The past seventeen years of New Right hegemony in the USA and the UK have led to a systematic undermining of the 'old settlements' of the Keynesian Welfare States. These settlements, accepted by both Conservatives and Labour politicians in the UK and federally imposed on recalcitrant States in the US, have been destabilised by twenty years of tax cuts and welfare restructuring in both countries. In the US the reduction and reconstruction of public assistance welfare, already exceptionally parsimonious for an OECD country, has created a model for other Western societies, including the UK. The welfare and labour law systems of both countries now carry global capitalist seals of approval for fiscal propriety, low wages and employer-friendly labour laws. In the United States income inequality is at its highest since the 1920s, and in the United Kingdom all the redistributive gains of the Second World War and after have now been reversed.

Unfortunately both the US Democratic Party and the UK Labour Party, re-marketed as New Democrats and New Labour, have accepted the 'reality' of an increasingly minimal welfare system and labour protection and argued that there is a need for a 'New Settlement' to replace the old Keynesian Welfare States. In the United States welfare 'reform' has particularly targeted the cheap social assistance programmes for single mothers and the unemployed (Aid to Families with Dependent Children – AFDC – and other anti-poverty programmes), rather than social security programmes (pensions, Medicaid) with widespread support. In August 1996 Clinton finally signed the Republican-drafted Personal Responsibility Act which dismantled federal regulation of AFDC and other poverty programmes, allowing States to set their own conditions and level of benefits. Under the new Act social assistance is limited to five years' support in a lifetime, with a maximum of two years' support at any one time. Clinton also set the federal block grant for these programmes at lower levels than the inflation rate over the next five years. As one Italian -
newspaper headline put it 'Clinton Abolishes Roosevelt'.

In the United Kingdom there has been very little check to New Right policies which have cut both social insurance and social assistance welfare programmes. National Insurance cover for periods of unemployment, maternity leave and sickness all lost their earnings-related element as early as 1980; these payments were uncoupled from rising earnings and tied instead to the retail price index as was the basic old age pension. In 1986-1988 a further programme of welfare 'reform' led to the abolition of grants for necessities (cooking, bedding, clothing) for the poorest, turning them into loans, and to the abolition of the right to income support for young people aged 16-18 years. Further welfare 'reform' in 1996 has led to the rolling together of both social assistance (funded through general taxation) and social insurance for the unemployed (for which workers have paid through their National Insurance stamp) into a new Job Seeker's Allowance (JSA). Under the JSA claimants have to prove they have been looking for work – a re-enactment of the 1930s 'genuinely seeking work' clause – and have to take any job no matter how unsuitable.

It seems unlikely that an incoming Labour Government in the UK would reverse any of these reductions in the welfare safety net. From the 1980 Social Security Act through to the new Job Seeker's Allowance, the Labour Party has accepted welfare 'reform' with barely a fight. Labour's one positive promise, to restore the Old Age Pension to the level it would have been if it had continued to be linked to average earnings, has been dropped in favour of a Labour version of 'no new taxes'. The 'windfall' tax they hope to raise from a one-off tax on the privatised utilities will only cover some additional spending in the health and education sectors, and the training of a quarter of a million young people.

The argument for a 'New Settlement' for welfare in both the UK and the US derives from the acceptance of three economic 'facts' by centre-left politicians. The first 'fact' is that budget deficits are caused by spiralling welfare payments rather than by lowered tax receipts. The second is that the provision of health and welfare services is being jeopardised by an ageing population in both societies.' The third is that welfare payments are being swelled by scroungers and an 'underclass' of welfare dependants. It has been one of the notable success stories of the UK New Right that budget deficits created through unemployment, the under-taxation of companies and the redistribution of the tax burden away from the rich, have been successfully presented as a crisis of welfare rather than of capitalism, and that the Centre-Left have accepted this view of the economy.' At the heart of the argument for a 'New Settlement' in Britain is the promise by Blair, Brown and others to accept this new tax and welfare regime as largely irreversible. Their aim is to deliver, as Clinton has done, a decrease in the budget deficit and a growth in employment and, as Clinton once wished, a
more equitable society through economic growth, rather than redistribution.

But in both countries the decay of the social fabric (apparent in unrepaired and over-crowded state schools and hospitals and breakdowns in social order) has reached a crisis point in the poorest areas and presents increasing problems for the rest of society who are not part of the 'overclass'. The 'new theory' that the centre-left has been searching for in order to combat the ideological hegemony of the New Right, turns out to be a theory that locates the responsibility for the fracturing of society not in the privatisation and inequitable programmes of the past twenty years, nor in government policies and deregulated free markets, but in the families and communities that suffered most from those policies. In the US and the UK 'New Democrats' and 'New Labour' have found communitarian theory useful in constructing a political discourse that it is in the community and in the family, not in the 'commonwealth' (civil society as government), that responsibility lies for social disorder and disintegration. The communitarian position appears to expect that poor, and growing poorer, parents will be able to impose order on their children, and rebuild their own communities. It is therefore important to consider the assumptions underlying the communitarian theory which now provides the theoretical justification for the new consensus between the 'left of centre' (as Blair once described himself), centre and right.

