

States of Welfare: A Response to Charles Atherton

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Abstract

This response deals with Atherton's objections in so far as they are relevant and restates the importance of clarity about the content of the term "welfare state". It suggests that the term be restricted to states which offer a minimum real level of living to all their citizens, and shows that it is possible in both principle and practice to compress income inequalities to a point where poverty is effectively abolished. The article discusses some of the logical and semantic problems that have arisen as terms such as "welfare state" and "welfare regime" have been adapted to make international comparisons.

Keywords

Welfare state; Definitions of poverty; Redistribution

Before these ideas about the social and economic role of the state can be developed fully widespread confusion over the concept of the welfare state must be eliminated. (Wincott 2001: 422)

My paper on the vacuity of current uses of the term "welfare state" (Veit-Wilson 2000) aimed to challenge its unthinking use as a common synonym for modern industrial states, when all the latter provide a "basic modicum of welfare" (Esping-Andersen 1990: 18-19) for some of their citizens. It was a criticism of epistemological semantics and did not itself claim to contribute to the welfare state industry's larger debates, even though a change of usage might do so.

In *all* states some people have access to political power and some benefit from state welfare, but not all give every citizen a vote or welfare provision. I therefore suggested that if we agree that states should not be called democratic if they do not offer political participation to all citizens, then states which do not offer welfare to poor citizens who need it most should not be called welfare states. The case that this is not a misguided idiosyncrasy drew

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on the studies of writers on welfare states in the 1950s and 1960s carried out by the historian Asa Briggs (1961) and the sociologist Dorothy Wedderburn (1965) who both noted that the term as widely used at that time implied this common element, a “state commitment . . . to ensure a minimum real income *for all*” (Wedderburn 1965: 127–8; emphasis added). Many of the states which the welfare state industry currently includes in the category do not meet this criterion. The target of my criticism was the laziness of the welfare state industry in disregarding the need for a *discriminating* criterion, and I proposed nothing more radical than a return to the analytical position reported by Briggs and Wedderburn. Evidence that the case put forward is not my concern alone is also found in the paper by Daniel Wincott, “Reassessing the social foundations of welfare (state) regimes” (Wincott 2001), which independently poses similar critical questions, concluding with the statement which begins this article.

My paper also asked what the objections to the proposal could be, since its aim was to “offer a better and more effective conceptual tool which is both analytically discriminating and offers an agenda for dynamic research to improve social policy theory and practice” (Veit-Wilson 2000: 22). If critics can effectively counter or improve on my proposal, so much the better for the advancement of social science. If not, what is their use of the term “welfare” *for* (Lynd 1939)? Since in their usage all modern industrial states are “welfare states” or “welfare regimes” because some of their government policies have welfare implications for some section or another of the population, I argued that their term is devoid of useful meaning and may as well be abandoned.

Professor Charles Atherton has responded to this challenge by questioning my motives and by offering a contentious historical account of what he believes is welfare development. Disentangling the substance of his polemic from its rhetorical wrappings is not easy and I may have missed his point. Atherton claims that my paper aimed simply to promote other research and political interests in income maintenance policy. Since contradiction does not disprove this, readers can instead decide for themselves if the two sets of interests are not clearly independent of each other and whether each can stand on its own feet. I quoted a criterion of a “welfare state” which had been agreed decades ago and which was no more than some sort of “minimum real income for all”. If this is only a cash income, then at its lowest it is often called social assistance and is means-tested. That could then be the operative criterion of welfare states *if available for all*. My personal views about the adequacy of its levels and the modes of its implementation in any country are irrelevant to the separate case for its use in the welfare state criterion which was the sole object of my paper.

