

1



Politics and the Policymaking Process

CHAPTER OUTLINE

The Policymaking Process 13

- Identifying Policy Problems 13
- Formulating Policy Proposals 18
- Legitimizing Public Policy 19
- Implementing Public Policy 19
- Evaluating Social Welfare Policy 20

Financing the Welfare State 20

- Federal Taxes 20
- State Taxes 21
- Local Taxes 21

- Other Revenue Streams 21
- Who Pays? Who Benefits? 22
- The Budget: A Government's Most Important Policy Statement 23

Summary 25

Practice Test 26



Core Competencies in This Chapter (Check marks indicate which competencies are demonstrated)

<input type="checkbox"/>	Professional Identity	<input checked="" type="checkbox"/>	Ethical Practice	<input checked="" type="checkbox"/>	Critical Thinking	<input type="checkbox"/>	Diversity in Practice	<input type="checkbox"/>	Human Rights & Justice
<input type="checkbox"/>	Research-Based Practice	<input checked="" type="checkbox"/>	Human Behavior	<input checked="" type="checkbox"/>	Policy Practice	<input type="checkbox"/>	Practice Contexts	<input type="checkbox"/>	Engage, Assess, Intervene, Evaluate

This chapter looks more closely at the steps in the policymaking process. Perhaps more importantly, it looks at how different ideologies shape social welfare policy, how people attempt to influence policy, and how governments acquire the funds to support their functions. Politics intervenes at every step in the policymaking process.

THE POLICYMAKING PROCESS

Policymaking involves a combination of processes. Although not always clear-cut or easily distinguishable, political scientists have identified these processes for purposes of analysis.¹ They include the following:

- ▶ **Identifying policy problems:** Publicized demands for government action can lead to identification of policy problems.
- ▶ **Formulating policy proposals:** Policy proposals can be formulated through political channels by policy-planning organizations, interest groups, government bureaucracies, state legislatures, and the president and Congress.
- ▶ **Legitimizing public policy:** Policy is legitimized as a result of the public statements or actions of government officials, both elected and appointed in all branches and at all levels. This includes executive orders, budgets, laws and appropriations, rules and regulations, and decisions and interpretations that have the effect of setting policy directions.
- ▶ **Implementing public policy:** Policy is implemented through the activities of public bureaucracies and the expenditure of public funds.
- ▶ **Evaluating public policy:** Policies are formally and informally evaluated by government agencies, by outside consultants, by interest groups, by the mass media, and by the public.

Although this *stages* or *phases* approach to policymaking has been criticized for being too simplistic, insufficiently explicating that some phases may occur together, and not saying much about why policy turns out as it does,² it does provide a way to discuss many of the ways policy is constructed, carried out, evaluated, and made again. All these activities include both attempts at rational problem solving and political conflict.

Identifying Policy Problems

Many factors influence the identification of policy problems. They include the methods of getting issues on the political agenda as well as keeping them off the agenda. Political ideology and special interests, the mass media, and public opinion all play roles in problem identification.

Agenda Setting

“Agenda setting,” that is, deciding what is to be decided, is the first critical step in the policymaking process. To get on the agenda, problems must come to policymakers’ attention.³ Some problems—even major problems—are too “invisible” to make the agenda, while others such as healthcare, are already highly visible, because they affect us all. Other times, crises or “focusing events” (e.g., levees breaking in New Orleans) are needed to bring problems to light.

“‘Agenda setting,’ that is, deciding what is to be decided, is the first critical step in the policymaking process.”

Think of all the conditions that existed for many years that remained “non-issues,” that is, they were not identified as problems for governments’ consideration. One striking example is the “separate but equal” doctrine that gave legitimacy to racial segregation by condoning the establishment of separate facilities for whites and blacks. Without political pressure, some conditions might worsen, but they would never be identified as public problems, they would never get on policymakers’ agenda, and governments would never be forced to decide what, if anything, to do about them. Influential individuals and ordinary citizens, organized interest groups, think tanks and policy-planning organizations, political candidates, and officeholders all employ the tactics of agenda setting, usually through attempts to get the mass media to publicize the issue.

Nondecisions

Preventing certain conditions in society from becoming policy issues is also an important political tactic. According to political scientists Peter Bachrach and Morton Baratz:

Non-decision making is a means by which demands for change in the existing allocation of benefits and privileges in the community can be suffocated before they are even voiced; or kept covert; or killed before they gain access to the relevant decision-making arena; or failing all these things, maimed or destroyed in the decision-implementing stage of the policy process.⁴

Nondecision making occurs when powerful individuals, groups, or organizations act to suppress an issue because they fear that if public attention is focused on it, their best interests may suffer. Nondecision making also occurs when political candidates, officeholders, or administrative officials anticipate that powerful individuals or groups will not favor a particular idea. They, therefore, do not pursue the idea because they don’t want to “rock the boat.” For more than 50 years, powerful medical lobbies successfully blocked serious consideration of initiatives that came to be known as Medicare and Medicaid. Powerful healthcare lobbies continue to try to block proposals for government-sponsored national health insurance.

