In Western Europe, political commentators have been surprised by the apparent inability of President Barack Obama - at least during his first term - to implement comprehensive social policy reform, with the exception of health care legislation.

This article assesses the extent to which the Obama administration is likely to push through a more progressive social policy agenda during its second term, even though it faces considerable political institutional constraints in doing so. In particular, House Republicans have framed the public debate in terms of cuts to social programs as part of an attempt to solve the problem of the budgetary deficit.

Based on the analysis of legislative documents and current reauthorization debates as well as on a series of interviews with key policy makers, this contribution presents provisional research findings concerning the politics of two income maintenance programs, Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps.

This article is divided into four sections. First, it briefly retraces the history and structure of TANF and Food Stamps in the broader context of a complex and extremely fragmented social protection system. Second, it shows that the Obama administration chose to build upon existing social programs through the American Recovery Act. Third, it argues that the Obama administration has remained extremely cautious in introducing initiatives aimed at strengthening the safety net especially since Republicans control the House since their victory in the 2010 mid-term November elections. Fourth, the article concludes by re-evaluating the politics of social assistance in the American context.

Key words: welfare reform, American social policy, social contract, economic insecurity

I- A complex social protection system

There is no comprehensive American welfare state in the European sense of the world with universal coverage of social risks such as the loss of employment, old age and poor health. Instead, American social policy is a two-tier system, with the upper tier being Social Security, mostly contributory old age benefits, survivors and disability benefits administered by the
federal government. From the outset, antipoverty culture and negative views about the poor impregnated the mindset of US administrators (Katz, 1996, King, 1995, 1999). In particular, able-bodied adults were not considered as deserving poor and were therefore expected to work. As noted by Handler (1995), the American social contract is based on the premise that working age individuals should support themselves and their families through paid employment; only those genuinely incapable of working can be exempted, and can therefore qualify for disability assistance payments (Supplemental Social Income or SSI). This explains two characteristics of the US social assistance system: first, programs are built around the needs of poor families with children, practically excluding childless individuals (Berlin 2007:17); second, welfare programs are generally demeaning and deliver extremely meager benefits, in order to ensure that individuals will always opt out for work instead of applying for cash assistance.

For the sake of clarity, I distinguish three periods in American social history. The first period corresponds to the enactment of the modern American welfare state with the Social Security Act of 1935. The second period (1965-1977) corresponds to the second stage of development of American social policies, with a piecemeal expansion of Social Security programs and the creation of additional programs in order to eliminate poverty. In 1969, the Nixon Presidency coincided with the political backlash against antipoverty and affirmative action programs. But such attacks were more rhetorical than real: indeed, programs were broadened and became more generous, whilst tax credits to supplement low wages were introduced under the Nixon Presidency. The third stage of US social policy represents a period of restructuring and retrenchment for the most vulnerable. The attack on welfare culminated with the elimination of Aid to Families with Dependant Children (AFDC) and its replacement by Temporary Assistance with Needy Families (TANF) in 1996. Training and adult education policies were also cut back under the Presidency of G.W. Bush, federal funding for TANF was barely maintained. Whilst AFDC atrophied, Food Stamps replaced cash welfare as the main component of the US safety net.

*The Social Security Act (1935)*

The Social Security Act of 1935 established a sharp distinction between social insurance and public assistance programs. Whereas Social Security was viewed as a ‘sacred governmental obligation’, welfare programs, essentially Aid to Dependent Children (ADC) was seen as a ‘handout to barely deserving people’ (Skocpol 1988: 296). By covering employees in non-agricultural industry and commerce only, insurance programs effectively excluded Blacks Americans (Skocpol 1988, King, 1995; Liberman 1998). The law established two social insurance programs on a national scale to help meet the risks of old age and unemployment: a federal system of old-age benefits for retired workers and a federal-state system of unemployment insurance. The Act also provided Federal grants-in-aid to the States for the means-tested programs of Old-Age Assistance and Aid to the Blind. These programs supplemented the incomes of individuals who were ineligible for social insurance programs. The law established other Federal grants to enable states to extend maternal and child health and welfare services, and these grants became the Aid to Dependent Children, ADC. ADC was the principal component of the lower tier of the Social Security system. The basic idea was that women who had no husband left should be able to look after their children in the same way as white married middle-class women did (Skocpol 1992). This program was modified to Aid to Families with Dependent Children in 1961 (AFDC). Originally, AFDC carried little stigma. However, in the mid-1960s, as welfare recipients became increasingly black and unmarried, public attitudes shifted. The program suffered from a lack of political legitimacy precisely because, contrary to insurance programs which supposedly covered social risks for working
citizens who had earned their right to social protection, welfare recipients were portrayed as living off public charity (Daguerre 2007 and 2008).

The age of expansion (1965-1980)

Public assistance programs were broadened and expanded in an ad hoc fashion between 1965 and 1975. The period 1960-1975 corresponds to the second stage of the expansion of the American welfare state, especially with the Great Society, the War on Poverty and the civil rights legislation. In 1964 President Johnson pronounced the Great Society’s Speech, based on ‘abundance and liberty for all’, which demanded an end to poverty and social injustice. The War on Poverty was launched through the Economic Opportunity Act of 1964 with a number of programs to improve the education and job opportunities of the poor. The programs included Neighborhood Youth Corps to provide local training, Community Action Programs (CAP) to promote urban renewal in deprived areas and Head Start. These policies aimed at empowering poor people, especially Blacks in Northern urban ghettos. But there was no attempt to co-ordinate antipoverty programs with economic policies. As a result, the Great Society programs oscillated between the implementation of active labor market policies such as job-creation and training programs and an attempt to change the behavior of the poor (Russel, 2004: 34-39).

In addition, the Social Security Amendments of 1965 created Medicare and Medicaid. Medicare provided for the medical needs of persons aged 65 or older regardless of income. Medicaid (federal grants to the states for Medical Assistance Programs) provided medical assistance for persons with low income and resources. Finally, the public assistance provisions of the Social Security Act were broadened in 1972. Cash assistance programs for the aged, blind and disabled were replaced by the mainly federally administered Supplemental Security Income (SSI) program.

