

Who Perceives Government's Role in Their Lives?

Assessing the Impact of Social Policy on Visibility

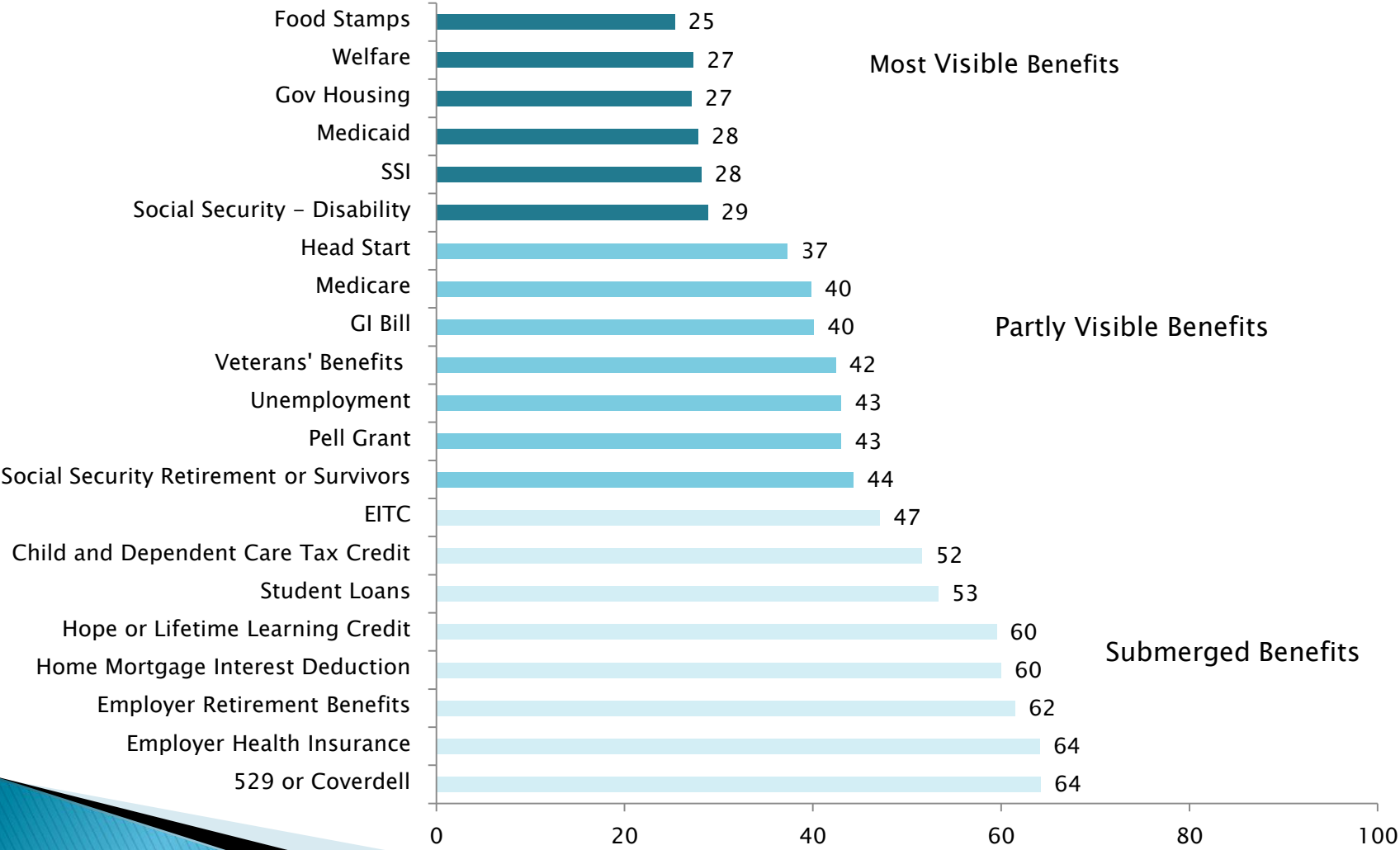
Julianna Koch and Suzanne Mettler



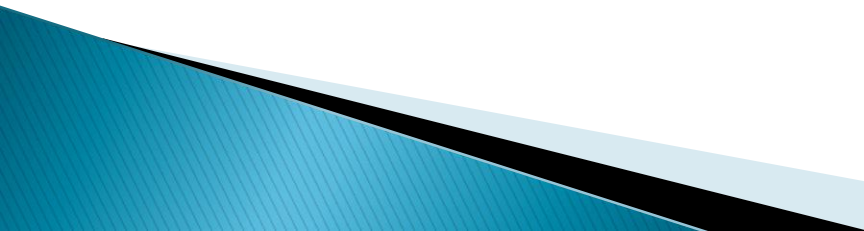
The Puzzle

- ▶ “Some people, when they think through their life experiences, report that they have at some point used a government social program. What about you: have you ever used a government social program, or not?”
 - “Yes”: 43%
 - “No”: 57%
 - *But later on 94% of this group indicated usage of one or more of 21 specific social policies.*

