

Empty Promises

The Poverty of Compassionate Conservatism

By Anne Kim and Will Marshall

In his Sept. 2 acceptance speech at the Republican National Convention in New York, President George W. Bush resurrected a key theme from his 2000 presidential campaign—compassionate conservatism. “I’m running with a compassionate conservative philosophy: that government should help people improve their lives, not try to run their lives,”¹ he declared. He has since been repeating that claim on the campaign hustings. But given the paucity of his administration’s actual accomplishments over the last four years, it is fair to conclude that compassionate conservatism is intended to solve his party’s political problems rather than the nation’s social problems.

When Bush took office, the concept was hailed by Republicans as nothing less than a conservative alternative to the welfare state. More than just a campaign catchphrase, they insisted, compassionate conservatism embodied a substantive ideology of social remedy. Among other things, it promised a new approach to fighting poverty and other social ills, one that would empower private charities and community groups, including faith-based institutions, and bring them into partnership with government. In his 2001 inaugural speech, Bush spoke movingly of a new social order that he envisioned building on compassion’s foundation. “Where there is suffering, there is duty,” the president proclaimed. He implored Americans to act as “citizens, not spectators.”²

In the years since, compassionate conservatism has continued to be the rhetorical touchstone of the Bush administration’s social policy. On the White House website, for example, the words “compassion” and “compassionate” merit more than 1,000 references. Yet, despite all of the promising rhetoric, the administration’s actual compassion agenda has proven to be exceedingly modest. Its accomplishments are more modest still. With apologies to Gertrude Stein, when it comes to the Bush record on compassionate conservatism, there is no there there.

Rather than a paradigmatic shift in domestic social policy, what has emerged is a grab bag of small-scale, underfunded efforts that do little more than tinker at the margins

“One person with a belief is a social power equal to ninety-nine who have only interests.”

—John Stuart Mill

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of existing social policy. And of the larger priorities first outlined by the president as major components of his compassion agenda, few have come to fruition. For example:

❑ **The faith-based initiative.** To rally the “armies of compassion,” President Bush in 2001 called for legislation to forge a closer partnership between government and religious organizations in tackling America’s social ills. Though touted by the president as the centerpiece of his compassion agenda, the initiative has languished in the GOP-controlled Congress. Rather than intervene personally to break the deadlock, the president seems to have given up on legislation and is acting unilaterally, via executive orders, to expand “charitable choice” rules that pro-

hibit government agencies from discriminating against religious groups in contracting for social services.

❑ **Charitable tax cuts.** During the 2000 campaign, the president promised more than \$80 billion in new tax cuts over the next decade to stimulate more gifts to charity. Specifically, he proposed that taxpayers of modest means be allowed to deduct charitable donations even if they do not itemize their tax forms.³ But this proposal took a backseat to his personal income tax cuts and it, too, has stalled in Congress. The only piece of this proposal that has been enacted so far is an expanded tax credit to promote adoptions, which was part of the 2001 tax cut. The administration has since

scaled back its charitable tax proposal to one-fourth of its original size,⁴ and Congress will likely only approve an even smaller set of incentives.

- ❑ **Compassion Capital Fund.** Bush also pledged to create a \$200 million⁵ “Compassion Capital Fund” to act as an investor in and a clearinghouse for charitable best practices. Yet the initiative has been chronically under-funded, receiving only \$30 million for fiscal 2002, \$35 million for 2003, and \$48 million for 2004. The president’s budget only proposes \$100 million for fiscal 2005, an amount that Congress is unlikely to provide.
- ❑ **Drug abuse.** Fighting substance abuse was a highlight of the president’s 2003 State of the Union address and has been one of the administration’s stated top social policy priorities. But actual funding for the government’s largest substance abuse programs has increased by just over \$300 million since fiscal 2001.⁶ The president’s signature treatment initiative, a \$600 million voucher program dubbed “Access to Recovery,” has netted barely \$100 million since its initial unveiling.
- ❑ **National service.** After the Sept. 11 terrorist attacks, the president made several much-publicized pledges to dramatically expand the opportunities for Americans to serve their country. In his 2002 State of the Union address, he exhorted all Americans to serve 4,000 hours during their lifetimes and pledged to create the USA Freedom Corps to help Americans reach this goal. At the heart of this new initiative was a promise to expand the full-time national service program AmeriCorps by 50 percent to 75,000 members, and create a new large-scale homeland security service initiative called Citizen Corps.⁷ But after much lip ser-

vice, these initiatives were ultimately starved of funding. For example, far from expanding AmeriCorps by 50 percent, the president signed an appropriations bill in fiscal 2003 that capped its membership at 50,000 and cut its budget by 30 percent, resulting in a sharp decline in the number of members. It was not until January 2004 that these drastic reductions were finally reversed by Congress. Another high-profile service initiative, to recruit mentors for the children of prisoners, has so far resulted in a total investment of \$40 for each of the 1.5 million American children with a parent in prison.

