Chapter 10

Equality, Social Justice and Welfare

Introduction

The idea of equality is perhaps the defining feature of modern political thought. Whereas classical and medieval thinkers took it for granted that hierachy is natural or inevitable, modern ones have started out from the assumption that all human beings have equal moral worth. Nevertheless, few political principles are as contentious as equality, or polarize opinion so effectively. Many, for example, have seen the traditional political spectrum, the distinction between left and right, as a reflection of differing attitudes towards equality. Yet there is also a sense in which we are all egalitarians now. So remorseless has been the advance of egalitarianism that few, if any, modern thinkers would not be prepared to subscribe to some form of it, be it in relation to legal rights, political participation, life-chances or opportunities, or whatever. The modern battle about equality is therefore fought not between those who support the principle and those who reject it, but between different views about where, how and to what equality should be applied.

The issue of equality has provoked particularly intense debate when it has been applied to the distribution of wealth or income in society, what is commonly referred to as 'social justice'. How should the cake of society's resources be cut? Whereas some insist that an equal, or at least more equal, distribution of rewards and benefits is desirable, others argue that justice demands that natural differences among humankind should be reflected in the way society treats them. Questions about social justice, however, are invariably linked to the issue of welfare. In almost all parts of the world the cause of equality and social justice has been associated with calls for the growth of some kind of social welfare. During the twentieth century, in fact, a 'welfare consensus' emerged which saw welfare provision as the cornerstone of a stable and harmonious society. Since the late twentieth century, however, this consensus has broken down, leaving welfare at the heart of a bitter ideological dispute that, in many ways, echoes earlier political battles over equality. What are the attractions of the welfare state? And why has the principle of welfare come to be so stridently criticized?

Equality

The earliest use of the term 'equal', still widely adopted in everyday language, was to refer to identical physical characteristics. In this sense, two cups can be said to contain 'equal' quantities of water; a runner is said to 'equal' the 100-metre world record; and the price of a bottle of expensive wine may 'equal' the cost of a television set. In political theory, however, a clear distinction is made between equality and ideas such as 'uniformity', 'identity' and 'sameness'. Although critics of equality have sometimes tried to ease their task by reducing equality to simple uniformity, linking it thereby to regimentation and social engineering, no serious political thinker has ever advocated *absolute* equality in all things. Equality is not the enemy of human diversity, nor is its goal to make everyone alike. Indeed, egalitarians (from the French *égalité*) may accept the uniqueness of each human individual, and perhaps also acknowledge that people are born with different talents, skills, attributes and so on. Their goal, though, is to establish the legal, political or social conditions in which people will be able to enjoy equally worthwhile and satisfying lives. Equality, in other words, is not about blanket uniformity, but rather is about 'levelling' those conditions of social existence which are thought to be crucial to human well-being. However, equality is in danger of degenerating into a mere political slogan unless it is possible to answer the question 'equality of what?'. In what should people be equal, when, how, where and why?

Equality is a highly complex concept, there being as many forms of equality as there are ways of comparing the conditions of human existence. For instance, it is possible to talk about moral equality, legal equality, political equality, social equality, sexual equality, racial equality and so forth. Moreover, the principle of equality has assumed a number of forms, the most significant of which have been formal equality, equality of opportunity and equality of outcome. Although the ideas of equal opportunities and equal outcome developed out of an original commitment to formal equality, there are times when they point in very different directions. For instance, supporters of legal equality may roundly denounce equality of opportunities when this implies discrimination in favour of the poor or disadvantaged. Similarly, advocates of social equality may attack the notion of equal opportunities on the grounds that it amounts to the right to be unequal. Egalitarianism thus encompasses a broad range of views, and its political character has been the subject of deep disagreement.

Formal equality

The earliest notion of equality to have had an impact on political thought

is what may be called 'foundational equality', suggesting that all people are equal by virtue of a shared human essence. Such an idea arose out of the natural rights theories that dominated political thought in the seventeenth and eighteenth centuries. The American Declaration of Independence, for example, declares simply that, 'All men are created equal', and the French Declaration of the Rights of Man and Citizen states that, 'Men are born and remain free and equal in rights'. However, what form of equality did such high-sounding declarations endorse? Certainly they did not constitute descriptive statements about the human condition, the eighteenth century being a period of ingrained social privilege and stark economic inequality. These were, rather, normative assertions about the moral worth of each human life. Human beings are 'equal' in the simple sense that they are all 'human'. They are 'born' or 'created' equal, they are 'equal in the sight of God'. But what does this form of equality imply in practice?

In the early modern period, foundational equality was most definitely not associated with the idea of equal opportunities, still less with any notion of equal wealth and social position. Writers such as John Locke (see p. 268) saw no contradiction in endorsing the idea that 'all men are created equal' at the same time as defending absolute property rights and the restriction of the franchise to property owners – to say nothing of the exclusion of the entire female sex from the category of 'human beings'. 'Men' are equal only in the sense that all human beings are invested with identical natural rights, however these might be defined. The idea that all human beings are possessors of equal rights is the basis of what is usually called 'formal equality'. Formal equality implies that, by virtue of their common humanity, each person is entitled to be treated equally by the rules of social practice. As such, it is a procedural rule which grants each person equal freedom to act however they may choose and to make of their lives whatever they are capable of doing, without regard to the opportunities, resources or wealth they start with.

The most obvious, and perhaps most important, manifestation of formal equality is the principle of legal equality, or 'equality before the law'. This holds that the law should treat each person as an individual, showing no regard to their social background, religion, race, colour, gender and so forth. Justice, in this sense, should be 'blind' to all factors other than those relevant to the case before the court, notably the evidence presented. Legal equality is thus the cornerstone of the rule of law, discussed in Chapter 6. The rule of law seeks to ensure that all conduct, of both private citizens and state officials, conforms to a framework of law, and only to law. In the United States, this is reflected in the constitutional principle of 'equal protection', according to which in similar circumstances people must be treated in a similar way. This principle has been used to advance the cause of civil rights, most famously in the Supreme Court case *Brown* v. *Board of*

Education (1954), which declared that racial segregation in American schools was unconstitutional.

The principle of formal equality is, however, essentially negative: it is very largely confined to the task of eradicating special privileges. This was evident in the fact that calls for formal equality were first made in the hope of breaking down the hierarchy of ranks and orders which had survived from feudal times; its enemy was aristocratic privilege. It also explains why formal equality meets with near universal approval, enjoying support from conservatives (see p. 138) and liberals (see p. 29) no less than from socialists. Indeed, this is one form of equality seldom thought to be in need of justification: privileges granted to one class of persons on grounds of 'accidents of birth' like gender, colour, creed or religion, are now widely regarded as simple bigotry or irrational prejudice. This was evident in the worldwide condemnation of the apartheid system in South Africa. Nevertheless, many regard formal equality as a very limited notion, one which, if left on its own, may be incapable of fostering genuine equality. For example, legal equality grants each person an equal right to eat in an expensive restaurant, in the sense that no one is excluded on grounds of race, colour, creed, gender or whatever, but entirely fails to address their capacity to exercise this right, their money. This is what the French novelist Anatole France meant when in *The Red Lily* he ridiculed 'the majestic equality of the law which forbids rich and poor alike to steal bread and to sleep under bridges'.

These limitations can be seen in relation to both racial and sexual equality. Formal equality requires that no one should be disadvantaged on grounds of their race or gender and would be consistent, for instance, with laws prohibiting such discrimination. However, merely to ban racial discrimination does not necessarily counter culturally ingrained or 'institutionalized' racism, nor does it address the economic or social disadvantages from which racial minorities may suffer. Karl Marx (see p. 371) examined this problem in his essay 'On the Jewish Question' ([1844] 1967). Marx belittled attempts to bring about Jewish 'political emancipation' through the acquisition of equal civil rights and liberties, advocating instead 'human emancipation', the emancipation not only of the Jews but of all people from the tyranny of class oppression. Marxists have accepted that capitalism has brought about a form of equality in that the marketplace judges people not according to social rank or any other individual peculiarities, but solely in terms of their market value. However, the existence of private property generates class differences which ensure that individuals have starkly different market values. This is why Marxists have portrayed legal equality as 'market' or 'bourgeois' equality, and argued that it operates as little more than a façade, serving to disguise the reality of exploitation and economic inequality.

