

Poor Britain

Joanna Mack and Stewart Lansley

Chapter 10: The Future

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Conclusions

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The Future

What hope for the poor?

The future to me doesn't hold much hope for me or my family. There's no prospects really that I can see of a better job, though I might get one if I'm lucky. I don't see any prospect for my children 'cos the way things are it looks as though there's gonna be a lot more people out of work and - I just don't feel right about it. You know, I feel as though I've brought my children into a world that's just dying. [Low-paid father of three]

To the poor, the future looks bleak. They see no end to the problems they have experienced during the 1980s. The government's much-proclaimed 'economic recovery' seems to bear no relationship to what they observe: jobs become no easier to find, benefits remain piteously low. To those, like Ernie, who lived through the unemployment of the 1930s, events have an all-too familiar ring:

I remember the March, the Jarrow Marches, when they marched from the north up to London. What's happening today is only a repetition. We're back to square one aren't we. ... I'm right pessimistic about the future. There doesn't seem to be no way out for people. It's a grim prospect for the future. I know it sounds rather severe but you can't help but see the way things are going.

The recession has made the whole nation poorer, but it is as a result of the government's policies that the impact of this declining prosperity has been concentrated on the poor. It is

not just that the government has done little to mitigate the effects of the recession for the poor; it has positively encouraged the widening of inequality.

Against this background of unemployment, higher even than in the 1930s, and the most hostile political climate for the poor since the war, the findings of this book, somewhat surprisingly, offer a small glimmer of hope for the poor.

The public's definition of unacceptable living standards

The first glimmer of hope comes from the public's view of what constitutes unacceptable living standards for Britain in the 1980s. The survey's findings of the public's perception of necessities are, perhaps, its most important because it is the first time ever that this crucial area has been explored. As reported in Chapter 3, the public take a relative view of needs that is in accord with present-day experience.

In Chapters 4 and 5, we explored how the living standards of the poor compare to this minimum standard set down by society as a whole. The evidence was conclusive: *the poor of today are too poor*. This, it should be stressed, is based not on our personal value judgements (though it is one we share) but on the judgements of the majority of people in Britain, who think that the poor are entitled to more.

The government, however, has consistently refused to take seriously the fact that the poor have unmet needs. Dr Rhodes Boyson, who, as Minister for Social Security, was theoretically in charge of assessing the poor's needs, commented to the House of Commons on the *Breadline Britain* findings reported in the television series:

The interesting point which the programme suggested is that if someone does not have three things out of 24, he is poor. Those three things could be refrigerators, washing machines and carpets in all living rooms and bedrooms, whereas 50 years ago, or even 25 years ago, people merely

aspired to have such things. (*Hansard*, 28 June 1984)

Quite apart from giving an inaccurate and misleading account of the survey's findings, Dr Boyson has failed to grasp the essence of 'need'. The observation that the poor of yesteryear managed without goods that were not invented is hardly astute, but what is more it is not relevant. An overwhelming majority of people think that there is more to life than just existing. The key point of the *Breadline Britain* findings is that people today *do* see goods such as refrigerators as necessities for living in Britain today, even though people can clearly survive without such goods.

In Chapter 6, we summarised the survey's findings on deprivation, and developed, for the first time ever, a measure of poverty based on a consensual view of need. We estimated that around 7.5 million people could be said to be 'in poverty' and a further 4.5 million people 'on the margins of poverty'. All the 7.5 million people classed as in poverty found their lives diminished to the extent that they fell below what society at large believes to be a minimum acceptable way of life.

It was not just that they could not afford to go on holiday or that they could not afford a refrigerator - though these would be deprivations by the standards of today - but that their whole way of life was affected. Many could not afford modest items of food, such as a roast joint of meat; many could not afford to clothe themselves according to the minimum standards of today, lacking, for example, a warm water-proof coat; virtually all could not afford the kinds of leisure activities that make life more than just a matter of existing. The personal consequences are a life that is often depressing and nearly always full of worry. This is the reality of 'relative' poverty in Britain in the 1980s.

While this poverty may not be recognised by the present Conservative government, it is based on the public's perceptions. These perceptions offer hope, albeit limited, of a restraining hand on the government's actions. But there is also a glimmer of hope from other public attitudes.

