



# **DIMENSIONS OF SOCIAL WELFARE POLICY**

Third Edition

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# PREFACE

In writing about social welfare policy analysis, authors encounter many opportunities to take sides and to argue their own points of view. There are, too, temptations to slip prescriptions into the analysis because the subject matter deals with compelling issues of human welfare. We recognize that many readers would like a book that provides solutions to the weighty problems of social welfare whether or not they agree with our views; if they agree, they can congratulate their wisdom, and if they disagree, they can reaffirm their own position by dissecting our biases and our faulty logic. In either case, a book that gives firm and sure direction to social welfare policy provides more immediate gratification to some students than one that analyzes the terrain and debates the hazards of the different roads that can be taken.

Nonetheless, we offer few explicit and firm prescriptions for specific social welfare policies. (In the few cases where we do prescribe, it is less by design than from an inability to resist temptation.) Thus readers are forewarned that they will not find many specific answers to questions of social policy in this book. Rather, we attempt in this text to share with the reader the intellectual challenges that are confronted in making social welfare policy choices. “Good” and “righteous” answers to fundamental questions in social welfare policy are not easily come by. Addressed seriously, these

questions require a willingness to abide complexity, an ability to tolerate contradictions, and a capacity to appraise empirical evidence and social values critically, which is to say that professionals engaged in the business of making social welfare policy choices require patience, thought, and an intelligent curiosity.

To speak of policy choices implies that plausible alternatives exist. Our second objective in writing this book is to present and illuminate these alternatives. The book is organized around what we consider to be the basic dimensions of choice in social welfare policy. We place these dimensions of choice in a theoretical framework that provides a way of thinking about and analyzing social welfare policies that is applicable to a wide range of specific cases. With this framework, we explore policy alternatives, questions they raise, and values and theories that inform different answers. Ultimately the purpose of this book is to help students come to grips with the complexities of social choice. We hope we will have equipped them to appraise and further develop their own thoughts on social welfare policy.

This book was written over a period of years in which we had many discussions (and sometimes disagreements) with our students. We are pleased with whatever benefit they may have derived from exposure to the developing ideas for the book, and we are grateful for the tolerance and critical comments they offered in response to our ruminations. We thank the editors of *Social Work and Welfare in Review* for permission to use material that originally appeared in those journals.

In preparing this third edition of the book, we were impressed by the extent to which the basic concepts of social policy choice-making have held up since the book was first published in 1974. We are equally impressed with the rapidity of change in the structure and content of American social welfare programs to which these concepts are applied. For example, when we were preparing the first edition, social welfare was at the apex of thirty-five years of growth; however, we are finishing this third edition at a time when government is attempting to control and reduce expenditures. Hence, chapter five (The Structure of the Delivery System) has been expanded to include discussion of cut-back management. Similarly, we have integrated material on other new developments such as the enormous growth of federal tax expenditures (chapters one and six) and for-profit programs in social welfare (chapter five).

We owe special appreciation to Wayne Vasey of the School of Social Work, University of Michigan; Wyatt Jones of the Florence Heller School for Advanced Studies in Social Welfare, Brandeis University; Eveline M. Burns of the School of Social Work, Columbia University; and Riva Specht who edited the first edition. Each read the original manuscript and provided us with thoughtful criticisms and constructive suggestions. While their good advice helped us to clarify and improve this work, we must, of course, claim exclusive responsibility for whatever deficiencies remain. We

also must thank Lorretta Morales, Ruth Mundy, and Kathleen Vergeer who provided great care and cheerful assistance in typing the manuscript.

It will become quickly evident to our readers that we, like other contemporary students of social welfare policy, have been considerably influenced by the writings of Eveline M. Burns and Richard H. Titmuss. Their impact on this field is of such magnitude as to be pervasive, and footnotes are an inadequate means of recognizing how much they have done to illuminate social welfare policy.

Finally, we must acknowledge our debts to those who bore the brunt of the moments of strain and weariness that all authors inevitably experience. Our wives and children demonstrated remarkable perseverance and good humor in supporting us as we tried to find our way through the dimensions of choice. To Barbara, Evan, and Jesse; Riva, Daniel, and Eliot; and Kathy, Joshua, Benjamin, and Sean, mere thanks are not enough to express the extent of our gratitude and affection.