Political Ideology

Political ideology is a driving force in agenda setting. The *New Political Dictionary* defines a *conservative* as “a defender of the status quo”; “the more rigid conservative generally opposes virtually all government regulation of the economy . . . favors local and state action over federal action, and emphasizes fiscal responsibility, most notably in the form of balanced budgets.”⁵ Of course, not all conservatives are this rigid. Federal deficits have also ballooned under recent conservative Republican presidential administrations.

A *liberal* can be defined as “one who believes in more government action to meet individual need.”⁶ Liberals often want the government to do much more to promote *distributive justice*, economic as well as social. Conservatives think that the government has already done too much in this regard, destroying individual initiative and promoting economic and other social problems. Many Americans fall somewhere in between the extremes of liberal and conservative, but it is often the most zealous individuals who organize and attempt to influence the political agenda.

The Republican Party platform has become highly conservative, especially on social issues such as abortion and gay rights. The Democratic Party platform tends to be much more liberal than that of the Republicans, espousing issues such as abortion access and gay rights.

Political ideology is not always pure. For example, some Republicans may favor their party's ideology on spending and taxing matters, while they may be unhappy with the party's stance on abortion and gay rights. Likewise, some Democrats wish to strengthen social programs while also being more cautious about government spending. Except for the most strident of ideologies, the lines between liberal and conservative, Democrat and Republican can be difficult to draw.

Libertarians generally believe that governments should have very limited functions, primarily police and military protection. They are strong supporters of free market capitalism and believe that the government has no place in making laws about personal behavior—reproduction, homosexuality, and drug use—unless there is threat of harm to others.

Centrists believe that political partisanship and polarization have prevented compromise that could result in more effective public policy. Centrists see themselves as encouraging moderation and compromise.

These are some of the basic ideas of the political ideologies that frame conflict over social welfare policy in the United States. In subsequent chapters, we describe more of these ideas and also consider the welfare models of social democracies in which benefits such as childcare, healthcare, and job training are far more universal in nature than they are in the United States.

Special Interests

Special interest groups are a staple of the political landscape, and they do their best to influence the political agenda either directly or indirectly. Special interest groups may represent people based on race, ethnicity, gender, sexual orientation, age, income, profession, or other factors.

Many special interest groups are organized as nonprofit 501(c)(3) organizations, which limits their ability to lobby or support political candidates, but they can educate on issues of concern to them. Groups from Mothers Against Drunk Driving to the Nature Conservancy do just that.

Other special interest groups are organized as political action committees (PACs). Some PACs are operated by corporations or trade, industry, and labor unions. Other PACs are ideological and do not have a corporate or labor sponsor. Virtually all types of social welfare interest groups have PACs, including the American Medical Association (AMA), the National Association of Social Workers (NASW), and the American Federation of State, County, and Municipal Employees (AFSCME), an AFL-CIO affiliated labor union that represents many social welfare professionals. PACs support candidates who are most likely to vote on legislation in accordance with the PACs' interests.

The Center for Responsive Politics reported that in 2009, more than 13,700 registered federal lobbyists, businesses, labor unions, and other organizations spent nearly \$3.5 billion lobbying Congress and federal agencies. Between 1989 and 2010, AT&T, which is fairly well balanced in donations to Democrats and Republicans, was the all-time high political contributor at over \$44 million, while AFSCME, which clearly favors Democrats, is second highest at nearly \$42 million.⁷

The poor and disadvantaged, who need help the most, are not represented in Washington in the same fashion as other groups in society.⁸ They rarely write



Critical Thinking

Practice Behavior

Example: Requires the synthesis and communication of relevant information.

Critical Thinking Question:

How do ideological differences about policy influence the ability of government to act rationally?

letters to members of Congress, they do not make significant campaign contributions, and they cannot afford trips to Washington to visit their representatives. Indeed, they do not turn out at the polls to vote as often as the nonpoor.

To the extent that the poor and disadvantaged or disenfranchised are represented at all in Washington, they are usually represented by “proxies”—groups that are not poor, disadvantaged, or disenfranchised themselves but that claim to represent these groups. Among these proxy groups are the Children’s Defense Fund, the National Low Income Housing Coalition, the National Association of Social Workers, the Gray Panthers, and the Human Rights Campaign. For those who wish to get involved in political action, Illustration 1.1 provides suggestions for doing so.

