

RE-REVIEWS

This is the first in an occasional series in which classic texts in social policy are 're-reviewed' in the light of subsequent debate and contemporary relevance.

The Political Economy of the Welfare State, Ian Gough

Ian Gough's *The Political Economy of the Welfare State* was published in 1979, the year Margaret Thatcher won power (Gough 1979). While many of the arguments embodied in it had been explored well before, it may be seen as a critical document for the exposition of a view about the relationship between capitalism and the welfare state. It introduced many to a Marxist perspective which, most of its reviewers acknowledged, needed to be taken into account. I was not amongst the reviewers but Glen Bramley and I, in *Analysing Social Policy* (Hill and Bramley 1986), offered a cautious welcome to it which was perhaps typical of the reaction of many who acknowledged the power of its challenge to the idea of the welfare state as a 'social democratic' project providing a basis for a 'truce' between capital and labour.

The Political Economy of the Welfare State applies to British social policy a neo-Marxist analysis which, while rejecting the model of development that stresses amelioration and social problem solving, also does not see the welfare state as simply an 'agency of repression' (p. 11). Gough's analysis draws heavily on O'Connor's *The Fiscal Crisis of the State* (1973) in emphasizing the role of social policy in dealing with 'social investment', 'social consumption' and 'social expenses', and seeing these as contributing contradictory pressures for a capitalist economy, in terms of the demands they make upon profits. Important for this is the argument from Marxist political economy that capitalism faces falling rates of profit over time, a theme explored with regard to the British economy by Glyn and Sutcliffe (1972). There is here an acknowledged connection between this perspective and the neo-liberal view on the damage state expenditure can do to economic growth. For Gough, rather more than for O'Connor, the concern is to avoid following this argument down a functionalist (determinist) road which sees no prospect of choice, and therefore no prospect of a fight back against capital. However, his last chapter makes a series of predictions about the negative outcome for social policy of the economic crisis of the 1970s – service and benefit cuts, pressures to force less remunerative labour market participation, privatization – that are remarkably prescient.

Reviews of *The Political Economy of the Welfare State* were generally favourable. However, a distinction may be made between reviews from writers with a

1 strong interest in neo-Marxist political economy and reviews from those who
2 saw Ian Gough's book as an introduction to that perspective for people whose
3 primary interest is in social policy. There was one review (by Roger Seifert in
4 the *British Journal of Sociology*, rather patronizingly commending the book's
5 'responsible Marxism'). More importantly, there were two long review articles
6 from this perspective (by John Harrison in the *Cambridge Journal of Economics*
7 and by Mike Potter in *Economy and Society*). Potter suggests that there is too
8 much emphasis on state welfare in the book, and not enough about private
9 welfare. Harrison suggests that Gough should have given attention to state
10 expenditure as a whole, rather than concentrating on social expenditure.
11 Therefore both highlight a difficulty about separating out social policy, or the
12 'welfare state', for special attention, a problem Gough identifies but perhaps
13 does not address sufficiently.

14 Harrison and Potter both cite inconsistencies in the theory used. My view
15 on this is that Ian Gough's avoidance of a tightly argued Marxist analysis is a
16 virtue, his concern to bring out the complexities and ambiguities in the
17 relationship between the economy and social policy is one of his strengths. He
18 is at pains to try to avoid a functionalist perspective – seeing social policy
19 development in terms of its necessary contribution to capitalism and then the
20 'crisis' as an inevitable consequence of the contradictions that had accordingly
21 developed. The question is whether in using a Marxist approach this func-
22 tionalism can ultimately be avoided. In a review for the *Journal of Social Policy*
23 Freeman and Adams argue:

24 If he falls short of complete success, it is, we believe, because his sense of
25 contradiction – of the tendencies internal to structures which transform
26 them into something else – is not thoroughgoing enough. As a result, he
27 misses the significance of – indeed ignores – many elements of the
28 neo-conservative critique of the welfare state, and so loses the opportu-
29 nity for a fruitful meeting of minds. At the same time, he steers perilously
30 close to the reefs of functionalism which he set out to avoid (p. 549).

31 I will return to this at the end of this re-review when I look at the applicability
32 of *The Political Economy of the Welfare State* today.