- ❑ **Welfare reform.** Although the president promised to build a “compassionate welfare system,”⁸ the White House has seemed more interested in scoring ideological points than changing policy. For example, the administration has called for tougher work requirements for welfare recipients, but has refused to spend more on childcare so that poor mothers can actually go to work. Bush has, however, proposed more money to support marriage promotion programs beloved by conservatives. In the absence of presidential leadership, Congress has repeatedly failed to reauthorize the landmark 1996 welfare reform bill, even as poverty rates are rising. Also going nowhere are administration proposals for converting Medicaid, the Section 8 housing program, and the federal child welfare entitlement into block grants, an ostensible “reform” that merely caps their funding without making them work better. In effect, President Bush has reversed the successful Clinton administration formula of tying increases in social spending directly to better outcomes, such as moving people off welfare into jobs. Beneath its inspiring rhetoric of compassion, the Bush approach combines stingy funding with no effective demands for greater accountability.

Big Hat, No Cattle

In terms of scale, the president's record is all the less impressive in comparison to that of other recent presidents. One of President Bill Clinton's first legislative achievements was to triple the size of the Earned Income Tax Credit (EITC), now a \$32 billion program that lifts more than 4 million people out of poverty each year. President Ronald Reagan presided over the creation of the Social Services Block Grant (SSBG), which still provides states with about \$1.7 billion a year in flexible funds. Social Services Block Grant funding supports a wide array of services, from child welfare to childcare to Meals on Wheels. Even President George H. W. Bush saw the passage of several major social policy measures, including the Americans with Disabilities Act.

In contrast, the scale and scope of George W. Bush's initiatives during his term are exceedingly modest. Including estimated costs for the expanded adoption tax credit, the administration has spent barely more than \$1 billion in new funding for compassion⁹ since 2001—less than one-half of 1 percent of what the federal government already spends on means-tested programs for the poor. In fiscal 2000, for example, federal spending on food stamps, welfare, Medicaid, and childcare totaled

approximately \$236 billion.¹⁰ In proportion to the federal government's \$2.4 trillion annual budget, Bush's yearly spending on compassion amounts to a rounding error.

Bush's micro-measures may have intrinsic merit, but they do not add up to anything like a credible alternative

to more traditional social policies when it comes to providing vital supports for needy Americans.

If compassionate conservatism fails as social policy, it still has political utility as a rhetorical trope for Republicans anxious to soften their party's image as selfish and hard-hearted. In the Bush White House, compassion has become a thematic catchall encompassing a widening array of policy initiatives—such as increasing international aid to developing countries and improving public education.¹¹ And there is some evidence that it has changed the public's perception of GOP social policy: In a 1999 CNN/*USA Today*/Gallup poll, 64 percent of respondents felt that the "Republican Party has not been compassionate enough about the needs of the poor."¹² Four years later, in a January 2003 CNN/*USA Today*/Gallup survey, 64 percent of respondents agreed that the president has "governed in a way that is compassionate."¹³

Yet more recent polls suggest that voters are having second thoughts. A May 2004 Greenberg-Quinlan-Rosner survey found that only 30 percent of registered voters strongly agreed with the statement, "George Bush has lived up to his promise to govern as a compassionate conservative."¹⁴ In fact, 41 percent of voters now say they strongly believe the opposite: "George Bush promised to govern as a compassionate conservative, but his actions in office have proven otherwise."¹⁵

A Brief History of Compassionate Conservatism

The intellectual father of modern compassionate conservatism is Marvin Olasky, whose writings in the early 1990s first touted it as a new philosophical foundation for social policy. Olasky's view, enthusiastically embraced by President Bush, put heavy emphasis on the role of locally based religious and faith-based organizations in combating poverty and providing social services to the disadvantaged. These groups were to be the "armies of compassion" made famous

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in President Bush's 2000 campaign. But as a catchphrase, compassionate conservatism is nearly 20 years old. (The emperor's new clothes, in other words, are actually hand-me-downs.) Past aspirants to the mantle of compassionate conservatism have included such disparate figures as Pete Wilson, Bob Dole, Pat Buchanan, Jack Kemp, and even the first President Bush, who famously promised a "kinder, gentler" America.

Since the start, compassionate conservatism has been something of a political chameleon—serving different purposes at different times and with different meanings. For Kemp, perhaps the first politician to popularize the phrase, compassionate conservatism was primarily an attempt to counter the popular perception that conservatism was fundamentally incompatible with concern for the poor. Kemp's compassionate conservatism thus combined fairly standard Republican ideology with groundbreaking initiatives to assist the urban poor. Among these was the concept of empowerment zones, which later became an integral piece of President Clinton's urban economic development policy. As a congressman, Kemp first introduced legislation to create empowerment zones as early as 1980.

For later politicians, compassion served to justify veering from Republican orthodoxy on certain issues. Wilson, as governor of California, sought to soften his party's image by embracing abortion rights, AIDS funding, and environmental protection. In his 1992 presidential bid, the arch-conservative Buchanan championed a kind of compassionate populism when he called for unemployment benefits and trade protection for U.S. workers supposedly victimized by foreign competition.

