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Reagan’s Silent Majority: Conservative Welfare Politics after Nixon.

Abstract:

President Reagan built his conservative majority in the shadow of President Nixon’s political strategy. His efforts to construct a silent majority of southern white Democrats and northern white ethnics mirrored Nixon’s political strategy. This paper examines the influence of President Nixon’s strategic blueprint for a new conservative majority on President Reagan’s efforts to reduce federal social welfare policy commitments through cuts in spending. The Reagan administration’s welfare retrenchment efforts were organized around a political agenda that sought to take advantage of the racial animosities of southern whites and northern white ethnics. Applying Pierson’s (1994) approach to the politics of welfare state retrenchment, I focus on the administration’s most successful effort to cut the federal welfare state: the 1981 Omnibus Budget Reconciliation Act, examining the retrenchment strategies of obfuscation, division and compensation. Pierson’s approach to welfare retrenchment is modified by the recognition that the racialized nature of welfare politics in the 1980s was integral to the administration’s political successes in this area. For each of these strategies, race was of great importance in shaping retrenchment, but while civil rights provided Nixon with an opportunity to more explicitly appeal to white conservatives based on racial conservatism, Reagan had to find more subtle ways to reference race for white conservatives. While I find that the Reagan administration maintained a racially neutral public presentation in their discussions of these budget cuts, I also find a somewhat consciously articulated but fragmented political agenda mirroring Nixon’s efforts to build a conservative majority, focused on conservative white southern democrats and northern working- and lower-middle-class whites. This is contrasted with an almost complete absence of concern over the disproportionate harm that African Americans faced as a result of their agenda. Most telling, the administration responded to the criticisms of their budget cuts by African-American leaders through a combination of silences and symbols, offering very little in the way of direct material or procedural rewards for African Americans. Taken as a whole, the pattern of welfare state retrenchment, political appeals to whites, silence on racial implications, and symbolic appeals provide a compelling portrait of the racialized quality of the Reagan administration’s welfare cuts in 1981.
Introduction

If the central preoccupation of American Political Development (APD) scholarship is, as Orren and Skowronek (1994) explain, the study of “durable shifts in governing authority”, then the shift from the Great Society liberalism of the 1960s to a conservative counter-revolution requires elaboration. President Reagan’s 1981 welfare retrenchment offers an opportunity to explore this important political change, and to do so through a study of presidential politics within the context of racial politics. Using Skowronek’s (1997) cycle of presidential leadership and King and Smith’s (2011) theory of rival racial alliances, I argue that Reagan’s welfare retrenchment was linked to his overarching political strategy, and that this strategy capitalized on racial divisions within the Democratic Party’s coalition.

The conservative electoral coalition that Reagan assembled built on President Nixon’s efforts to create a new conservative majority. Nixon and his political team forged their majority by exploiting “race-conscious” opposition to civil rights advancements and liberal social policies. Reagan sought to appeal to these same conservative voting blocs. However, Reagan came to power when, as King and Smith (2011) argue, the opposition to liberal advances in Civil Rights and federal programs aimed at lifting African-Americans out of poverty had shifted away from a “race-conscious” approach to one emphasizing a “color-blind” approach. As a consequence, the historical record I review here shows that the Reagan administration used a racially neutral, “color-blind” policy approach in their 1981

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1 The “race-conscious” policy alliance was opposed to desegregation and to the advance of civil rights. See King and Smith, 2011, chap. 1. On the importance of race in Nixon’s political strategy, see Mason, 2004; Scammon and Wattenberg, 1970; Phillips, 1969.
Omnibus Budget Reconciliation Act (OBRA), but did so in pursuit of a conservative majority forged on white opposition to federal policy support for African-Americans and other racial minorities.

_Preemptive and Reconstructive Presidential Leadership_

Nixon sought to pursue a new conservative majority among white southerners and northern white working- and middle-class ethnics, and Reagan pursued virtually the same coalition. But while Nixon offered an expansive welfare reform that drew on New Deal policymaking practices to redistribute federal assistance to his desired coalition partners, Reagan rejected such an approach in favor of welfare retrenchment. The differing political contexts that they faced goes a long way to explaining why both pursued similar electoral strategies with divergent welfare policy reforms and racial politics.

First, Nixon was a preemptive president according to Skowronek’s well-known typology of presidential leadership, presenting both political constraints and opportunities. As a preemptive leader, Nixon was opposed to a resilient regime. He was elected during a period of liberal governing dominance, and in order to obtain and expand his power he had to exploit splits within the opposition to generate a new conservative majority. In this context, Nixon had to seek out possibilities for reconstructing political and governing commitments. At the same

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2 On Nixon’s political strategy, see Mason 2004. On Reagan’s see Busch 2005.
4 On Nixon’s preemptive presidency, see Skowronek, 2011, chap. 3; 1997, chap. 8, pp. 451-53. On his efforts to forge a new conservative majority, see Mason 2004.
time, this created a great deal of political independence for Nixon, from the
dominant liberal governing regime and from the stalwart opposition – the
traditional Republican Party. Nixon sought to carve out new, "personal bases of
political support outside of regular political alliances." But as Skowronek notes,
this is "treacherous" terrain: preemptive presidents tend to provoke political and,
even, "constitutional crises over the legitimate exercise of presidential power." Consequently, they are limited in what they can accomplish for the long term, tend
to pursue "hyphenated party labels and hybrid agendas," rely upon "personal
leadership and independent appeals."7

Contrast this with Reagan’s position in Skowronek’s cycle of leadership as a
reconstructive president. This is the strongest possible position for presidential
leadership. It emerges at critical moments in American politics when the current
governing regime is no longer able to command support. That regime,
embracing a dominant party coalition and connected to networks of dominant
institutions and elites, both governmental and non-governmental, has lost
governing authority. At those times, new presidents assume power by repudiating
the governing regime, and are offered a broad set of opportunities for remaking
American politics.8 While the conservative majority that Reagan pursued was
modeled after Nixon’s electoral coalition, Reagan entered office as a reconstructive
rather than a preemptive president, providing him with an opportunity to build a
new Republican Party, engage in institutional construction, create new conservative

5 Ibid., p. 44.
6 Ibid.
networks of elites, and extend his leadership throughout the nation under a warrant for remaking national politics. Elected in a context of economic stress, declining support for expansive federal social spending, and a protracted international crisis, Reagan promised to return the nation to prosperity, sharply reduce federal social spending, and reinvigorate U.S. military and international stature.⁹

Therefore, Reagan was more in a position to advance a more resolute conservative policy agenda than Nixon. While both Reagan and Nixon sought to assemble a conservative majority by appealing to white Democrats in the south and working- and middle-class white ethnics in the north, there was less enthusiasm during the early 1970s for a retrenchment of New Deal social welfare programs than there would be during the early 1980s. Instead, Nixon sought to appropriate New Deal style politics to redistribute federal resources toward the elements of his conservative coalition.¹⁰ His proposed Family Assistance Plan (FAP) would have provided vast increases in federal aid for southern states and for the largely white working-poor. Reagan, instead, could simply offer a conservative attack on liberal welfare policy, cuts in welfare spending, and appeals for support from these same constituencies on the basis of ideology and veiled racial symbolism.

Redefined racial policy alliances

In addition, Nixon and Reagan faced very different contexts in racial politics. According to King and Smith (2011), conflict over racial matters has been central to

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⁹ On the 1980 campaign and Reagan’s repudiation of Carter’s record, see Busch 2005; Skowronek 1997, chap. 8.
¹⁰ On the use of federal social programs to appeal for electoral power in the New Deal and later, see Lowi 1985, chap. 3.
shaping the alignment of national politics throughout our history. They identify three eras of racial conflict, between two rival racial policy alliances: in the ante-bellum period it was pro-slavery vs. anti-slavery; in the post-reconstruction period through the 1960s, it was pro- vs. anti-segregation; and in the current, post-civil rights era, it has become race-conscious vs. color-blind. Moreover, in the post-civil rights era, racial egalitarians evolved from arguing for color-blind policies – opposing racial segregation and discrimination – to race-conscious policies – affirmative action in education, employment and government contracting, as well as other programs targeting African-Americans and other racial minorities. Advocates of color-blind policies oppose targeting federal assistance to racial minorities.

