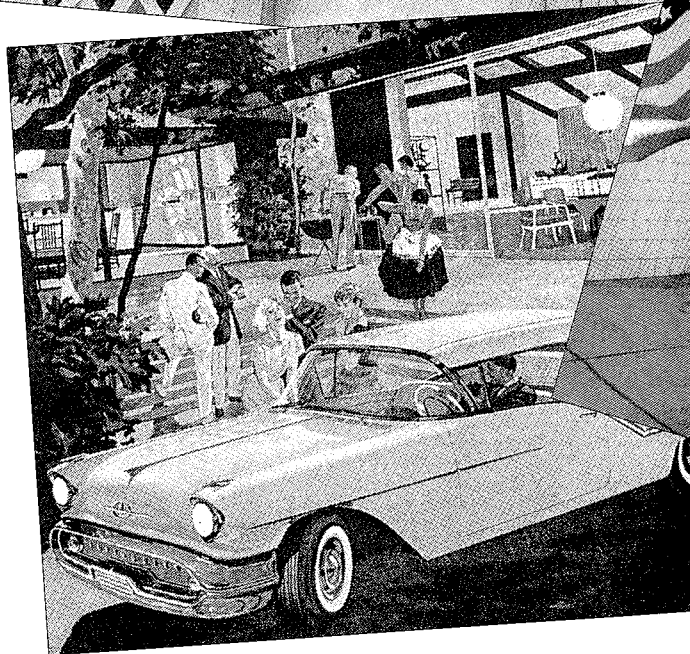
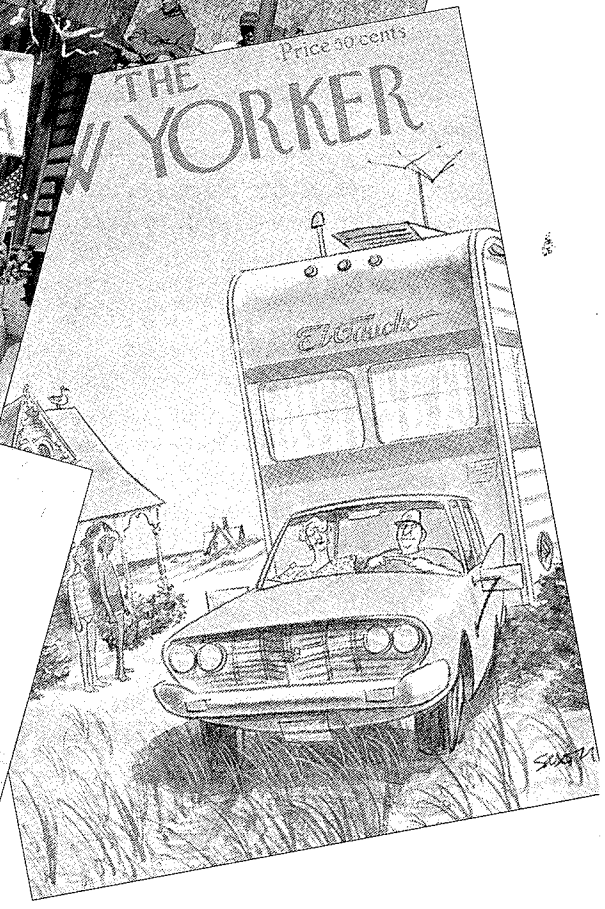

The New Politics of Class in America

Judging by the nightly news, class conflict in America has been reduced to a tussle over the tax code: Are the rich paying their "fair share" of the nation's taxes? To press the question of class much beyond such dollars-and-cents discussions is to evoke a distinct feeling of unease in most Americans. Yet as our three essayists argue, the nation's social classes have undergone a transformation. During the past 30 years, the moral status attached to being poor, middle class, or rich has been drastically altered. And these changes are directly responsible for many of today's most furious political battles—over gay rights, welfare, and other issues.





The Poor Pre-eminent

BY LAWRENCE M. MEAD

When the problem of entrenched poverty suddenly appeared on the public agenda during the mid-1960s, it transformed the character of political debate in America. Since then we have seen nothing less than a sea change in our national politics.

From the turn of the century to the mid-1960s, the most contentious issues in American politics concerned how best to secure more of the good things of life for working Americans. The dispute was rooted in a conflict between economic classes. The central question was whether to accept the unequal rewards meted out by the marketplace or to try to equalize them by forcing wages higher or giving public benefits to workers and their families. The working class and its representatives, the labor unions, made the most divisive demands on government. In the new era that began three decades ago, however, the most highly charged issues concern the poor and dependent, most of whom do not work. The leading issue today is how to respond to the disorders of the inner city, including crime, welfare dependency, and homelessness.

