### The Public Services, the Big Society and Catholic Social Teaching

This paper was given by **Prof. Bill Jordan** at the Von Hügel Institute Conference on 'Catholic Social Thought and the Big Society' held at St Edmund's College, Cambridge, 25-26<sup>th</sup> June 2012.

We are living in a time when arguably Catholic Social Teaching is more influential on government policy than at any period since the reign of James II. With Iain Duncan Smith as Secretary of State for Work and Pensions, Phillip Blond as the *eminence grise* of the coalition's big idea, and subsidiarity by any other name as the principle informing organisational reforms of the public services, there are Catholic doctrines at the heart of the new regime.

My family history gives me a sort of qualification to talk about all this, even though I am of Protestant descent. My great-great grandfather, William Smith O'Brien, to whom I bear a strong physical resemblance, was a contemporary of Daniel O'Connell, and a supporter of Catholic emancipation, even though he clashed with the Liberator on other issues. A Byronic figure in the House of Commons, Smith O'Brien led the Irish uprising at the height of the famine, and was sentenced to be hanged, drawn and quartered for his pains. In the event, he was transported to Tasmania, where he made a thorough nuisance of himself until he was released. So I come from a line of Anglo-Irish patriots who are critical friends of Catholic political thinking.

What I have to say today focuses on what I see as a central ambiguity and ambivalence in Catholic Social Teaching. The English Distributists (most notably Belloc and Chesterton) to whom Phillip Blond is heir, were essentially Liberals, who championed the traditional rights and liberties of the individual, for all their communitarian sympathies. But there is a more authoritarian and paternalist strand to Catholic Social Teaching, exemplified by the Stuart monarchy, and we see some of this in the utterances of Iain Duncan Smith. His Centre for Social Justice produced a radical scheme for integrating the tax-benefit system in 2009, which relied on improved incentives for work; but the minister himself, with his Work Programme and work experience schemes, is using coercion of claimants as a major arm of policy.

Catholic Social Teaching was developed at moments when capitalist development was challenging traditional social formations and political institutions (as in the Encyclicals of 1891 and 1931). Today is no exception, of course, and at such moments capitalism's processes of creative destruction are almost always more powerful than the social movements which are trying to resist or modify them. Karl Polanyi argued that his 'Second Movement' of resistance to the Great Transformation (capitalism's inbuilt drive to turn the whole world into One Big Market, laying waste to every social formation in its path) was inevitably a ragbag of different, and often mutually inconsistent, organisations and ideas. We could expect more progressive Catholic ones to be found in pragmatic alliance with socialist or atavistic traditionalist ones in times of crisis.

So for instance Polanyi gives the example of Stuart social policy as an illustration of an attempt to slow and mitigate the impact of the new commercialism on British society. This period also showed how neither Catholicism nor Protestantism had a monopoly of callousness and cruelty when it came to the exploitation and oppression of poor people. John Locke, William of Orange's right-hand intellectual, was an energetic advocate of punitive sanctions against able-bodied pauper claimants, despite his assertion of the natural rights of free-born Englishmen to resist the power of King James.

In our present situation, it seems clear to me that the capitalist principles of George Osborne (not someone steeped in Catholic Social Teaching, I suspect) are a far more powerful influence on government policy than those of Iain Duncan Smith, or perhaps even David Cameron. My focus today will be on two areas of policy development where there seems to be something of a struggle between reforms derived from economic theory and ones which owe more to Catholic Social Teaching.

The first of these is the so-called localist principle in the restructuring of public services, including the empowerment of consortia of GPs in the reformed NHS, and the expansion of academies and free schools. Here a large part of the momentum for change comes from a set of ideas which dominated New Labour's administration, the theory of information, incentives and contracts. So ideas about subsidiarity seem to me to have been grafted on to a pre-existing trajectory of contracting out services, and sustaining relationships within them in accordance with a logic of information and incentives, right down to the level of practice. This ethos has penetrated management and professional activity in all agencies, including faith-based ones.

