THE POLITICAL ECONOMY OF THE WELFARE STATE

Introduction
The overall aim is to survey and engage with debates over the appropriate forms of state intervention in selected fields of social policy. ‘Political economy’ refers to the overall configuration of power relations in public policy formulation, which in turn is an outcome of institutional evolution, accumulation processes, social struggles and other factors both global and domestic. ‘The Welfare State’ is a phrase that emerged to describe northern societies during the Keynesian, social-democratic era, but analysis of welfare state functions can also be usefully translated to other settings.

South Africa is the primary case site, but other countries in the global North and South will be considered. The course provides an overview of key political economic developments in relation to development and state policies, with attention to global processes and African state/society/economic relations. In South Africa, we will consider how the most significant socio-economic development policies were adopted during the first 13 years of ANC rule (1994-2007), and their results, augmented by a general theoretical and comparative survey of how such policies are formulated and influenced in other states.

We will draw upon seminal books and articles from the international social policy literature. Scores of other relevant global/African/South African documents in the public realm are provided. Additional audio/visual materials – including film footage and internet sites – will be utilised during the course. The ‘Developmental State’ and ‘Two Economies’ disputes in South Africa are amongst areas of enquiry, because these relate closely to other settings.

Students are expected to actively participate in what will be a seminar format, particularly in areas relating to their own specialisations and experiences. If possible, the course will hence overlap with the students’ own research agenda, so that the written assignments will contribute to the thesis writing process, both in terms of background literature and concrete case studies.

This course can be considered, in addition, as preparation for the fourth-quarter course on Social Policy (taught by Professor Francie Lund), with its attention to nutrition and food security, social security, population policy, community care, public works programmes, primary health care. Hence most of the fields covered in ‘The Political Economy of the Welfare State’ are chosen specifically to not overlap. Instead, social and development policy issues will be chosen to highlight AIDS (especially treatment), basic municipal services (especially water, sanitation and electricity), socio-environmental dilemmas (such as climate change), and economic debates that relate to social policies (e.g. macroeconomic policy, microfinancing and megaprojects).
Objectives of the course
The learning objectives are for students to
• comprehend basic concepts in political economy;
• firmly establish a basis in political/social theory for understanding how public policies are adopted;
• assess the adoption and implications of different kinds of socio-economic policies;
• clarify how and why certain kinds of developmental mandates were given to the South African government;
• understand the main features of South Africa’s democratic social, development and economic policies; and
• be capable of assessing critiques and rebuttals of arguments associated with these policies’ successes or shortcomings.

Course meetings
The course commences on 30 July 2007 at 2pm. I propose that with a half-hour break, we resume the introductory session at 5pm (in view of the need to cancel the 1 August session). All meetings will take place in the School of Development Studies seminar room. Meetings are generally 2.5 hours in duration, with no break. In addition, there will be supplementary video screenings/discussions, to be scheduled based on student availability. Students are also expected to attend relevant public seminars at UKZN, to be announced. The proposed session dates are as follows:

1-2) Monday 30 July, 2-4:30pm and 5-7:30pm
Wednesday 1 August – cancelled
3) Monday 6 August, 10:30am-1pm
4) Wednesday 8 August, 2-4:30pm
5) Monday 13 August, 10:30am-1pm
6) Wednesday 15 August, 2-4:30pm
7) Monday 20 August, 10:30am-1pm
8) Wednesday 22 August, 2-4:30pm
9) Monday 27 August, 10:30am-1pm

Method
Participants are expected to take responsibility for preparing an abstract-style summary plus an analysis/assessment for at least three appropriate readings during the course, and to provide notes at least one day before the class meeting. These notes should be typed and should summarise the main arguments in the readings, highlight critical arguments, controversies and disagreements and contain some personal points of view on the subject matter. Note that seminar presentations and notes count 10% of your final mark for this course.
Student assessments
The final course mark will be made up as follows:
1. 20% of the mark will be based on the think pieces and seminar presentations.
2. 30% of the mark will be based on the first (short) essay.
3. 50% of the mark will be based on the second (long) essay (see below).