Many of the older issues of class and economic interests survive, and new issues have emerged, but they do not occupy center stage. Even during the severe recessions of the late 1970s and early '80s, which crushed entire industries and drove unemployment to levels not seen since the Great Depression, workers and farmers were never able to capture Washington's undivided attention. The focus of politics is now on poverty instead of in-

equality, on conduct and not class. This represents a sharp break from American politics as it was practiced during most of the 20th century, and it helps explain two of our current perplexities: the rise of divided government, with Democrats dominating Congress and Republicans prevailing in the executive branch, and Americans' general disaffection with politics.

American politics during the first six decades of this century could be understood as a long-running debate about the proper size of government. This was the era of what I call progressive politics. Liberals and conservatives assumed that all Americans, rich and poor alike, were able to get ahead by seizing the opportunities that came their way. The debate was over how best to create those opportunities—through more government or less. The rhythms of national political life followed the ebb and flow of public opinion on this basic issue, with periods of liberal expansion punctuated by times of conservative consolidation, such as the 1920s and '50s.

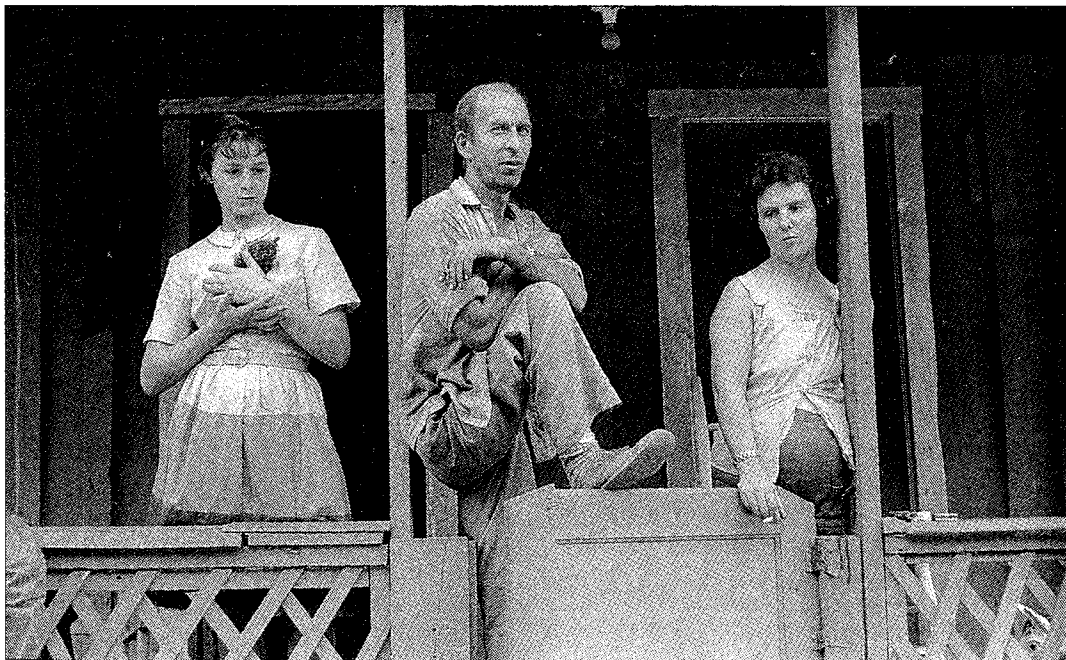
This pattern of politics was disrupted during the early 1960s by the appearance of entrenched poverty as a national political preoccupation. The prosperity of the postwar era had made poverty seem an anomaly in need of explanation and redress. However, the entrenched poor of Appalachia, the rural South, and the northern inner cities seemed fundamentally different from the destitute of the Great Depression. According to Michael Harrington's landmark book of 1962, *The Other America*, these poor were "maimed in

body and spirit" by lives of disadvantage and thus unable to "help themselves." Above all, they were incapable of meeting society's expectation that they work regularly. Their poverty was chronic rather than episodic, and it might persist for generations, even in the midst of prosperity. To many Americans, if not to Harrington, such destitution seemed to reflect the personal limitations of the poor themselves or a "culture of poverty"—even if these problems ultimately had their source in a historic lack of opportunity.