The second is the field of income maintenance, where an approach which could owe something to Distributism (giving each citizen a kind of property in the form of a share of national income and wealth) has entered the universe of official discourse, but where it is being marginalised by policies to make claimants take responsibility for finding their own route out of poverty through employment. Here the influence of social movements critical of official coercion in the Work Programme and in work experience schemes does seem to be having some impact, and there may be a chance of shifting government thinking and policy. If the positive features of the Big Society are to have a chance, this would be a necessary condition.

In all this, I shall try to show where Catholic Social Teaching might make useful connections with ideas and movements of quite a different provenance, such as the Occupy Movement and UK Uncut. No resistance organisation is likely to have much success on its own, since the Labour Party leadership is still wedded to the very principles which should be most energetically resisted.

# **Subsidiarity and Contract**

The most influential set of theories behind the restructuring of the public services (and the reformulation of the role of government itself) in the UK and in Europe as a whole has been *public choice*, first developed by a small group of economists, and eventually becoming an orthodoxy. The basis of this was that all forms of collective action must be explained in terms of the decisions of individuals, and hence that the analysis of group behaviour (including political choices) should reveal the costs and benefits of members' interdependence, and hence the structure of incentives they face. A.O. Hirschman has called the colonisation of all the rest of the social sciences by theories derived from this one simple idea one of the greatest acts of intellectual imperialism in human history.

Public choice theory supports the principle of subsidiarity, but only in a trivial sense. It argues that smaller, specialist organisations are more efficient at 'delivering public goods', because the whole basis of the approach – that individuals are costlessly mobile, and constantly shifting from one

supplier of such goods to another, on the basis of economic calculations – allows them to meet the specialist needs of particular groups. In the work of James Buchanan, Gordon Tullock and their followers, this logic is brought to bear on every political and social institution. As early as the mid-1950s, Charles Tiebout had applied it to the infrastructural goods supplied by jurisdictions. Here it implies that small political units are preferred to large ones, with some authors recommending that city states be responsible for most public services. Maybe it also suggests that religious goods are best provided by small sects like the Anabaptists rather than large communities like the Church of England or the Church of Rome; it certainly suggests that the faithful should shop around for the best religious deals, as they have increasingly been observed to do in countries like South Korea.

The other part of Buchanan's work, that there is a third category of collective goods intermediate between public and private, 'club' goods, where individuals can choose with whom to share risks and benefits, because they have the technical means to exclude others, has also been deeply influential. Schools and hospitals, care homes and housing schemes, can all be selective or let people select them. It means that devolving budgets to the local level can actually allow such selectivity to be increased (nominally for the sake of efficiency, and to enable competition between suppliers), but that this is based on the principal that expensive, needy people with many problems can be excluded.

The consequence of the adoption of this logic by both Conservative and New Labour regimes for reforming our public services since the late 1970s is that citizens are encouraged to shop around for the best quality of service they can afford to access (measuring the price in terms of the costs of travel or of buying accommodation in the catchment area). While there were always more or less desirable districts, this has led to far sharper distinctions between them. The work of Danny Dorling documents the extent to which our society has become divided into enclaves of people with similar profiles in terms of incomes, ages and tastes.

The logic of exclusivity in membership implies that technologies like gated communities enable people to avoid contact with others who are not to their taste. The most dramatic illustration of the consequences of this was when a self-appointed Neighbourhood Watch captain, George Zimmerman, shot dead a black youth, Trayvon Martin, in a gated community in Florida in March, just

because he did not expect or want to see such a person in his exclusive enclave. Trayvon was visiting his uncle who lived there.

Less dramatically, within the logic of club goods and exclusive membership, our schools have been colonised by the more mobile and resourceful if their exam results have been good, and those which served communities of people more marginal to the economy have tended to have concentrations of socially and educationally problematic children. All other amenities and services have tended to follow similar patterns.