The struggle for sexual equality has also involved the call for legal equality or 'equal rights'. Early feminists such as Mary Wollstonecraft and J.S. Mill (see p. 256) advanced their arguments in terms of liberal individualism: gender, in their view, is irrelevant to public life because each 'person' is entitled to the same rights in education, law, politics and so on. Wollstonecroft, for instance, argued that women should be judged as human beings, 'regardless of the distinction of sex'. However, although women have gone a long way to achieving 'formal' equality with men in many modern societies, significant cultural, social and political inequalities nevertheless persist. Many modern feminists (see p. 62) have, as a result, been inclined to move beyond the liberal idea of equal rights to endorse more radical notions of equality. Socialist feminists, for example, seek to advance the cause of greater social equality. They highlight the economic inequalities which enable men to be 'breadwinners' while women remain either unwaged housewives or are confined to low-paid and poor-status occupations. Radical feminists, for their part, argue that formal equality is inadequate because it applies only to public life and ignores the fact that patriarchy, 'rule by the male', is rooted in the unequal structure of family

Mary Wollstonecraft (1759–97)

British social theorist and feminist. Drawn into radical politics by the French Revolution, Wollstonecraft was part of a creative and intellectual circle that included her husband, the anarchist William Godwin (see p. 338). She died giving birth to her daughter, Mary, who later married the poet Shelley and wrote *Frankenstein*.

Wollstonecraft developed the first systematic feminist critique some 50 years before the emergence of the female suffrage movement. Her feminism, which was influenced by Lockian liberalism as well as by the democratic radicalism of Rousseau (see p. 242) (even though she objected to his exclusion of women from citizenship), was characterized by a belief in reason and a radical humanist commitment to equality. In *A Vindication of the Rights of Men* (1790) she criticized the structures and practices of British government from the standpoint of what she called the 'rights of humanity'. Her best known work, *A Vindication of the Rights of Women* ([1792] 1967), emphasized the equal rights of women on the basis of the notion of 'personhood'. She claimed that the 'distinction of sex' would become unimportant in political and social life as women gained access to education and were regarded as rational creatures in their own right. However, Wollstonecraft's work did not merely stress civil and political rights but also developed a more complex analysis of women as the objects and subjects of desire, and also presented the domestic sphere as a model of community and social order.

and personal life. Meaningful sexual equality therefore requires that women enjoy not only equal legal rights, but are also equal to men in economic, social and domestic life.

Equality of opportunity

The more radical notion of equal opportunities is often thought to have followed naturally from the idea of formal equality. Despite links between the two, they can have very different implications, and, as will become apparent later, a consistent application of equality of opportunity may be in danger of violating the principle of formal equality. The idea of equal opportunities can be found in the writings of Plato (see p. 21), who proposed that social position should be based strictly upon individual ability and effort, and that the educational system should offer all children an equal chance to realise their talents. The concept is widely endorsed by modern ideologies and is embraced as a fundamental principle by political parties of almost every shade of opinion. Social democrats (see p. 308) and modern liberals believe that equal opportunity is the cornerstone of social justice, and modern conservatives, late converts to the cause, now extol the virtues of what they call a 'classless society', meaning a society based upon individual effort not, as Marx used the term, one based upon collective ownership.

Formal equality pays attention to the status people enjoy either as human beings or in the eyes of the law; it does not address their 'opportunities', the circumstances in which they live and the chances or prospects available to them. Equality of opportunity is concerned principally with initial conditions, with the starting point of life. Very often sporting metaphors are employed to convey this sense, such as an 'equal start' in life, or that life should be played on a 'level playing field'. To confine equality to the initial circumstances of life, however, can have radically inegalitarian implications. Advocates of equal opportunities do not expect all runners to finish a race in line together simply because they left the starting blocks at the same time. Indeed, in the eyes of many, it is precisely the 'equal start' to the race which legitimizes its unequal outcome, the difference between winning and losing. Unequal performance can be put down, quite simply, to differences in natural ability. In effect, the principle of equal opportunities comes down to 'an equal opportunity to become unequal'. This is because the concept distinguishes between two forms of equality, one acceptable, the other unacceptable. Natural inequality, arising from personal talents, skills, hard work and so on, is considered to be either inevitable or morally 'right'; in Margaret Thatcher's words there is a 'right to be unequal'. However, inequalities that are bred by social circumstances, such as poverty, homelessness or

unemployment, are morally 'wrong', because they allow some to start the race of life halfway down the running track while other competitors may not even have arrived at the stadium.

Equality of opportunity points towards an inegalitarian ideal, but a very particular one: a meritocratic society. The term meritocracy was coined by Michael Young (1958) to refer to rule by a talented or intellectual elite, merit being defined as IQ + effort (although Young used the term satirically). In a meritocratic society, both success and failure are 'personal' achievements, reflecting the simple fact that while some are born with skills and a willingness to work hard, others are either untalented or lazy. Not only is such inequality morally justified but it also provides a powerful incentive to individual effort by encouraging people to realise whatever talents they may possess. However, the idea of meritocracy relies heavily upon the ability clearly to distinguish between 'natural' and 'social' causes of inequality. Psychologists such as Hans Eysenck (1973) and Arthur Jensen (1980) championed the cause of natural inequality and advocated the use of IQ tests which they claimed could measure innate intelligence. Such ideas, for example, lay behind the introduction of selection in UK schools through the use of the so-called 'Eleven-plus' examination. In practice, however, performance in such tests and examinations is influenced by a wide range of social and cultural factors which contaminate any estimate of 'natural' ability. Selection in UK schools, for example, produced a clear bias in favour of children from middle-class homes, whose parents had themselves usually done well at school. The problem is that if natural talent cannot reliably be disentangled from social influences the very idea of 'natural inequality' may have to be abandoned. Moreover, if wealth and social position cannot be regarded simply as a personal achievement, the notion of equal opportunities may have to give way to a still more radical concept of equality.

The attraction of equality of opportunity is nevertheless potent. In particular, it offers the prospect of maximizing an equal liberty for all. Equal opportunities means, put simply, the removal of obstacles that stand in the way of personal development and self-realization, a right that should surely be enjoyed by all citizens. Many applications of the principle are no longer controversial. It is widely accepted, for instance, that careers should be open to talent and that promotion should be based upon ability. However, some have argued that a rigorous and consistent application of the principle may lead to widespread state intervention in social and personal life, threatening individual liberty and perhaps violating the principle of formal equality. For example, the family could be regarded as one of the major obstacles to the achievement of equal opportunities. Through the inheritance of wealth and the provision of different levels of parental encouragement, social stability and material affluence, the family

ensures that people do not have an equal start in life. To push equality of opportunity to its extreme would mean contemplating the banning of inheritance and regulating family life through a wide range of compensatory programmes. In this sense, there may be a trade-off between equality and freedom, with the need for a balance to be struck between the demand to equalise opportunities on the one hand, and the need to protect individual rights and liberties on the other.

One particularly difficult issue which the principle of equal opportunities leads to is that of reverse or 'positive' discrimination. This is a policy, in an early form associated with 'affirmative action' on race issues in the USA, which discriminates in favour of disadvantaged groups in the hope of compensating for past injustices. Such a policy can clearly be justified in terms of equal opportunities. When racial minorities, for example, are socially underprivileged, merely to grant them formal equality does not give them a meaningful opportunity to gain an education, pursue a career or enter political life. This was recognized, for instance, in the US Supreme Court case *Regents of the University of California* v. *Bakke* (1978), which upheld the principle of reverse discrimination in educational admissions. In this sense, reverse discrimination operates rather like the handicap system in golf to ensure fair and equal competition between unequal parties. Some argue that this application of the principle amounts to different but equal treatment and so conforms to the strictures of formal equality. Others, however, suggest that unequal treatment, albeit in an attempt to compensate for previous disadvantage, must of necessity violate the principle of equal rights. In the Bakke case, for example, a student was denied a university place by the admission of other candidates with poorer educational records than his own.

Equality of outcome

The idea of an equality of outcome is the most radical and controversial face of egalitarianism. Whereas equal opportunities requires that significant steps are taken towards achieving greater social and economic equality, far more dramatic changes are necessary if 'outcomes' are to be equalised. This is a goal which uncovers a fundamental ideological divide: socialists, communists and some anarchists regard a high level of social equality as a fundamental goal, while conservatives and liberals believe it to be immoral or unnatural.

A concern with 'outcomes' rather than 'opportunities' shifts attention away from the starting point of life to its end results, from chances to rewards. Equality of outcome implies that all runners *finish* the race in line together, regardless of their starting point and the speed at which they run. As such, equality of outcomes not merely differs from formal equality and

equal opportunities but may positively contradict them. Although it is sometimes unclear whether 'outcome' refers to resources or to levels of welfare or fulfilment, the demand for equal outcomes is most commonly associated with the idea of material equality, an equality of social circumstances, living conditions and possibly even wages. For many, however, material equality is merely one of a number of desirable goals, and a trade-off must be negotiated between social equality and concerns such as individual liberty and economic incentives. J.-J. Rousseau (see p. 242) is often seen as a spokesperson for this school of thought. Though no socialist, in the sense that he was a keen advocate of private property, Rousseau ([1762] 1969) nevertheless recognized the dangers of social inequality in proposing that 'no citizen shall be rich enough to buy another and none so poor as to be forced to sell himself'. This principle is consistent with the modern idea of a redistribution of wealth from rich to poor, which has more to do with reducing social inequalities than with achieving any abstract goal of social equality. In that sense, when modern social democrats advocate equality they are referring to the modest idea of 'distributive' equality rather than any radical goal of 'absolute' equality. Although they recognize material equality to be desirable, they acknowledge the need for some measure of inequality, to provide, for instance, an incentive to work.

