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Neither State Nor Market

An Anarchist Perspective on Social Welfare

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1997

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and James Bowen).

Millett argues that state welfare is a function of social control
and that social welfare can only be considered as a function of
empowerment. Their proposed anarchist alternative is mutual
aid.

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Conclusion

It is ironic for anarchists that the failure of the Left to eliminate capitalism has at the same time led to the growth of the State; autonomy and empowerment are achieved no more through a bureaucrat's pen than through the 'unseen hand' of market forces. As long as welfare is the preserve of the State, it will be used as a form of social control; and, as Kropotkin eloquently described in the quote at the beginning of this chapter, handing over our welfare to the State undermines our innate social capacities and allows the pretence that we are atomic individuals, dependent on no-one – 'self-made' as the phrase has it. This is a myth – is obviously a myth as regards the Welfare State since it is the wealthy that benefit the most from the State provision of welfare. Somewhere in this mythology of dependence and independence something essentially human – our capacity for caring and co-operation – is lost. The failure of the State to provide social welfare should not be seen as undermining the idea of social welfare itself, but of invalidating the role of the State; welfare is inextricably linked to empowerment, which is why State-provided welfare is always going to have minimal success. At the same time we should be under no illusions as to what the effects on the poor will be of the paring down of what State provision there is in the name of the market: without a viable alternative, the market simply means sink or swim, and to sink means poverty, destitution, homelessness, even death. The attempt to free welfare from the State cannot be left to the free marketeers of the Right. The need for democratic and participatory alternative to the Welfare State has never been more urgent.

Contents

Abstract	5
Epigraph	5
Introduction	5
Origins and history	7
The foundations of the Welfare State	7
The development of the contemporary Welfare State	8
The post-war Welfare State	11
The efficacy of the Welfare State	13
Welfare and anarchy	18
Against the State – Right or Left?	18
The case against the State	21
Social welfare and the anarchist alternative	24
Here to there	28
Conclusion	30

It is important for the various citizens' organizations to acquire a comprehensive vision of society and for them to tie their specific struggles to this. A food coop, a housing coop, an ecology group, etc... could form a new social network, thereby laying the foundations of a new society. The multiplication of citizens' initiatives opting for a collective mode of operation is an indispensable objective if we are to ensure that the working classes take their neighbourhood, their city, into their own hands.⁵²

This approach would offer the possibility of developing new modes of action and theory within the context of a genuine attempt to negate State power. The difficulties involved in this kind of activity are enormous, not least in the provision of adequate resources, but with State-provided welfare increasingly seen as a burden on tax payers, the receivers of welfare may, in the long term, have little choice anyway. It should, though, given the limitations of the Statist option, be an alternative accepted with more than just resignation; rather, it could be the means of beginning to create a genuine non-Statist welfare-community, free of dependence on politicians, bureaucrats and experts. To quote Kropotkin again:

Either the State for ever, crushing individual and local life, taking over in all fields of human activity ... Or the destruction of States, and new life starting again in thousands of centres on the principle of the lively initiative of the individual and groups and that of free agreement. The choice lies with you!⁵³

⁵² From the journal *Le Q-lotté*, in Roussopoulos (1982), p.233.

⁵³ Kropotkin (1987), p.60.

Here to there

The idea that we can only break down the State by constructing other relationships gives a crucial importance to welfare initiatives, because they are the means by which the prevailing hierarchies can be challenged on the basis of principles of mutual aid and cooperation. Certainly the radical feminist tradition considers that one reason for separatist women-only welfare provision is 'to develop a new relationship between welfare providers and clients based on shared knowledge and power within non-hierarchical, democratic welfare structures, which could again challenge conventional, hierarchical welfare institutions'.⁵⁰ In the past, experiments and projects such as those mentioned briefly above have often been undermined by a lack of political vision. Where these groups come together in the face of a specific problem — as is often the case with community activism — their primary function is to attempt to obtain something from the constituted authorities. They consequently disperse when these aims are met (or not), and rarely attempt to radically alter the structure of service provision in the community. Attempts at more long term projects may, on the other hand, lack a radical social critique, which can undermine their ability to liaise with other projects to create a genuine countervailing power. In both cases the groups need to be aware not only of the potential for change, but of the libertarian tradition of which they are a part.⁵¹ A more widespread, over-arching social and political agenda would help begin this process, as has been suggested by some Canadian activists:

⁵⁰ Dale and Foster (1986), p.156.

⁵¹ This point is not new. In 1976 in Britain, during a surge in community activism that had begun in the 1960s, it was argued that if they were to develop a new ideology, community activists needed to be aware that they were linked to the radical libertarian tradition of Kropotkin, Proudhon, and the Diggers (Hebditch, 1976, p.64).

Abstract

In this chapter I outline briefly the development of the Welfare State in Britain, stressing the importance of social control in its evolution. I then look at the evidence regarding the issue of who benefits from the State provision of welfare. I suggest that welfare can only be considered as a function of empowerment, and conclude that not only are participatory alternatives separate from the State a necessity, but that these alternatives offer a possible starting-point for the creation of a Stateless society.

