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Early Start

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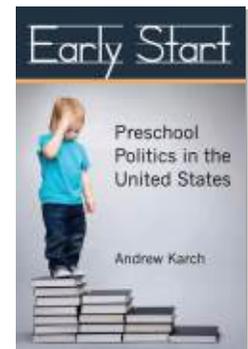
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5 | Congressional Activity and the Dissolving Early Childhood Coalition

As state officials established early childhood programs in the early and mid-1970s, Congress continued to debate the appropriate role for the national government in this policy arena. The demise of the Comprehensive Child Development Act did not settle the issue, even though the measure's supporters recognized that major policy changes were unlikely. This chapter examines the congressional aftermath of Nixon's veto, during which comprehensive initiatives like the Child and Family Services Act of 1975 and narrower proposals like the Child Care Act of 1979 faltered. Preschool advocates scored important victories, however, by establishing and defending more-limited government interventions. The treatment of dependent care expenses in the Internal Revenue Code evolved, with important changes that broadened the reach of tax relief and facilitated the proliferation of many different types of child care (Michel 1999, 237). Enrollment in and spending on the Head Start program grew, and its beneficiaries and defenders acquired additional political clout.

By the end of the decade, preschool education in the United States looked considerably different than it had at the beginning of the 1970s, in terms of both its general features and its political dynamics. This chapter explains how the congressional developments of the 1970s fragmented early childhood policy while simultaneously giving disparate actors a stake in existing arrangements. The absence of a comprehensive national approach, paired with the state-level developments described in chapter 4, helped solidify the decentralized nature of this policy realm as enrollment in private-sector preschool programs, generally serving a more affluent clientele, rose dramatically. This multifaceted evolution transformed the politics of early childhood by restructuring the preferences of various actors, making it more difficult for them to coalesce around a single policy prescription. Perhaps the most striking development of the 1970s was the

dissolution of the coalition supporting a comprehensive child development program. Members embraced the idea of government involvement in this policy realm, but they disagreed on the form that such involvement should take. The increased political activity of such groups as the American Federation of Teachers brought this disagreement to the fore.

Action in the Senate, Inaction in the House

The sweeping language of Nixon's veto convinced many supporters of child development legislation that, in the words of one official, "[i]t was pretty clear that nothing much was going to happen."¹ The bipartisan consensus on the need for government action had evaporated, especially in the House of Representatives. The controversial actions taken by the conference committee in 1971 and the opposition of the Nixon administration caused many House Republicans to shy away from the issue. A bipartisan group of senators was undaunted, however. When Congress reconvened in 1972, Senators Gaylord Nelson (D-WI), Jacob Javits (R-NY), and Robert Taft Jr. (R-OH) joined Walter Mondale (D-MN) in sponsoring the Comprehensive Headstart, Child Development, and Family Services Act. The bill proposed "a network of preschool educational services for low-income children and developmental day care programs for youngsters whose parents are working."² Participation in all programs would be voluntary.

Supporters claimed that the bill demonstrated their desire to resolve all "reasonable differences between the Administration and Congress."³ Addressing the controversy over prime sponsorship, the bill raised the population requirement from five thousand to twenty-five thousand, a shift that reduced, by more than two-thirds, the number of localities eligible to serve as prime sponsors. Other features of the revised legislation, including the increased powers of mayors and governors serving as prime sponsors, caused supporters to argue that it was more administratively workable than the vetoed legislation had been. It also retained the fee schedule from the vetoed legislation, included an increased authorization for staff training and planning, and reduced authorizations for the first operational year by 40 percent, from \$2 billion to \$1.2 billion. In a May press release after the bill cleared the Senate Labor and Public Welfare Committee, Mondale asserted that "these and other changes adequately meet the concerns expressed by the president when he vetoed the original bill."⁴

The revised legislation also gave the states a more prominent role in program administration. It "reserved ten percent of the funds for use by

the states to encourage comprehensive state cooperation and planning” and allowed five states to be funded on a demonstration basis as the sole prime sponsor of programs.⁵ These concessions did not satisfy state officials. Governor Winfield Dunn of Tennessee, chair of the Education Commission of the States, claimed, “[T]hese alterations do not go far enough to meet the objectives of our established policy. There are still major flaws.” He criticized the measure’s provisions for prime sponsorship, argued that its local policy councils would “dilute the responsibility” of state and local officials, and said that the bill would “complicate the planning and coordination of comprehensive state child development programs and services.”⁶ In June, Senator Peter Dominick (R-CO) introduced an amendment that gave the secretary of the Department of Health, Education, and Welfare the authority to choose between competing state and local prime sponsors on the basis of their effectiveness. The successful passage of the Dominick amendment substantially increased the opportunities for states to serve as prime sponsors. The Senate eventually passed the Comprehensive Headstart, Child Development, and Family Services Act by a 73–12 vote.

The bill received an unfavorable response outside the Senate chamber. Many liberals felt that its Democratic sponsors made too many concessions. The Dominick amendment was a source of particular concern. One supporter argued that Nelson and Mondale “pretty much gave the other side everything they wanted.”⁷ These concessions were insufficient to generate any enthusiasm among conservatives. According to the Emergency Committee for Children, “While the rhetoric of the new bill has been made less offensive to the traditions of the family, the substance of the program remains the same.”⁸ It criticized the bill’s cost and administrative provisions and argued that it would cause irreparable harm to children and families by undermining parental authority. Furthermore, the involvement of the national government “in the hitherto private area of family life” was labeled a “precedent to totalitarianism.”⁹ The new Senate bill did not win over its most conservative critics.

Perhaps more important, the proposal generated minimal support in the House of Representatives. According to one observer, “There was simply nobody to pick up the ball in the House. . . . and there was no way to get people together again on the bill.”¹⁰ Several factors worked against House action, foremost among them the opposition of Republicans who claimed that the revised proposal simply substituted a vast expansion of Head Start for the child development title in the previous bill.¹¹ They argued that any “expansion of Head Start or any other child development program must come through the public school systems.”¹² This critique indicated that House Republicans envisioned an educational approach.

In addition to several substantive differences of opinion, political factors were also at work. Senate opponents had not defeated the bill, but they slowed down its consideration through various procedural maneuvers. By the time the House took up the new bill, the looming election cast doubt on its prospects. Many southern Democrats hoped to avoid votes on social issues that might identify them with the presidential campaign of Senator George McGovern (D-SD); they preferred to spend the rest of the term campaigning in their districts. Some observers speculated that House Republicans were reluctant to compromise because they anticipated a landslide victory that would give them a House majority.¹³ A combination of policy and political factors prevented House action on the Senate bill.

After the 1972 elections, child development returned to the congressional agenda. Several House members introduced bills that would have used a system of prime sponsors at the community level to provide child care services, with priority given to economically disadvantaged children and to the children of working mothers or single parents. The proposals differed in their authorization levels, provisions for prime sponsorship, child care standards, and fee schedules. None of them, however, earned the same prominence or came as close to passing as did the Comprehensive Child Development Act.

The Ninety-Third Congress (1973–74) took three actions with regard to child care. First, it enacted the Social Services Amendments of 1974, which affected the child care services provided under Title IV-A of the Social Security Act. Second, it passed the Headstart, Economic Opportunity, and Community Partnership Act of 1974, which extended the authorization for that program and made some changes. The passage of these two laws illustrates the early fragmentation of government programs. The national government provided child care funds through multiple sources. Third, Congress held hearings on the pressures facing the modern American family.¹⁴ These hearings highlighted the “tremendous increase in the number of mothers who are working” and the “virtual disappearance of the extended family” (Mondale 1975, 14). They also laid the foundation for another congressional effort at comprehensive child development legislation.