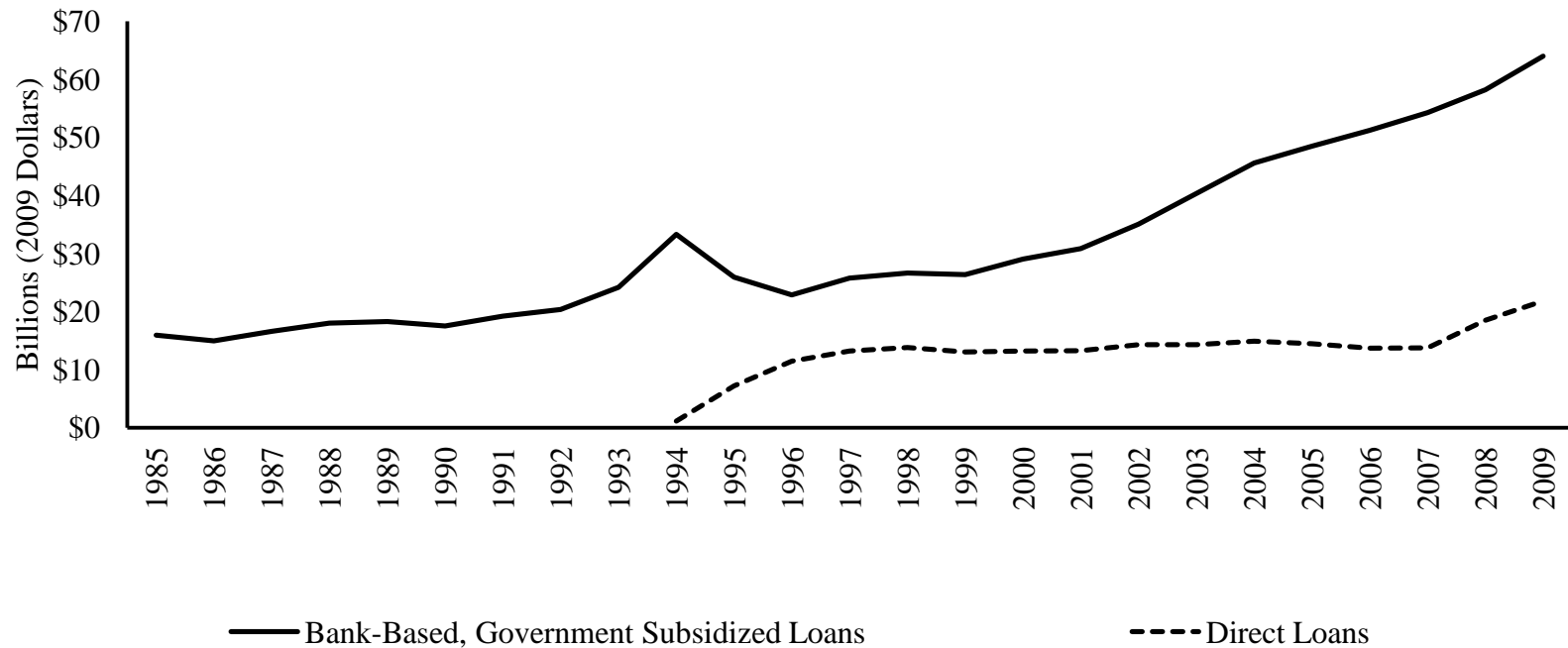
Figure 3. Percent of Beneficiaries Who Respond That They Have Never Used a Government Social Program