King and Smith (2011) point out that the ending of the pro- vs. anti-segregation and it’s replacement by race-conscious vs. color-blind politics came in 1978, with the Supreme Court’s affirmative action decision in Bakke vs. UC Davis.\(^\text{11}\) Therefore, Nixon became president at the tail end of a long period of stability in racial politics, just as a major transition in the basis of that politics was taking place. The dominant racial policy alliance through the 1960s and early 1970s was the color-blind, pro-civil rights alliance. But by the late 1960s, racial liberals were pursuing not only color-blind policies designed to overturn historical discrimination, they were also beginning to pursue race-conscious measures designed to close the social and economic gaps between African-Americans and whites. As race-conscious policy advocacy increasingly defined the agenda of civil

\(^{11}\) King and Smith (2011) p. 10.
rights leaders and their liberal allies, conservatives pushed back against these initiatives by appropriating the color-blind rhetoric of the 1950s and 60s civil rights movement. By the time Reagan took office, the transition of the main rival racial policy alliances, had been completed, and conservatives were advocating for color-blind policies while the opposing racial policy alliance was arguing for race-conscious policies. Reagan took office, then under a very different racial order than Nixon, giving him a different set of political rules for reaching out to conservative white voters based on their opposition to federal support for racially targeted programs.

Combining these two historical lenses on presidential leadership and racial conflict helps explain how Nixon’s efforts to expand federal welfare to reach the predominantly white working-poor was replaced by Reagan’s efforts to oppose any expansion of federal welfare beyond the “truly needy.” Nixon was advocating a hybrid policy from a preemptive position in presidential leadership: his policy was an appropriation of a liberal policy prescription – a guaranteed annual income (GAI) – on behalf of conservative constituencies: southerners and northern white-ethnics. Reagan was advocating a more straight-forward repudiation of New Deal and Great Society liberalism: a shrinking of federal welfare programs. Moreover, Nixon operated within a shifting identification of racial policy alliances with color-blind and race-conscious policy commitments, and so his welfare reform was designed to consciously appeal to white working-poor recipients, but was at the same time publicly portrayed in color-blind policy rhetoric. Reagan, was firmly

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12 On Reagan’s promise to reserve federal welfare for only the “truly needy”, see Davies 2003.
13 On Nixon’s FAP and conservative constituencies, see Steensland 2008.
committed to color-blind ideals, and therefore could advocate for budget cuts in programs serving the poor without reference to race, and despite the fact that African-Americans would be most severely impacted by these policies.

**Contrasting Welfare Agendas**

In 1981, the Reagan Administration’s mammoth budget reconciliation package imposed a range of cutbacks in welfare and other federal social services programs, and African-Americans were particularly hard-hit by these reductions.\(^{14}\) Reagan signed this particularly significant budget cutting bill into law early in his presidency. For Aid to Families with Dependent Children (AFDC), the primary federal welfare program, the budget bill imposed new and more restrictive eligibility criteria, reduced benefits, and imposed new requirements intended to cut down on the use of multiple federal assistance programs by welfare families, such as food stamps and housing assistance along with AFDC. Pierson (1994) points out that the impact of Reagan’s efforts to reduce the size of the federal welfare state were blunted by the institutional resilience of New Deal entitlement programs, and that most of the New Deal welfare state programs emerged from his two terms as president relatively unscathed, if not larger than when he took office.\(^{15}\) But for AFDC there were significant cuts in benefits and a tightening of eligibility, resulting

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\(^{15}\) Kevin Hopkins, from the conservative CATO think tank, agrees with Pierson’s views: “By almost any significant measure, the Reagan “revolution” in social welfare policy has been little more than a few fizzled musket shots.” Hopkins, 1988, p. 211.
in a major reduction in the size of the welfare rolls: The U.S. General Accounting Office (GAO) concluded that the AFDC caseload decreased by 442,000 cases due to the OBRA cuts.  

More important than the reduction in benefits, however, was the reorientation of federal welfare policy that the OBRA of 1981 represented. Through the late 1970s, the development of AFDC as a program had essentially moved toward increasing support for its caseload and increasing federal control, particularly through a series of Supreme Court decisions prohibiting state practices that arbitrarily restricted access to assistance. With the OBRA 1981, the direction of development was reversed: the movement was now toward restricting benefits, increasing requirements, and enlarging state discretion over public assistance. As Sheldon Danziger (1983) observed, this was a significant departure from the reforms proposed by both Presidents Carter and Nixon before him, and it was done through a broader process of budget reform rather than through a public effort to address welfare per se: “President Reagan has reformed welfare by cutting the budget.” (p. 65).

Indeed, this was a major shift from the welfare policy of the previous Republican Party president, Richard Nixon. Similar to Reagan, in August of his first year in office, Nixon went on national television and proposed to replace AFDC with a new program that would expand federal welfare assistance to the working poor.

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17 There were minor exceptions to this unidirectional movement, but on the whole this is a fair but broad summary of the development of AFDC. On the historical development of AFDC policy, see Patterson 1986; Handler 1991, chapters 2 and 3; Mink 1998; Weaver 2000. On the Supreme Court cases which imposed federal standards for state AFDC administration, see Bussiere 1997.
Billed as the Family Assistance Plan (FAP), Nixon’s proposed reform was based on the Negative Income Tax (NIT) innovation of conservative economist Milton Friedman. It promised a basic minimum income for all families, and would have expanded coverage from AFDC’s recipients, primarily non-working single-mothers and their children, to cover the working poor and two-parent families. Moreover, the FAP included an incentive for adult recipients to work by reducing their welfare payment by less than a dollar for every additional dollar earned. According to estimates within the administration, the FAP would have more than doubled the number on “welfare” and tripled its cost, from $2.2 billion on AFDC in 1970 to approximately $5.8 billion if the program had passed.

While Nixon’s proposed welfare reform was expansive and Reagan’s was a cutback, both presidents situated their policies within a political strategy aimed at appealing to the same constituencies: a conservative majority including both southern conservative white democrats and northern working- and middle-class white ethnics. Moreover, in both cases, the racial connotations that were imbedded in popular views of federal welfare were central to their political strategies. Yet their policies pointed in two very different directions. Nixon’s GAI policy proposal has disappeared from the mainstream policy agenda, and Reagan’s

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18 Steensland 2008, chap. 2; Moynihan 1973, chap. 3 and appendix, pp. 229-235
19 The estimate is based on President Nixon’s chief Domestic Affairs Counselor Arthur Burns’ analysis of the Secretary of Labor George Shultz’s proposed version of the Family Security System. Arthur F. Burns, July 12, 1969, Memorandum to the President, p. 3, White House Special Files (from herein: WHSF), Subject Files (from herein: SF), John D. Ehrlichman, Box 38, folder: “Welfare Book: Family Security System 1969,” 1 of 2; Nixon Presidential Materials Project. National Archives and Records Administration (NARA) II, College Park, MD. From hereafter, materials from the Nixon Presidential Materials Project are referenced as NPM. These materials are no longer in the College Park NARA facility, and can be found at the Richard M. Nixon Presidential Library and Museum, Yorba Linda, CA.
20 On the conservative political strategy see Edsall and Edsall 1991; etc.
21 On race and public opinion towards welfare see Gilens 1999; etc.
welfare policy retrenchment and emphasis on work requirements ultimately laid the groundwork for the 1996 Personal Responsibility and Work Reconciliation Act, which replaced the AFDC entitlement with a block grant for Temporary Assistance for Needy Families (TANF). 22

As noted, we can posit several major reasons why they pursued different policies. First, Reagan learned from the legislative and political failures of Nixon’s FAP. 23 Secondly, and more importantly for this analysis, Nixon and Reagan faced two very different leadership contexts, as described by Skowronek’s (1997) model of presidential leadership cycles. Third, the structure of racial alliances, as described by King and Smith (2011) had changed significantly as well. When one combines the latter two models of presidential leadership context and racial alliances, and take into account the developmental trajectory of policy feedbacks from Nixon’s FAP experience, the emergence of a racialized restrictive welfare policy as the signature social welfare reform approach for national conservative leaders can be understood.