**From the New Right to Communitarianism**

From the mid-1970s when Conservative think tanks in both the United Kingdom and the United States began writing their dreams of a free market future of private wealth and public poverty, the exchange of theory on free market economics was accompanied by an exchange of theories exploring problems of poverty and social order. In the early 1970s the then leading UK free market politician, Keith Joseph, put forward a version of Oscar Lewis' 'culture of poverty' thesis to explain the existence of impoverished claimants in a welfare democracy. This attempt to counter Peter Townsend's rediscovery of poverty was easily discredited. But by the late 1980s it was possible for UK Conservative politicians to successfully adopt the language of the 'underclass' from US writers such as Auletta and Murray. Whereas the terms of the poverty debate in the 1960s and 1970s were set by the poverty lobby in both the US (Michael Harrington) and the UK (Peter Townsend and Brian Abel-Smith), by the 1990s the poverty debate had been captured by the 'underclass' lobby seeking the abolition of welfare 'dependency' through the abolition of welfare. The central feature of New Right social thought has been the successful presentation of welfare recipients as the creators of the problem of social order rather than its casualties, as dependants on society rather than claimants from society.
In the United States the term 'underclass' became synonymous with black Americans living in ghettoised neighbourhoods. The most liberal version of the increasingly popular theory of the underclass was that of William Julius Wilson, who argued that the underclass was caused by an absence of a 'marriageable pool' of traditional bread-winning males (because of rising unemployment and rising crime) which left women to raise children as single mothers. Although liberal in its attempt to shift the argument from behaviour to social conditions, Wilson's thesis allowed for a redefinition of poverty as a problem particularly affecting ghetto dwellers rather than rural and urban workers and suburban Americans without work, and those Americans in jobs where the pay was too low to raise them over the poverty level. In all versions of underclass theory, poverty became associated with crime and disorder rather than need and was no longer obviously connected to the welfare and unemployment crises of deregulated free markets.

In first the US and then the UK Charles Murray presented the extreme right-wing version of the 'underclass' thesis. His argument was that welfare payments created an underclass of dependants with welfare dependent expectations and attitudes. As well as being enormously influential in the US, these ideas were taken up in the UK in 1990 and particularly after the election of 1992. Just as in the US, where two conservative US think-tanks were important in pushing the underclass argument and targeting welfare payments (the American Enterprise Institute and the Heritage Foundation), the UK's Institute of Economic Affairs aided by the Sunday Times created a platform for Murray. In 1994, in a series of articles for the Murdoch-owned London Sunday Times, Murray described the unemployed and single parents of the UK as a 'new rabble' unlike the 'New Victorians' of self-help savers. Just as the existence of Aid to Dependent Families was the 'cause' of a black underclass in the United States, so in the UK the existence of the right to permanent social housing for homeless parents of dependent children, and to housing benefit and income support, was the 'cause' of a white British underclass, living on local authority housing estates and subsisting on income support.

On both sides of the Atlantic 1996 saw the first, but not the last, legislative culmination of the scape-goating of single parent mothers, and other welfare recipients. As Clinton finally signed the Republican Personal Responsibility Act despite the previously successful veto campaign, the Job Seeker's Allowance was introduced in Britain with new powers to take people off benefit. Peter Lilley, UK Minister for Social Security, also unveiled a new 'cheats hotline' for members of the public to phone in and inform on 'scroungers', and paid for it by closing the Benefits Agency telephone advice service for welfare claimants. The repeal of the Homeless Persons' Legislation under the new Housing Act 1996 took away the right
to permanent social housing for homeless applicants, including parents with dependent children who may now be assessed for two-year temporary accommodation only; if a local authority wishes to offer further support it can, but it is only allowed to house the homeless in local-authority owned or controlled property for a maximum of two years out of three.

Rather than confronting these New Right policies both New Democrats and New Labour have sought to construct a 'New Settlement', one which is acceptable to Conservatives, industrialists and bankers. Unable to answer the question of how they would regenerate the economy and mend the social fabric without reinflating, spending more on welfare and raising taxes, the New Democrats have mined certain aspects of communitarian writings to provide a distinctive theory of social crisis, which would leave lowered tax rates and cuts in welfare unchanged, while offering proposals for the restoration of the 'good society'. The role played by Charles Murray in promoting the underclass thesis in both the US and the UK has now been taken over by Amitai Etzioni on behalf of the communitarian position. Following well-received works by Robert Bellah (The Habits of the Heart and The Good Society), Etzioni undertook the task of producing a general statement of communitarian philosophy and sociology. He produced first The Moral Dimensions: Towards a New Economics, 1988, and then The Spirit of Community. The Spirit of Community in particular provided a popularised account of communitarianism in which the origins of the present-day social crisis could be found in a parenting deficit, inadequate education systems, the weakening of community ties and rampant individualism.

The appeal of communitarian theory to the 'centre-left' has been that it appears to offer an alternative to both destructive free market individualism (allied with social authoritarianism), and 'expensive' social democratic welfarism and liberal civil rights programmes. In his 1988 text Etzioni claimed communitarian thought as a middle way\(^9\), seeking to wrest the high ground from both individualism (a term used to slide together both libertarian neo-economic theory and liberal 'rights' theory) and social conservatism:

We are now in the middle of a paradigmatic struggle. Challenged is the entrenched utilitarian, rationalistic-individualistic, neo-classical paradigm which is applied not merely to the economy but also, increasingly, to the full array of social relations, from crime to family. One main challenge is a social-conservative paradigm that sees individuals as morally deficient and often irrational, hence requiring a strong authority to control their impulses, direct their endeavours, and maintain order. Out of the dialogue between these two paradigms, a third position arises, which is advanced in this volume. It sees individuals as able to act rationally and on their own, advancing their self or 'I', but their ability to do so is deeply affected by how well they are anchored within a sound community and sustained by a firm moral and emotive personal underpinning — a community they perceive as theirs, as a 'we', rather than as an imposed, restraining, 'they'.\(^{10}\)
Indeed, the general argument in *The Moral Dimension* seemed to offer a happy alternative for centre politicians: a critique of the social results of free market economics which nevertheless accepted the central premise of the free market; an argument against the individualist fallacy at the core, it is claimed, of both free market economics and liberal 'rights' traditions; a plea for community without social authoritarianism, and for the moral regeneration of society without financial costs to the state. In *The Moral Dimension* Etzioni offered a basis for a standstill 'new settlement' which attempted, with goodwill and moral persuasion, to rebuild crumbling communities.

