

Money for everyone?

An appendix to chapter 10

A note on the New Right's work enforcement platform

As Mead puts it: Whilst non-poor Americans are happy to support the genuinely poor, they don't see why they should have to work and some poor people don't (- it's the United States that's being discussed here, but the ideas are of course transatlantic ones) (Mead, 2005a: 13). Also, people in employment, and their families, are better off psychologically than those who aren't (Mead, 1992: 49); politicians 'fear that the dependent lose contact with the workforce and mainstream society' (Mead, 2005a: 26), thus compromising social cohesion; and getting unemployed people into work saves taxpayers' money. There isn't a dual labour market. Unskilled and semi-skilled immigrants are taking low-paying jobs, so there's no reason for indigenous workers not to do so – except for their personal characteristics (Mead, 1992: 98, 105). Neither Mead, nor most others on the Right, believe the situation to be entirely simple:

Conservatives are largely correct that opportunities are available to the poor. It is rarely true in any gross sense that social or economic barriers deny opportunity to nonworkers. But liberals have the more credible view of the psychology of poverty. To view the seriously poor as self-confident maximisers, as conservative analysts tend to do, is implausible. (Mead, 1992: 157)

But still, forcing benefits claimants to seek and accept employment by removing their benefits if they don't do so is the Right's moral-authoritarian response: 'Workfare programs with authority to require employment or training ... raise actual work effort substantially' (Mead, 1992: 159). As Mead admits: 'Dependency politics is moralistic' (Mead, 1992: 219). It has nothing to do with economic efficiency or with creating a good society. The crusading tone is clear:

Social policy must resist passive poverty justly but firmly – much as the West contained communism – until sanity breaks in and the opposed system collapses of its own weight. That movement will come when at least the lion's share of today's nonworkers accept that some opportunity exists for them, and that it is best to seek it. Then finally they will take and hold available jobs, and get on with their lives. That realization, like the truth about Stalinism, may take decades to dawn. (Mead, 1992: 261).

However, there *is* an economic aspect to work enforcement, and it is the Right's assumption that the economy is a given to which we have to make society conform. Given that there is nothing that we can do about the economy, we can and should change individuals' behaviour so that they fit in with what the economy requires, i.e., employment in whatever jobs are on offer. 'By contrast, the older social democratic view attributed unemployment to the capitalist economy, which is organised for profit rather than for employing all those who need and want work. Workfare defines the welfare problem as high numbers on the rolls, where traditionally the goal was to alleviate poverty and hardship' (King, 2005, 72). Workfare also generates stigma, turns people who violate benefit conditions into offenders, and requires intrusive bureaucratic control of individuals, which gives potentially arbitrary power to administrators (Mead, 2005b, 193) and has psychological effects on them as well as on the people subject to their control (King, 2005, 73-7). A particularly significant economic factor, of course, is that companies make more profit if unemployment is high and wages therefore depressed. Industry and commerce won't create new jobs just because a government wants them to do so: after all, the economy is a given within which we have to work. We therefore see more people cycling through unemployment and short-term employment. This is no bad thing in itself as it gives to the people concerned a more diverse experience and keeps some of their competences up to scratch: but it can hardly be viewed as a solution to the problem of unemployment.

The problem, of course, is that the idle working age adults envisaged by the proponents of workfare have children who need to be protected from poverty. Taking benefits away from someone with dependent children isn't going to achieve that. Compromises have to be found, so the usual strategy is to enact incentives (of an economic kind, such as in-work means-tested benefits) and only to rely on sanctions if the incentives fail.

Whether benefits claimants should be forced to accept employment or face the loss of benefits is not only an issue which divides Left and Right, but it creates an interesting additional spectrum into our matrix, and this time one diagonal to the existing axes (Figure 3). At either end of this spectrum will be people and institutions with quite definite views: The Statist Left, particularly in its 1960 liberal manifestation, believed that people will seek employment if suitable employment is on offer, and that all that's required is to remove disincentives or to offer incentives. Those few not willing to work under these circumstances should be cared for anyway (- often on the fairly pragmatic basis that no employer is likely to want them anyway). The ideological Right wants to enforce employment (see above). On either side of the line are mediating positions, in the sense that One Nation Conservatism recognises a *de haut en bas* motivation to help those in need, with a slight sense of guilt at good fortune preventing too punitive a stance; and entrepreneurial liberalism believing both that anyone who wants to succeed will do so anyway and that there's not much point in worrying about the few who don't wish to do so. Both the Third Way and Latin America's conditional benefits are close to an enforcement stance; and both the co-operative movement and Beveridge are near to the unconditional end (though perhaps Beveridge is only there because full employment was one of his assumptions and he expected signing on at the labour exchange to result in rapid re-employment).

Lawrence Mead puts the two ends of the spectrum like this:

Typically, liberals ... favour higher benefits or coverage in welfare, while conservatives ... favour restrictions. This reflects the general division of left and right over the proper scale of government. Leaders left of centre are also more loath to enforce work on recipients ... Liberals do seek to promote work, but typically through new benefits or opportunities, not by requiring effort as a condition of aid; they also would allow recipients to substitute training or education for employment in available jobs. Conservatives insist on enforcing work, refusing to leave it as a choice, and they resist education and training as a substitute. (Mead, 2005a: 13)

Desmond King puts it slightly differently: 'The social democratic system emphasises the generous provision of social rights to all in need and thereby an enhanced sense of shared citizenship for all members of a polity. The new logic is contractualist, linking benefits to new duties for claimants.' (King, 2005: 68). Indeed, a New Labour consultation paper in 1998 used the word 'contract' to describe the relationship between the citizen and the Government (King, 2005, 70).

