

Book Review: *The Next Welfare State? UK Welfare After COVID-19* by Christopher Pierson

Norman Ginsburg

<https://doi.org/10.1177/02610183221101161d>

The Next Welfare State? UK Welfare After COVID-19, Bristol: Policy Press, 2021. 162 pp. £19.99 (pbk). ISBN 9781447361190

This short, readable book (just 136 pages of text) explores aspects of British social democratic thinking with a focus on recovering a 'strategy for equality' through the welfare state. The core theme is that reducing wealth inequality should be fundamental to social democratic social policy, even more so than reducing income inequality. The Conclusion advocates, with useful precision, much enhanced taxation of private property to generate resources to fund measures such as 'a citizen's dividend', universal basic income, more accountable ownership structures in business, and investment to 'unfreeze social mobility'. Inequality is operationalised here using conventional indices and data, without overlaying them with the critical social divisions of class, 'race' and gender, excepting some observations on the impact of COVID. Obviously, there is little space for much detailed policy analysis, so the welfare state is analysed largely in terms of benefits, taxation and jobs, albeit with some remarks about pensions, housing, healthcare, social care and education.

The opening two chapters offer clear and useful reviews of the performance, respectively, of the New Labour and subsequent Conservative-led governments regarding income and wealth inequality, poverty, jobs, earnings and social mobility. There is not too much direct comparison done, but clearly the New Labour regime performed better on the 'social wage' and employment in more favourable economic circumstances. To most CSP readers this should be familiar ground.

The next two chapters take a different tack, exploring historical and contemporary perspectives. The Blair/Giddens *Third Way* clearly regarded further encroachment on private ownership (of business, land, pensions, housing etc) as off the agenda. In Chapter 3 the author shows that earlier English social democrats such as Crosland, Jay and Tawney took a more radical view, while definitely not being Clause 4 nationalisers! The argument is clearly that social democrats should be more reflective of these traditions in taxing, regulating and, in some unspecified instances, controlling private assets. However, the author does not discuss how this might shape the next welfare state in terms of service

provision and pensions, though there are some pertinent points about housing policy. There is a brief discussion (p64) of the Bennite left's Alternative Economic Strategy of the 1970s, but no mention (critical or otherwise) of its modernisation under Corbyn in the Labour manifestos for the 2017 and 2019 elections.

Chapter 4 explores briefly three contemporary challenges for the welfare state (ageing, employment, climate change); two broad policy strategies (social investment/asset-based welfare; universal basic income); and three writers (Milanovic; Piketty; Gough). These are certainly all relevant for CSP readers, presented more as summaries rather than building an integrated social democratic proposition for the next welfare state. It is good to see Ian Gough's vision of a decarbonised welfare state being advocated for social democracy, but the author is right to conclude (p. 110) that it would require 'steep taxation of inheritance, land, and capital transfers and ... building up the state's store of public capital'. The author is sanguine in bemoaning the likely political unfeasibility of such proposals, regrettably.

Chapter 5 reviews the first year of COVID in terms of its socio-economic impact and government policies, which is useful. Oddly, perhaps the author focuses on 'the one area in which the government ...performed relatively well' i.e. support for businesses and individuals. There is just one paragraph on the epidemiological impact, while several pages are devoted to the fiscal and macroeconomic impact.

It is not clear what social forces in the author's view are going to shape the next welfare state, particularly on the Left. The implications of the climate crisis are certainly considered, and occasionally the decline of the trade union movement is bemoaned without going further into its impact on the past and future of the welfare state. However, there is no mention of perspectives and pressures emanating from the women's movement or Black Lives Matter, for example. The implications for the next welfare state of the new authoritarian/libertarian populism on the political right are not considered. It would also have been useful to have had some discussion of the moral and economic arguments for reducing inequality, revisiting Wilkinson and Pickett, and of the role, extent, and design of basic services as proposed for example by Coote and Percy. Both these texts are cited but not really more than that.

This book sets itself quite severe limitations of perspective and scope, which many CSP readers might find problematic, but within those constraints it offers some thoughtful and accessible discussion.