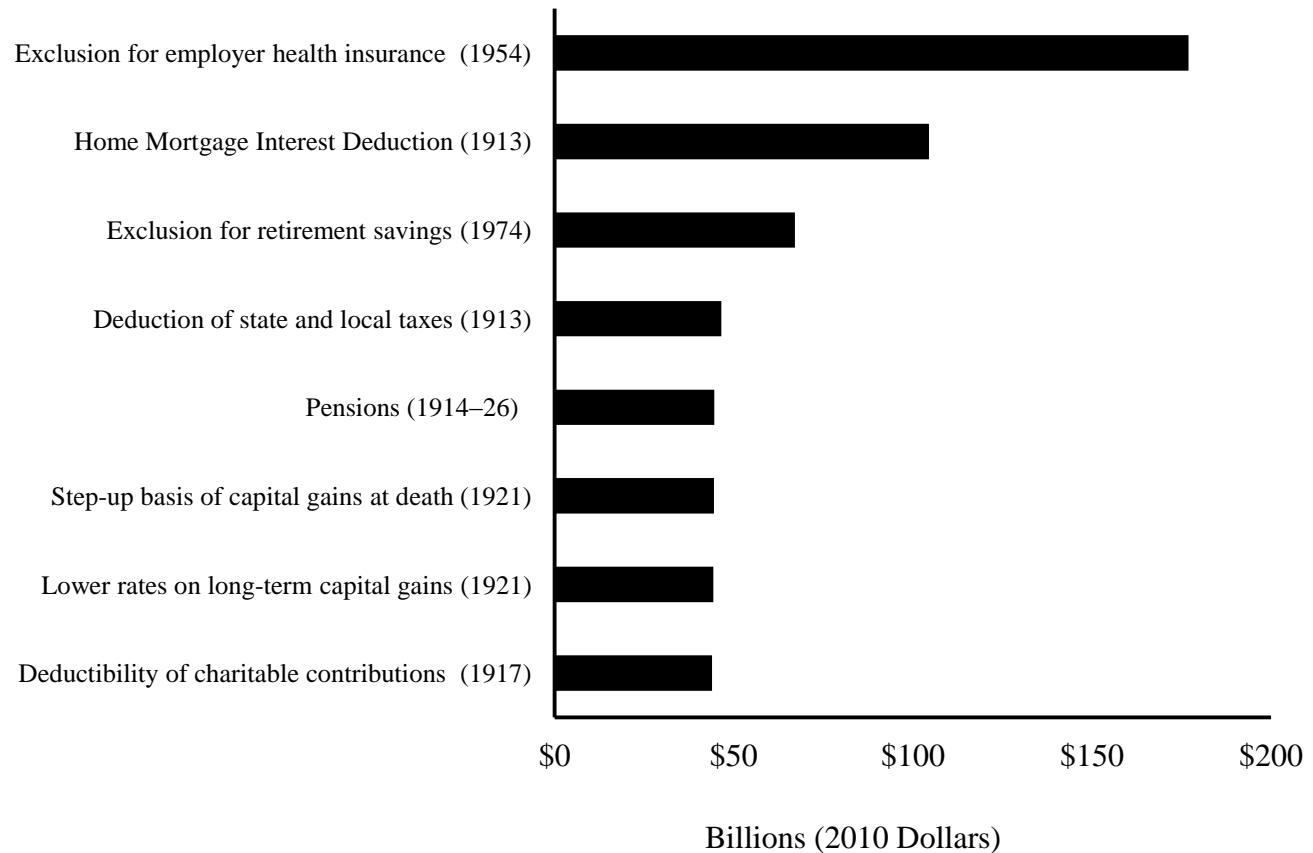
Indirect Social Provision

- ▶ the “hidden welfare state” of tax expenditures (Howard 1997)
 - ▶ “divided welfare state,” with government subsidized & regulated, employer–provided retirement and health insurance policies (Hacker 2002)
 - ▶ the “submerged state:” above plus other policies, or parts of policies, channeled through private organizations but subsidized by government (Mettler 2011)
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U.S. Federal Student Loans: Bank-Based, Government Subsidized Versus Direct, 1985-2009 (2009 Dollars)

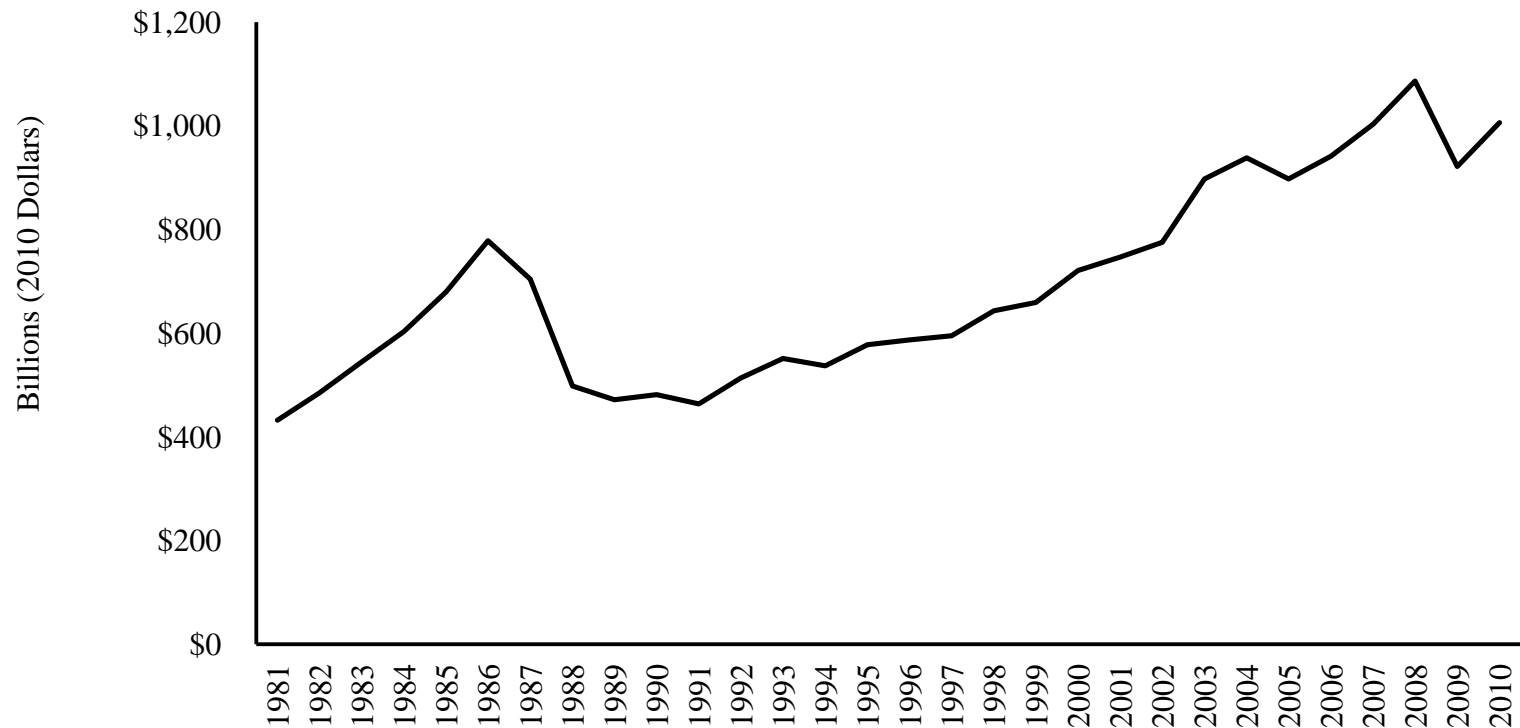


Largest Social Tax Expenditures: Year Enacted and Estimated Cost in 2011 (Billions of Dollars)



