

Farewell to Welfare: An End to Citizenship as We Know It

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The crisis of the welfare state has been a widely discussed topic since at least the 1970s both in the social sciences and in political debate. It is not my intention to readdress it or to analyze the many diagnoses of the meaning and scope of the crisis: there is a huge amount of literature on this and I do not aim to add another contribution. Rather I would like to investigate the reasons that led to the wide acceptance among the public in Western Europe (and probably elsewhere) of the dismantling of certain features of the welfare state. To this end, I shall focus on the discourses that justified this process and that have provided a major shift in the political vocabulary from the grammar of (social) rights to the grammar of performance and (state) services. In other words, I shall concentrate on the paradigm change from a Keynesian model of welfare state to a 'neoliberal' model of personal responsibility. This change of paradigm threatens the very idea of citizenship as we have known it for centuries.

Welfare state and social rights

For long time social rights have been discussed around the categories developed by Thomas Marshall (1950). According to this author, civil, political and social rights were introduced in consecutive waves; one could talk, therefore, of three generations of rights. As a matter of fact, this was a twofold process: on the one hand, the scope of individual rights got wider (from civil to political to social rights); on the other, more and more individuals became rights-holders (this is particularly evident in the case of voting rights, which were first limited through censal criteria, then were extended to all male citizens and finally were granted to all citizens with no regard to gender). According to Marshall and those who use his conceptual categories (e.g. Mezzadra 2002, Baglioni 2009), it is precisely this extension of rights as a growing socio-political inclusion that allows the identification of the essential nexus between rights and citizenship. The welfare state in all its concrete shapes (for it has many, as shown by Esping-Andersen 1990 among others) incarnates the principle according to which citizenship is to be defined in terms of the fruition of

civil, political and social rights. The latter ones are then understood as those rights that grant to citizens the material conditions to concretely enjoy the others, i.e. as the guarantee that civic and political rights will not be granted only formally, but really enjoyed.

Of course, it is possible to see the existence of the welfare state, or even of social rights, in a completely different light, namely as a concession of public services by politicians who are interested in electoral consensus rather than in citizenship, or as the result of demands coming from specific interest groups (e.g. the working class). Not only writers opposing the welfare state, but also leftist authors have similar readings. For instance, in the 1970s Habermas claimed that a consequence of the welfare state was the transformation of citizens into clients, whose electoral behavior would be influenced or even determined by what political parties would promise with regard to public services (Habermas 1975)¹. However, in almost every state the discourse that has been used until recently to justify welfare programs used the grammar of citizenship: the welfare state would represent the best way of guaranteeing those social rights, whose enjoyment is the necessary condition for enjoying all other rights and therefore for being a full-fledged citizen. In the last decades, this discourse has undergone significant changes and finally it has given way to a completely different one, which we may call ‘neoliberal’², and which renounces completely to the notions of citizenship and of social rights. How did this happen?

If we were to put the 1970s debate on the welfare state into a wider historical and political context, we could claim that this debate was made necessary by a crisis, which was not only economical, but also ideological. During the *trente glorieuses*, i.e. the decades between 1945 and 1975, called also the «Golden Age of Capitalism» (Hobsbawm 1994), Western industrialized societies experienced the establishment of a social and political compromise that had multiple causes, some of which went back to the 19th century: the struggles of workers’ movements and unions in Germany, to which Bismarck answered by creating an embryonic welfare state in order to avoid their radicalization; Black Friday and the crash of 1929, which revealed the frailty of a form of financial capitalism that had no rules; the Great Depression of the 1930s, which saw a dreadful rise in poverty in countries that were thought to have reached a solid level of welfare; the public policies against this crisis, which were in-

¹ Obviously Habermas did not aim at criticizing the welfare state, rather at transforming it so that this consequence might be avoided and citizens might decide according to less egoistic and parochial criteria.

² The expression ‘neoliberal’ is placed within quotation marks because (as we shall see) it is far from obvious what neoliberalism is.

spired by Keynes' theory and saw massive state interventions; the war effort during both World Wars, which created in most countries something like a national unity beyond existing class interests; the social policies introduced by the British government as a consequence of the Beveridge report (1942)³; the rebuilding phase after WWII, which gave birth to a veritable European market; and probably also the fact that capitalists and conservative parties mistrusted the working class and feared that it could side with the Soviet bloc, so they considered it necessary to make concessions in order to guarantee its loyalty, just as Bismarck had done with the German workers.

The compromise led to the Europe-wide creation of the welfare state in its liberal, social conservative and social democratic forms (Esping-Andersen 1990). But since the end of the 1960s and above all after the oil crisis of 1973 and as a consequence of the economic crises, which haunted the main industrialized countries in the first half of the 1970s with phenomena of inflation and even stagflation, something changed in the official discourse. The dominant Keynesianism underwent a crisis itself and an alternative doctrine started becoming increasingly influential – a doctrine that later became known as neoliberalism.