Reagan, Retrenchment and Race: OBRA 1981

The stated purpose of the AFDC changes in OBRA 1981 was simply to cut costs. This was a color-blind formulation. Grant levels were reduced for eligible recipients, and the number receiving assistance were reduced by making eligibility requirements more stringent. But while the effort to reduce costs was the stated

22 On the PRWORA, including the Reagan administration’s role in its long-term development, see Weaver, 2000; Mink, 1998.
23 On the reasons for FAP’s failure, see Steensland 2008; Quadagno 1990; Kellerman 1984, chap. 8; Burke and Burke, 1974; Moynihan 1973.
premise for these changes, and the justification for including them in this budget cutting bill, the changes embodied a new set of conservative ideals regarding welfare recipients, and the poor more generally. The act emphasized work as a crucial test to distinguish the truly needy from the able-bodied poor: only the first group would be assisted. This was more than just a way to make federal welfare more efficient. These changes altered the fundamental purpose of AFDC, which was based on the principle that single-parent families who were below a basic standard of need were entitled to assistance. OBRA 1981 revamped that notion, adopting a concept that welfare recipients could and should work if possible, an idea that the 1967 amendments to AFDC had hinted at with the Work Incentive Program (WIN).

This was probably the most significant feature of these changes. Reagan had hoped to have all states establish a mandatory “workfare” program, but lost this battle with Congress. States were given the option of running WIN demonstration programs emphasizing workfare, in lieu of WIN’s emphasis on work readiness. They could also operate a CWEP, job search, or grant diversion demonstration, all of which emphasized working for benefits. Many states chose to run one of these demonstrations, including 25 state CWEP programs. With the passage of the OBRA AFDC changes, the idea of workfare became a viable possibility for welfare

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24 On the origins of the AFDC program, see Skocpol 1992; Bell 1965. The Social Security Act of 1935 included ADC as title IV, and as a whole it assisted only those who were seen as unable to support themselves due to extenuating circumstances such as old age, disability, blindness, or, in the case of ADC, being children in a family with no father. Also see Lieberman 1998, chapters 2 and 4.

25 Social Security Amendments of 1967, Pub. L. No. 90-248. All states were required to participate in WIN but were given wide leeway to grant exemptions. WIN also provided job training and placement services for participating welfare recipients, but the federal funding for the program was never enough to provide training to any but a small proportion of the entire caseload. In 1971 the Talmadge amendments to AFDC increased the funding for the program, and tightened requirements for participation, including requiring all mothers with children over the age of 6 to be enrolled. Still only about 40% of AFDC recipients had to register, and because of the lack of resources most were placed on “hold”. Handler 1987-88, pp. 489-491.
reformers. Eight of the WIN demonstration projects became the laboratory for Manpower Demonstration Research Corporation (MDRC) studies that ultimately became instrumental in promoting a strong work component in the Reagan administration’s more comprehensive 1988 welfare reform, the Family Support Act (FSA).²⁶

The administration succeeded in reversing decades of typical welfare reform which expanded AFDC and its associated programs. In the past, even when restrictive measures were imposed on welfare, they were accompanied with significant additions of funding. The extent of the Reagan administration’s success is a measure of their ability to have circumvented the constraints of traditional welfare policymaking, and the political logic of retrenchment. By achieving their welfare changes as part of a huge national budget reconciliation, they succeeded in hiding their welfare reforms and in avoiding the normal legislative process, where opponents to retrenchment might have been successful in opposing their efforts.

The OBRA 1981 changes emphasized work requirements and confining assistance to only the truly needy, reversing the direction of past reforms. These emphases implied that many welfare recipients, if not most were in fact undeserving of assistance. This silent chastisement of the bulk of the welfare families was flavored by racial stereotypes of urban welfare recipients. However, these were levied within the confines of a newly redefined, conservative and “color-blind” racial policy alliance. The presence of these stereotypes therefore is difficult to discern

²⁶ On the 1981 demonstration studies in the policymaking process for the FSA, see Baum 1991.
without further exploration of the ways that the Reagan administration defined the welfare issue as they set about making the changes in the OBRA 1981.

Retrenchment

David Stockman, Reagan’s first Director for the Office of Management and Budget (OMB), and the leading administration figure in pushing for the OBRA of 1981, wrote in his administration memoir:

The Reagan Revolution as I had defined it, required a frontal assault on the American welfare state…. Forty years’ worth of promises, subventions, entitlements and safety nets issued by the federal government… would have to be scrapped or drastically modified. 27

The poor, especially those who were racial minorities, and especially those concentrated in urban areas, would be the hardest hit by these cuts.28 However, the destructive impacts of these programmatic changes were seldom, if at all, the subject of the budget battle discourse that dominated the exchanges among the leadership of Congress and the Reagan administration. More importantly, the specific concentration of the impacts on blacks were limited to exchanges led by the Congressional Black Caucus and leaders of the major Civil Rights groups. They rarely made it into the center of the public debate because of the Reagan administration’s support for a color-blind racial agenda, and the hesitance of rival race-conscious policy alliance leaders to advance their increasingly unpopular agenda.

28 On the impact of the budget cuts on blacks in particular, see Center on Budget and Policy Priorities, 1986. On the heavy impact the Reagan budget cuts had on urban areas, particularly the largest ones with the greatest proportions of racial minorities, see Caraley, 1992.
Pierson (1994) notes that welfare state retrenchment obeys a fundamentally different political logic than welfare state construction. Retrenchment has to address the politics that policy creates – a set of policy feedbacks which make existing policies resistant to change, and which set the parameters of future public policymaking debates regarding a particular policy problem. Pierson argues that the welfare state programs built as part of the New Deal and augmented under the Great Society created beneficiaries who were deeply interested in protecting and even in expanding these programs. Moreover, it wasn’t only the direct recipients of assistance who would have a material interest in protecting existing policy, but also those groups employed by the specialized categorical programs of these programs, including government employees in the federal, state, and local governments charged with the implementation of these programs. As a result, he identifies common strategies that political leaders use when seeking retrenchments – including “obfuscation, division, and compensation.” Obfuscation refers to the practice of making cuts in programs difficult for the public to identify. Division refers to setting potential allies in favor of program protection against one another, by highlighting differences among beneficiaries of the same program. Finally, compensation may be offered to groups likely to actively oppose budget cuts.

In the 1981 budget cuts all three strategies were employed. Rather than promote their welfare policy and social program cuts, the Reagan administrations focused on their larger economic program – reducing the size of the federal

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29 See Weir 1992; On policymaking feedbacks as a concept, see Pierson, 1994.
30 Pierson, 1994, chapter 2 explains the political logic of retrenchment, including the specific notion of policymaking feedbacks and the resulting differences in level of vulnerability for specific programs.
government, cutting taxes for individuals and businesses, promoting regulatory relief, and restoring a stable currency through monetary policy.\textsuperscript{32} To the extent that these important reductions in the size and cost of programs serving the poor were made, they were hidden within the gigantic reconciliation package submitted to Congress three months into the administration’s first year. This made it highly unlikely that the affected constituencies would be mobilized to protect their benefits. Moreover, these cuts in domestic spending would be concentrated in programs that served the most needy sectors of the American public – those receiving Aid to Families with Dependent Children (AFDC); Food Stamps (FS) and a range of urban-based programs in housing and social services that were covered by federal categorical grants to local areas.\textsuperscript{33} The constituencies for these programs were politically weak, and therefore unlikely to launch an effective political fight to protect these programs, especially within the new, unfamiliar, and highly technical context of the Congressional Budget reconciliation process.\textsuperscript{34}

Secondly, the administration, by not wholly eliminating programs with large recipient populations, but by rather restricting those programs by eliminating benefits for all by the “truly needy”, they were able to divide potential allies against budget cuts by dividing the poor into two groups: those who were “truly needy” and those who were presumably benefiting from government benefits that they really

\textsuperscript{32} The Reagan administration’s economic recovery was outlined in their 1981 document entitled \textit{America’s New Beginnings: A Program for Economic Recovery}, reviewed in Cannon, 2000, pp. 198 – 199.

\textsuperscript{33} On the concentration of the budget cuts among these programs, see Palmer and Sawhill, 1984.