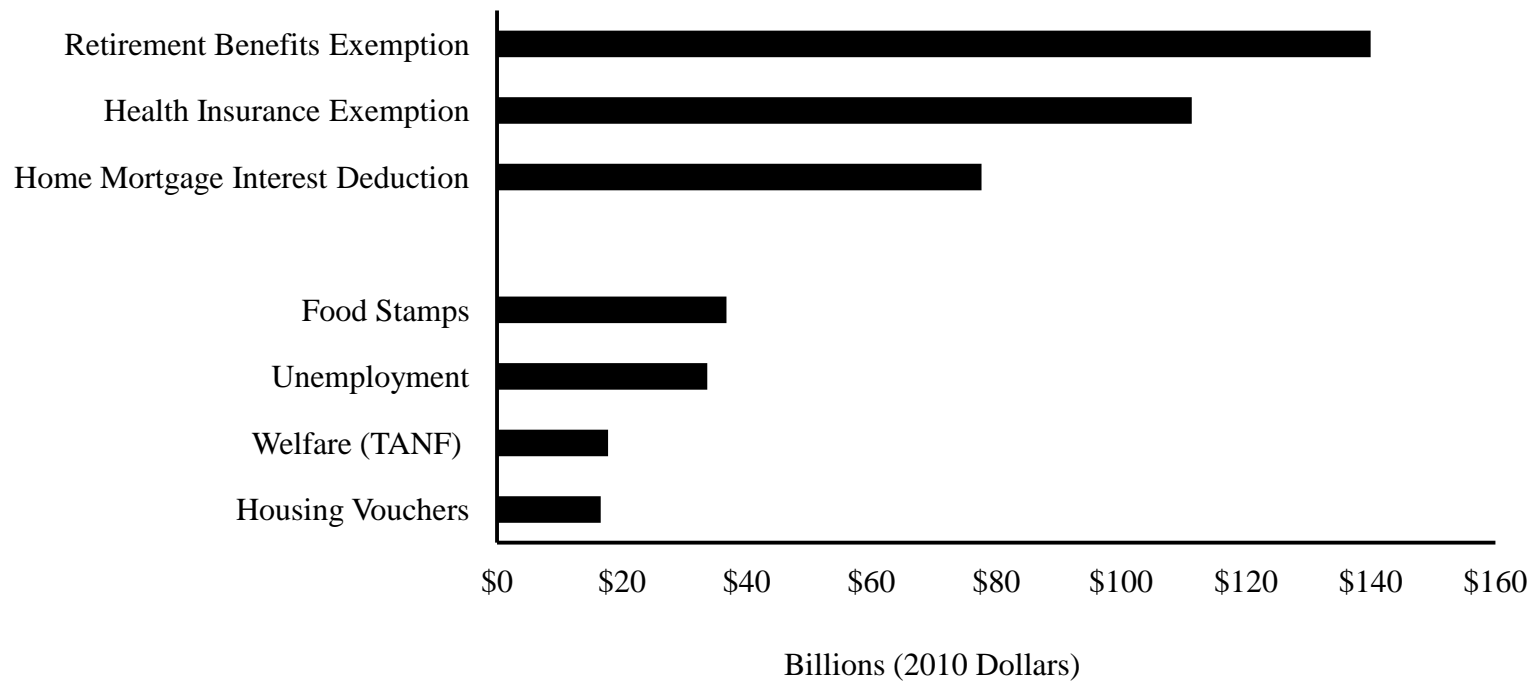
Sources: Christopher Howard, *The Hidden Welfare State: Tax Expenditures and Social Policy in the United States* (Princeton: Princeton University Press, 1997), pp. 176-177. Office of Management and Budget. *Analytical Perspectives, Budget of the United States Government, FY2011*. http://www.whitehouse.gov/omb/budget/Analytical_Perspectives

Revenue Lost from All Social Tax Expenditures 1981-2010 (2010 Dollars)



Source: Joint Committee on Taxation. "Estimates of Federal Tax Expenditures for Fiscal Years."
Various years. Congressional Budget Office. 1981. "Tax Expenditures: Current Issues and
Five-Year Budget Projections for Fiscal Years 1982-1986."

Selected Visible & Submerged Social Expenditures, 2007 (2010 Dollars)



Sources: Joint Committee on Taxation. Estimates of Federal Tax Expenditures, 2007-2011.
Office of Management and Budget. *Analytical Perspectives: Budget of the United States
Government* FY 2009, Tables 3.2, 8.5. Congressional Budget Office. Budget Factsheets for TANF,
Food Stamps, and Unemployment. March 2007.

Theory and Expectations: How Policy Visibility Affects Awareness of Gov't

▶ Policy Feedback

- Two conditions for policy effects: visibility and traceability (Pierson)

▶ *Policy Visibility Hypothesis*

- Individuals who benefit from submerged policies will be less likely to consider themselves recipients of a government social program than individuals who benefit from more direct policies.