The reluctant dismantling on the welfare state

According to a widespread interpretation, neoliberalism would be the main factor responsible for dismantling the welfare state. Usually two politicians are considered to be the bearers of the neoliberal standard and the initiators of this dismantlement: Margaret Thatcher and Ronald Reagan. However, while there is no denying that both got elected on the basis of programs that foresaw massive reductions in public spending, dramatic tax cuts and a radical scaling down of government action, neither of them actually maintained these promises, particularly with regard to the welfare state. As shown by various authors (e.g. Pierson 1996), both Thatcher and Reagan carefully avoided practicing what is labeled nowadays in Italy with the gruesome term 'social butchering'. Some social programs were downsized (some of them even heavily, like the allowance for single mothers), but generally speaking both the Iron Lady and the Cowboy President took care not to alienate potential electors minimized the cutting of the most popular social programs or of retirement benefits. When Thatcher tried to impose the extremely unpopular Commu-

³ Available at <<http://www.sochealth.co.uk/national-health-service/public-health-and-well-being/beveridge-report/>>.

nity Charge (known also as ‘poll tax’), the final result was her fall, promoted by her own party comrades, who feared losing the next election.

For this reason, according to Pierson, cuts to social programs happen almost always in an indirect or in a hidden way, like in the case (mentioned by him) of the cuts that were decided in 1994 by Congress under a Republican majority and that were intended to only take place after 2000 - in order not to jeopardize the elections of 1996 and 1998. On the other hand, massive cuts to the welfare state have undeniably taken place in almost every industrialized country, at least after 1996 (the year Pierson published his analysis). Interestingly, though, the most radical reforms, which led to a downsizing of social expenses and – above all – to a new way of conceiving the welfare state, have been undertaken by non conservative or even (nominally) leftist politicians such as Clinton, Blair or Schröder. With the aim of understanding how this was possible, I would like to analyze briefly the kind of discourse used to justify these reforms, also in order to grasp why this discourse was so successful among the electorate (even among leftist voters) and surprisingly also among the groups which would be more directly affected by the cuts.

The neoliberal discourse on welfare

As we have seen, mistrust towards the welfare state was manifested also by authors who can be considered to be leftists, like Habermas. Even more radical was the skepticism of so-called neoliberal authors. Already in 1974, a few months after the oil crisis and the introduction of austerity policies in many European states, Samuel Brittan wrote a text that had a huge influence after its publication one year later. It is not by chance that the essay’s title was *The Economic Contradictions of Democracy*, since Brittan judges democracy exclusively from the point of view of its economic costs and of its efficiency deficit. Brittan highlights two problems, which according to him haunt all democratic regimes, since they are inherent to democracy itself, at least in its contemporary avatar of liberal representative democracy. The first problem is that democracy generates excessive expectations among citizens; the second is that within democratic regimes there is a tendency towards the rise of groups, which try to impose their particular interests with huge costs for the community. According to Brittan, both problems could be resumed by saying that «an excessive burden is placed on the ‘sharing out’ function of the government». This function includes all «activities of the public authorities in influencing the allocation of resources, both through taxation and expenditure politics and through direct intervention in the market place» (Brittan 1975: 130).

Following partially Schumpeter, Brittan conceives the democratic contest as an electoral market, in which politicians try to get elected by promising that they will use their power to distribute resources and public benefits among their voters, and in which voters choose their candidates according to these promises. «Unfortunately», writes Brittan, «neither promises of redistribution from politicians nor demands for it from the electorate carry with them a knowledge of how much there is to redistribute, let alone a consensus on a just distribution» (Brittan 1975: 141). This mechanism for choosing rulers leads unavoidably to the rise of interest groups, each one of which aims at obtaining from a government the most benefits possible. As a result, the government ends up making ad hoc concessions, which will never result in a coherent, rational politics, but which on the other hand despite their high costs and deriving inefficiency do not lead to catastrophic effects as, according to Brittan, history would show. Brittan's essays ends with some critiques of public bureaucracy inspired by Irving Kristol (the so-called 'godfather' of U.S. neo-conservatism) and with a section on the «mirage of social justice» that echoes arguments by Hayek, who is explicitly quoted.