But it was Olasky who elaborated the most comprehensive theory of compassionate conservatism as an alternative to the top-down paternalism and bureaucracy of the welfare state. And it was President George W. Bush who took Olasky's ideas into the political mainstream—though he has conspicuously

failed to commit the resources or build the bipartisan consensus necessary to truly test their transformative potential.

Read My Lips: The Bush Record on Compassion

In almost every aspect of the administration's record on compassion, there is a glaring gap between rhetoric and reality. When it comes to fulfilling the ambitious promises made during his 2000 campaign for a compassionate yet effective government, the president's record remains embarrassingly sparse. The Appendix to this report provides a summary of the resources that the administration has secured to date for its various efforts. The major initiatives of the president's initial compassion agenda are summarized below:

Promise 1: The Faith-Based Initiative

Major goals: *Broad expansion of "charitable choice" legislation; creation of White House Office of Faith-Based and Community Initiatives.*

Progress to date: *The White House Office of Faith-Based and Community Initiatives created by executive order; charitable choice legislation defeated.*

The faith-based initiative was the heart of the administration's original compassion agenda. Its basic goal was a worthy one—to broaden the range of organizations providing social services to needy Americans, and to support the efforts of faith-based and community organizations already working in their communities.

Unfortunately, the administration allowed the initiative to be hijacked by far-right Republicans, who then proceeded to draft a bill that was excessive in its partisanship and even, some argued, unconstitutional. As a consequence, any chance of a bipartisan consensus in Congress was destroyed almost from the

outset. And after several months of bitter wrangling, the initiative stalled.

As drafted by House Republicans, the Community Solutions Act was a sweeping expansion of the “charitable choice” provision of the 1996 Temporary Assistance for Needy Families law (TANF). That provision ensured that faith-based organizations would not lose their exemption from the federal law prohibiting employment discrimination based on religion when they provide social services under federal contracts. (So, for example, a Methodist

church can justifiably hire only Methodists.)

That provision aimed to enable religious groups “to compete on an equal footing for federal funding” and “protect . . . their religious character if they choose to accept federal funds.”¹⁶

Specifically, the law permitted

religious groups to receive federal welfare funding without having to remove “religious art, icons, scripture, or other symbols” or “alter [their] form of internal governance.”¹⁷ The law did not, however, permit the use of federal funds for “sectarian worship, instruction, or proselytization.”¹⁸ The Community Solutions Act sought to expand charitable choice to federal programs dealing with juvenile delinquency, crime victims, housing, workforce development, senior citizens, domestic violence, hunger relief, education, and even transportation.

But civil libertarians and advocates for women’s and gay rights (many of whom also opposed the 1996 charitable choice provision) vehemently objected to the Community Solu-

tions Act because it also sought to extend the anti-discrimination exemptions of “charitable choice” beyond TANF to cover other federally-funded social service contracts. Many Democrats worried that the bill focused too narrowly on religious organizations to the exclusion of secular, community-based charities. The new proposal also failed, in the eyes of opponents, to include adequate safeguards ensuring the availability of secular alternatives to religion-based services, a base that was covered in the 1996 law. Critics feared that recipients of vouchers for social services could be forced to take part in religious activities. Rather than work energetically to allay such concerns, the president stood aloof and acquiesced as House Republicans, seeing a chance to divide Democrats and drive a wedge between them and people of faith, sought a partisan political victory. And indeed, the bill wound up passing the House on a mostly party-line vote.

The outcome was deeply frustrating for John Dilulio, a prominent Democrat tapped by Bush to head the White House Office of Faith-Based and Community Initiatives. As he wrote later:

“[O]ver-generalizing the lesson from the politics of the tax cut bill, the [White House] winked at the most far-right House Republicans who, in turn, drafted a so-called faith bill (H.R. 7, the Community Solutions Act) that (or so they thought) satisfied certain fundamentalist leaders and beltway libertarians but bore few marks of “compassionate conservatism” and was, as anybody could tell, an absolute political non-starter.”¹⁹

The administration’s tough line and manifest indifference to bipartisanship cast deep suspicion on the motives of the White House. Some opponents became convinced that the faith-based initiative was a conduit for Republicans to “fund the right” by steering funding toward conservative Christian constituen-

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cies. Others saw a ploy to win the support of black churches and Hispanics with promises of generous federal grants. Further inflaming these suspicions were revelations that the White House had been negotiating an exemption from state and local anti-discrimination laws for the Salvation Army in exchange for its support.²⁰

The House GOP's polarizing tactics managed to taint a true bipartisan faith-based effort in the Senate, spearheaded by Sens. Joseph Lieberman (D-Conn.) and Rick Santorum (R-Pa.). In its initial incarnation, the Charity Aid, Recovery and Empowerment (CARE) Act contained carefully drafted language that its sponsors hoped would address the concerns of charitable choice's critics. But the depth of bad feeling created in the debate about the president's proposal in the House jeopardized the viability of the Senate proposal, which failed to pass in 2001. The bill was reintroduced in the Senate in 2003 with its charitable choice language stripped altogether.²¹ It passed on a vote of 95 to 5 in April, but has yet to emerge from a conference committee, where it is being reconciled with a House version of the bill.

