The years since the publication of the last full edition have been marked by dramatic events on the domestic and international fronts. By late 2012, the global financial crisis (GFC) that began in 2008 led to an overall unemployment rate of around 8 percent (more than 14 percent for African Americans). For workers over age 55, that unemployment rate jumped to 16 percent.

More than 12 million Americans suddenly found themselves unemployed and unable to pay their bills. Most economic predictions in 2012 called for continued high unemployment as employers were not generating a sufficient number of new jobs or replacing high numbers of unemployed workers. Approximately 1.4 million homes, or 3.3 percent of all homes with a mortgage, were scheduled for foreclosure in mid-2012. The number of mortgages with overdue payments stood approached 9 percent. Although housing prices had risen a modest 2 percent by mid-2012, they were still almost at the same price level as 2002.

These concerns were further heightened by the massive and growing U.S. debt, which reached over $16 trillion in late-2012, or about 100 percent of the nation’s GDP. In addition, the GFC left large parts of Europe in economic tatters, as Portugal, Ireland, Greece, and Spain, among others, teetered on the edge of bankruptcy. While many Western economies were losing steam, the economies of China, India, Brazil and Indonesia were in a high growth mode.

The international front was equally turbulent as the Arab Spring’s push for democracy toppled or destabilized governments in Tunisia, Egypt, Yemen, Libya, and Syria. By 2012, the Iraq and Afghanistan wars had dragged on for more than a decade and cost the lives of thousands of Americans, Iraqis, and Afghans. The combination of the GFC, the cost of two simultaneous and unfunded wars, and President Obama’s extension of the Bush tax cuts left the American economy in profound debt. The way forward was further stymied as the federal government was virtually paralyzed by the Republican Party’s commanding majority in the House of Representatives, with the Democrats holding only a slight edge in the Senate. A divided government resulted in policy options being at a virtual standstill.

In the midst of this virtual paralysis, several important policy developments emerged in the first term of the Obama administration. Some of these achievements include the Dodd-Frank Wall Street Reform and Consumer Protection Act, one of the most significant financial reform acts since the Great Depression; the Patient Protection and Affordable Care Act of 2010 (known as Obamacare); repeal of the military’s Don’t Ask Don’t Tell (DADT) rule; the Credit Card Accountability, Responsibility, and Disclosure Act; and the Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPs).

The presidential election of 2012 proved to be one of the most acrimonious in recent memory. Extreme Republican Party ideologues drove the party far to the right in areas such as contraception, abortion, health care, voter’s rights, and immigration. In the end, President Obama’s moderate approach triumphed as he won 303 electoral votes compared to Mitt Romney’s 206 votes. While close, Obama won the popular vote by 50.4 percent to Romney’s 48 percent. The election clearly illustrated the sharp divisions in American society between the more liberal Northeast, West Coast, some Western and Midwestern states, and the far more conservative South and rural areas. The voting patterns also highlighted the different priorities between young and old voters, religious and non-religious voters, white and minority voters, female and male voters. These patterns reflect differing perceptions of where America should be heading.

Despite these divisions, the current policy environment could offer social welfare advocates multiple opportunities for change. Consider several of the conservative themes driving public philosophy: “Privatization,” long a part of human services in the United States, is evident in nonprofit organizations and private practitioners. “Devolution” is familiar to providers of child welfare, mental health, and corrections—traditionally state-controlled programs—to say nothing of professionals who have served as elected officials in state and local governments. “Faith-based social services” has been a cornerstone of the nonprofit sector, evident in such agencies as Catholic Charities, the Salvation Army, and Jewish community services, among others. As these examples illustrate, advocates of social justice already have substantial expertise in domains that conservatives have appropriated. In turn, this
expertise could be mobilized to enhance the public interest while benefitting social work.

Several changes will be required if human service professionals are to reclaim a prominent role in social policy. Markets have been a primary means of distributing goods and services to the nonpoor, and the application of market dynamics to low-income families should be evaluated on merit, not discarded solely on ideological grounds. State and local politics have been important arenas for introducing innovations in social welfare and for providing social workers a first step on the ladder of public service; such opportunities should be celebrated, not dismissed.

If social work is to reassert its role in public policy, acceptance of privatization and devolution will be insufficient for the profession to become an influential player. Public policy involves the kind of power that occurs in three basic forms: money, votes, and networks. Although these resources have been the staple of politics, the information age requires players to possess a higher level of sophistication. To be competitive, one must have command of information systems, large data sets, and complex decision menus.

If social work can educate students about these methods and begin to insert itself into the policy environment, the profession will have to again become an influential force in social policy. On the other hand, if the profession rests on its historic laurels, it will remain a bit player. Such an eventuality would essentially waste the substantial assets that social work brings to social affairs: a distinguished legacy, the altruism of the young, and a unique moral imperative.

This edition of American Social Welfare Policy attempts to provide the information necessary for the reemergence of social work in social policy, nationally and internationally. In addition to discussing the basic concepts, policies, and programs that have typified the U.S. welfare state, the text includes chapters on the voluntary nonprofit sector (Chapter 6) and the for-profit corporate sector (Chapter 7). Chapter 9 directs attention to a new strategy in social policy: tax expenditures. Chapter 3 discusses the often neglected role of religion in the formation of social welfare policy. The final chapter, Chapter 18, examines the influence of global capitalism, a development that not only weds the developed nations to the undeveloped nations, but in the process shifts capital and jobs in unprecedented volumes. This edition has also put more emphasis on international social policy.

We owe many debts in completing this edition. The reviewers of this and previous editions have provided an invaluable service in identifying deficiencies. We would like to thank the reviewers of this edition for their insightful comments and suggestions. Earlier editions were aided by Dr. Stephen Thornton, Deanna Machin and Dr. Peter Kindle.

A very special thanks to Crystal Joyce for her tireless work on this edition. Without her this book would not have reached completion by the deadline. Finally, thanks to our families. In anticipation of the next edition, comments by students and faculty are welcome. The authors can be contacted via email: Howard Karger at H.karger@uq.edu.au and David Stoesz at Davestoesz@aol.com.

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Howard Karger (right) is professor and Head of the School of Social Work and Human Services, The University of Queensland, Brisbane, Australia. David Stoesz (left) is professor, Mississippi Valley State University. Howard and David have been friends and colleagues for more than 30 years. In addition to seven editions of American Social Welfare Policy, they have coauthored two other books: The Politics of Child Abuse in America (with Lela Costin) (Oxford University Press, 1996) and Reconstructing the American Welfare State (Rowman and Littlefield, 1992). Howard’s book, Shortchanged: Life and Debt in the Fringe Economy (Berret-Koehler, 2005) examines the financial practices and products that exploit millions of American families. In 2006, the book won the Independent Publishers Award in Finance/Investment/Economics. David’s book, Quixote’s Ghost: The Right, the Liberati, and the Future of Social Policy (Oxford University Press, 2005), explains how conservatives have assumed control of domestic policy and proposes a new framework for social policy. Quixote’s Ghost won the 2006 Pro Humanitate Literary Award. Howard, Anna and their dog Mr. Fuggs live in Brisbane, Australia; David lives in Itta Bena, Mississippi.