RECONCEPTUALISING THE WELFARE STATE MODEL: THE RISE OF A ‘SELECTIVE WELFARE STATE’ IN THE UNITED KINGDOM?

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Abstract

This paper seeks to explore the emergence of a ‘selective welfare state’ in the United Kingdom under the prefecture of the current coalition government. It will be argued, that in light of fiscal austerity, the state has been compelled to reconceptualise its traditional role from a ‘full provision welfare providing body’ to a ‘selective welfare providing entity’. Examples of deviation include the Troubled Families Agenda, under the notions of ‘citizens’ empowerment’ and ‘reducing dependencies on the state’. These reforms run parallel to the thicket of mandatory governmental restructuring, evidenced through the Triennial Review and the Red Tape Challenge at the national level. It will be demonstrated that such selective welfare revolution exacerbates an acrimonious struggle between state powers and individual rights, where in turn, the citizens question the legitimacy of the selective welfare concept. Apart from using judicial review, we also seem to be witnessing the rise of non-governmental organisations as the new avenues of social consciousness, used to translate their individual interests into collective and public issues, whose relationship to rights is most precarious, with collective voices through electoral representation as a final forum. Voters decimated the ruling power of the coalition government in the United Kingdom’s local government election in May 2013, a testimony that they do not acquiesce to the selective welfare state agenda. The state is still in search of a plethora of sustainable governance, with the General Election 2015 as a final platform to determine the destiny of the selective welfare state in Britain.

Keywords: Selective welfare state, Troubled Families Agenda, welfare reform, empowerment, individual rights, non-governmental organisations, judicial review, social consciousness, voting powers.
Introduction

‘The welfare state acquired an ideological life of its own, in which Britain’s welfare state became infused with a series of vague but deeply and widely held beliefs: as part of a common society, we do have shared needs; people – all people – are entitled to a decent life, privilege and greed must not be allowed to emasculate citizens’ social rights; government can be a force for good in securing these ends’ (Heclo, 1980: 39).

So, what is the future of the welfare state in the United Kingdom? The paper seeks to examine the reconceptualisation of the welfare state concept by the current coalition government from 2010 to date. I will argue that the radical deviation brought about by the coalition government has been too aspirational and runs the risk of rejection by the citizens, despite its best attempt to balance the prevailing economy deficits and the welfare needs of the population.

Hasenfeld et al. (1987: 389) have charitably proposed that although the term ‘welfare state’ is loosely used terminology, it refers to the non-market, governmental provision of, or direct funding of, consumption needs in conventional areas such as income, housing and healthcare. To put it laconically, it is the government intervention that is directed to the vulnerable cohort of the population, to ensure that their living standard does not fall beneath acceptable minimum levels.

The modus operandi of a welfare state can be demarcated into four folds. First, it enables a more equal distribution of income and wealth within the population compared to the free market forces, as the latter are not politically, socially and morally accountable. Second, it safeguards the vulnerable people within the society from disproportionate day-to-day risks. Third, it corrects the inefficiencies of the market forces, widely known as externalities, in areas that will benefit the population the most, such as housing, health and education. Finally, it can sustain the power of the incumbent government to remain in power wherein the welfare programme can be used to gain popular votes in elections.

The genealogical investigation of the welfare state in the United Kingdom can be traced back as far as the Second World War, which is both chronological and thematic. During the Second World War, the government published a series of reports on the need for changes in welfare provisions; this helped to fuel a widespread desire for social reconstruction in the post-war period (Harris, 2004:1). The metamorphosis of the welfare state concept in Britain continued by the British Labour Party who advanced ‘jobs for all’ and ‘social insurance against the rainy day’ as its primary political mantras and ‘the means needed to realise them’ policy, which led to its victory (Craig, 1975: 124 – 5). Here, we seem to be witnessing the sustained embellishment of such welfare states as ensured by a supportive electorate. These measures were further substantiated by the Conservative Party between 1951 and 1964, through a mildly progressive tax system and pledge to secure high levels of employment through Keynesian economic management to urban planning and to a large authority housing programme (Taylor-Gooby, 1988: 1).
Despite the net social value of these welfare programmes, the nascence of the selective welfare state concept was subsequently hampered in the rhetoric of citizens’ empowerment. The Conservative election platform emphasised ‘giving people greater choice and responsibility over their own lives’ in 1987 (Conservative Party, 1989: 7). It also touched on screening and deterring dogma, which included the targeting of state social security onto those in genuine need, the expansion of private pensions and sick pay, the strengthening of private health care and education and the selling off of council housing stock (Conservative Party, 1989: 8). Without much surprise, the trend is has been brought back by the current coalition government, which has put forth various attempts to reformulate the notion of a welfare state in the United Kingdom. The unparalleled growth in public spending of the 2000s, the financial crisis and support for the main clearing banks since 2008, the rigorous use of quantitative easing of over £2000 billion have obliged the Treasury’s Spending Review 2010 with a planned 40% reduction across all public spending (Wanna et al., 2003; Brazier and Ram, 2006). These constraints, to a certain extent, have contributed towards the emergence of the selective welfare state agenda in the United Kingdom.

