

POLICY ➤ PROGRESS

Reconceiving the Welfare State

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Foreword

by David Choat (Director, Policy Progress)

New Zealand doesn't generate a lot of profound theoretical analysis of the political economy of institutions like the welfare state. In particular, the New Zealand political blogosphere is the last place you'd expect to see someone grappling with the dilemmas of progressive labour market regulation in the context of Foucaultian 'governing through freedom'.

Which is why I'm so pleased to have had the opportunity to publish work by David Craig.

In the case of this essay, which appeared in an earlier form as a series of blog posts in September 2010, I can even claim that it was something I wrote that prompted him to start composing it. (Even if he swiftly went well beyond anything I'd said in both scope and depth.)

I fully expect David Craig's conception of the 'wellbeing society' to be developed into a recurring idea in the journals and textbooks of the future. When it does, I'll be able to say, you heard about it here first!

Introduction

This essay takes as its starting-point a recent article about the welfare state by David Choat,¹ which focused on two core elements that are probably not that well understood (and may no longer be so widely supported as originally presented), but which refer to mechanisms and dispositions at the core of the matter: the social wage and decommodification.

Both are core elements of the welfare state's central orientation to labour markets. In both of these the state looms as key arbiter, intervening in market relations to make them non- (or less) market (de-commodification) or more socially registered (the social wage- perhaps delivered through tripartism).

What seems interesting and crucial about these elements (compared to say health or education or even welfare, elements which are core in many people's understanding of the welfare state) is that they exist in a relation to

¹ "Understanding the purpose of the welfare state", collected in David Choat, *The Power of Ideas: Decline and renewal in the theoretical foundations of progressive thinking*, 2010.

markets; a relation which seems a good deal less settled in people's minds these days.

In health and education or welfare, the role of the market in a New Zealand context seems pretty cut and dried: in the current settlement, people in NZ are reasonably comfortable with the idea of the state as a guarantor of basics like health and education. These have become largely non-market entities, around which the state has overwhelming (and in health and education, endless) responsibility, while markets in these areas seem to be the imaginary playing field of only the far right.

But in labour markets, things are different, and the state's role perhaps more problematic. It's this role of the state in relation to labour markets I want to dig around in a little more here. And I want to do this in terms of a somewhat vague sense of popular discourse and attitude: vague, as in not strongly empirically based, but rather reflective of a range of impressions.

It seems to me that both notions– the social wage and decommodification– have been eroded (and in some areas, reframed) in recent years, both in popular understanding and in actual policy. The shape of this

erosion I think tells us a little bit about the welfare state as we currently have it, and about where we might see it either further eroded, or re-forged in progressive ways.

Of course, this erosion has happened in the wider structural context of a liberal welfare regime; in general, reinforcing core elements of this setting, and arguably making the way back from it even tougher.

But overall, what remains of these core elements and their rationales in popular discourse is I suggest much narrower and more specific than it has been in the past; and thus popular support for the whole idea of a 'welfare state' has accordingly become narrower and more focused. Let me see if I can explain this a bit more clearly.

Markets, the welfare state and its machinery in popular imagination

Basically I suspect that taking work, labour and its rewards out of a market mechanism, which both these concepts normatively urge, is I think something many

people currently look at with a considerable level of suspicion.

Yes, the market is flawed, but the implicit/ explicit proposal in these two terms is that the market is best replaced as a governing mechanism by a state function is, perhaps, regarded as dangerously heavy handed and reactionary.

The market may be flawed, but I think for many people it is somehow accepted as a basic social good: one that needs framing to be sure, but one without which we would need to fall back on less efficient machinery. I confess myself to accepting much of this argument: with, as I hope to explain, some large caveats.

Michel Foucault has a useful notion here in his late 'governmentalities' analysis, which posits by a simple reading three discernable modes of governing:

- sovereign or monarchical government (the state as authority and tyrant);

- disciplinary government (the state as standards setter, educator, moral reformer, industrialiser); and
- government through freedom (with the state governing 'at a distance', through market mechanisms such as contracts, KPIs and audit, community groups, and ultimately the internal self discipline of liberal subjects themselves).

Governing through freedom, which yes aligns in many ways with liberal ideals, but also governs fairly minutely in terms of performative stipulations, is something that labour markets are today supposed to do. The state stays back behind the scenes, and essentially labour market situations are sorted out on an individual or somewhat collective basis. This, in some contrast to what used to happen in the world of e.g. national awards.