Fundamentalist socialists, however, believe a far higher degree of social equality to be both possible and desirable. Marx, for instance, disparaged the very idea of equality, seeing it as a 'bourgeois' right, a right to inequality. He therefore drew a clear distinction between equal, or at least more equal, property ownership, and his own goal, the common ownership of productive resources. To advocate the abolition of all forms of private property, however equally distributed, is, in effect, to endorse the idea of 'absolute' social equality. Perhaps the most famous experiment in radical egalitarianism took place in China, under the so-called 'Cultural Revolution' (1965–8). During this period, not only did militant Red Guards denounce wage differentials and all forms of privilege and hierarchy, but even competitive sports like football were banned.

Advocates of equality of outcome, whether in its moderate or radical sense, usually argue that it is the most vital form of equality, since without it other forms of equality are a sham. Equal legal and civil rights are, for example, of little benefit to citizens who do not possess a secure job, a decent wage, a roof over their head and so forth. Moreover, the doctrine of equal opportunities is commonly used to defend material inequalities by creating the myth that these reflect 'natural' rather than 'social' factors. Although defenders of social equality rarely call upon the concept of 'natural' equality, they commonly argue that differences among human beings more often result from unequal treatment by society than they do

from unequal natural endowment. For example, success in IQ tests and other forms of educational assessment are, they would argue, as much a reflection of social background, good schooling and stimulating teaching as they are an indication of natural ability.

Equality of outcome can also be justified on the grounds that it is a prerequisite for securing individual liberty. As far as the individual is concerned, a certain level of material prosperity is essential if people are to lead worthwhile and fulfilled lives, an expectation to which each of us is surely entitled. Rousseau feared that material inequality would lead, in effect, to the enslavement of the poor and deprive them of both moral and intellectual autonomy. At the same time, inequality would corrupt the rich, helping to make them selfish, acquisitive and vain. Furthermore, a high level of social equality is sometimes regarded as vital for social harmony and stability. In *Equality* ([1931] 1969), R.H. Tawney (see p. 309) argued that social equality constitutes the practical foundation for a 'common culture', one founded upon the unifying force of 'fellowship'. By contrast, he castigated equality of opportunity as the 'tadpole philosophy': all may start out from the same position but are then left to the vagaries of the market; some will succeed but many will fail. Generations of socialist thinkers have therefore regarded social equality as the basis for spontaneous cooperation and genuine community.

Critics, however, point out that the pursuit of equality of outcome leads to stagnation, injustice and, ultimately, tyranny. Stagnation results from the fact that social 'levelling' serves to cap aspirations and remove the incentive for enterprise and hard work. To the extent that a society moves towards the goal of social equality it will therefore pay a heavy price in terms of sterility and inertia. The economic cost of equality is, however, less forbidding than the moral price that has to be paid. This is a lesson which New Right thinkers such as Friedrich Hayek (see p. 338) and Keith Joseph (1979) were at pains to teach. In their view, the socialist principle of equality is based on little more than social envy, the desire to have what the wealthy already possess. Policies that aim to promote equality by redistributing wealth do little more than rob the rich in order to pay the poor. The simple fact is, Hayek argued, that people are very different and have different aspirations, talents, dispositions and so forth, and to treat them as equals must therefore result in inequality. This is what Joseph portrayed as the contradiction that lies at the heart of the concept of equality. As Aristotle (see p. 69) put it, injustice arises not only when equals are treated unequally, but also when unequals are treated equally.

It may be a sad fact, but not all people can run at the same speed; some will be faster, some stronger, some will have more stamina. Equality of outcome can thus be seen as an 'unnatural' result which can only be achieved by massive interference and the violation of any notion of a 'fair'

race. Faster runners will have to be handicapped, perhaps run further than slower runners, start after them, or be forced to negotiate a series of obstacles. In short, talent is penalized and an equal result is achieved by a process of 'levelling downwards'. To achieve equality of outcome in society at large would require a similarly extensive system of manipulation, often derided as 'social engineering'. The drive for equality is therefore carried out at the expense of individual liberty. This is why the New Right portrays egalitarianism in such a sinister light, arguing that it is always accompanied by the growth of regimentation, discrimination and coercion. In their view, it was no coincidence, for example, that the militant egalitarianism of the Cultural Revolution was accompanied by chaos, social paralysis and the deaths of an estimated 400 000 people.

Social justice

The term 'social justice' is beset by political controversy. For some, it is inextricably linked to egalitarianism and acts as little more than a cipher for equality. As a result, the political right recoils from using the term, except in a negative or derogatory sense. Hayek, for instance, regarded social justice as a 'weasel word', a term used intentionally to evade or mislead. In their view, social justice tends to be a cloak for the growth of state control and government interference. Social-democratic and modern liberal thinkers, on the other hand, treat social justice more favourably, believing that it refers to the attempt to reconstruct the social order in accordance with moral principles, the attempt to rectify social injustice. However, there is no necessary link, either political or logical, between social justice and the ideas of equality and state control. As will become apparent later, all theories of social justice can be used to justify inequality, and some are profoundly inegalitarian.

A distinctive concept of 'social justice', as opposed to the more ancient ideal of 'justice', first emerged in the early nineteenth century. It is 'social' in the sense that it is concerned not with legal penalties and punishments so much as with social well-being. Social justice thus stands for a morally defensible distribution of benefits or rewards in society, evaluated in terms of wages, profits, housing, medical care, welfare benefits and so forth. Social justice is therefore about 'who *should* get what'. For example, when, if ever, do income differentials become so wide they can be condemned as 'unjust'? Or, on an international level, are there grounds for arguing that the unequal distribution of wealth between the prosperous and industrialized North and the developing South is 'immoral'? In the view of some commentators, however, the very notion of social justice is mistaken. They argue that the distribution of material benefits has nothing whatsoever to

do with moral principles like justice, but can only be evaluated in the light of economic criteria such as efficiency and growth. Hayek's antipathy towards the term can, for example, be explained by his belief that justice can only be evaluated in terms of individual considerations, in which case broader 'social' principles are meaningless.

Most people, nevertheless, are unwilling to reduce material distribution to mere economics, and indeed many would argue that this is perhaps the most important area in which justice must be seen to be done. The problem, however, is that political thinkers so seldom agree about what is a just distribution of material rewards. Like justice itself, social justice is an 'essentially contested' concept, there being no universally agreed notion of what is socially just. In *Social Justice* (1976), David Miller accepted that the concept is essentially contested and socially relative, but tried to identify a number of contrasting principles of justice. These are 'to each according to his *needs*', 'to each according to his *rights*' and 'to each according to his *deserts*'.

According to needs

The idea that material benefits should be distributed on the basis of need has most commonly been proposed by socialist thinkers, and is sometimes regarded as the socialist theory of justice. Its most famous expression is found in *Critique of the Gotha Programme* ([1875] 1968), in which Karl Marx proclaimed that a fully communist society will inscribe on its banners the formula, 'From each according to his ability, to each according to his needs!' It would be a mistake, however, to reduce socialist conceptions of social justice to a simplistic theory of need-satisfaction. Marx himself, for example, distinguished between the distributive principle that was appropriate to full communism and the one which should be adopted in the transitional 'socialist' society. Marx accepted that capitalist practices could not be swept away overnight, and that many of them, such as material incentives, would linger on in a socialist society. He therefore recognised that under socialism labour would be paid according to its individual contribution and that this would vary according to the worker's physical or mental capacities. In effect, in Marx's view, the 'socialist' principle of justice amounted to 'to each according to his *work*'. The criterion of need can be said to be the basis of the 'communist' principle of justice, because, according to Marx, it is appropriate only to a future society of such material abundance that questions about the distribution of wealth become almost irrelevant.