The article will discuss how the uncertain economic situations in the United Kingdom prevail over the welfare needs of the population, enabling the selective welfare state’s agenda to burgeon in the current climate. It will consider how it is translated into actions by the current coalition government through the major restructuring of public entities and welfare spending. It will also focus upon how it is enforced at the local level, before considering the citizens’ angle as the beneficiaries of the selective welfare reform products. Procedures that are available at the citizens’ disposal to air their chastening experience resulting from the reform, for example, the judicial review and representation of the non-governmental bodies will be explored, with the general election 2015 platform as the ultimate determinant of the future of the selective welfare state in this country.

**Economic Pressures**

The raison d’être behind the reconfiguration of the welfare state concept towards the selective welfare state is the uncertain economy condition. According to Snower (1993: 703), as the cost of welfare state services have accelerated significantly faster than inflation while the tax base has expanded only slightly faster than inflation, governments around the world have faced inexorably rising budgetary pressures and in turn, responded by cutting back on the traditional welfare state services. In addition, the greying of populations, changing family patterns, rising share of women in the public sector labour force, and the maturation of government welfare devotion incline to increase social expenditure, which in turn generates intense and persistent pressure on government budgets (Pierson, 2001a).

This is evidenced through the landscape changes in population in the United Kingdom between Census 2001 and Census 2011. The percentage of pensioners in this country is currently 22.5%, representing a 6% increase compared to 2011 (Office for National Statistics (ONS), 2012a). The expansion of the pensioner group is worsened by the contraction of those entering the labour market, where there is approximately a 7% decrease in the size of the
population entering the labour market compared to 2001 (ONS, 2012b). This, in turn, generates over reliance on the shrinking resources of the government, where the latter responds by prioritising its expenditure by shrinking the welfare programmes.

The Coalition’s Vision of Major Public Sector Transformation and its Manifestations

In the budget presentation, the Chancellor of the Exchequer presents a financial statement, and review of taxation levels to the House of Commons in the spring of each year. In his recent Spending Review in June 2013, George Osborne announced a growth forecast of 0.6% for 2013, after avoiding a triple dip recession in April 2013 (BBC, 2013a). The Chancellor’s prediction of the trajectory of the economic progress seemed to be modest; 1.8% increase in 2014, 2.3% increase in 2015; 2.7% increase in 2016 and 2.8% increase in 2017 (BBC, 2013b).

To ensconce the paradigm shift towards a selective welfare state, the coalition government predicated a major public transformation across Britain. Such reforms, as articulated by McEldowney (2007: 335), are about reprogramming public sector expenditures through surveying public expenditure as a whole in relation to resources, convalescing management of the public sector via stringent financial controls and providing the opportunity for parliamentary control. This implies the notion of efficiency and accountability of the public entities as a custodian of the public purse.

Most government departments will notice a funding decrease by 1% in each of the next two years, following the Chancellor’s pledge of £11.5 billion in budget reductions allocated in Spending Review 2015 – 2016 (British Medical Association, 2013). There was an uneasy response by various ministers, where some of them were not successful in providing the Chancellor with the list of 10% cuts (The Times, 2013). The identified cuts would fall on the operational costs, which in turn would impact welfare expenditures that are seen as draining the public purse. The fact that the ministers were not successful in finding savings as per the Chancellor’s volition suggested that the ‘low hanging fruits’ are now diminishing, and the financial cuts will inevitably adversely affect some.

A Thicket of Mandatory Governmental Restructuring

At a macro level, the transformation of the public sector management can be seen through mandatory governmental restructuring, for instance Trennial Review and the Red Tape Challenge. Article 9 of the European Charter of Local Self-Government 1985 permits such an exercise, where it guarantees the government the freedom to determine expenditure priorities and to raise adequate resources, although the government’s decision to ratify this treaty in 1998 has a greater symbolic value than legal significance (Leigh, 2007: 238). Through this legal provision, the government is given a leeway of determining its expenditure in the way it sees fit for its purposes. Here, the government uses the performance management ideologies to identify opportunities to save money and to an extreme, restructure, by way of scrutiny, evaluation, insights, regulations, value for money and doing more for less (Clarke, 2004). As Bovens (2007: 449) remarks, ‘In contemporary political and scholarly discourse
accountability often serves as a conceptual umbrella that covers various other distinct concepts, such as transparency, equity, democracy, efficiency, resourcefulness, responsibility and integrity.

In April 2011, the Cabinet Office (2013a) announced that existing Non-departmental Public Bodies (NDPBs) would undergo a ‘Trennial Review’, at least once every three years. These reviews would serve two purposes: to enable a forceful test of the continuing need for individual NDPBs, both their function and their form; and to review the control and governance arrangements in place to ensure that the public body is complying with recognised principles of good corporate governance (Cabinet Office, 2013a). These reviews are a sine qua non determination of whether these organisations are still fit for the purpose. Following the recent successful completion of the Environment Agency and Natural England reviews, the government has announced another five agencies to undergo the review, including the Youth Justice Board, Law Commission, Criminal Injuries Compensation Authority, Health and Safety Executive and Advisory, and Conciliation and Arbitration Service (ACAS) (Cabinet Office, 2013a).