The Child and Family Services Act of 1975

In some ways, the congressional debate over the Child and Family Services Act of 1975 resembled the earlier debate over the Comprehensive Child Development Act. Advocates of increasing the national govern-

ment's role in early childhood policy introduced an ambitious measure that preserved the core features of the bill Nixon vetoed. Many of its supporters had been members of the original coalition that Marian Wright Edelman assembled, and they used similar rhetoric to illustrate the "need" for legislation. Likewise, many of their opponents had been involved in the 1971 debate, and the highly charged rhetoric on which they relied was even more intense than it had been four years earlier. Like its predecessor, the Child and Family Services Act did not become law.

In other ways, however, the 1975 congressional debate illustrated subtle shifts in the politics of early childhood policy. Not much time had passed since the veto, but a different constellation of actors had an interest in the topic. For example, developments in the intervening years gave the states a more pronounced role in this policy arena. Similarly, the American Federation of Teachers, which played a peripheral role in 1971, became "actively involved in negotiations over the form and substance of new initiatives" (McGill-Franzen 1993, 70). Its involvement ignited a debate among supporters about the appropriate role of the public schools. The coalition began to dissolve as its members advanced competing visions based on their self-interest.

The Lessons of 1971

Reflecting their earlier experiences, backers of the Child and Family Services Act adjusted the content of their bill and their political strategy. In the fall of 1973, the day care coalition presented a proposal to congressional leaders that resembled the vetoed legislation but included some language from the 1972 Senate bill. Its major changes included a first-year authorization of two hundred million dollars for training and planning, with an authorization of "such funds as necessary" to follow in subsequent years. The proposal favored localities, but it made greater state involvement possible by eliminating the population threshold for prime sponsorship and imposing a requirement that potential prime sponsors demonstrate their ability to coordinate programs.¹⁵ Child development advocates viewed their greater openness toward state involvement as essential. In February 1973, one supporter argued that state governments would have to be incorporated into any child development bill.¹⁶ Their proposal also returned full administrative and policy control to the child development councils and made changes to the fee structure.¹⁷

The coalition delivered its proposal to Mondale and Javits in the Senate and to Brademas in the House. Although Brademas took a more skeptical

view than his Senate colleagues, the coalition proposal provided the template for bills that were introduced in 1974 and 1975. Brademas described the 1974 House version of the bill as “somewhat more modest” than the bill Nixon vetoed in 1971. He noted that it placed a stronger emphasis on “the planning and development of programs prior to their actual implementation.”¹⁸ Even so, the Child and Family Services Act remained ambitious legislation.

In terms of political strategy, supporters made a concerted effort “to avoid the anti-family image Nixon had tagged on the 1971 bill” (McCathren 1981, 122). The bill’s title reflected this objective. It included the word *family* to reflect advocates’ belief that one could not help children without assisting their families. They hoped that framing the proposal as a family support program would “make politicians feel better” and give it “much more political appeal.”¹⁹ The coalition had redrafted the bill line by line with that goal in mind, and its congressional allies tried to convince their colleagues that the child development program would not infringe on parental prerogatives. Mondale claimed that the bill would “strengthen the role of the family as the primary and fundamental influence on the development of the child,” by giving parents “the opportunity to choose among the greatest possible variety of child and family services” (Mondale 1975, 15).

Advocates portrayed the Child and Family Services Act as family-strengthening legislation. They stressed that participation would be voluntary and that children would be eligible “only after a written request from the parents or guardians has been received.”²⁰ Brademas noted that the bill “requires parental involvement at every stage in the planning, development, and implementation of programs.”²¹ By emphasizing deference to parental prerogatives, supporters attempted to combat the charge that the bill was incompatible with mainstream American values. Supporters frequently mentioned that the bill was supported by many respected organizations, such as the American Academy of Pediatrics, the United States Catholic Conference, the League of Women Voters, the National Council of Churches, the Education Commission of the States, the United Auto Workers, and the American Association of University Women.²² They argued that this broad support indicated that the bill was not the radical proposal that its critics described. They also emphasized that it possessed broad bipartisan support and was “similar to provisions recently advocated by a Republican congressional task force and by both parties in their platforms at their 1972 national conventions.”²³

Supporters of the bill nevertheless acknowledged that they faced an

uphill battle. The political and economic context had changed since the veto. Some of these changes were specific to the issue of early childhood. In March 1975, political scientist Gilbert Steiner described “an increasing fracturization of the children’s cause” and worried that supporters would find themselves “cutting each other up and making no advances whatsoever.”²⁴ The increasing prominence of the states and the American Federation of Teachers, which will be described in more detail shortly, exacerbated this fragmentation. In addition, resistance to national government involvement was stronger than it had been in 1971, when more participants “had sort of a benign view of Head Start and thought it was kind of like nursery school and, well, nursery school’s okay.”²⁵ These benign views changed as policymakers and the public became more familiar with the stakes involved in early childhood policy.

The limited political prospects of the Child and Family Services Act also reflected broader changes in American society and politics. Historian Edward Berkowitz (2006) describes 1974 as the dividing line between postwar and modern America. As the country experienced a slumping economy, a growing national debt, and galloping inflation, the creation of major new domestic programs became increasingly difficult. In addition, the Watergate scandal led to the inauguration of a new president. Gerald Ford was more conservative than his predecessor, and in keeping with his efforts to “whip inflation,” he sought to reduce government spending on education, child development, and many other social programs. The Watergate scandal also affected public opinion, leading Americans to be more skeptical and less trusting of their government. The scandal contributed to a Democratic landslide in the 1974 elections, but the victors operated in a new policymaking environment in which “ambitious federal social programs were off the table” (Berkowitz 2006, 232). The combination of “economic malaise and political crisis sent the welfare state into retreat” (Schulman 2001, xv).

Most supporters of the legislation acknowledged that it was unlikely to pass. The coalition did not “expect passage or enactment of a major bill in the next year or two” and viewed it “more as a vehicle on which to keep the issue alive and on which to hold hearings.”²⁶ In a 1977 speech, Brademas isolated two crucial obstacles: “In the first place, we knew that President Ford would have vetoed the bill and that we simply would not have had the votes to override such a veto. Secondly, we knew that such were the strains upon the budget for the immediate fiscal year that we would not have had the money to authorize the amounts contained in our original

bill.”²⁷ Knowing that success was unlikely, however, did not stop advocates from pressing their case.

The Rationale for the Child and Family Services Act

In addition to portraying the Child and Family Services Act as family-strengthening legislation, advocates relied on many of the same arguments they had advanced in 1971. They described the bill as a cost-effective response to demographic changes. Women, including mothers with young children, continued to join the workforce in record numbers. This trend created a “revolution in labor-force expectations,” as “it became the norm for women to work outside of the home during the seventies” (Berkowitz 2006, 68). In a November 1974 speech, the director of the Women’s Bureau claimed that “the availability of child care is often the pivot upon which a woman’s decision to work or remain at home turns.”²⁸ The rising number of preschools and kindergartens that served American children offered mostly part-day programs.