Governing through freedom of course comes with a number of moral dimensions: freedom to contract, rewarding individuals according to performance, and more. It has, I would argue, become core to people's expectations of themselves and their workplace setting.

In this perhaps more than in other areas we are all (neo)liberals now.

This leaves the question of what decommodification and the social wage might actually mean popularly now: whether these are widely supported, and on what terms.

In terms of the social wage, family support via tax credits and paid parental leave seems to be a way the social wage is still widely recognised, and perhaps some residual emergency family (domestic purposes) benefit is still widely supported. But both of these, to be sure, generate a good deal of grumpiness from people who see their own labour market rewards as being compromised by these modes of redistribution.

Similarly, progressivity in the tax rate, which underpins a great deal of the social wage, is under siege. Tax can go to consumption: leave me to enjoy the (market) fruits of my labour.

Thus there is I would argue a level of belief that the primary governor in all of this is and should be the labour market; a market in which people must ultimately

engage out of personal and family necessity (which is seen as basically a good and necessary thing).

So, in this framing, a social wage primarily from the state is bad; a social wage including some recognition of family needs in the wider context of market engagement is ok, part time labour market work for beneficiaries of all stripes is good, decommodification or, most of all, a social wage for beneficiaries is bad.

Similar logics I think can be plausibly applied to other mechanisms for delivering a social wage/ decommodification: I would think a minimum wage (which happens within a labour market contract, and as a neat, clean, liberal 'rules of the game' intervention) is good and fair; tripartism (which has a heavy social presence of the state and organised labour) , well, hmmm . . . Given the long years of tripartism, this is an interesting and important loss of role–legitimacy: perhaps it signals another aspect of a widespread and fundamental social shift.

So, in labour, the market has moral sway, above a certain minimum, and even that is only applied to those actually in the labour market.

Markets, the state, and shifts in the basic social contract

Beyond the simple notion that ‘governing through freedom’ mechanisms are holding increasing sway in people’s sense of themselves and their primary social relations, I have been wondering if in all this what is shifting/ has shifted is a popular conception of the social contract, and the state’s particular role in that.

What the above speculation would suggest is that the wider social contract is currently regarded more in transactional, market exchange terms, and less in terms of one party (the state) as possessor of needed power and resultant security. If so, there’s a need to reconsider the state’s role, as backstop, as referee, as market player and enabler.

We need to understand more about where and how, in the current context, the state is imagined as having a legitimate role, and how this relates to the real capabilities a state might need in current contexts. Again, let me try to explain.

In historical terms (I mean the relatively brief history of the welfare state, since the mid 1930s), perhaps the biggest shift that underpins all of this is a shift in popular understandings of the need for social security, and for a big powerful state to guarantee this. At the time welfare states emerged most strongly, all this was viscerally understood in terms of the threat of grand scale economic depression, and/ or invasion and social destruction by extremists of left and right.

Now that basic social and personal catastrophe are not so obviously at stake, some basic questions it seems to me are back in play:

- How does the state act in relation to markets, especially in terms of its guaranteeing role?
- Should it allow a greater role for markets and other social intermediaries, and operate at greater arms' length?
- In cases where markets alone don't generate optimal outcomes, should/ can it place more trust in social agents working to more managerial and

incremental programmes of personal and social development?

- What, in all this, is the role of wider social regulation, around, say issues of asset or intergenerational inequality, and how does the state make this happen, and rationalise its role?
- How, in other words, do we achieve equality and other outcomes largely within a market mechanism?

It does seem to me that in this context, there's now a serious tension between social welfare/ security and social development aspects of the social contract. It does seem to me that at least one cornerstone foundation of the welfare state, its towering guaranteeing of social security, is felt as less necessary across a great deal of society.

Indeed for many it is resented, and held up as a monster they want to starve. For others, there's a new, finer-grained selectivity about which bits really matter to them. Social development of necessity addresses itself to the market: around the market, within the market, for

the market? But does it really achieve equity and inclusion goals in that context?

Yet at the same time, for all the talk of crisis in the welfare state, it still occupies an enormous role/ chunk of budget. Structurally, then, not all that much has really changed in many western contexts.

At the same time, there is clearly a more radical contemporary mood for reconsidering the role of the state per se in all of this. Some of this I see coming through in the institutional changes the Blairites managed to open out in education delivery in the UK. More I see in the emergence of the Big Society discourse among the conservatives.

