Analysis of Welfare State Concept: A Comparative Approach

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ABSTRACT
Welfare state, social state, economic growth- development though they are used interchangeably, each of these concepts has their own differences. The main purpose of the study is to compose etymological and conceptual comparison through the concepts. Economic growth-development, social state, natural resource wealth, welfare regime, are some major terms to clarify the welfare state and to reveal the breadth of its scope and to clarify their interwoven relation, distinguishing point of the concepts is “sociability” was unveiled in the simplest sense. While economic growth, is a quantitative term increase or decrease of GDP, it expresses the outcome of the policies implemented by governments and in one way it is the result of process in an identified period. The concepts of economic development and welfare state differ as broader concepts in terms of their content with social and structural dimension. Similarly, the geopolitical locations of the countries, the natural wealth they have relations with their welfare levels in question also mentioned in the study and the determinations were embodied by using certain indicators and numerical data. Welfare regime, on the other hand, is a grouping process and it is a tool that includes various countries and based on certain criteria, which enables the analyze motion of clusters and comparison of policies implemented by governments. Ultimately, the welfare state provides advanced standards in terms of social and economic aspects and other phenomena are seen countries have achieved success in many areas such as democracy, equality of opportunity and rule of law.

1. Introduction
The welfare state has gained a major place in the social policy literature and is a concept that has many definitions, and it has various functions. The welfare state is consequence of various components; state intervention, gain of social rights, citizenship and ideologies are some examples having contribution on welfare state. A crucial point to be emphasized, welfare state is not a mere state of economic well-being, in other words, a concept that is not restricted with achieving economic growth-development. Although various concepts such as social state, social welfare state, welfare state, rule of law, economic growth and development used interchangeably and have interwoven relation, these concepts have distinctions. To clarify the concept of welfare state by referring detailed information about other similar concepts with etymological and conceptional information mentioned in the study. In

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addition, to make a conceptual comparison by referring historical background and the literatures of the countries. The main goal of the study is to inference the common points, similarities, and differences from definitions of the concepts to clarify the ways they are used especially in Turkish literature therefore to clear up the ambiguity and the article has compilation feature.

In summary, “welfare state” is comprehensive and hard to attain point exactly which consist of various components; democracy, rule of law, freedom, happiness, well-being, equality, take place in welfare indicators.

While each term has wide ranged definitions, approaches and theories, the study includes conceptional approaches, therefore deepening information (theories, approaches) were note contained to generate a conceptional approach.

In summary, economic well-being is significant function of welfare state, when the other functions addressing social progress not provided, the outcomes of “welfare state” cannot be actualized on the contrary the existing inequalities might be trigger for social conflicts.

2. Economical Terms

This section of the essay to embodies the relations and distinctions of concepts and examines meanings of some terms such as economic growth, economic development, and natural resources. Their functions and scopes defined by semantic and conceptional approach in basic level. So given information helps to construct infrastructure to understand the other social oriented terms such as social state and welfare state.

2.1. Economic Growth

Economy is a science which originates from scarcity and have comprehensive range including growth, development, culture, technology, politics, ideologies etc. are some fields. Also, in a sense it addresses human, countries, governments positions, policy makers, voters with its various dimensions it takes places in life.

“Economic growth” and “economic development” are key concepts also have relation with the “welfare state”, though they are used interchangeably they include distinctions. Both two terms development and growth often conflated, which causes confusion in both policy and academic fields (Feldman, Hadjimichael, Lanahan, Kemeny, 2016:6).

Economic growth, “...implies an annual increase of material production expressed in value, the rate of growth of GDP or national income” (Mladen, 2015:55). GDP defined in broad sense by The Bureau of Economic Analysis (BEA) “...is the value of the goods and services produced by the nation's economy less the value of the goods and services used up in production. GDP is also equal to the sum of personal consumption expenditures, gross private domestic investment, net exports of goods and services, and government consumption expenditures and gross investment” (Dynan, Sheiner, 2018:4). Also is an indicator defined as “...measure of the economic prosperity of a country compiled as output or income” which definitions do not encompass “social” dimension (Kramp, 2010:89).