Of course, much of this "new poverty" was not really new at all. It merely became more visible to affluent Americans when black farm laborers and sharecroppers migrated from the rural South to northern cities, later followed by Puerto Ricans and others from Latin America. It is true that many of the new arrivals were able to follow members of earlier ethnic groups in the long climb out of the ghettos, but a larger share of blacks and His-

panics than earlier migrants remained behind, entangled in dependency and the other plagues of the inner city.

The otherness of the poor only increased with time. An economic boom and major civil-rights reforms during the mid-1960s led not to social peace but to riots in the ghettos, beginning with the Watts conflagration in Los Angeles in 1965. The riots were followed by a welfare boom. Between 1965 and '75, the number of recipients of Aid to Families with Dependent Children (AFDC) more than doubled, jumping from 4.4 to 11.4 million, the result mainly of looser eligibility standards and an erosion of the stigma against welfare. During the same period, crime rates soared. The usual progressive mechanisms—enhancing opportunity and economic growth—no longer seemed sufficient to promote advancement by those at the bottom of society. The welfare surge occurred during good times, not bad, and it was greatest not in areas with the most hardship but in northern cities with the most liberal welfare policies.



The poor whites of Appalachia loomed large in the public imagination when poverty was rediscovered in the 1960s. Today, while two-thirds of the poor are white, poverty is seen as largely a black problem.

The welfare boom sharply reduced work effort by the urban poor. In New York City, seven percent of all adults, or 318,000 people, were on welfare by 1970, and the massive growth of the welfare rolls between 1960 and 1973 coincided with the disappearance of as many as 65,000 people from the city's labor force. By 1988, according to Senator Daniel P. Moynihan (D.-N.Y.), there were 64,000 adults living on welfare in New York City who had never worked at all, and 45 percent of the city's schoolchildren lived in welfare households. The trends were similar in the nation at large. In 1975, half of all heads of poor families did not work at all during the course of the year, up from 31 percent in 1959.

Much of the decline in work effort was linked to the rising number of households headed by women, since poor single mothers seldom work. But work effort dropped among two-parent poor households as well. [See chart, p. 47.] Meanwhile, work levels *rose* among the nonpoor—including single mothers who were not on welfare. Nonworking poverty could no longer be excused by the idea that mothers were supposed to raise children without working. More than any other change, these trends in employment made poverty and dependency into explosive national issues.

Welfare enrollments reached a plateau during the mid-1970s, but attention shifted to a more disturbing manifestation of poverty: the underclass. The term refers to the urban poor who lead the most disordered lives, not only long-term welfare families but youths and men detached from both school and work, many of them high-school dropouts involved in street crime and drugs. From the beginning, it was clear that a lack of opportunity was not the chief handicap of the underclass but, as *Time* put it in 1977, the absence of "schooling,

skills and discipline to advance." The underclass is not large—at between two and eight million people, it constitutes only a fraction of the poor population of 36 million and at most 3.5 percent of the total national population.* It may or may not be growing. But because of its immersion in crime and welfare, it has come to dominate Americans' image of the social problem.

During the 1980s, the homeless gave dysfunctional poverty a still more unsettling face. This group was even smaller than the underclass—600,000 or fewer by the best estimate—but even more painfully obtrusive. Now the poor no longer stayed, for the most part, in low-income areas. Middle-class Americans were forced literally to step over them as they passed through railroad and bus stations on their way home to the suburbs. Despite what advocates contend, the homeless are seldom "ordinary people down on their luck" who just need housing. Very few of them work—the immediate source of their homelessness—and many have serious personal problems, such as substance abuse and mental illness.

The nonworking poor defied the basic assumptions of New Deal politics and the original welfare state. The Great Depression had lifted much of the moral taint from poverty by demonstrating that many of the poor were victims of economic forces beyond their own control. "Anybody who is unemployed isn't necessarily unemployed because he's shiftless," declared Gardner C. Means, an adviser to Secretary of Agriculture Henry Wallace. The New Dealers established the notion that it was government's responsibility to manage the

*In recent years, the national poverty rate has been close to 14 percent. Poverty is a transient experience for most of the poor. But six to seven percent of Americans—and four or five percent of employable Americans—remain poor for more than two years at a stretch.

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economy so that jobs would be available to the unemployed, who, it was assumed, would jump at any opportunity.