Assignment 1) Three think pieces (20%)
AN EXAMPLE OF A FIVE-SENTENCE THINK PIECE PLUS ASSESSMENT:
READING: Esping-Andersen, *Three Worlds of Welfare Capitalism*
• Central questions are whether the welfare state transforms capitalist social relations, and what causes welfare states to look the way they do?
• Welfare states have been said to have ‘functionalist’ roles in legitimating capitalism and securing a stable labour force (with consumption capabilities that reduce capitalist crisis tendencies), as well as ‘institutionalist’ characteristics associated with the nature of the societies in which they arise (e.g., open/closed, early/late democracy and nature of state-society bargaining systems).
• If social class is a determinant, the interests of workers are to ‘decommodify’ their own labour-power (through assuring benefits that allow them to leave the job market) and to ‘destratify’ access to welfare services (‘universalism’), and in the process to build in redistribution to contribution systems.
• Class coalitions are crucial to understanding how a numerically-important but minority class (workers) can forge alliances with, e.g., rural people, to establish ‘social-democratic’ systems, and conversely why close relations between capital and the state often lead to ‘liberal’ welfare systems that commodify labour and establish means-tests for benefits.
• The three clusters of regime types that help categorise the way welfare states have developed are social democratic (Scandinavia and some other N.European countries); corporatist (middle-Europe); and neoliberal (Anglo-Saxon countries).
• ASSESSMENT: The analysis operates in a nuanced way at the macro-political level, with excellent coverage of preceding theoretical and comparative contributions to the literature—but does it do justice to the micro-level that especially requires consideration of gender, household relations, demography and the interface of labour and social movements?

Assignment 2) Short Essay – due August 20, 9AM (30%)
The assignment will entail each student choosing a particular policy and discussing it via either an 800-1000-word ‘op-ed’ article for a periodical, an executive summary of a policy options briefing paper, a research brief for a government department requiring further information about the policy’s impact, a strategy paper for a civil society network intent on political advocacy, or some other means of reflecting on debates about the policy. If you write an op-ed essay
on a topic related to the course, for submission to a newspaper of your choice in your country, consider these tips.

An opinion-editorial (‘op-ed’) - usually placed in a newspaper ‘opposite the editorial page’ - is a brief argument meant to persuade. *Excessively preachy and moralistic argumentation is often a turn-off to readers.* Compressing a complex argument – often about politics or public policy – into 800 words or so is a very useful exercise. Think carefully about your readers’ perspective, what they know and don’t know, and how you might persuade them to take your point of view seriously. Here are some tips:

- **First,** which publication are you writing for? Specify, and if it is obscure, explain the audience.
- **Expect to have *substantial* edits,** from a good editor, to tighten the wording and especially rid your article of superfluous material. (Of 500 or so such articles I’ve written, the first 50 were tossed back by editors who were disgusted with my long sentences and babbling, so keep that in mind.)
- **Try to start your article with a punchy attention-grabbing idea,** possibly a quotation. Try to show why the article addresses a topical issue that the reader will be interested in understanding.
- **Use quotations from people ‘in authority’** as much as possible. The reasons for quoting people include their standing (whether they are elites or grassroots people), their quotability (especially if they are good with soundbites), or their articulation of an idea you want to put across. But if you quote someone, give the reader an intro so that s/he knows why you are giving them space. Try to limit the quotation to a couple of sentences.
- **Use statistics** as much as is appropriate (don’t overload, but definitely demonstrate that you are aware of facts).
- **Appear balanced;** indeed, try to anticipate what an opponent might argue, and be ready with an implicit or explicit rebuttal.
- **Use interesting metaphors or other creative writing tools** so that the article flows well and doesn’t get bogged down in minutia.
- **Try to end with a punch-line argument,** whether it is witty or thought-provoking.
- **Some newspapers allow 1000 (or even more) words,** but you are *much* more likely to have an article published if it is 800 words.
- **Provide a good ID note about yourself.**

