RICHARD M. TITMUSS MEMORIAL LECTURE 1988

WHAT COMMITMENT TO WELFARE?

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Richard M. Titmuss was appointed Professor of Social Administration at the London School of Economics in March 1950, a position which he held for the rest of his life till 1973. He was one of the outstanding and original social scientists of his generation and in his research, lectures and personal encounters shaped anew the whole concept of social policy in Britain and abroad. For a period of three decades he exerted immense influence in scholarship, politics and government at home and in many countries throughout the world.

Richard Titmuss was a great friend of Israel and his thought and work very much influenced the study of social policy in Israel, as well as left lasting imprint on the social policies of the country. The lecture series in his memory has been made possible with the kind help of his friends in the United Kingdom and by a generous grant of the National Insurance Institute of

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Can I first say, what an honour it is to be asked to give this Richard Titmuss Memorial lecture. It was, I remember, almost exeactly twenty years ago now when Richard Titmuss summoned me to his room at the LSE and presented me with a signed copy of his new book: Commitment to Welfare. I had only begun teaching in the Department at the LSE a few months before. "Just a collection of a few lectures I have given over the years'.I recall him saying, "not a proper book." Just in case a young lecturer get the wrong idea about what a book should be!

I still have the copy, of course. The paper back version, with the powerful photograph of Richard staring out challengingly from the cover, seeming to say - " and what have you done for humanity in the past twenty years?"

The book begins with a reflection on teaching and resarch in the Department at the LSE and includes his lecture reviewing the first fifty years of its existence - "Times Remembered". Last December we held a Conference to mark the 75th Anniversary of its founding. Many friends and ex-colleagues from around the world gathered to reassess Social Policy's achievements as an academic subject and its potential in the next twenty-five years. The proceedings will be published this autumn by Allen and Unwin. Titmuss would have been pleased to see the evident enthusiasm and promise there.

Many of the other issues discussed in the book have a contemporary flavour. How should we organise that range of services which cater for some of the most dependent groups the very elderly, the mentally ill and handicapped. Then, as now, there is a bewildering complexity of health, housing, social security, social work services and family care all involved. Two reports commissioned by the British Government have been published in the past three months trying once more to unravel and rationalise the complex shared responsibilities involved (Wagner 1988, Griffiths 1988). Richard would not have been surprised. Our continuing struggle to adapt crude social institutions to the subtle complexities of human life, and its tragedies, was a recurrent theme of his. The third part of Commitment, however, was the most profound. This was a study of redistribution, social policy as a compensation for the diswelfare caused by social and economic change - social policy as a force for integretation and against the alienation, caused by social and economic change. What has happened to that vision not just in Britain but through the world, a vision Richard Titmuss did so much to foster?

Left to itself, Titmuss argued increased economic growth and rising general living standards would not necessarily produce rising standards for all (Chapter VIII). Complex and changing societies would produce many losers as well as gainers and to survive as politically viable entitites nation

states would have to develop non-discriminatory means of compensating the losers. In a typically and tantalisingly condensed passage, Titmuss sets out his peculiar mix of theoretical and moral propositions : (p. 191).

> "there are others however (among whom I count myself) who believe that the fundamental and dominating historical processes which led to these major changes were connected with the demand for one society; non-discriminatory services for all without distinction of class, income or race; for services and relations which would deepen and enlarge self respect; for services which would manifestly encourage social integration. From some perspectives these major changes in policy could be regarded as ideological pleas to the middle and upper income classes to share the benefits as well as the costs) of public welfare.

In the years that followed the publication of Commitment, this central idea, that social policy was to foster social integration and self respect, came in for widespread criticism. Radicals on the left saw state welfare as a manifestation of social control and containment, others saw it as an outcome of class conflict, the radicals on the right argued that the self respect, of those using services could only be achieved if they bought those services in the open market place and were not reduced to the level of supplicants begging at the bureaucrats' door, or one may add the social workers' door. I have some sympathy with that argument but it does require equal, or near equal, purchasing power, something we do not have! Richard's view was dismissed as a rather soggy liberal vision. To introduce moral principle into the academic discussion came to be sneered at. What I

want to argue in this lecture is that the experience of the twenty years since Commitment was published largely illustrates the force of his argument. It illustrates what happens when you leave out moral issues and human self respect as goals of policy. Those institutions that have maintained most public support in Britain, for example, are the very ones on which Titmuss placed such emphasis - notably the National Health Service. At the same time what his friends and followers failed to do was to devote sufficient attention to the study of welfare organisations themselves. Which characteristics of welfare bureaucracies and professional practice do actually help to sustain the self respect of the more disadvantaged and damaged people who use them?