\textsuperscript{34} On the unusual nature of the reconciliation process under the 1974 Congressional Budget and Impoundment Act, and its effective use by the Reagan administration in 1981, see Hartman, 1982; Niskanen, 1988, pp. 62 – 69; Pfiffner, 1986. More generally on Reagan administration budgetary political maneuvering, see Stockman, 1986.
didn’t need. That this distinction had strong racial overtones was a central component of the administration’s political strategy.

Finally, compensation was hypothetically held out to those who faced budget cuts through the logic of supply-side economics and the infamous “trickle-down” theory. Reagan officials often said that the budget cuts would, in conjunction with the tax cuts and monetary policy they had implemented, create economic growth that would provide new opportunities for the poor and low-income who were willing to work. In other words, the budget cuts were envisioned as necessarily painful medicine, but would yield positive benefits for all eventually. Reagan himself, for example, in the midst of the recession of 1982, argued that the pain was necessary to counter the excesses of the excessive spending during the Carter presidency.35

Pierson’s work provides crucial insights into the 1981 budget reconciliation strategy that the administration pursued, and the nature of the Aid to Families with Dependent Children (AFDC) program cuts that were embedded within that gigantic piece of legislation. But his approach leaves out the racial dynamics of the Reagan program cuts altogether. By taking note of the racial politics that pervaded the retrenchment efforts of the Reagan administration, the political agenda attached to retrenchment takes on a different and broader meaning.

Cutting welfare was a means to a political end, and that end was the consolidation of a new conservative political coalition based in part on the racially polarized national electorate. As we’ll show in some detail below, the budget cuts

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35 Cannon, 2000, p. 231.
fell most heavily on blacks in urban areas, and the reaction of black leaders to the Reagan economic program was severely critical.

Still, the Reagan administration did not engage in any explicitly racialized policy or political rhetoric around welfare or economic policy. This fit in with the color-blind racial policy alliance with which the Reagan administration was allied. As King and Smith (2011) point out, Reagan assumed the presidency just as conservatives began to embrace a color-blind racial policy agenda. This came on the heels of the Supreme Court’s Bakke decision, challenging racial quotas in higher education admissions. It also came in response to the tax uprisings, such as the one in California in the late 1970s, which criticized the use of public funds for “undeserving nonwhites”.36

The Reagan administration’s silences on the racial implications of its budget cutbacks should, then, be understood within the context of retrenchment political logic and the post-civil rights era politics of race. Because of the politics of retrenchment requires the creation of losers instead of winners, there were pressures from the color-blind alliance for the administration to “obfuscate” the targeted nature of their reconciliation budget cuts offered in 1981. Because direct appeals to racial divisions were counterproductive within the broader structure of rival racial policy alliances, there were natural pressures to elicit such racially inspired support for budget cuts through implicit references that would

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36 King and Smith 2011, p. 10.
differentiate among the truly needy – who would be entitled to the support of the “safety net” – and those who were viewed as somehow undeserving of assistance.37

I first take up a more detailed examination of these two retrenchment strategies, then look at the evidence for the racialization of welfare policy within the Reagan administration, and finally examine Pierson’s third strategy, compensation. It is in the study of this last strategy that the racial content in the Reagan administration’s overall approach to welfare state retrenchment is most clearly manifest.

Obfuscation: Welfare Reform as Budget Policy

The Reagan administration’s successes in substantially reducing and altering federal welfare were won through an end-run around the normal institutional procedures for reforming welfare. The OBRA 1981 was not a comprehensive restructuring of federal welfare, but it did mark a critical reorientation of federal welfare politics, from an expansive direction to one emphasizing restriction.38 More importantly, OBRA 1981 was not a welfare reform at all. Rather, it was a mammoth piece of legislation tying together the budget appropriations of multiple federal departments, encompassing $13.4 billion in savings for 1982, and $44 billion in

37 On the deserving/undeserving poor differentiation, see Katz, 1989.
planned budget cuts over the three year period from 1982-1984. Changes in AFDC were included as only one part of this much larger enterprise.\textsuperscript{39}

In the first month of Reagan’s first term, the plans for the overall OBRA 1981 effort were outlined in a strategic planning memorandum produced by the White House Office of Planning and Evaluation, directed by Richard Beal. The “Initial Actions Project” extended from the comprehensive policy planning produced from the Reagan transition team, directed by Edwin Meese III, who would become Reagan’s Attorney General.\textsuperscript{40} This report outlined the Reagan administration’s strategy for achieving a major policy change in the first few months of Reagan’s presidency, capitalizing on the momentum of Reagan’s 1980 presidential win. Beal wrote that the administration should make its most ambitious policy changes early in the first term. He focused on the economic/budget package as the “centerpiece of the new administration.”\textsuperscript{41}

Despite Skowronek’s contention that Reagan assumed the presidency as a reconstructive president, Beal worried that while the 1980 presidential election victory gave them political momentum, they should be careful to build the strength of their electoral coalition. He argued that the coalition was not consolidated yet, that much of Reagan’s support had crossed party lines to vote for him but that they hadn’t yet changed their party registration. He saw their plans for deep budget cuts in welfare and other programs serving the poor as an opportunity to build

\textsuperscript{39} Ibid. The budget figures are from the White House fact sheet
\textsuperscript{40} On the Reagan transition, see Anderson 1990, chapter 16. In the RRPL, see Meese, Edwin, WHSF, Transition Report. Martin Anderson directed the domestic policy planning team for the transition planning group, and was later instrumental in translating these policy ideas – including those for welfare – into the first year strategy of the administration.
\textsuperscript{41} Final Report of the Initial Actions Project, January 29, 1981, in Beal, Richard, WHSF, CFOA 465, 4 of 6, File: SPM-4 (1) [Strategic Planning Memo], p. 5, RRPL.
consensus among those groups with the largest shifts in voting between the 1976 Carter election and the 1980 Reagan victory:

Males, where the shift was 20 points; union members (16 points); high school graduates (16% points); post graduates (15 points); the middle aged - - 35 to 44 - - (15 points); Democrats (22 points); liberals (38 points); and the South, which in 1976 went strongly to Carter because of his successful appeal to regional pride, swung sharply back to us in 1980.

Against those shifts there are five major groups that appear to offer the best targets for us to build a strengthened coalition. Those groups are: union members, blue collar workers (especially Catholic), Hispanic, the middle aged, and the South.42

Importantly, these were the same groups that Nixon’s preemptive presidential coalition included.43 Nixon’s political team understood that opposition to civil rights enforcement and busing were key items in pursuing white democrats for their new conservative majority.44 Beal recommended that the administration focus their policy agenda to capitalize on their political momentum and build their support, and to do so by slowing federal spending, and on cutting federal welfare programs more specifically: “Severe expenditure control measures are needed to restore fiscal stability. This will require basic changes in the fuel that drives the federal budget - - entitlement programs.”45

This early policy document had oriented strongly toward political strategy. It outlined the administration’s policymaking strategy for achieving their agenda: the use of the obscure and yet untested budget reconciliation process. This process was included as part of the 1974 Congressional Budget Act, which had established a

43 Mason 2004.
44 Ibid. Also see Scammon and Wattenberg, 1970; Phillips, 1969.
45 Ibid, p. 19. The underline is in the original, but is handwritten.
process that would essentially transfer power from the financial committees (appropriations, finance) to the new budget committees. The goal was to integrate the congressional budget process, but in the first five years of the budget process this goal had not been realized and the budget process remained essentially the same. The Reagan strategy changed all of that, giving the House and Senate budget committees enforcement power to reign in the spending decisions of the standing committees. This was achieved through the little known budget process known as reconciliation, which required committees to make spending cuts that would put their overall budget in line with spending guidelines originally established by the budget committees. The Reagan administration was able to use this reconciliation process to force budget cuts in a broad range of federal programs, and to force an up or down vote on the entire package at once. The process allowed little room for consideration of the policy implications of any of the hundreds of spending cuts embodied in this massive bill, and the AFDC changes, far-reaching as they were (see below) were passed without the participation of the familiar welfare policymaking subsystem participants.

