

SCLG2611 Welfare States – A Comparative Analysis

Lecture Notes

- Week One, 29th of Feb – 6th of March
- Brainstorms; Social Problems
 - old-age poverty; review the old-age pensions, address gender inequality, private sector funding e.g. superannuation – the fact that old-age poverty exists despite how many mechanisms are in place, infers that there are internal problems e.g. inequality, government not responding to rising costs of living, cycle of unemployment means not enough super funds, or aging population (i.e. people staying alive for longer)
 - youth unemployment; government funding for training and education, lack of jobs, industries being outsourced to other companies
 - illness and disease; national health service, linked to other issues such as housing e.g. if you fall ill and you can't work how do you provide yourself with shelter and food as well as care
 - welfare states address lifetime contingencies – that is, the inevitable problems that arise within a society such as those listed above – also known as social risks
- What is the Unit About?
 - figuring out why different countries tackle similar social problems in different ways, exploring key institutional mechanisms, understanding the underpinning logics behind the choice of policy instrument
 - Organization of Economic Cooperation and Development (OECD) countries (excluding the poorer ones) spend a larger share of GDP on welfare than others
 - When does a state become a welfare state, how do we compare them, what is meant by this and what does it entail?
- Welfare Types
 - conservative, social democratic, liberal – different countries take on these different approaches but they have a lot in common with each other, as the countries share a great deal of similarities
 - problems in comparing: language, practically and conceptually – leading to comparability problems; the meaning of welfare and social security, the meaning of the lone parent, important implications on actual social policies (e.g. family benefits) and data collected about particular phenomena (e.g. number of lone parent families)
 - differing standards of collecting data or differing degrees of objectivity (particularly, political and/or cultural-social factors), unemployment levels and crime rates are defined in different ways

Reading Notes

- Week One, 29th of Feb – 6th of March
- Week Two, 7th of March – 13th of March

Esping-Andersen, G. (1990) *The Three Worlds of Welfare Capitalism*, Cambridge: Polity Press, especially chapter 1 pp. 9-34.

- “Their [classical liberals] enthusiastic embrace of market capitalism may now appear unjustified. But we must not forget that the reality they spoke of was of a state upholding abolitionist privileges, mercantile protectionism, and pervasive corruption. What they attacked was a system of government that repressed their ideals of both freedom and enterprise” p. 10
- “Marxist political economy not only abhorred the market’s atomizing effects, but also attacked the liberal claim that markets guarantee equality” p. 11
- “The central question, not only for Marxism but for the entire contemporary debate on the welfare state, is whether, and under what conditions, the class divisions and social inequalities produced by capitalism can be undone by parliamentary democracy” p. 11
- article is basically asking what role parliamentary democracy has played throughout history and what role it will play now in contemporary Marxism and the creation of a welfare state – often idealized as the penultimate goal of socialism but has a fraught history that has anachronistically been misunderstood in laissez-faire political economy

Political Economy of the Welfare State

- *systems / structuralist approach*: the belief that certain apparatuses exist, the nation-state appropriates the welfare state function as the “invisible hand” function of nascent capitalism only serves the rich p. 13
- emerges in response to bureaucratization
- “the point is that the state, as such, is positioned in such a way that the collective needs of capital are served, regardless” p. 14
- the welfare state is therefore imagined as autonomous and free from the socializing effects of the market that is supposedly dominates
- *the institutional approach*: “the institutional approach insists that any effort to isolate the economy from social and political institutions will destroy human society” p. 15
- The theory has developed to say that welfare states emerge in more small, open economies that are vulnerable to international markets
- “democracy is an institution that cannot resist majority demands” p. 15