

REAL WELFARE: SELF-RELIANCE OR STATE DEPENDENCY?

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Economic Notes No. 96
ISBN 1 85637 562 5
ISSN 0267-7164

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The liberty of the individual is gravely threatened by many different forces in modern Britain. They range from Euro-federalism, through Big Business paternalism, to the excesses of the tabloid media. Not the least dangerous of these threats to our freedom is the Welfare State.

Our British Welfare State is one of the oldest, biggest, and most corrosive of liberty of them all. The state has seized an almost complete monopoly of funding, control, delivery, and regulation in education, health care, income support and employment protection; and massive influence in pensions and housing. State welfare has schooled us to take for granted that the Nanny State will provide for all our needs. It has stripped us of our natural capacity for enterprising self-reliance.

Its destructive threats to personal liberty and to the autonomy of the individual take many forms:

- It outlaws or severely limits the rights of consumers of “welfare” to a genuine choice of alternative, competing suppliers. It thus delivers them into the constricting straightjacket of state bureaucracy.
- It prohibits, or savagely inhibits, the participation of potential suppliers in the provision of flexible, high-quality services, restricting supply to inefficient, costly state monopolists.

- It imposes on taxpayers an escalating, extravagant danegeld, and forcibly abstracts from their pockets an arbitrary fine on their freedom which they would spend more wisely as individuals than the state can ever manage.
- It further invades the people's freedom by distracting into welfare funding essential state expenditures which should be devoted to efficient defence and crime control.
- Worst of all, the welfare state undermines the psychological foundations of personal autonomy by sapping individuals of their native capacity for enterprising, self-reliant rational behaviour. By its discouragement of prudence and initiative, and its sentimentally utopian support for idleness and for reckless lack of foresight, it gradually transforms a free people into a subjugated mass of underclass serfs.

In the light of its destructive impacts on liberty, supporters of freedom and individualism should be in the front rank of critics of state welfare. The Welfare State is not, as its supporters claim, the *sine qua non* of civilised society. On the contrary, it is to be faulted on many grounds.

First, the whole concept of the “Welfare State” is philosophically incoherent, and inevitably productive, in consequence, of irresolvable contradictions. It means all things to all men, and nothing sensible to

anyone.

Second, the forward march of normal economic progress, and the massive generalised increase in living standards which prosperity has generated, make the bloated system of universal state welfare entirely unnecessary.

Third, the costs of the Welfare State have escalated to a pitch which threatens national bankruptcy. Levels of state expenditure, taxation, and public debt are all grossly excessive.

Fourth, the Welfare State is largely ineffective. The inevitable consequence of its monopoly power, its bureaucratic character, and its inattention to the varied needs of individual people, is that it fails routinely to help those who genuinely need special support. It squanders billions of pounds every year on third-rate services delivered to the wrong people, in inappropriate ways, to little useful effect.

Last, *and worst of all*, it wreaks enormously destructive harm on its supposed prime beneficiaries: the vulnerable, the disadvantaged, and the unfortunate. It makes of perfectly normal, entirely capable people who happen to be in temporary difficulty, a fractious, subjugated underclass of welfare dependents. It cripples the enterprising, self-reliant spirit of individual men and women, and lays a depth-charge of explosive resentment under the foundations of our free society.

Reforming the Welfare State

Reform is essential because state welfare is subverting our freedom and corrupting our most precious institutions: marriage and the family foremost among them. It is proving a more destructive “enemy within” of the values of our civilisation than national or Bolshevik socialism ever were from outside.

A small and changing minority of people need safety-net support from time to time. The vast majority do not. We should turn the whole machinery of state welfare over, gradually and by voluntary choice, to the market and voluntary agencies.

The state should play no part in the ownership, funding, or delivery of welfare services for the prosperous majority in the mainstream of society. It makes no more sense for the state to supply education, pensions, housing, or health care in Britain than for the state to produce machinery in China or food in Russia. The free, competitive market simply does it a great deal better.

There should be wholesale liberalisation and straightforward privatisation of education, health care, housing, pensions, unemployment insurance, income protection, postal services, transport, and most local government services. All these functions could be taken over by the commercial insurance industry, mutual associations, trade unions, voluntary agencies, independent schools, colleges, hospitals and clinics, and other specialist companies competing in a free market of welfare.

As far as the bulk of the population is concerned, the State's role should be restricted to regulation. Enormous reductions in taxation should be possible. Most people could look after themselves and their families, with prudent self-reliance, out of their own moral and economic resources, insuring against misfortune, planning for their futures, choosing freely among competing suppliers of real welfare.

For those - very few - people who are incapable from time to time of looking after themselves from their own resources, the state should remain responsible through a *National Special Assistance Programme*. This does not require the massive machinery of the Welfare State. Modest help organised through the tax system and by means of small-scale local organisations, making maximum use of voluntary, non-state agencies, would be quite sufficient.

In order to minimise dependency, loans should be preferred to grants, and help should not be provided except in return for effort: workfare, participation in training, therapy where appropriate. The whole system should be based on need: which should be demonstrated and closely monitored, rather than on (fictitious) rights. The exclusive, objective, and justifying mission of the Programme should be *to restore clients as quickly as possible to self-reliance*. The Welfare State, by contrast, positively encourages unemployment, single-parenthood, spurious invalidity, fraud, criminality, and underclass dependency.

A Special Assistance Programme organ-

ised along these lines would provide much more effective help than the Welfare State has ever done for those who genuinely need support. People - of whatever political persuasion - who have the real interests of the disadvantaged at heart should defend radical welfare reforms unapologetically.

Towards a self-reliant future of freedom and real welfare

The market, with its open opportunities for producers and consumers alike, and civil society, with its optimal role for voluntary co-operative action, comprise together the major arena for the development and expression of genuine liberty. In the sphere of so-called welfare, we have allowed this precious arena of individual freedom to be squeezed and crowded out for a hundred years and more by a rapacious, bureaucratic State.

If we value our liberty and treasure our precious rights as individuals, we should all do everything we can to cut the Welfare State down to size and replace it with institutions more appropriate to a free people.

The above article covers the main points of Professor Marsland's book *Welfare or Welfare State?*. Published by Macmillan, March 1996. Pp. XX + 259. ISBN: HB 0333631 129; PB 0333631 137. It first appeared in the July 1996 issue of *The Individual*, the journal of the Society for Individual Freedom (www.individualist.org.uk), pp2-3.