Each maintains a backstop/ monitoring role for the state, but is keen to see what can be leveraged from wider elements of the social, local government, communities: elements imagined to be 'closer' to individuals and families, and as more flexible and people-oriented than 'the welfare state'. In each there's a real will to see "communities" take up aspects of the social contract that the state has had.

We are right to be suspicious: it is of course not a bad impulse to limn all of this as neoliberalisation (the state being rolled back into a strong night watchman role, while welfare is privatised, and restricted to the worthy poor, including children), and some of it is just that. Certainly the working and petty bourgeois class reactionaries in the tea party and elsewhere are ready to countenance radical reactionary moves which align all too easily with elite neoliberalism's preferred policy settings.

But I do think there is something else at work here. And I wonder if it is also possible to talk about some of this in other progressive terms, which don't simply do the state–security–reaction thing, and simply spring to the defense of the state's role. And something which takes us beyond a Foucauldian shift from state as discipliner to a governing through freedom analysis, which makes us all subjects of our own free ranger consumerist desires.

In the next two sections, I want to rashly try to come at it from some slightly different angles, which track closer to a plausible conception of a renewed social contract and real progressive social development, while not losing sight of the state's role in social security. This will

involve in part a reconceptualisation of the society side of things, especially in terms of notions of social (and even class) agency in relation to markets.

Some new and shifting elements in social development and the state/ society relations

I started by suggesting that the role of the state in relation to two core areas of the welfare state — decommodification of labour and provision of a social wage — had come under a kind of popular revision in recent years. At least some kind of engagement with the labour market per se was seen as a kind of social good, a normative standard against which many New Zealanders would like to see as many of us as possible measured (and rewarded).

In consequence, state action in this and other areas needed to learn to work better with and around the market mechanism: not in a merely reactive way, but in a way that leveraged real market relations, market efficiency and market power in labour market relations.

It needed too to reconsider what social relations might mean in relation to markets and the state, and whether in some different conceptions of society and the social (and even in notions like the UK Conservatives' "Big Society") are some other levers for producing better outcomes. This, NOT just by not by throwing in 'local community' as a substitute for a bigger picture of society as comprised of different groups, classes, families, individuals, all making their way together and separately.

Overall here I want to pursue this reconsideration of state-market- society relations a little more widely. James Purnell recently argued² that a feature of progressive policy in this area in recent years has been a polarisation, wherein on the one hand the market (perhaps in the guise of 'globalisation', the 'knowledge economy' or marketised monetary policy and exchange rates) was seen as a kind of formidable unchallengeable arbiter, but where at the same time the state was seen as the preferred intervention mechanism, where intervention was seen as badly needed.

² James Purnell, "Renewing the Left's ideology: what should be the principles and goals of the centre-Left today?", Ralph Miliband programme public lecture, London School of Economics, Monday 15 February 2010, <http://www2.lse.ac.uk/publicEvents/events/2010/20100215t1830vHKT.aspx>.

Thirdwayism, I would suggest, will be remembered for being beholden to/ in awe of the market, and yet for falling back on the heavy hand of the state when it needed action. Some of this was captured early on in Tony Blair's famous 1999 Chicago statement.³ There he argued,

“We are all coping with the same issues: achieving prosperity in a world of rapid economic and technological change; social stability in the face of changing family and community mores; a role for Government in an era where we have learnt Big Government doesn't work, but no Government works even less.”

In response, he outlined “the new political agenda we stand for:

Financial prudence as the foundation of economic success. In Britain, we have eliminated the massive Budget deficit we inherited; put in new fiscal rules; granted Bank of England independence – and we're

³ Tony Blair, Address to the Chicago Economic Club, April 1999, http://www.pbs.org/newshour/bb/international/jan-june99/blair_doctrine4-23.html.

proud of it.

On top of that foundation, there is a new economic role for Government. We don't believe in laissez-faire. But the role is not picking winners, heavy handed intervention, old-style corporatism, but: education, skills, technology, small business entrepreneurship.

As the policy rolled out, the state's roll was at first reinforced through heavy handed management and targeting, and then after 2003 thrown wide open by a swathe of hardly-thought-through communitarian and quasi-market solutions, which Brown felt he had to rein in.