Which arguments does Brittan introduce to sustain his claims concerning the two major problems of democracy? In the case of excessive demands, he takes up some remarks by Schumpeter on mass psychology, on the irrationality of the masses and on their being easily manipulated. According to Brittan, when individuals are freed from their personal responsibility, they tend to leave aside any rational calculus and any critical caution. Furthermore, they do not have time to 'lose' by demanding political analysis, or with a detailed study of facts and different political programs, but they will choose their candidates more or less unthinkingly and irrationally. Moreover, since voters do not stand under budget constraints, they tend to expect from government and state much more than what public finances allow for. In other words, as soon as they dismiss their role as private individuals to slip into that of voters, citizens forget any prudence, since the costs of the policies they support do not weigh immediately on them, while the benefits do. As for the existence of interest groups competing for governmental resources, Brittan mentions a single example: workers' unions, which would care exclusively for guaranteeing benefits to their members, regardless of the costs and consequences for other groups and the state.

Why is Brittan's essay so interesting? Because it uses concepts and arguments that in the following decades have been used by neoliberal authors and have penetrated so deeply into the political discourse that nowadays they appear trivialities or unquestionable truths. In the first place, we are presented with a definition of the average voter as a rational, calculating subject when it comes to making decisions in the private sphere, and as an irrational, thoughtless subject when it comes to public decisions. Furthermore, the di-

chotomy public/private is used here to introduce the topic of the unaccountability of those who manage public affairs – even voters are considered to be unaccountable in this sense – as well as the topic of the inefficiency of public bureaucracy, opposed to the efficiency of private enterprises. If one should schematize the concepts used by Brittan, one could distinguish two conceptual fields that are clearly opposed, the first is characterized positively, the second negatively: Private *vs.* Public; Accountability *vs.* Unaccountability; Responsibility *vs.* Irresponsibility; Rationality *vs.* Irrationality; Efficiency *vs.* Inefficiency. It is worth noting that *all* the concepts referring to the public sphere are connoted negatively, even from a semantic point of view, being characterized by negative prefixes.

Brittan does not give us empirical data to maintain the thesis according to which the private sphere is characterized by the above mentioned positive qualities – and he could hardly do this, since in the last decades empirical studies have actually put into question the idea of a rational subject not only in the political, but also in the economic field (Caplan 2007, Elster 1999, Green and Shapiro 1994); further studies show that even private enterprises have to cope with irrationality and inefficiency just as public bureaucracies do (e.g. Jackall 1988)⁴. So, he just resorts to some remarks that oscillate between plain common sense and the ideology of *homo oeconomicus*, but have no scientific basis.

The public/private dichotomy used by Brittan is typical of the attitude of strong mistrust towards politics, government and state, which characterizes neoliberal authors and the politicians who got their inspiration from their works (one has just to think of Reagan's famous claim: «government is not the solution to our problem; government is the problem»)⁵. We shall come back to this anti-governmental rhetoric: but for now, I would like to observe that the use of negative terms such as irrational, unaccountable, inefficient represents a form of delegitimizing state action and ultimately the democratic state itself.

As for the thesis concerning interest groups, which in itself does not represent anything new (it is a *topos* of Republican literature from Cicero to Rousseau and Madison), it is worth noting that the only examples mentioned by Brittan are workers' unions, as if there were no other lobbies and interest groups, e.g. employers' associations. In his choice of this example, the ideological nature of Brittan's argument becomes evident: the only particular interests that supposedly give rise to problems of efficiency and economic irresponsibility are those of unionized workers, not those of employers or of

⁴ One could also read the hearings of the Financial Crisis Inquiry Commission, whose report is available at <<http://fcic.law.stanford.edu/report>>.

⁵ In his first inaugural address on January 20th 1981.

farmers who receive state subsidies, or of rich taxpayers who benefit from tax cuts. Probably Brittan would claim that subsidies and tax cuts are just a way to incentivize economic growth – at least this is what mainstream economists frequently claim⁶.

As I said before, the concepts and arguments used by Brittan have become part of the prevalent common sense, not only among political and economical scientists, but also in everyday political discourse. Of course, Brittan was not responsible for this (neither were Thatcher or Reagan), precisely as Keynesianism's triumph cannot be ascribed only to Keynes. Let us say that texts like Brittan's essay are signs of a deep change both in political debate and practice. Although at certain points it just takes over ideas that had been already presented by Schumpeter, Hayek or Kristol, it is an extremely timely text – at least with regard to the time it was published. Those years were characterized by the crisis of Keynesianism and by the search for an alternative theory that might, first, help to make sense of the crises that were haunting capitalism and that might, second, offer solutions that could strengthen the capitalist economic system, particularly in a historical moment in which an alternative system seemed to exist, namely really existing socialism (we know now that it was actually an inefficient model, doomed to failure, but in the mid-1970s not everyone would have agreed on this).