Epigraph

The absorption of all social functions by the State necessarily favoured the development of an unbri-
dled, narrow-minded individualism. In proportion
as the obligations towards the State grew in num-
bers the citizens were evidently relieved from their
obligations towards each other.

— **Peter Kropotkin**

The ever-growing power of a soulless political bu-
reaucracy which supervises and safeguards the life
of man from the cradle to the grave is pitting ever
greater obstacles in the way of the solidaric co-
operation of human beings and crushing out every
possibility of new development.

— **Rudolf Rocker**

Introduction

The twentieth century has been the epoch of the interven-
tionist State. It impinges upon, through monitoring and reg-
ulation, most aspects of people's lives. To a large extent this

intrusion is justified because people think that the alternative would be worse – they believe the State to be in many respects beneficent. This is particularly true of the State-provision of welfare, and the Welfare State is commonly seen as the crowning achievement of the post-war social democratic consensus.¹ While there was never one clear motive underlying the creation of the various pillars of the Welfare State, its ‘progressive’ nature – promoting social cohesion, offsetting the worst inequities of capitalism – was part of the rhetoric of Towney, Titmus, Crosland² and others who saw the State as a means of promoting social justice, and the Welfare State as setting Britain on the road to socialism. If not everybody shared the more radical views of the Left, the Welfare State has always had considerable popular support, and many people believe that public expenditure on the social services has produced some form of equality in welfare. Where the Welfare State has been questioned, it has been mainly from the Right, concerned to cut public spending, and to increase the ability of the wealthy to spend their money as they will. However, on closer examination, the Welfare State offers less to those concerned with issues of equality, empowerment and social justice than might at first appear to be the case. State-provided welfare can instead be seen as another tool in the hands of the powerful, a tool which, while perhaps successful as a means of social control, contributes less to issues of equity and justice than many people imagine.

¹ This chapter is written from an Anglocentric perspective. The uniqueness of the British experience does not detract from the overall point that I make since all Western Welfare States have developed along similar paths, see Pierson (1991), Chapter 4 for an overview of this development. Although no specific mention is made of either the Third World or the former Eastern Bloc countries, the underlying principle – that welfare problems (including poverty, hunger and overpopulation) result from disempowerment – remains the same. See for example Lappé and Collins (1988).

² See George and Wilding, (1985), Chapter 4.

ically mean the abolition of institutions of academic and practical expertise, but a reordering of these along non-hierarchical, non-authoritarian lines, these institutions (which could be organized along the lines of guilds or syndicates)⁴⁸ would not require experts to be deferred to, nor the entrenchment of bureaucracies, since there could be various countervailing structures to offset this tendency.⁴⁹ Of course, there may not be a need for many specialists of this sort, but the aim of anarchism is to offer a realistic alternative to capitalism and the State, and people are not going to suddenly become indestructible, perfectly balanced, or totally reasonable!

⁴⁸ A *guild* is an organization of a particular craft or profession which flourished in Europe in the Middle Ages. They have often been seen as ‘agents of social solidarity and economic morality’ (Black, 1984, p.8) in the face of the development of capitalism, and inspired the Guild Socialist movement that developed in Britain at the turn of the century. *Syndicate* comes from the French for trade union, but specifically refers to the revolutionary labour movement that flourished primarily in France and the Mediterranean countries in the late nineteenth and early twentieth centuries. For an introduction, see Miller (1984), Chapter 9.

⁴⁹ The anarchist insistence on attempting to eliminate power relations and hierarchies has led to various suggestions for alternative means of decision-making – most commonly cited is the direct democracy of the Athenian model; Murray Bookchin is the most recent exponent of this idea (Bookchin, 1986; 1992). Less specifically, but at least of equal importance, is the need for the widest possible dissemination of knowledge as a counterbalance to the creation of opaque spheres of expertise. Bakunin was acutely aware of the potential for a scientific or technical élite to wield power; to counter this, he suggested that ‘it is necessary to dissolve the special social organisation or the *savants* by general instruction, equal for all in all things, in order that the masses, ceasing to be flocks led and shorn by privileged priests, may take into their own hands the direction of their destinies’ (Bakunin, 1973). Such an approach may seem unlikely to succeed in an era of increasing specialization and technical complexity; these factors do not have to be taken for granted, however, and the dissemination of knowledge could (and perhaps should) accompany a decrease in such complexity.

to produce better ways of killing more people; and, overall, the increasing separation of science and technology away from ordinary people and into the hands of an élite that can, directly or otherwise, use them for control and profit.