Now, under the Conservatives, the institutional pluralisation will continue, perhaps as an experiment, perhaps as something which is increasingly driven down privatisation pathways by a government urgent for 'results', and believing its own idealisations.

So, what now? Can we do better than that, and work some of these relations in more reasoned ways?

State, market, society: what scope for new policy relations?

Overall, the solutions seem to me to need robust understandings of the market, the social, the state, and the individual. We must throw in the community and local government there too, on the proviso that we try to remain really clear about what capabilities they can and can't have!

To offer one starting point: a great deal of work in social aspects of health, child development, and its social and affective psychology in recent years has pointed to the intermediation of not just material wellbeing factors (these are crucial, and arguably depend on state mediation), but also to the intermediation of a range of social mechanisms operating more proximately to the person involved.

Here, personal development and responsibility run head-on into big social factors like inequality.

The early family environment is one such area: another is early childhood education. In both cases, the wider social settings — inequality, work, housing — set big causal

parameters, and require a solid understanding of what the state can and can't do to make these aspects tractable.

But there is also something much more subtle and close to home at work here. Here, care, stimulation and safety are seen as key, as useful and important whatever the socio-economic background — indeed, as the socio-economic background worsens, these are seen as core bases of resilience, self control, and what gets called emotional (self-) regulation.

Here the important discourses refer to early identification and intervention, as well as to the support of resilient, strength based parenting. Much of this **MUST** happen at at least arm's length from the state per se.

Here is a (ok, pretty obvious) context of the social and security in which the state needs to be where big picture settings driving asset and income markets and security are established; but where closer in (and outside of abuse crisis) the social and individuals need distance and respect, while markets need some accessing (to say the least) but also some taming, in terms of their impact on family time, stress, etc.

Hence again a background role for the state: enabling parents to care (through tax/ paid parental leave, etc), early childhood education, early intervention when things get out of hand . . . all until some kind of reengagement with the labour market can be considered.

What happens inevitably in this kind of setting is a level of hybridization between state, community, market and family. Experience to here indicates that it's really easy to set things up so these relations skew off in one direction or another, and give a lot of dollars to private sector deliverers. But too, that doing nothing is a recipe for missed opportunities.

Something that's already happened is that these programming activities, which can be run by reliable professionals and scaled up from little or nothing, become a market activity and domain in their own right, and as such become a major real expression of the social contract in these settings. For all their social impact, they are liable, in other words, to capture by core market actors working in the name of community.

Early intervention around children is one area the nanny state seems a bit more welcome: such interventions are

popular for their talk about intervention, their aunty-style didacticism (in relation to 'recalcitrant' parents), their monitoring, their promotion of personal resilience and responsibility whatever the economic base, they can also represent and reinforce the wider hegemony of middle class perspectives and interests over the material wellbeing of the poor, and can come as a burden rather than as relief.

On the other hand, this very openness to wider groups is an opportunity: iwi, for example, or churches, or Pasifika community groups can all 'own' childcare and ECE, and strengthen their own stakes in the social order by doing so. Again, here we are talking about real community stakes, with jobs, and a space for real sovereignty to emerge, and build community, family and sole parent confidence. And the state is there as a (welcome) partner.

Clearly then there are risks and wins to be had here. I think we have to be prepared to explore, and I suggest that early childhood intervention and education is the place to consciously do it: with as much conscious, knowing participation of everyone (but especially families themselves) as possible.

A second area relates more directly to the labour market and its governing arrangements. Here is an area where a real social wage and real decommodification can be reconstructed, but only if it happens within a form of reconstituted market arrangements.

I see real progress coming in gendered middle class dimensions of the labour market, in terms of family friendly workplace arrangements which can enable flexible juggling of work and family economies of time and place: lots of room here for active innovation, involving families themselves in shaping real decisions in workplaces and policy.

Families have a real stake in the labour market and its outcomes; but so do all workers in terms of quality of life and wider wellbeing. Setting up these wider wellbeing values as constituting a basis for specific entitlement in the labour market– and coming up with policy options which could actually deliver them– could form the basis of a renegotiation of the existing compacts, as well as for wider public support for an organized labour which was clearly pushing for wider social outcomes beyond member needs.

A new policy compact in this area could come from an extended, active participatory policy process here, involving workers, employers, parents, children . . .