Additional Hypotheses: Political Knowledge

- ▶ Individuals who possess understanding of the political system are thought to have a greater capacity to process policy-relevant messages in meaningful ways (Zaller 1992; Delli Carpini and Keeter 1996; Althaus 1998).
- ▶ *Political Knowledge Hypothesis:*
 - Those who are more informed about politics will be more likely than others to respond accurately that they have utilized government social programs.

Additional Hypotheses: Motivated Reasoning/Partisan Bias

- ▶ Individuals interpret new information to reinforce prior beliefs (Gaines, Taber and Lodge); exacerbated by elites & media (Jacobs & Shapiro 2000; Baum & Groeling 2008)
- ▶ *Polarized Polity Hypothesis*
 - Individuals who are more supportive of government social provision (in terms of partisan identity and ideology) will be more likely to consider themselves recipients of a government social program than those are less supportive.

Additional Hypotheses: Undeserving Others

- ▶ Americans distinguish between what they perceive as “deserving” and “undeserving” recipients of social benefits (Katz 1989; Gilens 1999, Chap. 3).
- ▶ *Undeserving Others Hypothesis:*
 - Some may associate the term “government social programs” with policies of which they disapprove and therefore be less inclined to view the benefits they themselves receive to be products of “government social programs.”

Additional Hypotheses: Earned Rights

- ▶ Beneficiaries of major entitlement programs may perceive their policies as “earned rights,” different from how they think of other social programs, but they nonetheless recognize government’s role in delivery (Williamson, Skocpol and Coggins 2011)
- ▶ *Earned Rights Hypothesis:*
 - Recipients of Medicare or Social Security, all else equal, will not be more likely than others to deny government social program usage.

Table 1. Reported Use of Specific Policies and of "Government Social Programs"

Average Number of All Benefits Received	4.22
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Average Number of Submerged Benefited Received	2.53
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Average Number of Direct Benefits Received	1.94
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Percent of People Who Used:

0 policies	4%
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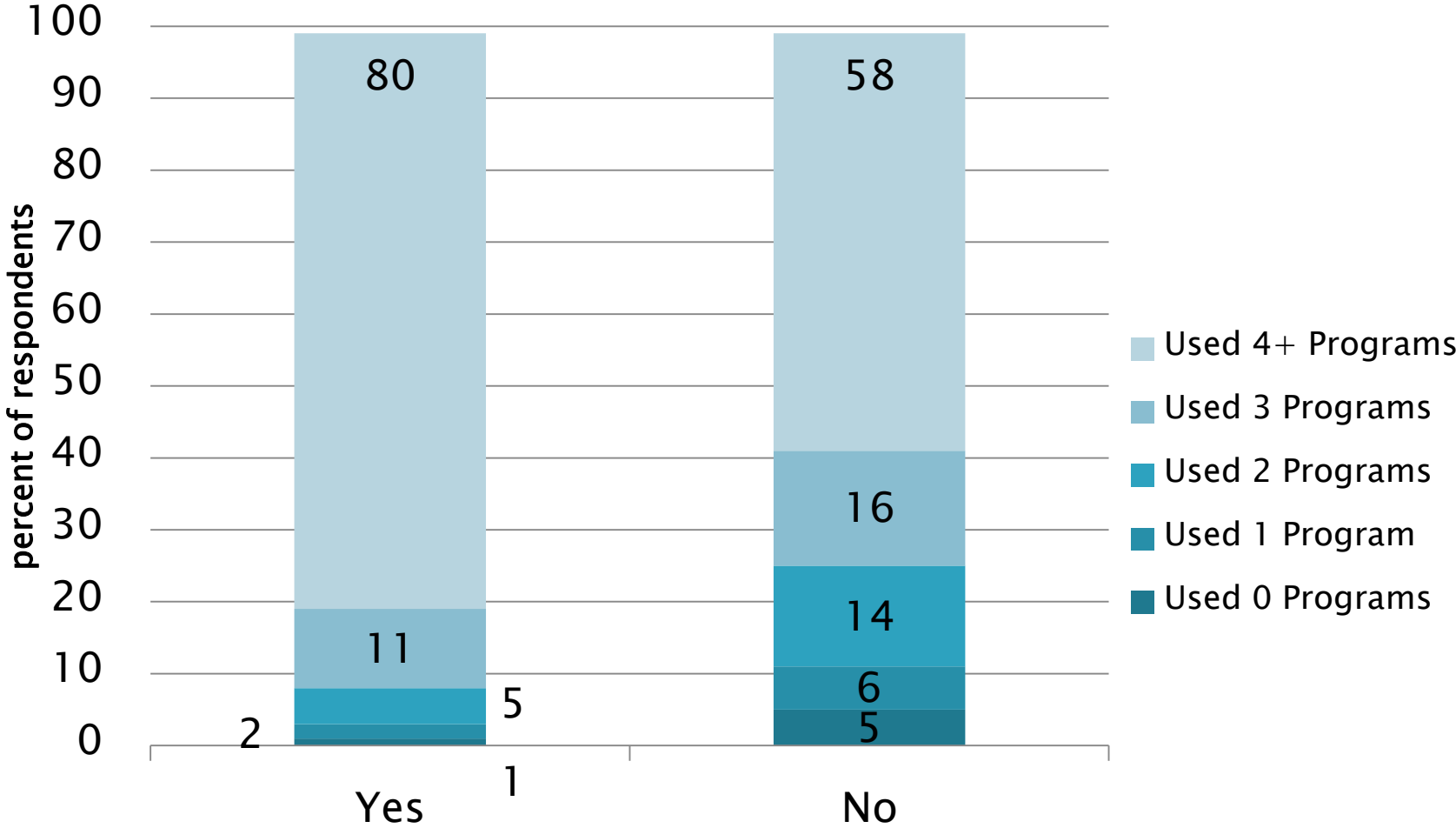
1 policy	5%
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2 policies	11%
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3 policies	15%
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4 or more policies	65%
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Figure 1. Perception versus Acknowledged Receipt of Government Benefits, By Number



Response to "ever used a government social program?"