By 1993 however, Etzioni's argument had changed in significant ways from his 1988 position and a 'standstill' interpretation was no longer possible. In *The Spirit of Community* (1993) Etzioni displayed an almost complete acceptance of the New Right agenda on social order and of the critique of 'rights talk' that had come to be so fashionable in the United States, whilst arguing that the worst of New Right policies could be avoided. *The Spirit of Community* begins with a series of claims that the New Right agenda of restoring law and order, saving the family, restoring schools as moral educators, and rebuilding communities could take place without an authoritarian state, Puritanism, educational indoctrination, women's inequality and the growth of vigilante/separatist communities. However there must be a moratorium on the growth of individual rights and of government responsibilities. Although Etzioni initially states in *The Spirit of Community* that 'strong rights presume strong responsibilities' his real message, published at the time when a national American healthcare system was being debated, was that there should be 'no new rights':

> When asked whether certain things are a 'a privilege that a person should have to earn, or a right to which he is entitled as a citizen' most Americans (81 per cent) considered health care a right (versus 16% who said it was a privilege). Two-thirds (66 percent) considered adequate housing a right (as opposed to 31 percent who called it a privilege). Indeed, why not? Until one asks, as there are no free lunches, who will pay for unlimited health care and adequate housing for all? The champions of rights are often quite mum on this question, which if left unanswered makes the claim for a right a rather empty gesture."

Etzioni goes on to the litany that rights presume responsibilities, that there are some responsibilities without rights, and that there needs to be careful adjustments between rights and responsibilities. He then presents his central purpose in writing *The Spirit of Community*, which is to argue for the moral reconstruction of America through the re-generation of shared values in family and community life. For Etzioni, the degeneration of family life is at the heart of the moral malaise of society. Whilst paying lip-service to the argument that one good single parent can be better than two inadequate ones (a lip-service recently repeated by Tony Blair), Etzioni goes on to argue that the two parent family is a 'two-piston engine
of effective education' for the child. Having a child is a moral commitment yet he argues, parents have steadily reduced the number of hours they spend with their children in a week (from 30 hours a week in the 1960s to 17 in the 1980s) and have increasingly used substitute childcare to enable them to work. Etzioni states clearly that child care provision, staffed by temporary under-paid workers, is no substitute for parents who should be prepared to work less, to spend less money, to stop moving and to settle in a community. Both flexitime and home working are positive developments for parenting, according to Etzioni.

His two ‘radical’ proposals for state support for parenting are for paid maternity leave in the United States (a welfare benefit that Western Europe has had for decades) and child allowances. There are no proposals to reduce the hours of the working week or to create a network of subsidised high quality child care facilities. Instead there are proposals for a waiting time before marriage (ignoring the decline of marriage as an institution even within the much married United States), a waiting time before divorce, that families should eat meals together, that both parents should contribute to child support, and that welfare laws should be reformed so that they do not discriminate against the married. A further proposal for the remoralising of the young and development of self-discipline is for the return of the form teacher. Thus, the violence and drug-dependent cultures that have swept through schools in poor areas in both countries during the past decade are to be dealt with by parents and by teachers, the very people who have been trying to deal with them all along.

Etzioni’s most controversial proposal is for a year of national service for all young people in order to overcome the demoralising experience of unemployment. This year of national service would provide an experience of living in a unified community, reinforcing American values among all cultural groups. Despite this proposal for a re-construction of a national community Americans, in a world designed by Etzioni, would still not be able to turn to that national community for social justice. They would have to rely on themselves and their families:

A communitarian position on social justice (for all groups) includes the following elements: First, people have a moral responsibility to help themselves as best they can. There is, as conservatives keep reminding us, something deeply degrading about being dependent on others.

... The second line of responsibility lies with those closest to the person, including kin, friends, neighbours and other community members. They are next in line because they know best what the genuine needs are (they are much less likely to be cheated than are welfare bureaucrats) and are able to tailor the help to what is required.

... as a rule every community ought to be expected to do the best it can to take care of its own... Charity – and, more broadly, social responsibility – ought to begin, but not end, at home...

... Last but not least, societies (which are nothing but communities of communities) must help those communities whose ability to help their members is severely limited. ...
Providing federal unemployment insurance, which is partially funded by taxes that are paid by all Americans is here fully justified."

Among measures that Etzioni finds acceptable for the development and protection of communities are the introduction of curfews and of national identity cards.

In Etzioni's *The Moral Dimension* the critique of excessive individualism was aimed both at the libertarian theorist Nozick, who would seek to end welfare in the name of liberty, and at the radical liberal John Rawls, who sought a liberal theory of justice in order to promote redistributive justice and civil rights. The arguments for 'no new rights', 'no rights without responsibilities', are arguments that have been deployed successfully against the left's previous commitment to redistributive justice and to civil rights. These arguments have been used to reconstruct centre-left policies in the US and UK. Exhortations to return to family values and to rebuild communities have played an increasingly important role in the speeches of the Labour leadership in Britain because they address two obvious realities – increasing poverty among young families and increasing social disintegration among poor communities – without requiring the restoration of social justice through redistributive policies, or the restoration of a justice system in which prison is a last resort rather than a first.

Seventy American academics signed the 'Responsive Communitarian Platform' drafted by Etzioni, Mary Ann Glendon and William Galston in 1991. This programme for moral regeneration with families as the first line of defence, followed by schools and communities, demonstrated that communitarianism had not only taken heed of New Right critiques of 'welfare dependency', 'welfare scroungers', and 'disintegrating communities' but had accepted them all. It is this perspective that has been taken as a radical re-statement of centre and centre-left values in both Clinton's camp and in some Labour Party circles. In Clinton's 1992 election campaign workfare proposals were placed alongside commitments to good child care, jobs for those who needed them, and to healthcare reform, but in 1996 it was only the commitment to workfare that survived. Similarly, policies put forward by the Social Justice Commission, set up by the late labour leader John Smith, have been diverted away from proposals for the reversal of increasing inequality, to discussions of community, family and crime. There is now growing pressure within the British Labour Party to accept the 'necessity' to means-test the remaining universal elements of the British welfare state in order to provide adequately for the poorest, and to accept the increasing privatisation of future welfare provision and job training. The dualism of the 1992 Clinton position is now being reproduced in the 1997 British Labour Party in the run-up to the General Election of 1997.
The British Labour Party, the New Settlement and the Stakeholder Vision

Many of the original Institute for Public Policy Research (IPPR) pamphlets were written in language that wavered between the New Right map of contemporary society and 'Old Labour' commitments to equality and social fairness. The concept of welfare 'dependency' appeared in several pamphlets alongside tables depicting the growth in poverty. In two of them, the 'problem' family reappears. The idea that people on benefit were 'claimants' from society had largely been replaced by a mixture of ideas from both right and left. It was in this context that communitarian arguments became important inside the Labour Party, offering a theoretical legitimation for the New Right perspectives on social welfare but dressing them in the language of family and community responsibility, and increasingly of 'law and order'.