I shall try to address Atherton’s only two substantive objections to my challenge, in so far as they can be identified. First, he does not himself define a welfare state, but he does assert that “most welfare states . . . do address the suffering of their worst-placed members, but primarily through means-tested benefits . . .” This is the closest he gets to a criterion, so he has evaded the challenge by criticizing my motives instead. In the criterion used by the authors among whom Briggs and Wedderburn found agreement, not only cash incomes but entitlement to a range of social services by citizen right was

included among the forms of *real* income to be taken into account.¹ But simply for the sake of this argument let us take a more minimalist position and accept Atherton's implication that the availability only of means-tested cash incomes, social assistance schemes, be taken as the identifying criterion of a welfare state. If he demurs, what minimum state provision would he use as a criterion instead? He is unlikely to agree to the citizen rights to social services, especially as he confuses citizen entitlement to benefit if other income is below a specified level with tests of desert. Tests of *desert* are features of the Poor Law, not the welfare state, and Atherton is wrong to believe that they are invariably involved "even under the most benign conditions of eligibility determination". Poor Law paupers were also deprived of their right to vote. The difference between us is, then, that in Atherton's welfare states some citizens are debarred from any minimal real income provision by the state because they do not deserve it, while I quote the view that a welfare state is one where citizenship confers rights to minimal provision just as it does to voting in democratic states.

The second issue is whether I am nit-picking to distinguish between modern industrial states and welfare states. The OECD study by Eardley *et al.* (1996) took 24 countries which appeared to have means-tested social assistance schemes or something similar, not all covering the whole population. While there might be a handful of other states with means-tested social assistance schemes which the OECD study overlooked, there is nothing like the 140 countries which Atherton suggests might be included as modern industrial states. Most modern industrial states do not offer even this distinguishing criterion of a welfare state, and that includes the USA, of which four federal states were included in the OECD study. The critical issue is not the existence of social assistance schemes as such but the coverage of the whole poor population by such schemes.

Thus Atherton's substantive objections to my argument, such as they are, are answered. But I must also correct his serious misrepresentation of my interest in governmental minimum income standards (MIS). I suggested that MIS are no more than the politically expressed normative criteria by which governments can identify the poor, measure poverty and judge the adequacy of their various income maintenance systems, which (Atherton please note) may include minimum wages and tax thresholds as well as categorical social security and means-tested social assistance (Veit-Wilson 1998). I have not in fact argued that having a MIS is the distinguishing criterion of a welfare state. I found only ten states with identifiable MIS; the OECD study found well over double with social assistance or analogous schemes.

The rest of Atherton's lengthy polemic is irrelevant to the conceptual challenge. At its best, his argument is that since social assistance was not intended for all citizens but only the deserving (in all states?) the historical criterion of welfare states was meaningless anyway and terminology may as well be left as loose and meaningless as it now is. However provocative this assertion is, a response can be left to social historians and is not relevant here. A seriously misleading error should, however, be corrected.

Atherton asserts that "using a relative definition of poverty . . . some will always be poor". This is a widely misunderstood error and, because it is

nonsense, correction is essential. He—and many others like him—are thinking only of statistical distributions where there is always a lowest 10 per cent or other percentile used. Although some normative economic definitions of “low income” have taken this approach, no serious commentator would argue that this is anything more than a lazy proxy for the reality of what inadequately low income is empirically found to be poverty. The statistical poverty measures currently used by many European governments, which take it to be (in brief) having an equivalized household income less than 60 per cent of the household median, is another kind of relative measure. In this case, poverty is abolished when no household has an income below this line. There is no inherent reason why governments should not aim for and achieve such a narrowing of the income distribution; indeed, this is precisely what the UK’s Blair government explicitly claims as its goal.

Most serious scholars of poverty measures would prefer to define it in direct terms of socially participatory and non-excluding lifestyles which can only be identified relative to society, time, place and observer (for further explanation, see Veit-Wilson 1999 and 2001). As far as abolition is concerned, if one accepts the concise definition of poverty by the World Bank economist Martin Ravallion as “when one or more persons do not attain a level of material well-being deemed to constitute a reasonable minimum by the standards of that society” (1992: 4), then it is perfectly conceivable that the distribution of incomes can be so arranged that even those at the lowest levels can buy the reasonable minimum which society as a whole (not economists, politicians or even sociologists) defines as necessary. It has been widely asserted that during the heyday of the Nordic welfare regimes in the 1960s and 1970s there were very few, if any, inhabitants of their states who lacked the necessary minimum incomes, even if other factors in some of their lives led to inability to achieve the material well-being in all respects. In other words, both in theory and feasible political practice poverty *can* be abolished if only governments choose to take the necessary steps. Most do not—but that is no reason for rubbishing the possibility. The practical matter of abolishing poverty is far more important to social policy affecting millions of people than is scholastic point-scoring about whether poverty can be abolished by one theoretical definition or another.