Despite this, it is important to recognize that in criticizing the use or application of something, a particular discovery, a method, a type of work — it is not always necessary to extend the criticism to the discovery, method or whatever, *in itself*. Admittedly, the dividing line is not always clear, as scientific and technological advances rarely proceed with issues of ethics as a central concern. However, in many ways science and technology, as the tools of reason and in an ethical and ecological context, are the best way humanity has to solve many of the problems it faces. While prevention is better than cure, and many illnesses that afflict us could well be eliminated if we lived in a more ecologically harmonious way, this would not dispense with the need for some medical care. Informal arrangements and various forms of ‘alternative’ medicine would no doubt be used extensively, but it would not necessarily be the case that all forms of conventional medicine would have to be discarded. It is also possible that informal arrangements may not always be the best way to deal with people’s problems — they may sometimes prefer healers, counsellors or advisors that they are not familiar with. This suggests that there may still be the need for specialists in certain fields, and for certain people to have high levels of technical expertise.⁴⁷ This in turn suggests the need for institutions to train and examine these people. And, since the liberation of learning does not automat-

⁴⁷ Since anarchists have been critical of illegitimate authority, they have often considered what authority is legitimate. Recognizing the important difference between *authoritative* and *authoritarian*, they have generally concluded that it is legitimate to defer to someone’s superior knowledge or experience in specific circumstances, but this should not entail revering that person, or suspending the critical faculty. See Bakunin (1990), pp.32–3; Godwin (1976), pp.237–48.

Origins and history

The foundations of the Welfare State

The foundations for today’s Welfare State were laid over three hundred years ago when the establishment and consolidation of the nation-state in the late fifteenth and sixteenth centuries brought about increasing legislation aimed at social control. The breakdown of the mutual aid communities of the Middle Ages³ and rapid population growth threw up new and more worrying problems for the fledgling governments of the sixteenth and seventeenth centuries; as the number of beggars and vagrants rose, concerns about social unrest merged with a moral imperative to stamp out idleness. At first it may seem unreasonable to go back three hundred or so years to begin an investigation of the Welfare State, which is usually assumed to have emerged from the collective experience of the Second World War. In fact, there is a long history of State intervention in welfare provision in Britain, beginning with the first coherent English Poor Law of 1572. The evolution of State welfare policy in Britain from the Tudor period has led one writer to conclude that ‘it is not a total anachronism to call (the welfare apparatus), as it had developed by 1700, a welfare state’.⁴

The early Poor Law legislation authorized local parishes to raise revenue for the relief of the poor, while banning most forms of begging and codifying punishments, usually whipping, for vagrancy. In addition, workhouses began to be erected, in greater number after 1610 when their building was made compulsory in every county for ‘one keeping, correcting and setting to work ... of rogues, vagabonds, sturdy beggars, and other idle and disorderly persons’.⁵ That the legislators’

³ Kropotkin (1993).

⁴ Slack (1988), p.206.

⁵ Quoted in Slack (1988), p.128.

concern was with issues of morality and public order is clear, while in the late sixteenth century, Parliament began to take an increasingly lenient view of the actions of the élite, legalizing usury for example, it passed an increasing number of Acts aimed at controlling the manners and social behavior of the 'lower orders'. 'All this suggests that the machinery of the poor law was not designed as an economic regulator, but as a moral, social and political one'.⁶

It was at this time that the differentiation between the respectable or labouring poor, those unable to find work through no fault of their own, and the idle or dangerous poor developed. The preoccupation with this latter group often led to a degree of paranoia about the threat to stability and order by vagrants, a fear that resulted more from social stigma and the involvement of vagrants in petty crime than in any real threat of not or rebellion.⁷ The social division was exacerbated by the funding of poor relief through local rate, which created categories of 'payers' and 'receivers', although the vagaries of the economy meant that the boundary between the two groups was fluid, and many who were payers one day could easily find they were receivers the next.

The development of the contemporary Welfare State

The Tudor and Stuart Poor Laws were eminently suited to small rural communities, and formed the basis for poor relief until the coming of industrialism and the creation of an urban proletariat destroyed the traditional structures of the village community. The demands of capitalism for a controllable pool of human resources found voice in the new class of industrial-

⁶ Ibid., p.130. Oxley (1974) suggests that the main purpose of the old Poor Law was 'to solve the problem of unemployment and its consequential evils by setting the able-bodied poor to work', p.102.

⁷ Slack (1988), p.105.

would allow the possibility of maximum control by the population over their environment, while a confederation of communes would deal with issues over a wider geographical area.⁴⁵ Assuming that these mutual-aid communities would function to provide, as essential, basic subsistence at the very least, the issue of minimum standards of provision becomes less of an issue – particularly if all members of the community or other functional group have equal access to the means of welfare. Where resource-differences still existed, they could be dealt with through the confederated co-ordinating bodies.

