How Valuable in the Social Security Scheme in Great Britain

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How valuable is the social security scheme in Great Britain? It would be presumptuous, I believe, to pass judgment on so vast an undertaking after only eighteen months in operation. It would be more than rash, since John Bull himself, with his proverbial caution, takes the attitude of «wait and see». Perhaps the judgment will never be passed, for, skilled architect of adaptation that he is, the Englishman is likely to transform the system little by little until it has all the kinks worked out of it. That's what it means to him. In the present circumstances we may well ask whether immediate social utility is not the right barometer to judge by. Thus the plan would always be that which is best for any given moment.

Though it would be throwing prudence out the window to judge the system in terms of black and white, historical facts can help cast some light on the present development of the scheme and thus permit us to form a tentative opinion.

History

A glance at the route traversed by socio-economic thought in Great Britain in the course of the last two centuries shows a passage from blissful ignorance of the social responsibility of private property to a more and more vigorous recall to the interdépendance and mutual responsibility of citizens.

Under the regime of laissez-faire capitalism, the Poor Law administration was never able to prevent pauperism, and even gave rise to it at times. It is referred to as the Speenhamland system, with its unhappy social consequences. In 1795 an assembly of magistrates at the Pelican Inn in Speenhamland, in answer to the agricultural workers' constant pleas for aid, proposed to supplement their wages by a subsidy drawn directly from the funds collected by the Poor Tax. This subsidy was based on the price of bread and the number of children in the worker's family. The employers of the time took advantage of this measure to drop their wages to the lowest level, counting on the subsidy to make good the difference. Before long a man had to be recognized as a pauper before he could get a job, because the public dole was refused to anyone who was able to own anything. The measure, at first only local, spread through the whole country and ended in pauperizing the majority of agricultural workers.

Another consequence was the giddy rise of the tax rate. It reached six sevenths of the total of the funds spent in public administration, without solving the problem. Popular revolts broke out in the southern counties. Obviously, a reform of the regime was demanded. It took place in 1834. But the government attempts only transformed into quasi-penal institutions the workhouses created by Elizabeth for the jobless. When this administrative reform of 1834 was put through Disraeli cried: "This proclaims to the world that in England poverty is a crime"; and the institution employed to quell the demands for aid has become an object of shame for the Anglo-Saxons.

This incomprehension on the part of the public authorities of the nature of the problem of pauperism provoked all sorts of reactions. The mutual aid movement grew extensively with the numerous foundations of the Friendly Societies and cooperatives; the more fortunate classes roused themselves and attempted by their philanthropy to bridge the gap between the two nations of the kingdom, the rich and the poor, described in Disraeli's Sybil. Finally, vigorous political action took place under various designations: chartists, Christian Socialists, Birmingham Radicals, Social Democrat Federation. This permitted the rise of leaders from the ranks of the labouring classes, more or less battered by economic liberalism and the Poor Law regime, to public posts of power and authority. It led to that amalgamation known today as the Labour Party, dedicated to the reclaiming of social justice. Of all the movements this is the most powerful and influential. It is claimed that its educational action has so infiltrated the liberal party as to make it lose all significance. This tactic was employed especially by the Fabian Society, the oracle of the Labour Party, and is supposed to have drawn its inspiration from Bentham's utilitarianism.

The most flamboyant representative of the labour movement is Aneurin Bevan, Minister of Health, whose views on public welfare and the future of the social security plan, and on what attitude to take vis-à-vis the Conservative Party, are certainly definite enough. "Homes, health, education and social security — behold your birth-
right”, he has declared to the workers. “No flat­
ttery, no moral or social seduction can extinguish
from my heart the fire of my hatred for the Con­
servative Party...” For him this party represents
capitalism.

We must pause a moment to compare this
body of doctrine, which has breathed into the la­
bour government its new dynamism, with the
ideas current at the time of Townsend and Mal­
thus: “There seems to be a natural law that the
poor be more or less improvident, in order that
they may always be there to discharge the most
servile functions of society, the dirtiest, the most
unnoticed”.

On account of the vigorous and encroaching
operations of the government, the philanthropic
and mutual aid movements are finding it very
difficult to carry on their charitable activities.
Taxation has in a way dried up the financial
source of philanthropy. And many works of cha­
ritv are being obliged to modify their policy be­
because of the expansion of public social services.
The mutual aid societies or Friendly Societies, on
their part, see their raison d’être disappearing in
the nationalization of insurance.

The situation has been found to be so grave
that in 1948 Lord Beveridge, at the plea of one
of the most important Friendly Societies, presented
to the public a study entitled Voluntary Action.
This work constitutes an attempt to find a propi­
tious sphere for the function of mutual aid and
philanthropy, as also to find the means of effective
cooperation with government services.

The overall message of this document is that
these movements operate with the greatest effi­
ciency in the sphere of social experiment and so­
cial exploration. This involves a continuing na­
tionalization of the results of their efforts. Yet
Lord Beveridge recognizes certain social functions
the state cannot exercise, for instance the task of
interpreting the citizens to the state, or the orga­
nization of leisure.

The current administration

There are some signs in the present admis­
tration of the plan that show the way the wind
bears. It is often heard among the government so­
cial security officials that this or that measure must
be taken to wipe out the disgrace of the Poor Law.
This explains the generosity of the program of
National Assistance and the great number of those
who appeal to its services. As we have pointed
out in a previous article, this organism seems to
grow on account of the relative inability of the
system of National Insurance to provide the mi­
nimum subsistence demanded by Beveridge. If
we examine the financial structure of the system
we find that it is rather rigid. It is not flexible
enough to follow the fluctuations in the buying
power of the pound. In this regard a more flexible
plan might be to base contributions and benefits
on a wage percentage rather than on the number of
shillings (the buying power of which varies as the
economy fluctuates).

The health section of the plan has raised nu­
merous discussions which it would be idle to re­
peat here. One criticism, however, seems to have
some foundation. The English these day are fond
of commenting wryly: “We have an excellent plan
for National Sickness”. The truth is that the em­
phasis of the plan is on curative medicine, —
though the rationalization of prenatal hygiene and
child care is producing results not to be sneezed
at. One cannot help admiring in this connection
the civic spirit of the English. Ten thousand vo­
unteer workers staff the administrative boards in
every part of the country.

Beveridge has always said, and continues to
maintain, that national social security should give
only the subsistence minimum. But it seems that
the high cost of obtaining this minimum is raising
some doubts about the effectiveness of the means,
i.e. nationalization of insurance, of medicine, of
hospitals and of all the other connected services.
Is social insurance destined to become simply a
forced and artificial redistribution of revenue into
services instead of being a system of mutual pro­
tection?

Relations among the ranks of the socially in­
sured (they number 29 millions plus dependants)
are somewhat dehumanized. They can be resol­
ded into a series of accounting operations. Be­
veridge himself declares: “Decline of the intensity
of inner life is a natural consequence of growth in
size”. Should we search for a formula of social
security that will capitalize on both the strength
drawn from great numbers and the human wealth
of the relations between natural social groups?

The present regime of welfare and social se­
curity bears within itself the elements of regene­
ration. Indeed, the political sagacity of our Bri­
tish friends has, so to speak, welded administrative
structure to the needs and the mental outlook of
the people. A thoroughly integrated network of
administrative and consultative boards composed
of all the elements of the nation keeps the govern­
ment informed on measures to be taken. This or­

ganic conception of administration is surely a fac­
tor of continuity and balance.