The other compulsory governmental restructuring activity is the Red Tape Challenge. On 7th April 2011, the government launched the Red Tape Challenge on a website to ‘challenge the public to help them cut unnecessary regulations’ and listed over 21,000 regulations active in the United Kingdom (Cabinet Office, 2011). The questions specifically being asked on these regulations are whether they should all be removed altogether, or whether they can be amalgamated with existing regulations, whether they can be simplified or reduce the bureaucratic nature, or whether they should be left as they are (Cabinet Office, 2011), in a laudable attempt to reduce cautious, risk-averse and the cumbersome decision-making process.

In June 2011, the focus was on equalities, where the government focuses on the Public Sector Equalities Duty and its guidance, the costs and benefits of the duty, how organisations are overseeing legal risk and ensuring compliance with the duty and what changes, if any, would secure better equality outcomes (Cabinet Office, 2012). Between 3rd and 19th October 2011, the attention was on employment-related law - these exercises saved businesses £155 million per year since its launch (Cabinet Office, 2013b). In May 2013, Defra announced major simplification of environmental guidance, which could lessen the time spent by businesses by 80% and could save the economy over £1 billion over the next ten years (Cabinet Office, 2013c).

The didactic nature behind the exercise is understandable – the government wishes to reduce regulatory burden, simplify legislation into workable solutions and ensure that the processes are justifiable and proportionate. However, it is noticed that very little input is sought from the end-users of these processes, ultimately the citizens, who might be impacted either directly or indirectly by such actions, since these processes exist to ensure that the decision-making is fair, transparent and inclusive. It therefore seems that by adopting these measures, the government has imbibed the private sector way of thinking, of which the modernisation programme has blurred the line between ‘private’ and ‘public’ services, differing from the
traditional Weberian model of a public democracy (Drewry, 2007: 187). Whilst the
government seemingly is adopting ‘business-minded’ thinking, it is still expected to bear in
mind the direct and indirect impact of such reforms on the citizens in a puritanical manner.

Curtainment of the State Benefit

The next step towards achieving the selective welfare state agenda can be seen via the
curtailment of welfare benefits. Proponents of such a concept have advanced that the welfare
spending on state benefits have been financially unsustainable. This argument has some
merit. The Department for Welfare and Pensions is the biggest spending department in the
United Kingdom where it spent £166.98 billion in 2011/2012, of which £159 billion was
spent on benefits (The Guardian, 2013). This accounted for almost a quarter of all public
spending in this country, with 47% of the benefit spending was for state pensions of £74.22
billion a year, more than the £48.2 billion the United Kingdom spends on servicing its debt

As a concerted effort to address the budget deficit, the government introduced a cap on the
total amount of benefits that working age people, between 16 and 64, are entitled to receive
from April 2013 (Cabinet Office, 2013d). The benefit cap was projected to save the
government circa £110 million in 2013/2014, with 40,000 households affected, equating to an
average loss of £93 a week, per household (Cabinet Office, 2013e). Housing benefit changes
would also save the government some £490 million in 2013/2014, with an average loss of
£14 per week for 660,000 claimants, and the disability living allowance replacement would
save £2.240 million up to 2015/2016, with 170,000 claimants expected to get no award
(Cabinet Office, 2013e). In addition, 10% reduction in council tax benefit in England would
affect three million people with an average weekly loss of £137.28 per annum for each person
(Cabinet Office, 2013e). Apart from such direct cuts to the welfare entitlement, another
strategy deployed by the government is through the ‘grandfather clause’, which restricts the
entitlement of the new applicants whilst protecting the rights of the current people in the
scheme (Levy, 2010: 557). In a similar vein, the expansion of social rights has been
accompanied by the rise of large-scale welfare state bureaucracies that determine the consent
of these rights through the programs and services they oversee (Hansfeld et al., 1987). Lipsky
(1984: 3 – 27) also mentions that these bureaucracies are mandated to determine eligibility,
levels of entitlements and the actual benefits citizens may receive, by rationing access to
benefits, reducing the availability of assistance materials, failure to adjust benefits to
prevailing economic conditions such as inflation or high unemployment, and limiting the
discretion of officials to respond to the needs of the applicants.

The logic behind such cuts is more of heteroskedastic. This is in line with the neoliberal idea
that placed emphasis on budgetary rigour, wage constraints, monetarism and corporate
competitiveness (Jobert, 1994). In this macroeconomic thinking, social expenditures no
longer played a central role in ensuring economic growth. In fact, social policies became
portrayed as a cost rather than a stimulator of economic growth or a promoter of political and
social stability.
Whilst remaining status quo in the current economy climate is not a viable option, the coalition government has failed to appreciate the link between reducing the welfare programmes and economy recovery, where monetary and fiscal policy is necessary for the stability of the economy. It is in this respect that public spending in particular could function as an important regulator, which could be used to stimulate the economy at the time of a slump (Morel et al., 2012: 5). The state benefit curtailment will also prolong unemployment and economic inactivity in the long run. This is evidenced through a study by Sheffield Hallam University that most cut programmes impacted the most deprived areas across the country. For example, Knowsley, which ranks fifth in the index of multiple deprivation has suffered the hardest hit, followed by Westminster (87th in the index, losing £824 per head), Hackney in East London (second in the deprivation index, £821), Liverpool (first, £817), Blackpool (sixth, £792), Hartlepool (24th, £724), Manchester (fourth, £715), Newham in east London (third, £710) and Middlesbrough (eighth, £696) (Beatty and Fothergrill, 2013). In this context, the government will need to reassess its options in demising the state assistance programme to stimulate financial growth.