Other assistance programs not included in the Social Security Act were also broadened. The Food Stamps program was enacted in 1964 to improve the nutrition of low-income families. Food Stamps is a federal program placed under the responsibility of the US Department of Agriculture, notably the Food Nutrition Service (FNS). There is originally a degree of consistency and national uniformity that is indeed exceptional in American public assistance programs (Stoker and Wilson 2006:40- 41), although in recent years states have been given much more flexibility to operate an exceptionally complex scheme (Wilde 2012, Super 2004). One of the reasons why states like the program is that, contrary to Medicaid, Unemployment Benefits or TANF, which are match-funded and often lead to complex formula fights, Food Stamps is 100% federal money.

The other nationally uniform program for low-income individuals is the Earned Income Tax Credit (EITC). EITC was initiated in 1975 as a means to stimulate employment, combat welfare dependency, and compensate low income workers for the expenses of Social Security payroll taxes (Stoker and Wilson 2003:35). It pays benefits to workers based on family size and earned income.

Working families represent the main target group of American social policies; single individuals are comparatively disadvantaged. Moreover, since the mid-1990s public assistance programs have increasingly singled out children as the primary beneficiaries of scarce resources and services, while income maintenance policies have been radically cut back. As we shall see, this is a policy that has continued under the Obama administration.
Restructuring and retrenchment: 1980-2008

From the 1980s onwards, support for working families was considerably extended, whilst anti-poverty programs were radically scaled back. In the 1980s, the debate on public assistance was dominated by a moral underclass discourse with strong racial undertones (Gilens 1999). This discourse proved extremely pervasive, and progressive democrats lost the battle of ideas in the 1990s (Weaver 2000, Daguerre 2007 and 2008).

The fact that the welfare caseload expanded in the 1990s - the number of AFDC recipients rose from approximately 11 million in 1987 to 14 million in 1994 - accentuated the public perception according to which the US public assistance system was too generous and unsustainable. By the early 1990s, AFDC had become the most unpopular social program in the country (Weaver 2000). In August 1996, President Bill Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), which replaced AFDC with Temporary Assistance for Needy Families (TANF).

TANF ended entitlement to cash assistance and imposed a five-year limit on welfare benefits. TANF funding mechanism consists in a block grant to each individual state. The block grant was fixed and was based on the level of expenditure in the mid-1990s under the old AFDC program. The primary goal of TANF was to reduce the welfare caseload, which had reached a peak in 1993-1994. The TANF funding mechanism provided a financial incentive for states to move families off welfare: if their caseload declined, states could retain the funds that were used to pay benefits. TANF was rated as a tremendous success on both sides of the political spectrum (Daguerre 2008). The welfare caseload dropped from 14.4 million recipients in March 1994 to approximately 6 million recipients in September 2002 (Department for Health and Human Services 2009). In 2006 TANF was re-authorized for another five years under the Deficit Reduction Act. Since 2011, the year it came up for reauthorization, the program has been extended on a three to six months basis.

Receipt of Food Stamps has also been made increasingly conditional upon complying with stricter work requirements, although such requirements are much less draconian than those of the TANF program. Since 1996, all working age individuals – able bodied adults without dependents- between 15 and 60. Able bodied individuals have a three month time limit for benefit receipt and must be referred by states for a minimum of 20 hours per week for training and employment programs placed under the responsibility of the Department of Labor, thus adding to program complexity (Stoker and Wilson 2006: 43). In addition, these programs are chronically underfunded, and, unlike Food Stamps benefits, are based on match funding between the federal government and the states. States can chose to devote just 50 000 dollars to these programs to comply with the able bodied individual rule. Participation in Food Stamps declined dramatically from 1994-1995, but steadily increased in 2001, as the result of the recession. The Bush administration (2001-2008) expanded the program in 2002 (this was already a key initiative of the Clinton administration, however, see Super, 2006). The Farm Security and Rural Investment Act of 2002 (FSRIA) relaxed eligibility criteria, made Food Stamp benefits more accessible and softened sanctions in case of overpayments to Food Stamp recipients. Under the Supplemental Nutrition Assistance (SNAP), participants receive debit cards from the Department of Agriculture. The 2002 Farm Bill allowed states to confer automatic SNAP eligibility on all households receiving a specified social service informational brochure. Households that participate in SNAP under this “broad-based categorical eligibility” rule still have benefits determined by the same formula (of household size and net income) as the other SNAP beneficiaries.
A practical result of broad-based categorical eligibility is that households can receive benefits based solely on their net income - it must be less than 130 percent of federal poverty guidelines (about $20,000 a year for a family of four) - and not based on the value of their assets or their employment status. Even SNAP households not taking part through broad-based categorical eligibility saw the asset test relaxed by the 2008 Farm Bill, as the values of vehicles, retirement accounts and education savings accounts began to be excluded from the test (Mulligan, 2012).

The second most important program for low-income families is the EITC, the scope and the generosity of which has been steadily increasing since the late 1980s, in an attempt to promote ‘an alternative to welfare’. Since 1993 EITC benefits have been extended to childless workers, but benefits are more generous if the individual has a qualifying child, that is, any child under the age of 19 or under age 24 if a full-time student. Qualifying children must have lived with the claimant for six months or more during the year for which the claim is made.

In the 1990s Presidents Bush (senior) and Clinton took several important steps to provide medical assistance to children and to working families. In 1989 Medicaid coverage was expanded to include children under age 6 and pregnant women in families with incomes below 133% of the poverty line. In an attempt to provide heath coverage to previously uninsured low-income children, the Balanced Budget Act of 1997 created the Children's Health Insurance Program (CHIP), a matching federal grant program to the states. CHIP does not provide coverage for parents and does not benefit low-income workers without children. State and federal policies have thus singled out children in the receipt of various cash assistance and in kind program, but adults are increasingly excluded from this expansion as they are expected to earn their living through paid work.