Day care centers generally offered schedules that were a better fit for working mothers, but proponents argued that there were too few slots to meet the “increasingly urgent need” for day care.²⁹ For example, Brademas claimed that “six million children under the age of six have mothers who work, while there are only one million places in licensed day-care centers for these children.”³⁰ In December 1974, a Congressional Research Service report concluded that day care as an institution was insufficiently responsive to important societal changes.³¹ Trends in women’s participation in the labor force, increases in the number of single-parent families, and declines in average family size led developmental psychologist Urie Bronfenbrenner to conclude, “It’s clear that something has got to be done, and enough people are going to become involved that they’ll make that fact known.”³²

Supporters of the bill also argued that it was a wise long-term investment. For example, Mondale lamented that many children were “placed in understaffed day care centers that destroy the mind and spirit.”³³ Throughout his 1972 reelection campaign, Mondale argued that these “cheated children . . . often turn up in institutions for the retarded . . . in unemployment lines . . . and in prisons. And the American taxpayer picks up the tab in the increasing cost of welfare, unemployment compensation, crime and other programs that symbolize our failure.”³⁴ Proponents argued that spending money on child development programs would reduce future

spending on various social services. Their claims about the “need” for child development legislation and its cost-effectiveness were not new, and a loud chorus of critics rejected their arguments.

The Opposition Campaign and the Anonymous Flyer

Like their adversaries, opponents of a more expansive role for the national government in early childhood policy relied on familiar arguments. They seemed to be in a strong political position in 1975. Resistance to a child development program had increased, and economic and political changes made the creation of major new domestic programs increasingly difficult. The political battle over child development had been a formative moment for the “New Right, whose remarkable growth, beginning in the early 1970s, derived in part from its opposition to universal child care” (Michel 1999, 238). Opponents of the Child and Family Services Act were well organized, forming the National Coalition for Children to combat the proposal. The coalition represented parents’ groups in forty states and the American Conservative Union. It described itself as a “veritable army of parents, church-goers, and other citizens comprising a genuine grassroots movement which has arisen in opposition to a decade of federal imposition of programs and values to which the Judeo-Christian tradition is mostly opposed.”³⁵ The emergence of this grassroots network, which was joined by other opponents, helps explain why the opposition campaign was especially intense.

Some critics questioned the need and desirability of a child development program. One essayist argued that “the day-care ‘emergency’ we are being told about doesn’t exist, and didn’t exist in 1971 when the revolutionaries began telling us about it.”³⁶ Other opponents contended that the national supply of day care was “approximately equal” to the demand for early childhood programs.³⁷ They presented data purporting to show that there was no overall shortage of services, and they pointed to surveys suggesting that American families of all racial backgrounds and at all income levels preferred to “have their preschool children cared for in their own homes by friends and relatives or in conveniently located family group care situations provided by relatives or neighbors—not in publicly subsidized centers.”³⁸ Critics also argued that child development programs would not deliver educational benefits, especially over the long term. Existing research, they claimed, demonstrated that “most preschool education projects appear to have little or no effect on the long-range cognitive abilities of participating children.”³⁹

Other critics objected to the specific provisions of the Child and Family Services Act. In congressional testimony, HEW secretary Caspar Weinberger expressed “extreme dissatisfaction with the bill,”⁴⁰ claiming that it was administratively unwieldy and duplicative. Speaking on behalf of the administration, he explained, “We strongly disagree with the idea behind this bill that we must build a wholly new delivery system for child care services which would bypass, even ignore altogether, the existing array of publicly funded services now directly and indirectly benefiting our children.”⁴¹ He criticized the bill for lacking direct linkages to existing programs like Head Start, the Work Incentives program, or the programs operating under various titles of the Social Security Act.⁴² Weinberger also claimed that the bill gave the national government a “far too pervasive role in the organization and delivery of social services at the local level” and “push[ed] state governments to the sidelines, thereby overriding the traditional federal-state relationship.”⁴³ This arrangement was administratively unworkable because it required the national government to work directly with thousands of local governments and voluntary organizations serving as prime sponsors. Weinberger’s testimony resonated with the objections expressed in Nixon’s veto message.

Cost was a prominent issue during the congressional debate. Weinberger argued that the “enormous strain [the bill] would ultimately place on the federal budget” was especially unwelcome during a period in which the United States confronted a large national deficit.⁴⁴ An editorial in the *Norman (OK) Transcript* acknowledged the bill’s “admirable goals” but concluded that “it is probably an idea whose time has not yet come,” because “with the state of the economy we just can’t afford it at this time.”⁴⁵

Other critics used melodramatic language to describe the stakes of this legislative battle. They characterized the Child and Family Services Act as an affront to American values. Calling it a “grandiose, federally funded, social planning scheme,”⁴⁶ the National Coalition for Children claimed that the bill represented “the last power grab for children by the unwanted hand of the social planner.”⁴⁷ An editorial in the *Indianapolis Star* labeled the bill “socialistic” and a “fantastic monstrosity,”⁴⁸ and one in the *Wall Street Journal* claimed that the child development lobby wanted “to substitute government professionals for the family.”⁴⁹ Another critic said that the bill would create “special centers for propagandizing America’s children, very much in the style and manner of the Hitler Youth,”⁵⁰ and concluded that it “would change Uncle Sam into Big Mama.”⁵¹ Although advocates portrayed the proposal as family-strengthening legislation, critics continued to describe it as a threat to parental autonomy.

In his memoir, Brademas described how members of Congress received a “rivulet, then a Niagara, of letters” attacking the measure (Brademas 1986, 42). One constituent wrote to Speaker of the House Carl Albert (D-OK), “I think this is about the most absurd piece of legislation I have ever seen.”⁵² Another letter writer asserted, “This is a communistic act and is against the people’s constitutional rights. It is also against the will of God and should never have been printed. We are supposed to be a free people in a free and democratic society. If this bill is passed, all is lost.”⁵³ Another critic claimed that the bill opened the door “to federal control of the divine institution of the family which is the center of American life.”⁵⁴ Using apocalyptic language, one constituent asked the Speaker, “Are you voting for this measure or against it? This bill is a struggle of forces. In a very real sense, it is a vote for God or Satan. Where does your soul fall?”⁵⁵ The volume and tone of these letters illustrate the enormous outcry over the measure and the passionate terms on which it was denounced.⁵⁶

Supporters attributed most of the allegations against the bill to an anonymous flyer that began circulating during the fall of 1975.⁵⁷ Its origins were murky, as media accounts and observers traced it to various regions of the country. According to the *Washington Post*, the campaign “began in the area of Oklahoma and Texas but soon moved to points North and East,”⁵⁸ while the *Kansas City Star* noted that “much of the distribution has been in the Middle West.”⁵⁹ In February 1976, Brademas voiced suspicions that the flyer had originated in McLean, Virginia, or Washington, DC.⁶⁰ His guess seemed to implicate the Emergency Committee for Children and the National Coalition for Children, but both groups strongly denied this charge.⁶¹

Regardless of its origins, the anonymous flyer effectively galvanized opposition to the Child and Family Services Act. It claimed, “If passed [the bill] would take the responsibility of the parents to raise their children and give it to the government. . . . This all smacks of communism. This is what in fact has been and is being done in Soviet Russia.”⁶² The flyer included quotations from the *Congressional Record* suggesting that the bill would even give children the right to “sue [their] parents if they required [them] to go to Sunday school.”⁶³ Its claims were repeated in editorials, television reports, and the flood of letters that constituents mailed to Congress. The flyer also led opponents to claim “that parents who are not doing a good job will have their children taken away from them, that parents cannot teach their children about God, that a charter of children’s rights is being added to the act, and that parents would lose the right to form their children’s characters.”⁶⁴