Beyond this, the basic issue of overall wage levels is much more thorny, especially at the bottom. There are legislative and institutional ways to strengthen the market power of workers (minimum wages, employment commissions): but pushing for a new social/ living wage compact will require a great deal more imagination: despite from the fact that, as the Australian experience indicates, everyone can emerge from such as winners, where some wider social parameters are able to enter the labour debate, and in turn make it a wider debate in terms of who it affects.

As I argued above, people have come to trust, to some extent or another, the market to set some (but not other) parameters here. How to better leverage, then, issues like family and local living wages back into the agenda?

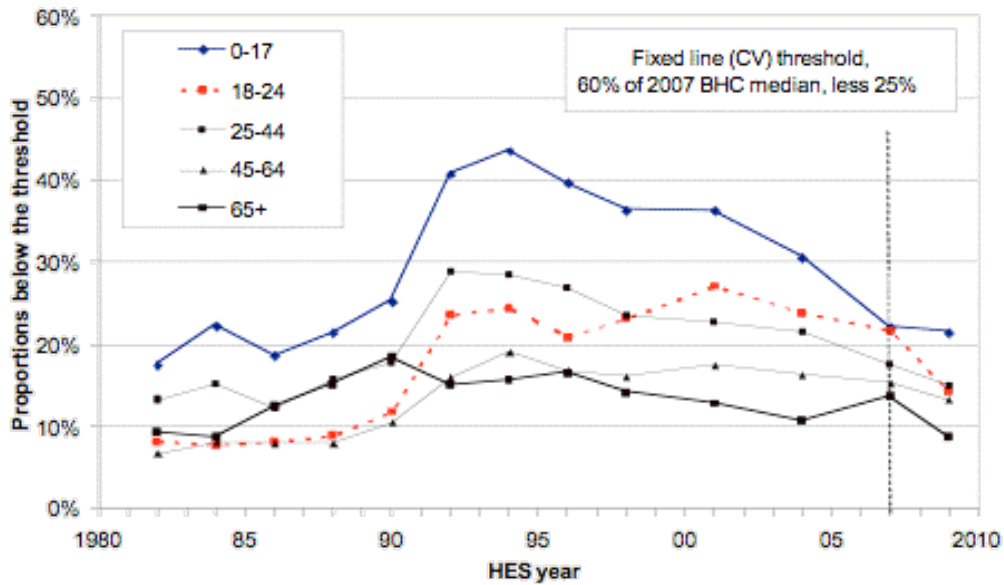
Productivity is already a core element in workplace agreement discussions; but there is surely scope for these discussions to become more like substantive negotiations. A new and flexible tripartism in these areas

would be quite an achievement: it might take some prompting from political/ state actors, but they would also need to know when to get out of the way.

A third area is the housing market. Simply here, income inequalities and tax arrangements have skewed market outcomes heavily in favour of the rich, undermining basic class social securities, and giving rise to all sorts of flow-on negatives: ghettoisation, undermining of local schools, and more, sending housing affordability tumbling while failing to reduce rents, at least in Auckland.

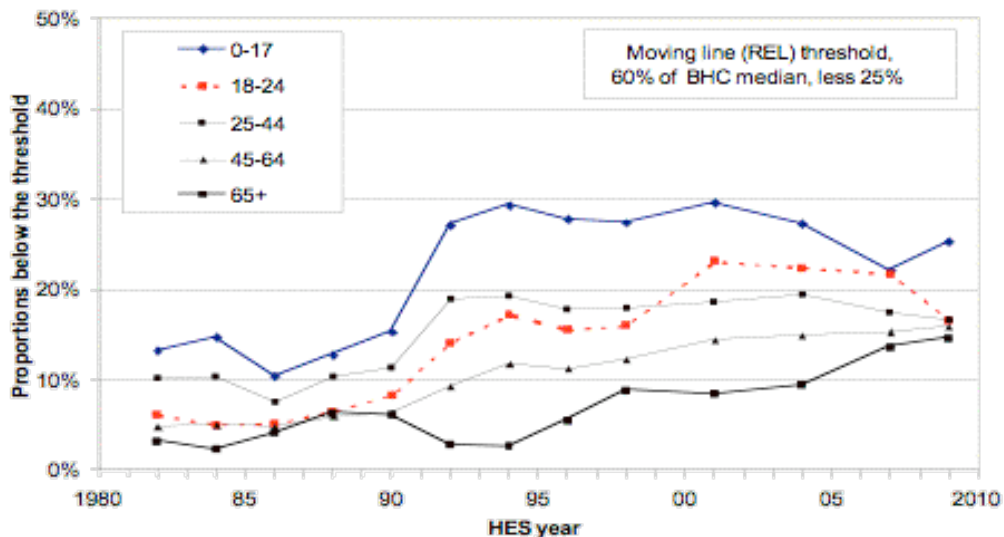
In general, as Bryan Perry's important work in this field shows (see the graphs below), poverty has fallen among all age groups in new Zealand since the early 90s: before housing costs. After housing costs, however, we are mostly going backwards.