Professionalism, expertise and technology⁴⁶ are areas that are very difficult to imagine outside of the framework provided by capitalism and the State, and a scepticism towards these areas as they are presently conceived suggest to many people an atavistic position that anarchists do not generally hold. Anarchism has frequently been perceived as harking back to a 'golden', pre-industrial age, and there are elements of this in the approach of some anarchists; but in most cases this criticism is unfair. It is true that anarchists have looked for historical examples to demonstrate the possibility of their suggested alternatives, and the evidence has often shown that certain alternative, more 'anarchistic', ways of organization are not in any way against 'human nature', but that they have flourished at certain times in most cultures. The co-option of the tools of reason by the agents of capitalism has resulted in a growing degree of hostility to the course of the development of science and technology – not surprising given the arrogance of the scientific establishment; the consistent application of science

⁴⁵ This is a significant part of the anarchist approach to social organization, and even a cursory overview of the subject would require more space than is available. Examples can be found in Ward (1973), Kropotkin (1995), Bookchin (1992), and Purchase (1994).

⁴⁶ Murray Bookchin has argued for the liberatory potential of 'appropriate' technology since the 1960s, e.g. Bookchin (1974). For a more critical view of technology, see Zerzan and Carnes (1988).

Social welfare and the anarchist alternative

Despite this assertion, that the existence of the State is incompatible with a welfare society, it is reasonable to question whether such a Stateless society would indeed be able to provide adequately for the welfare of its members. There are some issues which would appear to suggest the necessity of some form of State body, such as:

1. The scale of the welfare problem;
2. The need for large-scale co-ordination of services;
3. The need for some form of professionalism and expertise.

However, these areas can also be seen as part of the anarchist alternative. Although the welfare problem is huge, it is in many respects the result of the current economic system, and no amount of State welfare is going to alleviate the problems as long as this system exists. This is particularly true of the already mentioned disparities in welfare that exist in class-divided societies, and the potentially apocalyptic effect that capitalism has on the environment. In addition, if State welfare provision is equivalent in most cases to social control and if social control is the antithesis of genuine welfare, then, although the idea of massive State aid is seductive, it must in the long-term be seen as counter-productive: as simply increasing dependency and forcing people to accept welfare or someone else's terms. Many issues of welfare can be resolved not at the level of the State, but at the level of the individual or the community. The enormous scale of human welfare need can instead be seen as an aggregation of smaller needs, best served at a much more localized level.

Anarchists are not against organization or co-ordination, but suggest alternatives that do not require a — commonly a confederation of (rural and urban) communes. These communes

ists and businessmen who were brought to power by the Reform Act of 1832. To them 'The old system of local parish relief was seen a molycoddling the labourer, sheltering him from the bracing wind of competition and costing the taxpayer dearly to boot'.⁸

The Poor Law Amendment Act of 1831 ushered in a more explicitly punitive regime, centred around the infamous workhouse; but the rapid expansion of the industrial cities created problems of public health and rising crime that forced government intervention with the Public Health Act of 1848, the Police Act of 1856 and, at the turn of the century, an ever increasing body of welfare legislation in the areas of health, education and employment.

By the 1890s, with the precedent having been set by the earlier Acts, increasing pressure from working-class organizations⁹ combined with fears about national degeneration had coalesced into various demands for government action. Bismarck had already demonstrated the possibility of integrating the working-class movement within the capitalist system through welfare reforms. But for many, a *fin de siècle* national uncertainty, precipitated by the appalling health of Boer War recruits and Britain's failing economic performance in the face of competition from Germany and the USA, sparked the urge to reform what was seen as an essentially decadent social system.¹⁰

This drive for increasing State intervention led the Liberal governments of the early twentieth century to pass a series

⁸ Hadley and Hatch (1981), p.8.

⁹ It has been suggested that during the nineteenth century a significant portion of the unorganized working class were hostile to the idea of welfare reforms perceiving, not unreasonably, State interference in social issues as another form of policing (Hay, 1975, pp.26–7).

¹⁰ See for example, Sydney Webb and the National Efficiency Movement, and Joseph Chamberlain and Tariff Reform and Imperial Preference (Newton and Porter, 1988).

of laws covering many aspects of social welfare: workers' injury compensation; State education and school meals;¹¹ old age pensions; limitations on the hours children could work; health and unemployment insurance. The extent of these reforms was such that, by 1911, Britain certainly had an embryonic State welfare system. The *reasons* for the creation of this system are less clear, but it has become apparent that it had less to do with philanthropy than has been suggested in the past. On the contrary, recent research has suggested that:

The desire to retain as much as possible of the existing capitalist economic system, at a time when it was under increasing pressure from within and without, seems to have been the most important motive in the origins of the Liberal reforms.¹²

In adapting to the changing nature of capitalism, and consequently increasing the number and degree of State intervention, the governments of the late nineteenth and early twentieth centuries began a new series of assaults on institutions that they perceived as disorderly and not toeing the central line. Education Boards were abolished to be replaced by Local Education Authorities, while the local boards of governors or public assistance centres that attempted more liberal and humane regimes were taken over by central government.¹³ The Liberal

¹¹ A significant element in the history of social welfare and social control is compulsory State education. Anarchists have long seen the liberation of learning as vital to the development of a libertarian society and have not only criticized authoritarian educational forms, but have also acted to create alternative, libertarian educational environments. Consequently, this is a very large subject area and because of limited space, I have avoided mentioning specifically the growth of State education. I would direct readers to John Shotton's *No Master High or Low: Libertarian Education & Schooling 1892–1990* (1993) which, as well as being an excellent resource, offers evidence to support my thesis regarding the connection between State welfare and social control.