The macroeconomic debate deals with the cost side of the welfare state, but disregards the impact of withdrawal of such a provision. Pensioners living alone could be £250 worse off because of the Granny tax, and 600,000 council house tenants would either lose an average of £14 per week in housing benefits or be forced to move out because of the Under-Occupancy Penalty (Crisis, 2013). Oppositions to the selective welfare programme also predicted that there would be social costs by way of an increased involvement by the police and criminal justice system, since people would be homeless and thus often at risk of committing crime and becoming victims of crime (Homeless Link, 2012). At the same time, the Child Poverty Action Group (2013) also warned that there could be a total of 600,000 more children who could sink into poverty by 2015 because of coalition cuts. In this respect, one can see that the measures are not supplemented by mitigation actions to prevent the losing parties of the cuts from disproportionate risks. Without mitigation actions and action plans going forward, it is conceded that this will have a dramatic impact on vulnerable communities that were already susceptible even before the selective welfare state programmes were implemented, which will only deepen inequality and exacerbate deprivation.

**Summer of Discontent 2011**

The summer riot 2011 triggered the government, to a certain extent, to re-examine the correlation of whether the welfare provision has fuelled the welfare dependencies culture in this country, and indirectly contributed towards the riot incident. On 6th August 2011, thousands of people rioted in several London boroughs following a protest in Tottenham following the death of Mark Duggan, a local who was shot by police (BBC, 2012a). The next four days saw similar incidents spread across core cities in England, including Bristol, Birmingham and Manchester and London boroughs such as Tottenham and Haringey (BBC, 2012b). Approximately 3000 people were arrested, of whom more than 1,000 had been charged, an estimated £200 million worth of property damage was incurred, and local economic activity was remarkably distorted (BBC, 2012b).
A joint study by London School of Economics (LSE) and the Guardian concluded that the key contributory factors were perceived to be social injustice, deprivation, and aggravation at the way communities were policed (Guardian, 2011a). In addition, there has been little help and support for local regeneration and for the community in which the riots took place, to thrive. The local government budget had been cut in the past years, forcing eight of 13 youth clubs in Tottenham to close down in 2011 (Guardian, 2011b). Such a trend is aggravated by the fact that Tottenham has the highest unemployment rate in London and the eighth highest in the United Kingdom (Lammy, 2011). Haringey has the fourth highest level of child poverty in London and eight out of ten residents are unemployed (Power, 2011).

From the psychological standpoint, the riot resembles an epitome of a slow burning social problem that requires urgent attention from the government. Nevertheless, in the immediate aftermath of the events, conservative politicians’ and commentators’ cried out for tough punishments and debated additional measures such as removing benefits for the offenders, or expelling them from social housing (Gross, 2011). Risking oversimplification, the government has been transfixed to cite that the reasons behind the Summer of Discontent, *inter alia*, are the welfare dependencies as a by-product of the welfare state. The impressionistic sketch of such an event, as observers on the left of the spectrum pointed out, would make the feeling of exclusion from society, which obviously was one of the causes of the riots to deepen (Gross, 2011). These communities require assistance and deterrence, and not retribution. It requires the government to go beyond the face value to understand the latitude of failure and work together with the communities to rebuild social cohesion in these localities.

**Troubled Families Agenda**

Pierson (2001b) once contended that beyond cost containment, the government may engage in recommodification by increasing incentives for labour market participation. This is enshrined through the Troubled Families agenda of the Coalition Government to reduce dependencies on the government and empower citizens to take actions, which is also a subset of the selective welfare programme.

The Troubled Families programme was launched by United Kingdom Prime Minister, David Cameron in 2011, which highlighted of the kinds of families who are eligible as part of the government’s commitment to turn around the lives of 120,000 troubled families by 2015 (Cabinet Office, 2013f). These families were identified through involvement in youth crime or anti-social behaviour, school truancy, out-of-work benefits and locally selected factors that cost the public sector large sums in responding to their problems (Cabinet Office, 2013f). A network of local authority Troubled Family Co-ordinators has been appointed to operate at a senior level in local authorities to oversee the work on this programme in their area (Cabinet Office, 2013g).

The Troubled Families agenda has enjoyed a resurgent popularity. An evaluation report by the National Centre for Social Research (2011) shows that intensive intercession to support troubled families is effective in turning round their lives where a family getting intensive
support and challenge is twice as likely to stop anti-social behaviour as one not getting the intervention. A number of local evaluations of family intervention have been conducted over ten local authority areas. They reported positive findings, where there was a 78% drop in anti-social behaviour incidents by families in Bristol, a 69% reduction in accused offences in Westminster, and a 71% increase in school attendance in Knowsley (Department for Communities and Local Government, 2012).