Needs differ from both wants and preferences. A 'need' is a necessity, it *demands* satisfaction; it is not simply a frivolous wish or a passing fancy. For this reason, needs are often regarded as 'basic' to human beings, their

satisfaction is the foundation of any fully human life. While 'wants' are a matter of personal judgement, shaped by social and cultural factors, human needs are objective and universal, belonging to all people regardless of gender, nationality, religion, social background and so forth. The attraction of a needs-based theory of social justice is that it addresses the most fundamental requirements of the human condition. Such a theory accepts as a moral imperative that all people are entitled to the satisfaction of basic needs because, quite simply, worthwhile human existence would otherwise be impossible. Attempts to identify human rights are, for instance, often grounded in some notion of basic needs. One of the most influential attempts to identify such needs was undertaken by the psychologist Abraham Maslow (1908–70), who proposed that there is a 'hierarchy of needs'. The most basic of these needs are physiological considerations like hunger and sleep, which are followed by the need for safety, belonging and love, then there is the need for self-esteem, and finally what Maslow referred to as 'self-actualization'. In *A Theory of Human Need* (1991), Len Doyal and Ian Gough identify physical health and autonomy as objective and universal needs, arguing that they are the essential preconditions for participation in social life.

Any needs-based theory of social justice clearly has egalitarian implications. If needs are the same the world over, material resources should be distributed so as to satisfy at least the basic needs of each and every person. This means, surely, that every person is entitled to food and water, a roof over his or her head, adequate health care and some form of personal security. To allow people, wherever in the world they may live, to be hungry, thirsty, homeless, sick or to live in fear, when the resources exist to make them otherwise is therefore immoral. The need criterion thus implies that those in the prosperous West have a moral obligation to relieve suffering and starvation in other parts of the world. Indeed, it suggests a clear case for a global redistribution of wealth. In the same way, it is unjust to afford equally sick people unequal health care. Distribution according to need therefore points towards the public provision of welfare services, free at the point of delivery, rather than towards any system of private provision which would take account of the ability to pay. Nevertheless, a needs-based theory of justice does not in all cases lead to an equal distribution of resources, because needs themselves may sometimes be unequal. For example, if need is the criterion, the only proper basis for distributing health care is ill-health. The sick should receive a greater proportion of the nation's resources than the healthy, simply because they are sick.

Distribution according to human needs has, however, come in for fierce attack, largely because needs are notoriously difficult to define. Conservative and sometime liberal thinkers have tended to criticize the concept of

'needs' on the grounds that it is an abstract and almost metaphysical category, divorced from the desires and behaviour of actual people. They argue that resource allocation should instead correspond to the more concrete 'preferences' which individuals express, for instance, through market behaviour. It is also pointed out that if needs exist they are in fact conditioned by the historical, social and cultural context in which they arise. If this is true, the notion of universal 'human' needs, as with the idea of universal 'human' rights, is simply nonsense. People in different parts of the world, people brought up in different social conditions, may have different needs. Finally, the idea that the needs of one person constitute a moral imperative upon another, encouraging him or her to forego material benefits, is based upon particular moral and philosophical assumptions. The most obvious of these is that human beings have a social responsibility for one another, a belief normally linked to the notion of a common humanity. While such a belief is fundamental to socialism and many of the world's major religions, it is foreign to many conservatives and classical liberals, who see human beings as essentially self-striving.

Although the ideas of need and equality have often gone hand in hand, modern egalitarian theories have sometimes drawn upon a broader range of arguments. The most influential of these, John Rawls's *A Theory of Justice* (1971), has helped to shape both modern liberal and social democratic concepts of social justice. Though not strictly a needs theorist, Rawls (see p. 298) nevertheless employs an instrumental notion of needs in his idea of primary goods. These are conceived of as the universal means for the attainment of human ends. The question of social justice therefore concerns how these primary goods, or needs-resources, are to be distributed. Rawls proposed a theory of 'justice as fairness'. This is based upon the maintenance of two principles:

1. Each person is to have an equal right to the most extensive liberty compatible with a similar liberty for others.
2. Social and economic inequalities are to be arranged so that they are both:
   (a) to the greatest benefit of the least advantaged; and
   (b) attached to positions and offices open to all under conditions of fair equality of opportunity.

The first principle reflects a traditional liberal commitment to formal equality, the second, the so-called 'difference principle', points towards a significant measure of social equality. By no means, however, does this justify absolute social equality. Rawls fully recognized the importance of material inequality as an economic incentive. Nevertheless, he made an important presumption in favour of equality in that he insisted that material inequalities are only justifiable when they work to the advantage of the less well-off. This is a position compatible with a market economy

John Rawls (1921–2003)

US academic and political philosopher. His major work, *A Theory of Justice* (1971), is regarded as the most important work of political philosophy written in English since the Second World War. It has influenced modern liberals and social democrats alike, and is sometimes credited with having re-established the status of normative political theory.

Rawls employed the device of the social contract to develop an ethical theory which represents an alternative to utilitarianism (see p. 358). His theory of 'justice as fairness' is based upon principles that he believed people would support if they were placed behind a veil of ignorance which deprived them of knowledge of their own social position and status. He proposed that social inequality is justified only if it works to the benefit to the least advantaged (in that it strengthens incentives and enlarges the size of the social cake). This presumption in favour of equality is rooted in the belief that people cooperating together for mutual advantage should have an equal claim to the fruits of their cooperation and should not be penalized as a result of factors, such as gender, race and genetic inheritance, over which they have no control. Redistribution and welfare are therefore 'just' because they conform to a widely held view of what is fair. Rawls developed a similar justification for the principles of equal liberty and equality of opportunity. In *Political Liberalism* (1993), he somewhat modified the universalist presumptions of his early work.

in which wealth is redistributed through the tax and welfare system up to the point that this becomes a disincentive to enterprise and so disadvantages even the poor. Rawls' egalitarianism is, however, based upon a kind of social contract theory rather than any evaluation of objective human needs. He imagined a hypothetical situation in which people, deprived of knowledge about their own talents and abilities, are confronted by a choice between living in an egalitarian society or an inegalitarian one. In Rawls's view, people are likely to opt to live in an egalitarian society simply because, however enticing the prospect of being rich might be, it would never counterbalance the fear people have of being poor or disadvantaged. Thus Rawls started out by making traditionally liberal assumptions about human nature, believing individuals to be rationally self-interested, but concluded that a broadly egalitarian distribution of wealth is what most people would regard as 'fair'.

According to rights

The late twentieth century has witnessed a right-wing backlash against the drift towards egalitarianism, welfarism and state intervention. New Right

theories, such as those propounded by Robert Nozick (see p. 318) in *Anarchy, State and Utopia* (1974), have rejected both the needs-based principle of justice and any presumption in favour of equality. Instead, they have championed a principle of justice based upon the idea of 'rights', 'entitlements' or, in some cases, 'deserts'. In so doing, the New Right has built upon a tradition of distributive thought dating back to Plato and Aristotle, which suggests that material benefits should in some way correspond to personal 'worth'. This was also the cornerstone of the classical liberal concept of social justice, advocated by writers such as John Locke and David Hume (1711–76). Just as the concept of 'needs' provides the foundation for a socialist principle of justice, so 'rights' has usually served as the basis for a rival, liberal principle of justice.

'Rights' are moral entitlements to act or be treated in a particular way. In distributive theory, however, rights have usually been regarded as entitlements that have in some way been 'earned', usually through hard work and the exercise of skills or talents. This can be seen, for instance, in the classical liberal belief that the right to own property is based upon the expenditure of human labour. Those who work hard are *entitled* to the wealth they produce. In that sense, rights-based theories are not so much concerned with 'outcomes' – who has what – as with *how* that outcome is arrived at. Rights-based theories are thus based upon a theory of procedural justice. By contrast, needs-based theories are concerned with substantive justice because they focus upon outcomes, not upon how those outcomes are achieved. Rights theories are therefore properly thought of as non-egalitarian rather than inegalitarian: they endorse neither equality nor inequality. According to this view, material inequality is justified only if talents and the willingness to work are unequally distributed among humankind. This contrasts with Rawls's theory of justice which, though he claims it to be procedural, has broadly egalitarian outcomes built into its major principles.

The most influential modern rights-based theory of justice is that of Robert Nozick, often interpreted as a response to Rawls's theories. Nozick distinguished between historical principles of justice and end-state principles. Historical principles relate to past circumstances or historical actions that have created differential entitlements. In his view, end-state principles like social equality and human needs are irrelevant to the distribution of rewards. Nozick's objective was to identify a set of historical principles through which we can determine if a particular distribution of wealth is just. He suggested three 'justice preserving' rules. First, wealth has to be justly acquired in the first place, that is, it should not have been stolen and the rights of others should not have been infringed. Second, wealth has to be justly transferred from one responsible person to another. Third, if wealth has been acquired or transferred unjustly this injustice should be rectified.