I take this to be the opposite of what is intended by the principle of subsidiarity. The idea of devolving decisions to the lowest feasible level in Catholic Social Teaching assumes mixed, stable communities in which more resourceful people will share their time and energy with more needy ones. Far from enabling the more mobile and wealthy to escape into membership systems in which they share exclusively with others like themselves, it implies that they will actually choose to live amongst familiar others with profiles quite unlike their own – community as a form of mutuality in which risks and resources are pooled to the advantage of those most likely to require services.

Meanwhile there was another development in economics, the theory of information, incentives and contract. This purported to solve the central problem of the supply side of the public services, the fact that staff could not be supervised adequately when engaging with the public. On this analysis, the solution was to specify contracts in such detail that they were obliged to carry them out in full, to incentivise them to achieve target outcomes, and to manage these processes scrupulously. This logic was extended to the contracting out of a broadening range of services to commercial and voluntary sector providers, including faith organisations.

We now see the outworkings of these ideas in the reforms of the health service. Localism is served by the devolution of purchasing powers to GPs, and then everything is bought under contract from whoever can supply it on the most favourable terms. Parts of hospitals and clinics may thrive, others wither; commercial companies will bid to pick up the pieces as whole organisations collapse.

The combination of all these restructurings and redefinitions has shifted the cultures of these services. On the one hand we have had evidence of a depersonalisation of health and social care, a mechanistic and procedural approach to practice which at its worst leads to a loss of compassion and outright neglect or cruelty – as in the Mid-Staffs NHS Foundation Trust – but to a poor standard of care for infirm older and disabled people more generally.

But on the other it has changed the cultures even of voluntary and faith-based organisations, which have come to rely on government contracts to supply services. In order to comply with the terms of these, they have been required to develop management systems much like their commercial and public competitors. We see that all of them have adopted the dreadful jargon of this approach. It distresses me to hear of faith-based bodies which contract to 'deliver services'. Services are not delivered, takeaway meals are. When Christ washed the feet of His disciples, He was not delivering foot-cleaning services, He was showing them how to serve the poor.

So the outcomes of these reforms have had little to do with subsidiarity, and no evidence is yet available that the Big Society programme represents any kind of shift away from the contract approach — if anything it seems to have consolidated it. But it is worth asking what a Big Society programme that was informed by Catholic Social Teaching might look like. I would contend that it would be very different from the version promoted by public choice and the contract culture.

Ideally, it would be derived from the joint efforts of people coming together to try to identify and pursue the common good of their neighbourhood, city or region. As participative, active citizens, members of such communities would discuss and engage with issues of common concern, and organise to meet the needs of members. Public services, and indeed the state itself, would offer support to communities in these efforts; professional expertise, in planning, management, child care and the amelioration of social problems would be put to the service of these collective purposes.

This would be quite different from the public choice/contract approach. It would not start from the preferences of individuals, but from their shared human needs, for solidarity and mutuality rather than for the opportunity to advance their personal interests and exclude needy others. It would support the active participation of all members – voice rather than exit in Hirschman's terms - and

resist fragmentation into homogeneous groupings. And professional staff would give priority to empathy and communication, not to technical problem-solving skills. It would seek to realise common projects, not to achieve externally-identified government targets.

The rhetoric of the Big Society, as articulated for instance by Francis Maude, sometimes seems to point in these directions. But I fear that the contract approach, driven by a contradictory mixture of expenditure cuts and the drive to create jobs, is still a far stronger influence.

#### **Work and Welfare**

Even more contentious in the present crisis of capitalism, I would argue, are questions about the relationships between work, pay, property, welfare rights and the power of governments. Catholic Social Teaching holds that work potentially gives people dignity, and that it can have spiritual as well as material value. It contends that pay should be a fair return for work that is performed. Property ownership is a right, but not an unconditional one, and wealth should not be hoarded; it can be taxed for the common good, and in certain circumstances expropriated. Welfare rights are part of policies for social justice, and they should be given on terms respectful of human dignity. Governments should not use their powers to coerce in unnecessarily oppressive ways. In my opinion, all these principles are being violated by this government, and were also violated by the previous one.