What I would like to do first is to examine the response welfare states in the West have actually made to the costs of the social and economic changes that have taken place in the last two decades. The litmus test is, after all, what politicians can deliver. Here I want to break with much of th current pessimistic literature. I want to argue that under enormous pressure our existing social security systems have prevented what could have been a completed disaster for Western society. They have compensated for the diswelfare of economic change to some degree and actually made the economic changes possible. Then, I want to look briefly at changing

Finally, I shall explore the war of ideas about welfare which is current being fought. Here the picture is more bleak and its outcome has consequences for social work teaching. If we cannot present the kind of coherent view and power of persuasion which Richard achieved across the continents the idea of welfare may be transformed in this generation. I can't, of course, do justice to any of those themes, merely indicate the direction in which my thoughts are moving.

I Welfare States' response to Growing Inequality

In Israel you are used to change. But you are a young nation founded by those commited to change. In the older societies of Europe and even North America change is more difficult to accommodate. In the past two decades it has been painful. These economies are no longer the workshops of the world. Traditional industries are declining fast. Many of the jobs that have replaced the old are low paid and temporary. At one extreme wage rates are forced to compete with those in the third world at the other international financial markets can dictate the highest rewards. These influences have widened the differentials between those in work. Other changes have increased the numbers with no work.

In the 1970's economists and governments in many Western countries came to the conclusion that full employment had to

be sacrificed in order to sustain a level of "non accelerating inflation". When economists gather in the Common Room at the LSE and you hear them talking about "NAIRU" they are not, as you might imagine, engaged on a learned discussion on the merits of an Indian statesman, they are in fact referring to the "Non-Accelarating Inflation Rate of Unemployment". That, simply interpreted, means we have to have enough surplus unemployed people to keep wage rates down. As one of my economist colleagues puts it, "The unemployed are the bush fire fighters of inflation". With now about one in ten of our work force without a job, which is a marked reduction on two years ago, inflation is beginning to rise again. We shall soon need more bush fire fighters to add to the 2½ million or more whose self respect is being sacrificed to provide stable prices for the rest of us. Could there be a better illustration of Titmuss' thesis?

On top of these economic changes long term demographic effects have increased the size of the non-earning populations of Europe. In Britain since 1948, when our social security system came into being, the size of the working age population has remained relatively stable but the numbers over 65 have increased by over half - or by more than three million. The number of people over 85 has quadrupled. Most families have two earners now to sustain an average standard of living. Those who have only one earner or no

earner are doubly deprived. If we take all of these changes together we see that the market and social change have combined to produce a dramatic widening in the dispersion of incomes.

In the United Kingdom in 1975 the average pre-tax incomes of the richest fifth of households were more than four times the average incomes of the poorest twenty per cent. In 1985, only ten years later the ratio was not one to four but one to eight. (CSO 1987)

Or let us take another indicator. This time of participation in the labour force. In 1970 one in five households had no earner. In 1985 the ratio was one in three (Piachaud 1987). Or again let us take the measure of minimum income adopted by Seebohm Rowntree that founder of modern Social Administration at the turn of the century in Britain. (His measure of poverty was equivalent to expecting a family of two adults with one child to live as a family on 83% of consumers expenditure per head). It might be said to be the point at which individuals fell so far below the average living standards that they lost their self respect. Expressed in those terms it provides a useful relative measure of poverty over time. 1953 only about 1.8 per cent of people in Britain fell that far below the average standard of living. But in the mid-1980's the percentage had risen to 16 per cent (Piachaud and DHSS 1984 and 1988). That is ten times the

level of relative deprivation that applied when Richard Titmuss took up his chair at the LSE. Recent changes in Europe point in the same direction. On current definitions of poverty there were 30 million poor people in Europe in 1975. In 1985 the figure was 45 million (EEC 1987). Let us look at North America. A recent report by the Congressional Budget Office (CBO 1988) in the United States shows that betwen 1970 and 1986 the richest 20% of households with children in the U.S. improved their living standards by a quarter. The poorest fifth saw their income fall by 12% in real terms. That is enough statistics for the afternoon I suspect, but I hope the point has got across.

Now the implications of these changes for the social welfare systems of our western democracies has been enormous. It would have been entirely understandable if they had simply buckled and collapsed under the strain, but they have not and I would argue that it is a great testimony to the resiliance of the institutions introduced in the 1940's that they have borne the strain of these great convulsions without more damage being done to the fabric of those societies. Despite the dramatic changes to original incomes generated by the market, the inequality in final incomes has not changed that much. The redistributive implications have been vast. I will not bore you with the detailed statistics but the overall redistributive effect of the Welfare State in Britain (the reduction in the gini coefficient of original incomes

compared to that of past tax past benefit incomes) in 1985 was 40 per cent greater than it had been in 1975. The redistributive engine is having to work 40 per cent harder to maintain a rather less equal final distribution of income (CSO 1987).