Over the past 20 years, notably since the adoption of Temporary Assistance for Needy Families (TANF) in 1996, which ended entitlement to cash assistance to low income families, American social policy is based on the premise that the main source of income for working age individuals should be their wages. There is a consensus according to which social policy programs should focus on helping low income workers as opposed to providing social assistance recipients with hand outs (Stoker and Wilson 2006: 17). In other words, social benefits should encourage work efforts either directly through in work subsidies such as the Earned Income Tax Credit or directly through schemes such as Medicaid, Transitional Medical Assistance (TMA), and, to a lesser extent, Food Stamps (SNAP). Low-income workers should be encouraged to remain in work or to actively seek employment. Out of work benefits are reduced to a meager minimum and conditions of access are so restrictive (as in TANF) that they act as a deterrent, thus coaxing public assistance benefits into taking any kind of paid employment.

2- The Great Recession: the Bush and Obama administration policy responses: between ruptures and continuities

Social assistance programs have expanded in a piecemeal fashion and have consisted mainly in subsidizing low wages through the EITC in an attempt to make work pay. This social equilibrium became extremely fragile owing to the continuing deterioration of labor market conditions, with an increasing fraction of the population being exposed to income insecurity and volatility (Hacker 2006). This equilibrium was also based on the availability of cheap credit to sustain individual consumption. With the rise in unemployment and the drying up of credit, as in the Great Recession of 2008/09, this equilibrium collapsed.
By the early 2000s the purchase of the American dream - an education, a car, a house, combined with regular trips to the mall – had become increasingly unaffordable, thus squeezing middle-class families, precisely when labor market rewards reached an all time low (Hacker 2006). But there was no political pressure for expanding income transfers partially because of the low salience of inequality-related issues but also because of the easy access to borrowing allowed low and middle-income households to sustain consumption or to purchase a home (Brandolini 2010: 219-220, Appelbaum 2010). The American dream rested on gigantic levels of personal debt, with devastating consequences for those households affected by the mortgage crisis in the summer of 2007, which marked the onset of the Great Recession (2007-2009).

Because so many Americans rely solely on the labor market and access to credit to sustain their livelihoods, when these two sources of income dried up simultaneously, as in 2007/2009, American citizens found their lives turned literally upside down. Although income insecurity and poverty were by no means the sole problems of a minority, the Great Recession laid bare the holes of the American safety net. In a context of historically high unemployment rates by US standards (10% in December 2009, 9.6% in November 2010), the social protection system was unable to contend the rising tide of poverty and hunger. In 2008, nearly 50 million American were poor, including nearly one in five children, and hunger, defined as inadequate access to food, affects more than 50 million Americans, including almost one in four children (Institute for Policy Studies December 2009).

As housing aid programs had been cut back since the 1980s, low income individuals were often left with the option of either paying for food or rent. SNAP had become the main means-tested program for low-income individuals and their dependents, but it is not designed to cover nutrition needs for a whole month. As a result, by the third week of the month, SNAP recipients run out of money and typically rely on Food Banks. Whilst TANF caseloads had not responded to changing economic circumstances, SNAP caseloads had been literally swollen up by the recession. According to the report “Battered by the Storm”, in August 2009, 36.5 million Americans (16.5 million households) received SNAP benefits, a one-third increase in participation since the recession began, and one in eight Americans was receiving Food Stamps, an all-time high (Policy Studies Institute 2009: 21).

Contrary to popular perceptions, the Bush administration started to spend its way out of the recession, a policy that was continued and expanded by the Obama administration. It is important to point out that the first response to the onset of the economic crisis in 2008 was the Economic Stimulus Act of 2008, which was signed in February 2008. But of course a major factor behind this first stimulus bill, just like the 2008 Farm Bill which was passed on a bipartisan basis in 2008 and considerably increased nutrition programs, was the fact that Democrats controlled the House, with liberal Californian Democrat Nancy Pelosi as House speaker. The Economic Stimulus Act provided a tax cut of up to $1200 for a family. Much of it came in the form of a rebate check mailed to families (Blinder and Zandi, 2010).

Another important measure taken by the Bush administration was the Extended Unemployment Benefits Compensation Act of 2008 (Congress usually passes these extensions at times of economic hardship, since 26 weeks of unemployment benefits do not enable to provide adequate protection against long-term unemployment. This is because the social protection system is based on the premise of a flexible labor market with quick re-entry into paid work). The Act enabled individuals who had exhausted unemployment insurance benefits to be eligible for additional benefits. Another important provision of the Act was that it allowed FNS to waive the three-month time limit on SNAP benefits for Able Bodied Adults Without
Dependents (ABAWDS) if FNS determines that in which the individual resides does not have a sufficient number of jobs. Under current regulations, a State agency qualifies for a 12-month statewide waiver of the ABAWD time limit if the Department of Labor (DoL) determines that the States qualifies for extended unemployment benefits. FNS approves State requests for a statewide waiver if the state is listed on the Department of Labor Extended Benefits Trigger Notice.

The Obama administration continued the fiscal response. The American Recovery and Reinvestment Act (ARRA) of 2009 was passed just one month after President Obama’s inauguration. At $787 billion, it was the largest countercyclical fiscal stimulus in American history. The Act also provoked a massive political counteraction: in January 2009, Conservative radio talk show host Rush Limbaugh criticized the American Recovery and Reinvestment Act of 2009, calling it the “porkulus” bill. Limbaugh’s rant is important because it started the renewal of the Tea Party movement. It also certainly contributed to the stigma attached to ‘ARRA money’, especially among Conservative Republicans.

The Recovery Act made tax cuts the primary vehicle for providing relief to Americans: tax cuts amounted to $288 billion, 37% of the $787 billion dollar stimulus package. The largest of these tax cuts was the President’s Proposal Making Work Pay Tax Credits that was based on extension of EITC (Mettler 2010:810). The Recovery Act included financial incentives for states to broaden the scope of unemployment benefits. Additional funding (forty billion dollars) was allocated to increase benefit levels by $25 a week. In November 2009 Congress approved a further extension of up to 14 additional weeks in every state, with an extra six weeks of benefits for those workers in states with an average three month unemployment rate above 8.5% (Institute for Policy Studies, Battered by the Storm: 2009:14-15).

