The Poverty of the Welfare State

BAD Broadside #18

As the government, at various levels, attempts to cut back on welfare and other entitlement payments to poor people and/or require people to work in exchange for their welfare benefits, anarchists in the united states have been talking and writing about what the appropriate anarchist response should be. Some have come to the position that anarchists should support state welfare for poor people and actively oppose cutbacks, arguing that poor people deserve state assistance since they are the victims of capitalist economic relations, that capitalist corporations are a greater threat to poor and working people than the state, and that forcing people to work will cause even worse working conditions for many than already exist, further impoverishing people. In addition, the argument that, since the state provides welfare to corporations and the rich, it is only fair that the poor should get some, is also made by some anarchists. While these arguments are made in good faith, and with the intent of helping poor people, anarchists should be looking into the matter more deeply and coming up with critiques of state welfare and solutions to poverty more consistent with libertarian thinking, instead of falling in line behind the modern nanny state.

It certainly makes sense to make the best of the existence of a welfare state and take advantage of the programs that have been instituted in response to the demands and movements of radical or progressive statists, but it is quite another thing to look to these programs as the preferred way to solve social problems. Calling for the dismantling of the welfare system for poor people may not be the best place for anarchists to start in the fight against the very existence of the state, but arguing for its continued maintenance—or even its expansion—as if this were the only way to help people in need, is not the right course of action either. As we do in regard to other social problems, anarchists should be advocating non-statist solutions to the problems of poverty. While doing away entirely with government is the ultimate remedy for poverty, other measures which could be proposed and implemented under the state, such as decreased taxation to increase the wealth of the working poor, deregulation of health care to decrease health care costs, and a return to mutual aid societies in place of extortionate insurance companies, are much more in line with anarchist principles than cheerleading for AFDC.

Anarchists historically have tried to lessen the influence of government in the lives of poor and working people. When faced with poverty, anarchists have advocated self-organization of and direct action by workers to secure at least a greater portion of the fruit of their labor. When fighting battles against corporations, anarchists did not call for the government to enact labor laws, but criticized the state for using its police and military to defend corporate interests. They demanded the state get out of the way, not that it rescue the poor. And anarchists have foreseen a future where competent, independent individuals and/or groups, freed from the restraints of statist society, take care of themselves and their associates in whatever ways make sense to them. This historical anarchist vision would appear to have been lost on some in modern times.

A number of anarchists seem to have bought the idea that since government can sometimes be more responsive to the demands of poor people than private capitalists, the state can be seen as a guardian against their depredations. This is inconsistent both with the anarchist analysis that the state props up capitalism, and with the reality that in some cases private companies provide better for their employees and customers than state enterprises care for their clients and workers. At least part of the reason it is, at times, easier to squeeze concessions out of the state, is that it costs the individuals in government nothing: they will simply force working people to foot the bill for any increase in welfare benefits by increasing taxes. In the case of a private capitalist enterprises, the owners of the business are not always able to pass on the costs of better employees benefits to the consumer, and consequently may lose some of their profits if they give in to workers' demands for higher pay or other improved working conditions. But the only time either the state or capitalist businesses provide any benefits to anyone but themselves and their allies, is when they are pressured to do so. Welfare, social security, and other government benefit schemes were created in response to social movements, not out of governmental beneficence, just as good benefits in many private corporations are the result of strong labor movements which forced the owners to reimburse the workers for a greater portion of their labor than was the case previously. Governments and capitalist enterprises have largely the same interests, and both can be forced to make concessions by vigorous opposition from their subjects or employees.

While workers pressuring their employees for a better deal is simply a case of people demanding part of what is rightfully theirs anyway, recipients of welfare payments and other benefits are asking the government to take someone else's money and give it to them. Many advocates of maintaining the current welfare system, however, correctly state that it doesn't cost very much in the greater scheme of things. State spending on weapons of mass destruction and payments to corporations are each much more costly than welfare programs for poor individuals and families. Additionally, many working people, not commonly thought of as welfare recipients do, in fact, receive such benefits, as when middle class people get medicaid to pay for their nursing home expenses, or working people obtain free care from hospitals, the costs of which are covered by the government. While this is all true, this does not justify government theft of working people's money to give to someone else. The money raised from taxation to fund corporate welfare, AFDC, and medicaid is stolen property, as is the money from compulsory fees on insurance companies to fund free care programs, which the insurers pass on to their customers. The rich don't pay taxes, and the very poor don't pay taxes. It is the huge number of working people in the middle who do, and who support the other two groups. And, while many in the middle get some of their extorted money back in the form of benefits, most of them pay out more than they receive, otherwise there wouldn't be any left for the rich and the poor.

The rich and their corporations are wealthy because they or their ancestors were able unjustly to acquire some of the wealth produced by others. They were able to do this only because the state and its police and military support the institutions of profit, interest, and rent which transfer money from working people to those who "own" businesses, banks and dwellings. Rich people don't deserve the wealth they already possess and certainly should not receive any of the money that is stolen directly from workers by the government, or any of the other advantages they receive at the expense of taxpayers. Among the poor people who receive money or other benefits from the state, on the other hand, there are those who are in genuine need. Some are truly the victims of circumstances largely beyond their control, and others have made bad choices and expect or hope that others will bail them out. But there are also welfare recipients who are simply parasites who feel that others should work to support them in the lifestyle to which they've become accustomed (just like the rich) Being poor does not make one virtuous or deserving. However, since at least some poor people are deserving of assistance it is preferable that tax money fund AFDC, medicaid, and food stamps, rather than corporate welfare and the military, but none of the recipients, rich or poor, are *entitled* to the money extracted by force from working people.

Since such forcible transfers of money are not acceptable, we need to seek other, non-coercive means, to enable people to better fend for themselves. As mentioned earlier, tax cuts, health care deregulation, and voluntary mutual aid societies would all mitigate poverty, even if implemented in a statist society. Getting rid of the state and its protection of capitalist economic relations entirely will produce even more options for people to make their own way, resulting in higher incomes; cheaper goods including health care, food, and housing; and, consequently, many fewer needy people. The end of government will mean the end of involuntary poverty, and therefore the end of the need for much of what now constitutes welfare. The small number of people unable to work who need assistance from the community can easily be helped by one form or another of mutual aid, depending on the economic structure of the community in which they live.

Anarchy is based, at least in part, on the idea that simply getting government out of the way would allow people to look at and solve their problems all by themselves. This also applies to poor people. They are generally not helpless incompetents who have no options other than having the state look out for them. In fact, poor people are victimized by corporations not because the state has failed to protect them, but because the state has prevented them from protecting themselves. Laws and other government action preserve capitalism with its profit, interest, and rent, all of which are theft from working people of all classes. Without the state and its armed thugs in the police and military, capitalism would not survive for long, since people would simply keep what was rightfully theirs and stop paying rent, do away with the banking monopoly, and work their factories and businesses for themselves. We don't need state welfare, we need state abolition.