Neil Gilbert  
Harry Specht  
Paul Terrell

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# Chapter One

## THE FIELD OF SOCIAL WELFARE POLICY

*“I don’t think they play at all fairly,” Alice began, in rather a complaining tone, “and they all quarrel so dreadfully one can’t hear oneself speak—and they don’t seem to have any rules in particular: at least, if there are, nobody attends to them—and you’ve no idea how confusing it is all the things being alive: for instance, there’s the arch I’ve got to go through next walking about at the other end of the ground—and I should have croqueted the Queen’s hedgehog just now, only it ran away when it saw mine coming!”*

Lewis Carroll

*Alice’s Adventure in Wonderland*

Students entering the field of social welfare policy quickly come to feel somewhat like Alice at the Queen’s croquet party. They confront a vast landscape that may be puzzling and complex. The territory it covers has constantly changing internal features and outer boundaries.<sup>1</sup> Its knowledge base is fragmented and less immediately related to the realities of day-to-day social work practice than other subject areas. Yet the study of social welfare policy is central for those who practice in the social services because, to a large extent, it shapes the forms of practice that professionals use and determines the client systems to be served. At least in part, the relative demand for services such as social casework, employment counsel-

ing, liaison and advocacy, case management, and community development result from the choices that frame social welfare policies at a given time.

The objectives of this introductory chapter are to provide a general orientation to the field of social welfare policy and to illustrate the inter-relatedness of practice and policy analysis. By presenting the subject matter of social welfare in a clearly understandable form, we hope that students will become interested in and comfortable with it and recognize the importance and power of policy studies. The purpose of this book, as the title suggests, is to develop an operational understanding of social welfare policy by identifying the dimensions of choice that the subject matter allows.

First, however, we want to explore four major perspectives that illustrate the field of social welfare policy studies: institutional, theoretical, analytical, and developmental. The focus on institutions defines what social welfare policy is about and delineates some of its boundaries. The focus on theory examines several schools of thought about how and why social welfare has evolved. The focus on analysis indicates different approaches to studying policy and for relating policy knowledge to social work practice. The focus on development describes the process of social policy formulation and implementation, and the associated roles of professionals.

## **SOCIAL WELFARE FUNCTIONS: AN INSTITUTIONAL PERSPECTIVE**

Social welfare policy is an elusive concept, and one could easily exhaust an introductory chapter simply by describing alternative approaches to its definition. We will not do this, nor will we review the ongoing discussion over the relationships among social policy, public policy, and social welfare policy.<sup>2</sup> It is enough to say that no single definition is universally, nor even broadly, accepted. However, some effort must be made to stake the boundaries that form a common realm of discourse among those concerned with this subject. Seeking to skirt the conceptual swamp of social policy, public policy, and social welfare policy distinctions, we will focus instead on trying to delineate, by using an institutional perspective, the broad range of functions that may be influenced by social welfare policies.

In beginning to define the scope of social welfare policy it is helpful to examine the constituent terms, *social welfare* and *policy*, separately. The term *policy* is somewhat easier to formulate. In this text we will examine policy as an explicit course of action. In this sense, policy is akin to what Kahn calls a "standing plan," what Rein describes as the substance of planning choices, and what Mangum explains as "a definite course of action . . . to guide and determine present and future decisions."<sup>3</sup>

Throughout this book our concern will be on the decisions and

choices that go into determining the social welfare course of action. What binds and delineates these decisions and choices is that they relate to social welfare in all its various aspects. More specifically, they address the functioning of the major institutions in our society that organize and provide social welfare.

The second term of concern, *social welfare*, can be approached by examining the character and functioning of these fundamental institutions. All human societies organize their essential social functions—child rearing; the production, consumption, and distribution of goods and services; social protection and so forth—into certain enduring patterns of conduct. All societies, for example, maintain institutions with responsibilities and expectations for raising and training the young. In most cases, one primary institution seldom exhausts the patterns a society uses to deal with its essential functions. Whereas the family is the primary institution for socialization, for example, it is by no means the only one. Religious and educational organizations and social service agencies also assume some socialization responsibilities, although socialization is not their primary activity.

There are five fundamental social institutions within which the major activities of community life occur: kinship, religion, economics, mutual assistance, and politics. As indicated in Table 1–1, all of society's basic day-to-day activities are organized in one or more of these spheres. And each of these social institutions, to one degree or another, also carries out important social welfare functions.