In his 1993 IPPR essay 'Sharing Responsibility for Crime', Blair argued for a perspective that was neither conservative, blaming individuals for crime, nor 'left', blaming society, but one in which 'rights and responsibilities go together'. Blair described this as a 'left of centre' position and in it perspectives of family responsibility and society responsibility jostled one another:

...a child brought up in a stable, well-balanced family is more likely to develop well than one who is not, and that it is likely to be harder, financially and emotionally, to bring up children alone...raising a child well is made easier if a family has a decent income, lives in pleasant surroundings, is well housed, and has access to high quality education.

Blair ended by arguing that the country was now prepared for a 'sensible, balanced and modern view of individuals, family and community, of the right balance between individual responsibility and social action'.

Blair was still careful not to commit himself totally to the idea of an underclass. In New Britain, his recent major collection of political essays, he consistently used the phrase 'what some call an underclass'. But increasingly the themes he addresses are ones of family and community values. In October 1996 a speech delivered in South Africa (much to the audience's surprise) was almost entirely devoted to his view of the 'decent society':

At the heart of everything New Labour stands for is the theme of rights and responsibilities. For every right we enjoy we owe responsibilities. That is the most basic family value of all. You can take, but you give too.'

His tough stance on crime, he said, derived from his concern for the suffering of people on council estates:

...whose lives are made hell by teenage tearaways, vandals, drug-dealers, muggers, graffiti artists and the culture of despair that has been spawned by the break-down in the decent values on which Britain was built.
This was why he supported Jack Straw's curfew on children in these estates at night.

Families have the right to live in secure communities that are orderly and safe for their children to live, learn and play in. But parents have a responsibility to know where their children are and what they are doing.

... Some call it curfew. I call it child protection.

A visit to a juvenile court would prove to anyone the direct link between the break-up of family and community bonds and the breakdown of law and order.

Despite Blair's emphasis on the need for family values, he also tried to distance himself from the 'back to basics' position of the Conservatives. He was adamant that a return to family values did not mean a return to women in the kitchen or to homophobia or to Victorian society. In his very next statement, however, that position was qualified:

But the absence of prejudice should not mean the absence of rules, or order, or stability ... Let our social morality be based on reason - not bigotry. But let us not delude ourselves that we can build a society fit for our children to grow up in without making a moral judgement about the nature of that society...

... Any decent society is founded on duty, responsibility. A philosophy of enlightened self interest in which opportunity is extended ... greater security, safer streets, motivated young people."

Linking law and order and family values together Blair is pulled closer and closer to the Right.

With respect to some other policies, Blair's speeches and writing differ considerably from the more right-wing communitarian statements of Etzioni.28 Blair's original arguments on the stakeholder economy, society and politics began from the global challenge to British capitalism rather than the destruction of the inner cities and family life. Many of his speeches refer to a quite different ideological tradition in British politics, that of 'one nation'.26

Social justice, the extension to all of a stake in a fair society, is the partner of economic efficiency and not its enemy ... We live in a world of dramatic change and the old ideologies that have dominated the last century do not provide the answers. They just do not connect with a new world of global competition, abrupt technological advance, a revolution in the world of women, new environmental danger, and widespread demands for a new more empowering and open form of politics.

But there is a big ideal left in politics. It goes under a variety of different names – stakeholding, one nation, inclusion, community – but it is quite simple. It is that no society can every prosper economically or socially unless all its people prosper, unless we use the talent and energies of all the people rather just the few, unless we live up to the ambition to create a society where the community works for the good of every individual, and every individual works for the good of the community.27

For Blair the nation is the ultimate community and communitarianism is presented both as a new version of much older British traditions that were the foundation of the 'old' settlement (one nation and social citizenship theories), and as a version of the social inclusion perspective of
European, particularly French, socialism. In his writings, **communitarianism**, social inclusion, social citizenship and a 'one nation' perspective are all compatible with the British ethical socialist tradition:

Since the collapse of communism the ethical basis of socialism is the only one that has stood the test of time. This socialism is based on a moral assertion that individuals are inter-dependent, that they owe duties to one another as well as to themselves, that the good society backs up the efforts of the individuals within it, and that humanity demands that everyone be given a platform... the good of each does depend on the good of all. This concept of socialism requires a form of politics in which we share responsibility both to fight poverty, prejudice and unemployment, and to create the conditions which we can **truly** build one nation – tolerant, fair, enterprising, inclusive. That, fundamentally was Attlee's kind of socialism and it is mine."

Just as with Clinton in 1992, Blair has appeared to be facing in two directions at once since his election to the leadership of the Labour Party. To his left there are several radical statements on the stakeholder perspective, including Will **Hutton**'s book *The State We're In* and the Trades Union Congress 1996 statement *Your Stake at Work Proposals for a Stakeholding Economy*. To his right are Labour Members of Parliament such as Jack Straw, Shadow Home Secretary, and Frank Field, Chairman of the Social Security Select Committee and highly influential across all parties in the formation of policy on welfare and social security.

The essence of the more radical stakeholder vision is to ally a modernised 'social citizenship' theory with European perspectives on social inclusion:

- The right to be a member of a functioning economic community is among the most important of individual rights. The key stakeholder value is inclusion, rather than the equality sought by the Old Left or the individual autonomy of the New Right."

In this view, put forward by **Hutton** and Kay, businesses are social institutions, not creatures of the stock market, and ownership confers obligations, including that of paying **tax**. A business discharges its franchise through a network of co-operative working relationships, and wealth creation depends on building institutions that allow co-operative relationships and embody **trust** and commitment. Moreover, successful market economies rely on a host of intermediate organisations in order to function, such as voluntary organisations and quangos, hospitals and firms; it is this institutional infrastructure that generates, nurtures and sustains social capital.