**Assignment 3) Long Essay – due date to be determined (50%)**
The long essay will review the student’s comprehension of theoretical issues, assessments of central debates, and ability to draw and defend more general conclusions about the character of policy-making. The assignment – roughly 5000 words - is worth 50% of the mark. It is anticipated to be written in academic essay format, drawing upon the main threads of analysis and particular policies we will have reviewed in depth.
Course architecture

Part One: Theory and Global/African Trends
The course begins with four sessions of discussion and debate regarding, first, context for the past three decades of trends in social policy (including global political-economic and geopolitical trends); second, theoretical and methodological approaches to the state and public policy, including a survey of social policy typologies in the advanced industrialised countries; third, a scan of major global social policy processes; and fourth, relevant analyses about the condition of post-colonial African states and societies.

Firstly, by way of introduction, deep-rooted economic and political processes at the world scale are reviewed, drawing on Patrick Bond’s recent literature survey. The arguments of major political economists are considered: last-century theorists of imperialism (Rudolf Hilferding, Vladimir Lenin, Rosa Luxemburg and Henryk Grossmann); and recent analyses by Alan Freeman, Greg Albo, Elmar Altvater, Giovanni Arrighi, Walden Bello, Fred Bonefeld, Robert Brenner, Gerard Dumenil and Dominique Levy, Ben Fine, Susan George, Michael Hardt and Tony Negri, Gillian Hart, Marty Hart-Landsberg, David Harvey, Michael Hudson, Leo Panitch and Sam Gindin, Prabhat Patnaik, Michael Perelman, John Perkins, Adam Tickell and Jamie Peck, and Mark Weisbrot. Establishment perspectives are considered, from the World Bank, Bank for International Settlements, UN Conference on Trade and Development and Project for a New American Century. Aspects of global economics relevant to social policy are highlighted: fiscal pressure, interest rates and monetary policy, financial flows, investment trends, trade-related policy processes, overseas development aid and labour flows and remittances.

Second, theories and major international trends that relate to social policy are reviewed. Four seminal schools of political theory are considered in relation to the classic question, ‘Who Rules the State?’: the liberal-pluralist approach (e.g., Robert Dahl); the ‘power elite’ model (C.Wright Mills and William Domhoff); the ‘state-centric’ approach (Theda Skocpol and Peter Evans); and structuralist analysis (James O’Connor and Vicente Navarro). These four different ‘windows’ on how influence is exercised over and within the state offer frameworks--sometimes contradictory, sometimes mutually beneficial--that we can apply to South African conditions. Consideration will focus on modes of debating (more methodological than issue-oriented) between the traditions. (I will circulate a brief summary paper to acquaint participants with the issues, beforehand.) The path-breaking work of Gosta Esping-Andersen (The Three Worlds of Welfare Capitalism) will be used to assess the actual historical development and fundamental characteristics of core traditions in social policy. Drawing from the Scandinavian, middle-European and Anglo-American traditions, Esping-Andersen’s typology of social policies has been updated/critiqued by Ben Fine, extended to the sphere of gender and household production by Esping-Andersen himself as well as by Vicente Navarro,
and partially translated to South African conditions by Sampie Terreblanche and Franco Barchiesi.

Third, several global social policy issues are considered, beginning with the Millennium Development Goals (and a critique by Bond). Gender analysis of global social policy, and feminist strategy, is provided by Lourdes Beneria, Isabella Bakker and Stephen Gill, Joanna Kerr and Niloofar Cagatay. Asbjorn Wahl updates analysis of Scandinavian social policy. The debate over universal entitlement versus means testing is reviewed by Bob Deacon. Urban processes are highlighted by Mike Davis, David Harvey and UN Habitat. The social capital debate is joined by Ben Fine and Vicente Navarro. Ray Bush surveys global poverty, while inequality research is considered by Robin Broad, Ravi Kanbur and the United Nations. Global environmental issues are on the agenda of John Bellamy Foster, David Harvey and Wolfgang Sachs. Global health threats are addressed by Mike Davis, a University of Ottawa WHO Global Knowledge Network team and Global Health Watch. Anwar Shaikh considers the social wage, while Michael Lebowitz reviews social economy debates. Books edited by Kohler and Chaves and by Saad-Filho and Johnston include a variety of critical positions on globalisation from various geographical vantagepoints. John Holloway makes an argument against reliance upon states, Karen Bakker critiques rights discourses (in the case of water), while Pauline Dibben, Ian Roper and Geoffrey Wood condemn the turn to New Public Management. This broad array of literature assists us in working through the welfare-state typology, so that we consider fully the character of the alliances, mobilisation strategies and institutional issues behind the adoption of social policies.