**TABLE 1–1: Institutions, Organizations, Functions**

SOCIAL INSTITUTIONS	KEY ORGANIZATIONAL FORM	PRIMARY FUNCTIONS	SOCIAL WELFARE FUNCTIONS
Kinship	Family	Procreation, socialization, protection, intimacy, and emotional support	Care for dependent members, interfamilial financial support
Religion	Church	Spiritual development	Sectarian welfare, health, education, social services, counseling
Economics	Business, union	Production, distribution, consumption	Employee benefits, delivery of commercially produced social welfare provisions
Mutual assistance	Support group, voluntary agency	Mutual aid, philanthropy	Self-help, volunteering, community social services
Politics	Government	Mobilization and distribution of resources for collective goals	Antipoverty, economic security, health, education, housing services

*Kinship.* The family has always been society's major institution for procreation, emotional support, and economic well-being. The family is also the key instrument of socialization, helping society to transmit prevailing knowledge, social values, and behavior patterns from one generation to the next. As an instrument of social welfare, the family frequently provides private arrangements for income security through life insurance policies, private savings and other kinds of investments, and gifts.

The full extent to which the family provides financial and in-kind assistance to its members, mostly between generations, is difficult to measure.<sup>4</sup> According to an estimate by Robert Lampman, interfamily transfers of cash, food, and housing amounted to \$86 billion in 1978.<sup>5</sup> A more recent calculation, based on a 1985 survey by the Census Bureau, estimates that cash transfers alone totaled \$18.9 billion. These figures suggest an average family aid payment of \$3,006—children helping aging parents with nursing or medical care expenses, parents helping children to buy homes or deal with financial emergencies, or separated parents paying alimony and child support.<sup>6</sup>

The family is also a welfare-providing institution in that it assists dependent members in noneconomic ways. Elders often rely on adult children for shopping and personal care, and families help disabled relatives of all ages who otherwise might require state-sponsored residential care or in-home assistance. In 1982, for example, 2.2 million Americans provided unpaid help to 1.6 million disabled elderly relatives. Most of these caregivers were women, and most lived with the person needing assistance. A full 80 percent of all caregivers provided care seven days a week, on an average of four hours daily.<sup>7</sup>

Finally, the importance of the family is reflected in the way people seek help when faced with critical problems. Responding to a 1980 Gallup poll asking where they sought "advice, assistance, or encouragement" when problems arose, far and away most respondents said family members. (The second most popular choice was friends, and further down the list were professional helpers like social workers, counselors, and psychiatrists.)<sup>8</sup>

*Religion.* Religious institutions manifest the spiritual aspect of human society through ceremonies and observances that form systems of worship. Beyond this, churches sponsor elaborate social welfare provisions ranging from informal support and counseling to multi-million-dollar health, education, and social service programs.

The Church of the Latter Day Saints (Mormons), for example, operates over 600 food production projects for the poor, including 20 canneries and numerous meat-packing and dairy operations supplied by church-owned welfare farms. A recent estimate indicates that each year about 200,000 church members receive nearly 32 million pounds of commodities from Mormon storehouses and auxiliaries.<sup>9</sup> The Mormons also run De-

seret Industries, which provides work and shelter for the elderly and handicapped; places members in jobs through church-sponsored employment offices; and organizes an extensive program of child welfare, foster care, and adoption services.<sup>10</sup>

Catholic, Jewish, and Protestant welfare organizations similarly have explicit social welfare objectives, implemented both through professionalized agencies such as Catholic Charities and the counseling activities of priests, ministers, and rabbis. The range of church-related services has been broadened even further in recent years by “family ministries” and “family life education” programs focused on married couples and their children, premarrieds and singles, and people facing special problems like alcoholism and divorce.<sup>11</sup>

*Economics.* Economics involves the production, distribution, and consumption of goods and services. Although the primary economic institution in most democratic industrial societies is the business firm, other organizations—professional bodies, unions, nonprofit entities, and government—also create and distribute goods and services. In this fashion, all these bodies affect how people earn their living and fulfill their needs.

Business organizations often promote the welfare of their members—their work force—by providing job-related goods and services, along with regular paychecks. One’s job is the most important single source of support for most Americans—both by providing the income necessary for everyday life and through welfare arrangements attached to the job, generally known as fringe benefits. The word *fringe*, however, seriously understates the importance of these benefits since their average value in 1986 exceeded \$10,000 per employee, or about 40 percent of a typical worker’s overall compensation.<sup>12</sup> These benefits have become an increasingly important part of an employee’s work-related package of compensation. Whereas wage income rose approximately 500 percent between 1965 and 1984, supplemental employer contributions rose by 1,000 percent. Most of this nonwage compensation went into private pension schemes whose assets increased more than sixfold between 1970 and 1984.<sup>13</sup>

Along with pensions, the most important fringe benefit is health insurance. Unlike most Western nations, which provide health benefits through public programs, Americans obtain their health benefits through their employment; in 1989 nearly two-thirds of all Americans under age 65 had employment-related insurance.<sup>14</sup> Many firms also provide benefits like company cars, parental leaves, college tuition for workers’ children, gyms, legal and dental services, relocation assistance, and low-cost housing. Unions occasionally provide special benefits to supplement the public system of unemployment insurance. And many human services such as on-site child care and alcohol and drug counseling are provided as part of company-sponsored EAPs, Employee Assistance Programs.