Under the Recovery Act, all public assistance programs received additional funding whilst the scope and the level of benefits were tremendously enhanced. This was especially true of SNAP benefits. The Recovery Act provided a temporary, 13.6 percent boost in the maximum SNAP benefit beginning in federal fiscal year 2009. This increase was part of the economic stimulus package. Indeed, in a weak economy, every dollar increase in SNAP benefits generates about $1.70 in economic activity (Center on Budget and Policy Priorities, 2013).

The Recovery Act also provided an additional $4 billion for employment and training initiatives under the Work Investment Act (WIA). The Act also made clear that services should be provided primarily to recipients of public assistance and other low-income individuals. This provision existed already in the WIA (1998), but this clause was never really implemented, which justified this precision in legislative language.

The Obama administration’s response built upon existing public assistance programs, notably Food Stamps, unemployment compensation and to a lesser extent TANF. The Recovery Act, however insufficient according to many liberals, remained an exceptionally generous financial effort to raise the nations’ safety net and to alleviate the plight of low-income families. According to Ron Haskins, a Republican expert on welfare reform at Brookings, « the act was very generous. The Obama administration is outrageously liberal, they have done a lot for low-income families. » (Interview with Ron Haskins, Brookings, Washington DC, December 2009). In the words of a career civil servant in the Office of Family Assistance commenting on the Obama administration, « their heart is in the right place. The others could not care less. » (interview Office of Family Assistance, Washington DC, December 2009). In practice the new administration built upon existing social programs, largely continuing the politics of tax cuts.
and piecemeal extension of Medicaid and Food Stamps, which had characterized the action of the Clinton and Bush administrations.

3- An administration resigned to the status quo on welfare and SNAP?

Most of the energy of the Obama administration in terms of domestic policy has been devoted to the Affordable Care Act passed in January 2010, also known as Obamacare. One of the chief provisions of the Act consists in extending health coverage to low-income families. Under current law the federal government pays for about 57 percent of the cost of each state’s Medicaid program - but under Obamacare, it will pick up the total cost of expanding the program to cover additional uninsured Americans, gradually reducing that federal contribution to 90 percent. States have the option to refuse the federal grant, and some Republican-controlled legislatures have already done so.

The administration has been much more passive in terms of strengthening other parts of the safety net, namely TANF and SNAP, although there’s also been additional interest in subsidized employment and job creation measures. However, because Republicans control the legislative agenda in the House and have successfully framed the political debate in terms of deficit reduction, White House proposals for subsidized employment programs have been rebuffed, even though the Recovery Act did put some money aside for investment in infrastructure and job creation. Moreover, House rules make it tremendously difficult if not impossible to create additional social programs. Two examples will help understand the current toxicity of political debates in Washington, especially since Democrats lost the majority in the House of Representatives in the 2010 mid-term elections. We will review TANF debates and SNAP provisions.

*TANF: the reauthorization that never happened*

The welfare reform community is actually quite small.

As one staffer explains: ‘It’s gotten smaller so there is less confusion about who says what but the same people have been doing it for a long time. So you know what so-and-so thinks, you know where the people are. The number of staffers that know this issue and can work on it you can fit in a phone booth but they still know who they are’. (Capitol Hill interview, December 2012).

On the Republican/Conservative side, the major player are the Heritage Foundation, former Congressman Jim Talent, now fellow at the Heritage Foundation (Missouri), Ways and Means Committee chairman Dave Camp and Matt Weidinger, Republican staff director for the Human Resources subcommittee, Becky Shipp, Health Policy Advisor to Republican Senate Finance Committee (first worked for senator Grassley), Jason Turner, former Assistant Commissioner of New York City's Human Resources Administration, member of the Bush administrations 1 and 2, Douglas Besharov, former scholar of the American Enterprise Institute (AEI), director of AEI's Social and Individual Responsibility project, now professor at the University of Maryland. Besharov directs the university's Welfare Reform Academy. Ron Haskins, former subcommittee’s staff director and one of the main architects of the 1996 Personal and Work Opportunity Reconciliation Act (PRWORA), now fellow at Brookings, is no longer considered to be a reliable Republican expert on welfare issues by Conservatives because he has embraced relatively moderate views. Robert Rector, from Heritage, remains much more to the right and has still considerable influence in right-wing circles.
On the Democratic side, well-known welfare experts and former opponents of PRWORA are Mark Greenberg, a Senior Fellow at the Center for American Progress (CAP) and the Center for Law and Social Policy (CLASP), both liberal think tanks. He has been a Deputy Assistant Secretary for the Administration for Children and Families at the Department of Health and Human Services since 2009. Another prominent liberal welfare expert, also a political appointee, and long-time opponent of welfare reform in 1996 is Sharon Parrott, Director of the Welfare Reform and Income Support Division at the Center on Budget and Policy Priorities. Parrott was Secretary Sibelius’ Counselor for Human Services Policy at the U.S. Department of Health and Human Services (HHS) from August 2009 until November 2012, and returned to the Center in November 2012. Doug Steiger, former Democrat staffer, is Deputy Assistant Secretary for Legislation and his role is to liaise with Congress. Finally, Earl Johnson, also a political appointee (but only by the White House) is the current Director of the Office of Family Assistance. His areas of expertise include poverty and fatherhood, both high priority issues for the Administration. But he is a relative outsider to the closed TANF policy community, and has been promoted to this post because of his expertise on African-American families, in particular, as well as his experience of running TANF programs in California.

LaDonna Pavetti is another prominent welfare advocate and has been actively supporting subsidized employment programs. Another prominent liberal welfare expert is Elizabeth Lower-Basch, who is the Policy Coordinator at CLASP and a senior policy analyst for Income and Work Supports. In Congress, Democratic staffers - respectively Diedra Henry-Spires, professional staff member for human services and income security for Senator Max Baucus, chairman of the Senate Committee on Finance, and Nick Gwyn, Staff Director Subcommittee on Income Security in the House Ways and Means Committee, are the main protagonists. It is important to note, however, that high profile policy advisers from the Center for American Progress, nicknamed the administration in waiting during the transition period between November 2008 and January 2009 have not paid close attention to TANF.