¹² Hay (1975), p.62.

¹³ Digby (1989); Hadley and Hatch (1981).

foremost to provide welfare. What anarchism calls for is the re-absorption of the provision of welfare into the daily lives of the citizens of the community. Welfare thus becomes not simply a function — something provided by a system or the workers in a system — but part of the everyday life of the community and the citizens. As such, it also becomes a way for individuals to develop themselves. It is a learning process, a process of growth which allows us to accept the old, the young, the sick, the dying in society, not cast them into institutions out of sight of the relatively able bodied and young. It is also a learning process in that we develop knowledge about our own welfare needs, and ways of satisfying them, rather than having to defer to experts and institutions. Direct action in social welfare is the central element of any future liberatory and ecological society, and the central tenet of any movement wishing to create such a society:

[Direct Action] is the means whereby; each individual awakens to the hidden powers within herself and himself, to a new sense of self-confidence and self-competence; it is the means whereby individuals take control of society directly... Direct action, in short, is not a 'tactic' that can be adopted or discarded in terms of its 'effectiveness' or 'popularity'; it is a moral principle, an ideal, indeed, a sensibility. It should imbue every aspect of our lives and behaviour and outlook.⁴⁴

It is this perspective that Statism undermines, in creating the psychological as well as material conditions for the dominion of some and subservience of others, and that is why the existence of the State is incompatible with a welfare society.

⁴⁴ Bookchin (1980), p.48.

However, anarchists criticize the State as much for what it represents as for what it is. The State is singled out for particular attack because it is the exemplar of the top-down organization, based on power relationships, hierarchies and institutionalized violence. And it is the existence of power relationships and the systems of domination that they support, that anarchists have consistently attacked, their ultimate aim being the creation of a society — an ‘anarchy’ — in which such relationships have been abolished.⁴² These power relationships are not embodied solely in the State but permeate the rest of society. In seeing the State as not something unique but rather as the supreme manifestation of a system of power relations, anarchists have recognized that the only way to dismantle the State is to construct other relationships⁴³ — or, conversely, that there can be no ‘free’ society with the State since its existence justifies the existence of other power relationships in society. So for anarchists, ideas of participation and decentralization, however relevant or significant they might be, are insufficient in themselves; rather, they are the key elements in describing *alternatives* to the State.

Any definition of society should include an ability to take care of the welfare of its members, not just those members who have a privileged place in the social hierarchy. Welfare should be an intrinsic part of any society, therefore, not simply a functional extra. This requires that society is organized first and

⁴² John Clark comments: ‘The most convincing anarchist theories, while accepting the noncoercive, nongovernmental, and, of course, non-statist nature of anarchy, deduce further characteristics of a society that has abolished domination. Examples often mentioned by anarchists include economic, social, racial, sexual, and generational equality, mutual aid, cooperation, and communalism’ (Clark, 1984, p.14).

⁴³ The most succinct statement of this position is the much-used quote of Gustav Landauer: ‘The State is not something that can be destroyed by a revolution, but is a condition, a certain relationship between human beings; we destroy it by contracting other relationships, by behaving differently to one another’ quoted in Marshall (1992) p.411, from Lunn (1973).

reforms remained the keystones of State welfare provision until the Second World War, during which all aspects of public life came under the control of the national government.¹⁴ It was this high degree of central control, and the election of a Labour government at the end of the war, that precipitated the next phase in the evolution of the Welfare State.

The post-war Welfare State

It is not accidental that the Welfare State as we know it today came about under the aegis of the Left. Initially there were both pro- and anti-State strands in the Socialist movement, but it was the Statism of the Fabians and Social Democrats that gained the ascendancy, ‘Both social democratic reformers and socialist revolutionaries wanted to supplant the anarchy of the market with the rationality of bureaucracy.’¹⁵ Socialism became associated with social management and the struggle for *self*-management became peripheral.¹⁶ Instead, the belief that socialism could be brought about by the rational management of the nation’s resources — underpinned by the strategy of mass nationalization of industry — became the dominant idea of the Left in Britain and engendered a belief in the necessity of strong central political control. Although there remained a tension between the different wings of the labour movement until the Second World War, most of the energy of the anti-Statist wing, as exhibited in the syndicalist and Guild Socialist movements of the pre-First World War period, was spent by the 1940s. Labour’s manifesto was, by 1945, primarily Fabian Socialism.¹⁷ This signalled the triumph of the expert — scientific, economic and technical as well as political. The technological advances of the war and the bureaucratic

¹⁴ Hadley and Hatch. (1981), p.12.