The public's support for policies to help the poor

In May 1979, Mrs Thatcher won the general election committed to a radical change in the role of government. During this century, 'state welfarism gradually triumphed over the market' (Halsey, 1984). Mrs Thatcher set out to overturn this conquest. Ever since the early 1970s, the old Butskellite consensus about the importance of state responsibility in social welfare had looked increasingly vulnerable. As has been seen in Chapter 8, the stage had been set for social and economic changes that would not have been thought possible less than a decade before.

In the event, Mrs Thatcher's first term in office brought only limited changes in policies towards the poor, though, as seen in Chapter 1, these were almost entirely to the detriment of the poor. The government's aims, however, remain the same. In particular, it is desperately searching for ways of cutting welfare spending. The government has launched a series of reviews of the social security system due to report in 1985. While the emphasis is on greater efficiency (an aim that few would dispute), the reviews are in the context of reducing, or (given the rising numbers of elderly) at least constraining, spending. So, are the public prepared to see a cutback in welfare support for the poor?

The evidence presented suggests that any shift away from welfarism would not be welcomed. Indeed, in Chapter 7, we saw that overwhelming majorities support the broad objectives of reducing poverty and inequality. There is clear evidence of a substantial shift in opinion over recent years. People show an improved understanding of the causes of poverty and have substantial sympathy with welfare claimants - the poor are seen as more deserving and less the victims of their own ineptitude. In Chapter 9, we saw that support for welfare spending was also stronger. Moreover, people show a marked willingness to pay for help for those in need (75 per cent supporting a tax rise of 1p in the pound). Such views are widely held by people of different classes, income levels and political affiliations.

This is not to suggest, however, that there is at present

public support for a wholesale attack on poverty. Increasing spending on social security is still well down people's list of priorities. Even in the relatively supportive mood found in the early 1980s, a majority of people did *not* positively support *greater* spending on the key areas of unemployment benefit and child benefit.

However, in the current political climate, the survey's finding that only a small minority of people favour a *reduction* in state spending on the poor is more relevant. There is no widespread public support for a radical onslaught on the welfare state or any widening of inequalities. This is of interest in the light of the Conservative's election victory in June 1983.

On the surface, the findings reported in this study and the Conservative's election victory may appear to be contradictory. People profess overwhelming support for helping the poor and for a more equal society - but re-elected a government that had presided over a sharp increase in poverty and a widening of inequalities. At the very same time that the Conservatives won by a landslide, the majority of people were *not* in sympathy with the general drift of their welfare policies. These contradictions may appear to suggest that people's support for welfarism and the poor is only superficial. There are several reasons for believing that this may not be the case.

First, although Mrs Thatcher increased her parliamentary majority, her share of the vote fell marginally to around 43 per cent. More than half those voting actually voted against the government. The Conservative's overwhelming majority in parliament is the result not of an overwhelming endorsement of 'Thatcherism' but of the split in the opposition, which had resulted from the acute pre-election problems of the Labour party.

Second, the election was fought on much wider issues than the future of welfarism and certainly not specifically on the future for the poor. In particular, the election was dominated not so much by issues as by the personality of Mrs Thatcher and the credibility of the Labour party.

Third, when issues connected with poverty were on the agenda, they did not necessarily work against the Conservatives.

Although unemployment was a dominant issue in the election, the government was not, in the main, seen to be to blame for the sharp rise in unemployment and the Labour party's pledges were not believed (MORI, 1983). Further, as we have seen in Chapter 7, the Conservatives have been careful to hide both the impact of their past policies and their real intentions on welfare policies, even chiding Labour leaders during the election campaign for suggesting that they were planning a rundown of the welfare state.

The government often states, in defence of its policies, that it has been given an overwhelming mandate from the people. As regards the effects of its policies on the poor, this does not seem to be the case. People did not vote on the issue of poverty. To the extent that the issue was even considered, the distinctions between the parties seemed to many to be blurred. And to the extent that people recognised the increased problems for the poor under Mrs Thatcher's first administration and were concerned about it, they may well have been *more* concerned about other issues such as an 'undefended' Britain.

Certainly, the evidence presented suggests that, even among Conservative voters, there is *no* support for any winding down of the welfare state *or* for the kinds of deteriorations in the living standards of the poor that have taken place over the last five years. Indeed, there is now a very public strand of Conservatism that opposes the government on precisely these issues. Sitting on the Conservative benches in Westminster is an 'alternative' government of ex-cabinet ministers. Even before the election, Sir Ian Gilmour set out to restate 'the traditional views of my party' in his latest book *Britain Can Work* (1983). He wished for a return to a form of Conservatism concerned not just with economic doctrine but also with social conditions. In support, he quoted Harold Macmillan:

'It is only so far as poverty is abolished that freedom is increased.' (Gilmour, 1983)

This was echoed by Peter Walker, the last remaining 'wet' in the cabinet, at the Conservative Party Conference in October 1984 when he declared that the 'freedom' of private enterprise was only one aspect of a free society:

Freedom in the fullest meaning of that word includes the freedom from humiliation and the restraints of poverty.