Figure 1 Proportion of all individuals in low-income households by age, 60% CV threshold (After Housing Costs)



Source: Bryan Perry, *Household Incomes in New Zealand: Trends in Indicators of Inequality and Hardship 1982 to 2009*, Ministry of Social Development, 2010, Figure G.1, <http://www.msd.govt.nz/about-msd-and-our-work/publications-resources/monitoring/household-incomes/index.html>.

Figure 2 Proportion of all individuals in low-income households by age, 60% REL threshold (Before Housing Costs)



Source: *Ibid.*, Figure G.2.

There needs, simply, to be a new housing market compact hit upon. While overall tax (capital and wealth) mechanisms will need to do a lot of the resetting of the market in this area, another important part of this compact will no doubt be community sector housing providers: community housing trusts, complementing the state's social housing roles, and, in some areas, replacing it. And replacing or driving out private wealthholders and family trusts as the only non-government mechanism for governing rental relationships.

What the community sector genuinely does offer here is a level of local engagement, much needed entrepreneurialism, and a responsive working relationship with tenants which can go a long way further than Housing NZ has been able to, for a range of reasons. Housing NZ can itself do better in this too, were it to become more client focused: but this is an area where community can have real power and leadership, and tip the balance towards a wider social focus on less well off tenants and their plural needs.

In this area, I would argue for progressive politics (social democratic parties, community activists and organized

labour together) working to create a greater sense of entitlement around housing as stakeholding: lower rents for long term renters, more chance and options to raise equity; resisting impermanence in state house rental. A social democratic party on its own will struggle to actually deliver on this promise: there needs to be a long term campaign involving more social actors, to get the policy right and get the resources in place to start to make a difference.

Another step in this area will surely involve a revisiting of another state subsidy in the housing market, the accommodation supplement currently paid for low income families in housing they can't quite afford. For a good while now, many on the left have regarded this simply as a subsidy to landlords, which worked in a classic subsidisation way to ensure higher rents all around: and thus add another driver to the housing market.

Here is an area where a closer engagement with market actors and economics needs to be a part of the solution: and by this I don't mean the facile and largely failed supply-side economics of the kind that got us into the negative gearing/ asset ownership concentration mess

we are in. So far, we've seen a poor referencing of markets here, linked to a dull conception of possible state machinery.

The role of families as social actors in all this has been similarly restricted: if they can't cut it in the ownership market, here's a non-capitalisable, bandaid handout to help you be a tenant: which you hand on to your landlord, who will invest it in a way that will make sure you stay a tenant, too.

Room for improvement? Yes, but there's no simple state or market fix here, to be sure!

Towards a wellbeing society? Market- oriented social wellbeing beyond 'social inclusion' and workfare

I have argued that the relations between state, society and markets have continued to shift, with market power now strongly institutionalized and in many ways built into people's subjective and normative expectations of work and welfare.

Overall, I think it crucial that we start re-thinking based on this shift, and that we actively re-consider how the best can be made of it, and whether any of its core structural elements are really up for political re-fashioning.

Social democratic responses to this shift have tended to rely heavily on state intervention to deliver quick and controllable change. This intervention has been effective in a number of areas, but it has also been in some ways top down and technocratic, reliant on an elite control of the executive function inherited from previous neoliberal ambits (which captured state power to push through marketising reforms).

Enacted by a professional political machine using polling and other restricted modalities of participation, this engagement has not really taken advantage of any real shifts in the social order emerging from neoliberalism which might have underpinned a more thorough shift of ground for the welfare state. These shifts include the emergence of a re-commodified labour market reaching further down than ever into families' lives, time, assets and incomes.

On the other hand, many conceptions of the social which have been activated in policy contexts have been relatively lame and reactionary. Third way governments have played to the communitarian, to moral reaction, to punishment and a shrill work ethic, while struggling to see anything in the social that might provide a stronger basis for representational political action. This is understandable, given our lack of strong institutional bases for such action: but need it be determinate?