Dilulio summed up the missed opportunity:

"[O]n the so-called faith bill, [the White House] basically rejected any idea that the president's best political interests—not to mention the best policy for the country—could be served by letting centrist Senate Democrats in on the issue."²²

Unable to get its cornerstone proposal through a Republican Congress, the administration has since resorted to executive orders to salvage what it can of its faith-based initiative. Its record so far:

- ❑ Three executive orders creating centers for Faith-Based and Community Initiatives at the office of the Attorney General, the Agency for International Development and at a variety of agencies, including the U.S. Departments of Health and Human Services

(HHS), Justice, Labor, Housing and Urban Development, Education, Agriculture, Commerce, Veterans Affairs, and the Small Business Administration;²³

- ❑ An executive order requiring "equal protection" for faith-based and community organizations;²⁴
- ❑ One report on the barriers faced by religious groups in getting access to federal funding;²⁵
- ❑ Booklets providing guidance to faith-based groups on how to get federal funding,²⁶ and on religious hiring rights;²⁷ and
- ❑ A series of educational conferences and a catalog of grant opportunities.²⁸

The executive orders have made it easier for some religious groups to win public grants to deliver social services. But the new regulations also are fraught with legal ambiguities arising from the many issues that Congress left unsettled. Federal agencies could be sued by religious groups for not granting them contracts, or by civil libertarians for providing federal support to religious groups that mix religious instruction and social services. "The whole question of the faith-based initiative is a make-work program for lawyers for the next 10 years," said Richard Land of the Southern Baptist Convention.²⁹ Dilulio joined the White House in 2001 with great fanfare but left his post after less than a year, complaining that politics, not policy making, was the administration's first, last, and only concern. "The 'faith bill' saga . . . illustrates the relative lack of substantive concern for policy and administration," Dilulio wrote. "In eight months, I heard many, many staff discussions, but not three meaningful, substantive policy discussions."³⁰

Since Dilulio's departure, the profile of the faith-based initiative has sunk so low as to be

virtually invisible. The new director of the White House Office of Faith-Based and Community Initiatives, Jim Towey, has been granted few resources to do his job and has spent little time in the public eye. The efforts of the parallel faith-based offices established at such agencies as the Departments of Justice and Labor are also less than energetic. With a few exceptions, most of the websites maintained by these offices offer little more than a listing of grant programs and an invitation to the next educational conference.

Promise 2: Promoting Charitable Giving

Major goals: *Enactment of an \$80 billion package of individual and corporate tax incentives aimed at promoting charitable giving.*

Progress to date: *Expansion of adoption tax credit.*

A unique aspect of the ideology of compassionate conservatism—as initially conceived—was its insistence on the central role of private charity, rather than government, in funneling resources to social services providers. In keeping with that perspective, the president's initial compassion agenda sought new ways to reinvigorate and reward charitable giving.

Perhaps not surprisingly, the principal vehicle chosen for this effort was a package of tax cuts,

the most significant of which was a charitable tax deduction for filers who do not currently itemize. Other proposals included allowing tax-free charitable contributions from IRA accounts, enhanced deductions for food

and book donations by corporations, and an increase in the cap on corporate charitable contributions. The original package also included an expansion of the adoption tax credit, which was eventually enacted as part of the 2001 tax cut. (The credit was doubled in size from \$5,000 to \$10,000 and is now available to higher-income taxpayers.)

Of the president's major compassion initiatives, this proposal is perhaps most likely to become law—although perhaps not in its original incarnation. A version of the administration's tax package that was included in last year's failed Community Solutions Act has passed in the House (albeit in a different form). This package passed as part of a renamed stand-alone bill, the Charitable Giving (CARE) Act of 2003. Charitable tax cuts are also part of the CARE Act, which has passed in the Senate.

What may ultimately become law, however, will be a drastically scaled-back version of the president's vision. The original package of cuts, proposed during the president's campaign, came with a 10-year price tag of more than \$80 billion. After the tax cut of 2001, Bush trimmed his proposal to about one-quarter of its original size, and has since been relatively silent on the issue. Still, the cuts are by far the most expensive item on the compassion agenda. Both the House and Senate versions, however, trimmed the package still further.

The Community Solutions Act, which was the president's primary vehicle for his faith-based initiative in 2001, contained tax cuts totaling only about \$4.5 billion over five years.³¹ That iteration of the president's package would have allowed all non-itemizers to deduct charitable contributions, but only up to \$25 for individuals and \$50 for married couples (although the maximum deduction would have increased to \$100 and \$200, respectively, by 2010). The current version, which is similar to the Senate version in the CARE Act, is more generous. It permits individuals donating more than \$250 and married couples donating more than \$500 to deduct all

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contributions in excess of those amounts, up to a maximum deduction of \$250 for individuals and \$500 for couples. The proposal also permits tax-free charitable contributions from IRA accounts. Both the House and Senate versions are projected to cost about \$12 billion over the next 10 years.³²

Whether either version would dramatically increase charitable giving is debatable. Proponents argue that the package would create new incentives for charitable giving; critics argue that these provisions would instead provide a windfall to people who already donate.