The language and impact of the flyer infuriated supporters of the legislation. Brademas decried its “false and totally outrageous allegations.”⁶⁵ He argued, “It is high time to put a halt to these Watergate tactics of reckless smear and deception.”⁶⁶ Mondale characterized it as “one of the most vicious and inaccurate propaganda campaigns I have witnessed in my fifteen years of service” and claimed that “there is not a shred of truth in any of these charges.”⁶⁷ Opinion writers across the country, including opponents of the bill, denounced the flyer. One editorial blasted its “wild and completely false allegations.”⁶⁸ Another characterized the flyer as a “parade of imaginary horrors” and “a circular made up of patent untruths and wild distortions.”⁶⁹ A third argued that the attacks sink “to new lows of irresponsibility and falsehood.”⁷⁰ The flyer’s emphasis on religious instruction led a group of religious organizations to issue an “interreligious statement” that read, “These charges are totally inaccurate. There is nothing in this legislation that relates to religious preferences or religious instruction; nothing that relates to or alters the existing legal relationship between parents and their children; and nothing that provides for compulsory service of any kind.”⁷¹ Even two strong opponents of the legislation, the American Conservative Union and the National Coalition for Children, disavowed the charges leveled in the flyer.⁷²

Some observers attributed the ultimate demise of the Child and Family Services Act to the anonymous flyer. Media accounts quoted supporters who claimed that the attacks “substantially hindered” its likelihood of passage.⁷³ Neither the House nor the Senate endorsed the proposal, a decisive defeat that another observer attributed to the vociferous opposition campaign: “Never in the history of American politics has a grassroots campaign based on distortion and blatant falsehood been so widespread, so virulent, and so successful” (McCathren 1981, 120). The truth, however, was more complex. Even before the smear campaign began, Brademas and Mondale “had in fact already decided, for other reasons, to set [their] proposals aside” (Brademas 1987, 41). In the summer, the two congressmen “agreed that if we pressed ahead with the bill in that session, President Ford would veto it and thereby seriously set back our effort. So we quietly decided to postpone action in 1975 in the hope that a Democrat would be elected to the White House in 1976” (Brademas 1986, 42). In October, Mondale acknowledged that the proposal would “certainly be vetoed” and that it lacked sufficient support for an override.⁷⁴ The two congressmen decided to postpone action before the anonymous flyer began to circulate, and Mondale’s acknowledgment occurred before the opposition campaign received widespread publicity. By early 1976, observers

asserted that the bill “has no realistic chance of adoption” and that “the furor is a false alarm.”⁷⁵ The flyer and the reaction it spawned demonstrated the intensity of the opposition to the Child and Family Services Act, but they were not solely responsible for its defeat.

The Dissolving Preschool Coalition: The Role of the States and the American Federation of Teachers

Several areas of disagreement arose during congressional testimony on the bill. The appropriate role of the private sector was a contentious issue. Between 1970 and 1974, enrollment in private nursery schools had increased from 763,000 to 1,184,000 (55.2 percent), while enrollment in public nursery schools had grown from only 333,000 to 423,000 (29.7 percent).⁷⁶ Several witnesses urged that for-profit centers be excluded from public funding, citing past abuses and “arguing that the profit motive itself is a disincentive to providing the highest quality care for children.”⁷⁷ Others argued that it was logical to rely on the private sector “in areas where no other child care facilities exist or where existing public facilities are overcrowded.”⁷⁸

The authorization levels in the measure were also controversial. Some witnesses expressed concern about the new emphasis on planning and training during the program’s first year. They wanted immediate authorizations for program operation, claiming that “good programs could die out for lack of funds, leaving parents with no alternative care arrangements for a year while the system is being planned and personnel trained.”⁷⁹ Others argued that these funds were insufficient to provide comprehensive services to children and their parents. Defenders of the bill argued that the authorization provisions refuted the charge that the child development program was unaffordable.

The topic of parental participation sparked disagreement over the composition and authority of parent policy committees and other groups. Eligibility requirements and the establishment of fee schedules also divided supporters of the legislation. Some witnesses favored the requirements and schedules proposed in the bill, others proposed slight modifications, and a third group argued that the child development program should be free and universal. Witnesses also debated the question of minimum standards and provisions for training personnel during the hearings.⁸⁰

While several issues caused divisions within the child development coalition, none caused as much angst as the issue of prime sponsorship. Sec-

tion 104 of the Child and Family Services Act revisited the designation of prime sponsors, and several witnesses “based their entire testimony on the crucial issue of the best delivery system for the services to be offered.”⁸¹ The appropriate role of state governments was a common point of contention. Some witnesses claimed that state governments would be effective prime sponsors because of their resources and oversight capabilities, but others argued that they were “too large and too remote to bring flexibility and quality to local programs serving communities with highly individual needs.”⁸² By September 1975, thirty-seven states had either a functioning office of child development, a grant to plan and establish an office, or an office functioning in part of the state.⁸³ In a letter describing this recent activity, a West Virginia official urged Brademas to “encourage these efforts by providing support through the Child and Family Services Act for those states that have shown their good faith and capability to do state-wide planning and coordination.”⁸⁴ In addition, the number of states providing public aid to kindergartens and to preschools had also increased since 1971. The states were firmly entrenched stakeholders, and state officials defended their existing prerogatives.

The increased assertiveness of state government representatives illustrated the broader fragmentation of early childhood policy. Press accounts noted that the national government “is providing an estimated \$2 billion for child-care services through a confused welter of about 60 programs designed for disadvantaged families.”⁸⁵ The Emergency Committee for Children called for greater “public discussion of the duplicative statutes on day care.”⁸⁶ Government officials like Weinberger “sharply criticized the present system’s fragmentation among over 200 agencies.”⁸⁷ When Joseph A. Califano Jr. prepared a report on family policy for aspiring presidential candidate Jimmy Carter, he said that the United States offered an “inconsistent patchwork of policies affecting families.”⁸⁸ The role of the states in this policy hodgepodge is especially important because it illustrates a subtle shift in the congressional debate. State governments played a minor role as Congress considered the Comprehensive Child Development Act, but their representatives were a much stronger lobbying presence four years later. This increased activity reflected both lessons drawn from the previous debate and the immediate impact of the venue shopping described in chapter 4 of this book.

National policymakers were also forced to grapple with a new candidate for prime sponsorship, namely, the public schools. On September 8, 1974, Albert Shanker penned a union-paid advertisement in the *New York Times* with the title “Early Childhood Education Is a Job for the Public

Schools.” Shanker, who had become president of the American Federation of Teachers (AFT) in August after defeating David Selden in a bruising campaign,⁸⁹ argued that the Comprehensive Child Development Act and the Child and Family Services Act would lead to conflicting responsibilities, duplication and overlap, gaps and unevenness of access, and wide variation in service quality, because they allowed a broad range of sponsoring agencies.⁹⁰ He wrote, “The demands of special interests must give way to coherent public policy. As we expand the education of our children, the responsibility for the enlarged program must be borne by the public schools.”⁹¹ While admitting that the public schools were not perfect, Shanker argued that they were well suited to administering a universal system of early childhood education and care.