In this theoretical vacuum neoliberalism did step into the breach. It was not a fully fledged theory, rather a set of heterogeneous doctrines, which were partly inspired by classical liberalism, but differentiated themselves from it through the firm conviction that the best way to have (a) an economic system that was as efficient as possible and (b) a political system that could guarantee the highest amount of individual freedom would be to extend the model of the market also to spheres (such as education, health care and public services in general), which up to that moment had obeyed a different logic (e.g. those of citizenship or of social inclusion). Neoliberal ideas had already been formulated, but were considered extravagant in the era that saw the dominance of Keynesianism⁷. They were kept alive by the Mount Pelerin Society, which comprised economists, but also politicians and publicists, and, when Keynesianism was challenged by the 1970s crises, they found influential standard

⁶ Just think of the trickle-down theory, which is obsessively repeated despite the fact that empirical data not only fail to confirm it, but tend to prove it wrong (the United Nation Development Program Reports since 2002 confirm every year a global tendency towards a wider inequality in the distribution of wealth and income).

⁷ Hayek's ideas were reportedly mocked by his colleagues at LSE. For a short history of the rise of neoliberalism among the difficulties presented by the dominance of Keynesianism see Peck 2008.

bearers in intellectuals like Milton Friedman, who managed to present them as the only viable alternative to Keynes' ideas, if one wanted to save capitalism. In a few years they became the dominant ideas, also because they fitted perfectly with marginalism and neo-classical economics, i.e. with the economic theories that were (and still are) taught in almost every business school. Thatcher and Reagan's landslides marked the triumph of these ideas also among common voters, even if the corresponding policies were not immediately implemented (most likely out of fear of the possible negative reactions of the voters themselves, as Pierson claims).

The reasons for a triumph

What were the causes of this triumph? For, even if Brittan and Pierson are right in their analyses, it is far from clear why voters embraced so enthusiastically political proposals that promised cuts to public services and to welfare, and that therefore would reduce benefits and force the voters to diminish their demands on the state. The circumstances in which voters did repeatedly support governments that vowed to reduce public spending and public services seems to prove wrong both the hypothesis of irresponsible, egocentric voters (on which Brittan founded his analysis) and the hypothesis of calculating, maximizing voters (which is defended by Pierson and many others).

Maybe the reason for this apparent paradox must be sought in the fact that neoliberals recur to a simple *moral* argument, actually so simple that it sounds often simplistic, but which is easily understood. The argument states that everyone is responsible for her own life and her socio-economic situation. A corollary to this argument claims that the state has no right at all to take taxpayers' money (i.e. money earned through their hard work by "responsible" people) and redistribute it to people who prefer to live on benefits rather than working themselves. This extremely coarse version of two central intuitions of neoliberalism (the idea of individual responsibility and the thesis of the necessity of negative or positive incentives to promote individual initiative) has been defended by pundits in a great number of newspaper columns and TV debates, by authors of management and self-improvement handbooks, but also in books with academic ambitions published by conservative think tanks like the American Cato Institute. I shall quote as an example an excerpt from a book whose title is programmatic: *A Life of One's Own. Individual Rights and the Welfare State* by David Kelley, published in 1998: «In our personal lives, most of us realize that the world doesn't owe us a living. Whatever our individual circumstances, we know that we are responsible for doing what it takes to get the things we want in life. We're responsible for earning a living

that provides for both current and future needs. We're responsible, not just for doing our jobs day by day, but for finding a job in the first place and for acquiring the knowledge and skills it takes to find a job. [...] Yet in our public lives we have accepted an obligation to provide food, shelter, jobs, education, pensions, medical care, child support, and other goods to every member of society. The premise of the welfare state [...] is that the world does owe us a living».

From all this the author comes to the conclusion that the welfare state is undergoing a crisis that is not just financial (due to the explosion of its costs), but above all of a moral nature, since it assumes the existence of a non existing right and since it transforms individuals into parasites, instead of encouraging them to claim responsibility for their own lives. This is a very simple idea that presents the twofold advantage of letting taxpayers (Kelley's target as readers) believe firmly that they are masters of their lives and at the same time feel that they are morally better individuals than the beneficiaries of social programs (the poor, the unemployed, single mothers etc.). They are therefore entitled to claim that the state reduce or abolish those programs without being accused of showing human coldness or a lack of solidarity. Kelley does not even try to justify his claim that «the world doesn't owe us a living», as if it were something we all should grasp by ourselves soon or later – a self-evident truth affirmed in the face of every possible objection (Kelley is well aware that there are objections, as shown by his aside «whatever our individual circumstances», meaning that even if you are born in a Chicago slum by an unemployed single teen mother and have attended poorly funded schools, that were unable to give you a decent education, you are ultimately responsible for your own poverty). Once this premise has been postulated, the obvious consequence is that the welfare state lacks any moral legitimacy whatsoever.