Gini Coefficients for the Distribution of Income Pre and Post Taxes and Benefits 1975 and 1985

	1975	1985
Original income	43	51
Post-tax and benefit income	31	34
Reduction	12	17

In the United States the same CBO study shows that despite the declining relative original market income of the elderly as a group, when you take it into account the benefits from social security, the elderly are not relatively worse off and inquality amongst the elderly has not increased in the past twenty years. That has been almost entirely the result of the growing importance of the social security systems sustaining pensioners incomes.

Some countries have been more successful than others in

successful have been the Scandinavian countries that have adopted what they call a positive labour market policy creating and guaranteeing jobs, retraining and providing benefits to help people change their jobs. They have used collective agreements to restrain wage increases rather than rely on the unemployed to put out the fires of inflation. That is a far better way of sustaining self respect.

II Public Attitudes

Will it last? That is my second question. Will the tax paying public's patience give out? The working population of Europe and America are paying far more of their incomes with relatively little to show for it. Here again the traditional literature is pessimistic. It focuses on the "tax payer backlash", the "fiscal crisis", the "welfare state in crisis". In the context of what I have described it seems to me entirely unsurprising that there have been cost cutting exercises and tax payers' revolts. What is surprising is that they have been as limited as they have been and that public attitudes towards social policy have remained as postive as they have. In Britain we now have a most useful annual survey of public social attitudes to a whole range of social questions which enables us to compare movements in opinion on social changes and social policy (Jowell and Witherspoon 1985, 1986, 1987). For a period until about 1979

erosion in the numbers of people who said they would be prepared to support better social services by paying more taxes. But from about 1980 onwards, as social service cuts began to take effect, the trend was sharply reversed. In the most recent survey, only five per cent of those asked wanted taxes reduced and spending on health and social services reduced as well. Forty six per cent wanted taxes increased to spend more on health, education and social benefits.

Given that most people are not actually benefiting much from all the extra taxes they are paying for the increase in dependancy I have described that seems to me a rather remarkable outcome.

However, if we look deeper the picture is more worrying and again it bears out the Titmuss thesis. When we rank people's first preferences for welfare spending in Britain we find that about half the respondents put the Health Service top of their list of spending on benefits in kind and a quarter on education. Interestingly, this compared to <u>one</u> per cent who wanted to spend more on defence and roads with police and law and order doing little better. When we turn to cash benefits we find a similarly high preference for old age pensions; half the population putting them top of the list for more money. When we look at people's preferences, to spend more on benefits targeted on the poor, however, we

their first priority more spending on single parents. Only seven per cent gave top priority to public housing. Very similar findings emerged in an international comparison on attitudes to welfare spending undertaken by Richard Coughlin (1980) at Berkeley a number of years ago!

Ominously, however, satisfaction with the health service and education is declining. Last month in a specially commissioned poll (Marplan 1988), nearly half the respondants - the largest group approved of the statement that "this Government does not care about the standards of education and health care that ordinary families receive." The reason most respondents gave was that the government was cutting services in order to force people to use private services. Seventeen per cent were already covered by private health insurance, forty per cent by private pension schemes. We may be very near the tipping point where the majority will lose interest in maintaining political support for collective services and shift instead to minimising taxes to sustain their own private contributions to their own private systems of welfare. Once that happens the health and education systems will rapidly become like the public housing sector in Britain, where the maintenance of self respect of the tenants is one of the least of its virtues.

This leads me to my more pessimistic thoughts about the future.

III Ideology and Commitment

We are seeing in many countries the resurgence of what I have called "aggressive individualism" though it is perhaps personified in our own dearly loved Prime Minister. The reasons are not far to seek. When a society's overall standard of living falters and declines in relation to its neighbours as has happened first in Britain, then in the United States and now in Western Europe, people turn their attention to economic survival just as Titmuss had observed Britain seeking solidarity in time of war. The battle for economic survival has fostered a climate of competitive individualism. Economic forces are creating greater inequality and dependency and helping to sap the ideological support for institutions which take the social strain.

Part of the answer to this crisis of dependancy we are told, is for families, that is women, to look after their own relatives with the help of friends and neighbours. Yet aggressive individualism is as destructive of familial and neighbourly help as any other form of welfare. Why should economic independance in the market place stop short at the male of the species? If earning a cash wage and personal independence are good, surely they are good for women too. So this pool of willing and idle hands this new orthodoxy

it to be available.

An interesting study in the United States has ranked States by their climate of entrepreneurial spirit as seen by businessmen. It then compared those States' expenditures on public social services and their residents' contributions to charities and voluntary bodies. An aggressive business climate was associated with both low state spending on welfare and low charitable effort. (Wolpert, 1988).