But the Great Depression did not remove the taint from "relief." Although the public demanded that the jobless be put back to work, it remained powerfully averse to the idea of a dole. President Franklin D. Roosevelt hastened to replace his early emergency relief efforts with public-employment programs such as the Works Progress Administration, and even these were suspect. The permanent welfare programs that were created were hedged with moralizing restrictions. AFDC benefits, for example, were chiefly restricted to widows and their children, and AFDC was markedly less generous than programs that were funded by worker contributions, such as unemployment insurance and Social Security. The architects of the contributory programs—as well as the New Deal subsidies extended to agriculture, transportation, and other industries—assumed that the beneficiaries would receive their main support through employment. These benefits are sometimes called "middle-class welfare," but the New Deal programs never just *gave* people money. Instead, they raised the incomes of working people.

During the Depression, no more than a quarter of working Americans were jobless at any one time, but in four elections much of the middle class joined the working class to give FDR a mandate to reshape American society. The New Deal redistributed power and income and subjected business to unprecedented controls. Beginning in the 1960s, however, most Americans found much less to identify with in the plight of the less fortunate. "During the Depression, we were all more or less engulfed," recalled one artist quoted in Studs Terkel's oral history of the Great Depression, *Hard Times* (1970). "Today when people say poverty, they turn their head." Above all, it was the welfarism of the new poor that set them apart. The poor of the Depression "had to work 16 hours a day," remarked a restaurant owner, while the new poor were "paid by people that works [sic]." They were not

"guilty" about it, "just sick, mentally sick." The poor were no longer seen as workers in economic trouble but as people entirely outside workaday society, even a threat to it. The new poverty thus destroyed the alliance between the needy and better-off Americans that had sustained both the New Deal and the Democratic Party's dominance in presidential elections.

One great force behind the emergence of a new politics of dependency was the appearance of this new, more passive variety of poverty. The other was the failure of progressive-style reforms to overcome it. The earliest efforts followed in the progressive tradition. The "Kennedy tax cut" of 1964, along with growing federal spending, maintained full employment, while the civil-rights reforms opened up more opportunities to minorities who were employed or in school. These measures drove destitution down sharply, particularly among blacks, who were heavily represented among the working poor. The poverty rate among blacks fell from 55 percent in 1959 to only 30 percent in 1974.

But this turned out to be the last success of progressive reformism. Progress against poverty largely halted by the mid-1970s. A faltering national economy was partly to blame, but it was clear even during the 1960s that traditional reforms could not compensate for the rise of social maladies such as family breakup and withdrawal from the work force. Neither liberals nor conservatives could fully explain the decline of work. Liberals argued that the problem was a lack of jobs, low wages, or racial bias, while conservatives blamed welfare, which seemed to reward those who did not work or marry. But little evidence has been found to support these theories. The retreat from work seems to have its roots not in any lack of opportunity but in the demoralization of the poor in the face of their troubled histories as individuals and as a group—as well as government's failure to require welfare recipients to work.

The very ability of the poor to function

increasingly became an issue. As early as 1965, in a speech at Howard University, President Lyndon Johnson declared that social policy had to move "beyond opportunity to achievement." It was not enough to secure equal rights for blacks if they did not have the capacity, because of the nation's racist legacy, to compete equally with whites. They had to be assured "not just legal equity but human ability." Widely applauded at the time, the speech nevertheless had sobering implications, for it amounted to an admission that the ability of the poor to seize opportunity could no longer be taken for granted.

This changed the face of social policy. The last American social programs with a progressive, redistributive cast were enacted in 1964–65: Medicare and Medicaid, which provided health care to the elderly and poor, and food stamps, which provided low-income Americans with coupons to buy groceries. The main purpose of LBJ's War on Poverty and the Great Society, rather, was to improve individual skills through programs such as Head Start and the Job Corps. The critical policy question was no longer whether to control or decontrol the economy, or how much to tax and spend, but rather how to restore order and effort among the poor themselves.

