

If you are using this resource in your work please remember to reference and cite the original work found here:  
<http://www.ukessays.com/essays/social-policy/welfare-state-development.php>

## Subject Area - Social Policy Welfare State Development

Modern welfare state development is generally considered to lead to social security or benefits payments, social housing provision, health provision, social work and educational services.

Together these services are known as the 'big five' but these services tend to develop over time and have differed in quantity, availability and quality. Provision and development can change due to social, economic and political factors (Spicker, 1995, p. 3). State provision of welfare has a long history, in Britain for instance dating back to the Elizabethan Poor Laws and earlier. Welfare states started to develop when surveys of poverty by people such as Charles Booth showed the inadequacy of welfare provisions that could not deal with poverty particularly with increasing urbanisation and industrialisation (Thane, 1996, p. 7).

The worldwide depression from 1929 would lead countries to consider further welfare developments. High unemployment (12% of the working population in Britain at its worst) showed that better welfare provision was needed (Robbins, 1994, p. 208). From such modest roots the public sector in Britain for example represents around 40 % of the economy (Simpson, 2005, p. 4). There are various key theories that seek to explain the processes involved in welfare state development that will be explained below. The theories have evolved or being devised to explain the differences and similarities in welfare state development in different countries at the same time or in a single country over a period of time. Theories agree that welfare states were developed to serve those that needed help the most or sometimes as universal services to all (O'Brien and Penna, 1998, p. 2). After the main theories have been discussed the one or ones that are most applicable for evaluating contemporary changes will be outlined.

There are different ways of looking at the development of the welfare state and deciding how far it should extend, demands for changes can result from improved technology, shifting social or economic factors and demographic trends such as lower birth rates and people living longer. As governments have discovered welfare states mean 'people are living longer and healthier lives' which means that there are more pensioners but less working people to sustain the pensions and extra health and care services they need (Department for Work and Pensions, 2005 p. 4). Four key theories of welfare state development are based around liberalism, Marxism, Neo-liberalism and post structuralism and have all at some point been reflected in or used in the development of welfare states. Developments in welfare states can also be reactive or proactive depending on the ideological aims and visions of governments or their ability to make social policy (Spicker, 1995, p. 35).

Liberalism tended to stress the role of the individual in providing for their own needs; the state should only intervene to help those that were incapable of finding work. The capitalist market would eventually provide better lives for everyone; there was only a minimum role for state intervention (O'Brien and Penna, 1998, p. 21). In Britain the liberals originally achieved their aims for welfare state development with the 1834 Poor Law Act that finally replaced the long lasting but no longer effective act of 1601. Following the new act the poor were put in workhouses where they had to work in return for being housed and fed (O'Brien and Penna, 1998, p. 21). Liberalism stressed in its original form that all the state needs to do is give individuals the freedom to make their own choices, only helping the really destitute. For them government only needs to uphold laws and property rights.

---

### Find more free essays like this one...

We have a large reference library of essays that you can use as research materials to help with your own writing - check out our [free social policy essays](#).

---

### Share this resource with your friends...

We hope you found this information in this free pdf useful. Please spread the word and tell your friends how this information has helped you with your studies and feel free to share this pdf with others, so it can help them too.



Keep up to date with the latest essay writing hints, tips and free research materials to help you with your assignments - simply subscribe to our RSS feed or join us on Facebook now!

**If you are using this resource in your work please remember to reference and cite the original work found here:**  
<http://www.ukessays.com/essays/social-policy/welfare-state-development.php>

The business of government of business was to allow businesses to operate freely (R. Bellamy 'Liberalism' from Eatwell and Wright, 2003, pp. 27-28). However some liberals recognised the shortcomings of laissez-faire economics particularly during recessions and slumps. They also noted the failings of the Poor Law to tackle poverty even during periods of improving prosperity. There emerged new and radical liberalism that called for increased welfare provision and the emergence of limited welfare states. The British Liberal governments of 1906-1914 epitomized that approach by introducing state old age pensions and labour exchanges for the unemployed (Comfort, 1993, p. 347). In contrast Germany had already had a well-developed welfare state provision by 1900. Curiously Bismarck who wanted a healthy well-educated population drew up this system (M Donald Hancock et al, 1998, p.295).