The campaign to expand the role of the public schools did not end with Shanker’s essay. The AFT worked fervently on the issue and was actively involved in negotiations over the substance and form of new initiatives. It was a strong political force. A 1975 study of education interest groups described the AFT as one of the only “Washington-based associations . . . at the top of the heap of ‘representational effectiveness’ in the field of education policy” (Bailey 1975, 28–29). The AFT also affected the stance that organized labor writ large would take on the legislation. Because the bill did not urge public school responsibility for the child development program, the AFT threatened to block labor support (McGill-Franzen 1993, 70). In October 1975, a staffer on the House Subcommittee on Select Education wrote an internal memorandum in which he confided, “One thing that scares me is . . . our bill’s lack of emphasis on the local public school as prime sponsors. . . . If we want blue collar support we must assess the power of Al Shanker.”⁹² The stance taken by the AFT strained the child development coalition, sparking a debate over “the political necessity of bargaining for AFT support in order to move any bill” (McCathren 1981, 94).

In January 1976, the AFT joined seven other education organizations to announce “a new, unified thrust” in early childhood development programs. Labeling itself the U.S. OECD Forum of Education Organization Leaders, the coalition called for an expanded national program of early childhood education and argued that the “public school system should have a major responsibility in the delivery of this service.”⁹³ At the news conference announcing its objectives, the coalition issued a statement arguing that the schools were well suited to carry out a program that was developmental, rather than custodial, in nature. The statement concluded, “We recognize that this growing need demands a response from educators

at every level. Given our understanding of the problem and our knowledge of what the schools can do, the members of the Forum call upon Congress to authorize the necessary funds to enable schools to begin the job.”⁹⁴

What caused the AFT to propose a child development system that would be administered by the public schools? In April 1975, education commissioner Terrel Bell had described early childhood education as a source of jobs for unemployed teachers: “We ought to utilize many of our trained teachers that the taxpayers have helped to train and now don’t have jobs in this field. If they need some more training . . . and I suspect that is the case . . . we ought to provide it.”⁹⁵ Political scientist Gilbert Steiner observed that the program Shanker endorsed would enable him “to find jobs for the large number of primary school teachers who are and will soon find themselves superfluous in a declining birthrate situation.”⁹⁶ Other observers expressed similar sentiments. They argued that whatever the merits of the AFT’s position, the union was “frankly motivated by the desire to find jobs for its members.”⁹⁷ Critics like the Emergency Committee for Children blasted the AFT proposal as the “first step toward a scheme of universal early childhood education perhaps from age 3, a program which is openly advocated by certain teacher organizations as a means—to put it bluntly—of creating jobs.”⁹⁸

The AFT proposal contributed to the dissolution of the child development coalition.⁹⁹ A *New York Times* article described a “struggle for power between the teachers and the supporters of the Mondale-Brademas bills.”¹⁰⁰ Another account claimed that “the fragile coalition of 1975 was quickly torn apart” by the disagreement over the appropriate role of the public schools (McCathren 1981, 124). Critics charged that the AFT presented a simplistic view of the public schools: “The image of the public school as a rational organization, the center of the community, flexible in programming, and accessible to parents, although certainly desirable, is, to say the least, questionable” (Fishhaut and Pastor 1977, 40). They argued that the school system would overemphasize educational development, undermining the more comprehensive objectives of a child development program.

Critics also contended that public schools often failed to achieve real parent participation or develop program continuity. As a result, they concluded that a uniform approach was less desirable than a more localized and diversified one. Some critics conceded that public school systems would occasionally be appropriate prime sponsors, but they argued that each individual community should make that determination for itself.¹⁰¹

Other critics claimed that a system administered by a single prime sponsor would deprive communities of the richness provided by a more pluralistic approach. They portrayed the fragmentation of existing programs as desirable because it offered greater parental choice. One set of critics wrote, “Parents will want different things for their children, and options should be available to enable them to make meaningful choices” (Fishhaut and Pastor 1977, 47).

Various actors had a stake in the status quo, which helps explain why the AFT proposal earned a mixed reception. Early childhood programs had changed significantly in a short period of time. The rapid growth in private-sector nursery school enrollment and the rise of for-profit day care centers, in combination with a *mélange* of state-level programs, meant that the AFT proposal would potentially harm several constituencies. One observer noted, “Perhaps the most immediate issue is the control and future of some 100,000 licensed day-care and child development facilities that serve about one million children outside the established school system.”¹⁰² The AFT may have viewed a child development program as a potential source of jobs for its members, but other stakeholders resisted its proposal for precisely that reason. An official of the Salvation Army explained, “It appears that the American Federation of Teachers is pushing to have day care turned over to boards of education so that the jobs day care teachers now hold will be given over to the public school teachers.”¹⁰³

Other critics portrayed the proposal as a threat to existing service providers. They argued that “the funding of programs by any single prime sponsor would prevent opportunities for growth of programs under other sponsors and might possibly extinguish them altogether” (Fishhaut and Pastor 1978, 123–24). Organizations representing private and community-based service providers, including Head Start, “saw Shanker’s proposal as a threat to their existence” (E. Rose 2010, 66). Rather than bringing together a stronger coalition in favor of an expanded role for the national government in early childhood policy, the AFT proposal exacerbated tensions within the child development coalition. Some early childhood educators viewed it as no more than a power grab.

Summary: The Demise of the Child and Family Services Act

Supporters of the Child and Family Services Act of 1975 knew that they faced an uphill battle. The shifting political and economic environment made the enactment of expansive social policies unlikely, and opponents

of a child development program were better organized than they had been just four years earlier. Whereas the Comprehensive Child Development Act cleared Congress only to be vetoed by President Nixon, the Child and Family Services Act made limited progress. The opposition campaign against the measure, represented by an anonymous flyer that sparked a flood of irate letters to Congress, was sometimes cited as the primary cause of the bill's demise. However, the rhetorical claims made by its opponents and supporters had not changed much from earlier congressional debates. What had changed in the intervening years was the universe of actors who viewed themselves as stakeholders. State governments were more active in this policy arena, and their representatives were more engaged in congressional policymaking than they had been in 1971. The role of organized labor also shifted as the American Federation of Teachers advanced a proposal that helped split the child development coalition into competing camps. These divisions contributed to the demise of the Child and Family Services Act and the further fragmentation of American early childhood programs.

Early Childhood Policy and the Carter Administration

In November 1976, Democrat Jimmy Carter defeated Gerald Ford to win the presidency. Walter Mondale, the primary Senate advocate of child development legislation, was elected vice president. Before taking office, Carter had lamented the incoherence of American family policy and argued that “the enactment of a comprehensive child development bill to provide quality, non-profit child care must be one of our major national priorities.”¹⁰⁴ His campaign rhetoric and the presence of a familiar ally as vice president fostered cautious optimism among the supporters of increased public investment. Brademas, who had become majority whip in the House, noted that he and others were “anxiously awaiting the policies that the Carter Administration will propose.”¹⁰⁵ Although the change in presidential administrations seemed to herald a more hospitable political climate for child development legislation, the late 1970s were a period of frustration and disillusionment for advocates. The Carter administration did not prioritize early childhood policy, and even the president's modest proposal to host a conference on the American family generated controversy.

The struggling economy was an important barrier to the consideration of comprehensive child development legislation. The economic environment limited the prospects for ambitious initiatives in domestic policy

and reduced Carter's ability to collaborate with Congress on new entitlement programs (Berkowitz 2006, 113). In the words of the vice president, there were "high expectations for what was possible under a new Democratic president, and a lot of backlogged expectations—only we didn't have the economy that would pay for it" (Mondale 2010, 192).