Regardless of their ultimate impact, however, these provisions are likely to be the single largest legacy of the Bush presidency's compassion agenda.

Promise 3: Compassion Capital Fund

Major goals: *Creation of \$100 million annual fund to research best practices among faith-based and community groups and to support capacity building.*

Progress to date: *Allocation of \$30 million in fiscal 2002, \$35 million in fiscal 2003, and \$48 million in fiscal 2004.*

Each of the president's budgets has included a \$100 million annual allotment for a Compassion Capital Fund. The goals of the fund are laudable: to supply technical support to fledgling faith-based and community service providers, to act as a clearinghouse for "charitable best practices," and to assist young organizations in gaining access to federal funds.³³

Over the last three years, however, the administration has secured only \$113 million for the fund—slightly more than one-third of its total requests.

So far, the Compassion Capital Fund represents a less-than-dramatic infusion of new funding for small faith-based and community groups. Of the \$30 million awarded the first year, \$3 million went toward research and evaluation

and \$2 million was awarded to a for-profit consulting firm to create the best-practices clearinghouse. The remaining \$25 million was awarded in demonstration grants to 21 "intermediary organizations," including four universities and a variety of relatively large, established charities such as the United Way and Catholic Charities.³⁴ In its second year, the Department of HHS awarded only \$8.1 million in new grants and provided \$24 million to the 21 organizations that had won grants the year before.³⁵ It will be quite some time before these funds trickle down to smaller organizations and the impact of the fund is felt in any measurable way.

A proposal to increase the size of the fund to \$150 million—\$50 million above the president's request—is included in Lieberman-Santorum CARE Act passed by the Senate. If ultimately enacted by Congress, it would represent the first significant increase in the fund's resources.

Promise 4: Increased Funding for Substance Abuse Treatment

Major goals: *Creation of a three-year, \$600 million voucher program for drug and alcohol addicts seeking treatment.*

Progress to date: *\$100 million for fiscal 2004, which was awarded in August 2004 to 14 states and one tribal organization.*

In his first budget to Congress submitted shortly after taking office, President Bush identified as a top priority the need to "increase drug treatment funding and ensure that faith-based and other non-medical drug treatment programs

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have equal access to federal funds.”³⁶ But it was not until his State of the Union address in January 2003 that he announced his first major drug treatment effort—a three-year, \$600 million voucher program for addicts seeking treatment.³⁷

In several aspects, however, this initiative is less than it seems. First, the program did not exist until January 2004, when \$100 million in funding was finally approved by Congress. But there are other obstacles as well. Because the vouchers are intended in large part to direct federal funding toward faith-based programs that take a religious approach to the treatment of drug addiction, some activists are already threatening to challenge the initiative’s constitutionality.³⁸ For example, one of the programs lauded by the president is run by Healing Place Church in Baton Rouge, La. According to an article in *The Washington Post*, the program claims to rely “solely ... on the Word of God to break the bands of addiction.”³⁹ One vocal opponent promising to challenge the president’s initiative is Americans United for Separation of Church and State. “The president is trying to blast a huge hole in the wall of separation between church and state,” charged Barry Lynn, the group’s executive director.⁴⁰

Questions of constitutionality and effectiveness aside, what truly undercuts the credibility of the president’s commitment to fighting substance abuse per se is that his budgets also call for *decreases* in some services, including a \$45 million cut in funding for substance abuse prevention programs in fiscal 2003, a \$5 million cut in fiscal 2004, and another \$3 million cut in fiscal 2005. Moreover, the administration has also called for relatively small increases in funding for the Substance Abuse Prevention and Treatment block grant, which the Substance Abuse and Mental Health Services Administration (SAMHSA) describes as the “cornerstone of [s]tates’ substance abuse programs.”⁴¹ In 1999, according to SAMHSA, the \$1.8 billion block grant accounted for about 40 percent of total public spending on prevention and treatment,

and in nearly one-half of the states, the block grant provided for more than 50 percent of the money spent on those services.⁴² While the president requested and secured \$60 million in additional funding for the block grant in fiscal years 2002 and 2003, his 2004 budget provided for no additional money. He has since requested an additional \$53 million for fiscal 2005.

In any event, the amount committed by the president is miniscule in proportion to the need. According to SAMHSA data, of the estimated 7.7 million Americans who needed drug treatment in 2002, 6.3 million received no treatment of any kind.⁴³

Promise 5: Expanding Opportunities for National Service

Major goals: Creation of new \$200 million Citizen Corps; Expansion of AmeriCorps by 50 percent.

Progress to date: Allocation of \$25 million for Citizen Corps; budget cuts for AmeriCorps in fiscal 2003; restoration of budget in January 2004.