Of course, Kelley's readers have to accept this premise if they do not want to admit that after all, under certain individual circumstances, they also could need social programs; and above all they have to pretend never to have enjoyed such programs, as if it were just the poor, the unemployed or the single mothers who receive public benefits because of their irresponsible actions. Paraphrasing a famous expression used by Eagleton with regard to ideology, irresponsibility is like bad breath: it is always the others who have it (Eagleton 1991: 2). It is not by chance that the social programs that Reagan managed to reduce without too much difficulty were those concerning relatively small groups like single mothers, while he had to recur to legislative tricks in order to reduce the expenses for Medicare and Social Security without the voters noticing it immediately.

The end of welfare as we know it

On the other side, the US president who managed to implement significant cuts and to «end welfare as we know it»⁸ was Bill Clinton, who in 1996 (two years before the publication of Kelley's book) signed the Personal Responsibility and Work Opportunity Act (PRWORA). This Act pursued goals, which clearly harmonized with neoliberal ideas, since it intended to put an end to welfare meant as a set of social programs grounded on individual social *rights*. In order to get access to the new programs, beneficiaries had to fulfill conditions that went far beyond the 'passive' ones of lacking an income or a job. They were forced to accept any job after two years of permanence in the program; otherwise they would lose all benefits. Furthermore the program established a cumulative limit of five years for receiving federal benefits.

I would like to highlight two relevant aspects of the PRWORA. The first one is that it gives up the idea that citizens are entitled, viz. have an unconditioned right, to *social* programs. In the old model (welfare as we knew it), any needy citizen was entitled to certain benefits, even if it was up to the law to establish what it meant to be needy, in order to prevent abuses. In the new model (PRWORA), citizens (illegal migrants were explicitly excluded from social programs) get benefits that are conditioned by their own behavior. This leads to the second relevant aspect: what is expected from the beneficiaries of social programs is that they find a job which allows them to live autonomously; otherwise they will no longer qualify for receiving the benefit. They are expected to accept any kind of job, not necessarily a job well suited to their education and professional training. The result of the PRWORA was a significant drop in the unemployment rate, to which, however, corresponded a sharp rise in low-wage jobs, more often than not forcing their holders to find a second job or face a life in dire straits⁹. In other words, «if any man would not work, neither should he eat», as the apostle Paul put it (2 Thessalonians, 3:10).

From welfare to workfare

We face therefore a paradigm change: from that of welfare to that of workfare, to recur to a term used by scholars (e.g. Peck 1998, Peck and Theodore 2001), but also by politicians from the whole political spectrum, from Richard

⁸ Speech at Georgetown University on October 23rd 1991; he repeated this sentence when he signed the PRWORA on August 22nd 1996.

⁹ An impressive description of this kind of life can be found in Ehrenreich 2001.

Nixon (who used it as early as 1969) to Tony Blair (who in the 2000s implemented welfare reforms similar to those introduced by Clinton). Actually this marks the return of policies that had already been implemented in Britain in the 19th century through the adoption of the New Poor Law (1834). This reform left the English poor facing three options: 1) those who were too old or sick to work were entitled to receive further public charity; 2) those who were able to work but had no job, would have been given food and lodging but had to work in the newly established workhouses (whose regime was more reminiscent of prisons than of factories); 3) those who were able to work, but had no intention of doing so, would be sent to prison or even deported. Many scholars have reconstructed the historical process that led to this veritable criminalization of poverty (Geremek 1994, Himmelfarb 1984 and 1991, Somers and Block 2005); in this context I shall just discuss the discourse that was used to justify these measures, starting with Malthus' *Essay on the Principle of Population* (1798; 2nd ed. 1803 [1992]), which introduced the argument that, contrarily to common opinion, the public policies of aid to the poor far from solving the problem of poverty make it worse¹⁰.

According to Malthus, human beings are submitted to two laws of nature that are mutually conflicting. On the one hand they tend to reproduce limitlessly, creating a situation of growing scarcity of resources. On the other, when they are not able to maintain their children, they stop reproducing, so that equilibrium between population and available resources is reestablished. Aid policies suspend *de facto* the second law, since they abolish the negative incentive not to have children (i.e. the perspective of the whole family ending up starving). Therefore the poor keep on reproducing, worsening their situation (more mouths to feed are born) and weighing more heavily on the state (the number of people to be helped by public charity increases). Therefore the solution to the problem of poverty consists in stopping helping the poor! Furthermore, Malthus claims, public assistance creates dependency and encourages the poor to live off state aids instead of incentivizing them to work and live autonomously. As one can see, we are faced with two different kinds of argument: a demographic one and a normative, moral one. Despite the alleged scientific nature of the first argument, Malthus thought it superfluous to offer data for his demographic thesis (data he did not have and could not possibly find, since the thesis has never been confirmed). He limited himself to appealing explicitly to logic and to common sense with no further empirical proof. The moral argument grounds on the premise that living off charity is

¹⁰ This is a typical formulation of what Hirschman calls «the perversity problem» (Hirschman 1991).

unacceptable, but Malthus does not explain why it is so: once again common sense is supposed to acknowledge the self-evidence of this principle.