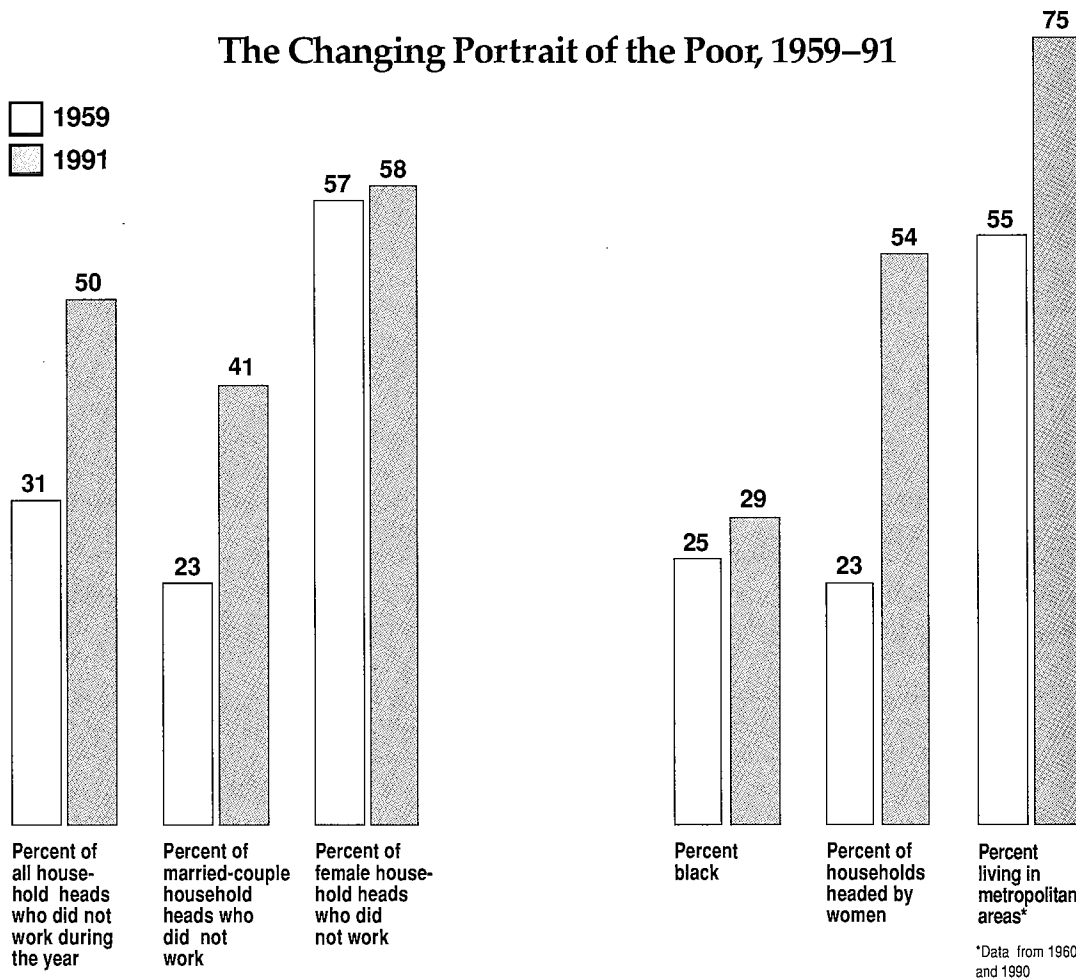
By the late 1960s, it became obvious that LBJ's compensatory programs were having little effect. Federal planners briefly embraced the idea of defeating poverty by transferring more money to the poor through expanded benefit programs. Increased transfer payments did in fact help reduce poverty. Above all, rising Social Security benefits sharply reduced need among the elderly. But to try to help the nonworking, employable poor this way proved politically impossible. Presidents Nixon and Carter both proposed plans to expand the welfare system, but these were defeated, mainly because they did little to require welfare recipients to work. During the 1970s, various plans to extend health-care coverage or child-care also died. What discredited lib-

eralism was not so much the cost of these programs as the painfully apparent fact that benefits alone could not stem the tide of urban crime, dependency, and failing schools.

As the social problem festered, the public lost the faith in government it had acquired during the progressive era. The feeling was expressed not only in a turning to the Republicans but in signs of disillusionment with politics generally. Fewer American voters were willing to declare an allegiance to either major political party: Between 1960 and the '70s, the proportion of voters claiming to be independents rose from one quarter to over one third. Turnout in presidential elections dropped, from 63 percent of eligible voters in 1960 to little more than half in recent contests. These changes are sometimes blamed on the economic turmoil of the 1970s—the energy crisis, double-digit inflation, and "stagflation"—but they began in the prosperous 1960s.