Another example of the president’s less-is-more approach to compassionate conservatism is the USA Freedom Corps, the creation of which was much vaunted but has since primarily become an exercise in re-branding. Created by President Bush’s executive order, the USA Freedom Corps is a new umbrella for old programs, including AmeriCorps, Peace Corps, and Senior Corps. The only “new” program within the USA Freedom Corps, the Citizen Corps, was created as part of homeland security legislation passed by Congress in 2002 after the September 11 terrorist attacks. The legislation awarded \$25 million to FEMA for the creation of the Citizen Corps, which is itself a consolidation of existing neighborhood watch and other community-based service programs. Of the \$25 million, \$21 million was awarded to states. Divided among the 50

states, this amounts to \$420,000 per state.

To the extent that grants have been awarded, the efforts being funded have been small. Arkansas, for example, used a portion of its approximately \$270,000 grant to sponsor a training session that attracted 41 students.⁴⁴ New York, which received \$980,000 to serve its 19 million residents, is using nearly \$300,000 of its grant to support 36 AmeriCorps members' work on disaster preparedness in the state's smaller towns.⁴⁵ Clearly, the amounts being provided are insufficient to create the large-scale homeland security corps promised and envisioned by the president.

Bush's failure to get a new large-scale service initiative off the ground after 9/11 was compounded by his even more stunning failure to expand the opportunities to serve in America's largest national service program, AmeriCorps. In his 2002 State of the Union address, Bush promised to expand the AmeriCorps program by 50 percent, from 50,000 members to 75,000 by 2003, so that more young Americans would have an opportunity to serve "goals larger than self." To support this effort, in his 2003 budget the president requested \$364 million in funding for AmeriCorps grants, a 42 percent increase.

As PPI has reported, the backsliding by the administration on this promise of expansion began almost as soon as this budget was released.⁴⁶ Facing a growing backlash from the most conservative members of its own party in the spring of 2002, the administration adopted a hands-off legislative approach. Instead of using some of its political capital to get Congress to act, it sought to move forward with expansion using the existing AmeriCorps budget. As a result, AmeriCorps members were signed up at a record pace through the spring and summer of 2002, but this drive came to a screeching halt in November 2002 when the Corporation for National and Community Service realized it had depleted the Trust Fund used to provide education awards to service members. In January and

February of 2003, as the omnibus appropriations bill that provided funding for AmeriCorps moved through Congress, the president failed to propose sufficient funding to correct the shortfall in the Trust Fund. As a result, Congress made up for the shortfall by shifting funds from AmeriCorps' operating budget to the Trust Fund, creating a 30 percent cut in the funds available for AmeriCorps grants. This budget cut, together with the depletion of the Trust Fund, cut the number of AmeriCorps members by 58 percent, from 67,000 in 2002-2003 to 28,000 in 2003-2004. The 2004 budget contained an overall increase for AmeriCorps, but for the participating organizations that were forced to close their doors for lack of members, it was already too late. While the 2004 budget may be sufficient to restore the program's lost volunteers this year, it will not be enough to undo the damage done in previous years' cuts.

A final example of the president's seeming unwillingness to back his promises with adequate resources is his initiative to mentor the children of prisoners, a truly noteworthy

plan that deserves serious support. So far, however, the program has won only \$60 million in total funding over the past two years. The HHS awarded \$9 million in grants in fiscal 2003, and the \$50 million approved by Congress in January 2004 is only now trickling down to grantees. According to HHS, these programs have to date reached 6,000

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children, not even one-half of 1 percent of the 1.5 million the administration estimated to have a parent living in prison.⁴⁷

Promise 6: "A Different Approach to Government"

The Bush administration came to office advertising its vision for a caring, committed, and activist government. "We need a different approach than either big government or indifferent government," the president said. "We need a government that is focused, effective, and close to the people."⁴⁸ Moreover, the administration declared, its prevailing ethic would be compassion. "The administration cannot and will not give up on any American who needs our help."⁴⁹

Compassion, however, seems strikingly absent in the administration's attitude toward the working poor, and this attitude has become quite obvious in the president's proposals for reauthorization of welfare reform legislation, versions of which have been stalled in Congress since 2002. Welfare reform has

emerged as one of the most successful social policy initiatives in the last 50 years; while caseloads have dropped by more than one-half, the employment and earnings of single mothers have risen to all-time highs. Continued progress, however, depends upon the ability

"Instead of providing new resources to support and reward the success of states putting welfare recipients to work, the Bush administration is flat-lining the funding available for poor working families, especially for childcare."

of states to plow resources into childcare, transportation, job placement services, and other work supports—a task that has become

increasingly difficult as states face tough fiscal times.

But instead of providing new resources to support and reward the success of states in putting welfare recipients to work, the Bush administration is flat-lining the funding available for poor working families, especially for childcare. Though evidence indicates that only about one in seven families eligible for subsidized childcare receives it, the president's 2005 budget includes a paltry \$12 million in additional childcare assistance for families in desperate need of help. In fact, by providing only level funding for the program, the president is guaranteeing that the value of childcare assistance will erode with time and inflation. At the same time, the administration is also proposing to increase work requirements for recipients by 20 percent during the next five years. The continued focus on requiring work is both necessary and laudable, but to do so without providing support for childcare is unreasonable and even punitive.