33 There is a slight tendency for the reviews from mainstream social policy
34 writers to commend the book with faint praise, along the lines of comments
35 that this offers an approach students need to know more about together with
36 little engagement with its attack on other perspectives (e.g. Ken Judge in the
37 *British Journal of Social Work* and John Carrier in *Social Policy & Administration*).
38 Robert Pinker concludes a generally warm review in the *Sociological Review* with
39 the observation 'if Marxists are able to remain so doggedly optimistic, it is
40 perhaps because they accord to human nature a rather modest and subordinate
41 role in their theories'.

42 The interesting exception to reviewers' failure to engage with the book's
43 arguments is an article by Rudolf Klein published some years later (Klein
44 1993), and linking Ian Gough's approach with those from O'Connor and
45 Offe, and therefore not strictly a 'review'. However, Klein's characteristically
46 direct approach offers some points that deserve further examination. There

1 are three primary limbs to Klein's case against the trio of writers in his
2 'O'Goffe's tale', that:

- 3 • they critically analyze capitalism but not communism;
- 4 • the crisis they predict did not emerge;
- 5 • they pay little attention to comparative analysis.

6 Klein's point about a lack of analysis of communism is unfair. Indeed, in Ian
7 Gough's case he is quite explicit about not attempting such an analysis. By the
8 end of the 1970s there were very few Marxist analysts who had either any
9 illusions about the Soviet empire or recognized the existence of a good
10 working model of a 'real' socialist society. However, the problem is that
11 therein lies a difficulty for critiques of capitalism. It is not an original point to
12 say that Marxism offers an approach to the analysis of capitalist society that is
13 widely recognized as having some validity, but that the Marxist theory of
14 revolution is seen as a fairly implausible portrait of what may happen if its
15 crises intensify. It is even more the case that Marxism is now seen to offer very
16 little in the way of a model for a future post-capitalist society. Radicals on the
17 Left are therefore stuck with a problem about outlining a way forward from
18 our present discontents.

19 It needs to be recognized that Klein's second point was made only 14
20 years after the publication of *The Political Economy of the Welfare State*. The
21 book's argument is about growing contradictions. That needs to be taken
22 two ways. One is that there is no reason to expect that they would produce
23 rapid effects, though Klein seems to me unduly sanguine about the welfare
24 state deterioration that had already occurred in the UK by 1993. The other
25 is that the whole argument about contradictions concerns a tension between
26 curbing social policy and allowing the continuation of public policies that
27 may have a negative impact on the economy. Here Gough's concern to
28 avoid a functionalist perspective is important. If that is done satisfactorily
29 there has to be attention instead to the dilemma faced by politicians like
30 Margaret Thatcher committed to freeing the market and curbing the state
31 and the likely popular (including electoral) consequences of some of those
32 actions. That was bound to be a source of compromises rather than a con-
33 tinuous direct attack on social policy. The point is then that inasmuch as
34 those compromises did not resolve the problem (from capital's perspective)
35 so the quest for change continued. Here of course is a point where the
36 argument teeters on the brink of determinism.

37 On top of these two considerations then, viewing this argument from 2012
38 not 1993 we know now how much dramatic extensions of credit (private
39 and public) were used to mask the dilemma (particularly after the fall of
40 Thatcher).

41 Klein's third point is a valid one, though in Gough's case, at least, there was
42 no attempt to look outside the UK. It ought to be noted on that point that his
43 later work has more than rectified that alleged deficiency (particularly in
44 Pfaller *et al.* 1991 and Gough and Wood 2004). However, within *The Political
45 Economy of the Welfare State* there is an important discussion – albeit confined to
46 the UK – about the extent to which corporatist institutions might offer a way

1 forward towards the accommodation of the demands of labour and capital.
2 The combination during the 1980s of Thatcherite rejection of corporatist
3 institutions and the decline of industrial trade unionism seemed to have put
4 paid to that possibility. Gough's discussion here, incidentally, is rather overly
5 optimistic about what the public sector unions can achieve in this respect.