In fact, it is clear that TANF has not been a priority for the Obama administration, especially the White House (both Office of Management and Budget and the Domestic Policy Council). As a result, TANF reauthorization - TANF is due to be reauthorized since 2010 - was never considered a big issue by the White House. Congress also lost interest in the program, and since 2011 simply kept extending the program on a three months basis through various appropriation laws. That’s partially because TANF is now extremely small, serving only 1.95 million families in 2011 compared to 3.94 million families in 1997, which represents a decline of 50 per cent between 1997 and 2011 (Loprest 2012).

There is an interesting twist to this story, however. The 1996 legislation provided supplemental grants to states that met criteria of high population growth and/or low historic grants per poor person. A total of 17 ‘needy states’ qualified for supplemental grants: Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Louisiana, Mississippi, Montana, Nevada, New Mexico, North Carolina, Tennessee, Texas, and Utah. For FY2001 through FY2010, supplemental grants were funded at $319 million per year. In FY2011, TANF supplemental grants were funded only through June 30, 2011. No funding for supplemental grants was provided for FY2012 or for FY2013 (Falk, 2013). The reasons for this is the stigma attached to be seen as asking for public assistance money in a context of extreme political polarization, at least publicly. In 2011 no Republican member wanted to be on record to ask for public assistance money. A Republican staffer said: ‘Once they expired in 2011 House Ways and Means took the view that it was creating a new program, which is very difficult to do in the House (they have special rules). That’s because of the political climate: nobody wants to ask
for more welfare money though unusually governors like their money, but not this time. Nobody wanted to make a public stink over it’ (Republican staffer, DC).

This stands in stark contrast to Republican attitudes in 2001, when Governor Rick Perry sent a letter to House Representative Tom Delay (staunch Conservative Republican from Texas) urging the extension of TANF Supplemental Grants, saying that: “These grants have played an important role in helping hard-working men and women in Texas achieve independence from public assistance. Congress designed the supplemental grants to address the critical program needs of states with especially high population growth and/or historically modest welfare benefits. They are critical to enabling us to help even more Texans move from welfare to work.”  

*Source.* As one Democratic staffer explained, ‘Fast forward ten years later and the same exploration and no governor said anything about it especially no Republican governor saying about it. So that is an indication that something has changed and they are no longer willing to come up and ask for federal funding even if it is a continuation funding especially as it relates to low income programs’ (Capitol Hill, Washington DC, December 2012).

But the most crucial illustration of the polarization of the political debate – and to what has been referred since July 2008 as Obamaphobia - has been over the issue of welfare waivers. On the 12th of July 2012, HHS issued an information memorandum to states stating that ‘Section 1115 of the Social Security Act provides authority for the Secretary of the Department of Health and Human Services (HHS) to consider and approve experimental, pilot, or demonstration projects which, in the Secretary’s judgment, are likely to assist in promoting the objectives of Title IV-A. Section 1115 allows for waiver of compliance with section 402 of the Social Security Act’. What is at stake here is that mainly Mark Greenberg, Sharon Parrot and to a lesser extent Earl Johnson wanted to allow states to experiment innovative approaches that would allow them to focus more on employment outcomes as opposed to procedure and burdensome reporting procedures defined in particular by the Deficit Reduction Act 2005.

Federal statutes require that welfare recipients prepare for work by engaging in narrowly defined work activities (unsubsidized employment, job preparation classes, job training). There had been a consensus among states that some of these requirements have become counterproductive. The HHS waiver thus permits states to redraft their plans so that they can experiment with creative strategies to help single parents find and retain jobs.

Ron Haskins said: "There ought to be some loosening up a little bit, especially during a recession, because everybody thinks the wise thing to do in a recession when you can't do a job is get more education and prepare for when the economy recovers." (Brookings, Washington DC, December 2012).

The official reason for the information memorandum was that the Department took very seriously the Presidential memorandum issued in February 28, 2011 that directed federal agencies “to work closely with state, local, and tribal governments to identify administrative, regulatory, and legislative barriers in Federally funded programs that currently prevent states, localities, and tribes, from efficiently using tax dollars to achieve the best results for their constituents.” (HHS Information memorandum, http://www.acf.hhs.gov/programs/ofa/resource/policy/im-oofa/2012/im201203/im201203). It was thus officially to address these states concerns that HHS issued the waiver. However, the real goal was to start a reauthorization process based on pilots and experiments, along the lines ‘let a 1000 flowers bloom’, as one interviewee reported.

However, all interviewees on both sides of the political spectrum - except for HHS - agreed that the timing of the information memorandum could not be worse: it was in the midst of the
Presidential election campaign. As one Congressional staffer observed: ‘The timing for HHS was wrong, it was the silliest move’. Democrat staffers on the House Ways and Means and in the Senate Finance Committee were not even aware of the information memorandum, the document was leaked to a Republican staffer first. Republican staffers were outraged, ‘we could not believe it’ (Interview Capitol Hill Washington DC December 2012). Republican staffers in both chambers issued a press release. The Romney campaign ad claimed that the White House wanted to gut welfare reform by dropping work requirements. When TANF was due for a short-term extension in October 2012, Republicans decided to allow this to happen, because "we thought there would be other opportunities to revisit the waiver issue if Obama won. At that point, in October, we didn't know if he was going to win or not’.