_Division: Racial Implications in Reagan’s Welfare Reform Agenda_

The Reagan administration did not articulate their goals in racial terms. Rather, much of their agenda appears to have been focused on directing welfare cuts in such a way that the long-term welfare dependent, and those who were receiving

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multiple sources of assistance (AFDC, Food Stamps, housing subsidies, etc.) were cut off from federal aid or forced to work for their benefits. But while these goals were stated in racially neutral terms, the notion that there were two groups of welfare recipients – one truly needy and one not – can be reasonably assumed to have been premised on racially laden stereotypes of black welfare families that identified them as either being corrupted by intergenerational dependency on welfare, or as cheating the welfare system.47

The Reagan effort to cut AFDC benefits was philosophically driven by Robert Carleson. Carlson was Assistant Director to the Office of Policy Development (OPD), for Federalism & Health and Human Resources, and also the Special Assistant to the President for Health and Human Resources. Carleson directed the administration’s welfare reforms in the first administration, and was also the director of the New Federalism proposals that dominated the administration’s 2nd year domestic policy agenda.48 In June of 1981, Carleson sent a memorandum to Kevin Hopkins, Special Assistant for Policy Information in OPD in which he articulated “Principles of Responsible Welfare Reform.” This lengthy document articulated the conservative approach to welfare that Carleson had pioneered as California’s Secretary of Human Resources, and which we can presume inhered in the OBRA 1981 welfare changes.49 The core principles of their welfare reform in Carleson’s view were as follows:

- Those who are not physically able to support themselves should receive adequate benefits at all times

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47 On this distinction, see Gilens 1999. More generally, on the distinction between the deserving and undeserving poor, see Katz, 1989.
49 On Carleson’s role in the Reagan White House and his prior role as director of welfare for California, see the transcript of his exit interview in the RRPL, March 29, 1984.
• Those who are not physically able to support themselves should be encouraged and assisted to take treatment or training that may lead to partial or complete self-sufficiency
• Those who have children should support them - - mother or father, married or not.
• Able-bodied welfare recipients should be required to work ... for their benefits until they are able to find work in the private sector
• Finally, local and state governments should be given greater freedom in administering welfare programs through the replacement of federal categorical grants by block grants. Eventually welfare should be transferred wholly back to the states and localities, along with the tax resources to pay for it.50

The last element listed was the primary welfare reform proposal advanced by the administration in 1982, and probably the most radical of the proposals put forward by the administration for restructuring the nation's welfare programs.51

Reagan was proposing in 1982 to make welfare a completely state financed and administered program, and in return the federal government would take full responsibility for Medicaid. Given the long history of state welfare practices that had racially discriminatory impacts, such as the suitable home provision and the man-in-the-house rules, the proposal to devolve AFDC totally to the states promised to give state administrators the capacity to design rules that could have the effect of forcing racial minorities off of welfare and into low-wage labor.52 Meanwhile, Carleson, who was the visionary for Reagan's welfare reforms, was arguing for cold, unemotional policy shifts that would ignore the heat of controversy that racial

51 The characterization of this “swap” as the most radical effort at welfare reform for the Reagan administration is Davies, 2003, p. 218.
52 On the history of state operated, racially discriminatory welfare rules in the period leading up the 1960s, see Bell, 1965; Handler, 1987-88; Reich, 1963, 1965; Bussiere, 1997. The suitable-home-provision allowed local welfare administrators to deny welfare benefits to a mother if she were deemed “unsuitable”. The man-in-the-house provision barred aid to mothers who were having sexual relations with any man, and the presence of a man in the house was assumed to be a possible provider for the mother and her children, even when he had no legal responsibility, even if only visiting for brief periods of time. On the legal aid lawyers successful struggles to overturn these arbitrary and racially discriminatory practices, see Davis, 1993.
politics represented. He argued that the welfare system should be reformed without “emotional argumentation based on symbols instead of substance.”

The clue to the core concerns in Reagan’s welfare reform agenda was to reexamine their plans for who should receive welfare and how much they receive: “Deciding who deserves welfare is, however, not an easy task.” Carleson stated that the welfare system was financed by the taxes of working Americans. In his view, the problem was that many “relatively poor people are taxed on what little income they earn to help provide benefits to other relatively poor people who are little or no worse off than those who are taxed.” He was particularly concerned with the assisting of recipients who were locked into “an intergenerational welfare cycle,” a critique laden with racial connotations. References to a culture of poverty and welfare dependency were generally understood to refer to black welfare families, but Carleson is understandably not explicit in this regard. The public interpretation of the welfare crisis as a crisis of the black underclass had emerged out of the politics of race and welfare in the 1960s and early 1970s. Still, Carleson’s targeting of the intergenerational welfare caseload only suggests racial connotations; there is no direct reference to race in his report.

Later in the report Carlson also expresses concern with claims that reducing federal welfare spending might lead to “massive waves of unrest and crime.”

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54 Ibid., p. 2.
55 Ibid., p. 6.
56 Ibid., p. 7.
57 On the racial connotations implicit in this reference, see Davies 1996, chapter 4; Katz 1989, chapter 1.
connection between poverty and “unrest and crime” was even more clearly connected to racial content, and suggests remembrances of the urban race riots of the mid- to late-1960s. The Kerner commission, for example, had equated inadequate federal assistance for poor urban areas as one of the most important causes of the widespread race riots in the mid- to late-1960s.59

The administration’s approach, then, was to reduce welfare benefits for those who could work, and to thereby reduce the costs of welfare. They saw the working-poor as being able to support themselves without welfare, and sought to remove them from the rolls. It is worth noting that this was a break from the policy direction embraced by Nixon, who sought to support the working poor by providing them with additional income from the government, while they worked, through a negative income tax.60 Here, Carleson was arguing that the working poor should not be assisted at all by the government, or only minimally so.

By October of 1981, these principles were widely circulated among high level White House administrators. Carleson outlined them in shorter form on November 2, 1981, for Martin Anderson, Assistant to the President in the Office of Policy Development, and noted that he had given a copy to both Don Moran, Assistant to the Director of OMB, and Ed Gray, Director of the Office for Policy Development (OPD), the Reagan administration’s vehicle for developing their domestic policy agenda. Here Carleson argued that further cuts in assistance to the working poor were justified, because:

- Funds for AFDC were limited

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59 National Advisory Commission on Civil Disorders 1968.
60 On Nixon’s Negative Income Tax, see Moynihan 1973; Burke and Burke, 1974.
• Work incentives were not useful, but work requirements were
• Reducing AFDC and Food Stamp (FS) benefits to the “working poor” in the President’s plan would still leave a significantly higher income to those working full-time at the minimum wage
• Liberal eligibility rules had permitted families with high incomes to receive AFDC

Their message was that working- and lower-middle-class families were paying taxes to subsidize the incomes of welfare recipients, many of whom could work or were receiving more in public benefits than working people were able to take home after taxes. Reagan sought to sharpen distinctions between those receiving welfare and the rest of society. Nixon, by way of contrast, governing from a preemptive position, sought to blend these distinctions by providing federal assistance to the working poor.

Racial Implications of Reagan’s Welfare Cuts

There is little doubt that the impact of the OBRA budget cuts had a larger negative impact on black families than on the rest of the population. Between 1980 and 1984, blacks of all income classes suffered declines in the incomes and standards of living, while whites experienced income gains. These declines were not only the result of a poor economy: “black families were helped less or hurt more than were whites by Reagan policies” in the first two years of the administration.