Arguments derived from **Hutton** and Kay on the short-term nature of British capitalism, seeking higher dividends rather than long-term investment, are repeated in the first chapters of the **TUC**'s pamphlet *Your Stake at Work*. The thrust of this pamphlet is to summarise the lack of investment in Britain industry and to compare the governance of British companies unfavourably with that of other **European** countries, particularly
Germany and France. The TUC pamphlet outlines a range of policies designed to create a new deal for workers within British companies (who now have the weakest legal protection in Western Europe), and for a reversal of the rising tide of inequality, redundancies and low-paid part-time working prevalent in the UK since 1979. Their proposals include schemes for workers to own shares in the companies they work for (the Employee Share Ownership Plans of the US are one potential model), greater investment in workforce skills, implementation of changes in Company Law already proposed by official inquiries, and greater control over institutional funds by investors. These proposals, and those of Hutton and Kay, are ones which seek a more efficient capitalism that can provide work and welfare to its citizens, and also seek to democratise capitalism in the name of ‘stakeholding’.

In Frank Field's version of stakeholding, as expressed in Stakeholder Welfare, there is little that any Conservative could take exception to. "This right-wing version of stakeholder theory draws heavily on both new right and communitarian arguments about family and community values. Field begins by outlining the seven principles which underpin his perspective:

- Welfare influences behaviour by the simple device of bestowing rewards (benefits) and allotting punishments (loss of benefits) . . . The nature of our character depends in part on the values which welfare fosters.
- Welfare should aim to maximise self-improvement without which all is lost. Work, effort, savings and honesty must all be rewarded rather than, as so often at present, being penalised by welfare's provisions.
- Welfare has to reflect the pivotal role which self-interest plays within our motivations . . .
- Welfare has to work with the changing labour market, giving people incentives and support to maximise their opportunities and thereby their rewards from work.
- Welfare should openly reward good behaviour and it should be used to enhance those roles which the country values. Those individuals who wish to buck the system and oppose the verities of civilised life should not be encouraged.
- Welfare should be given a central role in guaranteeing citizenship in an age of stakeholder democracy.
- The aim of welfare's reconstruction therefore is to hold fast to inclusiveness which was the central objective of post-war reforms, offering new institutions popularly owned and controlled by the membership, which will win the enthusiasm of the majority."

The first five statements demonstrate Field's complete acceptance of the underlying premise of the underclass/welfare dependency thesis that welfare undermines the character and morals of its recipients. Field is clearly in no doubt that there is an 'underclass' in Britain and that 'welfare continues to play a part in recruiting to and solidifying the underclass', particularly through the provision of means-tested benefits. His alternative to the current welfare system is one which is based on a mixture of private and public funding. Households would 'own' a portfolio of private benefits through the ownership of individual pension funds and individually allocated insurance contributions and benefits; income support would
become work to welfare programmes (aimed particularly at the reintroduction of single parent mothers to the labour market as well as at the unemployed). Underlying his argument is a central belief, peculiar for a self-proclaimed Christian, that individuals are not motivated by altruistic sentiments but by self-interest. His argument that each household in British society would ultimately own its own assets is coupled with an explicit acceptance that in the short term there will not be significant increases in help going to the poorest in our society.

Field also accepts the return of a division between the deserving and the undeserving poor and, as in the United States, single mothers on welfare are the group of claimants he is most prepared to target. How a single mother will actually draw up the life-time work plan that Field envisages, and work her way off welfare when three-quarters of current employment is part-time and UK wage rates for new low-paid jobs have fallen to the level of the early 1980s, it is hard to imagine. Field does offer the proposal that any person who can not fund their own pension or insurance at any time should have their entitlement paid for by the State. What he does not propose is the one important reform that some other European welfare states use to deal with the 'poverty trap', an income disregard which allows claimants to stay on benefits and supplement their benefits through work up to a set level.

Field's influence inside the Labour Party, as one of their most well-known experts on welfare provision, is to create disarray within the Labour Party as to what their actual welfare policies should be. The speeches of Tony Blair and other Labour front-benchers are now littered with references to welfare 'reform', the word used by the Conservatives as code for the dismantling of universal protection and earnings-related benefits. At the 1996 Labour Party Conference, references to the stakeholder economy and society were absent from Blair's speech, and the 'old left' lost the fight for the restoration of the state pension to 1979 levels, let alone other benefits. Increasingly Blair's speeches emphasise family values and our duties and responsibilities to British society, rather than our stake in the economy and political life. The shift to responsibilities, rather than rights and responsibilities, is a very short step, one which was always embedded in the communitarian perspective. At the beginning of the election year Tony Blair has finally announced his policy, adopted directly from the US, of 'zero tolerance' of crime, including zero tolerance of homeless beggars on the street.

Conclusion

In the short period of ten years ideas originally put forward in The New Consensus on Family and Welfare (1987), by Michael Novaks among
others, have become accepted as given fact among politicians of the centre-left on both sides of the Atlantic. In the 1980s these ideas were carried by New Right ideologues and promoted by the American Enterprise Institute and the UK Institute of Economic Affairs. However, by the early 1990s, as the social consequences of economic deregulation, unemployment and rising inequality became obvious, these ideas had become tainted by their source in the think-tanks of the New Right. In the mid-1990s many of the earlier New Right thinkers and fellow-travellers in the UK have jumped ship into 'civic conservatism' (David Willetts), and the search for 'virtue' (David Green) and the 'moral community' (John Gray). Communitarian ideas on 'virtue' and on family and community values have become the common currency of political discourse and of newly formed think-tanks such as the Institute for Civic Society. It is through communitarian writings and arguments that New Right perspectives on the family and community have conquered the US Democrats and the UK Labour Party.