6 Nevertheless, the comparative part of Klein's article raises important ques-
7 tions about alternative strategies for accommodating capitalism and social
8 policy, a theme that has been followed up much more by 'regime theory' and
9 the 'varieties of capitalism' literature. In developing this argument Klein raises
10 important issues which must be given attention by those of us who are not
11 happy about the deductive element in neo-Marxist theory. He argues:

12 Diagnosing 'contradictions', i.e. conflicts, in societies does not get us far.
13 Investigating how different societies tackle those conflicts – their institu-
14 tional capacity for so doing, the structure of power and the arguments
15 used in the process – is likely to provide far more illumination (p. 16)

16 How does the view from 2012 differ from that from 1979? In 1979 the neo-
17 liberal experiment was just starting. Now it is generally seen as having failed.
18 In the UK it contributed to the rapid undermining of the industrial economy.
19 In its place the City benefitted from deregulation. As noted above, the great
20 credit boom, induced by deregulation, seemed for a while to have postponed
21 the crisis. Now the UK, along with other European nations, is trying to repair
22 the damage from the boom and its subsequent bust in 2008. A public sector
23 debt crisis developed as a consequence of the 2008 crisis. So then the rhetoric
24 of today is just like that of the late 1970s: state expenditure (especially social
25 expenditure) must be curbed, the private sector must be freed to enable it to
26 generate the growth we need and privatization is still on the agenda. *The*
27 *Political Economy of the Welfare State* remains relevant, with the public policy
28 remedies for the crisis around now sounding very like those noted and/or
29 predicted in the book.

30 However, if the dominant 1979 solution to our problems – a freed capital-
31 ism and a curbed state – has failed then is it not time to turn the old notion of
32 a contradiction between capitalism and welfare on its head (even if we no
33 longer expect real socialist solutions to our problems)? Is it too naive to argue
34 that now the time has come for capitalism to make more sacrifices on behalf
35 of welfare? Of course the view from 1979 – focusing as noted on the inad-
36 equacies of the social democratic approach to that compromise – drew on
37 Marx's position, as recently re-stated by David Harvey – that 'capitalism in
38 the long run depends on the capacity to achieve 3 per cent compound growth'
39 (Harvey 2011: 130). Logically that seems to leave revolution as the only pos-
40 sible outcome if that cannot be achieved, something rarely expressed by
41 hard-line Marxists today. Instead we seem to be left, as in Harvey's analysis,
42 with either a succession of crises or, contradictingly in the light of the emphasis
43 on capitalism's necessary search for profits, new approaches to compromise
44 between capitalism and its opponents.

45 In the latter respect will four features of the modern crisis which were much
46 less evident in 1979 make a difference?

- 1 • Much greater inequality (at least in the UK and the USA).
- 2 • A big shift in the balance of economic power in the world, with China and
- 3 other fast-developing powers persistently outcompeting Western ones.
- 4 • Stronger and/or more rapid economic interactions between nations (often
- 5 'global' in character)
- 6 • Environmental damage issues, themselves often products of the capitalist
- 7 quest for growth (Jackson 2009) that urgently need attention.

8 What these changes imply is probably a need to accept that growth in the
9 advanced economies will be more or less absent for a long while, if not for
10 ever. That means that generation of employment will be difficult, whilst at the
11 same time attention to inequalities is necessary. The conclusion in *The Political*
12 *Economy of the Welfare State* is that:

13 Capitalism, which in the central countries of Europe and America has
14 permitted the development of the productive forces, political democracy
15 and social rights in the post-war period, may no longer be capable of
16 achieving all three simultaneously. In that case, either accumulation and
17 economic growth or political and social rights must be sacrificed (p. 152)

18 That logic still applies. My pessimistic soul leads me to expect ever-continuing
19 crisis, as our politicians find it difficult to escape a political game which has
20 become structured around promises of gains from economic growth. The
21 international dimensions of some of the key problems make for difficulties too.
22 In the quest for optimism the old Marxism seems to offer nothing. But if we
23 question that 'logic' and engage in a clear rebuttal of functionalist and other
24 theories stressing 'inevitability' then the positives must lie with Rudolf Klein's
25 stress upon political choice and the identification from comparative analysis
26 that even now nations differ in the extent to which they have simply gone
27 down the anti-welfare road. Future politicians will need some things to offer
28 the electorate, and to damp down popular unrest. While the political parties
29 are slow to stir on this, efforts need to be made to shift the emphasis in political
30 debate rather more towards issues about fairness in the distribution of
31 resources. *The Political Economy of the Welfare State* remains an important con-
32 tribution to ways of doing this.