As well, poverty grew during the first term of the Reagan presidency, despite their stated concern to protect the “truly needy”. In fact, even when including the

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62 Steensland 2008. Steensland argues that this effort to elide familiar cultural distinctions in federal welfare policy, between the deserving and undeserving poor, led to the legislative failure of Nixon’s FAP.
63 See Moon, Marilyn and Isabel V. Sawhill, chapter 10 in Palmer and Sawhill, 1984, pp. 336 – 337.
value of in-kind and cash transfers in calculating poverty rates, poverty rose substantially between 1979 and 1984, rising by 8.4 million using the in-kind definition. Analysts estimate that about half of the rise in poverty between 1980 and 1983 could be directly attributed to these budget cuts.\textsuperscript{64} This rise in poverty was particularly hard on African-Americans. The census bureau reported that “nearly 36\% of the black population lived in poverty” in 1982, the highest black poverty rate since the census began collecting data on black poverty in 1968.\textsuperscript{65} According to the Center for Budget and Policy Priorities (CBPP), blacks were three times as likely to participate in the programs for low- and moderate-income families that were cut by OBRA 1981. These programs faced nearly one-third of the total cuts in all federal programs, despite the fact that they constituted less than one-tenth of the budget.\textsuperscript{66} Research conducted by the Urban Institute found that the 1981 budget cuts cost the “average family three times as much in lost income and benefits as they cost the average white family.”\textsuperscript{67} Large proportions of African-Americans receiving welfare, food stamps, federal housing subsidies, Medicaid, and other federal assistance for low-income families and individuals lost benefits as a result of the OBRA 1981.\textsuperscript{68}

The successful welfare retrenchments achieved in 1981 resulted from the strategies of obfuscation and division. But the success of these strategies, in turn, relied upon the racially implicit content of the Reagan critique of welfare. To identify

\begin{footnotesize}
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\item \textsuperscript{64} Danziger and Gottschalk, 1985.
\item \textsuperscript{65} These data are reported by the Center on Budget and Policy Priorities (CBPP) 1986.
\item \textsuperscript{66} Ibid., pp. 160-162.
\item \textsuperscript{67} CBPP, 1986, p. 163.
\item \textsuperscript{68} Ibid., pp. 163-167. Also, see Palmer and Sawhill, 1984, chp. 8.
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the implicit nature of the welfare cuts within the context of the Reagan administration's policy and political strategy, I examine the nature of his presidential coalition, and black criticisms of his budget cuts. I then turn to the third of Pierson's retrenchment strategies – compensation.

_Nixon's Racially based Electoral Strategy_

Reagan’s conservative coalition built on President Nixon’s. They each exploited racial divisions in the Democratic Party in order to rise to the presidency as a preemption of the vibrant liberal regime. By the time Nixon reached the presidency, fractures with the Democratic Party were becoming increasingly prominent, offering him the opportunity to contemplate building a new Republican majority. Nixon’s political strategy became much more than simply a patchwork of policies intended to appeal to various conservative constituencies. Instead, it was a holistically woven tapestry of racial fears, economic conservatism, support for increased law and order, opposition to expanding federal welfare for the poor, and support for extending federal assistance to white, urban, blue-collar Democrats. Moreover, while the strategy’s core concept was stable, it evolved from the 1968 campaign into a far more sophisticated political program by the 1970 midterm and 1972 presidential elections. The centerpiece became the growing white backlash against federal support for civil rights and for liberal social policies assisting poor African-Americans.

Nixon sensed that his 1968 victory had been achieved by the management of temporary conflicts over Vietnam and urban racial violence, but he also believed

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that there was great potential for a conservative realignment that would
reconstitute the moribund Republican party as an invigorated majority of “forgotten
Americans”.71 He recognized these splits in the Democratic coalition as political
opportunities. Between November 1969 and August 1970 his political team became
increasingly attentive to white working- and middle-class voters. On November 3,
1969, Nixon made his historic “silent majority” speech, appealing for these voters’
support for his Vietnam War policy.72 That speech was a tremendous political
success, and it identified the potential for a new conservative majority.73

His political aide, Charles “Chuck” Colson, suggested a new effort to appeal to
“urban, middle income, white ethnics” by “cultivat[ing] the right Catholic leaders in
several key Northeastern states.”74 In February of 1971, Colson proposed a poll to
explore the “attitudes and voting patterns” among “middle to lower-income white
ethnic, predominantly blue-collar voters...” He believed that in the 1972 election
they could “make very significant inroads in what has traditionally been a heavy
Democratic vote.”75 Patrick Buchanan, one Nixon’s speechwriters and a outspoken
conservative within the administration, was also arguing that Nixon focus on white
Catholics, and to do so while downplaying racial minorities: “...there are more

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71 Mason 2004, 36-8.
73 Afterwords, a follow-up Gallup poll indicated 77% approval of the president’s speech. Overall approval
ratings for the president began to improve as well, reaching 67% on November 17. Reeves 2001, pp. 144-5;
Gallup Poll, Presidential Approval Ratings, at http://www.gallup.com/poll/124922/Presidential-Job-
Approval-Center.aspx, accessed on July 26, 2011.
Charles Colson, November 1970, RM, CM: WHSF, SMOF, RNPL.
3, File: February 1971, RM, CM, WHSF; SMOF, RNPL.
Queens Democrats than there are Harlem Democrats and they are a hell of a lot easier for a Republican to get.” Buchanan argued:

There is a clear potential majority out there. The President could be the new Roosevelt, who put it together, or he could be the last of the liberal Presidents. But...it means telling...the New York Times that, no, we have not done anything for the blacks this week, but we have named a Pole to the Cabinet and an Italian Catholic to the Supreme Court.

Reagan’s Electoral Coalition

Reagan’s electoral coalition was similarly structured to Nixon’s, but with an added component of evangelical Christian conservatives from the south, most of whom were in the lower to middle income brackets, and white (Sundquist 1983, chapter 18; Wirthlin in Lipset, ed. 1981). Reagan’s “coalitional strategy”, according to his influential pollster – Richard Wirthlin – had been determined before Wirthlin joined the Reagan 1980 presidential campaign as their director of planning and strategy. The strategy was to target “Catholic and blue-collar voters as key elements in our win coalition.” (Wirthlin in Lipset, ed., 1981, p. 239). More specifically, they sought to win votes from “the somewhat less affluent and less educated voters, union members, blue-collar voters, and middle-aged voters.” (p. 239) Wirthlin’s research on the presidential votes of various population groups shows that Reagan

77 Ibid., p. 6.
effectively won the votes of: union members, religious conservatives, and whites. (p. 256-258) In fact, of all groups the sharpest difference between the Carter and Reagan voters was in the area of race, where there was a 73 point difference, as compared to a 34 point difference for conservatives (Wirthlin in Lipset, ed. 1981, Table 6, pp. 258-259). Wirthlin observed that the greatest inroads that the Reagan campaign made into traditional democratic constituencies were in the South.

The success that was had with blue-collar, religious conservatives and white southerners more generally lends itself to the very real possibility that the Reagan strategy had effectively tapped latent racial resentments against Democratic leadership. These were the groups that Wallace had targeted with anti-tax, anti-establishment, anti-federal social program rhetoric in 1968, and the same groups that Nixon had effectively brought into his national reelection coalition with pointed efforts to effectively cater to these groups’ racial resentments. The Democratic Party was now visibly associated with blacks, in the form of Civil Rights advances, anti-poverty programs, and welfare programs.78 The Reagan success in the south in particular, seems clearly built upon the Nixon administration’s racially motivated ‘southern strategy.’79

The Reagan administration’s internal strategy documents confirm the connection between their electoral strategy and Nixon’s. At the end of May in 1981, Lee Atwater, who was Reagan’s advisor on the South, sent a memorandum to Elizabeth Dole in which he specifically articulated their midterm congressional

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78 Carmines and Stimson, 1989.
79 Phillips, 1969. But also see Kotlowski, 1998 for a more nuanced view that sees race as only one factor in the new conservative populism.
election political strategy in the South as extending from the Nixon approach. He referred directly to Nixon’s electoral strategy as the basis for their own approach, citing Nixon’s chief electoral strategist Kevin Phillips, who had envisioned capitalizing on the racial resentments of southern whites and northern white ethnics: “Phillips was a prophet and I believe both the nation and the region was moving in a Republican direction in both the late ‘60s and early ’70s.” For Atwater three things prevented his party from capitalizing on this strategy:

   The first was the emergence of George Wallace as a regional politician. He was able to appeal to blue collar populist voters and he brought the race issue to the forefront. The second factor was Watergate, which tarnished the GOP throughout the nation. The third factor was Jimmy Carter; he originally ran as an “enlightened conservative” and his Deep South background made it respectable to vote Democratic again. All of these factors are behind us today.80

Atwater argued that the Republican Party had been winning southern votes since Eisenhower’s presidential victories, but that it had taken its votes mostly from the upper middle class. By the 1980 election, however, they had been able to bring “blue collar workers into the GOP fold in massive numbers.”81 He concluded his memo in turning his sights on potential Republican gains in the Congress from the South, sounding triumphant tones: “In short, the Democratic aristocracy in the South is dead as the dinosaur, with no fresh new political stars on the horizon; the Republican Party – the party of the young professionals – is on the rise and biannually increases the number of notches in its political ‘gunbelt.’”82

81 Ibid, page Two.
82 Ibid, page Four.
Atwater’s strategy also argued that the “racial issue” had become less and less important in the politics of that region. Echoing King and Smith’s (2011) observations that by the 1980s a color-blind strategy had became the hallmark of conservative politics, Atwater thought that they should use other issues than race as their appeal to southerners. One such issue, as noted here, was welfare.