Even if economic circumstances had been more favorable, however, it is far from certain that the administration would have forcefully advocated major policy change. It "strengthened the federal role in education," but "it did not make education a central component of its domestic policy" (Thomas 1983, 283). The most controversial action Carter took was the creation of the national Department of Education. This action represented the fulfillment of a campaign pledge. The National Education Association had long supported the creation of a freestanding education department. In 1976, "in exchange for receiving the NEA's first presidential endorsement, Jimmy Carter pledged to back the idea" (Kahlenberg 2007, 213). The move was criticized by conservatives who invoked states' rights and opposed the growth of the federal bureaucracy. It also drew fire from liberals who worried that the NEA would exercise outsized interest over the department. Carter nevertheless used the power of the presidency to achieve departmental status for the education agency.

Other education issues, including early childhood policy, did not receive a similar presidential commitment. In fact, the creation of the Department of Education caused Carter to be characterized as "the president who almost ended Head Start as we know it" (Zigler and Muenchow 1992, 171). At the behest of the Office of Management and Budget, which advocated a broad-based agency, Carter called for Head Start to be placed in the new department. Head Start parents, the National Head Start Association, and other advocates of the program objected vehemently to this proposal. They feared that a broad-based department would be dominated by teachers unions and administrators, and they argued that inclusion in the new department would undermine the basic rationale of Head Start. With its emphasis on comprehensive services and parent involvement, Head Start was more than an education program. Carter's proposal was viewed as a betrayal of Head Start and his African American supporters, and by the time the Department of Education bill was enacted, Head Start had been deleted. The episode resolved the relationship between Head Start and the Department of Education, but it was a harrowing experience for program advocates (Zigler and Muenchow 1992, 188).

As a presidential candidate, Carter proposed to convene a White House conference on the American family. Even this modest initiative, however,

greatly frustrated several constituencies. Activists complained that the White House failed to take the conference seriously. Organizations representing African Americans, Catholics, and those with an interest in social welfare policy “complained in common about ignored requests for meetings, perfunctory replies to questions about the conference planning process, and promised deadlines for action that were not met” (Steiner 1981, 40). Furthermore, the original conference leadership team dissolved in a matter of months. Wilbur Cohen, a former HEW secretary who had helped draft the Social Security Act in 1935, agreed to serve as national chairman but then announced that a health problem would preclude his participation.¹⁰⁶ The potential appointment of Patricia Fleming as executive director also aroused controversy. Critics questioned whether Fleming, a divorced working mother of three, was an appropriate choice. After agreeing to accept the position, she resigned before her appointment was announced publicly (Steiner 1981, 42–43). Rather than being an “uplifting, feel-good event, the conference degenerated into arguments over whether one type of family was better than another” (Berkowitz 2006, 111). The promised conference finally took place in the summer of 1980, and its recommendations focused on such traditional issues as job-related pressures and the tax treatment of families (Steiner 1981, 45). Thus the Carter administration proved itself both unwilling to advance a major proposal on early childhood policy and incapable of exercising leadership on the broader issue of family policy.¹⁰⁷

The Child Care Act of 1979

With the executive branch essentially sidelined, the initiative shifted back to Capitol Hill. Senator Alan Cranston (D-CA), a fierce critic of how the administration handled the conference on the American family, was joined by four Senate colleagues in introducing the Child Care Act of 1979.¹⁰⁸ The bill was the culmination of more than two years of work. The Senate Subcommittee on Child and Human Development, chaired by Cranston, held a series of hearings in California and Washington during which it heard from parents, child care providers, and others as it shaped the legislation.¹⁰⁹ The proposal differed in several important ways from the Comprehensive Child Development Act and the Child and Family Services Act.

At a basic level, the Child Care Act lacked the ambition and scope of its predecessors. It was characterized as a “very limited and incremental child

care bill [that] attempted to reach a compromise among the important interest groups over the design of new programs” (McCathren 1981, 126). Its eligibility provisions were illustrative. Previous proposals targeted the children of poor and middle-class families and viewed universal access as a long-term goal. Cranston, in contrast, described the target constituency of his proposal as families “whose incomes are too low to get any substantial benefit from the tax credit and too high in many cases to be eligible for programs . . . which are targeted on welfare or poverty-level families.”¹¹⁰ The Child Care Act focused on poor and working women who were struggling to remain in the workforce and off of welfare. Its “very limited goal” was “to create a modest system of child care not limited to low-income parents” (McGill-Franzen 1993, 70).

The Child Care Act also moved away from its predecessors’ emphasis on comprehensive services and the Head Start model. The title of the legislation reflected this shift. The bill acknowledged that some families might need health, nutrition, or social services, but it carefully avoided use of the term *comprehensive*. Instead, it emphasized child care services for working mothers. At a subcommittee hearing in February, Cranston described existing programs as “severely overtaxed” and argued that policy changes were necessary “as the rising cost of living and other social conditions bring more and more mothers of young children into the workforce in order to maintain decent standards of living for their families.”¹¹¹ Cranston’s rhetoric and the move away from comprehensive services implied a custodial model of early childhood programming whose goal was to enable mothers to work. This shift was also reflected in the legislation’s limited provisions for parental involvement. Though it guaranteed that services would be voluntary, it “did not establish the parent- and consumer-dominated councils with specific policymaking powers as did the 1971 bill” (Beck 1982, 328).

The Child Care Act also advanced an alternative approach to the issue of prime sponsorship. It went even further in expanding state government prerogatives than had the Child and Family Services Act. Cranston’s proposal “assumed that states would be prime sponsors (or would determine to which state and local agencies to delegate these responsibilities)” (Beck 1982, 328). The Child Care Act did not deliver funds from the national government to local projects run by community organizations or to local governments. Rather, its “clear meaning was to pass federal funds to states, which would make major policy and allocation decisions” (Beck 1982, 328). State governments would possess tremendous discretion in program implementation.

While it would be a mistake to attribute this provision exclusively to the lobbying efforts of state governments, it is important to recognize their visible presence in the late 1970s. For example, the ECS chairman sent President Carter a letter in February 1977 urging the new president “to publicly adopt the position that education improvement is directly tied to the improvement of state/federal relations and that the primary direction of federal activity should be to support and supplement the states.”¹¹² State officials often complained that federal regulations duplicated state government efforts, a claim that resonated especially strongly in early childhood policy. With its assumption that states would serve as prime sponsors, the Child Care Act seemed responsive to this line of argument. The executive director of the ECS described the bill as “well suited to furthering ongoing efforts at the state level to improve child and family service delivery systems.”¹¹³

The limited ambition of the Child Care Act reflected political and economic realities. Politically, Cranston hoped that the bill would be acceptable to the diverse constituencies with a stake in this policy arena. One objective of the subcommittee hearings in 1977 and 1978 was to “smoke out the supporters and detractors and read the present sentiments of those most directly involved in the child care debate” (McCathren 1981, 126). After the demise of the Child and Family Services Act of 1975, there was little doubt that support from those individuals and groups would be necessary to overcome the strong opposition of conservative policymakers, columnists, and interest groups. Such support failed to materialize, however, and the bill failed to generate much enthusiasm from the child development community.

The Child Care Act of 1979 was also modest financially. Reflecting the public mood of austerity and the promise of the Carter administration to cut government spending, Cranston attempted to portray the bill as efficient and cost-effective legislation whose “ultimate savings will far outweigh the short-term expenditures.”¹¹⁴ Revisiting a line of argument that had appeared in 1971 and 1975, Cranston argued that the bill would pay for itself through tax revenues from increased parental earnings and through reduced expenditures on other government programs. Recognizing the budgetary constraints under which lawmakers operated, Cranston argued that public spending on child care was money well spent.

