Senate Republicans and Senator Moynihan’s staff were awaiting a position from Senator Dole, the Senate Minority Leader. Senator Dole’s welfare advisor indicated, however, that while the bill “was exactly the right thing to do,” Senator Dole will need “something with his finger prints on it, something he can point to and say you (Moynihan) put it in the bill because he insisted on it” (Files, April 11, 1987).

On June 25, 1987, Senator Moynihan’s staff held a meeting with the staffs of Senate Finance Committee Republicans and the White House. The agenda for the meeting was to review the components of the bill in an attempt to secure bipartisan consensus before its introduction; at the least, they could ascertain the basis of the opposition. At the meeting, disagreement centered on mandatory participation rates for targeted groups and the exemption of women with young children, use of JOBS program funds for absent fathers, post-secondary education (unanimous Republican opposition), transitional Medicaid and daycare (Republican proposal to drop transitional daycare), child care tax credit and Earned Income Tax Credit (Republican and Administration opposition), waivers and demonstration projects (Files, June 25, 1987).

By June 27th, with “Senator Dole...still holding back,” Republican staffers were frustrated and angry; they had believed that the June 25th meeting was the decisive one. All Committee staffers had recommended co-sponsorship to their respective Senators (Files, June 27, 1987). Meanwhile, the White House saw “the extension of assistance to two-parent families” as a major problem, and opened up discussion
on AFDC-UP, transitional child care, and Medicaid. Senator Moynihan was cautioned by his staff that “you will lose all of your Democratic cosponsors should you drop the two-parent programs from your bill...In past Congresses you have championed the two-parent program” (Files, July 9, 1987).

Senator Moynihan and his staff met with White House Welfare Advisor Charles Hobbs and other White House staff on July 10th to discuss the White House’s position on the Family Security Act of 1987:

Mr. Hobbs began the discussion by stating that the House bill (H.R. 1720) was totally unacceptable to the White House and that it was getting worse every day. The discussion then moved to the Family Security Act (S. 1511). You (Moynihan) pointed out that if the White House did not like the House bill, then it better see to it that the Family Security Act has sufficient support to serve as an alternative. (Files, July 10, 1987)

At the meeting, Hobbs appeared eager to point out the areas of White House disagreement with the Act: Waivers—“did not seem satisfied with anything less than complete adoption of the White House position”; and AFDC-UP—“absolutely anathema to the White House...dependency inducing...It was apparent that as long as AFDC-UP remains in the legislation, agreement in the White House is unlikely.” In an attempt at compromise, Senator Moynihan indicated a willingness “to drop the Earned Income Tax Credit adjustment and the refundable child care tax credit pensions” from the bill but steadfastly refused to drop the AFDC-UP provisions (Files, July 10, 1987).

By July 21, 1987 Senator Moynihan’s staff had managed to put together a bill that had no strong opposition among Republican Senators. Senator Moynihan, however, knew that the legislation he was introducing that day was not “reform” legislation. In memos to two colleagues he wrote:

On the one hand we aren’t going to be able to do a lot. On the other hand what we do will be very much worth doing. The huge fact is that we are redefining the condition of welfare recipients. They are not the coal miners’ widows envisaged in the 1935 Social Security Act. They are for the most part young women, almost
wholly without work, a circumstance that society increasingly defines as unnatural and unjust. (Files, August 5, 1987)

The cost is strikingly low. The benefits are not strikingly great. But the re-direction of the program are worth it, or so I think. In essence, we have at hand a bipartisan opportunity to establish a child welfare policy based on mutual obligation by society and family and mutual obligation within families, or so I think. It is striking how much we have lowered our expectations. In 1969 ...a guaranteed income. In 1977 (Carter)...Program for Better Jobs and Income...$15 billion a year. In 1981 (Reagan)...workfare...minuscule in cost...but did take hold....(Files, July 6, 1987)

As stated earlier, Senator Moynihan’s strategy for support and passage was to designate the Family Security Act the Governor’s bill: “...I have tried to draft a proposal modeled explicitly on that of the Governor’s” (Files, July 6, 1987). “We call this the Governor’s bill. The Governor’s Association made welfare change their number one priority for 1987, and these are the provisions they asked for” (Files, Sept. 12, 1987). By lauding the NGA’s position on welfare, embracing it as consistent with his own, and touting their readiness to aggressively lobby for reform, the Senator attempted to depict the bill as having broad-based support reflective of a national consensus. This strategy would become important in the months ahead.