The Catholic Church experienced an intellectual crisis over the birth of urban, industrial communities and the rise of both liberalism and socialism, and modern Catholic Social Thinking was the product of that crisis. In a country like Ireland, the agonising continued right up to the 1960s, as is well documented in the articles in *Christus Rex: A Quarterly Journal of Sociology* through the 1940s and 50s, when finally it was accepted that redistribution of property was an issue of justice, not charity.

Only when these battles had been fought out in the church could it fully accept the welfare state settlements that created institutions for class reconciliation and negotiated shares of national income after the Second World War. Central to these were collective bargaining, representation of

'peak' organisations of capital and labour in the economic management process, and inclusive social insurance schemes. All this was based on a model of capitalist development in which an almost limitless supply of rural and refugee labour was put to work, first on reconstructing the urban environments of bombed cities, and then on expanding manufactured production. As we all know, all that came to an end in the 1970s, when international corporations began to carry out labour-intensive industrial processes in developing countries worldwide, the share of national incomes going to labour started to shrink, the real value of median earnings began to stagnate, and new forms of long-term poverty, including poverty among working households, which was inaccessible to social insurance benefits, started to develop.

Little by little, through a series of crises of fiscal solvency and productive competitiveness, all the affluent countries have adopted modified institutions, based on different assumptions, to address the new situation. We have followed the USA in promoting the employment of women, supplementing low household earnings and enforcing low-paid and part-time employment on claimants of working age. We have also allowed our industrial sector to decline, at the expense of finance and a whole range of services, many paying very low wages.

I would argue that our present policies on all these issues are informed by pragmatic utilitarianism rather than principle. The financial sector has been favoured because London is good at it; it has come to be indispensable as a source of tax revenue, so when its reckless greed brought it down it had to be rescued. The rich are allowed to avoid taxes because they might go elsewhere. Small enterprises, especially in the services sector, could not afford to pay their workers a living wage, so low pay had to be subsidised by tax credits, even the wages paid by giant supermarket chains gaining billions in profits. Prices of houses have soared, and home owners used these inflated values to increase their spending power with massive bank borrowing, so governments must find ways of keeping house prices high. People living in deprived districts are better off claiming benefits and doing cash work, petty crime, drug dealing or prostitution on the side, so officials had to drive them into low-paid jobs, under threat of benefits disqualification.

All this serves to disguise the collapse of all the assumptions on which the post-war settlement was based, and the need to find principles to replace a new settlement. After the crash, one looked for a discussion of some such new ideas. In the event, two of the very few on offer were Phillip Blond's

manifesto, reaching back to the Toryism of Burke, Cobbett, Coleridge, Carlyle and Ruskin, and the Catholic Dissident Liberalism of Belloc and Chesterton; and the 'Broken Britain' analyses of the Centre for Social Justice, including a radical scheme for integrating parts of the tax-benefit system, endorsed in opposition by Jain Duncan Smith.

Blond's analysis blames the economic power of monopoly capitalists as much as the overweaning state for the disempowerment of individuals and communities in the new order. He argues for a Distributist approach to property dispersal, very much in the manner of Catholic Social Teaching in the years following the Encyclical of 1892; he therefore appeals to the same populist sentiments as Belloc and Chesterton, in their critique of the powers given by Lloyd George to state officials to enforce work disciple with the introduction of social insurance benefits. In his ideal society, every citizens would have an independence derived from a stake in property, either in their own holdings, or through membership of a community with such assets.

