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Foucault and the Welfare State

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Michel Foucault's *Madness and Civilization* (1961) offers a comparison between two types of answers to the same social problems: unemployment, poverty and crime. In the earlier centuries exclusion was the answer. The French Hopital General (1656) replaced it by containment. The institution was a combination of a hospital and jail and offered a solution by isolating insane, unemployed and criminal people at the expense of the society. The 20th century welfare state has a different answer to the same questions. This is, however, challenged by financial limitations. Foucault offers a solution by combining social security and individual autonomy, which was not considered to be important before.

Michel Foucault, the influential French thinker, questioned the truth of historical discourses and wanted to prove their contingency. The same Foucault, the philosopher, inspired postmodern relativism but, of course, these had nothing to do with the welfare state.

It was not Foucault the political thinker and philosopher, but Foucault the historian, however, who significantly contributed to the understanding of the rationale of the welfare state. His early *Histoire de la folie* (1961)[1] offers an interesting comparison between the 17th century and 20th century answers to the same socio-economic phenomena. How does society respond to the challenge of poverty, unemployment, and all social dangers, which emerge from them, including the flood of homeless people and beggars in the city-centre, crime and even the potential of uprisings.

Foucault in his book gives an excellent description and analysis of the 17th century social answer to these questions. His interpretation may inspire a rethinking of the 20th century answer to the very same questions.

Let us see first what Foucault said about the 17th century. The fact, in the centre of his work, is the foundation of the *Hôpital Général* in France on 27 April 1656. In spite of its name, this institution was not a hospital, and not even one single institute, but a network, 'a center of confinement – "hospitals, prisons,

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jails"– … [where] the same walls could contain those condemned by common law, young men who disturbed their families' peace… people without profession, and the insane …' (p. 45) '[T]his was the last of the great measures that had been taken since the Renaissance to put an end to unemployment or at least begging' (p. 47).

This institution was far from being a unique French invention. Similar ones were established all over Europe from the late 16th to the late 18th centuries. The German *Zuchthäuser* (the first founded in Hamburg in 1620), the English houses of correction, or work-houses, introduced by the Act of 1575 for the 'punishment of vagabonds and the relief of the poor,' and similar institutions in Holland, Italy and Spain (visited by John Howard at the end of the 18th century) were widespread. 'Throughout Europe,' continues Foucault, 'confinement had the same meaning, at least if we consider its origin. It constituted one of the answers the seventeenth century gave to an economic crisis that affected the entire Western world: reduction of wages, unemployment … poverty [which] continued to spread… Each time a crisis occurred and the number of the poor sharply increased, the houses of confinement regained, at least for a time, their initial economic significance… [I]n the periods of unemployment, reabsorption of the idle and social protection against agitation and uprising' (pp. 49–51).

'For the first time', Foucault continues, 'purely negative measures of exclusion were replaced by measures of confinement; the unemployed person was no longer driven away or punished; he was taken in charge, at the expense of the nation, but at the cost of his individual liberty… [This measures reflected] a new sensibility to poverty and to the duties of assistance, new form of reaction to the economic problems of unemployment and idleness, a new ethic of work… [emerged] within the authoritarian forms of constraint' (pp. 48, 46).

While in previous centuries those who, from various reasons, dropped out from the society, were physically excluded, closed out from the cities, the 17th century introduced a different handling. Assistance, social obligation 'at the expense of the nation,' 'social protection' against political dangers of poverty became the dominant concept, though in an authoritarian way. Moreover, the workhouses also gained importance, continued Foucault, 'outside the periods of crisis.' In prosperous times 'confinement acquired another meaning. Its repressive function was combined with a new use. It was no longer merely a question of confining those out of work, but of giving work to those who had been confined and thus making them contribute to the prosperity of all… [C]heap manpower in the periods of full employment and high salaries …' (p. 51).