Following the introduction of the Family Security Act in the Senate, Rep. Willis Gradison (R-OH) introduced H. R. 3148, the Senate version of The Family Security Act of 1987 into the House on August 6, 1987. In his introduction, he envisioned the Act as not only addressing the “current problems of America’s welfare system” but securing “the shape of America’s future.” (Files, August 6, 1987). In a private note to Senator Moynihan, however, his tone was more somber: “It is refreshing on a subject as highly charged as welfare reform to see a plan which if it errs does so on the side of understatement with cautious projections of job placement prospects” (Files, August 8, 1987).

On August 7, 1987 Congressman Bob Michel (R-IL) and five Republican co-sponsors offered a “Welfare Independence”
initiative, H.R. 3200: AFDC Employment and Training Reorganization Act of 1987. This bill, the Republican substitute for H.R. 1720,

aimed at skill training and job placement for welfare recipients, while granting states wide discretion in experimenting with more effective welfare programs. ... Michel characterized the proposal as a common-sense approach to helping those who need assistance by providing a future of independence, not dependence.” (Files, August 6, 1987)

The bill received wide support from Republicans and the President. Rep. Hank Brown (R-CO), an aggressive advocate for the bill, echoed many Republicans when he said:

We now have historic opportunity to reform welfare by providing states with both carrots and sticks — carrots in the form of new money and flexibility to design employment and training programs and to help people with child care and health insurance once they leave AFDC, and sticks in the form of mandatory participation standards for states and sanctions for clients who refuse to meet their civic responsibility. (Files, August 6, 1987)

In a speech before the nation’s Governors on February 22, 1988, President Reagan lauded H.R. 3200 as a

cost-effective proposal allows for states to demonstrate their ideas for reform of a system that is just not working for poor people. ...Perhaps the greatest test of federalism is how we meet the urgent need for welfare reform—how successful we are in fashioning local and community solutions to problems that would destroy families, or worse, keep families from forming in the first place. (Files, Feb. 22, 1988)

A Republican press release touted the bill as the only one “receiving serious attention that could be endorsed by the Reagan administration” (Files, August 7, 1987). The bill was rejected by the House, 251 to 173.

By September 12, 1987, The Family Security Act (S.
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1511) had 55 Senate co-sponsors. In a radio address entitled “Fifty-Five and Much Alive,” Senator Moynihan noted that the 55 co-sponsors represented 37 states and 74.4% of the U.S. population (Files, September 12, 1987). Presenting the bill to the citizenry as one with wide-ranging, perhaps unanimous, national support was critical to the Senator’s strategy. By May 26, 1988, 62 Senators would sign on as co-sponsors.

Much of the Fall of 1987 was spent negotiating with the White House staff, most specifically Charles Hobbs. Hobbs was not supportive of S. 1511 or H.R. 1720. He noted “three essential reasons” why he did not think the President would sign either:

- state flexibility is reduced through the imposition of more top-down rules; the ‘poor’ are treated as a class of inherently dependent people, who need ‘case managers’ to run their lives, rather than as potentially productive individuals with differing capabilities, needs and aspirations; and incentives for self-reliance and self-responsibility are reduced as rewards for dependent behavior are increased. (Files, September 25, 1987)

White House Chief of Staff, Howard H. Baker, Jr., wrote to Senator Moynihan that despite Hobbs’ objections to S. 1511, he stood “ready to try to work with you (Moynihan) to see if we can structure a welfare reform package the President can sign” (Files, Sept. 25, 1987).

Meanwhile, the Secretary of the Department of Health and Human Services affirmed both the Administration’s criticism of H.R. 1720 citing “great expense to the American taxpayer ... increase(d) dependency while failing to assist families to achieve economic independence,” and the Administration’s support of H.R. 3200, lauding it as “true welfare reform...a balanced, constructive approach that will reduce welfare dependency in a fiscally responsible manner” (Files, Sept. 28, 1987).

