THE POLITICAL ECONOMY OF THE WELFARE STATE

IAN GOUGH



CONTENTS

	Editor's Introduction	VI
	Preface	X
I	Introduction: What is Political Economy? What is	
	the Welfare State?	I
	The era of the welfare state	I
	Political economy and Marxism	5
	The contradictions of the welfare state	11
	The plan of this book	15
2	The Capitalist Economy	17
	Exploitation and class	17
	The capitalist mode of production	20
	The laws of motion of capitalism	25
	Capitalist development and social policy	$\dot{3}^2$
3	The State and its 'Welfare' Activities	39
	The state under capitalism	3 9
	The welfare state	44
	The functions of the modern state	49
4	The Origins of the Welfare State	55
	The origins and functions of social policy	55
	Class conflict and the growth of the working class	58
	The structure of the capitalist state	62
	Class struggle, the state and social policy	64
	Advanced capitalism and the welfare state	69
5	The Expansion of Social Expenditure	75
	The cost of the welfare state	76
	The causes of growing social expenditure	84
	Finance, administration and planning: the centralisation	
	of the welfare state	QA.

6	The Welfare State and the Capitalist Economy	102
	Unproductive labour and the state	102
	The 'social wage'	108
	The production of social services	117
	Class conflict, taxation and social expenditure	122
7	The Welfare State and the Crisis	128
	The 'cuts' and the crisis	128
	Restructuring the welfare state	136
	Class struggle and the welfare state	141
	Corporatism and the welfare state: from social policy to	
	social contract?	146
	A Political Postscript	153
	Appendix A A Note on Recent Marxist Debates on the	
	Capitalist State	155
	Appendix B The Activities of the Capitalist State and	
	their Economic Significance	ı 58
	Appendix C The State Sector and the Capitalist Sector	162
	Appendix D A Note on the Marketed and Non-marketed	
	Sectors	167
	Notes and References	171
	Index	188