Although the *Hôpital Général* type of institutions turned out to be a failure during the 18th century, and began to be replaced by specialized institutions for different functions, a real conceptual and institutional change did not happen until the end of the 19th century, or better to say, from the turn of the century and later.

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This period was, of course, beyond Foucault's investigation. His interpretation of the 17th century's answer to the economic and social challenge of crisis and unemployment, however, helps us to understand the changes in that later period.

In examining the changing concepts of handling the same question in different times, he pointed out in an interview in 1983[2] that 'the way in which certain categories of the population were confined in the seventeenth century… is very different from the… [practice] of the nineteenth century, and still more so from the machinery of security we have at the present time' (p. 164).

Post Industrial-Revolution Europe, indeed, had to find a different answer to the same question generated by the growing number of poor and unemployed people. Exclusion and confinement was not an option any longer. In the early industrial societies of Western Europe a huge layer, nearly the majority, belonged to the category of poor, or at least rather vulnerable population. Workers could easily lose their jobs and became unemployed (temporarily or permanently), because of depression, sickness, accidents (so frequent in the early days of the mechanized factory system), or just ageing. But the poor of the 19th century were very different than the poor of the 17th century. Concentrated in huge cities, and, from the last third of the century, organized and mobilized by unions and parties, the workers represented significant political strength and power. In Germany, the Social Democratic Party gradually became the strongest in the parliament. Society had to develop a new attitude. Instead of exclusion and separation, the new answer was *inclusion* and the creation of *social security* against the main risks the workers had to face. One of the pioneers of the development of this new attitude was Chancellor Bismarck of Germany. Paradoxically, Bismarck's welfare measures, following his previous but counter-productive police measures of oppression, were part of his campaign to undermine the socialist movement. In June 1883, 227 years after the foundation of the *Hôpital Général*, Bismarck introduced the world's first national, compulsory sickness (health) insurance scheme for all industrial workers in Germany. A series of welfare legislation followed: industrial accident insurance in 1884, old age and invalidity pension insurance in 1889.

Bismarck's German laws had an international impact: the Scandinavian countries, where strong traditions of community solidarity characterized the previous centuries, followed. The king of Sweden appointed a committee to study the German pattern in October 1884. Accident, sickness and old age insurance with state contribution was introduced between 1891 and 1913. In July 1885, Denmark also formed a committee, and by 1891, a pioneering old age, non-contributory pension scheme was introduced. Legislation guaranteed government participation in all accident, health, unemployment and old age insurance schemes between 1889 and 1907. Denmark became the pioneer of modern welfare legislation. Norway introduced a compulsory accident insurance,

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which became mandatory for employers in 1896, a health insurance law was passed in 1909 and state and community participation was guaranteed.

The new and shocking experience of World War I and its aftermath, when millions of uprooted people and left-wing revolutionary movements engulfed several countries throughout the continent, strengthened the feeling and requirement of social solidarity. In one decade, the Great Depression, its unheard economic and social hardship, millions of unemployed and people in poverty, the frightening emergence of right-wing, Nazi and Fascist regimes required urgent action. As President Roosevelt said, democracies must 'prove that the practical operation of democratic government is equal to the task of protecting the social security of the people.' Welfare policy, as a consequence, was expanded, and the first welfare state emerged in Sweden, under Social Democratic rule in 1932.

The real turning point in the history of the welfare state, however, was World War II. Sir William Beveridge, was given the task by Churchill's war cabinet to make recommendations. His famous Report of 1942,[3] indeed presented a complex social security plan that covered all citizens: 'Medical treatment covering all requirements will be provided for all citizens… whatever medical treatment he requires, in whatever form he requires it… [including] dental, ophthalmic and surgical appliances, nursing and midwifery and rehabilitation after accidents… The service itself should be provided where needed without contribution conditions in any individual case. Restoration of a sick person to health is a duty of the State …' [Young people, below working age will receive children allowances, retired people above 60 (women) and 65 (men) receive pension. Unemployment benefit, disability benefit, and training benefit] 'will be at the same rate, irrespective of previous earnings. This rate will provide by itself the income necessary for subsistence in all normal cases'.