The influence of American politics on the British Labour Party is particularly pernicious given the current debate on the future of the welfare state in the UK. The total expenditure of the United States on social welfare was extraordinarily low throughout the 1980s (1.5% of Gross Domestic Product in the first half of the 1980s), and the US tax and transfer system provided almost no redistributive element, according to the only major authoritative comparison of welfare systems in the OECD countries. Of all welfare systems the United States tolerated the greatest level of child poverty in the mid-1980s. It is this system of employment and welfare that has been taken as a model for Britain by the UK Government and it is therefore no surprise that the level of child poverty in the UK rose from one in ten in 1979 to one in three in 1992.

Although the right of both Conservative and Labour Parties are now locating the rise of poverty in the rise of single parenthood, the rise in poverty has as much to do with the economic conditions young parents face as with changes in family structure. All young adult households in the West, whether single parents or not, faced an increased threat of poverty during the boom years of the 1980s: German Dutch and British poverty rates among household heads aged 20-29 rose by 13.4% and 15.3% from the end of the 1970s to the middle of the 1980s (compare these rates with those of the 30-55 year old heads of households for whom poverty rates rose between 5.1% and 11.8%). In these years single parent poverty was particularly high in both the United States and Canada. In the UK, however, single parents and others on benefits were protected from the worst excesses of cost-cutting New Right governments through the extensive availability of the non-means tested benefits of free healthcare and social housing. Although UK cash benefits were low by Northern
European standards, the UK was the only country in which poverty rates were significantly lowered once non-cash benefits were taken into account. It is, of course, precisely these non-cash benefits that have been targeted by the Conservatives in their last years of office, in the almost certain hope that the Labour Party will not reverse their cuts in social housing provision or make full restitution to the under-funded National Health Service.

Cutting benefits to mothers and children in the name of 'family values' is only possible if public support for mothers struggling to bring up children on very little money (either from benefits or wages) is undermined through a constant barrage of argument that it is these mothers who are actually promoting the disintegration of the family and community. In the West we are all living through an accelerated decomposition of the 'modern family'. Scandinavian countries now have nearly a majority of children born outside of formal marriage, the UK and France have 30%, Germany, Ireland and Portugal all have 16%. Everywhere across the European Union marriage rates have fallen since 1960. Although the UK still has a relatively higher marriage rate, it also has the highest divorce rate. The United Kingdom's pattern is therefore similar to that of the US. Indeed in the US in 1993 over half of all women aged between 15 and 44 were not married. As the number of married couple with children households has declined, the proportion of single parent household families has risen to nearly a quarter of all households with dependent children in both the US and UK.

Almost certainly the fall in marriage rates and rise of single parenthood is not just associated with changes in young peoples' adopted lifestyles. Much of the change has also been thrust upon them by the fall in real wages in the US for those who did not complete high school and for those who only completed high school, and a rise in unemployment and in the numbers on low part-time wage rates in the UK. This has not just changed the options for marriage but also for successfully leaving home. In the United States the percentage of young people living at home at age 24 has steadily increased to 54%, and to 30% at age 29; which are similar levels to the 1950s. In the UK the government Housing Survey discovered a 6% similar rise in the proportion of young men aged up to 24 years living at home between the years 1990-3/4, the first rise for generations. Those young people who cannot continue to live 'at home' (i.e. in their parent's home) swell the increasing numbers of homeless young people in cities in both the UK and the US. These young men and young women also join the list of those to blame for disintegrating communities.

The centre-left in the UK, like the Right, have sought their solution to problems of welfare need and crises of social order in the politics of the United States of America rather than in Europe, and this has led to a
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politics of 'blame', particularly of blaming single parent mothers on welfare for crises of both family and community.\textsuperscript{51} Etzioni's argument that the responsibility to help those in need lies first with themselves and then with their family and their community is a dangerous one. The fairest element of the 'social assistance' welfare state of the UK is the general principle of individual or couple claiming. Young people living in a household in the UK do have rights to income support once they are 18, albeit at a lower level than adult claimants over the age of 25 years; a lone mother can have a man staying overnight without Social Security officials seeking to prove that he is keeping her and her children and so removing benefit. Only in the case of families is the right to assistance assessed across adults, and many feminists have pointed out how detrimental to the economic welfare of women and young children this can be. Etzioni's vision of welfare could ultimately lead to the implementation of a welfare regime like the UK 1930s Household Means Test, a family means test.

The Responsive Communitarian Platform has had more impact on both Democrat and Labour policies than the many radical community initiatives in the United States and the United Kingdom led by local activists seeking to counter the devastating effects of the social policies of the past two decades.\textsuperscript{52} Accounts of the rise of poverty and inequality in the United States during the past 20 years, of the rotting social infrastructure as state citizens vote to withdraw taxation support from higher education and welfare, of the rise of middle class ghettos defended by private security, have never been central to Etzioni's version of communitarianism. Instead, the core of the Responsive Communitarian Platform appeal was to an anti-rights front. It sought to justify the 'new settlement' in welfare through the principle of 'no new rights' and stands back from engagement when the rights of illegal immigrants and programmes of affirmative action are being cut down. Proposition 209, which repealed the civil rights legislation of California, including its affirmative action programmes, was not instituted by Communitarians but their argument of 'no rights without responsibilities' certainly has helped to create disarray among Democratic opposition to the repeal.\textsuperscript{53}

In the run-up to the 1997 General Election in the UK Blair's speeches increasingly shift to the moral high ground rather than the welfare low ground. Recent proposals by Gordon Brown, Shadow Labour Chancellor of the Exchequer, have included the proposal to means-test universal child benefit for young people aged 16-18 in order to target the less well-off. Noises about the means-testing of the inadequate old age pension are no longer accompanied by promises to divert that money towards poor pensioners. Beyond the US and UK the influence of 'underclass' and 'welfare cheats' arguments have been more muted, but debates on the problem of dependency and the 'unaffordability' of real welfare states have
spread with the transmission of these ideas through organisations like the OECD and the World Bank." As the British Labour Party is now the largest social democrat party sitting in the European Parliament, it is in a position to introduce this new perspective, to the right of the European social exclusion perspectives on welfare, into the European debate. There is thus a danger that Britain's low standards of welfare provision could become a standard for other European countries, just as the US minimalist provision has become a standard for the UK. For European social democracy this would be a tragedy.