Two issues were at stake. The first was whether the Secretary had the legal authority to waive the work requirements. In fact, the administration was confident that it had a waiver authority because of cross-referencing of section 402 and section 407 of the TANF statute. This interpretation was confirmed by the Congressional Research Service “Section 1115 of the Social Security Act provides broad authority for the Secretary to consider and approve experiment, pilot, or demonstration projects which, in the Secretary’s judgment, are likely to assist in promoting the objectives of the TANF program. Should the issue go to court, “there would appear to be a sound basis for the reviewing court to uphold the Secretary’s interpretation that the provisions of Section 402, in so far as they incorporate the requirements in Section 407, are waivable under a TANF waiver demonstration project.” (CRS, 2012: 13). And because the information memorandum stipulated that the goal was to improve employment outcomes for TANF recipients, which is the goal of the section 407, the Secretary had legal authority. As Ron Haskins, the architect of the 1996 welfare reform legislation, explained, ‘Mark is a brilliant lawyer, and I’ll bet you Mark is the one that figured out, ha-ha they didn't write it correctly. It is kind of tortured but the first thing I did was call him. Mark, you don't have this authority and he convinced me that they did’. But that was not the original law had intended, and the administration knew this.

Second, the issue was whether the Administration had been guilty of executive overreach, i.e., whether the information memorandum was in fact a rule making exercise, in which case the Obama Administration should have consulted Congress under the Congressional Review Act (CRA). The Government Accountability Office (GAO) disagreed with the interpretation of HHS according to which the information memorandum was just nonbinding guidance under the CRA and therefore did not have to be submitted to Congress.

The CRA is intended to keep Congress informed of the rulemaking activities of federal agencies and provides that before a rule can take effect, the agency must submit the rule to each House of Congress and the Controller General, head of the GAO. GAO concluded that the Information Memorandum issued by HHS is a statement of general applicability and future effect, designed to implement, interpret, or prescribe law or policy with regard to TANF and is a rule under the Congressional Review Act. Therefore, under the CRA, it must be submitted to both Houses of Congress before it can take effect’ (GAO, 4 September 2012).

Since November 2012 the conflict has escalated between the Republican Congress and HHS, to the extent that all chains of communication seem to have broken down. On 28 February 2012, the House introduced legislation entitled "Preserving Work Requirements for Welfare Programs Act of 2013", to prohibit the Obama administration from granting waivers to the work requirements. Utah Senator Orrin Hatch, a member of the Senate budget committee, and Dave Camp, chairman of the House Ways and Means committee, were threatening to subpoena documents related to the Obama administration’s decision to grant waivers under welfare
Finally, three Republican staffers were allowed to review all the internal correspondence within HHS in February-March 2013. The result of this investigation was that they found a December 2009 information memorandum written to Mark Greenberg showing ‘that contrary to what they have said that the July 2012 information memorandum was just a response to requests from state’ they have been concocting it from day one... I have heard gossip wise that it came from the Secretary’s office, so that was Sharon Parrot who pushed it through’. (Republican staffer, June 2013, Capitol Hill).

As a result, any reauthorization proposal lays dormant. ‘It’s not dead, but it’s dormant’, as one senior HHS official put it. Moreover, HHS has quietly discouraged states to formally apply for a waiver authority, hoping that the issue will be forgotten. But Republican staffers, Senators Hatch and Dave Camp feel so strongly about the TANF waivers - which is quite ironic given that the Grand Old Party (GOP) had been in favor of a superwaiver authority proposed by the G.W. Bush administration in 2005, which would have allowed them to do pretty much everything they would like -, that TANF is unlikely to be re-authorized anytime soon. Moreover, because the welfare policy community is quite small, it has become a personal issue between liberal and Conservative advocates. Says the administration: ‘The memo that was released December 2009 is a long story but there’s nothing unusual about that.’ ‘It’s interesting that Congress is trying to hype this conversation making it sound like a conspiracy’, another HHS official noted.

What is clear, however, is that the White House had paid very little attention to TANF re-authorization. This is the reason why both Mark Greenberg and Sharon Parrot were left alone by both the Health Secretary Kathleen Sibelius and the OMB because the White House spent much of its political capital on Obamacare and the budgetary battle with the 112th Congress. Ron Haskins sums up the general consensus of all interviewees (in Congress, advocacy groups, etc.) when he says: ‘My feeling is that they were surprised by all the reaction. I don't think they paid enough attention to it. If they had called me for example, I have a lot of good friends in the White House, including some very senior people and if they had called me I would say, boy you are really asking for trouble here especially during a presidential election. I don't think I would have predicted the commercial that they did but I would say, at least wait until after the election and you should consult with republicans over this. That is what I would have told them’ (Brookings, Washington DC, December 2012).

It is also clear that both Mark Greenberg and Sharon Parrot had underestimated the political toxicity of this issue. Finally, the fact that Sharon Parrot returned to the Center on Budget and Policy Priorities in November 2012, just after the reelection of President Obama is no coincidence: she was probably asked to leave, but the Administration had to wait until the elections results to save face (but need to check).

**SNAP: a low priority for the White House**

In 2008, presidential candidate Barack Obama pledged to end childhood hunger by 2015. Under Secretary for FNS Kevin Concannon recalls that in 2009, when Barack Obama appointed Tom Vilsack as his Secretary of Agriculture, ‘he did not talk about farm programs but said ‘I want you to make sure that American children are fed’. In FY 2012, the Federal government spent over $106 billion to fund and operate the nutrition assistance programs, representing more than 60% of USDA’s expenditures (USDA fact sheet). FNS runs 9 nutrition programs, the biggest being SNAP (46 million people, average benefit level 133 dollars per individual for a month), the special supplemental nutrition program for women, infants and children (WIC), which covers now 52% of all American births, the national school lunch
program, the school breakfast program, the child and adult care food program, the summer food service program, the emergency food program (soup kitchens, pantries), the summer food program, the food distribution services on Indian reservations, and the commodity supplemental food program. FNS also provides Disaster-SNAP, which replaces lost food when states are being affected by natural disasters, the occurrence of which has multiplied in recent years (at least since Katrina). New York and New Jersey qualified for these benefits when they were affected by hurricane Sandy in November 2012 as well as Oklahoma, Illinois (floods).

The record of the administration on food insecurity is in fact quite mixed. On the positive side, the program has historically high participation rates - 75% compared to 50% in the 2000s - extremely low error rates (3.8%), and states have applied for categorical eligibility in a more confident fashion as well as other administrative waivers - simplified reporting procedures, online application processes, waiver of face to face interviews - because they were more confident that a Democrat administration would be more favorably inclined to help them cope with rising caseload during harsh economic times.