British Social Policy is currently being completely recast. I will not detain you now with the details - removing welfare housing from the state returning it to private landlords, encouraging the growth of private health and pension schemes, seeking to gradually privatise education. The justification for such moves is that users of social services should be able to exert the sanction of "exit", going to other service providers just as they can in the local supermarket. There is, I think, something to be said for a mix of providers, not least users cooperatives, but in practice the rules are being set in such a way as to encourage the better off and the most healthy to opt out taking their revnue with them - the very reverse direction to the one Titmuss was advocating in the passage with which I began.

I hope we shall draw back in time. Re-reading Commitment would be a good starting point. Our Western societies are

more fragile than we think. Our welfare institutions have been better shock absorbers than many have realised in the period of economic adjustment through which we have passed. If we jetison them now the ride through the next period of economic uncertainty may be more bumpy than we bargain for. In short it is precisely because our economies have to undertake such a massive economic restructuring that we need to sustain our commitment to welfare (Cornia et al 1987).

Is collective commitment "to integration and against alienation" sufficiently powerful to resist resurgent individualism? I have to say I do not know, but I believe that in the crucible of the past decade we have begun to reformulate and strengthen our philosophy of welfare. The argument enshrined in John Rawls (1972) work, the principles of distributive justice advanced by development economists such as Amartia Sen, (1985) and Dusgupta (forthcoming), the positive labour market policies evolved in the Scandinavian countries and the less bureaucratic forms of welfare organisation that are emerging in many countries, all of these do give me some hope that the ideal will not be lost. We are learning once again that where minorities are denied equal basic liberties, that unequal application of human rights spreads like a cancer through the body politic. Britain's "other island" teaches us that lesson to go no further. Any commitment to welfare must contain a commitment

freedom requires, as Sen has argued, basic human entitlements - to income and shelter and literacy and health care. To the last Titmuss would have added self respect and here he was followed by Rawls. It is not enough to achieve redistribution of income if the institutions that do so destroy an individual's self respect in the process. That is the distinctive feature of the Titmuss case. It is a matter for debate and empirical enquiry what mix of economic systems, markets or mixed forms of social provision best achieve these entitlements (Stewart 1984) but in a highly uncertain world economy where jobs and access to them have become so problematic positive labour market policies and collective social security do seem to offer the best model. Jobs, education, training and day care become integrat parts of social policy. Economic analysis of the most rigorous kind has, I think demonstrated that the National Health Service (and services like it) are not just popular but are the most cost efficient system of health care in the world. The NHS has succeeded in achieving a more equal distribution of life chances than in most other countries. Le Grand (1987), Barr, Le Grand and Glennerster (1988).

The appeal of individualism lies, in part, in its appeal to individual independence and self respect. Yet unequal opportunities especially in the job market and in education destroy self respect, so too do segregated services for the poor. My recent work on deprived housing estates has

illustrated this only too clearly. Yet, all welfare institutions, even universalist ones, can develop perverse, inefficient and stigmatising practices. For the past four years I have moved some of my research focus from national policies to anthropological studies of the way social workers and health professionals actually interact in everyday situations. I am struck repeatedly by the way in which highly dedicated, selfless activity and high professional standards exist side by side with near criminal negligence, poor standards and discrimination. This is due partly to perverse organisational incentives, bad management, poor professional inspection and support. Competition and free markets may not be the best answer but leaving well alone will not do either. A commitment to welfare does not imply a commitment to existing institutional forms. We also have a responsibility as teachers. Schools of Social Work have a responsibility to sustain commitment and excellence throughout the careers of their past students, and to concern themselves with management and organisational issues just as much as with case work. This brings me to my last question.

IV The Crisis of Dependency and Social Work

What does the crisis in dependency I have described mean for social work?

Firstly, it means that our students' capacity to meet the

demands put on them is declining. Social workers are gate keepers and they must learn to turn increasing numbers away. Social workers have never been very good at saying no.

In order to bring home to field workers the resource consequences of their decisions our social workers are being handed a cash budget for elderly people with which they can buy an expensive place in an old peoples home or, more cheaply, pay local people to look after the old person. Handling budgets and managing resources are now a major part of their tasks as well as helping clients through an increasingly harsh social security network. Perhaps courses in financial management would be more relevant for our students than some of the things we teach.

Nor can social workers expect to be popular. Clients are angry to be denied resources. Those working in our inner cities are demanding to see their clients only behind protective grills. It is deeply disturbing to any society to find levels of child abuse rising. This may be a reflection of the competitive pressures and rising levels of poverty, but that is too uncomfortable for the new prophets of individualism to accept. The easiest solution is to blame the social work profession. It is no use letting social workers out into the world believing they will necessarily be cherished and honoured members of society.

V Conclusion

Twenty five years on from the publication of Commitment we can be thankful for the resiliance of the institutions Richard's generation helped to found, but we must be determined to argue through again the principles of mutual self interest and the promotion of self respect on which they were founded and to pursue new organisational and professional means of achieving these principles.

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