The underlying epistemological issue raised by my challenge—what meaning does the concept of “welfare state” contain in social science analysis, and what role does it play in such analysis—is a matter of more importance than Atherton has addressed, and of more widespread interest than he realizes.² The welfare state industry has offered many analyses of different views but without addressing the conceptual challenge. The final sentence of Wincott’s review article, published soon after my paper,³ has already been quoted, but his second opening paragraph is also worth noting as reinforcement of the case my paper put forward:

While the expression “the welfare state” has many interpretations and connotations—both academic and popular—there are surprisingly few clear discussions of the concept. Given that the expression is a political slogan as well as an analytical concept, and that there is scope for

legitimate debate about its definition for analytical purposes, we should not expect a single authoritative definition of “the welfare state”. Moreover, it is unlikely that clarity will be achieved by ignoring the existence of a complex field of meanings. Nonetheless, the “field” does need to be mapped. (Wincott 2001: 409)

Wincott proceeds to map the field he sees, a task which my paper avoided because there is no end to it. His focus is a critical review of Gøsta Esping-Andersen’s *Social Foundations of Postindustrial Economies* (1999) and its treatment of the “welfare state or regime” issue. This is not the place for an exposition of Wincott’s paper, but it exemplifies and draws attention to the continuing widespread confusions between welfare state, welfare regime and classifications based on policy provisions, and the dangers of the large-scale abstract historical generalization as a classifying frame or analytical entity. Some of the problematic questions to which my paper tried to draw attention—whose state is it? is the debate over states or governments? the other social sources of welfare if not statist?—are all raised here as contentious aspects of the use of imprecise concepts and terminology, but without apparent conclusions. Interestingly for Atherton’s “deserts” argument, Wincott suggests that “the ontological definition of the welfare state is closely associated with the notion of ‘social citizenship’, originating with T. H. Marshall”, and from this perspective, which is similar to that analysed by Briggs and Wedderburn, “a state is a welfare state if it guarantees social rights for its citizens”. He continues:

However, the tenor of Esping-Andersen’s discussion suggests that only extensively decommodifying socialist welfare states provide adequate social citizenship rights. Again, the implication is that other forms of “welfare state regime” are not properly described as welfare states at all. In this sense, then, the British “welfare state” never offered full citizenship rights and hence the British state never was a welfare state. (Wincott 2001: 414)

I hope I have said enough to persuade readers that my concerns about the current abuse of the term “welfare state” are of wider importance than Atherton suggests. Whether or not he knew it, these concerns are not new but were addressed decades ago and are still shared with other serious scholars. The challenge they contain, and to which my paper drew attention, has not yet been adequately answered by those whom it addresses, not even by Esping-Andersen, judging by Wincott’s recent account. The challenge therefore remains open—if you have a better *discriminating* criterion of welfare states or regimes which allows us to understand what they are *and what they are not*, and why and how they work in providing welfare for all, then publish it and let it be debated. But as long as academic scholars remain reluctant or even incapable of using discriminating criteria, then effective description, classification and explanation are vitiating. Quite apart from the debilitating effects this has on intellectual integrity, we are left with the practical situation in which governments of all kinds, pursuing sectoral and

electoral interests, can call on academic support for indulging in mystification by claiming to support “the welfare state” while failing to provide “a minimum real income for all”.

Notes

1. Note that the United Nations’ definition of “absolute poverty” states “It depends not only on income but also on access to social services”(UN 1995). This is one of several indications of the inherent and inevitable relativity of all attempts to define “absolute” poverty.
2. The Editor of *Social Policy & Administration* reports that my paper “achieved the highest number of web-site hits by far in recent years” (personal communication, 5 November 2001).
3. My paper was first given in Poland in 1997 and versions of it have also been published in Polish and in Russian journals. Wincott’s paper was presumably already in the publishing pipeline when mine was published in *Social Policy & Administration*.

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