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Michael Hill

Reply to Michael Hill¹

Michael Hill's review of reviews of *The Political Economy of the Welfare State* (PEWS) is generous, lucid and penetrating. He rightly focuses throughout on the central issue in the book: the relationship between capitalism and the welfare state. As well as reviewing contemporary reviews he asks how the analysis in the book stands up today. This response follows the same pattern: some comments on the arguments in the book and then a review of its relevance today.

When the manuscript was completed in 1978, Jim Callaghan was Labour Prime Minister, the pound sterling had been bailed out by the International Monetary Fund, class struggle was openly waged by miners, printers, municipal workers and other groups, while *The Times* was calling for a government of national unity. Abroad, Jimmy Carter was President of the USA and Leonid Brezhnev of the USSR, Mao had only recently died and Communist China was poised to introduce Deng's reforms, the Berlin Wall symbolized a divided Europe and the EEC had just nine members. Mobile phones, personal computers and the internet were dreams of a few techies. The ideas of 'globalization', 'welfare regimes' and 'postmodern welfare' had not surfaced. The world is almost unrecognizable three and a half decades on.

To begin with I briefly review two features of the argument in PEWS in the light of Hill's comments: my flirting with functionalist conceptions of social policy, and my arguments concerning the incompatibility or otherwise between capitalism and an extensive welfare state. (The book says little about social justice and well-being, and I keep this focus on the *welfare state* here). Then I switch to the present and make three further points: that neo-liberal capitalism and the resulting global crisis cannot be made compatible with any democratic and sustainable welfare state; that only a new strategy that integrates social, economic and environmental policy can secure this – what I have called an eco-welfare state; and that the failure of economic growth is a looming constraint which will in the end force still more radical rethinking of all forms of welfare provision.

1 Hill recognizes my wrestling with reductionist and functionalist approaches
2 to the welfare state, notably in the first four chapters of PEWS. I acknowledge
3 the accumulation of capital as a system-driven pressure in all capitalist econo-
4 mies, but want to avoid any implication that social problems and crises arising
5 from this process 'require' in some way certain government responses, includ-
6 ing social policy responses. To begin with, contra Klein, a contradiction is not
7 the same as conflict. As Lockwood demonstrated in 1964, a contradiction
8 refers to a clash between incompatible features of social sub-systems (an
9 absence of system integration), while conflicts between social actors result
10 from a failure of social integration (Lockwood 1964). It is quite possible for
11 contradictions to build without social cohesion being threatened or severe
12 conflict breaking out; and without social conflict in turn generating policy
13 responses. But the central point of a political economy approach is to recog-
14 nize that societies comprise both objective structures and human agency.
15 Social policies can result from 'pressures from below' and 'reforms from
16 above', though they have frequently acted in combination. Policy initiatives
17 from above frequently stem from the perceptions and actions of far-sighted
18 elites both within and around government. One mechanism driving elite
19 initiatives has been a threat of social disruption. Another argument in PEWS
20 is that organized pressures from below during the late 19th and the first half of
21 the 20th century contributed to more centralized states, able to act more
22 strategically to counter these threats: an implication that capitalism would
23 continue to become more 'organized'. 'Far-sighted elites' thus contribute to
24 identifying remedial interventions to address upcoming social problems, defi-
25 cits and crises. These ideas are developed at greater length in an earlier
26 retrospective on PEWS (Gough 2008; see also Streeck's (2010) rich conceptu-
27 alization of 'really existing capitalism').