So Blond's Big Society is very much in line with the model of late nineteenth century Catholic Distributists, with a bit of Merrie England thrown in for good measure. It is made up of small independent producers and co-operatives, enterprising artisans and their guilds, prosperous local banks and shops, local authorities with a range of funds and trusts producing income and wealth, thriving churches and community associations, and an energetically active citizenry. Like Belloc and Chesterton, he admires Italy and Spain for their cultivation of regional specialities in food and drink, for their peasant agriculture and their pride in craftsmanship and tradition. Quality of work and its product are valued for their own sakes, and may even have a spiritual dimension. He dislikes big business as much as the big state, and he thinks that cosmopolitanism and globetrotting are overrated. Local and national patriotism, working class organisations for mutuality and co-operation, are all part of his ideal society — even trade unions, as long as they are not socialist ones. Guild Socialist, in the G.D.H. Cole mode, perhaps, but definitely not Fabian Socialist.

Very soon after the election of May, 2010, it became clear that the coalition government had no such aspirations. Global competitiveness demanded a further drive to make labour markets more flexible, hold down wages and cut the welfare budget; government debt demanded cuts in public services and a public sector pay freeze. When the nationalised banks are sold, the proceeds will not

be distributed to local funds or to individual citizens as Blond recommends, they will be used to reduce the deficit.

The other piece of original thinking to emerge from the crash, the Centre for Social Justice's model for an integrated tax-benefit system, has suffered a similar fate. I cannot argue that there is any evidence of the influence of Catholic Social Teaching on its 2009 report; it is a dry, administrative document that sets out in detail the perverse effects and disincentives foe work, saving and marriage built into the combination of income taxation on the poor and means-tested benefits and credits that have accrued since the 1970s. But it was radical in proposing that all the latter be rolled up into just two 'universal credits', that each household should then retain a far larger sum of disregarded state income when they enter the labour market, and that this income should then be gradually and evenly withdrawn through the tax system as they earn more. The whole reform was justified as a technical exercise, with the new design aimed to improve incentives, increase participation and hence savings, and reduce administrative costs.

However, the Preface by Iain Duncan Smith, as founder of the CSJ and a shadow minister, was couched in moral terms. It deplored the fact that the complexity and perversity of the system deterred people from employment, thrift and marriage, and trapped them in passive, excluded roles, extending to whole communities. But it also specifically stated that it was hypocritical for official policy and practice to enforce employment as a condition for benefits eligibility if claimants were effectively better off outside the labour market.

Yet in office, Duncan Smith accepted important modifications in the scheme which diminished its beneficial effects, including cuts and caps on benefit rates. But above all he launched the Work Programme to compel claimants into whatever work was available, and its constituent scheme for compulsory unpaid work experience for longer-term claimants, before the truncated universal credit was introduced. So he was guilty of just the kind of hypocrisy of which he accused his predecessors. He lapsed into the kind of authoritarian and hierarchical thinking which is not untypical of Catholics in moments when the established order seems to be under threat by forces of change.

In the next section, I shall explore the alternative approach hinted at in the CSJ, and look at why work enforcement is becoming both undesirable and ineffective. I shall also trace the relationship of Catholic Social Teaching with the proposal to give unconditional income grants to all citizens, and to the means of raising revenue from taxes on wealth which might help to fund it.

## Sovereign Wealth Funds, Land Taxes and Basic Income

The Distributist ideal of a society of property owners which evolved in the late nineteenth century was not the first source of this suggestion. It was, for example, put forward by Thomas Jefferson in America. But there land was 'available' for all (in the sense that it could be stolen from native peoples), so the dream was feasible, at least for free men (as opposed to women and slaves). This was far from being the case in Europe, which was part of the reason why Locke had to construct his specious account of how the invention of money justified large property holdings, because it gave rise to productivity gains and wage rises which outweighed the benefits of common ownership of nature (the God-given entitlement on which he founded his right of Englishmen to resist Stuart despotism). And Adam Smith in turn developed his Invisible Hand theory of efficient and equitable market distributions of income in order to legitimate the gap between rich and poor at the time Jefferson was outlining his quasi-Distributist solution.