Whilst the government’s attempt at finding proactive solutions to reduce dependencies of the welfare state is applauded, the danger of the Troubled Families agenda is seen through the Keynesian full employment policy that touches on the reduction of the welfare programmes. It can collapse because a high level of money expenditure came to lead not to a high level of output and employment but to a high rate of money wages, costs and prices (Meade, 1990). It is possible that to absorb two million extra workers into employment would require a considerable reduction in real wage costs (Meade, 1990). Sufficient employment opportunities, along with adequate education and training have to be created to support the change.

At the same token, one cannot help but question the branding of such a scheme that can be seen as stigmatising and paternalistic. By opting for selective welfare, the government runs the risk of stigmatising those who are genuinely in need of support with dignity and respect, by false labels of personal inadequacy and a sign of inferiority. Fitzpatrick (2001: 9) once insinuated that if welfare is subjective, it relates to the feelings, perceptions, understandings and experiences of the person to whom the term is being applied. Revisiting the branding of the Troubled Families is perhaps desirable, as the brand seems to imply that ‘relying on the government is bad’ and it imposes the acceptable way of life from the government’s point of view rather than providing a meaningful engagement forum between the governing body and those who are governed.

A Hand, Not a Hand-out: Citizens’ Empowerment Dimension

‘A hand, not a hand-out’ seems a perfect sound bite for the coalition government to empower the citizens to reduce their dependencies on the welfare state programmes, and reinforce the selective welfare principle. Scholars are divided into two camps on this issue. For proponents of the selective welfare agenda, welfare programs reduced individuals’ incentives to avoid poverty. This resembles over reliance on state assistance and taking the safety net for granted. This, in turn, will lead to an increase in the risk of moral perils and fraud (Giddens, 1998). Allard and Danziger (2000) have gone as far as to argue that the welfare state is responsible for, among other things, higher rates of divorce and marital instability, low self-esteem, emotional misery, and lower psychological and physical health in general, leading to a culture of dependency.

Whilst the state is portrayed as a dynamic entrepreneur, it is still expected to have the public interest in mind, by having due regard for the impact of its decisions on the members of the public (Giddens, 1998). This is in line with New Liberals who put the emphasis upon the state’s responsibility to remedy market failures, and that the welfare state intervenes in a
market economy, to meet certain people’s basic needs through relatively direct means (Goodin, 1988: 11). From the citizens’ perspective, people are keen to favour reforms that stabilise but do not shrink the state of the current welfare state altogether.

Although it is accepted that the government cannot spend money on everything, an empirical study by Pacek and Radcliff (2008) found that the citizens find life more rewarding as the generosity of the welfare increases net economic or cultural conditions. It therefore follows that the government will need to find the equilibrium between reducing the state spending on welfare programmes and the welfare needs of the populations, as it is not homeostatic in nature. Otherwise, the grandiloquence of empowerment will only appear to play a central justificatory role in policy change to strengthen the selective welfare state schema.

Passing the Blame onto the Local Government and the Role of Elected Mayors

The selective welfare state programmes are enforced by the local authorities. These local authorities will act as the messenger to the local populations by informing the people of the welfare cuts agenda and enforce it. Pierson (1996) coined the term ‘burden sharing’ by shifting responsibilities from national to local actors without adequate funding, thereby forcing the locals to enact cuts. This, in fact, is not congruent with the values of the local government. The Widdicombe Committee (1986) defines the value of local government through three stems: pluralism, participation via local democracy and responsiveness towards local needs via the service delivery. The decision to reduce the welfare state programmes has been made without consultation with the public. It therefore follows that the selective welfare programme resembles a top-down approach, contrary to Jordan and Richardson’s (1982) idea of a discrete ‘British policy style’ comprising clientelism, consultation, sectorisation, institutionalisation of compromise and the development of exchange relationships. The government should perhaps develop a more nuanced theory of a selective welfare state through a citizens’ lens on the impact of the reform on them. The selective welfare agenda warrants greater elucidation to enlighten the population in terms of its necessities, the way it operates, how the citizens could buffer themselves from uncertainties and a medium to raise grievance, if any.

Interestingly, after winning the General Election in 2010, the coalition government made clear its avowed intention of devolving the centralised state powers to local communities (Cabinet Office, 2010). One of the ways of achieving such a vision is by electing local mayors in major cities to provide strong, conspicuous and individual leadership of the local government, coalescing with boosting democratic engagement at the local level. The mayoral governance in Britain is not a foreign concept. The first directly elected mayor was introduced in Greater London in 2000 as part the Greater London Authority Act 1999. This is further supported by the Local Government Act 2000, giving a leeway for how a local council leadership can be constituted, and installing a directly elected mayor is one of these options. At present, there are 16 directly elected mayors in the following cities: Bedford, Bristol, Doncaster, Hackney, Leicester, Lewisham, Liverpool, London, Mansfield, Middlesbrough, Newham, North Tyneside, Salford, Torbay, Tower Hamlets and Watford. The unique power of these mayors
lie in the co-decision powers, which include, but are not limited to the power to make the local authority's annual budget and its policy framework documents, derived from the Local Government (Functions and Responsibilities) Regulations 2000.