Fourth, we will consider several studies of how the African state works. After an overview of post-colonial politics and economics drawing upon Frantz Fanon’s *The Wretched of the Earth*, Walter Rodney’s *How Europe Underdeveloped Africa*, John Saul and Colin Leys’ work, Guy Mhone’s analysis of enclavity, and Bond’s *Looting Africa*, we turn to Thandika Mkandawire and Charles Soludo who establish a broad overview of Africa’s crisis of governance (two of their books will be sourced along with two other Mkandawire articles), and additional analysis of African social policy trends by Jimi Adesina and Adebayo Olukoshi. Dodzi Tsikata and Joanna Kerr review gender considerations. State failure is an issue, as David Sogge and Mariano Aguirre point out. Civil society ‘participation’ in social policy formulation are also crucial (as noted by Issa Shivji, ActionAid and James Ferguson). And there are external processes that profoundly affect social policy, ranging from debt (Gavin Capps and Fantu Cheru), to the Blair Commission on Africa (and assessments by Paul Cammack and David Booth) and the US Council on Foreign Relations, to G8 processes (Ron Labonte and Ted Schrecker), to UN democracy building (Zoe Wilson), to the World Bank’s African Action Plan and infrastructure investment, as well as the New Partnership for Africa’s Development (and critiques by Dani Nabudere, Adesina and others in *Fanon’s*
Warning). Finally, work by Jeffrey Sachs on African poverty and Branco Milanovic on inequality concludes the African political economy session.

**Part Two: South African Context and Policies**

Once the theoretical and international/African literature has been surveyed, we move to post-apartheid South Africa for four sessions (the fifth through eighth). To begin, we will review SA state analysis (and theory) highlighting historical social and race relations and political-economic analysis, including papers (in Bond’s edited 2007 edition of the *Africanus* journal) by Michael Perelman, Ari Sitas, Gillian Hart and David Masondo on history and theory; Charles Meth on poverty statistics; Isobel Frye and Bond on the ‘second economy’; Bill Freund and Devan Pillay on the developmental state; Nina Hunter on social reproduction and home-based care; Melanie Samson on public works programmes; Simon Mapadimeng on ubuntu/botho; and Ashwin Desai on ‘Taylorism and Mbekism.’ Other theoretical insights on political economy come from papers by Michael Burowoy, Jeff Guy, Andrew Nash, Rosa Luxemburg and Harold Wolpe, and from the edited collection on *The Accumulation of Capital in Southern Africa* (by Bond, Horman Chitonge and Arndt Hopfmann).

We will then review some of the main assessments of the first period of ANC rule, including from within the HSRC *State of the Nation* series and *Democracy and Delivery*; the UKZN SDS book *Development Decade* edited by Vishnu Padayachee; the journal *Development Update* (2003, #3; 2004, #1); the book edited by Haroon Borat and Ravi Kanbur on *Poverty and Policy*; influential papers by independent intellectuals (Asghar Adelzadeh, Stefan Andreassen, Ashwin Desai, Stephen Gelb, Martin Legassick, Neva Makgetla; Charles Meth; Richard Peet; Robert Pollin; Dani Rodrik; John Saul; Mark Swilling; Sampie Terreblanche; etc); in Bond’s *Elite Transition* (second edition, 2005); and in recent books and reports by David Everatt, Alan Hirsch, Joel Netshitenghe (*Toward a Ten Year Review* and the *Macrosocial Report*) and Ronald Suresh Roberts.

