CHAPTER 1

Introduction

Abstract Social value is created in human interactions, and is the basis for our well-being. But these interactions are influenced by the policies of governments, and hence well-being can often be undermined by them. This book will consider how such policies, which reduce the levels of social value accumulated in economies and societies, could be minimised, and how relationships which enhance social value (and hence well-being) could be strengthened and enhanced. The coronavirus pandemic has greatly re-enforced longstanding tendencies in US and UK societies, and caused a dramatic collapse in national income and in well-being, but it also supplies an opportunity to re-assess social policies across the board.

Keywords Relationships • Services • Well-being • Inequality

The recession caused by the coronavirus lock-down had especially severe effects on face-to-face activities – those which could accelerate the pandemic’s spread. Services of this kind had been forming an ever-growing proportion of employment in advanced economies, especially the USA and UK. In the latter in March, 2018, there were almost 33 million workers in services of all kinds, almost five and a half million of whom were (despite programmes of privatisation) in the public sector, out of a total labour force of some 40 million. Around a million workers in all were
immediately laid off in the pandemic, and some of their employers faced bankruptcy.

The dominance of service employment in these economies dated from the 1960s, when industrial production started to be relocated to the Far East and South America; by 1980, this had been identified as the ‘globalisation’ of economic activity, with China’s rapid growth as its totem phenomenon. But the other obvious consequence of the market-minded public policies which became the orthodoxies under Margaret Thatcher’s and Ronald Reagan’s leaderships was a growing inequality of earnings in the populations of the two nations.

Both countries’ governments (under their respective major parties’ regimes) had opted to offset the very low wages which characterised much service employment, especially in the private sector, with subsidies from the public purse. In the first 20 years of their expanded coverage in the UK (and Ireland, where they still are) these were called Family Income Supplements; at the end of the century, a Labour government adopted their US name of Tax Credits, recognising that they worked as a kind of income tax in reverse, and in this century the UK’s were renamed ‘Universal Credit’ (UC).

Face-to-face services were also important factors in an approach to assessing the quality of life in our societies which became prominent at the turn of the century (Kahneman 1999; Helliwell 2003; Layard 2005). Here the concept of Subjective Well-being (SWB), which could be measured through mass surveys, allowed comparisons to be made between genders, classes, marital statuses, occupations, age groups, districts and so on. But it was also possible to make international comparisons, and to determine which policies and social trends (e.g. spending on public services, and rates of family breakdown) increased SWB, and which reduced it.

The striking finding about these statistical comparisons, especially in the USA and UK, was that average SWB had not risen in the decades since the 1970s, when its measurement was first systematically recorded. This had provoked animated debates among economists, psychologists, political scientists and sociologists, about the nature and causes of this stagnation in levels of happiness, since scores for SWB in developing countries continued to rise as their economies were growing.

Part of the explanation clearly lay in the rise in inequality, especially in the Anglophone countries; more equal societies, such as the Scandinavian ones, did better (Wilkinson and Pickett 2009). But the least happy of all in all types of society were poor people forced to take low-paid work (or
to work longer hours in such jobs) on pain of losing all or part of their benefits or state subsidies to their wages (Haagh 2019). This applied even to beneficiaries in Sweden, one of the most equal societies with the highest average levels of SWB; ‘workfare’ participants there were no more contented than the citizens of Brazil or Turkey.

So it matters how incomes are redistributed as well as how much. A large part of the reason for this was revealed by studies of the components of SWB. Ill health and long-term disability were the largest factors reducing levels below the average, but all kinds of relationships were the main components in well-being and unhappiness – more significant than income levels. Divorce and separation, widowhood and unemployment were leading negative factors.

This suggested that SWB itself was strongly influenced by the quality of relationships, and that interpersonal transactions, both formal and informal, contributed directly to well-being. ‘Social value’ (Jordan 2007, 2008) was therefore an appropriate term for what was accumulated when such transactions were predominantly positive, and reduced when they were negative – stigmatising, imposed or coercive, as in compulsory ‘workfare’ or ‘welfare-to-work’ schemes (Jordan 2010a, b, 2019, 2020; Standing 2011, 2017).

It is important to recognise that the distinction between those interactions which enhance and those which diminish social value is not simple and absolute. An example will illustrate this. The prison and probation services in England evolved over centuries; prisons were chaotic local institutions until the 1830s, when they began to be re-organised, with new buildings constructed on the principles of Bentham’s Panopticon (1791), allowing inmates in single cells to be regularly observed by staff. These institutions were managed by the Home Office, with the aim of isolating prisoners from each other, and the hope that – with guidance from a chaplain – they could reflect on their actions and emerge as reformed characters.

The probation service was gradually established as an adjunct to the magistrates’ courts from the 1870s, and was pioneered by religiously motivated staff; it was formally recognised and became a national organisation in the first decade of the twentieth century. Both prison governors and probation officers were strongly influenced after the First World War by reformers (the prisons especially by Sir Alexander Paterson, who had introduced education and sport to open establishments, along the lines of the middle-class boarding school traditions). They were committed to the idea that offenders could respond to kindness and care, informed by new
psychological influences as well as religious ones, and expressed in personal relationships.

The transformation achieved by this movement was most vividly captured by Brendan Behan in his *Borstal Boy* (1958), an account of how he, as a very young IRA activist who had attempted a terrorist attack, completely changed his view of English society and of human relationships more generally through his experiences of kindness, concern and counseling in a young offenders’ institution. This led to him becoming a distinguished Irish literary figure.