Laws restrict the contributions that can be made directly to political candidates. For example, in the 2009–2010 election cycle, an individual could contribute up to \$2,400 per candidate in direct contributions. There are also limits on what individuals and PACs can donate to national, state, and local party committees. The Federal Elections Commission (FEC) regulates elections and enforces election laws. The FEC has sometimes come under fire for allowing campaign finance loopholes.

Over the past few decades, Congress has occasionally passed laws attempting to control the influence of special interests with regard to campaign finance contributions such as the Bipartisan Campaign Reform Act of 2002 (BCRA). In January, 2010, in the *Citizens United v. Federal Elections Commission* case, the U.S. Supreme Court stunned many when it cited the First Amendment in ruling that corporations and unions can spend as much as they want on political ads to support or oppose political candidates. The ruling does not affect the laws prohibiting direct donations to candidates by corporations and unions.

In 1974, Congress limited the amount of money that individuals and PACs could give to national party committees and candidates running for national offices. Some politicians refuse to accept PAC money, but these contributions remain an important feature of election campaigns. The fear, of course, is that elected officials are beholden to these special interests and this affects public policy. For this reason, many individuals concerned about political ethics advocate campaign finance reform.

The Mass Media

Deciding what is “news” and who is “newsworthy” is a powerful political weapon. Some scholars find that the media exert substantial influence in deciding what problems will be given attention and what problems will be ignored.⁹ Television executives and producers and newspaper and magazine editors decide what people, organizations, and events will be given public attention. Without media coverage, many of the conditions or government programs affecting those who are poor or other groups or about alternative policies or programs would not likely become objects of political discussion, nor would government officials likely consider them important, even if they knew about them. Media attention creates issues and personalities. Media inattention can doom issues and personalities to obscurity. The media is key in directing attention to issues, although the consensus is that they do not change people’s minds on issues as much as they influence individuals who have not yet formed an opinion.¹⁰ Others are less enthusiastic about the media’s influence. In his classic study of agenda setting at the federal level, Kingdon found that “the media report what is going on in government, by and large, rather than having an independent effect *on* government agendas.”¹¹

“Deciding what is ‘news’ and who is ‘newsworthy’ is a powerful political weapon.”

Illustration 1.1 Changing Policy through Grassroots Action

Broad-scale political participation is essential to democracy. Money, power, and influence all play a part in the policy process, but we should never become cynical about our own participation and the effects it can have. Here are some suggestions, excerpted and adapted from the Community Tool Box, a service of the Work Group for Community Health and Development at the University of Kansas.

Policy change is difficult and time-consuming, and it may look discouraging. But, with work and dedication, policy change is possible—it happens all the time, usually because ordinary people care enough to keep at it. Here are some general guidelines for changing policies and choosing tactics. We have called them the Eight Ps:

1. Preparation: Prepare well for changing policies. Conduct the necessary research to get to know as much as possible about the issue. Make yourself and your group the acknowledged expert, the one that individuals, groups, and the media contact when they want information on your issue. Know the current policy intimately and know who actually makes and influences the policy. Know who your allies and opponents are and how they might be influenced. Be particularly aware of who your most difficult opponents are, their arguments, and whether they are distorting the situation and your point of view, and be ready to counter their arguments and attacks.

2. Planning: Plan carefully for policy change. To ensure that your overall strategy makes sense, and that changing policies is a necessary and appropriate part of it, strategic planning is essential. Strategic planning takes time and effort, and may result in changing some of your ideas, but it will pay huge dividends in the long run.

3. Personal contact: Establish or maintain contact with those who influence or make policy. Personal relationships, even with opponents, are the key to successful advocacy of all kinds, and changing policy is no exception. Develop mutual relationships with legislators and their aides, local elected and appointed officials, key personnel at regulatory and funding agencies, national, state, and local organizations, and the media.

4. Pulse of the community: Take the pulse of the community of interest to understand what citizens will support, what they will resist, and how they can be

persuaded. You will have a far greater chance of success if you set out to change policies in ways the community will support, or at least tolerate, than if you challenge people's basic beliefs. You may have to put off your final goal and work toward an intermediate one the community can support.

5. Positivism: Where you can, choose tactics that emphasize the positive. Suggesting incentives (tax breaks, for instance) for doing the right thing, rather than punishment (special taxes) for doing the wrong thing, is one way to accentuate the positive elements of a proposed change. On the other hand, research seems to show that people are more likely to take action when they have something to lose. The possibility of both incentives and punishment may be one to consider in some circumstances.