It was Tom Paine who first set out a Europe-appropriate alternative to land redistribution in his *Agrarian Justice* (1797) — a fund (presumably amassed out of taxes on land) from which all, men and women, rich and poor, reaching the age of 21 should be paid a grant, and all reaching 50 a regular income. The idea has never gone away since then, and it was actively canvassed by Cole and the Guild Socialists as well as by Major C.H. Douglas and his Social Credit followers in the 1920s and 30s, just when Belloc and Chesterton's Distributism was a political movement of a kind. So it is no coincidence that Blond refers to it approvingly in a brief sentence of his book; it is an idea which has reappeared just as Lloyd George's social insurance is drawing its last gasp, and as part of a philosophical approach to work and well-being that seemed to have been consigned to the dustbin of history after the Second World War.

Meanwhile, the idea had been kept alive by a few right and left libertarians, and had increasingly attracted the support of moral and political philosophers, notably Philippe Van Parijs of the Catholic University of Louvain, Brian Barry and Carole Pateman. Variants of it have even been proposed by the young Milton Friedman, and by the arch neo-Conservative Charles Murray. These thinkers are all attracted by the elegant simplicity of the principle, and the way it overcomes dilemmas about the conflicting demands of poverty prevention and rewards for work, as well as recognising the roles of family carers, volunteers and activists.

But social policy in America and Europe was moving in the opposite direction, towards intensification of the enforcement of work conditions, and also stricter rules on work availability for single parents of young children and of people with disabilities and long-term illnesses. Workfare in the USA was gradually exported to 'activation' on this side of the Atlantic, with huge and expensive efforts by government agencies to train and place people in employment. Germany was the last to adopt these measures, no doubt partly because of the unfortunate associations there of the welfare-to-work slogan which translates as 'Arbeit Macht Frei'.

There is no evidence that these schemes are effective, even in periods of economic growth. Long-term trends, such as the decline in male participation levels and the rise of female part-time employment, continue despite them. In the 21 OECD countries during the boom years of 2000-7, only Australia and Canada achieved a reduction in the length of spells of male unemployment; in the rest, they actually grew. In the UK, youth unemployment increased in these years, despite New Labour's deep commitment to this approach.

Equally significantly, research evidence does suggest that those conscripted onto such schemes become alienated and frustrated, lose trust in fellow-citizens, and experience a decline in subjective well-being. Far from being inclusive, these measures confirm a sense of being outsiders in their society, even in Sweden, where schemes have been running for decades.

So the enthusiasm of Iain Duncan Smith as Secretary of State for Work and Pensions for the approach is unsurprising but unjustified. The CSJ report hinted at a long-term shift towards a basic income alternative, but Duncan Smith embraces welfare-to-work and workfare with uncritical zeal.

This seems to me to hark back to the Poor Law administration of rural magistrates in the late eighteenth and early nineteenth centuries, who initiated the Roundsman System (paupers being passed around the local farms to be work in exchange for their assistance) and the Speenhamland System) families being subsidised by the authorities to do part-time and casual work.

This was the Tory paternalism of which Polanyi partly approved, because it mitigated distress during the early years of capitalism and the agricultural revolution, and the high food prices during the Napoleonic Wars and their aftermath. But Polanyi also condemned their long-term effects, and ultimately agreed with liberal critics who saw that the combination of these schemes and protectionist policies impoverished and demoralised the rural working class.

I would argue that we are again at a trigger point in capitalist development in the affluent countries where *because* the Adam Smith process is working well in the developing world, with its almost limitless supply of workers from peasant agriculture, capital can no longer provide adequate employment or incomes for a large proportion of these populations. Welfare-to-work policies pretend to believe that it can, and obscure the need for a wholly new approach to the nature and funding of work, and to the provision of income through the state. Individually and collectively people will have to organise themselves to identify needs and co-operate to meet them, and to do this they need the security of something like a basic income.

So the paternalistic strand in Catholic and Tory social thinking becomes the enemy of social justice and progress, as it was in the Speenhamland period. Both the well-being and the inclusion of poor people demand that the tax-benefit system be recast so as to allow them to find their own solutions to the crisis of capitalism, as I have been arguing in my books since I was involved in a poor people's movement since the early 1970s.