Despite the co-decision power on the budget, it is still unclear how much of a role the elected mayor would play in enforcing or resisting the selective welfare state agenda by the central government. This is particularly apparent when a major portion of the funding for the local area is derived from the central government. Research by the University of Liverpool found that although England’s elected mayors are enlivening some cities, they still lack the taxation and spending powers to make a real difference (Harding et al., 2013). Without question, the elected mayors seem to have come into the storm of the financial problem via inheritance. Flinders (2011) has rightly observed that the governing entities might need to devote more energy to managing demands rather than increasing the supply of increasingly complex and numerous forms of accountability, which is relevant in the emergence of the selective welfare state in the local area. This may pose a problem for the mayors as the governors of the local area. Nevertheless, with just above a year in tenure, it is too early to comment whether they can play a part in the selective welfare agenda.

Acrimonious Struggle between the State’s Powers and Individual Rights

From previous sections, it is apparent that the reassessment from the full welfare state to the selective welfare state lends justification to the state to prioritise the most deserving strata within the society. It will therefore be necessary to articulate the citizens’ experience of such governmental exercises as the receiving-end in the welfare production line. Marshall (1964: 78) observes that the rise of the welfare state is accompanied by the expansion of citizenship rights from civil and political to social. The reverse can also be correct. It is argued that, in light of the rise of a selective welfare state, the rights of the people have been compromised to a certain extent, where the conflict between welfare entitlement and expectation exacerbates such divergence.

Egalitarians hold that economic assets should be distributed equally, along with various expectations (Marshall, 1964: 78). On the contrary, repudiating old arguments on absolute rights, libertarians assert that he who holds that economic assets should be left in the hands they reach through free and fair individual transactions, subject to various exceptions (Grey, 1976: 877). It is the boundary between these two arguments that the welfare state lies. The citizens’ basic needs should be of paramount importance and any other rights will fall in the grey area, and be subject to democratic negotiations between the citizens and the government.

We are also encumbered with the scarcity of resources matter, which is particularly relevant in separating those who are in genuine need of state intervention with those who choose to depend on government intervention. Rawls’s (1971) formation of social justice highlights basic procedural rights and political rights, equal opportunity and the ‘difference’ principle where economic assets must be distributed to maximise the position of the worst-off segment or poorest class in society. This runs parallel to the functions of the welfare state as proposed in section one, under the notion of safeguarding. In contrast to Rawls, Nozick (1974) asserts
that most economic assets do not fall like manna from heaven; they come into being with individual claims of ownership attached to them. Those claims are of moral rights; coercive dispossession of assets owned by another is theft (Nozick, 1974). Nonetheless, with due respect to Nozick, protecting the public from vulnerabilities is central to the welfare dichotomy; his claim to the asset rights will only work in a perfect free market. In reality, this is not the case and those externalities and social costs produced by the market will need to be met by the welfare provisions. This is seen as taming the competing arguments between asset rights and the welfare rights. Such a selective welfare revolution exacerbates an acrimonious struggle between state powers and individual rights. In this context, many would agree with Johnson (2005) that ‘a decent provision for the poor is a true test of civilisation’. Along with rights comes the principle of equalities. As per Esping-Andersen:

‘[Equality is] a precondition for its optimisation; more equally distributed purchasing power is a precondition for macroeconomics performance; family policy is an investment in future human capital; the equalisation of resources, such as health or education, is the foundation for optimal labour productivity, solidaristic wage policy and active manpower programs spur industrial modernisation, income security helps overcome workers’ natural resistance to rationalisation; and preventive social policy diminishes human waste and economic costs (1992: 38).

In revisiting the concept of a welfare state, the coalition government is indeed renegotiating the provision of the welfare state programme within the established social contract, which may implicate constitutional quagmire. The process will not be an easy one. The relationship between the government and the citizens is not at an equal playing field. The citizens will also cling to the sentimental value of the welfare state whose veracity to moral value and conformation to social virtues are of paramount considerations, and once the entitlement is calibrated, it is hard to revert to its original state.

**Questioning the Legitimacy of the Selective Welfare Concept**

To advance their dissent towards the coalition government’s welfare reformulation, it is becoming fashionable for citizens to question the legitimacy of the selective welfare concept, in congruence with heightened awareness of their rights and responsibilities. Pierson (1994) has rightly argued that retrenching the welfare state concept is tricky for three reasons: people are risk averse—they respond more strongly to potential losses than to potential gains; opponents for programme cuts are generally in a stronger position compared to the supporters since welfare retrenchment generally imposes immediate costs on specific groups and past policy commitment dictates future policies. There are three avenues that can be exhausted to raise their grievance in response to the selective welfare state system - judicial review, assistance from the third sector organisations or the collective voice through the General Election as the last resort.