NOTES

1. The ageing population argument is actually less true of the US and the UK than of most other Western European economies.
2. A consequence of this success has been that cuts in welfare assistance for the unemployed and single mothers have been passed on to the elderly and those with disabilities. In the UK it has been possible to reduce entitlements to old age pensions and to disability pensions because the distinction between social assistance and social welfare is much weaker in the UK welfare system than in the US.
6. Michael Novak's co-ordinated the academic group who wrote *The New Consensus on Family and Welfare: A Community of Self-Reliance*, 1987, published by the American Enterprise Institute for Public Policy Research, Washington D.C. This pamphlet largely consolidated the particular targets for the right's assault on welfare in the name of 'a community of self-reliance'.
9. Both Keynes and Harold Macmillan also claimed the old welfare settlement as a 'middle way' between Communism and Capitalism in the 1930s. Macmillan's 1938 book was called *The Middle Way* whilst Keynes put forward the argument in the final chapter of his *General Theory*. Since the fall of Communism in the USSR the 'middle way' has taken a giant step to the right on ground already prepared by the New Right.
11. Etzioni, *The Spirit of Community: The Reinvention of American Society* (New York, Touchstone, 1993), p. 5. This book is still considered a basic text of political communitarianism although since then Etzioni has followed it with two edited texts, Etzioni (ed.), *New Communitarian Thinking: Persons, Virtues, Institutions and Communities*
14. Amongst the earliest and most pertinent critiques of Communitarianism were some women philosophers who thought it wise to be cautious when male politicians, sociologists and economists were making claims about family, community, self and virtue. Besides Amy Gutman, Marilyn Friedmann was among one of the first to point out that theories of a gendered self, such as those developed in the work of Chodorow and Gilligan, do not appear in Communitarian writings, which nowhere acknowledges that the narrative self can be constructed differently for women and for men. See M. Friedmann, 'Feminism and Modern Friendship: Dislocating the Community', in S. Avinieri and A. de Shalit, Communitarianism and Individualism (Oxford, 1992), pp.121-136. Friedmann also pointed out that communitarian emphasis on the moral claims of community over its members ignores the question of how legitimate those claims are. Quoting MacIntyre's argument that we all inherit 'debts, inheritances, rightful expectations and obligations' from our family, community and nation, Friedmann argues that many communities exclude and oppress outsiders while also oppressing the women within. Communitarian emphasis on family, neighbourhood and nation raises the issue of how far these structures have been oppressive of women in the past and in the present. As Friedmann argues, any mature person can chose to shape their community and join new communities rather than accept the ones they were born to. Both modern friendship and the possibility of adopting many roles in the urban environment are liberating for men and women fostering 'not the constitution of subjects but their reconstitution'. See also A. Gutman in the same collection, p. 121 ff.
15. 'A year of national service would remove many unemployed youths from the streets; it would provide them, often for the first time, with legitimate and meaningful work; and it would help protect them from being enticed into crime.' The Spirit of Community, p. 113
16. Ibid., p. 114.
17. Ibid., pp. 144-147.
18. It is important not to underestimate the intent of Communitarian philosophy to undermine radical liberalism. Rawls's argument in The Theory of Justice, 1971, was a radical restatement of liberalism designed to promote welfareism and the extension of civil rights within the United States. Rawls presented a theory in which society is created through a contract establishing the 'principles of justice for the basic structure of society'. Rawls's assumption of an 'original position of equality' is purely hypothetical (corresponding to the state of nature of Hobbes' contract theory) but allows him to consider what type of society would be constructed if the members of that society were all equal and also if they all did not know their own place in society when they made the construction ('the veil of ignorance'). Blair finds it necessary, as someone whose socialism was initially inspired by Kant's philosophy among other influences, to distance himself from John Rawls Kantian conception of social justice. 'The Left was captivated by the elegance and power of Professor John Rawls's Theory of Justice . . . His manifesto for an egalitarian society is a brilliant exposition of the argument that an equal society is in the interests of anyone who does not know which position in that society they would occupy. But it is derived from a highly individualistic view of the world'. Tony Blair, New Britain, My Vision for a Young Country (London, Fourth Estate Limited, 1996), p. 299.
20. The output of Institute for Public Policy Research (IPPR) had been intended to rival the work of the right-wing think tank IEA and to produce an alternative perspective on welfare. In the years immediately after 1992 IPPR published a series of papers covering taxes and benefits, social insurance, racial equality, work benefits in a flexible labour
market, disabled people and social justice, housing, pensions, and work and welfare. Some of these pamphlets looked across to Europe rather than to the United States and references to welfare systems of the United States did not seek to emulate their features, and yet other pamphlets published by the IPPR included a restatement of the commitment to family and community by Michael Young, not dissimilar to the pamphlet produced by Norman Dennis and George Erdos for the Institute of Economic Affairs.


24. Ibid., p. 2, Jack Straw has picked up every American idea on the social control of poor communities in a bid to outflank the law and order policies of the Conservative's reactionary Home Secretary, Michael Howard. Whilst the Audit Commission has suggested a radical overhaul of juvenile justice, through the introduction of the type of Children's Hearings introduced in Scotland thirty years ago, Jack Straw has been campaigning for curfews on housing estates. It is bizarre that the major opposition to Government policies on juvenile justice should be launched by its own civil service rather than by the Labour Party.

25. Etzioni accepted this in an article called 'New Values' in the New Statesman and Society, 12 May 1995 (London), when he admitted that there was no communitarian economic agenda. The drive was, and is, to provide a democratic inclusive alternative to the Christian right that provides authoritarian answers to issues raised by the decay of the moral infrastructure and the decline of shared values ... Our agenda so far has been cultural so it may be that the British will add a socio-economic agenda to ours.

26. In the US more radical communitarian visions are available in the community activists movement and among some philosophical writings such as Walzer's, but there is a lack of any Conservative one-nation tradition as in the UK.