6. Participation: Involve as many people as possible in strategic planning and action. Try to engage key people, particularly opinion leaders and trusted community figures, but concentrate on making your effort participatory. That will give it credibility. Encourage community ownership of the effort, make sure that a wide range of ideas and information are considered, and also encourage community leadership of the effort.

7. Publicity: Use the media, the Internet, your connections, and your imagination to keep people informed of the effort and the issues, and to keep a high profile. You can use everything from straight news stories to street theater and demonstrations [or tea parties and coffee parties] to get the message out. Publicity will help you gain and maintain support, which will increase your chances of success.

8. Persistence: Policy change can take a long time. Monitor and evaluate your actions to make sure they are having the desired effect, and change them if they are not. You should be prepared to keep at it for as long as it takes if you hope to be successful.

For more information on how to use the Eight Ps to effect policy change, see The Community Tool Box at <http://ctb.ku.edu/en/>

Source: Adapted by permission from "Changing Policies: An Overview," by Phil Rabinowitz and edited by Bill Berkowitz, Chapter 25, The Community Tool Box, Retrieved March 15, 2010, from <http://ctb.ku.edu/en/>



Human Behavior

Practice Behavior

Example: Critique and apply knowledge to understand person and environment.

Critical Thinking Question: How do competing mass media images influence political thought and voting behavior?



Policy Practice

Practice Behavior

Example: Know the history and current structures of social policies and services; the role of policy in service delivery; and the role of practice in policy development.

Critical Thinking Question: How might public opinion polls be used to influence public opinion rather than measure it?

The media, especially the major television networks, are often accused of having a liberal bias.¹² Even if this is true, countervailing opinions get their share of coverage from conservative television and radio commentators, talk show hosts, newspaper columnists, and special television channels devoted to their opinions. Even when journalists' personal views are liberal, the media that employ them are owned by powerful business interests that exert a countervailing conservative influence, and they demand a focus on what produces the most profit.¹³ As a result of media focus on sensational events and personalities like celebrities, many important social issues receive little in-depth coverage.

Public policy theorists also note the importance of policy images in agenda setting, images that combine “empirical information and emotive appeals.”¹⁴ The images that the terms *drug addicts* and *crack addicts* conjure up have helped to fuel drug policies that have filled U.S. jails and prisons with unprecedented numbers of inmates. The label “socialism” is used to dissuade Americans from supporting social welfare programs that would be more universal in nature such as government-run national health insurance.

New forms of communication are also rapidly changing the way people obtain information. Websites of special interest groups and think tanks representing the spectrum of political positions abound. Blogging and websites like YouTube give individuals unprecedented ability to post their own views for the world to read or hear. Anyone with an Internet connection can subscribe to news feeds and read a variety of political commentary.

Perhaps the real danger today is that we are overwhelmed with the number of issues that have caught the media's attention and the number of groups and organizations competing for attention to the issues they deem important. Government inaction and public indifference may result when people feel that there are too many problems to consider or that problems continue to grow even when they try to intervene.

Public Opinion

Even in a democracy, public opinion may not determine public policy, but politicians are mindful of what their constituents—particularly their powerful constituents—think. Relatively few Americans take time to make their views known to their elected officials, but doing so might be more effective than many Americans realize.

The Gallup Poll and other polling organizations keep their finger on the pulse of the country with continuous telephone surveys of scientifically selected samples of adult Americans. These polls cover a variety of topics from the general question Gallup has asked since 1935 about what Americans think is the country's most important problem, to views on specific policy issues such as taxes, the budget deficit, and healthcare. The public, like politicians, frequently do not agree on public policy issues, and their own views are often inconsistent. For example, an analysis of public opinion surveys showed that although Americans tend to express resentment for “welfare” programs, they also say that they want to help people in need.¹⁵

Formulating Policy Proposals

John Kingdon likens the processes of formulating and selecting policy alternatives to a process of “biological natural selection”:

Many ideas are possible in principle, and float around in a “policy primeval soup” in which specialists try out their ideas in a variety of

ways—bill introductions, speeches, testimony, papers, and conversation. . . . [These] proposals . . . come into contact with one another, are revised and combined . . . , and floated again. But the proposals that survive to that status of serious consideration meet several criteria, including their technical feasibility, their fit with dominant values and the current national mood, their budgetary workability, and the political support or opposition they might experience.¹⁶

Policy-planning organizations, interest groups, government bureaucracies, state legislatures, and the president and Congress may all engage in formulating policy proposals. Since neither Congress nor state legislatures can continuously attend to all policy issues, policymaking is often done in relative obscurity by groups of specialists that may be called *iron triangles*, *policy subsystems*, or *issue networks*, but some policy issues do “catch fire.”¹⁷ “Average citizens” certainly have policy preferences, but in most areas of governments, policy is highly complex and generally requires the efforts of those whose careers are devoted to particular policy subsystems.¹⁸

Legitimizing Public Policy

Policy is legitimized as a result of the public statements or actions of government officials, both elected and appointed—the president, Congress, state legislators, agency officials, and the courts. This includes executive orders, budgets, laws and appropriations, rules and regulations, and administrative and court decisions that set policy directions.