Malthus' arguments were used to justify the introduction of the New Poor Law and were conjured up again in the 1980s by American thinkers in order to attack the welfare state. Such an author was Charles Murray, who in his best seller *Losing Ground* (1984) used Malthus' arguments and even his methodology, claiming that «data are not essential to certain arguments about social policy and indeed can get in the way. The terms of debate can be grounded wholly in preferences about how the world ought to be, not how it is» (Murray 1984: 53). Nevertheless Murray resorted to many anecdotal 'proofs' for his argument, like cases of so-called welfare queens, i.e. of single mothers who cynically exploited public benefits in order to live at the state's expense (Reagan too loved to quote such cases in his speeches). This argumentative line presents itself as being scientific and logical, but, in an absence of data that may confirm its conclusions (and in a rather unscientific way of proceeding), it recurs to moral principles that – it claims – are self-evident and need no further proof. According to this line, welfare programs shape dependent, petty individuals who prefer to live as parasites instead of taking their own responsibilities, finding jobs and supporting themselves autonomously. Therefore it is necessary, if not to abolish directly these programs, at least to reformulate them so that the beneficiaries be nudged to leave them and to rely only on themselves. In order to obtain this goal, incentives must be introduced – both positive (professional training, tax breaks for those who decide to start an independent enterprise etc.) and negative (those who do not look for a job or refuse one may lose their benefits).

If we were to use Malthus and Murray's methods and appeals to common sense instead of using empirical data, we should expect that in the end only negative incentives will be implemented, since they do not have any cost for the state (they even allow it to save money). But reality tells us another story. This can be explained with the fact that the above-mentioned welfare reforms do not aim primarily at reducing state costs but at establishing a principle: that of individual responsibility for one's own socio-economic situation. Contrarily to what one could expect, once the reforms had been implemented, costs did not drop radically, but often increased because of the necessity of creating a much bigger bureaucratic apparatus than the one which managed the old welfare system. Examples of this are offered by the introduction of the so-called free schools in Britain and by the Hartz reforms in Germany.

According to the current Tory government, free schools should have diminished education costs for the state, while at the same time establishing healthy competition among educational institutions; as a matter of fact, however, they have ended up receiving much more money from the state than

publicly funded schools, not to mention the necessity of creating a system of control and consultancy, which in some cases swallows up to 20 per cent of educational resources¹¹.

As for Germany's Hartz reforms, this offers a very clear example of the 'pedagogical' character of welfare reform and deserves some longer remarks. The left-wing coalition government of Social-Democratic Party and Green Party under Gerhard Schröder in 2002 realized a reform of the welfare state following the advice of a specific committee led by the former union leader (!) Peter Hartz. Also in this case we face a shift from the welfare to the workfare model. The two main forms of social assistance in existence up to then, namely the *Arbeitslosenhilfe* (unemployment allowance) and the *Sozialhilfe* (social allowance), were fused into a single program of social benefits. Positive and negative incentives were introduced, which actually represented conditions to be fulfilled in order to qualify for receiving the benefits. This is particularly clear in the case of individuals who have lost their job. While previously to the reform it was sufficient that they communicated the loss of their job to get their unemployment allowance (proportional to the contributions they had paid during their working time), now they have to show up for an interview with a personal consultant at the local *Arbeitsamt* (job center), in order to be registered for the allowance¹².

The consultant (who has to follow dozens of cases) may command the unemployed individual to undertake professional training, motivational seminars etc. or to undergo medical or psychological examinations. Furthermore, the unemployed individual may be offered any kind of job, not only those for which she is qualified; she has the duty to appear at any job interviews provided by the consultant and if she fails to do so, the benefit may be cut. She has a residence duty and may not leave town without giving notice to the consultant. She has to be permanently available for contact and has 24 hours to react to a call from the job center (in the 2000s this implied forcing the unemployed to get an answer machine; nowadays with cell phones maintaining contact is smoother). The bureaucratic apparatus necessary to manage the program and, above all, to control the beneficiaries (whose homes can also be inspected in order to ascertain the real level of indigence) is huge and the consequent costs have gone up over the years. Like in the USA, Germany saw a surge in low-wage and part-time jobs, which allow people to maintain their benefits but more often than not are insufficient to guarantee a decent

¹¹ See <<https://www.gov.uk/government/statistics/income-and-expenditure-in-academies-in-england-2013-to-2014>> and <<http://www.theguardian.com/education/2015/aug/25/extra-funds-free-schools-warwick-mansell>>.