Two new liberals in the form of William Beveridge and John Maynard Keynes where the respective architects of the Atlee government's comprehensive welfare state and postwar interventionist economic policies or Keynesian (Bellamy from Eatwell and Wright, 2003, p. 33).

Beveridge had plenty of experience in welfare policy having being in charge of the labour exchanges and lecturing on economics at Oxford University and the London School of Economics. Keynes had been an economics adviser to the British government and inspired the New Deal programme in the USA (Crystal, 1998, pp. 105 & 523).

Marxism was developed by Karl Marx in conjunction with Fredrich Engels and led to a second keynote theory of developing the welfare state. Of course Marx and Engels were not concerned with such issues as they wished to promote communism and work towards the working classes taking over economic and political power from the capitalist classes. A Marxist state would develop a welfare state to promote progress, communism and above all protect the workers and eliminate poverty. Marx believed that capitalism would be replaced by communism thus replacing the inequalities and giving everybody enough to meet their needs (O'Brien and Penna, 1998, p. 44). The Marxist movement was not unified about how it would develop the welfare state or indeed gain power. Some Marxists such as the German Social Democrats preferred to use parliamentary democracy to achieve power and develop a welfare state.

The seminal Erfurt Programme of 1891 called for welfare provisions such as eight-hour working days, free healthcare, free education, minimum wages and equality for women. More radical Marxists such as Lenin and Trotsky advocated armed revolutions and were able to seize power himself. The Soviet Union itself developed a welfare state with free medical and education services and pensions with unemployment officially non-existent (J.F Femia 'Marxism and Communism' from Eatwell and Wright, 2003, pp. 110-12). In Imperial Germany, Bismarck set up the welfare state to undermine the socialists thus taming these wild beast of the political forest (Hobsbawm, 1987, p. 102). The Marxist-Leninist regimes of the Soviet Union and its Central and Eastern European satellites may have developed welfare states but they failed to produce the economic prosperity of the West and the many failures of their planned economies contributed to the fall of these regimes. On the other hand their population were all more economically equal, they were poor but had free welfare provision and no political rights.

The third main keynote theory for welfare state development is Neo-Liberalism most closely associated with the governments of Margaret Thatcher and Ronald Reagan. In Britain and other parts of Western Europe the combination of Keynesian economics and all embracing welfare provision that had helped to achieve postwar prosperity faltered in the late 1960s and the 1970s. Neo-Liberals believed that the combination of Keynesian economics and the welfare state were contributing to economic and political stagnation and were no longer viable. Margaret Thatcher's government elected in

---

#### Find more free essays like this one...

We have a large reference library of essays that you can use as research materials to help with your own writing - check out our [free social policy essays](#).

---

#### Share this resource with your friends...

We hope you found this information in this free pdf useful. Please spread the word and tell your friends how this information has helped you with your studies and feel free to share this pdf with others, so it can help them too.



Keep up to date with the latest essay writing hints, tips and free research materials to help you with your assignments - simply subscribe to our RSS feed or join us on Facebook now!