Kingdon found that as problems are being identified and certain policy proposals float to the top, the political climate—the current national mood, interest group pressure or lack of pressure, and who is in office—must all converge for a proposal to be adopted.¹⁹ These forces may serendipitously align to produce such a “policy window,” but policy entrepreneurs try to seize the opportunity to bring these forces to bear for a new policy or a policy change to occur.

Implementing Public Policy

Policy implementation includes all the activities that result from the official adoption of a policy. Policy implementation is what happens after a law is passed. We should never assume that the passage of a law is the end of the policymaking process. Sometimes laws are passed and nothing happens! Sometimes laws are passed and executive agencies, presuming to act under these laws, do a great deal more than Congress ever intended. Political scientist Robert Lineberry writes:

The implementation process is not the end of policy-making, but a *continuation of policy-making by other means*. When policy is pronounced, the implementation process begins. What happens in it may, over the long run, have more impact on the ultimate distribution of policy than the intentions of the policy’s framers.²⁰

Traditionally, public policy implementation was the subject matter of public administration. The separation of “politics” from “administration” was once thought to be the cornerstone of a scientific approach to administration. But today it is clear that politics and administration cannot be separated. Opponents of policies do not end their opposition after a law is passed. They continue their opposition in the implementation phase of the policy process by opposing



Ethical Practice

Practice Behavior

Example: Apply strategies of ethical reasoning to arrive at principled decisions.

Critical Thinking Question:

What are the ethical implications of special interests attempting to block implementation of passed policies?

attempts to organize, fund, staff, regulate, direct, and coordinate the program. If opponents are unsuccessful in delaying or halting programs in implementation, they may seek to delay or halt them in endless court battles (school desegregation and abortion policy are certainly cases in point). In short, conflict is a continuing activity in policy implementation.

Evaluating Social Welfare Policy

Over the years, increasing numbers of formal evaluations of social policies have been conducted. Governments, especially the federal government, have spent millions of dollars to determine whether the policies and programs they have initiated are having effects. In discussing these studies in the chapters that follow, it is evident that program evaluations can produce their own political fallout. There may be disagreements about study methodology, and people with different views will interpret the same study results differently. Policy evaluations can be helpful to policymakers, but they usually do not solve political controversies or change deeply held values.²¹

FINANCING THE WELFARE STATE

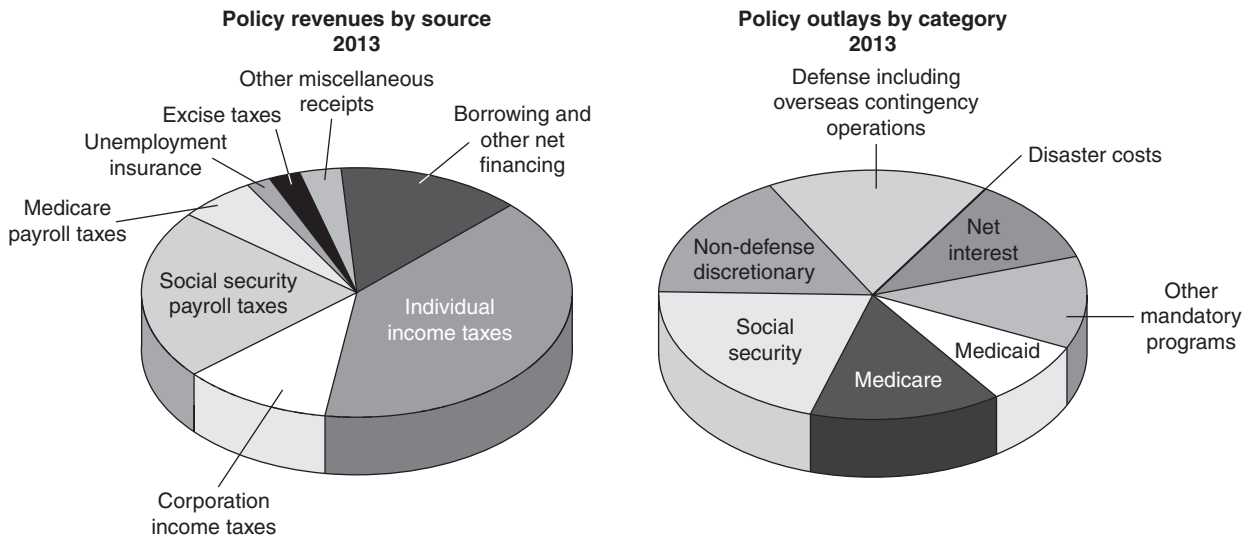
Prior to the Great Depression, local and state governments shouldered the major public responsibility for social welfare programs. Since 1935, there have been important changes in the way most social welfare programs are established and funded. Although federal, state, and local social welfare expenditures have all increased, the federal government now finances the major share of social insurance and public assistance benefits, while states and local governments pay for most public safety and public school education programs.