Francis Pym publicly joined the attack in *The Politics of Consent*:

It is significant that Margaret Thatcher has seldom visited those areas that have suffered most during the recession and that her election campaign of 1983 involved a studiously selected route through the more prosperous parts of the country. This has increased the sense that the Government cares only about part of the nation and not all of it. (Pym, 1984, p. 14)

The *Breadline Britain* findings provide ammunition for those who wish to place a restraining hand on the government, to encourage a move away from the economic and social policies that have increased poverty. When the television series was transmitted in the summer of 1983, *The Sunday Times* ran a report of some of the main findings. The lessons they drew in an accompanying editorial were for the government:

One set of people may draw one very simple moral from our reports. Mrs Thatcher's cabinet is, on the whole, a wealthy one. Michael Heseltine, Cecil Parkinson and Peter Walker are reputedly millionaires, while the prime minister herself has never had to worry where the next joint was coming from. That in itself need not disqualify them from an understanding of poverty, since this requires not direct experience, but sympathetic imagination.

Yet, too often, it is precisely this that the cabinet collectively has seemed to lack, its rhetoric and increasingly its policies based on all the old, populist prejudices against

the poor. Again today, we report more of its plans to cut the state benefits on which the fate of most poor people mostly hangs. Of course, the need to curb public spending is understood, but, in a state budget of £126 billion, does it really have to be at the expense of those who already have so little? (*The Sunday Times*, 28 August 1983)

The future

The groundswell of support for a more 'compassionate' face to the government's policies may prevent the kind of radical changes in social policy favoured by some members of the cabinet. But this, in itself, offers little hope for the poor. Their living standards may still continue to decline, if slowly; at best, the relative deterioration of the last few years may be halted. Even against the backdrop of the anti-welfarism of the 1980s, this would be a very modest achievement.

Part I of this book demonstrated both the inadequacy of the living standards faced by the poor and the enormous scale of the deficiency. In Chapter 6, we estimated that to make any significant impact on the problems of those in poverty a rise in minimum incomes to at least 133 per cent of the current supplementary benefit level was needed. To 'solve' the problem, a rise of nearer 150 per cent was needed. These estimates, we stress again, are rough but they do give an indication of the scale of the problem.

The problem is not only huge, however, it is also desperately serious for many. Among the 7.5 million people living in poverty, there are some 2.5 million people, including nearly 1 million children, whose lives are diminished and demeaned in *every* way so far do they fall below the minimum standards of society today. Every one of these 2.5 million people will have poor and inadequate clothing, an unbalanced and unattractive diet, and long ago they will have cut out leisure activities; most will also face bad housing conditions, miss out on important social activities (such as celebrating Christmas)

and have inadequate heating. This is the reality of poverty in Britain in the 1980s.

Effective help for the poor needs much more than halting the decline in their living standards since the late 1970s. What is needed is a sharp improvement in their position. What chance is there, then, for positive changes aimed at this kind of improvement?

One thing is clear. The scale of the problem is such that it would not be possible to 'end' poverty at a stroke or even within the lifetime of a parliament. It would be naive and misleading to suggest that the objective of eliminating poverty was immediately obtainable. The measures that would be required would not, at present, gain public support. While the public are generally sympathetic to the needs of the poor, the extent to which people are prepared to make personal sacrifices is limited. A majority of people are not prepared to support a policy of raising taxes by 5p in the pound to help the poor; and even these sorts of sums, while making a substantial impact on meeting the needs of the poor, would not be enough to 'solve' the problem.

This does not mean, however, that the poor's future need continue to be bleak. The *Breadline Britain* survey has shown that the large majority of people recognise that the circumstances in which the poor live are *unacceptable* in Britain today. Mrs Thatcher may believe that 'people who are living in need are fully and properly provided for', but most people do not view the meagre standards of living suffered by the poor in this way. The government's complacency and indifference are not shared by others. People do accept that the problems of the poor *should* be tackled, and that the *state* has a responsibility to tackle them. These are deep-seated beliefs about the kind of society in which people wish to live - a society in which everyone is *entitled* to a minimum standard of living that is about more than just existing.