To assist us to track the apartheid-era social struggles associated with various policies, we will review the main processes and policy debates since the adoption of the 1994 *Reconstruction and Development Programme*. We consider the immediate post-apartheid social policies through the comprehensive *RDP Policy Audit* carried out by Bond and Meshack Khosa in 1998-99, incorporating relevant Green/White Papers (including GEAR), policy documents, laws and statements of delivery. Specific topics in social policy will be tackled, including work on poverty by Julian May (with Nina Hunter and Padayachee); on education by John Aitcheson and Salim Vally; on health by Yogapragasen Pillay, David Sanders and Bond and on AIDS in particular by Hein Marais; on financing basic services by Bond, Lieb Loots and David McDonald and John Pape (in a book dealing especially with cost recovery); on housing by Bond; on a gendered critique of GEAR by Naledi; on the Basic Income Grant by Franco Barchiesi; and on microcredit by Ted Baumann and Bond. The water sector is of special interest because of community litigation filed...
in the High Court against Johannesburg Water and DWAF regarding free basic water supplies and pre-paid meters, so a great deal of background reading is supplied from that lawsuit and associated arguments, as well as international cases in water management.

Background data on SA are provided in reports by the UN Development Programme, Southern African Development Bank, *State of the Cities* report; Stats SA, the Treasury and the IMF and World Bank. Intra-Alliance political analysis of social policy and the political economy of the state more broadly is to be found in documents from the ANC, SACP and Cosatu. A survey of social movements is provided by Richard Ballard, and anti- or post-Alliance analysis is to be found in *Amandla* journal and work by Dennis Brutus, Ashwin Desai, Nigel Gibson, Trevor Ngwane and others.

A final session will draw out public policy implications and political-strategic lessons.
Patrick Bond has longstanding research interests and applied work in global governance and national policy debates, in urban communities and with global justice movements in several countries. He is professor at the University of KwaZulu-Natal School of Development Studies where since 2004 he has directed the Centre for Civil Society. His research focuses on political economy, environment (energy, water and climate change), social policy and geopolitics, with publications covering South Africa, Zimbabwe, the African continent and global-scale processes.

In service to the new South African government, Patrick authored/edited more than a dozen policy papers from 1994-2002, including the Reconstruction and Development Programme and the RDP White Paper. He held other positions at Johannesburg NGOs (the National Institute for Economic Policy, 1996-97 and Planact, 1990-94); at the University of Zimbabwe’s Department of Political and Administrative Studies (1989-90); and in Washington, DC at the Institute for Policy Studies, Pacific Radio, MarketPlace Radio, and several international trade unions (late 1980s). He was also active in the international anti-apartheid movement and US student and community movements.

Patrick currently also serves as visiting professor at Gyeongsang National University Institute of Social Sciences, South Korea and the Stellenbosch University Sustainability Institute. He is an external examiner at the University of Mauritius, and was also visiting professor in 2006 at Chulalongkorn University’s Focus on the Global South Course on Globalisation and Civil Society, Thailand; in 2005 at the Central European University Summer School on Transnational Flows, Structures, Agents and the Idea of Development, Hungary; in 2004 at the Africa University Institute for Peace, Leadership and Governance, Zimbabwe; in 2003 at York University’s Department of Political Science and Faculty of Environmental Sciences; and in 1999 at the Yokohama National University Department of Economics. He lectured from 1997-2004 at the University of the Witwatersrand’s Graduate School of Public and Development Management in Johannesburg where he founded the doctoral programme and co-directed the Municipal Services Project, and was assistant professor at the Johns Hopkins University School of Public Health in 1994-95.


Patrick earned his doctorate in economic geography at Johns Hopkins (1985-92), following studies at the University of Pennsylvania’s Wharton School of Finance (Philadelphia, 1983-85) and an undergraduate economics degree at Swarthmore College (Philadelphia, 1979-83). He was born in Belfast, Northern Ireland in 1961, and has a son, Jan (born in 1995).