These rules can clearly be used to justify gross inequalities in the distribution of wealth and rewards. Nozick rejected absolutely the idea that there is a moral basis for redistributing wealth in the name of equality or 'social justice', a term of which he, in common with most libertarian theorists, was deeply suspicious. If wealth is transferred from rich to poor, either within a society or between societies, it is only as an act of private charity, undertaken through personal choice rather than moral obligation. On the other hand, Nozick's third principle, the so-called 'rectification principle', could have dramatically egalitarian implications, especially if the origin of personal wealth lies in acts of duplicity or corruption. It also, for instance, brings the global distribution of wealth into question by casting a shadow over that portion of the wealth of the industrialized West which derives from conquest, plunder and enslavement in Africa, Asia and Latin America.

There have, nevertheless, been a number of major objections to any rights-based theory. Any exclusively procedural theory of justice is, for instance, forced to disregard end-state conditions altogether. This may, in practice, mean that circumstances of undeniable human suffering are regarded as 'just'. A just society may be one in which the many are unemployed, destitute or even starving, while the few live in luxury – providing, of course, that wealth has been acquired and transferred justly. Furthermore, any historical theory of justice, such as Nozick's, must explain how rights are acquired in the first place. The crucial first step in Nozick's account is the assertion that individuals can acquire rights over natural resources, yet he fails to demonstrate how this comes about. An additional objection to rights-based theories of justice is that they are grounded in what C.B. Macpherson (see p. 223) called 'possessive individualism'. Individuals are seen to be the sole possessors of their own talents and capacities, and on this basis they are thought to be morally entitled to own whatever their talents produce. The weakness of such a notion is that it abstracts the individual from his or her social context, and so ignores the contribution which society has made to cultivating individual skills and talents in the first place. Some would go on to argue further that to treat individuals in this way is, in effect, to reward them for selfishness and actually to promote egoistical behaviour.

According to deserts

It is common to identify two major traditions of social justice, one based upon needs and inclined towards equality, the other based upon some consideration of merit and more inclined to tolerate inequality. In practice, however, merit-based theories are not all alike. The idea of distributing benefits according to rights, discussed in the last section, relates

distribution to entitlements that arise out of historical actions like work, and are in some cases established in law. Deserts-based theories undoubtedly resemble rights-based theories in a number of ways, notably in rejecting any presumption in favour of equality. Nevertheless, the idea of deserts suggests a rather different basis for material distribution. While the notion of 'needs' has usually been understood as a socialist principle, and 'rights' has often been linked to liberal theories, the idea of 'deserts' has commonly been employed by conservative thinkers intent upon justifying not an abstract concept of 'social justice' but what they regard as the more concrete idea of 'natural justice'. However, the ideological leanings of deserts theories are difficult to tie down because of the broad, even slippery, nature of the concept itself.

A 'desert' is a just reward or punishment, reflecting what a person is 'due' or 'deserves'. In this wide sense, all principles of justice can be said to be based upon deserts, justice itself being nothing more than giving each person what he or she is 'due'. It is possible, therefore, to encompass both needs-based and rights-based theories within the broader notion of just deserts. For example, it can be said that the hungry 'deserve' food, and that the worker is 'due' a wage. Nevertheless, it is possible to identify a narrower concept of deserts. This is related to the idea of innate or moral worth, that people should be treated in accordance with their 'inner' qualities. For example, the theory that punishment is a form of retribution is based upon the idea of deserts because the wrong-doer is thought to 'deserve' punishment not simply as a result of his actions but in view of the quality of evil lying within him or her. Conservatives have been attracted to the notion of deserts precisely because it appears to ground justice in the 'natural order of things' rather than in principles dreamt up by philosophers or social theorists. To hold that justice is somehow rooted in nature, or has been ordained by God, is to believe that its principles are unalterable and inevitable.

The concept of natural justice has been prominent in conservative attempts to defend free-market capitalism. Theorists who write within the liberal tradition, such as Locke or Nozick, have usually enlisted principled arguments about property rights to justify the distribution of wealth found in such economies. By contrast, conservative thinkers have often followed Edmund Burke (see p. 348) in regarding the market order as little more than the 'laws of nature' or the 'laws of God'. Although Burke accepted the classical economics of Adam Smith (see p. 337) which suggested that intervention in the market would result in inefficiency, he also believed that government regulation of working conditions or assistance for the poor amounts to interference with Divine Providence. If the prevailing distribution of wealth, however unequal, can be regarded as 'the natural course of things', it is also, in Burke's view, 'just'. Herbert

Spencer (1820–1904), the British social philosopher, also developed a theory of distributive justice that relies heavily upon 'natural' factors. Spencer was concerned to develop a new social philosophy by relying on ideas developed in the natural sciences by Charles Darwin (1809–82). In Spencer's view, people, like animals, were biologically programmed with a range of capacities and skills which determined what they were able to make of their lives. In *The Principle of Ethics* ([1892–3] 1982) he therefore argued that 'each individual ought to receive the benefits and the evils of his own nature and consequent conduct', a formula that underpinned his belief in the 'survival of the fittest'. In other words, there is little point in defining justice in terms of abstract concepts such as 'needs' or 'rights' when material benefits simply reflected the 'natural' endowments of each individual.

When material distribution reflects 'the workings of nature' there is little purpose in, or justification for, human beings interfering with it, even if this means tolerating starvation, destitution and other forms of human suffering. Some have employed precisely this argument in criticism of attempts to mount famine or disaster relief. Although the more fortunate may like to feel they can relieve the suffering of others, if in doing so they are working against nature itself their efforts will ultimately be to no avail and may even be counter-productive. An early exponent of such a view was the British economist Thomas Malthus (1766–1834), who warned that all attempts to relieve poverty were pointless. In *An Essay on the Principles of Population* ([1798] 1971), he argued that all improvements in living conditions tend to promote increases in population size which then quickly outstrip the resources available to sustain them. War, famine and disease are therefore necessary checks upon population size; any attempt by government, however well-intentioned, to relieve poverty will simply court disaster.

The idea that justice boils down to natural deserts has, however, been subject to severe criticism. At best, this can be regarded as a harsh and unforgiving principle of justice, what is sometimes referred to as 'rough justice'. Material circumstances are put down to the roll of nature's dice: the fact that some countries possess more natural resources and a more hospitable climate than others is nobody's fault, and nothing can be done about it. The simple fact is that some are lucky, and others are not. Many would argue, however, that this is not a moral theory at all, but rather a way of avoiding moral judgements. There is no room for justice in nature, and to base moral principles upon the workings of nature is simply absurd. Indeed, to do so is to distort our understanding of both 'justice' and 'nature'. To portray something as 'natural' is to suggest that it has been fashioned by forces beyond human control, and possibly beyond human understanding. In other words, to suggest that a particular distribution of

benefits is 'natural' is to imply that it is inevitable and unchallengeable, not that it is morally 'right'. Moreover, what in the past may have appeared to be unalterable may no longer be so. Modern, technologically advanced societies undoubtedly possess a greater capacity to tackle problems such as poverty, unemployment and famine, which Burke and Malthus had regarded as 'natural'. To portray the prevailing distribution of material resources in terms of 'natural deserts' may therefore be no more than an attempt to find justification for ignoring the suffering of fellow human beings.

Welfare

Since the early twentieth century, debate about equality and social justice has tended to focus on the issue of welfare. In its simplest form, 'welfare' refers to happiness, prosperity and well-being in general; it implies not mere physical survival but some measure of health and contentment as well. As such, 'general well-being' is an almost universally accepted political ideal: few political parties would wish to be associated with the prospect of poverty and deprivation. Although there is clearly room to debate what in fact constitutes 'well-being', 'prosperity' or 'happiness', what gives the concept of welfare its genuinely contentious character is that it has come to be linked to a particular means of achieving general well-being: collectively provided welfare, delivered by government through what is called the 'welfare state'. The welfare state is linked to the idea of equality in that, in broad terms, it aims to secure a basic level of equal well-being for all citizens. In many cases it is also seen as one of the basic requirements of social justice, at least from the perspective of needs theorists. Nevertheless, there is a sense in which welfare is a narrower concept than either equality or social justice. Whereas theories of social justice usually relate to how the whole cake of society's resources is distributed, the notion of welfare is more concerned with providing a minimum quality of life for all, accepting that much wealth and income is distributed through the market.

In political debate, welfare is invariably a collectivist principle, standing for the belief that government has a responsibility to promote the social well-being of its citizens. This principle of welfare is sometimes termed 'social welfare'. However, two other principles of welfare have been employed, each of which continues to be relevant to ideological debate. The first is the individualist theory of welfare, which holds that general well-being is more likely to result from the pursuit of individual self-interest, regulated by the market, than it is from any system of public provision. This notion of 'welfare individualism', is rooted in the classical

economics of Adam Smith but has been revived by New Right thinkers such as Hayek and Friedman. Second, attempts have been made to develop a 'third way' in welfare thinking. This seeks a balance between collectivism and individualism, based upon the recognition that citizens have both welfare rights and moral responsibilities.