“Economic growth” is a statistical measurement, and it is the outcome of the government activities in an identified period. A prominent indicator about welfare level of countries is “HDI (Human Development Index) covers various parameters including life expectancy, schooling, GNP (UN, Human Development Report, 2021/2022:272). Therefore, the increase of GDP has positive impact on HDI together with other parameters, it has a relation with welfare. If the differences between GDP and welfare is embodied; GDP does not include the “discrimination and crime”, “distribution of income”, some functions of modern welfare state (Dynan, Sheiner, 2018:5).

The relation of GDP and welfare was put forth by Jeroen C.J.M. van den Bergh for this contradictory situation he calls “GDP Paradox”; when the size of the GDP increase, the level of human well-being does not generate the same as progress (Jeroen, 2009:118).

In summary a country to have ensured economic growth does not mean its level of welfare has the same progress meantime also when GDP decrease does not indicate the social deterioration-conflict.
2.2. Economic Development

Economic growth and economic development help in determining the policies that countries will implement according to the current conjuncture, and the two concepts do not directly emphasize any sociality tough both concepts might be instruments for increasing the welfare level of the country.

The founder of economic development Petty addresses not only with GDP also, “conditions of people” (Sen, 1988:10). the definition has intersection with sociality but lower level than “welfare.” Economic development used in close senses with some terms; “...modernization” or “westernization” or, not infrequently, “industrialization” gained importance during the nineteenth century, in the countries “Germany, Russia and other in Europe, later in Japan and China and elsewhere, Third World countries” (Arndt, 1981:458).

Todaro proclaims about “economic development” as multidimensional process compassing “social structures, popular attitudes, and national institutions” and embodies its three components as “Accumulation of capital, which encompasses all forms or types of new investment on land, physical equipment, and human capital or resources, population growth, which will eventually increase employment rate, and, advances in technology” (Todaro, 2012:16). The definition emphasize the social issues, human capital-resources and unemployment which take place in social policy seems wider scope than “economic growth”.

Another feature of economic development as a structural transformation process about sectoral sharing service sector increase also this situation identified as “the service economy” (Acquah, 2021:173). Moreover, economic development has been expressed in different facts; while Marx and Schumpeter characterized it as an unconscious process, Milner and other successors have associated with the “colonization” policy of governments (Arnt, 1981:460). Also mentioned in the section of welfare regime in the study the countries have achieved rapid economic development associated with Asian regime.

In summary if differences embodied in simple sense; economic growth is short-term and statistical term whereas economic development is long-term and has structural features including investments, social capital. Economic development encompasses the economic growth and might be an indicator for the analyses of government policies. Economic growth may be an assessment as outcome of economic development policies.

3. Welfare and Natural Resources Relation

Countries have a positive or negative relation with economic growth and their welfare, “natural resources” they have due to their geopolitical position. There are various approaches about the natural resources-welfare relation which is positive or negative influence on economic growth.

The fact that countries having wealthy natural resources especially in oil and natural gas and underground riches (mines), do not always perform positively in terms of economic growth and welfare; this paradox situation defined as “resource curse.” The “resource course” first used by Richard Auty in 1993 statistically indicates that reverse effect of natural resources to their welfare levels (Ross, 2014:240).

The natural resources as opportunities and that countries have obtained from their geographies, in other words, resource wealth prominent sources to create an income as well as strategic regions in international relations. In fact, the perception of countries that are rich in natural resources can be considered as a natural result of being high in terms of welfare levels (because they earn income from resources) Natural gas, oil, mineral or having critical transportation points can create the perception that the countries that have it will have a high level of prosperity in general.

However, if it is examined in terms of welfare level, the current situation of the countries with oil and therefore oil reserves, which is one of the important energy resources, gives important clues about the situation in question.