On December 3, 1987, a modified version of H.R. 3200 (H.R. 3692) was introduced in the House. It did not pass.

White House opposition to S. 1511 remained fierce. In private correspondence to a friend, Senator Moynihan wrote:

We are really into a ‘last chance’ situation, and I am
near desperate for it to be understood that we are not reforming anything. Reform: ‘to restore to a former good state.’ We are hoping to redefine the entire program, to make it possible for poor mothers to work. ...We must act now. Before we lose another generation and the country gives up hope or gets ugly. (Files, April 26, 1988)

On April 20, 1988 Senator Lloyd Bentsen (D-TX), Chair of the Senate Finance Committee, announced that the Committee had completed action on S. 1511: The “bill is designed to restructure the basic program of public assistance for families in ways that emphasize parental responsibility through the enforcement of child support and expanded opportunities in education and training” (Files, April 20, 1988). President Reagan criticized the legislation, threatening a veto if it did not go beyond job training and include a provision called workfare: He had repeatedly threatened to veto any bill without a tough work requirement. Senator Moynihan opposed the President’s demands. Negotiations between the Senator and the White House took place over two months but to no avail. Finally, both sides accepted a compromise proposed by Senator Dole that required at least one parent in two-parent welfare families to work 16 hours per week. This appealed to the President. Senator Dole now had his fingerprints on the bill. Approval in the Senate was now assured.

In June 1988, the Senate voted 93 to 3 in support of S. 1511; the margin reflected “a broad and powerful consensus, cutting across party, ideology and geography, that welfare must be changed” (Stevens, 1988). The Governors had lobbied intensely; their intervention was widely regarded as a critical factor. Still, there was no consensus between H.R. 1720 and S. 1511. In late June, the House voted to reject Senate amendments to H.R. 1720 and to reject a Republican initiative to vote directly on the Senate bill.

The House-Senate Conference Committee

A House-Senate Conference Committee was created in July 1988 to mediate negotiations between the Democrats and Republicans and the House and the Senate. The goal was to produce legislation that appeased members of both parties in
both Congressional houses and was acceptable to the President. The central elements of both House and Senate bills—a JOBS program and child support enforcement—were not in dispute. Conflict did, however, center on whether recipients should be required to work for benefits and whether increased benefits would promote dependency. For the next three months negotiations took place.

House conferees were selected from the four committees that had worked on the legislation: Ways and Means, Education and Labor, Energy and Commerce, and Agriculture. They were instructed to hold the “cost of the bill to no more than the Senate measure’s estimated $2.8 billion five-year price tag” and to “permit no impediments which would disallow work beyond those contained in the Senate bill” (Congressional Quarterly [CQ] Almanac, 1988, p. 361). House supporters, as well as the White House, were adamant that welfare not be made more attractive than work and that recipients not be discouraged from moving into paying jobs. By late July, conferees dropped a provision enabling states to raise welfare benefits with federal matching support.

Differences between the House and Senate bills were substantially narrowed during August: Agreement was reached on mandatory participation rates for the JOBS program and a work requirement for two-parent families on welfare. Discussion continued on issues related to extended medical coverage, earnings disregard, and tax plans that would raise money by eliminating meal and entertainment expenses for upper-income individuals. But “Still unresolved was the touchy but central issue of whether, and how much, welfare recipients should be required to work in exchange for benefits” (CQ Almanac, 1988, p. 36). Senate conferees agreed to drop a requirement that states participate in AFDC-UP and mandate work from one parent but the Reagan administration threatened to veto any bill that did not contain the 16 hour-per-week work requirement. A lobbyist working on the bill noted that “The White House is now in the incredibly ironic position of threatening to veto the bill because it doesn’t have (AFDC) UP in it” (CQ Almanac, 1988, p. 363). By the August recess, a $400 million gap lay between the conferees—a substantial, albeit smaller gap than the $4.3 billion they initially confronted.