Federal Taxes

Governments fund their activities, from social welfare to defense, through the taxes they collect. In 2013, individual income taxes are projected to be the largest single source (45 percent) of federal government revenues (budget receipts) (see Figure 1.1). Until 1913, the federal government collected income tax only sporadically.²² When regular income tax collection began, only one percent of Americans were assessed income taxes. By 1930, income taxes made up 60 percent of the federal government's receipts. Income taxes are channeled to the federal government's general revenue fund, which is used for many purposes, financing public assistance programs among them.

The second major source of revenue the federal government collects is the Social Security tax. This special tax is levied against an individual's salary or wages and is used to finance the country's major social insurance programs (also see Chapter 5). Social insurance taxes were enacted in 1935. In 2013, they will constitute an estimated 34 percent of the federal government's revenues (excluding borrowing).

The federal government also collects revenues through corporate income taxes, excise taxes (taxes on products), and other sources. In 2013, corporate income taxes are expected to account for an estimated 13 percent of government revenue. While customs duties and estate taxes were once the federal government's major source of revenues, in 2013, excise taxes are projected to

**Figure 1.1**

Budget of the United States Government: Where It Comes From and Where It Goes, 2013

Source: *Budget of the United States Government, Fiscal Year 2010, Updated Summary Tables* (Washington, DC: Office of Management and Budget, May 2009), retrieved June 15, 2011, from <http://www.gpoaccess.gov/usbudget/fy10/pdf/summary.pdf>

be an estimated 2 percent of revenues and customs duties and estate and gift taxes combined are expected to be less than 2 percent. Clearly, individual Americans shoulder the major federal tax burden through the personal income taxes and Social Security taxes they pay.

State Taxes

Although their overall financial role is smaller, the states are important players in social welfare, especially with respect to some of the major public assistance and social service programs. The states also collect taxes in several ways. Like the federal government, most states levy a personal income tax. Seven states have no state income tax. State income tax rates are lower than federal rates. While federal income taxes range from 10 to 35 percent of income, state income taxes range from less than 1 percent to 9.5 percent.²³ The sales tax is another major mechanism that states use to generate revenue for their functions, including social welfare services.

Local Taxes

At the local level, the property tax is the major revenue source. Local governments (cities, counties, and municipalities) provide the smallest share of social welfare services. These governments are mainly concerned with providing other services, such as public school education and police and fire protection.

Other Revenue Streams

Other ways governments may raise revenues are oil and gas leases on public lands, license fees, toll roads, park entrance fees, state lotteries, fines for parking and traffic tickets or crimes, and fees charged to probationers to have their

“Clearly, individual Americans shoulder the major federal tax burden through the personal income taxes and Social Security taxes they pay.”

cases monitored. Occasionally, a portion of such fees is dedicated for social welfare programs. For example, some marriage license fees may be used to support battered women's shelters or family violence programs.

Who Pays? Who Benefits?

At each level of government, there is always concern about the types of taxes that should be used to generate revenues, who should pay those taxes and how much they should pay, and who should benefit from them. Some taxes are *progressive* (people with more income or resources are taxed at a higher rate than people with less income or resources), and others are *regressive* (people with less income or resources pay a higher percentage of their income or resources than those with more income or resources). The Social Security tax and sales tax are regressive. Federal and state income taxes are progressive, although they are less progressive than some people think they should be.

Citizens for Tax Justice (CTJ) found that in 2009, when federal (including income and payroll), state, and local taxes are considered, Americans in each income bracket are paying taxes that are basically equal in proportion to the share of income they receive.²⁴ Thus, CTJ notes that *all* Americans pay taxes of some sort. It can also be said that “everyone is on welfare” because the government helps all people, some directly through social welfare programs, others through various tax incentives.²⁵

Government-sponsored social welfare programs (public assistance and social insurance) comprise the bulk of help to the poorest citizens. Low-income workers may benefit from the *earned income tax credit* (EITC; a special tax rebate paid to low-income workers through the Internal Revenue Service). Tax credits are a popular way of helping those in need because they reward work, make use of the existing tax system, and aid a broader segment of the population than public assistance.