Welfare, poverty and social exclusion

The term welfare state came into being in the twentieth century to describe the broader social responsibilities of government. However, the term is used in at least two contrasting senses, one broad, the other narrow. The broad meaning, in the form of '*a* welfare state', draws attention to the provision of welfare as a prominent, if not the predominant, function of the state. This is how William Temple, Archbishop of York, first used the term in English in 1941 to distinguish Western 'welfare states', orientated around the promotion of social well-being, from what he called the 'power states' of Nazi Germany and Stalinist Russia. This is also the sense in which modern welfare states can be contrasted with the minimal or 'nightwatchman' states of the nineteenth century, whose domestic functions were largely confined to the maintenance of domestic order. More commonly, however, the term is used in the form of '*the* welfare state' to describe the policies and, more specifically, the institutions through which the goal of welfare is delivered. Thus institutions like the social security system, health service and public education are often referred to collectively as 'the welfare state'. This is also the sense in which it is possible to refer to the welfare state expanding or diminishing as government either assumes broader social responsibilities or relinquishes them.

It is sometimes difficult, however, to determine which institutions and policies can be said to be part of the welfare state in the narrow sense, because a very wide range of public policies can be said to have a 'welfare' goal. The most common image of the welfare state is of positive welfare provision, the delivery of services such as pensions, benefits, housing, health and education, which the market either does not provide or does not provide adequately. In this sense, the welfare state is an attempt to supplement or, in some cases, replace a system of private provision. This was the form of welfare state constructed in the postwar period in the UK, modelled on the *Beveridge Report* (1942), and subsequently adopted throughout much of Western Europe. Such a system of positive welfare provision was developed most fully in countries such as Sweden and Germany in the early post-1945 period. However, welfare provision can also be negative, in the sense that it attempts to promote social well-being

not by the provision of services but through the regulation of market behaviour. For example, any attempt by government to influence working conditions – legal protection for trade unions in industrial action, minimum wage legislation and regulations about health and safety – can be said to serve a welfare purpose.

However, it is often difficult to determine if a state *is*, or *has*, a welfare state. This problem is particularly apparent in the USA. On the one hand, the USA clearly does not possess the developed and comprehensive institutions found in certain European states; on the other, however, a wide range of benefits are available in the form of social insurance, based upon the Social Security Act 1935, Medicare and Medicaid, the food stamps programme and so forth. Following Gosta Esping-Anderson (1990), it is possible to identify three distinct forms of welfare provision found in developed industrialized states. The US, Canadian and Australian systems can be described as liberal (or limited) welfare states since they aim to provide little more than a 'safety net' for those in need. In countries such as Germany, conservative (or corporate) welfare states provide a more extensive range of services but depend heavily on the 'paying in' principle and link benefit closely to jobs. Social-democratic (or Beveridge) welfare states, such as the classical Swedish and the original UK system, are, by contrast, based upon universal benefits and the maintenance of full employment. Nevertheless, the distinction between these models has become increasingly blurred since the 1980s and 1990s, as a result of widespread programmes of welfare reform. These are discussed in the final section of the chapter.

All systems of welfare, however, are concerned with the question of poverty. Although welfare states may address broader and more ambitious goals, the eradication of poverty is their most fundamental objective. However, what is 'poverty'? On the face of it, poverty means being deprived of the 'necessities of life', sufficient food, fuel and clothing to maintain 'physical efficiency'. In its original sense, this was seen as an *absolute* standard, below which human existence became difficult to sustain. According to this view, poverty hardly exists in developed industrialized states like the USA, Canada, the UK and Australia; even the poor in such countries live better than much of the world's population. However, to regard as 'poor' only those who are starving is to ignore the fact that poverty may also consist in being deprived of the standards, conditions and pleasures enjoyed by the majority in society. This is the notion of *relative* poverty, defined by Peter Townsend (1974) as not having 'the living conditions and amenities which are customary, or at least widely encouraged and approved, in the society to which they belong'. In this sense, the poor are the 'less well-off' rather than the 'needy'. The concept of relative poverty, however, raises important political questions

because it establishes a link between poverty and inequality, and in so doing suggests that the welfare state's task of eradicating poverty can only be achieved through the redistribution of wealth and the promotion of social equality. The definition of poverty is therefore one of the most contentious issues in the area of welfare provision.

Modern debates about welfare, however, often focus upon the issue of social exclusion rather than the traditional problem of poverty. Poverty, from this point of view, has two important implications. First, it implies that disadvantage is an essentially economic issue linked to material deprivation, whether absolute or relative. Second, poverty suggests that disadvantage is a structural matter, in that the poor are, in effect, the 'victims' of some form of social injustice. 'Social exclusion', on the other hand, is a broader concept: it is about all the processes and conditions that detach individuals and groups from the social mainstream. The socially excluded thus suffer from multiple deprivation, in that, although they may be materially poor, they may also be marginalized by educational failure, crime and anti-social behaviour, a dysfunctional family environment, or the absence of the work ethic. In short, cultural factors may be as important as material ones in explaining social disadvantage. The language of social exclusion has shifted thinking on welfare in important ways. For instance, whereas a concern with poverty tends to link the provision of welfare to the pursuit of social equality through the redistribution of wealth, a concern with social exclusion is more commonly associated with the pursuit of equality of opportunity and the redistribution not of wealth but of life-chances. Equality is therefore redefined as social inclusion. Moreover, traditional welfare systems have to be significantly rethought to take account of deprivation as a cultural, social and even moral phenomenon and not merely an economic one.

In praise of welfare

Welfarism, in its traditional sense, is the belief that social well-being is properly the responsibility of the community and that this responsibility should be met through government. In the post-1945 period a 'welfare consensus' developed in most Western liberal democracies, which saw parties of the left, right and centre competing to establish their welfarist credentials, disagreeing with one another only on matters of detail like funding, structure and organization. Without doubt, this consensus was underpinned by powerful electoral factors, as a large body of voters recognized that the welfare state provided social safeguards which free market capitalism could never match. Nevertheless, welfarism is by no means a coherent philosophy. Although liberals, conservatives and socialists have each recognized its attractions, they have often been drawn

to welfare by different considerations and have endorsed different systems of welfare provision.

One of the earliest reasons for interest in social welfare had more to do with national efficiency than with principles like justice and equality. When a country's workforce is sickly and undernourished it is in no position to build up a prosperous economy, still less to develop an effective army. It is therefore no coincidence that in countries like Germany and the UK the foundations of the welfare state were laid during a period of international rivalry and colonial expansion, the period leading up to the outbreak of the First World War. The first modern welfare state developed in Germany in the 1880s under Chancellor Bismarck, featuring a system of medical and accident insurance, sick pay and old-age pensions. Britain's response, under the Asquith Liberal government after 1906, was dictated by growing apprehension about German power, highlighted by the discovery during the Boer War (1899–1902) that a large proportion of working-class conscripts were unfit for military service. Although such motives have little to do with altruism and compassion, it can clearly be argued that in the long run a healthy and productive workforce is beneficial for the whole of society. Indeed, it is often suggested that the growth of social welfare is linked to a particular stage of economic development. Whereas early industrialization makes use of a largely unskilled, unthinking manual workforce, further industrial progress requires educated and trained workers, who are capable of understanding and utilising modern technology. It is the function of the welfare state to bring such a workforce into existence.

Welfare has also been linked to the prospect of social cohesion and national unity. This concern has been close to the heart of conservative thinkers, who have feared that grinding poverty and social deprivation will generate civil unrest and, possibly, revolution. Such considerations helped to advance the cause of social reform in mid-nineteenth-century Britain, often associated with the Conservative statesman Benjamin Disraeli (1804–80). Disraeli was acutely aware that industrial progress brought with it the danger of strife and social bitterness, the prospect of Britain being divided into 'two nations: the Rich and the Poor'. As prime minister, Disraeli therefore introduced a programme of social reforms, including improvements in housing conditions and hygiene, which contrasted sharply with the *laissez-faire* policies still advocated by the Liberal Party. Similar motives also influenced the advance of welfare provision in Germany. Bismarck, for example, believed he was confronting a 'Red menace', and supported welfare in a deliberate attempt to wean the masses away from socialism by improving their living and working conditions. This conservative welfare tradition is based upon a combination of prudence and paternalism. It is undoubtedly concerned to alleviate

Social democracy

The term social democracy has been defined in a number of different ways. Originally used by Marxists to distinguish between the narrow goal of political democracy and the more fundamental objectives of socialism, social democracy came, by the early twentieth century, to be associated with a reformist rather than a revolutionary road to socialism. However, the modern use of the term was shaped by the tendency of democratic socialist parties to abandon the goal of abolishing capitalism and embrace the more modest objective of reforming or humanizing capitalism. Social democracy, then, stands for a balance between the market and the state, a balance between the individual and the community. The chief task of social-democratic theory has therefore been to establish a compromise between, on the one hand, an acceptance of capitalism as the only reliable mechanism for generating wealth and, on the other, a desire to distribute wealth in accordance with moral, rather than market, principles.