According to OPEC (Organization of the Petroleum Exporting Countries) 2022 data; Venezuela (303.47 billion barrels) ranks first in the list of countries with oil reserves, Saudi Arabia (267.19 billion barrels) in second place, Iran (208.60 billion barrels) in third place, Iraq (145.02 billion barrels) in fourth place and USA (11.00 billion barrels) in fifth place (OPEC Data, 2002).
In the 1960’s, the natural gas resources in the Netherlands and in the North Sea were aimed to constitute a prominent source to make an income for the Netherlands and to obtain income from natural gas resources. The negligence of the other fields like agriculture and production had a negative impact on economic growth and this situation was defined as a term and first used “Dutch Disease” in the Journal of Economist in 1977 for this existing contradictory situation in the late 1950’s (Reisinezhad, 2020:1).

Venezuela, described as an example above, was considered by Brian J. Lau to be the last victim of the Dutch disease; the agriculture, which has a significant share in the economy was neglected, shifting investments to the oil economy and that the situation in question has led to food crises in the country and even triggered political changes by people taking to the streets, and also other countries like Nigeria, Chad and Sudan are in the top 10 in the OPEC, remain below the average in the Human Development Index (HDI) (Lau, 2016:1).

Natural resources are significant income upwellings that countries have obtained due to their geopolitical position, and it is likely that political confusions will be encountered due to conflicts of interest between countries and therefore international relations. For example, mine privatizations, oil and natural gas reserves and the use of water resources, transportation facilities are prominent samples participating for international relations. In addition, the countries with natural resources, the countries that do not have these resources or have limited levels should be mentioned. Hong-Kong, Singapore, North Korea, and Taiwan, the four countries that performed significantly in growth between 1965 and 1995 and were define as “Asian tigers”, in the path of economic development even though they were not actually wealthy of natural resources (Mascelluti, 2015:19).

In summary, social development, which can be understood from the definition of the word welfare, does not mean the same as economic growth, and it is observed that there is a contradiction between economic growth and welfare level (poverty, unemployment, income distribution, etc.) in some index rankings. An important example based on the relationship between “welfare” and “economic growth” was set forth by Richard Easterlin in his 1974 study. Easterlin investigates the relationship between happiness and income; in the study, he defined the concept of happiness and tried to explain relation of people’s happiness and their income through various methods; as a result, he states that the economic size of countries is not parallel to their level of happiness (Easterlin, 1974:118-119).

4. Social Terms

The concepts and to unveil their dimension the key concepts social state, welfare state and welfare regime will be guiding for the purpose of the study. The social dimension of concepts differs also they are not in the same sense with the other economic terms. The terms considerably indicate the functions of the state. While they are used in the same sense some major social terms have distinctions.

4.1. Social State

Concepts of “social state” and “welfare state” are equivalent to each other in Turkish literature and “social state”, “welfare state” and “social welfare state” used in the same sense. (Aktan, Özkıvrak, 2008:7-9). Two concepts avowed goal “social well-being” however they have distinctions. It was stated that the concepts of “social policy” and “welfare state” were kept identical, social policy expanded as “social state” or “welfare state”, especially after World War II (Çelik, 2014:20).

To construct a semantic approach a word is “social” refers to “society and its various beliefs” that have passed into the Turkish literature from the West. (Şeker, 2003:49) In addition another word meaning about social given as “living or preferring to live in a community rather than alone” relating to human society or organization” (Collins, 2008:836). Definitions about the word “social” commonly has individual and communal dimension, it addresses the human, and their organizations which is called community.

The other word of the mentioned concept is “state”, refers to “a sovereign political power or community, the territory of such a community, one of a number of areas or communities having their own governments and forming a federation under a sovereign government such as in the US and Australia”
Heywood describes “…a collection of institutions, a territorial unit, a philosophical idea, an instrument of coercion or oppression, and so on” (Heywood, 2019:125).