To add insult to injury, the president's proposal for welfare reauthorization also continues to deny federal benefits to *legal* immigrants—an injustice first perpetuated by congressional Republicans as part of the 1996 reforms. Under the president's scheme for welfare reform, tax-paying legal immigrants who fall on hard times will find no recourse in the federal safety net.

Indeed, almost everything the administration has done—or not done—for the nation's safety net programs belies its optimistic rhetoric. The administration appears to have embarked on a campaign to gradually abdicate the federal government's role in providing either money or oversight for social services. It is an endeavor that can only gratify the likes of hard-core proponents of starving government, such as Americans for Tax Reform President Grover Norquist.

Take, for instance, the president's insistence in the 2004 budget on turning almost every

major federal social services program into a block grant. In addition to Medicaid, the president has floated proposals to transform the Section 8 housing program, child welfare services, and food stamps into block grants, as part of his welfare reauthorization scheme.

While block grants certainly provide states with flexibility—which is often a benefit—they are also often accompanied by limits on future federal investment and accountability. In all instances, the administration's proposals offer few specifics on the results that states are to achieve in exchange for flexibility, and the funding offered is neither generous nor performance-based.

The administration's proclaimed Medicaid reform initiative, for example, would have transformed the program into a block grant that offers no relief for cash-strapped states facing rising costs to insure the poor. However, states would have been granted the "flexibility" to cut back health coverage for supposedly optional populations, such as the elderly poor, disabled, and blind. Not surprisingly, the president was unable to secure the support of governors for the proposal, which then went nowhere in Congress. States were concerned about their financial liability should Medicaid rolls increase.

Another case in point: The administration's child welfare proposal offered states the option to receive so-called flexible grants for child welfare services in exchange for complying with current law, maintaining historic levels of state spending, and hiring researchers to evaluate new programs. These are hardly "high standards of performance," as the administration's budget documents claimed, and given the sorry performance of state child welfare systems as of late, one wonders if the problem in some cases is not too much oversight but too little. Moreover, the proposal requires that states opting for flexible funding keep their programs cost-neutral. This means that states must pay for new and experimental programs by shifting resources from current initiatives rather than adding new money. Another proposal—to make

the Section 8 housing program now administered by the federal government a block grant—would have ultimately limited the amount of money available for affordable housing, as states shift resources once spent for housing vouchers to cover expenses for administration.

The president's current budget, moreover, proposes establishing mandatory limits on domestic discretionary spending other than homeland security. Programs affected by the caps include education, childcare, housing, veterans' health, and substance abuse. If the proposed caps were to become law, most discretionary programs would be cut beginning in fiscal 2006. Similar rules would not apply to tax cuts.

Finally, the White House has continually cut or frozen funding for key social programs, such as the Social Services Block Grant (SSBG), for which funding has declined by \$1.1 billion since 1996. Indeed, a good portion of the president's new spending on signature compassion initiatives is effectively canceled out by freezes or cuts in longstanding social services programs. The president's 2005 budget, for example, includes \$179 million in funding cuts for community services programs, including the Community Services Block Grant. These funds support an array of critical social services, such as housing and employment assistance, education and training, energy assistance, and substance abuse treatment.

Compassion "Creep"

Perhaps to disguise the lack of progress on its original compassion agenda, the Bush administration has begun applying the rhetoric of compassion in contexts far removed from its original significance. For example, senior White House strategist Karen Hughes says that the philosophy of compassionate conservatism simply holds that there is a role for government in society: "not to dictate people's lives but to offer people the opportunity, the skills, the training, the

education they need to take advantage of opportunities before them.”⁵⁰

This is quite different from the more precise meaning compassionate conservatism once had. The administration’s seminal blueprint on compassionate conservatism, “Rallying the Armies of Compassion,” released in January 2001, outlined the following ambitious, specific priorities: (1) expanding charitable choice, (2) expanding private giving, primarily through tax incentives, and (3) creating the White House Office of Faith-Based and Community Initiatives. In the years since, the compassion agenda has both broadened and narrowed from its original focus. It has broadened to encompass the administration’s efforts in foreign affairs, such as its AIDS initiative, and its approaches to welfare and education. And it has narrowed to highlight the professed success of very small, individual initiatives that were part of the larger, failed faith-based package, such as the prison mentoring program.