Figure 2. Perception versus Acknowledged Receipt of Government Benefits, By Type

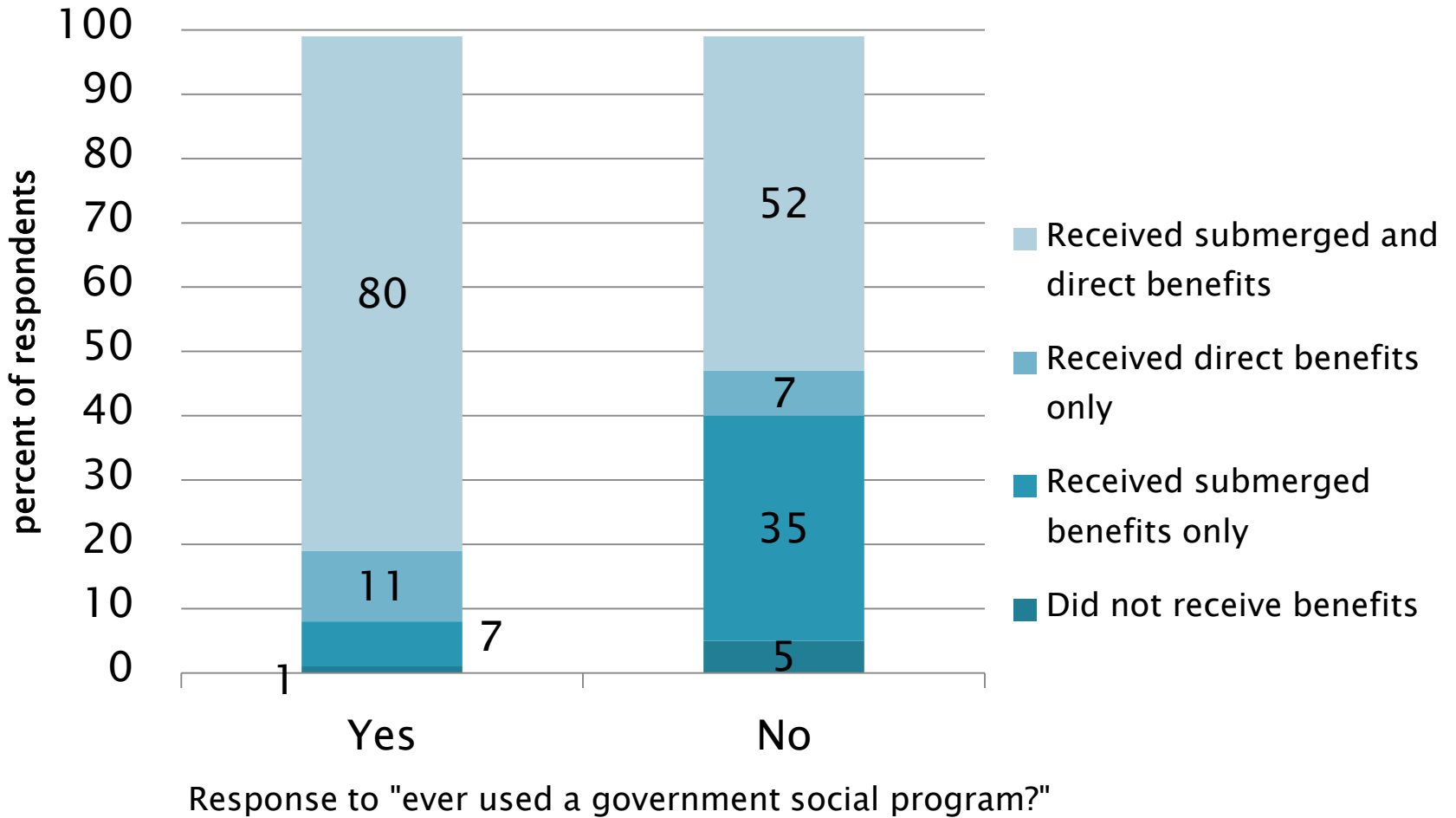
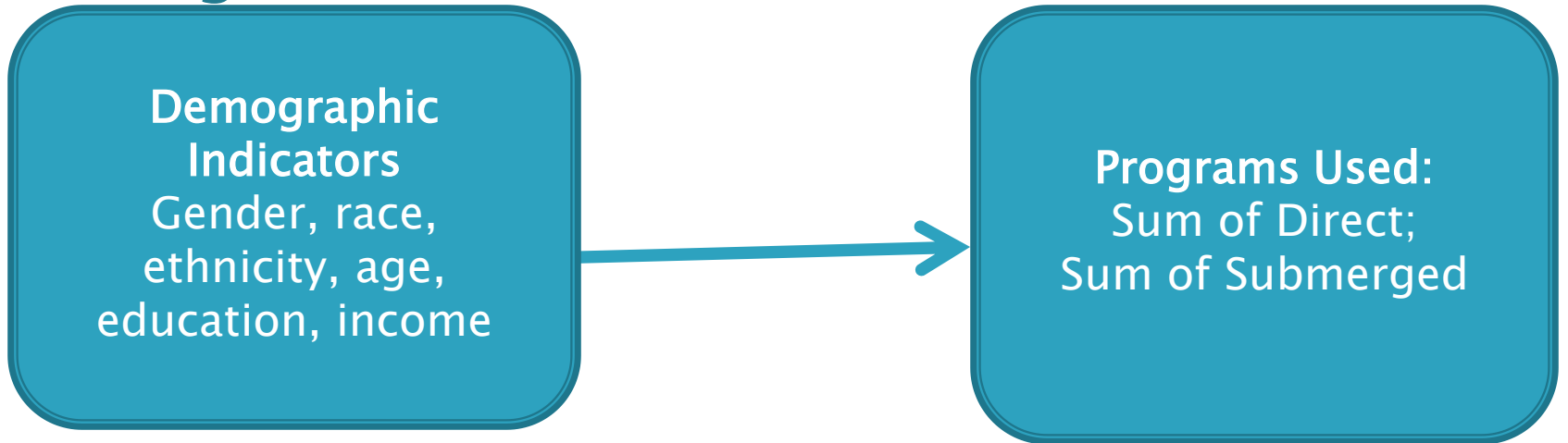