28 I would also contend that the neo-Marxist political economy analysis
29 deployed in PEWS is more nuanced than even Hill suggests. The welfare state
30 is not only costly to capital, it performs benefits too. Parts of the welfare state
31 yields benefits to 'capital in general' in the form of social investment in basic
32 and further education, housing provision, work training programmes, etc.
33 These 'system needs' may not be provided at all by private investment, let
34 alone with equal efficiency. (This is not to deny that many welfare services and
35 benefits can never be justified in this way; they represent a moral recognition
36 of human need and rights to welfare.) Moreover, the resulting welfare state
37 undermines profits only if certain conditions are met. One is that the bulk of
38 taxation falls on corporations and income from property. Another is that the
39 share of services *directly* provided by the public sector rises over time. But
40 neither condition has applied for some time. Taxes on corporations and
41 income from capital have been cut repeatedly over the past three decades
42 and loaded instead on the majority of households dependent on wages. And
43 successive policy developments have ensured that more of the provision of
44 social programmes is outsourced to companies such as Serco, Capita and
45 Group4 in the UK. As with arms production in the past, public procurement
46 of social care, health services, prisons, housing management and so on pro-
47 vides plenty of secure and profitable opportunities for the private sector.
48 Continually reducing corporate taxes and contracting out profitable niches of

1 the welfare state enables the potential contradiction between capitalism and
2 the welfare state to be managed for a period. (But I paid insufficient attention
3 to the ways this restructuring could undermine the effectiveness of personal
4 services and the well-being of users and citizens.)

5 So much for the arguments in PEWS. How, if at all, does this apply to
6 capitalism today? As Hill points out, this is a different animal to 1979: globa-
7 lised, financialised, hugely unequal and potentially unsustainable. I will put
8 aside the environmental limits until the end. The neo-liberal form of capital-
9 ism which emerged around 1980, to begin with in the USA and the UK,
10 undermined the share of wages, boosted profits and worsened the inter-
11 household distribution of both. In the USA this switch was so extreme that
12 real wage levels have scarcely improved since then. The maintenance of
13 consumption demand relied on a continual extension of debt, what Colin
14 Crouch has dubbed 'privatised Keynesianism' (Crouch 2009). The unleashing
15 of financial capital from previous constraints generated a titanic crisis in
16 September 2008, which threatened a wholesale collapse of the capitalist
17 system. Governments of all persuasions acted with remarkable speed to put in
18 place unprecedented rescue packages, bank bailouts and other interventions
19 to restore confidence in financial institutions – a major demonstration of the
20 way that system crises energize far-sighted elites to act.

21 The crisis has engendered a slump, in the UK even longer-lasting than the
22 1930s. By depressing real incomes for probably up to a decade this has cut the
23 fiscal ground from under most states, whether welfare or not, resulting in
24 escalating deficits and public debt. Thus far the almost universal policy reac-
25 tion has been austerity and cuts. A crisis of neo-liberal capitalism, for which
26 welfare states bear no responsibility, together with subsequent public rescue
27 packages, has undermined both real private wages and the social wage of the
28 mass of Western populations.

29 At the same time, the *political* power of possible countervailing forces has
30 been eroded. Labour and trades unions are of course much weakened. But
31 also capital has become more financialised, mobile and short-termist. Many
32 financiers evince no conception of social value or system need, only private
33 interest and greed. At the same time the domination of public interests by
34 powerful financial and corporate interests proceeds apace. (Richard Freeman
35 points out that part of the public funds used to rescue Wall Street were
36 immediately used to hire more lobbyists to campaign against further public
37 regulation of the financial sector: taxpayer money was used to prevent or even
38 reduce further democratic control: Freeman 2012) 'Winner takes all politics'
39 cements a prevailing anti-welfare coalition, resulting in 'the strange non-death
40 of neo-liberalism'. Streeck (2010) goes so far to claim that the 'plutocracy' are
41 now so rich as to be immune from an end to growth, declining profitability
42 and system failure: elite interests become divorced from interest in the survival
43 of the capitalist system.

44 If so, this undermines a major argument concerning the political economy
45 of the welfare state. Where is the countervailing force to come from in this
46 unpromising landscape? My counter-argument stresses differences within elite
47 interests and across institutional structures. First, the elite is not to be equated
48 with the financial elite. There remain far-sighted members of the elite in all

