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# Book Review. Deficits, Debt, and the New Politics of Tax Policy by Dennis S. Ippolito

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the legalization of wiretapping in 1968; the 1971 break-in at the Federal Bureau of Investigation (FBI)'s residence agency in Media, Pennsylvania; the Supreme Court's ruling in *United States v. United States District Court* (1972); and the enactment of the Foreign Intelligence Surveillance Act in 1978. These challenges to the "national security state," she concludes, did not fundamentally transform how federal intelligence operations were conducted but, nonetheless, "had a lasting impact on the nation's most powerful institutions and shaped American political culture well into the twenty-first century" (p. 2).

Scott's thoughtful monograph, however, fails to adequately survey all of the important policy developments of the era. First, her account of the controversy surrounding the legalization of wiretapping in 1968 misses an important provision of that initiative: the warrant requirement would not limit a president's constitutional powers in the area of foreign intelligence. In addition, Scott fails to discuss earlier secret executive directives authorizing FBI wiretapping and bugging operations policy and the concurrent but unsuccessful presidential efforts between 1941 and 1962 to convince Congress to legalize "national security" wiretaps. This background is important for an understanding of both the Supreme Court's ruling in *United States v. United States District Court* and of Congress's revisiting of this matter when enacting the Foreign Intelligence Surveillance Act. Second, in her discussion of Congress's post-1975 failure to enact legislative charters to govern the operations of the U.S. intelligence agencies, Scott cursorily describes both the debate over the 1978 bill S. 2525 (on national intelligence reorganization and reform) and the 2007 S. 1612 (to amend the penalty provision in the International Emergency Economic Powers Act) and the domestic security guidelines issued by Attorneys General Edward H. Levi (in 1976) and William French Smith (in 1983). Finally, she avoids any discussion of President Jimmy Carter's 1978 executive order no. 12036, which tightened the standards governing foreign intelligence operations instituted under President Gerald Ford's 1976 executive order no. 11095, and she also does not discuss the

relaxation of those standards in 1981 under President Ronald Reagan's executive order no. 12333.

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*Deficits, Debt, and the New Politics of Tax Policy.* By Dennis S. Ippolito. (New York: Cambridge University Press, 2012. xviii, 282 pp. Cloth, \$85.00. Paper, \$28.99.)

The United States is currently on an unsustainable fiscal path. Because of programmatic and demographic pressures on entitlement spending and the present political commitment to maintaining historically low levels of taxation, long-term deficit and debt levels are projected to reach unparalleled heights. This impending fiscal crisis, Dennis S. Ippolito argues in his new book, is rooted in the "partisan disconnect between spending and revenue policy that has taken hold over the past several decades and remains firmly in place despite the unprecedented deficit and debt problems the nation now faces" (p. xii). The decoupling of tax and spending policies, Ippolito persuasively contends, is less a result of inexorable economic or demographic forces than of critical choices made by political elites in the last thirty years of the twentieth century.

Ippolito begins his narrative with a brief history of federal taxation from the colonial era to the start of World War II. Although this opening chapter is mainly a synthesis of secondary sources and historical statistics, it serves as a useful prologue to Ippolito's central focus: the post-1940 development of budgetary policies and politics. Nearly four-fifths of the book is devoted to exploring the changing conceptions of national fiscal policies from the 1940s to the present. Ippolito's goal is to contrast what he refers to as the "stable era" of the Truman and Eisenhower administrations—when budgets were regularly balanced and debt levels were declining—with the destabilization of federal budget policies that began to emerge in the wake of the Great Society (p. 40).

Beginning in the late 1960s, lawmakers on both sides of the political aisle began to move away from the traditional commitment to balanced budgets. Democrats, eager to expand the Great Society's domestic spending initiatives amid increased military spending for the Vietnam War, believed they could provide both "guns and butter." Republicans, meanwhile, attempted to restrain the growth of the American welfare state, even as they continued to support increased defense spending. By the 1980s they began to exacerbate the budgetary disconnect by focusing on tax cuts as the primary engine of economic growth. Despite episodic and fleeting moments of fiscal self-control, particularly during the 1990s, the last fifty years have witnessed a fundamental transformation in American fiscal policies. The historical adherence to a balanced-budget rule "has been modified to accommodate economic stimulus strategies, partisan spending priorities, and the electoral interests of increasingly competitive national parties" (p. xiii).

Historians interested in a new interpretation of post-World War II American fiscal history may be disappointed with Ippolito's study. Drawn exclusively from published sources—mainly government documents—*Deficits, Debt, and the New Politics of Tax Policy* simply supplements the existing political historiography by detailing the give and take of high politics between presidential administrations and Congress. In this sense, the book is more a compendium of useful facts, figures, and seminal events than a sustained historical argument about change over time. Ippolito does occasionally return to the main theme of exploring the causes and consequences of the political disconnect between tax and spending policies, but his central focus is on making a compelling empirical case—and at times a subtle, normative one—for why the United States has lost its fiscal discipline and why it ought to try to regain it.

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*The Other Welfare: Supplemental Security Income and U.S. Social Policy.* By Edward D. Berkowitz and Larry DeWitt. (Ithaca: Cornell University Press, 2013. xii, 279 pp. \$45.00.)

Thanks to Martha Derthick's *Policymaking for Social Security* (1979), there is a comprehensive legislative history of the old-age pension provisions of the Social Security Act of 1935. In *The Other Welfare*, the historian Edward D. Berkowitz and the Social Security Administration (SSA) chief historian, Larry DeWitt, undertake a similar project for Supplemental Security Income (SSI), the 1972 program that emerged as a more limited and more conservative alternative to Richard M. Nixon's failed guaranteed-income proposal, the Family Assistance Plan. SSI would unite and nationalize the scattershot relief programs for those blind, aged, and disabled people who were typically without the work histories that would have made them eligible for the disability program that had been added to the Social Security program in 1950 (Social Security Disability Income).

Berkowitz and DeWitt offer an exceptionally fine history of SSI. They explain clearly and comprehensively how the program came to be; track the implementation of the new program, paying special attention to its rather disastrous launch (offering a timely reminder of the difficulties inherent in implementing any large, new federal-state program, even when managed by an agency as generally competent as the SSA); show how the program came more and more to serve disabled, working-age adults (confounding expectations that most beneficiaries would be the elderly); describe efforts in the Jimmy Carter and Ronald Reagan eras to reduce the recipient rolls and cut costs; account for the role SSI played in the 1990s welfare reform efforts (with welcome attention to the sloppy, hysterical reporting that helped raise opposition to the program and fear of rampant fraud within it); and conclude with reflections on the current state and potential vulnerability of the program. The book instantly becomes the central text about SSI—a program that has been neglected in the history of the American welfare state and in academic analysis of contemporary social policy.