**If you are using this resource in your work please remember to reference and cite the original work found here:**  
<http://www.ukessays.com/essays/social-policy/welfare-state-development.php>

1979 proceeded to formerly ditch Keynesian economics and intended to cut back on the welfare state (O'Brien and Penna, 1998, p. 78-79). Following policies that became known as Thatcherism nationalised industries were privatised, subsidies to ailing private companies were stopped, and council houses were sold off. These policies increased unemployment but eventually lowered inflation. Margaret Thatcher also limited trade union power and defeated the miners during the bitter strike of 1984-1985. She brushed aside opposition to her policies as people accept there is no alternative (Comfort, 1993, p. 608). The planned reduction in expenditure on the welfare state never materialised as higher unemployment pushed up benefit payments and more civil servants were needed to process those claims. The Conservatives found that the National Health Service was politically sacred although they were able to introduce an internal market to aid efficiency. Neo-liberalism is a return to the ideas of classic liberalism and views the state in the same negative light. However it has not being able to dismantle the welfare state just to reform it (O'Brien and Penna (1998) p. 103). In the USA Reagan's policies produced similar levels of unemployment and poverty whilst increasing military spending substantially. Jessie Jackson accused Reagan of spending millions to beat our plowshares into swords, while leaving the disadvantaged begging for bread Carroll and Noble, 1988, p. 437). Reagan found it easier to repudiate welfare and spurn the legacy of the New Deal than Thatcher found it to reverse the concept of provision from the cradle to the grave (Hobsbawm, 1994, p. 249).

Post-structuralism emerged at a similar time to Neo-liberalism from the 1960s. Unlike Neo-liberalism it does not see liberalism in any guise or Marxism as adequate methods of understanding social and economic policy or as foundations for welfare state development. Instead of concentrating on the state and individuals Poststructuralism aims to understand 'the relationships between knowledge of social life and the diffusion of power through society (O'Brien and Penna, 1998, p. 105). Marxism started to suffer a crisis from the 1970s with its economic weaknesses greatly undermining its social and political foundations and bringing about the collapse of communism in Central and Eastern Europe (Agh, 1998, p. 6).

Actual welfare state development is more often a mixture of more than one of these approaches. Development is often based on pragmatic concerns as much as ideological ones. Political concerns particularly in liberal democracies can dictate welfare state development. Welfare measures that are electorally popular will often be implemented ahead of reforms that would make the system more effective yet could be electorally damaging. Recent demographic changes and future trends certainly make welfare state development a vital issue for the present and the future. While those aged over 65 currently represent 16% of the UK's population by 2041 that figure is estimated to rise to 25%. The UK's government Actuary's Department also estimates that the working age section of the population will decrease from 65% to 58% which is all those aged 16 to 64 (DWP, 2005, p.16). . Aging populations are a serious problem to how welfare states as already developed can be sustained. By 1994 over 65's made up 15% of the German population, 14.5% of the French population and 17.7% of the Swedish population (M Donald Hancock et al, 1998 p. 90).

Generally those of the left of the political divide are more likely to prefer a greater development of the welfare state than those on the right who either maintain the status quo or cut it back if they can (Spicker, 1995, p. 77). Based on the facts of aging populations with fewer people of working age paying taxes to fund welfare and benefits expenditure the latest trends in welfare state development tend to stress targeting expenditure to the most needy, providing value for money and preventing fraud. In Britain New Labour has attempted to reform housing benefit and introduced performance standards to improve administration by local authorities. The government has had some success in countering fraud (DWP, 2003, pp. 32-39).

---

#### Find more free essays like this one...

We have a large reference library of essays that you can use as research materials to help with your own writing - check out our [free social policy essays](#).

---

#### Share this resource with your friends...

We hope you found this information in this free pdf useful. Please spread the word and tell your friends how this information has helped you with your studies and feel free to share this pdf with others, so it can help them too.



Keep up to date with the latest essay writing hints, tips and free research materials to help you with your assignments - simply subscribe to our RSS feed or join us on Facebook now!

If you are using this resource in your work please remember to reference and cite the original work found here:  
<http://www.ukessays.com/essays/social-policy/welfare-state-development.php>

New Labour introduced the New Deal to help young people, disabled people and lone parents' back into work. Since 1997, two million more people of working age have gained employment reducing benefits expenditure by 5 billion a year, with the purpose of tackling the scourge of unemployment, inactivity and poverty (DWP, 2005, p. 4).