¹² Information on the program (in German) is available at <<http://www.hartziv.org/>>.

life. Also in this case, the financial aspect was less relevant than the imposition of the principle according to which getting state aid is no longer a right. The state offers services to those who on their part give specific performances – in the first place by looking for a job, but also by participating in professional training or in other activities aiming at their reintroduction into the job market. In other words, the vocabulary of rights has been replaced by the vocabulary of individual responsibility, while the idea of unconditional rights has been replaced by the idea of state services conditioned by specific attitudes and behaviors on the part of the beneficiaries. The goal of this process is to attribute to the individuals the responsibility for their success or failure in finding a job. Public benefits are seen as a conditional aid, which individuals must prove themselves to deserve, not as the object of social rights.

Personal responsibility and state control

This goal was clearly formulated in a document entitled *Towards a Code of Social and Family Responsibility*, which New Zealand's government sent to all families in 1998¹³. The document starts by listing some «disquieting aspects of New Zealand society». The first one is «a high and growing rate of dependency on welfare benefits among working-age people. Over 19 percent of adults of working-age and 30 percent of children are dependent on income from benefits», the document claims, without specifying the kind of benefits and, above all, without specifying whether the mentioned working-age people are all jobless or if they have a job whose wage is so low that they have to rely on benefits to survive. In any case, the formulation gives the impression that these people prefer to live on subsidies rather than working. The second aspect is the «high level of families at risk». The risk here is not material poverty, as one could expect, but moral misery: «children of poor families appear to find unrewarding the traditional norms of hard work, creativity, diligence, organization, stability and loyalty». The third aspect is the «high levels of sole parenthood», which allegedly have «a negative effect on the educational attainment of children». The fourth aspect is a mixture of undesirable or unacceptable acts: «disturbing rates of child abuse and neglect, births to teenage mothers and offending by young people» (apparently these phenomena are limited to the people who receive state benefits). The

¹³ < <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/archive/1998-towards-a-code-of-social-and-family-responsibility.pdf>>. On this document see Larner 2000.

fifth and last aspect concerns the «low levels of educational achievement of many children» (once again, this seems to be limited to the children of families who live on benefits).

According to the commission that elaborated the document, families and individuals should assume more responsibility: «Governments [note the plural: it is about government in general, not about the present New Zealand's government in particular – A. P.] should, first, step back to create space for a renewal of public *but not political* action; and, second, refrain from actions which undermine personal responsibility, the family and voluntary associations» (my italics). Social problems should be tackled by individuals and by institutions other than government. Individuals and voluntary associations are better suited than government when it comes to evaluating the real needs of persons and helping them to become independent and to develop a strong character. The state should cut its social programs and give space to private charity, according to the commission. Nevertheless, from the document one can infer that the state still has an important task, namely that of monitoring and when necessary punishing the individuals who do not comply with the new regime by assuming more personal responsibility.

It could appear paradoxical that the government is asked to step back and make way for private initiative while at the same time it is expected that it take on the task of creating a control system, which did not exist previously. On the one hand less state is demanded, on the other more state is demanded. But the contradiction is only apparently as such. It exists only if one sees neoliberalism as an anti-state ideology and if one takes seriously Reagan's quote on the government being the problem. In reality neoliberalism is also a strategy for governing that aims not at reducing public expenses (under Reagan they reached significantly a record high) or the scope of governmental action, but at reformulating this action and at using extensive state power to impose the market logic and the morality of individual responsibility. Some authors mention two different phases of neoliberal development: they speak of a roll-back and of a roll-out neoliberalism (e.g. Peck and Tickell 2002). The former is preoccupied with reducing governmental action to a minimum; the latter intends to use the state to pursue its own goals. Actually both dimensions have always gone hand in hand. At the moment the state abandoned a certain field to private initiative, it was forced to occupy a new one in order to practice its new controller role and to guarantee that citizens accept (willingly or not) the new regime. Examples of this are offered precisely by the transformation of welfare into workfare policies in Anglo-Saxon countries or in Germany.