The first mechanism to curb the retrenchment of a welfare state can be done through judicial review. This is clear from the judgment in the case of R v. Somerset County Council ex parte Fewings that public bodies are always accountable by their actions and omissions. The
grounds for challenging the decision made by the public bodies are laid down by Lord Greene MR’s judgment in Associated Provincial Picture Houses Ltd v Wednesbury Corporation [1948] 1 KB 223, such as ultra vires, irrelevant considerations, unlawful delegation of power, unlawful fettering of power and the estoppel doctrine. Most of these grounds are directly relevant in challenging the selective welfare programmes. However, whilst this avenue is open and accessible to the interested parties, it is becoming an ever more rigid route to take (Leigh, 2007: 241). Furthermore, the power to challenge public authorities through judicial review can now be circumvented by the government through section 1 of the Localism Act 2011 - a power ‘to do anything that individuals generally may do’ even if it is unlike anything that the authority or other public authorities may otherwise do’, leading it further to becoming forum non convenience. It thus implies that the restriction on the judicial review route is at the government’s disposal to do so, which is transcendent in nature.

The Rise of the NGOs

In turn, this has given a rise to non-governmental organisations as the new avenues of social consciousness, to translate their individual interests into collective and public issues, whose relationship to rights is most precarious. These organisations are comprised of the quasi-governmental organisations, such as NDPBs whose responsibilities include offering advice to the minister concerned on a particular policy area and acting as a ‘sounding board’ for a particular cause, a pressure group that seeks to influence the public policy formulation and implementation, or cause groups representing some tenet or principle, seeking to act in the interests of that cause (Grant, 1989: 9). Pierson (1994) believes that NGOs are the single most significant fortification of the welfare state against welfare cuts.

There are different dynamics in the relationship between the state and the NGOs – adversarial or collaborative. In an adversarial relationship, tensions often exist between the NGOs and the public authorities. Often, the public bodies view NGOs as the belligerent parties of the prevailing economic arrangements in a veil of participatory development (Kamat, 2004: 156). As she argued, ‘the agentic role prescribed to NGOs is not an innocent one but one that foretells a reworking of democracy in ways that coalesce with global capitalist interests’ (2004: 156). In addition, those pugilistic organisations can also undermine the public bodies, as put forth by Olson (1982), that the longer a country has enjoyed a stable democratic political state, the more time there will be for interest group coalitions to form, which undermine government performance. This perhaps can thwart the government’s capabilities of advancing the selective welfare state as the organisations will question the legitimacy of the reform that impacts the represented groups in an internecine comportment.

On the other hand, in a more mature relationship, the NGOs opt for collaborative governance by working together to negotiate standing positions and achieve win-win solutions. As examined by Ansell and Gash:

‘A governing arrangement [is one in which] one or more public agencies directly engage non-state stakeholders in a collective decision-making process that is formal,
consensus-oriented, and deliberative and that aims to make or implement public policy or manage public programs or assets’ (2008: 554).

The NGOs exist as emblematic institutions, representing the needs of marginalised or excluded groups, in which the citizens turn their dissatisfaction with the process by engaging with NGOs to represent their grievances. This is conducted through the concept of the Celtic triple spiral model where individual complaints are dealt with through casework where the NGOs develop the qualitative case studies and advance them as a collective grievance as a matter of public concern (McDermont, 2010). Professionals also facilitate a public engagement process to create communities of participation through deliberative democracy, which emphasises the process through which political decisions are made and attempts to foster political inclusion and mutual understanding in place of social exclusion and mutual distrust (Benhabib, 1996). Advocates of the process argue that it offers a strategy for making policy more efficient and effective and brings disaffected citizens back into the sphere of conventional politics (Rosenberg, 2007). By doing so, it restores the trust and confidence of the people in politics and democracy.

Engagement in the public realm is not without its costs. Emphasised by Osmani (2007), most people have little interest in participating unless the cost of engagement is outweighed by the possibility of benefits from it. Often, apathy takes precedence when the citizens simply hope that others will engage in the process, akin to the free-rider concept. In some situations, participation will lack immediate relevance, where not everyone will be able or motivated to contribute (Fischer, 2012). As NGOs are generally passive mechanisms that must be activated by the citizens, they require commitment of time and resources, and people may feel intimidated in using them unless they are widely institutionalised (Danet, 1981). In addition, although officials may operate under varying constraints, they are generally guided by reasonably uniform and fair standard operating procedures in enforcing the selective welfare agenda (Hasenfeld et al., 1987: 389).

Finally, it may be seen as second class justice compared to the formal resolution forums of courts and tribunals, and any decision emanating from the NGO’s engagement with the governing bodies is not binding in nature, where one successful case does not guarantee success in another.

**Nexus between the Selective Welfare Idea and Voting Conscience**

As a last resort, the citizens can have recourse to the elections avenue to raise their concerns as a collective voice. The electoral system, in a politically affluent milieu, translates popular support into legitimate political power. Many policies are enforced by organised interests or sections of the electorate, who effectively become their beneficiaries. In essence, political parties that control the government are major determinants of the timing, substance, expansion, and retrenchment of the welfare state (Hibbs 1977; Rose 1984; Zohlnhofer 2009). In support of a selective welfare programme, Dorey (2005: 205) suggests that when reform-minded ministers were appointed with clear intentions of introducing new policies, they often find the strength of the policy paradigm. In this context, they entrench such policies and
argue that ‘this is the way things are done’ to reason and justify such programmes (Dorey, 2005: 205). However, this compounded the difficulties that new governments experienced in seeking to repeal or significantly change existing policies and programmes, so that irrespective of the size of a government’s parliamentary majority and apparent mandate from voters, their degree of choice and room for manoeuvring were constrained or limited (Rose and Davies, 1994).