1 countries, for example Adair Turner, Chair of the Financial Services Author-
2 ity, with his comments on the 'socially useless' aspects of the City. The
3 plutocracy analysis of neo-liberalism is itself too reductionist. Second, reform
4 pessimism is still most profound in the Anglo-capitalist countries, notably the
5 USA and the UK. Yet it was during the period since 1980 that scholarly
6 analysis of welfare regimes and varieties of capitalism emerged and flourished.
7 Such research, and evidence for the divergence of social spending over this
8 period, certainly suggests that the alternative, let us summarize it as 'corpo-
9 ratist', strategy was alive and well in many countries. Debate has continued on
10 whether globalization and social and economic change is undermining such
11 forms of capitalism. Since the 2008 crisis and its aftermath, the pessimists have
12 a still stronger case as the Euro zone faces systemic crisis. We shall see. My
13 own view is that US-UK financialised capitalism is a specific form, and that
14 varieties of capitalism will persist and indeed expand as emerging capitalist
15 economies in the South develop new forms. This variety will challenge sim-
16 plistic incompatibility theories of the relationship between capitalism and
17 social policy.

18 I would next contend that in the real world of the early 21st century only
19 nation states can supply or support these countervailing functions. They will
20 require extensive and reformed international institutions to support them, but
21 these too will primarily emerge as a result of inter-governmental action. Thus
22 renewed state intervention is required to rebuild manufacturing and infra-
23 structure and to foster the 'new green industrial revolution' called for by such
24 as Lord Stern. The pressures in the Anglo economies to swing round the oil
25 tanker will increase; the pressures to reverse the shift from 'organized' to
26 'unorganized' capitalism will grow. Witness the radical greenhouse gas targets
27 endorsed by the coalition government and the rather extraordinary degree of
28 state planning already in place to deliver them. And in this more interven-
29 tionist world social policy will have a central role to improve social investment
30 as well as to meet critical social needs.

31 In the end, I would predict democratic states in reacting to the ongoing
32 crisis will slowly act to curb elite greed and reverse their grab of an inordinate
33 share of the social surplus in order to preserve the capitalist system. Just as the
34 state intervened to prevent the over-exploitation of the working class via the
35 Factory Acts so it will, slowly and fitfully, put in place the preconditions for
36 profitable growth today. But a reforming state will undertake this task under
37 most unpropitious fiscal circumstances. It will need simultaneously to address
38 social investment, social transfers, future pension costs, public debt, infrastruc-
39 ture investment, new green investment and 'eco-system maintenance'. In
40 other words, it will entail substantial collective intervention in national
41 resource allocation. My own view is that this restructuring will be aided by the
42 threats of faltering growth, climate change and energy insecurity. The result
43 would be some form of 'eco-welfare state'.

44 Up to this point, I would contend, such an eco-welfare state is compatible
45 with capitalism, albeit not unorganized neo-liberal capitalism. But is capital-
46 ism compatible with environmental sustainability? As Harvey says, capitalism
47 is predicated on long-run compound growth (whether or not 3 per cent p.a.)
48 (Harvey 2011). Jackson shows there is scant chance of that if global tempera-

1 ture and other critical environmental boundaries are not to be catastrophi-
2 cally overshoot (Jackson 2009). Thus eco-social policies will in the end, and
3 quite soon, have to confront the issue of limits to growth. All welfare states in
4 all welfare regimes have depended on a growth dividend for their finance; thus
5 climate change presents the definitive challenge to their future. Exciting new
6 policies are now being canvassed to reorient welfare systems to this new world
7 of constraint, including progressively reducing paid work time and shifting
8 welfare policy from 'cure' to prevention. It is only at this point that the
9 relationship between capitalism and the welfare state including the eco-
10 welfare state will likely become incompatible.

11 **Note**

12 1. Thanks to Anna Coote for valuable comments on a first draft.

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32 Ian Gough

REVIEWS

Democracy under Attack: How the Media Distort Policy and Politics

BY MALCOLM DEAN

Policy Press, Bristol, 2012. ISBN 978-1-84742-848-6; £19.99 (hbk).

No one is better equipped than Malcolm Dean to write about the relationship between the media and world of social policy-making from the perspective of a practising journalist. For more than 30 years Dean reported and commented on social policy for *The Guardian*, a record that was as distinguished as it was long. Not surprisingly, therefore, one of the virtues of his book is to give a sense of the complex choreography involved in the relationship between journalists and policymakers: the former dependent on ministers and civil servants for information (preferably exclusive scoops), the latter dependent on journalists for favourable headlines and comment.