Washington's inability to solve the poverty problem after 15 years and billions of dollars lent credence to Ronald Reagan's indictment of big government during the presidential campaign of 1980. As president, Reagan was able to win deep cuts in education and training programs for the poor. Indeed, many liberal analysts and congressional staff members had come to share his belief that such programs achieved little while isolating the poor in a separate world of agencies and care givers. But the poverty problem blocked Reagan's larger agenda just as it had stymied that of liberals before him. Congress, reflecting public opinion, was as unwilling to dismember the welfare state as it had been to expand it. Much as Americans resented the chaos in the cities, they were not about to force the poor to shift for themselves. Reagan was compelled to preserve a "safety net" for the poor, trimming AFDC, Medicaid, and food stamps only slightly. The modest cuts in antipoverty spending he did achieve—through 1985, social spending was 10 percent less than what had been projected—earned him more public censure than anything else he did. He was accused of heartlessly neglecting the

The Changing Portrait of the Poor, 1959-91



Source: U.S. Bureau of the Census

Between 1959 and '91, the poverty rate dropped from 22.4 percent to 14.2 percent, and the number of poor people fell from 39.5 million to 35.7 million, but the number of nonworking poor rose sharply.

needy, and half of the American public believed, falsely, that he had left the poor entirely unprotected.

In the end, the Reagan Revolution's social policy was no more successful than the Great Society. The administration claimed that it was better to overcome poverty through economic growth than with government hand-outs. As John Kennedy had said, "A rising tide lifts all boats." During the eight-year boom that began in 1982, most working Americans did increase their income (though the rich claimed a larger share than the middle class). The poor benefited much less, however, because most of

them were no longer in the work force. Between 1982 and '89, unemployment fell by nearly half, from nearly 10 percent to just over five percent, but the poverty rate fell only from 15 to 13 percent. While a boom occurred in the rest of the country, the inner cities were devastated anew by the crack epidemic. The continuing deterioration of the ghetto discredited the idea of a smaller government just as it had the liberal hope of a larger one. By the end of the 1980s, there was talk in Washington of a need for a renewed effort to help the poor.

From the bankruptcy of the progressive reformism practiced by Left and Right a new

politics arose. Some analysts say that the rise of poverty as a political issue has made the nation more conservative, but this is too simple. It is true that under Ronald Reagan and even the "kinder, gentler" George Bush, the poor received less attention from Washington than they did during the 1960s and '70s, but the nation did not move very far to the right in the traditional sense. For all of Ronald Reagan's persuasion, big government remained popular with voters, and overall social spending—for the poor and middle class alike—went right on growing during the Reagan years, albeit more slowly than before.

The weight of the poverty problem has changed the very meanings of Right and Left. The two sides now differ not so much over the scale of government as over how to use government to combat the dysfunctions of the ghetto. Conservatives still want smaller government, but they also want to use public authority to repress crime, require welfare recipients to work, and set stiffer standards for children in the schools. Liberalism still means bigger government, but above all it means resistance to enforcing "values." Liberals, too, deplore crime and welfare, but they seek to assuage the "underlying causes" of poverty with new benefits and services without trying to govern behavior.

The main bone of contention is no longer how much to do for the poor, but whether to require them to do anything *in return* for support. The question is, Should adult welfare recipients have to work or stay in school as a condition of aid? Typically, conservatives want work programs to be mandatory, while liberals want them to be voluntary. During the debates on the Family Support Act of 1988, Republicans and Democrats compromised their differences on cost and benefits but remained bitterly divided over work requirements. Democrats finally accepted stiffer standards for work programs only because President Reagan threatened to veto any bill that did not contain them.

The main reason Republicans have won most presidential elections since 1968 is that the voters are more conservative on dependency issues than they are on the economic issues of progressive politics. The public wants government used vigorously to restore order in the city. Many conservatives are willing to do that. Liberals, while regretting urban disorders, show greater tolerance for them. The only Democrats to win the White House recently—Jimmy Carter and Bill Clinton—were well to the right of their party on crime and welfare. Clinton won the election of 1992 in part because the recession brought pocket-book issues to the fore, but also because he promised to "end welfare as we know it."

The Clinton reform plan, still known only in outline, is to limit welfare recipients to two years on the rolls and to require them to work thereafter, in a government job if necessary. A proposal of this kind may prove politically unworkable because many Democrats in Congress will think it too severe, or it may be impractical because the cost of the public jobs would be high. But even to propose such a change is far removed from the spirit of the New Deal, or even the Great Society, when people still believed that extending opportunity was enough to overcome destitution.

The current trend is toward paternalism—a social policy that not only helps the poor but attempts to manage their lives. Under the 1988 Family Support Act, for example, states are required to involve rising proportions of clients in work programs; the operators of homeless shelters, meanwhile, are increasingly trying to regiment the lives of their clients. For the seriously poor, obligation, not freedom, seems to be the way forward. This is a radical departure from what both liberals and conservatives have advocated in the recent past. The debate over how to balance obligation and benefit in such programs is now the central issue in American politics.