Things heated up in September as the final days of the
conference session got closer. House and Senate conferees remained divided over a controversial work requirement in the Senate bill. Both sides were adamant that they would not agree to a piece of legislation they did not believe in; they worked tirelessly to come to a consensus. Aggressive bargaining efforts of September 26th and 27th paid off.

As with most compromises, both liberals and conservatives in the end got what they wanted—meaning each side had to swallow certain things it didn’t like. Conservatives got their workfare in the form of a requirement that one parent in two-parent welfare families perform at least 16 hours per week of unpaid work. Liberals ...(gained) a requirement that states offer benefits to two-parent families...a $1 billion-per-year entitlement for state education and training programs and a full year of extended child-care and medical benefits for recipients who leave the rolls for jobs.” (CQ Almanac, 1988, p.364)

On September 27, 1988 the compromise plan, The Family Support Act of 1988, was adopted by the Conference Committee in a 35-8 vote. The Committee, which included Charles Hobbs of the White House, had agreed to the first federally mandated work program for welfare recipients, a plan designed to make public assistance more acceptable and to address the “crisis of public dependency.” Included were: (1) a provision that would require states to withhold the wages of absentee, non-paying fathers, (2) a five year cost of $3.34 billion, (3) a requirement that one parent in two-parent families perform unpaid work (community service) at least 16 hours per week, (4) a delay in the work provision until 1994, (5) an allowance for parents under 25 years to complete high school education in lieu of the work requirement, (6) extension of Medicaid and day care for one year after leaving the welfare rolls, and (7) no restrictions on the Medicaid and day care eligibility of former welfare recipients who quit their jobs and rejoin the welfare rolls.

The bill passed in both houses on September 30th. In all, 14 days of debate and 28 days of hearings over six years were held. In lauding the accomplishment, Senator Moynihan said:
We had redefined the whole question of dependency. This is no longer to be a permanent or even extended circumstance. It is to be a transition to employment, and it is to be accompanied by child support from the absent parent. (Tolchin, 1988)


Conclusions

What emerged in the compromise between conservatives and liberals amounted to a tinkering with the welfare system: a job program with stiffer penalties for recipients and more opportunities for states to experiment with ways to reduce the "welfare burden." The Family Support Act focused on increasing work incentives, reducing the fiscal burden of states for welfare, and compelling people to work as a condition of eligibility. No substantive attention was paid to the lack of adequate paying jobs, day care and health care benefits. Nor was attention directed to issues of race, gender and class—elements so much a part of welfare debates, yet so understated.

Heralded as the opportunity of the century, the Family Support Act did little to alter existing policy. Its passage encouraged us to imagine that change had occurred when in fact the change was merely illusory: it was "less a real restructuring than a shift of emphasis and relabeling," an agreement that "was always more rhetorical than real" ("House Rules ...", 1987, p.A22; "The Senate ...", 1988, p. D6). The Act was not a radical departure from previous legislation but an extension of it. It was not social innovation but status quo preservation. The Act did not ameliorate nor address the problems that poor people considered the systems' worst: sub-poverty benefits levels, restrictive administration, and coverage gaps (Casey, 1989).

The enactment of the Family Support Act of 1988 exemplified the triumph of individualism over structuralism: it reinforced culturally biased notions of individually engineered social problems, limited and conditional government intervention, and work-based entitlements. The attention to welfare—
5% of the population, predominantly single female heads-of-household and children, who receive financial assistance from a designated 1% of the federal budget—was neither about money nor numbers but about a system of privilege, of double standards, embedded in the fabric of U.S. society, reflecting what Jeff Faux calls “the politics of evasion.” This change in focus once again obscured both the precise character of social ills in the U.S. and the remedies for their resolution.

After twenty-five years of welfare reform debate we saw not only widespread dissatisfaction with the public assistance system but a corresponding unwillingness to address the fundamental causes of poverty. What Senator Moynihan and his colleagues in the Congress neglected, as they tried to redesign the welfare system, was that poverty and the underlying structural determinants that both cause and maintain it are, and remain, well beyond individual blame: Policy that ignores the causes of the problem cannot provide real solutions.