A senior career civil servant in the FNS explains:

‘Earlier in his tenure the Undersecretary mentioned Broad Categorical Eligibility to states but there are many more strategies we are looking at, administrative waivers are one, reinventing the business processes of their operations because there are very few caseworkers so the question was how can you meet people needs at times of rising caseloads .It was part of the conversation looking for ways to be able to handle a whole series of tools waivers, options, case banking (Food Nutrition Services, Alexandria, 6 June 2013; see also USDA, FNS, 2012). The Under secretary has also aggressively promoted program integrity – ensuring that states comply with the extremely complex rules - as well as being relentless in terms of the fight against EBT trafficking, both on the part of retailers and individuals (EBT cards are credit cards that are only accepted in certain types of stores or on farmers markets). The Undersecretary explains:

‘I detest having the people on the program being demonized so that’s the few bad actors we are after. Same thing with college students, like here, come on, 50 000 a year on fees and you apply for SNAP? Same with lottery winner of course’. (Kevin Concannon, Washington DC, 4 June 2013).

The Farm Bill is up for reauthorization since 2012 (the latest Farm Bill was 2008, under the Bush administration). Since then, the political debate has shifted to the right. In a context when House Republicans are repeatedly saying that Food Stamps costs have spiraled out of control, and that states have become much too complacent in enrolling middle class people who should not be eligible for the program, the purpose of the fight against fraud and the quest for program integrity is to restore the public faith in the program by showing that SNAP benefits are only given to those who truly deserve it. Both Farm Bills in the Senate and the House contain provisions that ban lottery winners from receiving SNAP (a well publicized case in the state of Michigan), restrict access to SNAP to community college students, and strengthen the fight against fraud.

Certain states have also opted for a no asset limit policy (currently the asset limit is 2000 dollars). Eliminating the asset tests in certain states has considerably reduced the error rate, because to determine whether individuals have absolutely no assets is very time consuming, complex, and prone to many errors. The Administration is of the opinion that to tell individuals to spend all their savings before they can be eligible for SNAP is also the wrong policy. Recalls
Kevin Concannon: ‘The White House wanted to have something with a 10000 dollars as a maximum asset for all public benefit programs but it did not go anywhere’.

On the negative side, the Administration has not made the fight against food insecurity and poverty a primary concern, largely because their first priority was Obamacare, and later because they were at loggerheads with the 112th Congress on budget deficit reduction talks. As a result, food insecurity has not dropped to its pre-2008 recession levels. Food insecurity is defined as the uncertainty of having or being able to acquire enough food due to insufficient funds or other resources, and affects 50 million Americans. Food insecurity is associated with a range of public health issues. Food insecure families are at higher risk for certain birth defects. Food insecure children experience cognitive problems, higher levels of anxiety and aggression. Diabetes and depression are also common among food insecure adults (Gundersen 2013).

The First Lady has made child nutrition and education her own political territory. The clearest signal she gave in that direction was when she brought the largest vegetable garden on the White House lawn, with family members, aides and staff and members of the public all called to arms to participate and grow a green thumb. The White House vegetable garden is a tradition observed by the Democratic first ladies Eleanor Roosevelt, Hilary Clinton and, of course, Michelle Obama herself. However, Michelle Obama’s vegetable garden is the largest ever of all three, and considerably outshines Hilary Clinton more modest sized rooftop vegetable garden. The First Lady has also been actively promoting nutrition education and child nutrition.

The Healthy, Hunger-Free Kids Act 2010 (passed in the so-called lame duck session when Democrats still controlled the House but had lost in the mid-term November 2010 elections) improved the critical nutrition and hunger safety net for millions of children through the Breakfast School and lunch programs. But it was paid for by reductions in SNAP benefits, under a sunset provision that allowed benefit increases (25 dollars under the Recovery Act for a family of four) to expire by the 31st of October 2013. The Congressional Black Caucus was extremely upset about this provision, and President Obama promised that he would later pass legislation that would restore the benefits. No such legislation was passed, even though the President Budget 2012, 2013 and 2014 repeatedly called for the restoration of the SNAP benefits. Jim Mc Govern, Democrat Mass. Rep, member of the Agriculture Committee, and one of the most liberal members in Congress, explains: ‘You are robbing Peter to pay Paul, it does not make sense’. (Capitol Hill, DC, 11 June 2013).

The pledge Obama made to end childhood hunger by 2015 does no longer look like a feasible goal. ‘That campaign promise has been broken’ says McGovern. Nearly 17 million American children struggled with hunger in 2011, the latest number available from the U.S. Department of Agriculture.

‘One of the disappointments about this administration is that’s they have not been engaged more, I do not recall the last time the President talked about hunger. We have been calling the White House for five years on food nutrition, I have talked to White House staff, including chief of staff to deal with this problem, but there’s been no response’, says Mc Govern, who is among the 21 members of Congress (all Democrats) to take the SNAP challenge, which consists in surviving on a nutrition budget of four dollars and 50 cents per day for an entire week. SNAP rules are extremely rigid: recipients can only buy non prepared food, they have to buy raw ingredients which supposes that all recipients have either access to cooking facilities or are in the position to cook (i.e., not elderly, disabled, etc.).

House Republicans have adopted the political line that the program is too expensive, that it promotes a culture of idleness and dependency, and that it does no longer serve the truly needy
but instead now encompasses the middle class. House Republicans are currently discussing a bill that would cut SNAP by 20 billions, when recipients are already facing a 25 dollars decrease by the 31st of October 2013, when the boost in SNAP benefits expires. States will not compensate for the loss of benefits. Although on record Conservative governors can be very critical of federal benefits in practice they do want the money. A career senior civil servant says: ‘Louisiana is very vocal about federal benefits but they’ve been also very quick to come in for disaster relief’ (FNS, Alexandria, 6 June 2013). So, for all the sound and fury about transforming SNAP into a work-first block program and make it look like TANF - which is essentially the core of Paul Ryan’s budget proposal - this has no chance to pass, even in the House.