The point here is that the English prison system was still coercive, in the sense that all inmates were held against their will. Furthermore, as I can attest from having worked for a year as a prison officer in the mid-1960s, and for ten years as a probation officer thereafter, these institutions still contained some staff whose motives were primarily ones of control and containment. But there were also some in prisons, and many in the probation service, who saw their relationships with offenders as opportunities for changing the orientation of those who had broken the law, and encouraging them into constructive use of their considerable energies in ways that enhanced economic and social value in their society.

Regrettably, the best of these traditions have been difficult to sustain in recent years, as both services have become dominated by managerialist ideas and systems and market-based organisational structures; the probation service has been re-organised several times as these proved to be unreliable and ineffective. But the earlier experiences are still evidence of the possibility of systems which embody both positive and negative social value, and can sustain a productive tension and balance between the two.

**An Opportunity for Change**

This historical example shows how an unpromising moment (in Behan’s case, Britain’s lowest hour during the Second World War, when the IRA was opportunistically sapping its morale, as its icons, Pearse and Connelly, had attempted to do during the First World War) could supply an opportunity to enhance social value. The dramatic fall in national income brought about by the coronavirus pandemic forces a re-assessment of priorities in social policies across the board, and especially in income maintenance.

One of the more improbable events of the global crisis was the decision by US president Donald Trump to grant $1200 to every US citizen
earning less than $75,000 a year, with an additional $500 for each child. At a stroke, something akin to an unconditional Universal Basic Income (UBI), advocated for decades by some political philosophers (Van Parijs 1995; Offe 1992; Barry 1997), economists (Standing 2011, 2017; Parker 1989; Purdy 1995) and social theorists (Jordan 1973, 1996, 2006, 2010a), but implemented only in states with windfall mineral wealth (Alaska, Namibia and Mongolia), was being rolled out in the world’s richest and most powerful country. Although the UK’s response was far more fragmented and unconvincing, it too took some measures to supply more generalised income support, while the Spanish government unapologetically introduced an unconditional UBI.

Although this was primarily a response to the collapse in national incomes, these measures could also be seen as attempts to conserve social value, at a time when there was a risk of economic and social conflict, and a threat to morale and solidarity among citizens. The study of well-being largely assumed that Western liberal democracies enjoyed the highest rates of SWB because of the civil rights of individuals and the freedoms of a market economy. Dictatorships and states experiencing civil wars, as in some Middle Eastern countries, had lower levels of SWB, and also of trust between citizens (Helliwell 2003).

So the question is whether this can additionally be an opportunity to re-assess the direction which the most developed societies have taken in the past 50 years, not least in the structures of the service sectors of their economies. It seems clear that the stagnation in levels of SWB (and hence social value) reflected growing inequalities of income and wealth which arose through globalisation, with most workers in these services performing low-skilled and low-paid tasks, serving the needs of a rich minority – retailing, home improvements, child care, gardening and the public services. Income taxation, which reaches right down the earnings scale, overlapping with earnings subsidisation, is another factor (the ‘Poverty Trap’). The state subsidises these low-paid, often part-time or occasional employments, and the benefits authorities force those facing such disincentives, and hence reluctant to do this work, into performing it. But after the coronavirus pandemic, must this pattern be recreated?

It should be possible to use this interruption, which may last many months or even years, to re-assess the direction we have taken for four decades or more, since the combination of globalisation and wage supplements became the orthodoxy of the late 1970s. Would it not be far better to create services for all, aimed at improving the well-being that has
stagnated for as long as inequality has been growing and state coercion expanding in scope? What form might such services take – activities which would be more satisfying for workers, and more beneficial for all citizens, who could use them more equally? And according to which principles should income be distributed throughout the population?

The pandemic immediately evoked the use of state power to control and direct the isolation of households and the use of labour power, to an extent which was unique in peace time. It also saw the immediate adoption of large tax rises and new distribution systems. If such rapid changes were accepted by citizens without significant protest, why could they not be retained and extended?

The tragic consequences of the pandemic for thousands may supply a unique opportunity to address these questions, which have been evaded for decades, as much by social democratic as by conservative political parties. Just as we have turned a blind eye to the destruction of the earth’s environment, we have allowed inequality of material resources and citizens’ rights to grow to monstrous proportions. How did this come about?

**Conclusions**

There are several levels at which policy-makers and professionals (such as social and community workers) might intervene to try to increase social well-being, and hence social value. The largest-scale of these is that of whole societies and federations, such as the EU (Deeming 2013; Deeming and Hayes 2012; Deeming and Jones 2015). These would involve more robust and effective welfare systems (health services and income maintenance schemes) to address the factors which are known to reduce well-being, including inequality in status as well as material resources.

The second is to link these more reliably with the everyday lives of citizens. Several authors have argued that well-being studies represent a paradigm shift in the ways that policies can be understood to impact on lived experiences, and that these insights should guide new professional practices worldwide (Bache and Reardon 2016; Bache and Scott 2018; Thin 2012; Wren Lewis 2019; Wallace and Schmuekler 2012; White and Jha 2012).

This book will address the issues raised at both these levels. By focusing on social value – how it is created or destroyed in relationships at every level – it will clarify how both policy-makers and professional practitioners can more effectively increase well-being, and avoid reducing it.
The central point here is that well-being (SWB) is an outcome of relationships, experiences and conditions, as is its opposite, dissatisfaction, frustration and resentment. Social value is what is created or destroyed in the processes of these relationships, experiences and conditions. The UK government has started to adopt policies which address these processes, as will be shown in the next chapter.

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