Setting the Stage for the Next Round of Welfare Reform

Republicans, discouraged by the seemingly insignificant changes instituted by the Family Support Act, vowed to continue working to reform welfare policy, to provide real solutions of a different nature: restricted spending, reduced numbers of people receiving assistance, decreased births to single women, enforced parental obligations to support children, required work, and re-established foundations for traditional family unions in America. They knew that passage of the Family Support Act had been, in part, because of concessions they needed to make to the Democratic majority to get reform. But, under a Republican majority everything could change. In 1994 they got their chance: Republicans swept the House, the Senate, and the Governor’s offices—the Republican Revolution had come. They were now positioned to make the changes in welfare that they had waited for years to make.

So it was that in 1994, under the leadership of Speaker of the House Newt Gingrich (R-GA), The Contract with America, a plan whose concept far preceded its name, emerged. With backing from Republican Governors—who had also felt the sting of defeat when the NGA endorsed The Family Support
Act—and with The Contract with America as its foundation and centerpiece, Republicans placed two proposals before Congress: The Personal Responsibility Act from the House and The Work Opportunities Act from the Senate. Key aspects of these bills included provisions that Republicans had proposed in 1987: (1) abolishing the program of aid for single parent families (AFDC) and replacing it with a fixed dollar amount block grant to the states; (2) limiting the number of years that a single mother may receive assistance; (3) (in the House bill) denying benefits to children born to women under 18 years old; (4) requiring mothers to identify their newborn child’s father in order to receiving benefits; (5) (in the House bill) denying benefits for any child born to a mother already receiving benefits—the Senate bill gave the state the option to decide; and (6) significantly reducing federal health care funding to poor families by over 30%. The problem of welfare dependency had taken center stage.

President Bill Clinton, a former gubernatorial member of the NGA Welfare Reform Task Force which had provided critical support in the passage of The Family Support Act, was inclined to support the House bill—The Personal Responsibility Act—if it was coupled with the Senate bill—The Work Opportunities Act—despite protests from his advisors and staff, some of whom would subsequently resign. On August 22, 1996, President Clinton signed into law the Personal Responsibility Work Opportunity and Reconciliation Act (PRWORA), bringing sweeping changes to welfare “as we knew it.” States regained more authority than they had held in six decades for both financing and eligibility standards; the AFDC Program was repealed and replaced with TANF (Temporary Assistance to Needy Families); a “work first” ideology was instituted forcing most welfare recipients into work within two years; limited lifetime benefits of five years were imposed; federal benefits were eliminated for most immigrants; recipients who did not assist in establishing paternity of children born out-of-wedlock were penalized; and the human capital approach of The Family Support Act was eliminated by the severe restrictions placed on access to post-secondary education. Marriage—traditional unions—was secured as the foundation of society and encouraged through incentive initiatives and faith-based service providers.
PRWORA marked a sea-change in public assistance policy, altering the fundamental basis of the social contract between the government and low-income parents. It was the change that Republicans had envisioned in the 1980s. Their time had now come.

Acknowledgements
I am indebted to the late Senator Daniel Patrick Moynihan, who in 1992 granted me exclusive access to his files on the Family Support Act of 1988. I would also like to thank Sandy Schram for suggestions made on an earlier reading, and to the two reviewers whose comments were helpful in enriching this article. A more in-depth analysis and exploration of the legislation can be found in my book, The Family Support Act of 1988: A Case Study of Welfare Policy in the 1990s (Edwin Mellen Press, 2002).

References

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(Endnotes)

1) Citations notes as Files reference material derived from the private legislative files of Senator Moynihan.

2) Interviews with key Congressional personnel—Senators, Representatives, Congressional aides—were conducted in 1992; information obtained from them is used throughout this paper.


5) Introduced by Senator Ted Kennedy (D-MA), it was indefinitely postponed by unanimous consent of the Senate.

6) Provisions of this bill were incorporated into H.R. 4848, “A bill to enhance the competitiveness of American industry,” sponsored by Rep. Dan Rostenkowski (D-IL) and was signed into law as P.L. 100-418: Omnibus Trade and Competitiveness Act of 1988 on August 23, 1988.