From the 1970s onwards the balance of the relationship tilted towards the media. In part this may have been because of an increase – until reversed in recent years – in the number of specialist correspondents not dependent on pre-digested hand-outs and able to critically challenge policymakers. In part, it was because policymakers became ever more anxious to court the media, in the process making themselves much more accessible. So, for example, Dean records that Douglas Hurd – when Home Secretary in the Thatcher Administration – ‘used to hold lunches for a quartet from the *The Guardian*’. If politicians wanted to persuade the media to carry their messages to the public, they had to get into bed with journalists.

But while improved access to information can be seen as a positive gain for democracy, the increased sensitivity of Ministers to an often irresponsible press was not. On the contrary, Dean argues, the effect on policy was hugely damaging, given the character of most of the media. Hence the title of the book, in effect a polemic about the baleful combination of headline-happy campaigning newspapers (notably *The Sun* and *The Daily Mail*) and politicians all too willing to trim their policies in response to the presumed media impact on public opinion. In effect, the would-be manipulators – i.e. the politicians – allowed themselves to be manipulated.

Dean illustrates his thesis with a series of case studies. The sharpest of these is his bruising analysis of the law and order policies of the Blair government that disgracefully resulted in an ever rising prison population. Blair’s ‘penal populism’ reflected the way in which the tabloids (and not only they) framed crime, often with a selective disregard of the statistics. What is more, as he points out, ‘penal populism’ remains alive and kicking: witness the way in which hostile headlines persuaded the government to retreat from some of Kenneth Clarke’s liberalizing proposals.

In the other case studies of social policy, the picture is perhaps not quite so clear-cut. In the case of the National Health Service (NHS), for example, the picture is mixed. On the one hand, there is the example of the irresponsibility of *The Daily Mail* and *The Telegraph* in taking up a dodgy, soon to be discredited research finding to undermine public confidence in the MMR vaccine against measles. On the other hand, there is the positive role of the media in drawing

1 attention to poor care and conditions. More significant than such direct
2 effects, however, may be the long-term impact of the media bias towards the
3 negative: it is no accident that the public (informed by the media) tends to be
4 more critical of the NHS than patients (informed by direct experience).

5 The emphasis on the negative is only one of the seven sins of the media
6 catalogued by Dean in his conclusions, where he also analyses some of the
7 economic forces that are pushing the media to shed specialist staff and to
8 move down market in search of circulation. The sins include emphasizing
9 politics (and personality clashes) rather than policy: a conclusion which I
10 would reinforce by pointing out that even *The Guardian* has stopped reporting
11 what politicians say in parliamentary debates and instead offers only sketches
12 designed to show off the wit of the writer rather than the substance of the
13 speeches.

14 Perhaps the book could have been strengthened if Dean had looked at the
15 large literature on whether, and to what extent and in which respects, the media
16 mould public opinion: do politicians allow the media to shape the policy agenda
17 too easily or are they realistic in their judgment of media influence? There is
18 also an interesting puzzle which deserves further exploration: why do the media
19 appear to have little or no influence on complex organizational or programme
20 changes in the NHS or the social security system? But, all in all, Dean's angry,
21 well-documented indictment provides an illuminating if depressing light on the
22 way in which social policy is made and implemented.

23
24 *Rudolf Klein*

25
26 The Conservative Party and Social Policy

27 EDITED BY HUGH BOCHEL

28 Policy Press, Bristol, 2011. ISBN 978-1-84742-432-7; £23.99 (pbk).

29 In the run up to assuming office for the first time in 13 years, the British
30 Conservative Party sometimes seemed to veer between absurd pessimism and
31 heedless optimism. Britain, it declared, was 'broken' – central and local
32 government had tried and failed to help a socially excluded underclass which
33 was costing the taxpayer a fortune, causing all manner of problems to every-
34 one else and transmitting poverty, dependence and lack of mobility down
35 through the generations. On a brighter note, however, the Party and espe-
36 cially its leader since 2005, David Cameron, was convinced of the regenerative
37 potential of civil (or what he labelled 'the big') society – just as well, perhaps,
38 since following the global financial crisis of 2008 there would clearly be very
39 little in the kitty for new initiatives emanating from the state. This book
40 represents a substantial attempt on the part of an impressive array of scholars
41 to provide a snapshot of where the Tories were on social policy when
42 Cameron moved into Number Ten, as well as to make some educated guesses
43 about what they would do next.