State, has power to apply politics, also having certain duties assigned to its legal entity in an identified territory. In addition, definitions clearly emphasize “human”, “region” (field-territory) and “institutions”, major components of the “state”. Through the semantic approach, the “social state” addresses the state which implements policies for people’s and society’s well-being hence it outlines directly “social policy.” Even in semantic sense “social state” definition demonstrate social risks such as income support, social assistance, social insurance which the policies it has wide ranged scope.

As a conceptional perspective, while Seyyar explained the concepts of “social state” and “social welfare state” with the same sense, he defines the concept of “welfare state” distinctly from the other two concepts. Seyyar defines social state “… is the state that develops social policies for social problems, despite different approaches and modes of implementation/It is the state that implements social policies on its own or together with non-governmental organizations within the framework of participatory democracy” (Seyyar, 2008:359-422). Another definition of the social state is defined as “the state that is the advanced stage of the law state, aiming to provide individuals with a standard of living worthy of human dignity” and defining it as the state that provides the social state with a “rule of law” therefore it addresses the principal of equality. (Önsal, 2011:427).

When semantic and conceptional approach compared; the definitions’ common points are “social policy” and “public”, however Seyyar’s definition differs as it includes the “non-state actors” called civil society. Both semantic and conceptional definitions do not address economic growth and development and state intervention, state taking measures against social risks. Social issues which is main fields of social policy like unemployment, education, wage policies generate the relation of social policy with economy indirectly.

4.2. Welfare State

Both the word “welfare”, word “state” and etymological information will be guiding in terms of the general meanings and the elements of the welfare state, its duties, and its objectives to a certain extent. Although there are various definitions of welfare state in the literature, there is no full agreement, there are common points to be drawn from the definitions. Greve states the difficulty of defining welfare state concept and attributed the most important reason to “diversity of welfare states” and to the “relationship of the welfare state with different disciplines”, on the other hand he states, it has changed over time (Greve, 2008:1).

To clarify the concept of welfare state conceptually, etymological information is given in this section, provided that the words “welfare” and “state” are examined in terms of semantics. As discussed in various sections of the study, the “welfare state” is a broad concept in terms of its scope and a concept that addresses the “positive” state in general, although there are various definitions on its own. It is seen that it is a broad concept that includes issues that have been discussed in the historical process, such as happiness, well-being, economic recovery, democracy, law (the rule of law and low crime rates, etc.).

In Turkish literature “welfare (refah)” an Arabic origin word means “living in abundance, presence and comfort, prosperity” (TDK, 2005:1648). Also, in another dictionary sense, “[health, happiness, wealth and general wellbeing, and financial and other assistance generally given usually by the government to people in need)” (Collins, 2008:1001). The English word welfare is explained by the words “well” and “fare (wage)” in terms of its origin, first in the sense of “journey or arrival”, then as “food supply” and stated that it intersects with the life of individuals in the welfare center (Greve, 2008:51).

As it can be understood from the meaning of the word “welfare”, it has a meaning as economic and social well-being, it also means that individuals are in a positive situation means mentally, physically as well as socially. When a simple deduction is to be made from the above-mentioned meanings of both the words “welfare” and “state”, the “welfare state” is the state, people are in a state of happiness, wealth, and well-being. In the definition of “welfare state” can be deduced as in other words, a state where social problems are experienced minimum level.
Kaufmann explains various definitions about welfare state reflection of cultural diversity; “British call ‘the Welfare State’, the Germans ‘der Sozialstaat’, the French Tetat providence’, the Dutch ‘Verzorgingsstat’ and the Swedish ‘Folkhemmet’ have been undertaken only recently. In the USA, on the other hand, ‘welfare’ is understood solely as poor-relief and a ‘welfare state’ is distrusted for creating ‘dependency’” (Kaufmann, 2000:1).