Moreover, the concept of a new development stage of market capitalism emerged, the idea of welfare-capitalism. Thomas Humphrey Marshall, in a lecture at Cambridge University in 1949, first developed the idea of *social citizenship*.[4] In his evolutionary concept, based on British historical experience, the 18th century established individual freedom. Based on these civil rights, the 19th century introduced political freedom. These earlier stages of civil and political citizenship rights were necessary prerequisites for the rise and development of the market economy and capitalism. Capitalist markets, however, generate inequalities. As a corrective force, based on the previous stages of development, social rights became an inseparable part of 20th-century citizenship rights. According to this concept of social citizenship, every citizen has the right to live the life of a civilized being according to the standards prevailing in the society.[4]

Welfare recommendations were rapidly realized and, with certain variations, institutionalized throughout Western Europe. Belgium, Sweden, Switzerland, and France followed. During the *trente glorieuse*, three glorious decades between

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1945 and 1975 the French welfare system 'came close to the establishment of [welfare] privileges as *de facto c*itizenship rights for the whole population.' In 1988, a guaranteed minimum income was introduced for those who, as President Mitterrand phrased it, 'have nothing, can do nothing, are nothing. It is the pre-condition to their social re-insertion.'

If depression and war initiated these steps and the Cold War which followed, the sharp competition between East and West gave a tremendous further impetus: besides arm-race and growth-race, welfare-race also characterized the post-war decades. Actually, by 1950 all West European nations had rather comprehensive programmes for the four 'main risks'. They had compulsory pension insurance. Eleven countries adopted compulsory accident insurance, nine compulsory sickness insurance, and seven introduced compulsory unemployment insurance. Per capita social security expenditures in Western Europe increased tenfold between the 1930s and 1957. During the first post-war decade, expenditures for social services increased by 14 times in Italy, 7 times in France, 6 times in Sweden, and 4 times in Western Europe as a whole. As a consequence, 40 to 50% of the GNP was then spent on welfare expenditures.

An increasing part of state spending was social expenditure. In 1950, social transfers, as an average, accounted for only 6 to 10% of the GNP of the West European countries. By 1975, it was 15 to 20%. In France and the Netherlands, it reached 20 and 26% respectively. In Norway and Denmark spending for social programmes in these years trebled. The increasingly redistributive role of the state accompanied the emergence of the Western welfare state.

Since the 1970s, the welfare state, however, entered a kind of crisis. The sharp economic competition in the globalized world market and the changing demographic trend of increased life expectancy and ageing questioned the limits of social security.

I started with Foucault's analysis of the 17th century's answer to poverty. Let me finish with his concept applied to the required reform of the 21st century social security system. Foucault has direct remarks and suggestions. 'This [welfare] system,' he mentioned in the above quoted interview, 'is now reaching its limits, as its comes up against the political, economic, and social rationality of modern societies' (p. 160). He, however, rejected 'wild liberalism that would lead to individual coverage for those with means and an absence of cover for the rest' (p. 175). On the other hand, he maintained that the concept of social security, which emerged after World War I and during the Great Depression, at that time had 'such acuteness and of such immediacy' that other considerations were neglected. From the 1960s–1970s onwards, however, 'the notion of security has began to be associated with the question of independence… [S]ocial security, whatever its positive effects, has also had "perverse effects"… [especially] a growth in dependence' (pp. 160–161). Foucault spoke about the 'limits' of

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security, and the need for 'individual autonomy,' or 'optimal social security combined with maximum independence' (p. 165).

Reforms are definitely needed. The caravan of the European societies is marching again to find a new concept and new practice to answer the eternal question of social vulnerability and a solution for the layers of the society that fall behind and became marginalized; an answer that reflects the needs and possibilities of the early 21st century.

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