
1 Policymaking in the British Welfare State

At the turn of the century, Lowell wrote, "In politics the Frenchman has tended in the past to draw logical conclusions from correct premises, and his results have often been wrong, while the Englishman draws illogical conclusions from incorrect premises, and his results are commonly right" (1908, pp. 14–15). A generation after the Second World War, many British leaders and analysts would not agree with this statement. Since roughly 1960 there has been a constant stream of books and articles on the British *malaise*, meaning everything from low industrial productivity to poorly conceived international adventures (Shonfield, 1958; Shanks, 1961). It is not the purpose of this study to add to these critiques, much less to exploit the sense of failure that can overcome a country. Nonetheless, it is true that Britain has been slow to make some critical decisions, has vacillated when consistent and decisive action was needed, and has generally failed to come to grips with some fundamental social and economic problems.

We cannot hope to explore all the dimensions of Britain's social, economic, and political experience over the past two decades. Our concern will be mainly with the politics of policymaking, with how national leaders appear to make decisions that are, in turn, binding on the British people and government. The policy analyses that follow will provide general social and economic material to help the reader see the gravity and scale of particular problems, and to gauge how well national policies have responded to a variety of complex choices. But to say that policymaking is overly political is not necessarily a judgment on the entire society or even on an entire political system. No one would pretend that the success or failure of an intended course of action rests solely

with national politicians or national administrators. Political analysis, as well as political practice, would be a simpler matter were the observable evidence of success and failure synonymous with political success and failure.

Not the least of the complications in studying the politics of policymaking is that political leaders try hard to claim credit for everything that goes well and to disclaim responsibility for anything that goes badly. There are some complex policy problems, such as public housing, where British accomplishments are impressive, but where there is also considerable evidence that the underlying policies are confused, erratic, and even contradictory (Lansley, 1979). There are other demanding policy problems, such as the reorganization of social security (see Chapter 6), where leaders have cooperated over a number of years to make improvements, though both major parties naturally seek to take credit for such "successes."

Moreover, national leaders are not solely concerned with binding decisions made in legislation or the choices contained in the orders, regulations, and directives emanating from government; national policies provide the guidelines and targets for government, and ultimately for a society, but they do not encompass all of politics. Political leaders must also worry about the condition of their party, the feelings of their constituents, the issues that might influence future elections, and the general support they appear to enjoy as disclosed in the press and by public opinion generally. Much of their time and energy goes toward keeping essential democratic institutions and processes in workable condition, and has relatively little direct connection to the daily choices that government makes. Politicians want above all not to be defeated in elections. The demands made on them by the public, their immediate followers, their parties, and their colleagues may or may not have anything to do with policymaking.

In nearly every modern democracy, one can find those on the extreme left and the extreme right who feel that the connection between popular preferences, tastes, and attitudes must be made more direct and more reliable. The right tends to think that an elected representative should freely exercise his own best judgment. The left prefers the view that representatives should be wholly accountable to their constituents' preferences and needs. We often forget that the politician's policy role was devised in the eighteenth century, when unsuccessful politicians often spent the

rest of their lives in prison or exile. As the critics of eighteenth-century monarchical excesses saw, democracy in even its primitive form could not exist if the price of political failure was one's life or career. Since Labour's defeat in 1979 direct forms of representation have been advocated by the leader of the Labour left wing, Anthony Wedgwood Benn, who would like to see MPs (Members of Parliament) regularly reselected by their constituency party.

Because this study will not spend a great deal of time considering how more direct or personalized forms of representation might or might not improve policymaking, a few words should be given to the relationship of participation to policymaking in the modern state. There are undoubtedly a number of ways in which increased participation in lower-level policy formation and execution could improve democratic life. Many experiments have been made, including more community involvement in local government, worker participation or "industrial democracy" in private firms, and numerous ways of injecting consumer advice into public corporations and governmental agencies. Whether direct participation might improve policymaking at the national level is another question, and for many reasons it seems unlikely that policymaking can be easily subordinated to the short-term ebbs and flows of public opinion. As V. O. Key showed some years ago, the longer-term, secular effects of changing opinion do find their way into government. The reasons for the declining importance of direct democratic control are found not so much in individual alienation of citizens or conspiratorial schemes by politicians but in the paradoxical way in which government loses flexibility and constrains choice as it takes on a larger role in society.

Unfortunately, the phrase "welfare state" is often used in a derogatory sense. Our aim is not to cast doubt on a government that tries to do more for the public and that provides an increasing proportion of the goods and services produced in a society. Here, welfare state means simply a government that is responsible for a large share of the decisions affecting the daily lives of its citizens. The most common measure is the proportion of the national product in the hands of the government. For our purposes the threshold need not be defined precisely, but it is commonly taken to be anything from a third to a half of the national product.

In every modern democratic state, past commitments, the scope of services, the range of benefits, and the elaborate machinery of

government itself means that decisions are more complex. In Britain, for example, the future of nationalized industries spills over into questions of incomes policy, the conflicts of industrial labor relations raises major problems of national economic policy and industrial development, and individual benefits as enshrined in past legislation mean that new needs and even unquestioned social inequities are hard to reconcile with continuing obligations. There is little evidence that leaders want policy choices to be more remote from the beneficiaries of government or the public generally, but the complexity of decisions, often their unforeseen effects, has made policymaking a more arduous and complicated problem.