There are various information’s about the concept of “welfare state” origins. “… first used by Sir Alfred Zimmem during the 1930’s to epitomize the contrast between warfare and welfare-the "guns or butter" of the Nazisand after, Archbishop of Canterbury, mentioned in his book Citizen and Churchman in 1941 and he developed the notion of “welfare state” of the democracies as opposed to the “power state” of the dictators” (Woodroofe,1968:303-304) It is also first used in the second imperial period in France as “etat-providence”.(Taşçı, 2012:23) Asa Briggs states that the concept of the welfare state was a concept that was first explained by Labor Britain after 1945 (Briggs,1961:221).

Historically, in the immediate post-war years the “welfare state” was regarded as an exclusively British oriented phenomenon (Wedderburn, 1965:127). Kaufmann states “The term “welfare state” was used in Scandinavia in the 1930’s but was only widely used in Great Britain after World War. II” and he states that the concept that German researchers used as a “welfare state” in the 19th century was not only related to the state, but also addresses the civil society (Kaufmann, 2000:293). Simplified defining about “welfare state” is “economic intervention state” which neglects the social function of welfare state, emphasize participation, regulation, redistribution of state. (Topalhan, 2015:2019)

However, broad sense definition, “social welfare state” and “it is a social state model that actively and comprehensively intervenes in economic and social life in order to ensure advanced social welfare and social justice” (Seyyar, 2008:359). The definition in question differs from the concept of “social state” with its “advanced” and “economic” dimensions. This definition explains; state that implements not only social policy but also intervenes in the economic field. In fact, the current definition is understood to be a broad concept that includes some universal moral norms such as preventing social stratification and equality with the emphasis on social justice.

Wilensky conducted the first classification study, defines welfare state “the essence of the welfare state is government-protected minimum standards of income, nutrition, health, housing, and education, assured to every citizen as a political right, not as ‘charity’ (Wilensky, 1975:1). Therefore, since it is a right, it has been defined as a concept in which the state provides as “obligation”. One of the definitions frequently used in the literature on the definitions of the welfare state belongs to A. Briggs; “… is a state in which organized power is deliberately used (through politics and administration) in an effort to modify the play of market forces” (Briggs, 1961:228). Briggs defined the need for active duty of the state as an actor by attributing it to Wilensky in a similar sense. In fact, the “welfare state”, which has a wide range of competence including universal moral norms such as democracy, human rights, equality, and freedom, is in line with Seyyar’s definition.

Esping-Andersen one of the most influential figures contributing to the literature of welfare regimes with a triple typology, defined the welfare state in his book The Three World of Welfare Capitalism as “a state that guarantees a minimum share of the welfare for its citizens as a responsibility” (Andersen,1990:19). Andersen describes state intervention as a “responsibility” and “rights” based for living people who expressed the quality of life of individuals and therefore social improvement as an obligation, and function of the state, should be provided in the form of services such as justice, security.

Kaufmann states that the welfare state is based on an ongoing tension between capitalism and socialism, and that the welfare state in Western Europe differs from US capitalism and USSR socialism by taking the role as “middle road” (third way) (Kaufmann, 2013:46). This explanation states interwoven relation of welfare state and ideologies referring social rights with socialism, market forces with liberalism and the mediation function of welfare state which prevents conflicts.

Although there is no complete agreement, “welfare state” aims economic growth-
development as well as social development and address the general well-being of the society in advanced standards. The welfare state characterizes the states that try to increase the quality of life of individuals and society and to ensure social evolution and have achieved this in a way and intersect in the common points of the definitions to take responsibility and duty to the state in general.

In fact, any countries to have reached “welfare state” means that it has shown the feature of being a “social state” as well as achieving economic development and development in one aspect. However, it is more difficult to say that it has the characteristics of a “welfare state” for every “social state”, because while implementing social policy it is expected failure to achieve economic success, or its inability to provide various welfare state functions, such as redistribution of income, reduction of poverty prevents reaching to welfare state. The fact that the “welfare state” agreed by the existing definitions to provide some rights in particular was expressed “equality, equality of opportunity, needs, freedoms and rights” (Aravacik, 2018:4). Various definitions about welfare state demonstrate the “social progress” which has wide ranged the other concepts economic growth-development do not have “social” function, they address the economic field measuring, policy.