28. Speech to the Fabian Society, July 1995, republished in New Britain. The above quotation demonstrates why communitarian ideas been so acceptable to the Centre and to the Left. One of the central ideas, that of the 'narrative self' is derived from, and close to, all Marxist and social democratic theories of the development of self and the 'interdependent self'. There is a world of difference, however, between a Marxist theory of personality which presents an understanding of the way we are all formed through class, race and gender placement, within a particular household form in a particular historical conjuncture and the communitarian argument that the community or 'tribe' one lives in is the source of tradition, belief and morality.

29. The Observer, 13 October 1996. Will Hutton is the editor of The Observer and wrote this article jointly with John Kay. John Kay is an economist who has written extensively on corporate governance both for the IPPR and elsewhere. See John Kay and Aubrey Silberston, 'Corporate Governance', National Institute Economic Review, August 1995.

30. Hutton and Kay's argument is very similar to Ralph Nader's argument in the US, that Business Corporations are the real recipients of tax breaks and welfare handouts.

31. See W. Hutton, The State We're In (London, 1995) and TUC, Your Stake at Work, TUC Proposals for a Stakeholding Economy (TUC Congress, 1996).

32. TUC, Your Stake at Work. Many of the proposals derive from previous work by Will Hutton and John Kay, and also John Hill's work for the Joseph Rowntree Foundation on wealth and income inequality in Inquiry into Income and Wealth, Vols. 1 and 2 (York, Joseph Rowntree Foundation, 1995).

33. The pamphlet is a short restatement of Field's perspective on the future of welfare presented in Making Welfare Work and How to Pay for the Future available from the Institute of Economic Affairs (2, Lord North Street, London, SW1P 3LB). The fact that Field has chosen to publish through a Conservative think-tank is notable. Stakeholder Welfare, Choices in Welfare Series No. 32. (London, IEA, 1996). Field's text is accom-
panied by commentaries by Alan Deacon, Peter Alcock, David Green and Melanie Phillips. Deacon's commentary focuses on the importance that character and morality play in Field's theory of welfare, whilst Alcock seeks to shift the discussion back to the purpose of welfare in relation to social solidarity.


35. The underclass is as difficult to define as it is easy to recognise when confronted with it. The major cause is the collapse of full employment and particularly the radically transformed employment position of those with brawn and little developed intelligence. F. Field, *Ibid.*, p. 17.

36. *Ibid.*, p. 19. No welfare system can function effectively if it is not based on a realistic view of human nature. Self-interest, not altruism, is mankind's main driving force ... Labour's failure to hold a balanced view of human nature presented a picture to the electorate of a party completely out of touch with reality'. See also the essay 'Welfare and Character' by Alan Deacon in the same pamphlet, pp. 61-70.

37. As Labour *M.P.s* move to the right in their discussions of welfare so the entire debate has jumped to the right. In the most recent radio discussion in the UK on welfare 'Liberal Britain' Radio 4, 10 January 1997, Digby Anderson openly argued that it was necessary to reduce all benefits and to make distinctions between the 'deserving and undeserving'*. On the same programme David Marsland* and others discussed the requirement of the family to look after their kin and Frank Field's views on Stakeholder Welfare, which he also presented, were much closer to Anderson and Marsland than to the local welfare activists and to Bea Campbell.

38. This is one of the proposals put forward by Michael Young and A. H. Halsey* in their IPPR monograph, *Family and Community Socialism*, 1995, which argues for a re-distribution of social resources towards children, as a real expression of family values, while at the same time regretting the decline of the family.

39. This is a role he has played before. In 1976 he was the first Labour welfare expert to speak up for the sale of council houses, the Conservatives' first and most successful privatisation of public assets.

40. They also lost the argument that the State Earnings Related Pension (SERPS) should remain the cornerstone of an additional second pension. This leaves the way clear for Field's argument that everyone should be personally responsible for their own additional pension (the basic pension is only £61 a week) through private personal pension schemes. *Which*, the UK Consumer Magazine, has discovered that most pension providers charge as much, or more, than the actual tax relief on pension contributions to run these pensions and that the majority of people would have been better off saving in other ways. With high charges and falling annuity rates, private pensions have become one of the worst buys, except for those tax-payers who receive higher rate tax relief.


44. V. Kumar in *Poverty and Inequality in the UK. The effects on Children 1993*, (London, National Children's Bureau), produced the first evidence of the trebling of levels of poverty among children. Three years later Department of Social Security officials have also produced an estimate that 30% of children born in the UK are born into poverty. The latest study of child poverty in the UK has now revealed that 2 million children are undernourished or malnourished; this is a direct consequence of the low levels of benefits and of the abolition of nutrition standards for school-meals in 1980. *The Observer*, 12 January 1997.

46. The Luxembourg Income Study has found that the only significant change in the ranking of national poverty rates occurs in the United Kingdom, where non-cash income has the largest (absolute and proportional) impact on poverty. The ranking of all other countries stays much the same whether non-cash income is included or not.


51. T. Eardley, J. Bradshaw, J. Ditch, I. Gough and Peter Whiteford. *Social Assistance in OECD Countries: Synthesis Report*. August 1996 (London, Department of Social Security, HMSO). The authors report that "The English-speaking world with extensive social assistance do report a range of issues in common. These include the worsts of assistance, work disincentives, fraud and the issue of targeting... These patterns are to be expected given the high cost of programmes and the large welfare clienteles in this group of countries. However, the question of behavioural incentives in welfare – to discourage marriage or remarriage and to encourage teenage pregnancy and welfare dependency more generally – appears to be a defining feature mainly of the stigmatising and divided public assistance system of the USA. The concept of assistance as creating a new 'under-class' is relatively absent in Australia and New Zealand, and while present in debates in Britain and Canada it has not achieved ideological dominance." p. 171.

52. There has, however, been a range of Comprehensive Community Initiatives, led by local activists outside of organised party politics in the United States. Local activism has also been important in the UK for the establishment of credit facilities and bartered-work schemes in local areas abandoned by the private institutions Field believes in.

53. *The Guardian*, 6 November 1996, for a description of the passing of this amendment, whose very title confused voters, as an addendum to the voting schedule for President. Dole came out in its support whilst Clinton did not.