The characteristic emphasis of social democratic thought is a concern for the underdog in society, the weak and vulnerable. This can, in most cases, be seen as a development of the socialist tradition, either being shaped by attempts to revise or update Marxism (see p. 82) or emerging out of ethical or utopian socialism. Such developments usually involved the re-examination of capitalism and the rejection of the Marxist belief that the capitalist mode of production is characterized by systematic class oppression. Nevertheless, social democracy lacks the theoretical coherence of Marxism and may, anyway, not be firmly or exclusively rooted in socialism. In particular, social democrats have drawn so heavily upon modern liberal ideas such as positive freedom and equality of opportunity that it has become increasingly difficult to distinguish between social democracy and liberalism (see p. 29). This can be seen in the influence of Rawls (see p. 298) upon social-democratic thought. More recent developments within social democracy have involved an accommodation with principles such as community, social partnership and moral responsibility, reflecting parallels between 'modernized' social democracy and communitarianism (see p. 35). Some 'new' social democrats have adopted the idea of the 'third way' to highlight the need to revise traditional social democracy to take account of the pressures generated by globalized capitalism.

The attraction of social democracy is that it has kept alive the humanist tradition within socialist thought, offering an alternative to the dogmatism and narrow economism of orthodox Marxism. Its attempt to achieve a balance between efficiency and equality has been, after all, the centre ground towards which politics in most developed societies has tended to gravitate, regardless of whether socialist, liberal or conservative governments are in power. From the Marxist perspective, however, social democracy amounts to a betrayal of socialist principles, an attempt to prop up a defective capitalist system in the name of socialist ideals. Nevertheless, social democracy's central weakness is its lack of firm theoretical roots. Although social democrats have an enduring commitment to equality and social justice, the kind and extent of equality they

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support and the specific meaning they have given to social justice have constantly been revised. For instance, to the extent that social democracy has been recast as a defence of community, it can be said to have assumed an essentially conservative character. Instead of being a vehicle for social transformation, it has developed into a defence of duty and responsibility, and so serves to uphold established institutions and ways of life.

Key figures

Eduard Bernstein (1850–1932) A German socialist politician and theorist, Bernstein was responsible for the first systematic revision of Marxism. He drew attention to the failure of Marx's predictions about the collapse of capitalism, pointing out that economic crises were becoming less, not more acute. Bernstein rejected revolution and called for alliances with the liberal middle class and the peasantry, emphasising the possibility of a gradual and peaceful transition to socialism. He later abandoned all semblance of Marxism and developed a form of ethical socialism based upon neo-Kantianism. Bernstein's most significant work is *Evolutionary Socialism* ([1898] 1962).

Richard Henry Tawney (1880–1962) A UK social philosopher and historian, Tawney championed a form of socialism firmly rooted in a Christian social moralism unconnected with Marxist class analysis. The disorders of capitalism, he argued, derived from the absence of a 'moral ideal', leading to unchecked acquisitiveness and widespread material inequality. The project of socialism is therefore to build a 'common culture' that will provide the basis for social cohesion and solidarity. Tawney's major works include *The Acquisitive Society* (1921), *Equality* ([1931] 1969) and *The Radical Tradition* (1964).

Anthony Crosland (1918–77) A UK politician and socialist theorist, Crosland built on Bernstein in attempting to give social democracy a theoretical basis. He argued that capitalism no longer needs to be abolished as the ownership of wealth has become divorced from its control, and major economic decisions are made by salaried managers rather than by the bourgeoisie of old. The task of socialism is thus to promote equality, by which Crosland meant narrow distributive inequalities, rather than to restructure the system of ownership. Crosland's best-known works include *The Future of Socialism* (1956) and *Socialism Now* (1974).

Anthony Giddens (1938–) A UK social and political theorist, Giddens has been the most influential exponent of 'modernized' social democracy, or 'third-way' thinking; he is sometimes referred to as 'Tony Blair's guru'. He argues in favour of a form of social democracy that remains faithful to traditional values such as social justice, but recognizes the need to rethink the ways these are understood and delivered in the light of globalization, de-traditionalization and increased social reflexivity. Giddens's main works include *The Constitution of Society* (1984), *Beyond Left and Right* (1994) and *The Third Way* (1998).

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Further reading

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Martell, L. (ed.) *Social Democracy: Global and National Perspectives*. Basingstoke: Palgrave Macmillan, 2001.
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material hardship, but only to the point where the working masses cease to pose a threat to the prosperous minority. Moreover, this form of welfarism is entirely compatible with the survival of hierarchy: it can be seen as an attempt to uphold social inequality rather than eradicate it. Welfare paternalism is based upon neo-feudal principles like *noblesse oblige*, which imply that it is the duty of the privileged and prosperous to 'look after' those less fortunate than themselves – not to bring to them up to their level.

The liberal case for welfare, by contrast, has very largely been based upon political principles, and in particular the belief that welfare can broaden the realm of freedom. Although early liberals feared that social reform would sap initiative and discourage hard work, modern liberals have seen it as an essential guarantee of individual self-development. Such a theory was advanced in the late nineteenth century by the so-called New Liberals, people such as T.H. Green (1836–82), Leonard Hobhouse (1864–1929) and J.A. Hobson (1858–1940), whose views created the intellectual climate which made the Asquith reforms possible. The central idea of liberal welfarism is the desire to safeguard individuals from the social evils which can blight their lives, evils such as deprivation, unemployment, sickness and so on. The *Beveridge Report* (1942), the blueprint for a modern welfare state in Britain, described its purpose as to protect citizens from the 'five giants' of want, disease, ignorance, squalor and idleness, and to extend this protection 'from the cradle to the grave'.

Very similar motives influenced the introduction of social welfare in the USA in the 1930s, under F. D. Roosevelt's 'New Deal'. The high point of this New Deal liberalism was reached in the 1960s with Lyndon Johnson's 'War on Poverty', an ambitious programme of education, job training and urban renewal projects. While firmly aware of the benefits that welfare can bring to society, liberal welfarism is nevertheless rooted in a commitment to individualism and equality of opportunity. This is reflected in support for a contributory system of welfare provision which preserves a measure of individual responsibility and serves to counter dependency. The War on Poverty, for instance, tried to stimulate communities to mobilize their own

resources and involve the poor themselves in the operation of its projects. The ultimate goal of welfare, from this perspective, is to enable individuals to make their own moral decisions, to help individuals to help themselves. Once deprivation has been alleviated, liberals hope that individuals will once again be able to take responsibility for their own economic and social circumstances and 'stand on their own two feet'.

The socialist or social-democratic case for welfare, however, goes further. Although social-democratic politicians have increasingly come to adopt the language of liberal welfarism in taking up the cause of individual liberty, they have traditionally based their support for welfare upon two more radical principles: communitarianism (see p. 35) and equality. Social democrats have, for example, seen the welfare state as a practical application of communitarian values, believing that its function is to promote the spontaneous bonds of sympathy and compassion which characterise a genuine community. In other words, the welfare state should not merely be concerned with ameliorating conflict or relieving individual hardship, but should actively strengthen a sense of responsibility for other human beings. In *The Gift Relationship* (1970), for example, Richard Titmuss suggested that the welfare state is, in essence, an ethical system, based upon *reciprocal* obligations amongst citizens. People should receive welfare as if it is a gift from a 'stranger', as an expression of human sympathy and mutual affection. Its ultimate purpose is therefore to strengthen social solidarity. As a demonstration that such welfare principles are practical as well as morally attractive, Titmuss pointed to the success of systems of blood donation by comparison with ones where blood is bought and sold.

Social democratic theorists have also linked welfare to the goal of equality, believing it to be a necessary counterweight to the injustices and 'inhumanity' of market capitalism. Indeed, modern socialism is largely based upon the merits of welfarism. For instance, in *The Future of Socialism* (1956), Anthony Crosland identified socialism with progress towards equality rather than with the fundamentalist goal of common ownership. The welfare state, according to this revisionist socialist view, is a redistributive mechanism: it transfers wealth from rich to poor through a system of welfare benefits and public services, financed by progressive taxation. The merit of such a system is that it consciously addresses the problem of 'relative' poverty and also seeks to remove the stigma attached to welfare by insisting that as far as possible benefits are universal and not 'means tested'. Nevertheless, it is clear that the welfare state can never bring about absolute social equality; its goal is rather to 'humanize' capitalism by reducing distributive inequalities. As such, though, social democratic welfarism is dedicated not merely to fostering equal opportunities but also to bringing about a greater measure of equality of outcome.