In fact, Rose and Davies’ voters’ behavioural prediction is of relevance to the United Kingdom, where the citizens are not warm towards the selective welfare reforms. The message is heard loudly and clearly when the voters decimated the ruling power of the current coalition government in the local government election in May 2013. Overall, the coalition parties lost 459 seats to Labour, independents, UK Independence Party (UKIP), Green Party, Residents Associations, Mebyon Kernow and the Liberal Party (BBC, 2013c). In fact, the election in May 2013 was a crucial midpoint between the previous General Election and the imminent one, in 2015, which may give an indication of their future position in the government. Perhaps this is a clear signal for the coalition government that there is little desire or apparent need to change policies that appear to be largely effective or electorally popular.

However, the nexus between the voting conscience and the selective welfare state idea also reveals a rather fiendishly complex quandary. Electoral apathy is a serious and longstanding concern, making the legitimacy of local democracy indubitable and questionable as to whether it is a product of a democratic deficit. The situation is worsened by an increasing ignorance of the citizens upon whom the selective state concept is being imposed, leading to a reduced solidarity among people. Despite the size and concentration of interests (Korpi 2003: 591), it appears that this avenue is not fully used by the voters to largely resist governmental attempts at cutbacks.

There are three junctures to explain the decline in voting interest. There has been a change in the attitude of voters. In a survey conducted by a think tank on the characteristics that are the most important for being British, only 21% of the respondents think that voting in elections is included (British Future, 2013). It can also be an effect of the fact that as pressure group membership has grown, political party partisanship has declined (Grant, 1989: 76). Furthermore, the voting system is monolithic; each vote counts equally and it does not take into account the intensity of opinion on a particular issue (Grant, 1989: 21).

Nevertheless, voting should always remain in vogue. The government should explore further how to engage with citizens through exercising their voting rights, particularly when the number of enfranchisement is increasing on a yearly basis. Section 10 of the Representation of the People Act 2000 permits the local authorities to apply for permission to use alternative electoral arrangements to the traditional single day, such as postal ballots, electronic voting and the use of communal areas for voting such as doctors’ surgeries and supermarkets, which may address the voting deficit. It is in this forum that a full and accurate extent of whether the selective welfare state is working in this country or not can be concluded.
Conclusion

The concept of a welfare state is primordial in the United Kingdom. Despite carrying its own sentimental value, the uncertain economic condition prevails over the welfare needs of the citizens. This signifies the demise of the full welfare state, which gives way to the rise of the selective welfare state in the United Kingdom through reduction of government spending on the welfare segment. The financial constraints are translated into action through major restructuring of public bodies via the Trennial Review and Red Tape Challenge. The reform, to a certain extent, has directly and indirectly impacted the citizens, and it is unfortunate that the voice of the end-users is not captured throughout the process, contrary to the principle of transparency and inclusive decision-making of public authorities. The selective welfare state reform is currently being delivered by the local authorities, and it is too early to determine the roles that can be played by the directly elected mayors in supporting or resisting such programmes in the local areas. At the local level, removal of various welfare benefits has impacted millions of populations in an attempt of the government to save money. This strategy can backfire in two ways. Through the economy standpoint, public spending is in fact an important factor to stimulate the economy’s growth, particularly in reversing the financial turmoil. The other consideration is through social cost, where cutting the assistance to the deprived cohort within the society may intensify social problems such as homelessness, child poverty and criminal activities.

The riot incident in 2011 and the Troubled Families agenda have both highlighted a slow burning social problem in the United Kingdom, and the government will need to go beyond the face value and engage with the citizens to determine the extent of the social issues, rather than simply blaming all on the welfare dependency culture. The selective welfare agenda also highlights a struggle between state power and citizens’ rights, dividing egalitarian and libertarians, and separating welfare rights and property rights. It is proposed that the basic rights should not be renegotiated, whilst other forms of entitlement can be revisited through democratic deliberation. The awareness of rights by the citizens has resulted in options of engagement through a formal channel of judicial review, representation via casework through the NGOs and collective expression via the General Election. The voters have indeed reduced the electoral power of the coalition government through the local government election in May 2013 precipitously, a clamour that the selective welfare state will not survive in the political climate of this country. It is argued that this is the last resort in which the citizens can extricate from the reform. This may give an indication of the exigent need for another wave of reform towards the selective welfare state agenda to avoid deleterious repercussions in the imminent General Election.

It is therefore submitted that the state is still in search of a plethora of sustainable governance, with the General Election 2015 as a final platform to determine the destiny of the selective welfare state in Britain. The genealogy of welfare state in the United Kingdom today is rather messy. By the same token, it is more interesting than ever to evaluate.
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