

Introduction

This study is concerned with benefits during unemployment. At first sight the provision made is common to all unemployed people. In fact, there have always been differences made between those with social insurance rights and those without. Different rules have applied to young people and to women. Moreover, the impact of the benefit system is different, not only in relation to short term and long term unemployment, but for particular groups, notably the older unemployed and disabled people. And there are further complications. Unemployment benefits are part of the social security system and must relate to the rules and norms of that system. But they must also relate to the wages paid in the labour market and to the requirements of the employment services.

Throughout the century there has been a tension between policies which see unemployed people principally as victims of economic forces beyond their control and those which see them as villains, ready to live in idleness on the benefits provided by the State. As victims, they need policies which offer adequate support for themselves and their families, so as to protect them, to a greater or lesser extent, from the consequences of unemployment. For villains, and those who might develop such tendencies if no pressure was applied, the benefit levels and the operating rules must be designed in ways which deter voluntary unemployment, induce active job search and root out fraud.

The study explores the way these questions have been dealt with during this century. It looks at the issues which should have been discussed in the 1984/85 Social Security Review, and the failure of that review to tackle them. It examines the spate of new legislation and practice introduced since the review and the current state of policy.

Victims or Villains?

In the final chapter it questions the suitability of that policy for the labour market of the future and makes proposals for change.

This study was originally researched and written in 1986, while I was employed as a Senior Research Fellow at the Policy Studies Institute. During 1989, it was revised and additional research was undertaken in order to update it. Indeed, so much had occurred in the policy field since 1986 that it became necessary to rewrite the last two chapters completely.

Both the original work and the revision and updating was made possible through the financial assistance of the Joseph Rowntree Memorial Trust, and this support has been deeply appreciated. Thanks must also go to the many organisations which responded to my request for material, especially at the time of the Social Security Review. My gratitude also goes to the staff of the library of the Policy Studies Institute, who gave invaluable help at both stages of this study.