Table 2. Characteristics of Respondents Who Denied Ever Using a "Government Social Program" But Reported Receiving Benefits, Compared To All Other Respondents

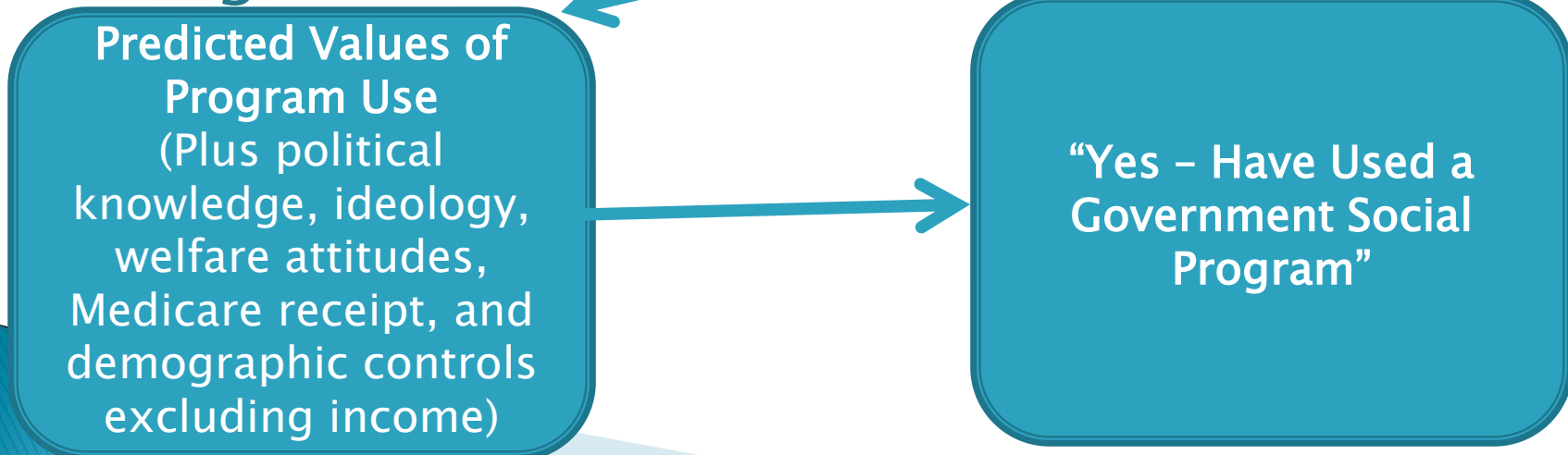
	Mean for those who deny using a "government social program"	Mean for all other respondents
Income Category	\$40,000–\$49,999	\$35,000–\$39,999
Educational Attainment	4.16 (Some College, No Degree)	3.76 (Technical, trade, or vocational school after high school)
Year of Birth	1962	1960
Sex (1 = male, 2 = female)	1.51	1.51
African-American (1 = African-American)	0.160	0.174
Hispanic (1 = Hispanic)	0.122	0.119
Ideology (7 point scale, V. Conservative to V. Liberal)	3.62	3.98
Party Identification (7 point scale, S. Democrat to S. Republican)	3.90	3.49
Direct Programs Used	1.27	2.7
Submerged Programs Used	2.74	2.3

Two Stage Model Set-Up

Stage One



Stage Two



Stage One: Predictors of Social Benefit Receipt, Submerged vs. Direct Benefits

	Direct Benefits	Submerged Benefits
Gender (female)	.045 (.104)	.104 (.090)
Education	.019 (.025)	.181*** (.023)
African-American	.823*** (.171)	.096 (.124)
Hispanic	-.217 (.186)	-.394** (.144)
Birth Year	-.021*** (.003)	.013*** (.003)
Income	-.279*** (.024)	.243*** (.019)
R-Square	.24	.31
N	1258	1198

*p<.05; **p<.01, ***p<.001

Stage Two: Determinants of Positive Response to "Have Ever Used a Government Social Program"