An end to citizenship as we know it

We can conclude that neoliberal theory and governmental practice limit themselves to insisting on some quite intuitive concepts: personal responsibility, individual merit, efficiency. Those who have afforded economic independence tend unavoidably to attribute to themselves the exclusive merit of this and, therefore, attribute to the poor or the unemployed the responsibility for their situation. These are two faces of the same coin: by blaming the poor for their poverty, these individuals are giving themselves the merit for their own wealth. As a consequence, they are no longer willing to accept that *their* money, the money they earned through their hard work, be used to compensate for the laziness, incompetence or weakness of character of other people. It is not a matter of lack of solidarity; we face rather a system of values centered on the idea of individual responsibility, in which there is space also for solidarity, but only towards people who face a disadvantage without being responsible for it (e.g. the victims of natural catastrophes or of accidents they did not provoke). It is not a right-wing or conservative system of values, since it has been adopted also by thinkers who define themselves as leftists such as the representative of the so-called luck egalitarianism (e.g. Dworkin or G. A. Cohen). According to these thinkers, it is necessary to have social policies that correct disadvantages for which individuals cannot be blamed, but this does not apply to situations that are the result of individual bad choices (e.g. when a chain smoker faces the costs of curing lung cancer or when a mountain climber has to be saved from a ravine he fell into after having disobeyed warnings from officials and no entry signs).

Neoliberalism uses a language and moral arguments that are seductive for many people. Politicians who pursue policies that are (consciously or unconsciously) inspired by its ideas tend to justify their welfare reforms by using precisely that language and those arguments. As a result, the debate on public services such as education or health care recurs less and less to the grammar of rights and prefers the grammar of efficiency and costs or of individual freedom (understood here merely as the freedom to choose among services that are no longer free, like in the case of school vouchers, which allow parents to *pay* for the school of their choice). Therefore, a discussion on the efficiency of the proposed reforms or on their efficacy in reducing costs is a wrong discussion, since these reforms are implemented following moral principles more than economic considerations or efficiency criteria. In this sense, they are ideological reforms in the wider sense of the term: they obey a specific worldview and specific moral values. The shift from welfare to workfare is the passage from one ideological model to another, from a view centered on the notions of rights and citizenship to a view centered on the notions of individual re-

sponsibility and performances. In the latter view there is no place for a strong concept of political community: citizens are encouraged to see themselves as isolated individuals who demand specific services from the state, not as rights bearers who demand inclusion policies. Therefore, renouncing the grammar of (social) rights in favor of that of personal responsibility is not just a strategy for justifying the dismantling of the welfare state, but represents a deep change in the understanding of what it means to be a citizen and of what the goals of a political community should be.

The New Zealander ‘code’ represents an important step in this direction when it calls for the «renewal of public, but not of political action». At first glance, by distinguishing the political sphere from another sphere, which is not political and yet public, the text is just referring to the traditional separation of civil society and state. But it also claims that the ‘public, not political’ sphere (civil society) can manage social problems much better than the political sphere (the state), since such problems are actually *individual* problems connected to individual biographies, not *political* problems provoked by structural maladjustments, inefficient educational policies, unequal distribution of wealth and income, lack of effective social programs aimed at children from poor families, etc. From this point of view, citizens cease to be holders of social rights and become mere individuals with personal problems. The state is no longer seen as the agent of possible change in their lives or as the guarantor of their rights, but as a watchman seeing that they comply with certain requirements that would allow them to qualify for services from institutions, which might be indifferently state agencies, private companies or a mixture of both (as is increasingly the case with private-public-partnerships). The state is no longer seen as a collective body of citizens who owe solidarity to each other, but as a service provider or as a watchman for private institutions, who become its ersatz.

This vision is highly problematic. Despite Thatcher’s infamous quote according to which «there is no such thing as society», but just individuals and families¹⁴, our life is shaped by institutions – may they be private or public. The most important of them is still the state and if the state ‘rolls back’ or ‘steps back’, its place will be simply taken by other institutions, namely private institutions (not necessarily companies, but also churches, voluntary organizations, NGOs etc.), over which citizens will have little control, if any. The rolling-back of the state and the privatization of public services represent a loss of democratic control for citizens, and therefore of freedom for individuals, as the repressive measures implicit in workfare clearly show, even if they

¹⁴ Interview given on September 23rd 1987 to the magazine *Woman’s Own* (published on October 31st 1987, pp. 8–10).

are defended by neoliberal authors and politicians precisely in the name of an alleged increase in freedom.

When citizens give way to ‘costumers’ or to mere beneficiaries, individuals lose their power to control through political activity the institutions that shape their lives and therefore they lose the power to be masters of their lives. They start feeling like there really is no society; as a result they lose interest in political participation and probably solidarity with their co-citizens. In other words, ending welfare as we know it could mean an end to citizenship as we know it. It would be interesting to investigate how stable a society based on such values can be, and to ponder what its positive and negative aspects are, but this would go well beyond the scope of the present paper.

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