¹⁵ Kerans, Drurer and Williams (1988), p.38

¹⁶ Hadley and Hatch (1981), p.13.

¹⁷ Ibid. p.15.

structures created under the national government allowed the prospect of a degree of control of society that had previously been undreamed of. Keynesian demand-management seemed to offer a means of controlling the economy and, for the socialists, keeping the capitalists at bay. According to Anthony Crosland, the State could no longer be seen as simply the executive committee of the capitalist class — it was now the (social) State that called the tune.¹⁸ With the post-war boom and the resurgence of an interventionist United States, the possibility of a social-capitalism providing for all arose — a consumer society where the need to promote demand led to a welfare system directed towards supporting consumption. ‘The Welfare State had furnished the prerequisites for the regeneration of capitalism, in which it could appear in a new and benevolent guise: no longer the stern taskmaster, but the bringer of all good things.’¹⁹

Welfare, then, became more all-encompassing, as the State increasingly took on the role of needs-satisfier. Welfare was still administered from on high, and the Welfare State was a strictly top-down institution, but the elements of social control became less clear, even as the working-class districts were bulldozed to make way for an ‘expert’s’ idea of adequate living requirements. The State could, apparently, provide for all. The penalty for this was the unfreedom of the totally administered society; but, as Marcuse point out, ‘*Geist* and knowledge are no telling arguments against the satisfaction of needs’.²⁰

As the post-war boom came to an end, the extravagant claims made of the Welfare State became open to question. The increasing demands put on the social democratic State appeared to be destabilizing it economically, ironically for the same reasons (needs-satisfaction) that initially promised to

¹⁸ George and Wilding (1985), p.78.

¹⁹ Blackwell and Seabrook (1985). p.82.

²⁰ Marcuse (1972), p.53. *Geist* is best translated as [human] *spirit*.

the breakdown of the institutions helps those who work in them, for as Colin Ward notes, ‘the servants of the institution are as much its victims as the inmates’.³⁹

This participatory and decentralist approach is one that appeals to anarchists, who for the last hundred or so years have articulated a critique of the increasing power of the State from just such a perspective. However, although this approach would be one that anarchists would favour, and it is likely it would be a considerable improvement on the centralized, expert biased systems we have at the moment, there are reasons to be sceptical about the continuing interest of the State that many commentators, even those in favour of decentralization, still favour.

The case against the State

The first point to raise is that the State is not static — its present position has been attained through the swallowing up of local initiatives and the strengthening of the positions of the élite.⁴⁰ There seems to be little evidence that any form of State can escape this dynamic of destructiveness. Even a defender of the Welfare State, looking favourably at Sweden in the 1970s, is forced to note cuts in the number of local government units in the interests of ‘administrative efficiency’, a concomitant decrease in the opportunities for direct participation in local government, and the growth of an “Establishment”, a new élite enjoying high positions, income and status deriving from their authority in the power blocs they represent’.⁴¹

³⁹ Ward (1973), p.123.

⁴⁰ This has been described as the Dialectic of Statism: ‘the fact that the institutionalisation of the privileges of bureaucrats who control the State apparatus will create such powerful interests that it will eventually corrode the organs of self-management, rather than the other way around’ (Fotopoulos, 1993, p.29)

⁴¹ Furniss and Tilton (1977), p.150.

range of occupations at home and elsewhere for the disabled, the aged and the sick.³⁷

This is the first step in the process of releasing welfare from the strait-jacket of social control, and placing it in the hands of the recipient. Strategies for participation already exist – and have existed for many years – though they suffer from trying to function under capitalism and therefore often having to rely on the State for resources. However, there are numerous examples of co-operatives in food distribution, in housing, in manufacturing and service provision; there have been many self-build housing schemes; credit unions and community businesses; neighbourhood councils; tenant action groups; self-help groups and self-help centres; participatory practices in healthcare at general practice and hospital level; experiments in libertarian education; women's refuges and women-only health centres.³⁸ In addition to all these more formal experiments, there is, of course, the reality that the majority of caring in society is done outside of the State – usually by women. In many cases (if not most) the carers are underpaid if not unpaid, and the resources available to them are limited. Nevertheless, often the sort of environment generated by these formal and informal welfare arrangements is beneficial in itself; it is not a poor relation of an expensive State-provided alternative. This applies in particular to healthcare, where the old, the mentally ill, and the terminally sick are often considerably happier in the community or in their families than removed to an institution and dependent on the opinions and actions of 'experts'. It is also likely that, as well as the benefits accruing to the person who is being cared for,

³⁷ Brian Abel-Smith (1958) quoted in Ward (1973), p.124.