	Direct Benefits	Submerged Benefits
Predicted Values for Sum of Direct	.652*** (.010)	
Predicted Values for Sum of Submerged		-.810*** (.124)
Chi-square (df)	60.32*** (6)	60.32*** (6)
N	1262	1262

*p<.05; **p<.01, ***p<.001

Determinants of Positive Response to "Have Ever Used a Government Social Program," Expanded

	Direct Benefits	Submerged Benefits
Predicted Values for Sum of Direct	.652*** (.010)	
Predicted Values for Sum of Submerged		-.810*** (.124)
Ideology (liberal)	.156*** (.048)	.156*** (.048)
Democrat	.013 (.160)	.013 (.160)
Political Knowledge	.326*** (.064)	.326*** (.064)
Favorable Attitude Toward Welfare	.174* (.073)	.174* (.073)
Medicare Recipient	.704*** (.210)	.704*** (.210)
Chi-square (df)	60.32*** (6)	60.32*** (6)
N	1262	1262

*p<.05; **p<.01, ***p<.001

Theory and Expectations: How Visibility of Benefits Affects Attitudes about Social Spending

▶ Policy Feedback

- Policy recipients will extrapolate from personal experiences of policy receipt to broader views about government (Soss)

▶ Hypothesis

- Acknowledged use of “government social programs” will be associated with support for creating or increasing social programs.

Effect of Visibility of Government Program Receipt on Attitudes Toward Policy Reforms

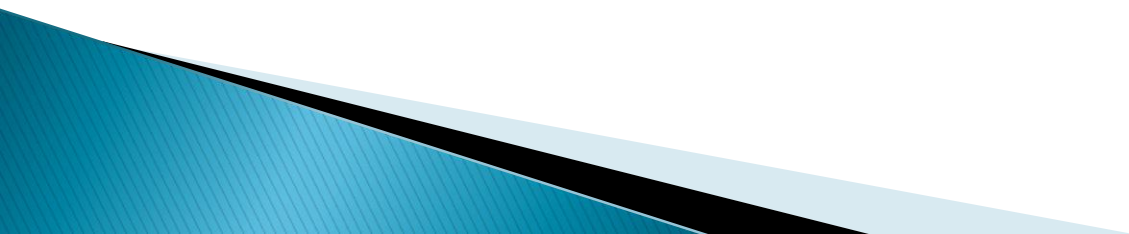
	Support Government Health Ins.	Support Gov. Health Ins. with Tax Increase	Support Social Security Privatization
Used a "government social program"	.371** (.125)	.378** (.119)	-.334** (.119)
Educational Attainment	-.006 (.031)	.048 (.029)	-.055 (.030)
Income	-.125*** (.029)	-.044 (.024)	-.002 (.025)
Gender (female)	.350** (.121)	.152 (.114)	-.278* (.116)
African-American	.929*** (.177)	.302 (.165)	.354* (.175)
Hispanic	.666** (.225)	.428* (.183)	-.088 (.193)
Birth Year	.011** (.004)	.004 (.004)	.017*** (.004)
Chi-square (df)	107.35*** (7)	30.85*** (7)	43.85*** (7)
N	1224	1239	1239

*p<.05; **p<.01, ***p<.001

Implications of Unseen Governance

- ▶ Policy design and delivery, as well as political knowledge, ideology, and views about policy deservingness combine to influence individuals' likelihood of acknowledging government social program receipt
- ▶ Visible/submerged → Stratified citizenship
- ▶ The “submerged state,” as well as anti-government views, combine to obstruct many Americans' awareness of government's role in their lives
- ▶ Such effects may, in turn, foster opposition to social policy reform

end



Stage One: Predictors of Social Benefit Receipt, Partly vs. Most Visible Benefits

	Partly Visible	Most Visible
Gender (female)	-.126* (.060)	.062 (.070)
Education	.062*** (.014)	-.037* (.016)
African-American	.190* (.092)	.597*** (.120)
Hispanic	-.075 (.099)	-.110 (.125)
Birth Year	-.023*** (.002)	.013*** (.002)
Income	-.087*** (.013)	-.188*** (.016)
R-Square	.18	.28
N	1264	1265

*p<.05; **p<.01, ***p<.001

Stage Two: Determinants of Positive Response to "Have Ever Used a Government Social Program"

	Partly Visible	Most Visible
Predicted Values for Sum of Partly Visible Benefits	2.08*** (.317)	
Predicted Values for Sum of Most Visible Benefits		.965*** (.147)
Chi-square (df)	60.32*** (6)	60.32*** (6)
N	1262	1262
*p<.05; **p<.01, ***p<.001		

Determinants of Positive Response to "Have Ever Used a Government Social Program," Expanded

	Partly Visible	Most Visible
Predicted Values for Sum of Partly Visible	1.899*** (.351)	
Predicted Values for Sum of Most Visible		.880*** (.162)
Ideology (liberal)	.156*** (.048)	.156*** (.048)
Democrat	.013 (.160)	.013 (.160)
Political Knowledge	.326*** (.064)	.326*** (.064)
Favorable Attitude Toward Welfare	.174* (.073)	.174* (.073)
Medicare Recipient	.704*** (.210)	.704*** (.210)
Chi-square (df)	60.32*** (6)	60.32*** (6)
N	1262	1262

*p<.05; **p<.01, ***p<.001