Cranston hoped his modest proposal would be acceptable to the wide-ranging stakeholders with an interest in early childhood policy. But the coalition that had come together in 1971 had splintered in 1975 and was “hopelessly divided” by 1979 (McCathren 1981, 131). The divide over the

role of public schools, growing enrollment in proprietary child care centers, and the political solidification of Head Start meant that his moderate proposal generated limited enthusiasm.

The unequivocal opposition of the Carter administration further disappointed Cranston. At a subcommittee hearing in February, one administration official described existing national government child care funding. Citing Head Start, services provided under Title XX of the Social Security Act, and the child care tax credit, she concluded, "Given the size and nature of this commitment, we do not believe that another categorical program for child care is warranted at this time."¹¹⁵ In a testy response, Cranston argued that the administration position would be "more credible if your agency acknowledged the need for a systematic and coordinated approach such as provided in [the Child Care Act] but said that the federal government did not want to pay the price at this point."¹¹⁶ He could not resist noting the irony of "a Carter-Mondale administration appearing before this subcommittee in opposition to child care legislation."¹¹⁷ At a March 15 press conference, the senator announced that he was canceling further hearings on the bill, effectively killing it for the 1979 congressional session.

The Continued Growth of Head Start and the Tax Credit

Despite the demise of comprehensive congressional initiatives like the Child and Family Services Act and modest proposals like the Child Care Act of 1979, the national government's role in early childhood policy evolved throughout the decade. In terms of enrollment and spending, Head Start grew dramatically during the late 1970s. Program enrollment had declined from 374,000 during fiscal year 1972 to 279,340 during fiscal year 1977, but by fiscal year 1979, Head Start served 429,500 children, an increase of more than 50 percent over a two-year period. During the same period, expenditures rose from \$376 million during fiscal year 1972 to \$425 million during fiscal year 1977, before rising sharply to \$680 million during fiscal year 1979.¹¹⁸ These figures suggest that President Carter, despite proposing to locate Head Start within the new Department of Education, was an important ally. He publicized Head Start's effectiveness and began a trend of requesting substantial increases in its budget. In doing so, the president "put Head Start on a course that would be difficult for the next president to reverse" (Zigler and Muenchow 1992, 190). The political so-

lification of Head Start, however, contributed to further programmatic fragmentation in this policy arena.

Parental involvement was a central component of Head Start and a key source of policy feedback, especially after the formation of the National Head Start Association in 1973. A May 1978 Head Start assessment report is illustrative. The assessment team visited twenty-nine Head Start programs in twenty-three states and interviewed over a thousand people. Its report noted that parents “who actively participate in the program gain valuable personal and consumer skills, are often motivated to pursue higher life goals, and sometimes experience career development through employment in the program.”¹¹⁹ Many Head Start parents began as volunteers but eventually became aides, cooks, teachers, and even program directors. The transition from volunteer to teacher was especially common. Of the twenty-nine sites visited by the assessment team, “at least 17 [58.6 percent] had teachers who were, at one time, parents of Head Start children and had worked their way up the career ladder.”¹²⁰ This common transition occurred at a time when the program was focused on improving the educational credentials of its staff. The report concluded, “From the teams’ perspective as outsiders, the many personal success stories of parents who became actively involved suggest that it is in reality an area of significant program achievement.”¹²¹ Some officials argued that the employment of Head Start parents aided the broader community because the employees served as “role models helping to motivate their peers.”¹²²

The centrality of parent involvement had broader political implications that reflected Head Start’s origins within the Community Action Program of the Office of Economic Opportunity. The report therefore included a stand-alone section devoted to the program’s community role. Head Start served both as an information and referral service for low-income families and as “an advocate for all children and families. Programs have helped develop parent self-confidence and leadership, introduce concepts such as parent involvement and teacher aides into the school systems, and provide economic upward mobility for many parents.”¹²³ In other words, community activism was a crucial component of Head Start’s organizational mission. According to the report, Head Start advocacy had evolved “from confrontation to cooperation” as Head Start programs became “part of the system in their communities.”¹²⁴ Although the report focused on local affairs, the program also developed a strong presence in congressional politics.

The heightened political status of Head Start altered the political land-

scape. The Child Care Act of 1979, with its restrictive eligibility provisions and its move away from comprehensive services, reflected this shift. The bill “did not envision a competitive or parallel program to Head Start” (McCathren 1981, 127). Instead, it tried to accommodate existing stakeholders in the hope that they would endorse the legislation. Such support did not materialize, however. Head Start supporters warily viewed the Child Care Act as a potential threat to their existing prerogatives. For example, a witness testifying on behalf of the Child Welfare League of America argued that Head Start should be expanded and “appropriately shielded regardless of what kind of new early childhood legislation is enacted.”¹²⁵ Head Start backers had made similar claims after the president proposed to include Head Start in the Department of Education. Their defensive posture in both contexts illustrates how policy feedback contributed to divisions within the child development coalition. Head Start backers concentrated on preserving their gains. They nominally backed more-ambitious legislative proposals but expressed reservations about them.

Head Start was not the only national program to experience considerable growth during the 1970s. With relatively little fanfare, Congress modified the dependent care tax deduction on several occasions, embedding these changes within omnibus tax reform legislation. Established in 1954, the tax deduction originally was limited to six hundred dollars per year and was phased out for families with income between forty-five hundred and fifty-one hundred dollars. The Revenue Act of 1964 raised the income threshold from forty-five hundred to six thousand dollars and made husbands with incapacitated wives eligible for the deduction. In the 1970s, Congress made a series of more-substantial changes, transforming the deduction into a tax credit with considerably broader eligibility provisions.

The first major change occurred in 1971, when President Nixon signed the Revenue Act of 1971 a mere day after vetoing the Comprehensive Child Development Act. The Revenue Act made any individual maintaining a household eligible for the deduction, subject to a gainful employment requirement. It also modified the definition of a dependent, increased the deduction limit to forty-eight hundred dollars per year, and increased the income threshold at which the deduction began to be phased out from six thousand to eighteen thousand dollars. In terms of services covered, the Revenue Act allowed the deduction for household services in addition to direct dependent care and limited the deduction with respect to services outside the taxpayer’s household. The law sought to encourage the hiring of domestic workers, encourage the care of incapacitated persons at home, and provide relief to middle- and low-income taxpayers.¹²⁶

President Nixon praised the Revenue Act in the same veto message in which he lambasted the Comprehensive Child Development Act. Utilizing the tax code to achieve social policy goals, he wrote, “reflects my conviction that the federal government’s role wherever possible should be one of assisting parents to purchase needed day care services in the private, open market, with federal involvement in direct provision of such services kept to an absolute minimum.”¹²⁷ Nixon claimed that the revised tax deduction would potentially benefit 97 percent of all families in the country in which two parents were employed, offering them “free choice of the child care arrangements they deem best for their families.”¹²⁸

The treatment of dependent care in the tax code changed again in the mid-1970s. The Tax Reduction Act of 1975 raised the income tax threshold at which the deduction would be phased out from eighteen thousand to thirty-five thousand dollars, and the Tax Reform Act of 1976 replaced the tax deduction with a nonrefundable tax credit. Supporters of the latter change argued that a tax credit would be especially beneficial for taxpayers in the lower tax brackets. Table 1 illustrates the deduction’s limited reach as of 1973, especially among low-income taxpayers. More than 90 percent of the individual returns in the lowest income category claimed the standard deduction, making them ineligible, and only 0.2 percent of the returns in that category claimed child and dependent care expenses.¹²⁹ Supporters of the shift to a tax credit also praised its administrative benefits. They argued that the rules governing married couples, divorced and separated persons, and payments to relatives were unduly restrictive and that computation of the deduction was too complex.¹³⁰ The shift to a tax credit