However, if the future for the poor is to be substantially improved, support is also needed for the *policies* that will translate the objectives set down in terms of people's minimum living standards into reality. While the public at large do not

back the kind and extent of policies needed, there is a substantial body of opinion that would support such policies: over one-third of voters said they *would* support a policy of raising taxes by 5p in the pound, a rise in income tax that is, by any standards, substantial. The question, then, becomes: to what extent can the existing level of support for redistributive policies be built upon? This, in turn, will depend on how people's attitudes to such policies are formed; in particular, on how far they stem from self-interest as opposed to wider ideological values, social pressures and political views.

In recent years, the fashion has been to assume that people act primarily out of 'self-interest' rather than a wider sense of obligation and responsibility. The 'pursuit' of self-interest is central to the government's philosophy, but the concept of the 'primacy' of self-interest has wider currency. For example, Peter Taylor-Gooby has argued: 'Attitudes to welfare are bounded by a calculus of self-interest rather than Titmuss's theme of social integration through the gift relationship' (Taylor-Gooby, 1983 b).

The evidence of the *Breadline Britain* survey suggests, by contrast, that people are guided by a mixture of motives. Undoubtedly, self-interest does play an important role: in general, the poor and the working class reveal attitudes that are more pro-poor and pro-welfare than those of the better-off and the middle class. Such patterns are by no means universal, however. The rich and the middle class do show consistently strong support for a range of welfare policies. Clear majorities support egalitarian policies: for example, a significant proportion of the rich favour an increase in tax of as much as 5p in the pound to help the poor. This is not to say that such attitudes are explained solely, or even mainly, in terms of altruism. The middle class are likely to be well aware of how they benefit from the universal aspects of welfarism such as pensions, child benefit, the National Health Service and education. In recent years, the middle class commitment to welfarism may also have been strengthened by the spreading risk of unemployment.

None the less, support for greater equality by higher income

groups is unlikely to be explained by pure self-interest. Altruism, or at least a wider sense of social obligation, does appear to play a role in the formation of attitudes. In general, the findings support an alternative view of human action, put forward by Amartya Sen:

The operations of a society depend heavily on codes that guide behaviour and the way interests and obligations are perceived. It is hard to explain human behaviour purely in terms of self-interest. (Sen, 1984, p. 25)

These findings are of importance. An appeal to self-interest can be a significant element in winning support for improved anti-poverty measures; in particular, for those that are based on universal principles. In the final analysis, however, tackling the problem of poverty requires a substantial redistribution in society from the top half to the bottom half, and in particular to the bottom 15 per cent. Such policies would certainly conflict with the pure self-interest of most of the better-off. Widespread support for redistribution thus depends on people's attitudes stemming from a wider set of motivations. The evidence of the survey suggests that this is, to some extent, the case. As such, the survey's findings hold out the possibility that support for redistributive policies could be built not just among the poor but also among those who are not poor, a far larger group of people. This, in turn, is important: redistributive policies are, in our view, likely to be adopted only if they have the broad support of the majority of people.

The difficulties involved should not be underestimated. The evidence of even the very limited attempts at redistribution under previous Labour governments suggests that resistance by those with a strong vested interest in the present inequalities would be fierce. Bringing about redistribution would require great political will, far greater than previously demonstrated; and it would require a concerted attempt to win public support for an egalitarian programme. The Labour party, while paying lip-service to the idea of a more equal society, has largely failed to press its case. If it did, it could meet with some success: the

survey's evidence suggests that the foundations exist in popular attitudes for building wider support for redistributive strategies.

We have not discussed in this book the precise mechanism for such a redistribution. This, though important, is secondary to establishing to whom money should be redistributed, and on what scale. We have proposed that this can be done on the basis of the public's perception of need. Using this, we have shown that the levels of benefit received by the poor should be increased substantially.

In 1984, the government established a 'review' of the benefits system. The intention was to find ways of making substantial cuts in social security spending. In this book, we have set out to establish an alternative objective by which to judge any changes in benefit - do the changes *reduce* poverty? The aim has been to shift the debate on the future of the social security system away from doctrinaire objectives of reducing public spending towards the unmet needs of the poor.

Without this shift in priorities, the future for the poor will, indeed, be bleak:

I'm wondering whether it's worthwhile going on living, quite honestly. It's not living, it's existing. [A supplementary benefit claimant, aged 59]