Workfare encourages both participants and other members of the polity to conceive of themselves as economic participants rather than as citizens. This is dangerous for the sustenance and extension of liberal democratic values and institutions. It brings market criteria – which are distinct from democratic and participatory criteria – into the polity in a new and consequential way. Most significant, perhaps, the workfare participants are not the only ones affected. All of us are encouraged to look on welfare claimants as the others within our societies.' (King, 2005, 78)

The arguments for work enforcement don't come only from the New Right. It is no accident that in figure 3 social democracy is half way along the spectrum between income maintenance as a citizenship right and income maintenance as conditional on making a contribution to society, and specifically a contribution understood in terms of employment.

Stuart White suggests that John Rawls' 'justice as fairness' offers us a similar position. If, as Rawls invites us to do, we construct a society on the basis that we don't know which of the possible situations in that society will be ours, then we would want a society in which our needs were

provided for, but we would also want one to which everyone would be expected to contribute in some way. 'Fairness' suggests that we should expect an agreed distribution of benefits in relation to work undertaken, and just as the provision of a fair equality of opportunity requires us to insist that parents send their children to school, so fairness in the creation and distribution of income requires us to insist that every member of society should make a contribution (White, 2005: 86-91). We would expect any position we found ourselves in to require that of us, so that's how society should be constructed. (As Galston adds, we might also find ourselves in a dependent position, and we would therefore want a society in which benefits are not totally dependent on a prior contribution (Galston, 2005: 123).) When White discusses New Labour's New Deal for Young People, he argues that many young people who experience severe disadvantage have motivational problems and will only have the opportunity for a better life if someone gives them a push (White, 2005:97). Unfortunately, to deprive someone in this situation of benefits might increase the likelihood of them committing crimes. It is therefore difficult to argue for or against Workfare on a utilitarian basis. Also rather unfortunately for a social democrat, workfare (and particularly New Labour's New Deal) did 'not do enough ... in itself to convert an essentially unjust welfare-to-work system, grounded in the Jobseeker's Allowance, into a just one' (White, 2005:99). White's verdict is that, even though theoretically, justice as fairness might be compatible with work enforcement through benefits conditionality, societal conditions suggest that we ought not to support any particular practical scheme:

There can be good, justice-based reasons for conditionality. In the much less than ideal circumstances of our own societies, however, conditionality – in particular, work conditionality – will properly give the liberal pause because it might well lead to inequity in the enforcement of civic obligations or to a consolidation of unjust labour-market disadvantage, or perhaps both. (White, 2005: 101).

Only in a society in which real equality already exists could we consider workfare as a fair policy. Our society isn't equal, so we shouldn't support such benefits conditionality (White, 2005:102).

Galston makes a similar point: that to require someone to take employment requires that the State provides sufficient jobs. If there are such jobs then reciprocity can be expected, but only in a context of 'substantial equality of development opportunity' (Galston, 2005: 122).

Does it work? Does benefits conditionality get people back into the labour market? Mead claims that it does. In 1993, only 44% of poor United States female heads of family with children were employed. Following the passing of PRWORA in 1996, the 'rate soared to 64 per cent by 1999' (Mead, 2005b, 173). During the recession at the beginning of the new millennium that rate dropped to 55%, but the number of people receiving benefits didn't increase. I'm not sure that we should regard this as the success which Mead seems to think it is.

Mead is probably right in relation to some of the reasons he gives for the number on benefits falling after 1996. Many people probably did have undeclared sources of income, and the 1996 Act's requirements would have made it difficult for them to continue to receive them and receive benefit, so they came off benefit. After 1996, it became less advantageous for the parents of a child to live apart and claim benefits separately, and more advantageous for them to live together and one or both of them seek employment. And all of this probably is good for the children in those families.

All of it, of course, is an argument for completely unconditional benefits for each individual citizen. Such a benefit would not encourage parents to live apart, and they would be received whatever someone's employment status, so nobody would need to hid income in order to claim the benefit. There would be every reason for someone to seek employment in order to increase their income. The sense of inclusion, the dignity, the tolerance, and all of the other benefits which employment brings (Mead, 2005b: 179) would belong to any family which wanted them.

Mead argues that paternalistic workfare can damage someone's dignity, but that a failure to work can damage it even more (Mead, 2005b, 191). This he regards as an argument for workfare. The argument wouldn't need to be made in the context of a Citizen's Income.

What none of these writers do is to ask why no-one in the UK suggests that some reciprocal activity is required before someone receives treatment under the National Health Service. There is no stigma attached to using it; it is one of the factors which binds us into a single society; and to know that if we need health care then it will be available, free, however much it costs, *enhances* the dignity we experience as members of society. The reason that current reform proposals are having such a hard time is that citizens don't want this *social* provision tampered with. Whether the reforms will result in a better service is neither here nor there. There is a widespread anxiety that to tamper too much might risk a highly valued citizenship benefit falling apart. No wonder we're concerned.

Mead and Beem, in the conclusion to their edited collection of essays on welfare reform (- mainly on conditionality), suggest that

Certain civilities are deemed essential before human beings can ever associate. Therefore these virtues must be required first. Only after human community becomes possible does justice become an issue. Welfare then is about what is due to the poor, and what can be expected from them, as a result of their membership of society. (Mead and Beem, 2005: 250).

As they say, the entitlement question comes down to whether work generates citizenship or citizenship generates work (Mead and Beem, 2005: 251). The NHS helps to keep us sufficiently healthy to work.

Mead and Beem also ask whether society has to be of a particular kind before it can expect reciprocity (Mead and Beem, 2005: 256). Yes: an equal citizenship. Which suggests that a Citizen's Income would contribute towards creating such a society.

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