³⁸ There is a considerable amount of published work on the sort of experiments mentioned here. As an introduction to the area, and for some examples, see Hadley and Hatch (1981), Ward (1973), Dale and Foster (1986), Haia (1976), and Shorton (1993).

legitimize it.²¹ But while the Welfare State bordered on crisis, the crisis management that was instituted to rescue social democracy, by Labour in the 1970s and continuing under the Conservatives, aimed not at abolishing the Welfare State, but at paring down the offer of needs-satisfaction to certain, more valued members of society. Consequently, the element of social control evident in all forms of social welfare became more apparent, as attempts to cut public spending failed while the State supported increasing wealth-generation aimed at the better-off sections of society (while targeting the less well-off under the guise of a series of moral crusades). This has been particularly evident in the use of benefits as a means to penalize single mothers and reassert the primacy of the role of men as economic providers. The divisiveness of a system that separates welfare providers (in the form of taxpayers) from those in need has become increasingly clear as wealth has become more concentrated: the middle classes have become more entrenched, and the welfare system itself is increasingly viewed as economically unsustainable.

While the element of social control has become increasingly obvious, so has the failure of the Welfare State to live up to the dreams of its creators. It is to this question – of the efficacy of the State as provider of welfare – that I turn to next.

The efficacy of the Welfare State

The Welfare State in Britain is often held up as the primary achievement of the post-war Social Democratic consensus, a move away from the barbarity of naked capitalism that defined the 1930s. Given the reverence accorded the Welfare State, even asking pertinent questions – Exactly how efficacious is the Welfare State?; Has it promoted equality?; Has it affected the

²¹ This apparent 'contradiction' has been analysed by several neo-Marxists (see Pierson (1991)).

distribution of wealth? — can be difficult; and when the questions are asked, finding clear answers is not easy, although there has been significant work done in this area over the last twenty or so years.

One of the difficulties in answering these questions is that of not comparing like with like. The post-war world was in many respects different to the pre-war one, in ways that have already been mentioned. Capitalism was reconstituted as consumerism; industries were nationalized; governments intervened in the economy; State bureaucracies grew; and a technical and professional élite was created, commanding high incomes as well as high prestige. There was undoubtedly an increase in the amount of wealth in the economy, but it is less clear that its distribution was anything to do with the emerging Welfare State. For example, although the bottom 80 per cent of the population increased their share of the wealth by two and-a-half times between 1924–10 and 1951–6, it is difficult to argue that this was due to the redistributive effects of the Welfare State. Indeed, after this, the figures change very little over the next twenty years, a period when it would be expected that the post-war Welfare State would begin to seriously challenge the distribution of wealth.²² Le Grand suggests that in Britain in 1980 the share of the national income received by the bottom half of the population had not changed since 1949.²³ In other words, if the standard of living of the poor increased, it was because the cake was bigger, not because they received a greater share of it. The gap between rich and poor did not decrease, and people tended to stay in their place in the social hierarchy, as Lois Bryson puts it '[i]t was as if people were standing on a slowly-moving escalator'.²⁴ While it would be reasonable to expect some

²² Figures from Rubinstein (1986), p.41.

²³ Le Grand (1982), p.41.

²⁴ Bryson (1992), p.9.

Another alternative sees the winding down and minimizing of State interests in welfare as accompanied by an increase in user-participation and worker democracy — in other words, a reclaiming of control from the State, often termed 'empowerment'. The issue of empowerment has attracted the attention of many who are sceptical that the solution to the problem of social welfare lies in throwing more money at it. Feminists in particular, but also Greens and others on the Left who are not in awe of the State, have suggested that welfare provision could be dramatically improved by radically altering its priorities, concentrating not on costs and central planning but on *participation*.

Participation means involvement of actual and potential users and other citizens in the development, organisation and actual running of services. The corollary of this ... is a decentralisation and localisation of services. To be a reality participation must be local — at the level of the health centre, the local school, the housing estate, the social services area office, the old people's home.³⁶

In a similar vein, Brian Abel-Smith, one of the first critics of the middle class bias of welfare distribution, offered this suggestion of the way forward:

We would re-build hospitals on modern lines — out-patients' departments or health centres, with a few beds tucked away in the corners. We would close the mental deficiency colonies and build new villas with small wards ... We would pull down most of the institutions for old people and provide them with suitable housing ... We would provide a full

³⁶ George and Wilding (1985), p. 143.

State intervention. Rather, the State consistently acts to maintain existing hierarchies, leaving the poor, as ever, at the bottom of the ladder. This suggests that a genuine attempt to reorganize social welfare may have to be constructed outside of the State; and it is to alternatives to State-provided welfare that I turn next.

Welfare and anarchy

Against the State — Right or Left?

I have so far suggested that the essence of the State provision of welfare is social control, and that the Welfare State fails to achieve what it promises in terms of promoting equality and redistributing wealth. If we accept that State-provided social welfare is an illusion, what are the alternatives? One, commonly put forward by the Right, or the 'Free Marketers', is that the winding down (or, for Libertarians or Anarcho-Capitalists, the abolition) of the State should allow free play of the market mechanism, where everything is available to those who have the wealth, with no government intervention (or even no government). There are numerous reasons for thinking that this state of affairs would be unlikely to provide a satisfactory means of maintaining any form of welfare, since it would in effect simply exacerbate the existing market system, that is, rationing by price.³⁴ In addition, there is little reason to think that the unrestrained profit motive would create an ecologically sound social and economic system, and present levels of environmental degradation would continue unabated, or more likely worsen, with predictable effects on health.³⁵

³⁴ Fotopoulos (1993), p.45.