In fact, as a result, every country that exhibits the characteristics of a social state described as a welfare state means that it has shown the feature of being a “social state” as well as providing economic development and development in one aspect.

However, it is more not affordable to inference welfare state for every social state, because while it is expected to have legislation and public institutions related to this and aimed at implementing social policy, its failure to achieve economic success or its inability to provide various welfare state functions, especially the distribution of income redistribution, indicates that states the feature of “social state” do not have the feature of welfare state.

4.3. Welfare Regime

Another issue that should be mentioned is that the concepts of “welfare regime” and welfare state differ from each other; while the welfare state conceptually contains definitions of the economic-social structure order and state functions, the welfare regime is considered as a “group” or “cluster” that includes the state or states. The ongoing classification studies in the following process enabled the creation of welfare regimes by showing the similarities or differences of countries, or by adding diverse groups, provided that certain criteria implemented.

Moreover, “welfare regime” has also have intersection with social policy as explained “The classification of systems is a way of making sense of information that can otherwise seem disconnected and disorderly, and for that reason it has become an important contribution to understanding social policy” (Spicker, 2014:167).

The definitions about the “welfare regime” concept it can be inferred that it consists of various components including state, institutions, citizenship, law, and culture which creates the social capital therefore, the concept of “welfare regime” has multidimensional structure and the mentioned concepts have interwoven relation each other. While “welfare state” is about functions of state and well-being position of their citizens, welfare regime is a clustering transaction which includes various countries.

Also, they are shaped with various implementations including residual, institutional, decommodification, immature model, gender-oriented approaches have been derived by time. Holliday makes a general assessment about welfare groups in narrow sense, he states the liberal regimes as they are based on “market”, conservative regimes “status”, the social democratic model “prosperity” and the productivist regime “economic growth” (Holliday, 2000:709).

5. Conclusion

Welfare state widely used in social policy is a comprehensive concept, having multidimensional property and it is a location reached in historical process with the influence of various phenomenon. While it has interwoven relation with social state, economic growth, and economic development and welfare regime conceptually however there are distinctions.

Economic growth having directly adherence with GDP also component of “welfare state” as a component in Human Development Index
HDI indicates short term, numerical data, excludes sociality. On the other hand, economic development, it has wider sense, it includes structural transformation in an extended period also part of country’s politics rely on various aspects while for Europe colonization, for Asian countries with education policies.

The natural resource relation with countries’ geopolitical properties has not always parallel illustration with the welfare level. Some samples such as petrol, gold reserves may be major income resources for economy however, when the other functions of welfare state such as combat the poverty, social expenditure, and income redistribution neglected the resources wealthy countries do not illustrate “welfare state.” Even having wealthy natural resources may become disadvantage for country which exist as “resource curse”.

A concept having social dimension “social state” is about social policy identifies the countries which implement social policy does not contain states intervention and economy policies and standardization. Though it addresses wide range social issues such as wage, housing, unemployment etc. is narrower than welfare state. On the other hand, welfare state differs with some functions, advanced standardization, equality of beneficiaries and state intervention. In other words, welfare state is a state to have achieved both economic and social progress in advanced level. While the welfare states have the characteristics of social states, it is debatable that every social state has the feature of welfare state.

The welfare regime is clustering transaction which consist of various countries therefore it is container caption. By using identified criteria such as welfare sources, service delivery ways, ideologies, religion may be some examples, helps to make comparison of countries however welfare state is about functions of the state.

Also this compilation essay aims to compose infrastructure for upcoming works including various countries, their clusters and the other related functions such as law, culture and services.

References


