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PS1 for 11/27/86#WHITE HOUSE REPORT ON THE FAMILY#

Fashions change, in clothes, in entertainment, in legislation, and in political semantics. Since the movement that helped to elect and reelect Ronald Reagan called itself "pro-family," it has become chic for politicians of both parties to call themselves "pro-family."

What does it mean to be pro-family in the mid-1980s? The Reagan White House Working Group on the Family, headed by Under Secretary of Education Gary Bauer, now gives the answer. Its recently released report shows that we have come a long way since the Jimmy Carter White House Conference on Families of 1980 attempted to redefine "family" to include (B2) any (B1) group of persons who choose to live together.

The 64-page report called "The Family: Preserving America's Future" sets a standard for evaluating all social legislation of the future. This standard is that the starting point of all social legislation should be, "Do the family no harm." This is based on a societal recognition that families are good, are the most stable unit of society, are the best nest for rearing children, are the original social welfare agency, and are our first defenses against social problems ranging from crime to diseases to poverty.

The Bauer report recognizes that family policy must be built on a foundation of economic growth. The cornerstone of pro-family economic policy rests on the Reagan Administration's historic tax cuts, regulatory reduction, respect for state and local jurisdiction, and allowing free enterprise to create the private-sector jobs that alone can bring economic prosperity.

The Bauer report recognizes that the free enterprise system and the family are intimately linked in a complex web of cause and effect. The family which is tied together with love and longterm commitment is the source of all productivity, wealth, and economic growth.

When any policy is proposed, it should have a family impact test (just as we now check out legislation for racial, environmental, and cost impact). Will

this proposed change be fair, supportive, and encouraging to families? Does this new program justify the financial burdens it would impose on household income?

Will the proposal help the family to perform its functions, or does it substitute governmental activity for that function? Will it make dependency more attractive than work and self-sufficiency? What message does it send to young people about their behavior and personal responsibility?

Most of the children living in poverty today are in single-parent homes. They are suffering the social, emotional, and economic consequences of divorce or illegitimacy.

On the other hand, between 1960 and 1985, poverty among children in two-parent families was cut in half. Even minorities who lived in intact families attained incomes near the national average. Those facts should teach us something about the role of the traditional family in lifting people out of poverty.

The Bauer report points out how, "for two decades, the Federal tax code meant bad news for the American family." The proportion of taxes paid by corporations and unmarried taxpayers steadily declined, while the proportion paid by couples with children dramatically increased.

Between 1960 and 1984, the average tax on a couple with four children rose an incredible 223 percent. The stable family, functioning on the traditional work ethic, was overtaxed, underserved, and discriminated against.

This shift of the nation's tax burden onto the backs of couples with children was the result of inflation, high tax rates, bracket creep and, most important, the freezing for years at $600 of the income tax exemption for taxpayers and each child. If a child were to be worth the same in the tax code today as in 1960, that exemption would be $5,000 (instead of the puny $1,000 it is today).

Tax fairness for families by increasing the exemption for taxpayers and each child from $1,000 to $2,000 was the centerpiece of the Reagan tax reform

which passed Congress in September 1986. This was an important step in the right direction, but not enough. The Bauer report calls for increasing the exemption for each child in steps toward a goal of $5,000.

The new tax reform law contains at least one carryover discrimination against traditional families which should be remedied as soon as possible. The feature called the "child care credit" is a discriminatory cash benefit awarded to mothers who hire someone else to take care of their children, while it is denied to mothers who take care of their own children. This type of discriminatory treatment certainly cannot pass the Bauer report test of "do no harm to the family."