Demonstrations are one tool Americans use to express divergent views on public policy.



Much of the social welfare assistance the middle class receives comes in the form of tax deductions for the mortgage interest paid on their homes and for property taxes. Many middle-class employees also receive fringe benefits from their employers (such as healthcare and retirement plans), which are generally not taxable as income. Those in the middle class may also receive deductions for things like contributions to individual retirement accounts (IRAs) or interest on student loans.

Workers also benefit from such provisions as the *dependent care tax credit*, most often used by working families who pay for childcare. This credit is available to most workers, but those in low-income tax brackets use it less frequently because the costs of childcare may be beyond their reach.

The well-to-do also get much of their government assistance from tax deductions. Some of these deductions are for the mortgage interest paid on second (as well as first) homes and for property taxes and charitable contributions; wealthier Americans generally have larger deductions to take than do the working classes. Because Americans generally pay taxes in proportion to their income, Citizens for Tax Justice notes that the U.S. tax system is not very progressive at all.²⁶

Finally, while businesses pay corporate taxes, they also receive government assistance such as federal contracts, farm subsidies, and various tax deductions. This is called *corporate welfare*. Although some of this help goes to small-business owners who might be struggling to get by, much of it goes to more affluent business owners. Government tax deductions also help to offset the cost of fringe benefits that employers pay to workers.

As a percentage of the country's gross domestic product, the United States has among the lowest corporate tax rates of industrialized nations.²⁷ The government bailouts of financial institutions following the economic crisis that hit in the fall of 2008 are perhaps the prime examples of corporate welfare. Considered in this way, all groups benefit from government assistance. In fact, it can be argued that much of the income redistribution that results from public policy favors the more affluent rather than the less affluent.

While Americans may complain a lot about paying taxes, the average U.S. worker pays a lower tax rate than do workers in 21 of the 30 countries that are members of the Organization for Economic Cooperation and Development (OECD).²⁸ However, many of these countries have more generous social welfare systems than the United States.

The Budget: A Government's Most Important Policy Statement

The budget is the single most important policy statement of any government. The expenditure or outlay side of the budget tells us who gets what in public money, and the revenue side of the budget tells us who pays the cost. The budgetary process provides a mechanism for reviewing government programs, assessing their costs, relating them to financial resources, and making choices among expenditures. The budget lies at the heart of all public policies.

In the federal government, the Office of Management and Budget (OMB), located in the Executive Office of the President, has the key responsibility for budget preparation. OMB begins preparing a budget more than a year before the beginning of the fiscal year for which it is intended (for example, work began in January 2011 on the budget for the fiscal year beginning October 1, 2012 and

"The budget lies at the heart of all public policies."

ending September 30, 2013). Hearings are held so that top agency officials can support their budget positions as convincingly as possible. As the following January approaches, the president and the OMB director devote a great deal of time to the budget document, which is nearing its final stages of assembly. Then, by the first Monday in February, the president sends his proposal—*The Budget of the United States Government*—to the Congress. After the budget is in Congress's hands, the president may recommend further amendments as needs dictate.²⁹

Congress has established separate House and Senate Budget Committees and a joint Congressional Budget Office (CBO) to review the president's budget after its submission to Congress. The CBO was created "to check OMB's growing power" in the budget process.³⁰ The House and Senate Budget Committees initially draft a concurrent resolution setting target totals to guide congressional actions on appropriations and revenue bills considered throughout the year. Thus, congressional committees considering specific budget appropriations have the president's recommendations to guide them and the guidelines of the budget committees. If an appropriations bill exceeds the target set by the earlier resolution, it is sent back to the budget committees for reconciliation.

The Appropriations Committee in each house considers specific appropriations. Each of these committees has about ten fairly independent subcommittees that hold hearings and review the budget requests of particular agencies or groups of related functions. The subcommittees are very important, because neither the full committees nor the Congress has the time or expertise to conduct in depth reviews of programs and funding. The respective Appropriations Committees must approve the subcommittee's recommendations, the full Congress must pass them, but in practice, most subcommittee decisions are routinely accepted.

Even after all its work, Congress usually makes no more than small changes in the total budget figure recommended by the president. Of course, much of the federal budget is "uncontrollable." Congress has made long-term commitments in programs like Social Security and Medicare, some public assistance programs, and other items like interest on the national debt. About two-thirds of the budget falls into the mandatory spending category, but the other one-third is discretionary, including military spending.³¹ Major struggles do ensue over particular programs such as Medicare. Political partisanship is contributing to an increasingly contentious budget process, but given the number of appropriations to be made, most are still determined by executive agencies interacting with the OMB.