The state doing some things for poor people is important, but it can also be self defeating for social democrats seeking to engage and mobilize low paid workers and households whose real living conditions are dictated by market outcomes.

Overall then, here is a call for a conception of the social much more closely linked to markets and market outcomes, but also as viscerally involved and engaged on a day-to-day basis with carving out a stronger niche within those arrangements, and subjecting them to a broader based social embedding and regulation.

The state surely has a role legislating this, as do political managers and professional politicians in making smart

policy around it. I suggested that gendered labour (and wider structural and institutional dimensions of the labour market and its governing), the early childhood and family environment, education (especially early education) and the housing market could all be fruitfully examined as sites where this kind of renewed engagement with the social and markets might have traction.

In all these fields we need above all to construct strong historical narratives which avoid dull Thirdway notions such as social inclusion, partnership or (simple work or community) participation, and cut to the wider political economic chase in terms of the major forces shaping social and market relations, and real political representation and institutional participation in these.

These narratives need, in other words, to comprehend some of the following; and also to show people clearly what they have to do with their own past, present and future. They need, in other words, to:

- 1. Recognise and draw attention to the big picture political economic drivers behind changes including asset, income, intergenerational, health**

and neighbourhood inequality (ghettoisation), alongside the widening obligation for individual agency and responsibility.

We need to make our policy narratives much clearer, linking the forces driving inequalities and hollowing out of labour markets by fleeting capital in ways people can understand and move towards correcting, politically and institutionally. Core to this will be historically understanding the effects of market mechanisms in basic areas (labour, capital, land), how these have been set up and regulated, how global and regional flows of capital into markets have affected their position, and what social effects they have had.

The housing market, for example, driven by a range of factors including favourable tax policies for landlords and a wider concentration of income in the top deciles, has over time delivered a polarised situation in which home ownership levels are falling while overall housing costs are rising faster than real wages. Asset concentration follows income inequality, and many families are the poorer for this, as the earlier graphs from Bryan Perry's 2010 survey of Household incomes illustrate.

Unless we have an electorate which grasps these connections and has ways to mobilize and seek representation and institutional fixes from, we will be left without a strong social base for reform (left, in other words, with professional politicians and the state).

2. Help rebuild and refocus understanding of the roles of state and society, by:

- raising wider debate around the actual costs of rising inequalities, making voters more aware of who these costs impact on, and how the social order and outcomes has been structurally changed by these shifts; and, again, building popular policy narratives which grasp this, and point to ways forward through which people themselves can seek representation.
- Building understanding about the real potential social bases of embedding and shaping of market forces, and the ways market arrangements can be more smartly managed to produce better social outcomes: and, again, support and create the institutional bases for this understanding to leverage in and from. Linking, in robust policy

terms, the social and political economic drivers to individual and family lived experiences, especially in terms of inequality, control, stress, resilience; in sum, building recognition of the real costs of labour market commodification, day to day; and exploring the institutional bases for getting these into policy and budget deliberation, and workplace and wider fair wage negotiations

- Broadening the base of plausible policy engagement, stakeholding and entitlement demand by social actors (women, organized labour, community housing groups, groups working with children, public health and wellbeing agencies), by taking their immediate focus beyond contract arrangements (with government or employers) and into social compact areas where they have a real seat at the table as allies of a progressive state, and voices of consumers in a commodified, unequal market.
- In all this, to repeat and sum: Building recognition of the limits of the state's role on the social development side (without weakening that role into mere monitor or bankroller), while at the same time

giving it better social partners, with wider effective memberships and support bases.

From such a debate might emerge, if we are lucky, a plausible conception of wellbeing in relation to markets, social processes, and the scope of state intervention.

This conception would of some necessity go beyond the notion of a welfare state, without losing sight of that entity's core social security capabilities.

In this context, I don't think it's naïve to talk over time about founding some new, durable understandings around something like a wellbeing society (rather than just a welfare state). Perhaps, and this is worth debating, it is not naïve either to talk about the real scope of market-oriented wellbeing.

If we can even begin to do this in ways that go beyond the narrow social inclusion-ism of Thirdway workfare, we will already be making progress.

About the Author

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About Policy Progress

Policy Progress is a policy ‘think-site’ devoted to developing and supporting progressive initiatives and ideas in Aotearoa–New Zealand.