The administration indeed did see their domestic policies as parts of a larger political strategy aimed at building a conservative coalition modeled after the Nixon successes. In February of 1982, all of Reagan’s closest advisors met at Camp David to plan the administration’s long-range strategy. The participants included his White House troika – Edwin Meese, James Baker, and Michael Deaver – as well as his chief political strategists, pollsters, communications directors, and policy advisors.83 In the briefing book prepared for that meeting, the domestic strategy emphasized the policies of budget cuts, federalism, and in developing “symbolic actions for key constituencies – aged, Spanish-surnamed, white ethnics/blue collar, populist/rednecks, (other?).”84 Among the materials included in this briefing book were memos from Reagan’s chief pollster – Richard Wirthlin. These memos identify more clearly the major elements of the Reagan coalition, and the contrasting lack of support from racial minorities. “As we have seen in the past, Reagan’s strongest

83 The participants were: Edwin Meese III, James A. Baker III, Michael K. Deaver, William E. Brock, Joseph W. Canzeri, Richard G Darman, Craig L. Fuller, David R. Gergen, James E. Jenkins, Edward Rollins, Stuart Spencer, Robert Teeter, Richard S. Williamson and Richard Wirthlin. Memorandum from Richard G. Darman and Craig L. Fuller to Participants at Camp David Meeting on February 5, 1982, in Darman, Richard WHSF, Box 1, file: Long Range Planning Meeting, Camp David, Box 1, RRPL.
84 No author given, “Briefing Book for Long Range Planning Meeting, Camp David,” February 5, 1982, in Darman, Richard, WHSF, Box I: Subject File, file of same name, 2 of 2, RRPL.
supporters are the more conservative, upper income and white respondents.”85 Wirthlin also noted their strongest opponents: “strong Democrats, Blacks and those with incomes under $10,000.”86 It should not be a surprise, given the targeted nature of the budget cuts made as part of the 1981 OBRA legislation, that blacks and the poor would be most opposed to the administration, while whites and upper income people would be their chief supporters. Clearly, Wirthlin was painting a picture of a racially polarized electorate.

**Compensation retrenchment strategy and racial backlash**

Not surprisingly, the administration’s harshest critics were black political leaders and advocates. The administration was concerned about these criticisms, but their response did not include any substantial policy responses. Rather, they sought to promote a better image among blacks through claims that their economic program would benefit blacks more than any other group, and through symbolic policy responses that would cost little and have little impact on the lives of African-Americans.

By the summer of 1981, shortly after passage of the OBRA, high level administration officials began to discuss what they understood to be a problem in the way blacks perceived the administration’s policies. Mel Bradley, Special Assistant to the President for Minorities, in the Office of Public Liaison, sent a memorandum to Martin Anderson in June of 1981 in which he requested a special

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86 Ibid.
cabinet meeting on the subject. Craig Fuller, Assistant to the President for Cabinet Affairs, wrote in the margin: “This is right on target. Let’s move ahead quickly. Ed Meese will want to be present...” Bradley was the highest ranking African-American in the Reagan administration, and his concern was with “the perceptions that many black Americans have about us. I feel that most of the perceptions are unfounded and based on misinformation.” (p. 1) Bradley’s memo focused on the impact of their programs. He reported that blacks felt the administration was opposed to equal opportunity and affirmative action; that they were not interested in minority business enterprises; and that “the budget cuts and related budget reforms are directed at poor blacks.” (p. 2) He suggested that these perceptions could be improved in a number of ways, including identifying a network of people in the Cabinet and White House staff to address the problems of blacks, and to publicize and explain the administration’s positions on issues of concern to blacks.

In August, Bradley sent a memo to Michael Deaver that a national march on Washington was scheduled for September 19 which would focus on the adverse effects of budget cuts on the poor, and which would also petition the president to support the extension of the 1965 Voting Rights Act. Following that march, the Congressional Black Caucus was holding its annual meeting and Bradley recommended that the President meet with blacks between “now and September 19.” Bradley suggested that Reagan endorse Black College day, that he announce

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87 Memorandum from Mel Bradley to Marty Anderson, no date, but handwritten note from Craig Fuller indicating 6/13/1981; Subject: Cabinet Meeting on Issues Affecting Black Americans, in Meese, Edwin, WHSF, OA9454, File: Minority Relations (2), RRPL.
88 Ibid., page 1, handwritten note in margin.
89 Memorandum from Melvin L. Bradley to Michael Deaver, August 17, 1981, Subject: The President and Black Americans, in Deaver, Michael, WHSF, OA7621, File: Miscellaneous 1981 (2), p. 3, RRPL.
administration support for new minority enterprises; that he immediately respond to the Department of Justice’s report on the Voting Rights Bill; and that he schedule an informal meeting with distinguished black Americans.

Shortly after, Bradley wrote another memo to Deaver in which he continued along these lines, advocating more presidential meetings with prominent black Republicans, with black journalists, and suggesting that the administration develop a list of prominent blacks for invitation to White House state dinners and other social functions. Bradley also recommended voting for full extension of the Voting Rights Bill, and for reinstating $9.6 million in funds for Black Colleges that were planned for rescission.90

The Reagan response to increasingly intense criticism from black leaders was to work on their image, to agree for an extension of the Voting Rights Act, after initially opposing one in a controversial display of opposition to traditional civil rights enforcement. More, the administration sought to promote symbolic gestures like aiding Black Colleges. The lack of a substantive policy response to black concerns over civil rights and budget cuts did not change even when their political ramifications seemed to grow in importance. By 1982, there was increasing concern among high level advisors that black antipathy toward the Reagan administration might adversely impact their quest to increase conservative democrats and republicans in the House and Senate in the 1982 midterm elections. In August of 1982, Dan Smith, Senior Policy Advisor to the President and formerly with OPD, wrote a letter to Deaver in which he argued that there was an impending “black

90 Memorandum from Mel Bradley to Mike Deaver, September 28, 1981, Subject: Meeting With Black White House Staffers, in Deaver, Michael, WHSF, OA7621, File: Miscellaneous 1981 (2), RRPL.
voter backlash” this coming November.91 Several weeks later Smith offered a memo to Deaver outlining a “Black Voter Plan”, advocating that the president make “several black-related addresses this fall to demonstrate his sensitivity to black problems,” and that the administration should “highlight the many positive actions taken by the Administration that help black America.”92

Edwin Harper, Assistant to the President in the Office of Policy Development, recognizing the strategic importance of the black vote for the ’82 midterm elections, wrote a memo to the President in March of 1982 that provided Reagan with “talking points on civil rights.” In this memo, Harper began by observing that their budget cuts in social programs were potentially disruptive:

(1) Budgetary cutbacks in social programs which, it is said, will impact disproportionately on the poor and the black. These coincide with depressed conditions in the economy to produce a highly volatile social condition among lower-class blacks.93

In his memo, Harper told the president that their policies had “created distrust and bitterness within the minority community” and a “widespread sentiment that the Administration is “anti-black” or engaged in a systematic effort to roll back civil rights achievements of the past.” (p. 2) As a response, Harper argued that they needed a “comprehensive statement” on the administration’s policies toward “racial minorities, especially blacks and Hispanics.” (p. 2) Harper said that the president should acknowledge that the administration has an image problem among