Britain is by no means alone in finding government and administration severely strained as the scope and complexity of the welfare state increases. These difficulties have produced a broad and not entirely conclusive discussion about "governability" and the viability of the modern democratic state (Rose and Peters, 1978). Of course, the welfare state is not an entirely new phenomenon in British politics, and its roots can be traced back to early Victorian Britain (Briggs, 1961). But when one speaks of recent problems of governing the welfare state, one usually has more concrete issues in mind.

First, government has become a potent economic force. The sheer quantity of money involved in the public sector means that public spending affects interest rates, savings, profits, wages, and investment in many more ways than in the past. Government is increasingly cast in the role of mediator between public and private economic interests. Since roughly 1960, most governments have realized that public expenditure has had widely dispersed effects on the economy and the society. Unraveling and forecasting these interdependencies has become a major preoccupation of the welfare state.

A second important change has been the multiplication of inter-governmental agencies, public corporations, regulatory bodies, and specialized activities. Both liberal (Smith, 1979) and socialist (Harris, 1972) analysts have noted the rise of "corporate" control in the welfare state. In general, this means that influential groups, which often have their own clients and following, take on a dual policymaking role. They help formulate and define policies and are, in turn, beneficiaries and interpreters of policies. Corporate decisionmaking may be unaccountable to the public and even to political leaders, but, from a policy perspective, they may be cru-

cial to the effective operation of government. As problems multiply and objectives become more ambitious, government requires more organizational support, touches a wider range of interests, requires more information, and needs more careful monitoring of its activities. However one wishes to explain the organizational complexity of modern government in all the welfare states, few persons have pointed to ways that such interdependence can be reduced.

A third general source of complexity in the welfare state is the blurring of hierarchical relationships. Unless one takes into account how much more the modern welfare state is trying to do and how much more complex the entire structure of government has become, it is hard to see how leaders may have less influence than in an age of simpler and more narrowly defined government. Decisions have ways of spilling over into other policy areas in unpredicted and sometimes contradictory ways. Much of the preoccupation with governmental reorganization in the 1960s was a manifestation of confusion in relating the growing functions of government to policymaking. What seem to be clear-cut choices often prove unworkable when implemented; what start out as carefully designed and rational plans often become highly irrational and ambiguous in application; and even where policies achieve their objectives with relative success, unforeseen effects frequently create new burdens, new constraints, and new problems for other parts of government.

The decisional complexity and interdependence of policies that characterize the development of the welfare state take a peculiar form in Britain. All the studies will to some extent show how particular historical, institutional, and political constraints affect policymaking. The unique characteristic of the British political system with which this study will be primarily concerned is the high premium placed on adversarial behavior at the uppermost levels of decisionmaking. Compared to most modern democracies, the Opposition has relatively few ways to intervene in lawmaking and policy choices, the supporters of the governing majority in Parliament are themselves excluded from policymaking to a remarkable degree, and the inner circle of cabinet and ministers operates under conditions of secrecy and other forms of insulation from external political forces that probably exceeds that of most democratic governments. The formulation, implementation, and evaluation of policies are subject to the judgment and priorities of

a very small group of top political leaders. Given this concentration of power at the pinnacle of the British political system, why does it seem that policymaking has in some important respects also been ineffective, erratic, and indecisive?

The paradox is unraveled by considering how elite consensus about the inner workings of government interlocks with social acceptance and support for British political institutions. What Eckstein (1961) has called the high congruence among norms and values about politics has two effects that ultimately affect policymaking by curtailing and moderating the effective influence of adversarial behavior. First, strong elite consensus means that the procedures and rules regulating conflict and competition at high levels in the political system are less subject to change than in most democratic systems. Adversarial behavior is pronounced and dramatic, but focused less on the assessment and goals of existing and future choices than on supporting the existing structure. Second, the high level of social agreement about the organization and values of the system, although severely taxed in recent years, means that mobilizing social protest and social needs in ways that more directly impinge on policy is difficult; to a remarkable extent policymaking is also organized in ways that make exclusion comparatively easy. Thus, the two forces that might focus adversarial behavior on performance rather than on inputs are constrained. This relationship is sustained because the elite naturally have little interest in making changes in a system that bestows enormous powers on them; and the society generally has a high degree of confidence in the system.

The result is that, although leaders have enormous powers and strong social support compared to those in many modern democracies, there are few incentives to extend adversarial politics in ways that might threaten the concentrated powers at the highest levels of government. Adversarial behavior is dramatic in relation to voters and parties but marginally effective in defining the goals of policies, in dealing with structural problems, and in articulating intractable social problems and divisive issues. As we shall see in the policy analyses to follow, leaders can often simply ignore public preferences and new social pressures with relatively little risk to their own status and influence. There are few ways to cast doubt on policies without jeopardizing the close association between elite consensus about the operation of government and societal acceptance of the system. The question is not only what the vir-