Some would argue that these benefits embody market exchanges—the basic package of compensation that workers frequently bargain for in lieu of wages—rather than social welfare. But even when fringe benefits are seen as an integral feature of the labor-capital exchange, their tax-preferred treatment means that they are to some extent publicly subsidized.<sup>15</sup>

Fringe benefits constitute one critical aspect of marketplace social welfare. A second aspect is the sale of social welfare goods and services as marketable commodities, much like any other. In recent years, an increasingly large part of the corporate sector has engaged in the production and sale of social welfare goods and services. There are, for example, ten major child-care chains operating today, many on the franchise principle, running more than 1,000 child-care centers—about 5 percent of all centers nationwide. In more traditional child welfare areas like institutional and group-home care and residential treatment, more than half of all programs are run by proprietary establishments.<sup>16</sup>

The biggest profit-making operations of all are in the health field, where major corporations operate about 11 percent of all the hospital facilities in the country. Profit-making firms also own a major portion of the nursing home industry (thus the term “industry”) and medical labs and clinics. The newest and fastest growing part of the U.S. health care system—free-standing emergency centers—is almost entirely a commercial enterprise. Major private corporations such as Upjohn Labs have also expanded into the home health field and drug and alcohol treatment services.

We do not want to give the impression that the profit sector is entirely the domain of major corporations. At the smaller end of the marketplace continuum are thousands of individual and small-group entrepreneurs who directly provide health and social services. These include private practice psychiatrists, social workers, marriage and family counselors, and lay people who operate family day-care and board and care homes. Currently, it is estimated that as many as 25 percent of the members of the National Association of Social Workers are in private practice for at least part of their work week.<sup>17</sup> It is clearly the hope of many social workers to go “solo,” hang out their shingle, and “do good” providing services that clearly are in demand—most of which revolve around personal relationships; individual insecurities; and sex, alcohol, and drug problems.<sup>18</sup>

*Mutual assistance.* The fourth major institution of modern society—mutual assistance—is perhaps the most explicitly focused on social welfare activities. Variouslly characterized as charity, philanthropy, informal help, or social support, these arrangements express society’s need for mutuality, its recognition of interdependence. Whether seen as a function of altruism or self-interest, they constitute an essential part of community life.



Most mutual assistance represents society's natural response to everyday need. Although traditions of self-help go far back in American history, they increasingly constitute a critical resource for millions of people. One of the most notable developments of the past decade has been the reawakened interest in informal helping systems along with a reconceptualization of the ways in which professionals and lay helpers can work together.

How do friends, neighbors, and peers help? Neighbors check in on the sick and disabled, making sure all is well, sometimes helping with housework, cooking, shopping, and babysitting. Friends provide loans and emergency living arrangements. Self-help groups—small, nonbureaucratic, nonprofessional—assist people facing common emotional problems. Working face to face with others who share and understand their predicament, millions of people achieve a positive sense of themselves and learn realistic strategies for problem solving.

It is estimated that 12 to 15 million Americans belong to self-help groups.<sup>19</sup> Among the most common are

- Parents Without Partners (for single parents and their children)
- La Leche League (for nursing and other new mothers)
- Candlelighters (for the parents of children with cancer)
- Alcoholics Anonymous (for recovering alcoholics)
- Al Anon (for family members of alcoholics)
- National Alliance for the Mentally Ill (for families and friends of the seriously mentally ill)

Among the more esoteric are

- I Pride (for interracial couples)
- Parents of Near Drowners (POND)
- Incompletes Anonymous (for students unable to finish their course obligations)
- Beauties Anonymous
- Helping After Neonatal Death (HAND)

Beyond self-help and informal support is the extensive and multifaceted system of voluntary social welfare that provides formal expression to the philanthropic impulse. Organized on a nonprofit basis and aimed at community welfare needs, over 41,000 voluntary agencies today provide an array of social services for disadvantaged children, families, adults, the elderly, and a variety of special-need populations. These agencies, generally small in size compared to government bodies and governed by citizen boards of directors, coexist with a vast population of other nonprofit groups serving educational, health, research, and cultural purposes.<sup>20</sup>