91 Letter to Michael Deaver, from Dan Smith, August 4, 1982, in Deaver, Michael, WHSF, OA7621, Miscellaneous Memos/Correspondence ’82 (July – December) (7), RRPL.
92 Memorandum from Dan Smith to Michael Deaver, August 18, 1982, Subject: Black Voter Plan, in Deaver, Michael, WHSF, OA7621, File: Miscellaneous Memos/Correspondence ’82 (July – December) (6), RRPL.
93 Memorandum for the President from Edwin L. Harper, March 5 1982, Subject: Background and Talking Points on Civil Rights, in Meese, Edwin, WHSF, OA9448, File: Civil Rights/Affirmative Action., RRPL.
minorities, and that he would like to dispel this image. He should begin with positive statements about his commitment to enforcing civil rights, but that he should also state that “legal guarantees are essential, but they can only do so much. Revitalizing the economy is a pre-condition for all other progress...The particular economic misfortunes of black Americans at the moment are a matter of great concern to the Administration.” (p. 3)

In addressing the budget cuts, Harper’s recommended response for the president offers us a unique glimpse into the racial content that was implicit in the President’s framing of his OBRA budget cuts in welfare and other entitlements. Harper suggests that the president respond to black concerns over the budget cuts by arguing that the “truly needy” should be served by a safety net, but that

It is not a mark of social progress that growing numbers of the poor become increasingly dependent on government for their sustenance. Our economic recovery program is designed to reduce not increase such dependence.

You want your achievements to be measured by the number of people who have been removed from governmental dependence and placed instead in productive jobs. (p. 4)

Throughout the presidential campaign, and throughout his efforts to secure passage of his full agenda through the OBRA of 1981, Reagan referred to the “truly needy”, to those who are “dependent” and those who really need assistance, and emphasized getting the poor to be self-sufficient through work. As noted above, Reagan’s chief welfare strategist - Robert Carleson - had wanted to efficiently discriminate between the truly needy and those who were using taxpayers’ money to unfairly gain a standard of living equal to working- and lower-middle class citizens.
The response to sharp criticisms from black leaders and negative readings of black public opinion produced very little in the way of substantial policy responses. While Harper, Bradley, and Smith worried about the political ramifications of this problem, their recommendations were simply to defend the administration's policies and to offer symbolic programs that would have little or no budgetary or political costs. At the same time, they continued to frame the administration's budget cuts in federal welfare programs, including AFDC, in racially neutral terms. It is only in Harper's presidential strategy memorandum that it becomes evident that much of this racial neutrality had racial implications that were clearly understood not only by African-Americans, but also by high level administration advisors like Harper.

This suggests that the Reagan administration employed race-neutral language in pursuing their OBRA 1981 AFDC changes, while successfully extending a political strategy to appeal to white southern Democrats and northern working and lower-middle class ethnics on the basis of race. Welfare was certainly not the only vehicle for accomplishing this political strategy – opposing affirmative action, politicizing and slowing down federal civil rights enforcement, offering a large tax cut for upper-income brackets, and reigniting cold war anti-communism were all aspects of this strategy. But what is important for scholars of welfare politics to recognize is that race played an important role in shaping the Reagan administration's welfare policy strategy, and that this further ingrained the implicit racial content in welfare politics that had exerted a constraining influence over

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94 For reviews of these policies, and of the character of the Reagan Presidency more generally, see the superb volume edited by Brownlee and the late Hugh Davis Graham, 2003.
federal efforts to address poverty and welfare since the end of the 1960s, and which 
would deeply shape subsequent efforts to “end welfare as we know it” in the 
1990s.95

Conclusions

Assuming the presidency at a propitious moment for recasting national politics, President Reagan made his most significant impact on the nation's governance through a massive package of budget cuts. These efforts furthered the assent of the racially neutral, color-blind policy alliance. Building on Nixon’s electoral strategy, the Reagan administration pursued their conservative majority with a set of color-blind budget cuts that differentially and severely affected low-impoverished African-Americans. In responding to the complaints of black leaders, the president’s advisors counseled that he make speeches demonstrating his concern for blacks, hold meetings with African-American leaders, and offer federal support for traditional black colleges. As far as the reductions in federal welfare and foodstamps were concerned, however, the administration only offered that economic recovery for the nation would help the poor as well as the middle-class.

The President’s lack of popularity with blacks did not begin with his proposal to cut the federal budget chiefly through reducing spending on welfare, food stamps, Medicaid, public housing, and job training, but these cuts certainly didn’t help him win their allegiance either. The programs he sought to reduce served a much larger proportion of the black population than whites. At the same time, the programs he

95 For the best work on the politics of the 1996 welfare restructuring, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, see Weaver 2000.
promised to protect - the social safety net - included Social Security, Medicare and veterans’ benefits, all served populations that were disproportional white. It should have not been any surprise, then, that Benjamin Hooks, Executive Director of the NAACP, saw these proposals as directly threatening the well-being of low-income and impoverished African-Americans. Speaking on behalf of his and other civil rights groups, Hooks vowed that they would “fight the proposed cuts with every fiber of our being and every resource at our command.”

The President, for his part, had not overtly sought to target blacks with his budget cuts, and preferred to view his policy changes as color-blind efforts to restrict welfare to the truly needy. His entitlements cuts were framed as efforts to address the run-away and uncapped costs they imposed on the nation. Moreover, the administration argued that these federal welfare programs were also counterproductive, and did little to help the poor escape from poverty. In sharp contrast to the Nixon administration's approach to these issues, nowhere in President Reagan's public rhetoric, nor in the internal deliberations of his cabinet or staff were there any direct indications that the administration intended to use welfare cuts as a way to appeal to white voters.

The strategies of obfuscation, division and compensation which Pierson identifies as flowing from the logic of welfare state retrenchment are incomplete in the American case. By adding in the racial component, I find that the administration’s longer term impact on the character of American welfare politics is

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97 Pierson applies his model to an analysis of both the Reagan and Thatcher retrenchment efforts in the 1980s.
framed more accurately. The Reagan administration’s welfare reforms in 1981 produced a heightened sense of racial division in federal social policy.

In seeking to effectively reverse a long history of welfare expansion and federalization, the Reagan administration succeeded because of their position in the politics of reconstruction. Even so, they only succeeded through their circumvention of the normal legislative routines. The reconciliation process and the inclusion of important changes to AFDC and other federal programs serving the poor and low-income was designed to successfully produce a reorientation of federal welfare, without having to arouse the normally expected liberal opposition. Moreover, the administration’s design of these changes was produced in the state of California essentially, by Robert Carleson, and the usual experts in the Washington issue networks were closed out of this process. Instead, the major input in this process came from Stockman at OMB, and he was simply interested in reducing expenditures. The strategy of obfuscation that is represented by this legislative maneuver allowed the administration to escape the powerful critique lodged against it in 1982 and later, by those who claimed the administration was unfairly seeking to balance the federal budget at the expense of the poor and racial minorities.

The definition of welfare as a racially symbolic issue seems to have been important in the 1981 reforms, particularly in distinguishing between the truly needy and those who the administration could cut from the rolls through new rules. The role of welfare’s racial valuation in making this distinction was essential, and drew upon a long history of welfare’s racialization and Reagan’s direct contributions to that history. As noted, Reagan’s long-term experience with welfare was fraught
with racial implications. As well, his partisan coalition was built around the logic of
his conservative predecessor – Richard Nixon - who had focused on race as a way to
reach out to conservative white southern voters, and northern working-class white
ethnics. Whether or not Reagan had sought to use welfare consciously to access the
racial resentments of these swing Democrats, the archives show clearly that the
administration sought to consolidate their support through the policies of
retrenchment, and that they understood the politics of their coalition to be
essentially one based on the racial polarization of their supporters and their
opposition.

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The term "silent majority" first originated under Republican U.S. president Richard Nixon. Although it was Nixon who first used the phrase, it was his speechwriter, Pat Buchanan, who actually created it.[1] Another example of the silent majority is seen in Ronald Reagan's presidential election campaigns. Despite claims that he was too conservative to be elected president, Reagan easily defeated Democrat Jimmy Carter in the 1980 presidential election.[9] The American public was fed up with Carter's weak foreign policy; calls for energy conservation; liberal, big government economic policies; as well as the poor economic state of the nation; and even many Democrats voted for Reagan.[9] In.