
For two decades now, in most of the industrialised world, a debate over the welfare state has been at the heart of the broader attack on the role of the state. Those countries, including Australia, in which that attack has been conducted most vigorously have tended to be those with less expansive welfare provision. They are also countries where concepts of citizenship, solidarity and equality—each of which challenge the assumptions and consequences of market competition—have tended not to be embraced with enthusiasm, nor received broad community endorsement.

These features are not, of course, independent. The causal links between them are central to comprehending what has been happening since the mid-1970s, and why, and developing a cohesive and consistent response. That the ‘welfare state debate’ in Australia has, so far, been won by the Right can hardly be denied. Supporters of welfare state intervention—indeed of any form of state intervention—have become increasingly isolated in a world of harsh economic realities, in which economic liberals have been able to instil into the political and national psyche the idea that because some proponents of state intervention base their claims on narrow self-interest, all such claims can be similarly dismissed.

Their task has been made all the more easy by the poor quality of some of the argument with which they have had to contend. Thus, for example, it is not uncommon to encounter the argument that because not all issues can be reduced to purely economic terms, it follows that the economic dimension is irrelevant in assessing the worth and effects of particular social policies. This kind of reasoning is as suspect as that which led people like Charles Murray to claim (and, incidentally, to convince many) that, because poverty and welfare spending in the US had both risen since the 1960s, therefore the latter was an important factor in causing the former. These views saw welfare debate coming full circle; earlier scepticism that welfare programs were not as effective as originally thought were replaced with the view that what was required was not more but less welfare spending. Welfare programs came to be seen as part of the problem not part of the solution to issues of social alienation, inequality and deprivation. The middle classes could line their pockets with the fruits of income tax cuts, secure in the knowledge that the associated spending cuts were in the best interests of the poor and disadvantaged.

Against this background, I greeted this book by Beilharz, Considine and Watts with anticipation. Here we have three scholars of some repute promising—as the title implies—to reassess some of this recent debate in an Australian context. My sense of anticipation was further enhanced by the three main themes of the work: arguments, institutions and administration—each of which contains the elements necessary to expose economic liberalism as a set of theories and arguments more appropriate to (undergraduate) lecture halls than to a real world welfare capitalist society (albeit one with an unwavering liberal bent) like Australia.

Unfortunately, my anticipation turned to confusion, frustration and, finally, to disappointment the further I progressed into the book. The back cover’s claim that the book is “a short, clear and intelligent introduction to the welfare state in Australia” is misleading on at least two counts. First, the book is at times extremely heavy going and its messages are by no means clear. Second, it is not for those looking for an introduction to the subject.

The book’s central theme is the evolving conflict between economic liberalism and social liberalism in Australian public debate and how these concepts have shaped policy development, specifically as between charity and rights approaches to welfare provision. In Part I it is argued that citizenship debates have a long and fluctuating history in Australia, even if the concept has tended to have a decidedly masculine bias. Yet it is not brought out why the idea of citizenship itself (defined as a situation where “each person can participate in civic life and, potentially, in decision making”) is important in the context of welfare debates.

The main thrust of Part II is also primarily historical. Here its prime author (Watts) distinguishes between the national welfare state and what is somewhat mysteriously referred to as the “other state”, that “partnership of a network of voluntary organisations and colonial governments that emerged in the nineteenth century”. The “other state” is distinguished by a number of characteristics—specifically its heavy reliance on voluntary, community-based service delivery organisations and its close funding and administrative links with local and state governments. The analysis—much of which reiterates the argument of Watts’ recent Foundations of the National Welfare State—makes no mention of a critical distinction between the national welfare state and the “other state”. This is that the former encompasses Commonwealth income support programs while the latter largely covers the provision of welfare services, generally by state and/or local governments, aided by a great range of professional service providers and community agencies with complex funding and administrative structures.

Part III on administration (by Considine) is more clearly articulated than its predecessors. Here, the nature of the topic forces the author to take a
Called to Account

Accounting for the Humanities
by Ian Hunter, Denise Meredith, Bruce Smith and Geoff Stokes. (Institute for Cultural Policy Studies, Griffith University, 1991.) Reviewed by Simon Marginson.

Last October, after four years of brawling about the government's higher education policies, federal Minister for Higher Education Peter Baldwin said that the micro-economic reforms of the Dawkins era had resulted in "a significant loosening of central controls over higher education institutions".

But the government's main critics in the humanities and the humanistic social sciences remained stony-faced. Deregulation of overseas student fees and funding in the form of block grants might have met the needs of university managers, but the humanities continued to be "the one site of implacable refusal and resistance". As Ian Hunter puts it:

To the Government's proposal to gear higher education to social and economic needs and purposes the humanities academy replies that it is the custodian of a goal whose completeness and universality identifies it with the absolute end of humanity as such—the culture of the 'whole' person and the disinterested pursuit of knowledge.

While the government pictures universities as "legitimate objects of government intervention", humanities academics are at pains to argue that liberal education cannot be reduced to vocational training or government calculation. By its nature it must remain autonomous and "ultimately accountable".

Accounting for the Humanities is concerned with the collision between these two incompatible discourses of the government and the humanities—a collision in which their "mutual incomprehension is matched only by their internal coherence". Both views, the authors argue, are seriously deficient and the opposition between them is misleading in itself.

This is by far the best Australian publication on this debate. It demonstrates that the traditional defences of the humanities are built on shifting sands—but so are the government's objectives. Ian Hunter argues that the attempt to align education with the needs of the economy faces serious technical difficulties, and the connection between "technological and production-oriented education in the universities" and national economic performance, is by no means clear.

Further, the attempt to monitor, calculate and develop the efficiency and productivity of higher education runs into a number of obstacles: "the dispersed and highly ramified character of the higher education network", with its myriad activities, programs, professions, interest groups, institutions; the statutory autonomy of universities; the internal goals of humanities disciplines (critical intellect, aesthetic sensibility, and so on) which are difficult to translate into government objectives; and the "sheer contingency" of the new administrative systems—the problems of designing successful managerial mechanisms and securing sufficient consent.

However, the main fire is directed against the traditional defences of the humanities. The authors are sceptical of all grand claims about the cultivated individual or the disinterested pursuit of truth, and locate the humanities firmly in a practical and historical context.

That is hardly news to any serious student of the subject. If we apply the authors' criteria for criticising the three main existing approaches to their own work, it too seems to be seriously lacking. This is a pity given the importance of the subject matter that they have addressed. A coherent and comprehensive account of the development of the Australian welfare state and defence of its performance on both social and economic grounds remains to be written.

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