Comparing the original agenda to subsequent ones makes the shifting focus clear. A year after the original, an April 2002 version listed the following priorities: (1) “educating our children,” through the president’s new education reform legislation; (2) “fighting poverty at home,” via the president’s welfare reform proposal; and (3) “helping poor countries around the world,” through a 50 percent increase in core development assistance to other countries.⁵¹ In a speech on April 30, 2002, Bush declared that compassionate conservatism was the guiding principle of his administration’s policies on such disparate areas as health care, the environment, housing, and even Social Security.⁵² Two years later, the fact sheet on the president’s 2004 budget listed another set of priorities: (1) \$15 billion in funding for the international Emergency Plan for AIDS Relief (which is perhaps the most generous non-tax compassion initiative proposed by the president, but it is not aimed at Americans); (2) money for the president’s

mentoring initiative; and (3) increased funding for drug treatment.⁵³ Now, a summary of the president’s 2005 budget claims veterans’ medical care and “empowering” faith-based groups as the major components of “Building a Better and More Compassionate America for All.”⁵⁴

The almost indiscriminate usage of the word “compassion” seems intended to compensate for the failings of the administration’s original vision. Once anchored in the faith-based initiative, the compassion agenda is now adrift. Yet, this revamped vision of compassion would be acceptable, were it not for the fact that compassion, as used against these new backdrops, still lacks substance. Although the president vowed that his education policy would “leave no child behind,” he has so far failed to back his ambitious reforms with adequate resources. As PPI’s Andy Rotherham has written, “President Bush now risks squandering the promise of his one domestic accomplishment by failing to fully fund or support the education law, to the detriment of our nation’s children.”⁵⁵

Conclusion

When it comes to compassion, the administration’s motto appears to be to talk big and act small. President Bush has made little headway in achieving the compassion agenda he boldly set forth when he first took office. He has proposed little in new funding for social services and spent even less. Compassionate conservatism has also failed as a new philosophy. After the faith-based initiative’s early failure in Congress, the president has since backed away from any decisive vision of compassionate conservatism.

“Compassion,” as defined today, has instead become a plaintive retread of the now 20-year-old message that conservatives can be nice people, too. As practiced by this administration, compassion is an act of politics, not of will or of heart.

Endnotes

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Appendix The Bush War on Compassion

	Fiscal 2002		Fiscal 2003		Fiscal 2004 ¹		TOTALS Total Actual FY2002, 2003, 2004
	Proposed Funding	Actual Funding	Proposed Funding	Actual Funding	Proposed Funding	Actual Funding	
<i>Original Compassion Proposals</i> ²							
“Create a Compassion Capital Fund to invest in charitable best practices”	\$89 million	\$30 million ³	\$100 million	\$35 million ⁴	\$100 million	\$48 million	\$113 million
“Make grants available ... focused on improving the prospects of low-income children of prisoners”	\$67 million ⁵	\$0 ⁶	\$25 million	\$10 million	\$50 million	\$50 million	\$60 million
“Increase drug treatment funding”	N/A	N/A	N/A	N/A	\$200 million ⁷	\$100 million	\$100 million
“Establish second chance homes for unwed teenage mothers”	\$33 million	\$0 ⁸	\$20 million	\$0	\$10 million	\$0	\$0
“Promote responsible fatherhood”	\$64 million	\$0 ⁹	\$204 million	\$0	\$20 million	\$0	\$0
“Expand efforts to help low-income families pay the rent and avoid homelessness” (included in FY 2002 compassion agenda only)	\$197 million ¹⁰	\$0	\$20 million	\$0	\$0	N/A	\$0
“Create a new ... after school certificate program” (included in FY 2002 compassion agenda only)	\$400 million	\$0	\$0	\$0	\$0	N/A	\$0
“Launch a new pilot program for inmates nearing release” (included in FY 2002 compassion agenda only)	\$5 million	\$0	\$0	\$0	\$0	N/A	\$0
Peace Corps (added to compassion agenda in FY 2004 only)	---	---	---	---	\$359 million ¹¹	\$310 million ¹²	\$310 million
TOTAL	\$955 million	\$125 million	\$441 million	\$117 million	\$739 million	\$508 million	

Notes to Appendix

¹ The 2004 numbers come from *The Consolidated Appropriations Act of 2004*, H.R. 2673, Public Law No. 108-199.

² The administration's first budget, for FY2002, included the most highly detailed compassion agenda, and the quotes reproduced here are from that budget. Many of the same priorities are repeated in following years. However, after fiscal year 2002, rental assistance was no longer included among the compassion agenda priorities. The budget for fiscal year 2004 is also the first to include the Peace Corps as a compassion agenda item.

³ See *Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002*, H.R. 3061, Public Law No. 107-116.

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⁵ Congress actually authorized funding for this program at the full amount requested for fiscal years 2002 and 2003 in *Promoting Safe and Stable Families Amendments of 2001*, H.R. 2873, Public Law No: 107-133. However, no money was actually appropriated.

⁶ See House Report 107-229, "Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Bill," U.S. House of Representatives, 2002. See also the President's Budget for HHS FY 2003, page 83.

⁷ This is a request for a new initiative for drug treatment vouchers; SAPT is level-funded for 2004.

⁸ See House Report 107-229 *op. cit.* See also the President's Budget for HHS FY 2003, page 83.

⁹ *Ibid.*

¹⁰ To fund 34,000 new Section 8 housing vouchers.

¹¹ This would have been a \$62 million increase over the previous year's funding of \$297 million.

¹² This amounted to a \$13 million increase over the previous year's funding.

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