Welfare: roll-back or reform?

The welfare consensus which underpinned a steady rise in the social budget has come under growing pressure since the 1970s. The expansion of welfare provision that occurred in the 1950s and 1960s had been made possible by a period of sustained economic growth, the so-called 'long boom'. The onset of recession in the 1970s, however, precipitated a fiscal crisis of the welfare state. As levels of economic growth declined, governments throughout the world were confronted with the problem of how to sustain their welfare programmes at a time when tax revenues were falling. This boiled down to two options: one, push up taxes; two, cut the welfare budget. Against this background, New Right theories emerged which suggested that welfare had not only been responsible for unacceptable levels of taxation but is also an affront to individualism and personal responsibility. Nevertheless, this turn against welfare has been every bit as ideologically diverse as welfarism itself. So-called 'new' social democrats and 'third-way' thinkers have focused heavily upon the need to rethink welfare provision and reform the welfare state.

New Right criticisms of welfare range over moral, political and economic considerations. The centrepiece of the New Right's libertarian critique is, however, the idea that the welfare state in effect enslaves the poor by creating dependency and turning them into 'welfare junkies'. In the USA this took the form of a backlash against the welfare reforms of the 1960s. George Gilder's *Wealth and Poverty* (1982) and Charles Murray's *Losing Ground* (1984) were among the most influential attempts to portray welfare as counter-productive. Job creation programmes, for instance, had only pushed up unemployment by weakening individual initiative; and classifying people as 'unemployed', 'handicapped' or 'disadvantaged' merely convinced them that they were 'victims of circumstance'. In this way, a welfare-dependent underclass had come into existence, lacking the work ethic, self-respect and the supportive structures of conventional family life. Murray's solution to this problem was for welfare responsibilities to be transferred from central government to local communities, emphasizing, as far as possible, individual and community initiative.

By suggesting that the less well-off can, and should, be responsible for their own lives, the New Right revived the idea of the 'undeserving poor'. In its extreme form, this implies that the poor are simply lazy and inadequate, those who are more interested in living off the charity of others than in working for themselves. However, in its more sophisticated form, it implies that regardless of the causes of poverty, only the individual can get himself or herself out of it; society cannot be held responsible. Welfare should therefore be provided in such a way as to promote and reward individual responsibility. The welfare state, for instance, should be

nothing more than a safety net, designed to relieve 'absolute' poverty, and benefits should be 'targeted' at cases of genuine deprivation. When welfare is turned into a system of rights or entitlements, people are sucked into dependency rather than encouraged to get out of it. The New Right has consequently placed a heavy stress upon civil obligations, believing that welfare in some way has to be 'earned'. This is why many in the New Right have been attracted by the idea of 'workfare', which forces those in receipt of state support to work for their benefit. A further proposal, popularized by the US economist Milton Friedman, is that all forms of welfare be replaced by a 'negative income tax'. This would mean that all those below a certain income would *receive* money from the tax authorities instead of having to *pay* tax (as those above this level have to do). The virtue of such a system is that it greatly extends choice for those in need and encourages them to be more responsible for improving their circumstances.

The New Right also objects to welfare on a variety of other grounds. The welfare state has, for example, been blamed for both declining levels of economic growth and high inflation. Electoral pressures allowed welfare expenditure to spiral upwards out of control, creating the problem of government 'overload'. This, however, penalized those in work or in business, who were crushed by an ever-higher tax burden. While benefits themselves create an incentive to idleness, the taxes needed to finance them constitute a disincentive to enterprise. To make matters worse, rising levels of public spending pumped more money into the economy, so pushing up prices. The New Right has therefore been interested in squeezing the welfare budget by cutting benefits and encouraging a shift towards private welfare provision. For both ideological and economic reasons, the New Right favours the privatization of welfare in areas such as education, health care, pensions and so forth. Where privatization is ruled out by electoral constraints, they have pressed ahead with reforms designed to make state provision conform to market principles. This is best seen in the 'internal markets' which were established in education and health in the UK in the 1980s and 1990s. In turn, though, the New Right claims that the stimulus to economic performance gained by privatization and reform will bring benefit to all social groups, including the poor. This is what has been called 'trickle down' economics. Welfare cuts may initially widen inequalities but by promoting an 'enterprise culture' they will ensure that the economic cake itself expands, pushing up general living standards.

However, the new politics of welfare in the USA and the UK that developed during the Reagan–Thatcher years has not been confined to the New Right or to these countries. The 'golden age of the welfare state' appears to have ended and been replaced by a passion for welfare reform in almost all states, even though this has been pursued with different

degrees of vigour in different countries. Where welfare individualism has been rejected for electoral or ideological reasons, there has been a search for a 'third way' in welfare thinking. This accepts certain aspects of New Right anti-welfarism, notably the fear of dependency and opposition to 'top-down' statism, but it goes further in that it seeks to rethink strategies for the promotion of personal independence and economic and social dynamism. From this perspective, traditional social democrats believe that the poor are poor because they do not have enough money, in which case the solution is to redistribute wealth through the social security system; while the New Right holds that the poor are poor because they have too much money, in which case the solution is to scale down over-generous welfare support. By contrast, third-way welfare thinking believes that poor are poor because they lack the opportunities and cultural resources to achieve full participation and inclusion in society. Anthony Giddens (1994) thus called for a switch to 'positive welfare', understood less in terms of the provision of benefits and services, and more in terms of individual empowerment, that is, the provision of opportunities for self-development.

Third-way thinking on welfare goes beyond collectivism and individualism in that it rethinks the link between 'welfare' and the 'state'. In particular, it advances a rights and responsibilities agenda, in which the widening of opportunities for social mobility and social advancement is matched by an acceptance of social duties and moral obligations. The purpose of welfare reform, from this perspective, is to replace 'curative' welfare policies with 'preventative' ones. This can be seen in ideas such as 'welfare-to-work' and 'asset-based welfare'. 'Welfare-to-work' is based upon the assumption that the lack of access to secure employment is the primary source of social exclusion and low self-worth. In the UK, Australia and elsewhere, welfare reform has focused very largely upon boosting the citizen's employability by improving access to education and training. However, the right to education, training and skills, particularly job-related skills, has been balanced against a more explicit civic responsibility to seek and find work. In other words, the price of improved employability is a stronger work ethic. The welfare state is thus giving way to a 'workfare state'. The idea of 'asset-based welfare' reflects the belief that social mobility and equality of opportunity can best be boosted by ensuring that all citizens have a right of access to capital assets. This has, for instance, been pursued through the idea of 'baby bonds', capital sums which are provided to citizens at birth and which can later be used for purposes such as paying for higher education or helping to buy a house. While reforms such as improved access to education and baby bonds recognize a continuing need for the state to provide the basis for personal and social well-being, they ultimately countenance the end of the welfare state as we know it, in that their purpose is to shift responsibility for welfare from the state to the 'empowered citizen'.

Summary

1. A commitment to equality may take one of three contrasting forms. Formal or foundational equality holds that all human beings are of equal moral worth and is reflected in a commitment to legal and political equality. Equality of opportunity is concerned with equalising the starting point of life in order to allow natural inequalities to flourish. Equality of outcome seeks to achieve equal, or at least more equal, circumstances of life, social equality.
2. Social justice refers to a defensible or just distribution of material rewards. Fundamental differences exist between those who believe that distribution should be broadly egalitarian because it aims to satisfy human needs; those who argue that it should reflect individual merits, rights based upon talent and the willingness to work; and those who suggest that it is determined by innate and unchangeable factors, the natural deserts of individuals and groups.
3. Welfare is the idea of a basic level of equal well-being for all citizens, a minimum quality of life for all. Although some believe that this goal can best be achieved through individual self-reliance and hard work or by a system of private charity, it is invariably achieved in practice through collectively provided welfare services delivered by government, the welfare state. Forms of welfare provision however vary considerably.
4. Among the virtues that have been identified with welfare are that it promotes national efficiency, fosters social cohesion, helps individuals to develop their potential, and tends to narrow social inequalities. Critics, however, have attacked welfare, on the one hand, for creating dependency and promoting inefficiency. Third-way welfare thinking is based upon a rights-and-responsibilities agenda, which at heart reflects the desire to improve access to education and skills, and thus to work.

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