TABLE 1. Expenses for Child and Dependent Care on Individual Income Tax Returns, 1973

Income Level	Number of Returns	Standard Deduction Claims (%)	Itemized Deduction Claims (%)	Child and Dependent Care Expense Claims (%)	Total Amount of Child and Dependent Care Expense Claims (\$)
Less than \$5,000	27,038,000	25,283,000 (93.5%)	1,311,000 (4.8%)	52,300 (0.2%)	\$35,981,000
Less than \$10,000	20,582,000	14,811,000 (72.0%)	5,771,000 (28.0%)	453,231 (2.2%)	\$333,562,000
Less than \$15,000	15,804,000	8,098,000 (51.2%)	7,706,000 (48.8%)	715,050 (4.5%)	\$486,738,000
Over \$15,000	17,269,000	4,009,000 (23.2%)	13,260,000 (76.8%)	605,320 (3.5%)	\$435,275,000

Source: *Statistics of Income 1973: Individual Income Tax Returns*, Internal Revenue Service Publication 79 (11-76) (Washington, DC: Department of the Treasury, 1976), tables 1B (p. 2), 2A (p. 40), and 2.9 (p. 60).

seemed to have an immediate impact. Between 1976 and 1980, the number of tax returns on which the dependent care credit was claimed increased from 2,660,000 to 4,231,000 (59.1 percent), and the amount of credit claimed rose from \$548 million to \$956 million (74.5 percent).¹³¹

Using the tax code to achieve social policy objectives is one of the distinctive features of the American welfare state (Hacker 2002; Howard 1997). Supporters of this approach often argue that tax expenditures are less intrusive and less bureaucratic than the direct provision of services by government agencies and that tax expenditures provide a wider range of potential options. Politically, tax expenditures represent a potentially easier road to policy change because “whereas direct spending programs require new legislation, which Congress is not obligated to act upon, tax expenditures can be tucked away in must-pass bills” (Howard 1997, 179). As an illustration of this distinction, the transformation of the dependent care tax deduction in 1970s did not receive much media or public attention. It occurred in a series of omnibus revenue bills that were enacted at the same time that direct spending programs repeatedly failed to gain enactment. Tax expenditures can have profound long-term implications. They “can continue indefinitely because they are not subject to periodic budget battles” (Kelly 2003, 608).

The transformation of the tax code generated two forms of policy feedback with crucial political implications. First, it altered middle-class parents’ stake in the ongoing debate. The changes “may have removed a potentially powerful constituency for direct public spending on day care” by entrenching a system of tax subsidies that supported private day care for the middle class rather than embracing the goal of universally available, publicly provided services (Morgan 2001, 243). The creation of the child care tax credit, in combination with other factors, facilitated the proliferation of employer-sponsored, voluntary, for-profit, family-based, and other forms of early childhood care. As government assistance “became inextricably associated with poverty and its remediation, nonpoor parents chose or were compelled to turn to private alternatives” (Michel 1999, 237).

Changes in tax policy thus contributed to the divide between the public and private sectors that is one of the distinctive features of early childhood education in the contemporary United States. The clients and advocates of different kinds of care were a “divided constituency that was, in turn, perpetuated by congressional vacillation between targeted and universal forces” (Michel 1999, 278). Parents who were satisfied with the quality and availability of early childhood care options might fear that such options would no longer exist under a universal government program,

making them suspicious of initiatives like the Child Care Act. The average dependent care credit per tax return was only \$207 in 1979,¹³² so material self-interest was probably less important to these parents than was their perceived autonomy.

The second form of policy feedback generated by the transformation of the tax code was the political mobilization of service providers. One of the distinctive features of the politics of tax expenditures is the political mobilization of third-party providers (Howard 1997, 9). This dynamic emerged as Congress considered the Child Care Act. During a subcommittee hearing on February 21, the chairperson of the Private Child Care Providers Allied Association listed private providers' concerns about the bill. She noted that they "represent the majority of center delivery in the United States through owner-directed for profit and director or board directed not for profit programs."¹³³ In a prepared statement, the National Association for Child Development praised the bill for its "promotion of availability and diversity of child care services by involving the entire range of providers, proprietary, public, and nonprofit" and for its "increased emphasis on participation by the states."¹³⁴ It expressed concern, however, about the "standards with which a provider would have to comply to participate in the program."¹³⁵ The prominence of third-party providers at congressional hearings was an important development because it illustrated how the contours of this policy arena had shifted during the 1970s. Fueled by the growth of governmental programs like Head Start and the transformation of the tax code, a more diverse set of stakeholders mobilized to defend their existing prerogatives.

Conclusion: The Shifting Terrain of the Late 1970s

In assessing the impact of a critical juncture in the policymaking process, one must distinguish between its short-term and long-term consequences. This chapter focused on the former, examining congressional developments immediately after Nixon's veto of the Comprehensive Child Development Act. On the surface, not much seems to have changed. The ambitious Child and Family Services Act of 1975 was justified and criticized in language that resonated with earlier debates and failed to gain enactment. The Child Care Act of 1979 was narrower in scope and bowed to economic and political realities. It also did not come close to being adopted by Congress. Many of the same actors were involved in all three episodes.

Focusing solely on the failure of Congress to adopt major legislation,

however, overlooks important ways in which the early childhood policy sector changed during the 1970s. The absence of a comprehensive national policy did not imply stasis. The social and political forces that put the issue on the nation's political agenda, including the widespread entry of mothers into the labor force and changing perceptions of the value of early childhood education, contributed to heightened demand for child care and dramatic increases in preschool enrollment in both the public and the private sector. Public policy changes contributed to these trends, even though they garnered significantly less attention than did the episodes mentioned in the preceding paragraph. The transformation of the tax code entrenched a system of tax subsidies that supported private day care for the middle class and that facilitated the proliferation of various forms of early childhood care (Michel 1999; Morgan 2001, 2006). The political solidification of Head Start contributed to the tremendous growth of that public program in terms of enrollment and expenditures. The policy changes of the 1970s helped solidify the divide between the public and private sectors that is a distinctive feature of early childhood policy in the United States. Low-income and middle-class families tended to rely on the public and private sector, respectively.

Focusing solely on the repeated failure of the national government to enact major child development legislation also overlooks crucial political changes. Most important, the 1970s witnessed the gradual dissolution of the coalition that had come together to support the Comprehensive Child Development Act. Many of the same actors were involved in later debates, but their perspectives and preferences changed along with the shifting contours of this policy arena. The growth of the private sector removed a potentially powerful constituency for universal legislation—middle-class parents—and helped mobilize third-party providers. Defenders of Head Start became increasingly wary of how proposals to expand the role of the national government would affect their authority and funding. Representatives of state governments argued that any changes to national policy should recognize and build on what was occurring at the state level. Finally, the American Federation of Teachers exacerbated existing tensions within the child development coalition with its call for giving the public schools responsibility for administering a universal program. In sum, the 1970s witnessed increased fragmentation and decentralization in terms of both the shape and the politics of early childhood policy. This trend would continue into the following decade.