For Western Europe the keynote theory that best described welfare state development up to the 1960s would have been variations of liberalism with elements of socialism, for instance British new liberalism and the West German social market economy. From the 1970s neo-liberalism and Poststructuralism had a greater influence on the development of welfare states reflected most closely in the neo-liberal tenets of Thatcherism in Britain. Neo-liberalism did reduce the size of public sectors in the countries that tried it but its deflationary effects led to higher unemployment and higher benefits expenditure. Neo-liberalism would be the best theory to describe the welfare state developments in Central and Eastern Europe after the end of communism. Over all neo-liberalism is now probably the best keynote theory with the proviso that previous liberal and socialist as opposed to Marxist legacies are still apparent and politically untouchable. The reforms needed to amend, extend and continue welfare state development would best be considered under a Post-structuralist framework. Welfare states especially in the West face the growing challenge of providing for the extra needs of aging populations whilst the working age populations needed to pay for them dwindle. Possible solutions could include raising retirement ages, persuading more people to provide for their own health care and pensions, encouraging people to have more children or encourage immigration from developing nations.

#### Bibliography

Agh, A. (1998), *The Politics of Central and Eastern Europe* Sage, London

Carroll, P.N. and Noble, D.W. (1988) *The Free and the Unfree- A new history of the United States* 2nd edition, Penguin, New York

Comfort, N. *Dictionary* (1993) *Brewer's Politics a Phase and Fable* Cassell, London

Crystal, D. (1998) *The Cambridge Biographical Encyclopedia*, 2nd edition, Cambridge University Press

Department for Work and Pensions (2003) - *Departmental Report 2003* The Stationery Office, London

Department for Work and Pensions (2005) - *Five Year Strategy -Opportunity and Security throughout life* The Stationery Office, London

Donald Hancock, M; Conradt, D.P; Guy Peters, B; Safran, W. and Zariski, R. (1998) *Politics in Western Europe* 2nd edition, Macmillan, London

Eatwell, R and Wright, A. (2003) *Contemporary Political Ideologies* 2nd edition, Continuum, London

Hobsbawm, E. (1987) *The Age of Capital 1875-1914*, Weidenfeld & Nicholson, London

---

#### Find more free essays like this one...

We have a large reference library of essays that you can use as research materials to help with your own writing - check out our [free social policy essays](#).

---

#### Share this resource with your friends...

We hope you found this information in this free pdf useful. Please spread the word and tell your friends how this information has helped you with your studies and feel free to share this pdf with others, so it can help them too.

**If you are using this resource in your work please remember to reference and cite the original work found here:**  
<http://www.ukessays.com/essays/social-policy/welfare-state-development.php>

Hobsbawm, E. (1994) The Age of Extremes - The short Twentieth Century 1914-1991, Michael Joseph, London

O'Brien, M. and Penna, S (1998) Theorising Welfare Enlightenment and Modern Society' Sage Publications, London

Robbins, K. (1994) The Eclipse of a Great Power - Modern Britain 1870 - 1992, 2nd edition, Longman, London

Simpson, J. (January 2005) Meet Barry- he's here to help - Public service director magazine

Spicker, P. (1995) Social Policy Themes and Approaches, Prentice Hall Harvester Wheatsheaf, London

Thane, P. (1996) Foundations of the Welfare State 2nd edition Longman, London

**This essay was written by a student and then submitted to us to help other students. You should not hand in this essay as your own work - we do not condone plagiarism! If you need custom essay help, then check out our essay writing service.**

---

#### Find more free essays like this one...

We have a large reference library of essays that you can use as research materials to help with your own writing - check out our [free social policy essays](#).

---

#### Share this resource with your friends...

We hope you found this information in this free pdf useful. Please spread the word and tell your friends how this information has helped you with your studies and feel free to share this pdf with others, so it can help them too.



Keep up to date with the latest essay writing hints, tips and free research materials to help you with your assignments - simply subscribe to our RSS feed or join us on Facebook now!