It is clear that the Obama administration wants to appear as reasonable as they possibly can and are very careful as to when to intervene in the legislative process, especially at a time when they have been accused of executive overreach and political bias (National Security Agency leaks, Internal Revenue Service scandal which showed that Conservative groups were targeted by the IRS, and lastly Kathleen Sibelius being accused of illegal fundraising for Obamacare). They are in fact opting for the status quo, along the lines of ‘let’s not upset a program that works’.

But there are many inconsistencies and contradictions in the legislative process. For instance, at a time when the Administration is trying to get more SNAP recipients into jobs, and when there’s an apparent political consensus that the best way to become self-sufficient is into paid employment, both the Senate and the House Farm Bills cut employment and training programs for able bodied adults without dependants. The biggest difference between the House and the Senate Bill is that the former would eliminate broad categorical eligibility, thus kicking about 2 millions recipients off the program. Says Jim McGovern: ‘The President could threaten to issue a veto, but in fact I think they’re resigned to sign everything that passes their way. There’s a lack of leadership from the White House.’

Conclusion

Since the mid-1990s the centre of political gravity has decisively moved to the right, both within the Democratic and Republican parties. Although President Barack Obama repeatedly urged Republicans and Democrats to overcome their differences for the greater good of the nation in extremely difficult times, this bipartisan rhetoric has been, at least until recently, completely ineffective. President Obama is now in his second term and has been emboldened by his clear victory in the 2012 presidential elections, but apart from Obamacare and the current Immigration Bill, there are no clear indications that his legacy will consist in strengthening the safety net.

The Republicans have been utterly traumatized by the defeat of Mitt Romney in November 2012; they really wanted to believe until the last minute that they would gain the White House. Although they lost seats in the House of Representatives, the 113th Congress remains extremely hostile to the President. The House Speaker John Boehner does not control his party extremely well, either, and Eric Cantor has constantly tried to undermine his leadership. In this adversarial climate, any seemingly liberal initiative is immediately seized upon by Republicans. A typical example is TANF reauthorization and the waivers issue; any attempt to change the legislation has been immediately exploited by Republicans as an attempt to undermine the work ethic and to reward welfare dependency. In the words of an interviewee, “this is a highly toxic debate”.

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Alongside these circumstantial constraints, three sets of institutional constraints impede the development of comprehensive social reform in the US. First, the White House’s strategy on building upon existing social programs is limited by their invisibility. Second, political institutions in the US are much more responsive to pro-business and wealthy individuals’ interests. Third, the complexities of the legislative process limit the influence of the presidency and make it difficult to enact ambitious new social welfare programs (Jacobs and King 2010: 799).

First, the American welfare state is hidden (Howard 1997), divided (Hacker 2002) and submerged (Mettler 2010). Almost a third of social spending in the American welfare state consists in tax breaks, notably the EITC and home mortgage reduction, which are much less visible than social programs such as TANF, unemployment insurance, food stamps and social security. The problem with tax breaks is that they have less of a simulative effect than direct spending, which means that they are also less likely to be supported by potential beneficiaries. Moreover, the lack of comprehensive coverage, the superposition of layers of social programs without any single coherent logic, the superposition of federal and state rules add to the complexity of social policies. The invisibility and complexity of social programs ‘do little to engender positive attitudes among recipients toward such policies’ (Mettler 2010:809). Unlike FDR in 1934-1935, Barack Obama is not starting from scratch but is instead trying to redirect resources and programs in a more redistributive way.

This represents a particularly difficult enterprise as pro-business interests enjoy much more political influence than low income Americans who may not even vote regularly (Skocpol and Jacobs 2010: 55). Moreover, there is no organic alliance between organized labor and the Democratic party, and the influence of trade unions has been in steady decline since the mid-1970s. Congress is much less responsive to the demands of low-income citizens than to the demands of wealthy individuals and corporations (Bartels 2008). In fact, American political scientists have recently rediscovered the mechanisms of contemporary class war: Hacker and Pierson (2010) explain how since the late 1970s the most affluent members of society continuously expanded their financial position to the detriment of labor and middle class interests through a logic of policy drift. In this context, any additional spending on existing programs or the introduction of new social policies can be portrayed as socialist or anti-American. In short, opponents of social programs are much better funded, organized and programmatically coherent than their supporters (Jacobs and King 2010:796).

Third, the power of the Presidency in initiating legislative reforms is severely limited by the complexities of a legislative process that is both ‘individualised and diffuse, and therefore nearly immune to efforts by presidents to form supportive coalitions’ (Jacobs and King 2010:798). Indeed, as neither Congressional leaders nor presidents can control the vote of legislators even when one party is in control of both the White House and Congress, as was the case before the mid-term congressional elections in November 2010, the lawmaking capacity of the White House is extremely constrained (Jacobs and King 2010:799). There is considerable delay and deadlock in the legislative process, which reinforces the rejection of Washington politics by ordinary citizens and accentuates the impression of elites talking to themselves over byzantine legislative details.

At present the Administration is busy trying to fend off Republicans attacks against health care reform, but it is already clear that the law will be implemented in a majority of states. Even if
there are indications that the political gridlock has been somewhat eased since the summer of 2011, when Boehner and Obama spectacularly failed to reach a deal over a deficit reduction plan, the White House remains extremely cautious in intervening in the legislative process, especially in terms of social assistance policies. The political priorities of the Obama administration have been – and will remain – jobs, education (early education, college education), health care, and immigration. Strengthening the safety net is certainly not high on the White House to do list for the next four years. This could happen again if Democrats manage to regain control of the House of Representatives in the mid-term 2014 elections, and Obama has certainly pulled a lot of strings to support fundraising for Democrats, something he did not do during the 2010 Congressional elections.

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1 Obamaphobia has been defined as “A condition wherein someone suffers from obsessive negative delusions regarding Barack Obama.”

2 At the time of Hurricane Sandy, some conspiracy theorists suggested that Barack Obama could have engineered Hurricane Sandy, see http://www.infowars.com/could-hurricane-sandy-be-weather-modification-at-work/, accessed 13 June 2013.