44 After a brief introduction by the editor, the book begins with two very
45 useful chapters on what the Conservatives thought, said and actually did on

1 social policy in the postwar period. Next comes an equally informative
2 chapter on more recent shifts in the public mood that will inevitably represent
3 both an opportunity and a constraint for policymakers. There then follow
4 chapters on health, education, housing, social security and welfare, commu-
5 nity care, family and justice policy. The book wraps up with chapters on the
6 devolution and the governance of social policy and with a suggestive conclu-
7 sion by the editor which attempts to draw out some of the underlying themes.

8 First and foremost, the book confirms the impression that the coalition
9 government's social policies are to all intents and purposes Conservative
10 policies. None of the contributors seems prepared to make the case that the
11 Liberal Democrats have made more than a marginal difference – a judgement
12 that seems more than borne out by what has happened since May 2010.

13 Second, most contributors would seem to agree that, while at first glance
14 there would appear to be a happy marriage between the Conservatives'
15 dislike of big state solutions and their determination to squeeze public spend-
16 ing, things are not quite that simple. For instance, Secretary of State for
17 Work and Pensions (and former Tory Leader) Iain Duncan Smith's plans for
18 a 'universal credit', like his determination to 'make work pay' by reducing
19 the traps which mean taking a job (or doing extra hours) can make poorer
20 families worse off, is actually going to involve investment. The resultant
21 tension, given the pressure for deficit reduction, between Iain Duncan Smith
22 and the Treasury, and indeed between 'the Reformers' and 'the Cutters'
23 (p. 152) across the board, is picked up in many chapters. History suggests that
24 the former will lose out to the latter. But it also suggests that the government
25 will still find it impossible to reduce spending anything like much as it wants,
26 particularly as the economy fails to grow as strongly as initially forecast. Far
27 more money than anticipated will be needed to foot the bill for unemploy-
28 ment, and the Conservative Party can ill-afford to be seen to be taking an
29 axe to big-ticket, demand-led and electorally popular items like the NHS and
30 pensions.

31 Third, although most of the contributors are prepared to at least consider
32 'the big society' on its own merits, none of them seems in the slightest
33 persuaded. The slogan's potential as a solution for social problems, most of
34 them seem to suggest, is massively overstated, based on pious hopes, political
35 dogma and anecdotal example rather than on research, the bulk of which
36 suggests, incidentally, that that the British are not really up for more volun-
37 teering and that successful third sector solutions are often facilitated (and often
38 funded) by the taxpayer.

39 Fourth, and related to this, the picture that emerges is of a party desperate
40 to point to an evidence base for its ideas, but is content to make do with one
41 which is hopelessly compromised by its origins not in academic, peer-
42 reviewed research but in ideologically driven selective emphasis of inad-
43 equately evaluated overseas examples provided by a 'sprawling and highly
44 interconnected' network of right-wing think tanks. This is not particularly
45 unusual of course, but it is as depressing as it is familiar. That said, it does
46 prompt one of the few caveats worth mentioning, namely an incipient ten-
47 dency to take some of those think tanks, and their influence on party policy,
48 far too seriously. Anyone looking at the Thatcher years, in both opposition

1 and government, soon finds that the impact of such organizations, inasmuch
2 as it can be traced at all, had more to do with the long-term climate of opinion
3 that with the provision of workable blueprints.

4 In any case, there is, as they say, many a slip 'twixt cup and lip, so some of
5 the book's educated guesses about what social policy and the welfare state will
6 look like after five years of Tory-led government (assuming it lasts that long)
7 are bound to be wide of the mark. Nevertheless, the collection represents a
8 worthwhile endeavour – equally useful for those looking for a compass to
9 guide them as it is for those requiring an accurate reading taken right at the
10 start so they can eventually evaluate how things went.

11 *Tim Bale*

12
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14 Tim Bale, Professor of Politics, University of Sussex.

15 Ian Gough, Professorial Research Fellow, Centre for the Analysis of Social
16 Exclusion, London School of Economics.

17 Michael Hill, Emeritus Professor of Social Policy, University of Newcastle
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