The budget process is just as political as other aspects of policymaking. This is because government spending is very big business. Methods such as "planning, programming, and budgeting systems," "zero-based budgeting," and "performance-based budgeting" have been introduced over the years to make budgeting more rational, but in the long run,

if politics is regarded in part as conflict over whose preferences shall prevail in the determination of national policy, then the budget records the outcomes of this struggle . . . The size and shape of the budget is a matter of serious contention in our political life. The victories and defeats, the compromises and the bargains, the realms of agreement and the spheres of conflict in regard to the role of the national government in our society all appear in the budget. In the most integral sense, budgeting—that is, attempts to allocate scarce financial resources through political processes in order to realize disparate visions of the good life—lies at the heart of the political process.³²

The pie charts in Figure 1.1 tell us where the federal government's money comes from and where it goes. In fiscal year 2013, the federal government's total estimated receipts (taxes collected) are projected to be about \$3.3 trillion while it projects outlays or expenditures to be an estimated \$3.8 trillion, leaving a deficit of about \$512 billion.³³

Each year's annual federal budget deficit accumulates into the federal debt. The biggest domestic worries of the federal government are how to manage spending and how to meet the needs of the American people within budgetary constraints, and at the same time keep the economy strong.

When the federal government spends more than it takes in, it must borrow money by selling U.S. Treasury bonds or bills to the public (or by taking money from its trust funds).

Although some level of federal borrowing may be necessary or even desirable, the gravity of the federal debt can be difficult to appreciate. One way to put it is that in June, 2011, the national public debt was \$14.4 trillion and was mounting at a rate of about \$4 billion a day, and the U.S. government owed about \$46,000 per person.³⁴ At this same time, the federal government was taking in enough to spend \$7,217 per person, but was spending about \$12,400 per person.³⁵

Social Security trust funds and mechanisms like "off-budget" items mask much of what the federal government owes. People disagree on the importance of a balanced budget and the federal debt. Balancing the federal budget is not like balancing the household budget. Unlike you and me, the federal government can print money and manipulate the economy. But most people probably agree that the country is better off when the federal government is not constantly operating in the minus column. U.S. budgetary policy and monetary policy (the work of the Federal Reserve Board) are important; however, some of the country's economic state depends on factors like the health of the stock market and events such as the terrorist attacks that occurred on September 11, 2001, factors over which government has far less control.

SUMMARY

Politics intervenes at every stage of the policymaking process. Many energetic lobbies and political action committees in the United States work to influence elected officials every day. Politicians' work is difficult because the values espoused by competing interest groups often differ widely. When it comes to social welfare policy, Americans represent the political spectrum from conservatives to middle-of-the-road centrists to liberals. This diversity of opinion causes the country to pursue a pluralist approach to social welfare policymaking. Policymakers follow several lines of thinking and arrive at policies and programs that are often contradictory and overlapping because they try to see that there is something there for everyone.

Social welfare policy development and implementation are much more a political "art and craft"³⁶ than a rational science. It is not enough for human service professionals to know the needs of people and to want to pass policies and provide services to help them. Policy advocates for the disenfranchised must both understand the political process and be adept at working within it if they are to have a voice in shaping social policy.



Log onto **MySocialWorkLab** to access a wealth of case studies, videos, and chapter and EPAS assessment. (If you did not receive an access code to **MySocialWorkLab**

with this text and wish to purchase access online, please visit www.mysocialworklab.com.)

PRACTICE TEST The following questions will test your knowledge of the content found within this chapter. For additional assessment, including licensing-exam type questions on applying chapter content to practice behaviors, visit **MySocialWorkLab**.

1. When political leaders refuse to pursue a particular policy because they fear that certain powerful interests may oppose it, this is called
 - a. lobbying
 - b. nondecision making
 - c. political action committees
 - d. public opinion polling
2. Which ideological group believes the country has become too polarized and that compromise would enable better policy results?
 - a. Libertarians
 - b. Democrats
 - c. Republicans
 - d. Centrists
3. In the McCain-Feingold Act (Bipartisan Campaign Reform Act of 1992), Congress attempted to regulate
 - a. mudslinging advertisements
 - b. lobbyists
 - c. campaign contributions
 - d. free speech
4. Wealthy Americans often benefit more from tax deductions than middle class or working poor Americans because
 - a. they have larger deductions than other groups
 - b. they pay more tax to begin with
 - c. they vote more often
 - d. most members of Congress are wealthy
5. A social worker believes strongly that a recently passed law is unjust and discriminatory. How might the social worker pursue a just implementation of the policy after it has already been passed?