The other issue which re-emerges at a time of fiscal crisis of the state is whether the wealth of the rich can supply an alternative source of funding for such a scheme, since taxes on income have reached their feasible limits. Here it is interesting that the distinguished *Financial Times* columnist Samuel Brittan, a long-term advocate of basic income as a means of creating a morally justifiable version of capitalism, has revived the proposal of a land tax, for just such a purpose.

In principle, as recommended by Tom Paine, a sovereign wealth fund could supply the basis for a dividend of the nation's resource-based wealth for all. It was the Earl of Lauderdale who, in the early nineteenth century, drew attention to the paradox that natural resources acquired monetary value only when their private ownership and exploitation made them scarce for the population at large. In today's world it is mineral wealth, as much as land, which illustrates this paradox. Who wanted to own bits of Alaska, Namibia or Mongolia before oil, diamonds and gold were discovered there?

And this explains why it is in these countries that Tom Paine's proposal has actually begun to be implemented. The Alaska Permanent Fund was established in the early 1980s, and now pays every person of more than one year's residence a sum of over \$1,200 annually. In Namibia there is a local pilot study that has yielded encouraging results in child health and education; and in Mongolia a basic income is to be established nationally. In all these countries the fund from which payment is made comes from mineral wealth, and it serves to give indigenous people, living simple hunting or herding lifestyles, a share of this wealth.

It may be significant that the first large country likely to adopt this principle is Brazil, which already pays an allowance, the *bolsa familia*, to residents of Sao Paolo. This may or may not reflect the Catholic social tradition of the country.

## **Conclusions**

In the world as a whole, the most Catholic continent, Latin America, is now by far the most left-wing continent, by numbers of regimes of that tendency. The two social forces are often in some tension, if not actual conflict. For the sake of world social development, it is to be hoped that they can settle their differences.

In the UK, the reins of social policy are held by one pragmatic opportunist, Francis Maude, responsible for the Big Society agenda, another one, Eric Pickles, responsible for the localism

agenda, and one confused Catholic, Iain Duncan Smith, responsible for the reform of the relationship between work, welfare and the state. I have argued that the first two are still in thrall to the contract approach to the public services, and therefore unlikely to advance subsidiarity in any recognisably Catholic form.

The situation over welfare benefits and work enforcement is more complex. Duncan Smith has committed himself to the Work Programme, using private firms as his agents. The emerging scandal over the largest of these, A4e, has drawn attention to the potential for abuse in this approach; the work experience scheme for young people shows how inappropriate coercion had become routine among unreflective local officials. Public opinion has not been as outraged by all this as it would have been in the 1980s or even '90s, the media brainwashing and the shameful New Labour ideology of welfare-to-work conditionality having achieved its purposes.

The most encouraging development from my point of view was that so many large firms refused to participate in the work experience scheme while the threat of benefits withdrawal hung over participants. Even if they did so under threat of demonstrations by a Socialist Workers' Party offshoot or not, at least they were willing to think about the issues, and force the government to climb down on this important point.

I hope that Catholic Social Teaching can be deployed on issues like this, to emphasise human dignity and the dignity of work, neither of which are served by such schemes. If this means collaborating with anti-capitalist protesters, this seems a fair price to pay. I am sure that Dorothy Day and the other Catholic activists in the field of poverty and social injustice would have thought so. In her autobiography, *The Long Loneliness* (1952) she wrote:

The Communists recognised the power of the press, and also that the simple maxim "go to the people" meant literally going to them. The first time Trotsky was arrested it was for distributing literature at factory gates. When some of our friends were arrested in the Chicago stockyards during an organizational drive, we felt truly revolutionary and effective since organized industry, through the hands of the law which they controlled, had reached out to stop us. It is easy enough to write and publish a paper and mail it out with the help of volunteers to the four corners of the earth, But it

becomes an actual living thing when you get out on the street corners with the word, as St Paul did in the early days of Christianity'.