³⁵ For a brief introduction to this perspective, and a discussion of both left and right anti-Statist views of sustainable development, see Albrecht (1994).

redistributive effects of State-provided welfare, it appears that these were not from the rich to the poor.

Although there seems little doubt of a continuing and significant redistribution of wealth away from the very wealthiest portion of the population to the less wealthy majority of the population, the bottom portions of the population have been relatively unaffected ... the thrust of wealth redistribution has been from the very wealthiest to the merely wealthy or affluent sections of the population.²⁵

It was still the case in 1984 that the richest 10 per cent of the population owned 53 per cent of the marketable wealth, while the poorest 50 per cent owned only 6 per cent.²⁶

It is likely that the position of the worst-off in Britain has worsened in the last fifteen or so years — in fact, much evidence is brought forward to show the failure of the Right's claims that a 'trickle down' effect will eventually make everyone better-off. But this criticism is still couched in terms that suggest simply increasing spending on State welfare, without necessarily questioning the nature of the provision of welfare. While it is a tragedy that the number of homeless families increased to over 93,000 and the number of people below Supplementary Benefit level began to approach three million between 1979 and 1985, the most striking statistic is that in 1979, *before* the Conservative government and after thirty years of the Welfare State there were still 56,750 homeless families and 2,090,000 people below Supplementary Benefit level.²⁷

In her book *Welfare and the State: Who Benefits?* Lois Bryson carries out an overview of some of the research that has been

²⁵ Rubinstein (1986), p.97.

²⁶ Wilson (1989), p.18.

²⁷ Figures from Walker (1987), pp.24–5.

done into the distribution of State welfare. Looking at a variety of studies that cover not only Britain, but Continental Europe, Scandinavia and Australasia, it is clear that in most areas of State Welfare *the better-off benefit more than the less well-off*. This is particularly true in health and other services, and most markedly in education, described as ‘the public provision whose benefits are most systematically related to income’.²⁸ In health, reports from a variety of sources have consistently shown that in Britain the poor suffer more than the better-off. There are

marked differences in mortality rates between the occupational classes, both sexes and at all ages. At birth and in the first month of life, twice as many babies of unskilled manual parents die as do babies of professional class parents.²⁹

In terms of healthcare it has been suggested that the top socio-economic group (professionals, receive up to 10 per cent more NHS expenditure *per ill person* than the bottom group (manual workers).³⁰ This inequality continues in the field of housing where, even though public provision of housing assists the less well-off, issues of taxation effectively mean the system is biased in favour of not only owner-occupiers, but the wealthiest owner-occupiers.

Le Grand (1982) suggests that this disparity in service use is because of the following:

1. The better-off have more time to utilize services;
2. They are more able to take advantage of extant services (particularly education);

²⁸ Bryson (1992), p.128.

²⁹ Inequalities in Health, DHSS (1980), c.i. Wilson (1989), p.14.

³⁰ Le Grand (1982), p.126.

3. They are more likely to be able to get services provided for them and keep those services in the face of cut-backs.

This last point is particularly significant given the attacks on State-provided welfare carried out by governments over the last fifteen or so years. Not only do the poor get comparatively little from the Welfare State, in times of retrenchment they have to struggle to keep what little they have. Bryson reveals that sociology has a name for this process – the Matthew Principle, after the Gospel of Matthew: ‘For whosoever hath, to him shall be given, and he shall have more abundance; but whosoever hath not, from him shall be taken away even that he hath’.³¹

Bryson looks not only at service provision, but also at fiscal and occupational assistance. Although she notes that the actual effects of different measures vary from country to country and time to time, she concludes that ‘Investigation of the intricacies of taxation systems largely confirms that fiscal welfare, like occupational welfare and most social welfare, conforms to the Matthew Principle. Essentially all three welfare systems entrench the current social hierarchy’.³² It appears, therefore, that claims that the Welfare State has supported social justice and redistribution of wealth are open to question.³³ There is little evidence to support the widely-held view that the solution to welfare problems can be conceived within the framework of

³¹ Bryson (1992), p.134.

³² Ibid., p.154.

³³ Other criticisms have been levelled at the Welfare State which, although important, I am unable to include for reasons of space. It has been attacked by feminists and anti-racists for the way it discriminates against women and ethnic minorities (Pierson, 1991, Chapter 3), while many Greens have criticized the consumer-oriented approach of the Welfare State, with its reliance on economic growth and large-scale technology, the promotion of an individualistic ethos, and its gross anthropocentrism (George and Wilding, 1994, Chapter 7). Also significant is the degree to which the economies, and hence the Welfare States, of the wealthier nations are supported by the exploitation of the less developed areas of the world.