DISCUSSION

The initiatives taken by the Whitlam government in the field of social welfare should prompt the left to take a new look at the role played by social welfare schemes in modern capitalist society. It should be of some concern that Australian Government schemes such as the Australian Assistance Plan aim to "organise" local, working class communities and place social workers and members of related professions in positions of real power and influence in local communities.

I have attempted to set out below what I believe are the inherent dangers in some of these schemes and demonstrate the potentially reactionary nature of much social welfare philosophy. As a social worker, I have tended to focus upon my own field, but I believe much of what is said pertains to all the "helping professions".

Much of the danger stems, I feel, from the sort of education offered to people working in these fields. In all Australian schools of social work, for example, the orientation remains overwhelmingly one of the study and treatment of "individual maladjustment". The very structure of these schools (as with virtually all university departments) is hierarchical and rigid and acts to keep students "in their place". Demands for self-management are dismissed as unworkable and often students are pressured into forgetting social activism to uncover the "causes of rebelliousness" within themselves.

After four years of education which consistently supports the conventional wisdom, traditional sex roles and the search for profit, university graduate social workers have learned to behave the "correct" way: to be a defender of the family, the society, the church, the nation. In general, the welfare workers' morality is conventional and therefore repressive. The education given to social workers gives almost no understanding of the real social and political issues but, rather, it prepares people for a profession whose financial and status rewards are not inconsequential. Social workers learn to patch up, not to challenge, the fabric of the system which sustains them.

The ease with which these people can be used to deflate challenges to the system stems from a lack of theoretical understanding of how societies work or how social changes come about. The line adopted in the university departments in which these people receive their training is strong opposition to marxism. One is told that the conclusions of the marxist method are unacceptable and "unprofessional". This is typified by the statement in one text still widely used in Australian social work schools. It states:

"...... there are no historical laws but only sociological and economic ones; there can be no scientific insight into social forces moulding the future." (1)

Along with this openly reactionary outlook, there is the myth of "value free social science". This leads to denial of the fact that to be involved with questions of social and mental health is to take a political stance. As a group, social welfare workers continue to focus upon problems of adjustment rather than change and upon social statics rather than dynamics. What they fail to see is that the problems of disadvantaged communities stem far less from individual neuroses than from an objective lack of opportunity and from a social system which perpetuates oppression and exploitation.

A US group calling themselves the "Radical Therapists" has formulated a critique of this "professional impartiality", putting the blame for the failure of welfare workers to make any real advances precisely on their commitment to retaining the status quo. Social workers' emphasis on the individual does a positive disservice by turning people's focus from the society which oppresses them to their own "hang ups" and by making them into sick people who need treatment rather than oppressed people who must liberate themselves. The Radical Therapists say:

"Current psychotherapy offers 'solutions' only to those that accept the system and want to maintain their place in it. Which is another way of saying current therapy serves the system." (2)

What is needed is an outlook which sees psycho-social problems as the result of alienation, as the outcome of the oppressive nature of capitalist society. The problem then confronted is that alienation arises from
oppression about which the oppressed has been mystified or deceived. In capitalist society, oppressed people are usually persuaded that they are not oppressed or that there are good reasons for their oppression. The result is that the individual, instead of being angered by her or his own oppression decides that her or his problems are her or his own fault and responsibility. It is this process which social workers are encouraging in most cases.

We must work so that people can see that within any declaration of neutrality lies a basic acceptance of prevailing social and political values. An acceptance which, in most cases, makes the activity of the professional “community organiser” detrimental to the interests of local communities. We must also be aware of the tendency for modern capitalist states to use welfare programs in the same way as the Romans used bread and circuses to keep the exploited happy and non-threatening.

If the US experience is duplicated in Australia, federally-funded community programs will serve to pacify the neighbourhood to mystify justifiable outrage and thereby prevent movements for change by diverting community concern towards problems of “mental health” and away from efforts to confront the basic oppressive institutions in our society. Such programs function to maintain the status quo rather than to advance the interests of the oppressed community. Because such programs are sponsored by governments or their instrumentalities, “community involvement” programs of this sort have a built-in brake on their effectiveness since, as has frequently happened in North America, funds will be cut off as soon as people involved in the project find that the capitalist state and institutions which oppress them do not yield to the force of moral indignation. As more challenging stances are adopted, a pretence is found to end the funding or remove the leaders.

Analogies can be drawn between techniques developed by the US in Indochina and some of the activities of social workers in the urban communities of America. The “battle for hearts and minds” and “pacification programs” have been developed as diligently in Harlem as in Vietnam in removing threats to US capitalist imperialism. The co-option of the indigenous leadership, the mystification and brainwashing of the people, material inducements for those who can be won over and repression for those who cannot, all form part of this approach. With the active collaboration of social workers, ghetto uprisings, though first met with armed might, have later been buried under a deluge of social welfare programs leaving the real position of the people relatively unchanged.

The Radical Therapists have called this process the “psychologisation of discontent”. In an environment of poverty and exploitation, to focus upon individual problems of mental health is to deflect community energies from the essential task of winning a form of local control and building a sense of community power.

But I believe we should not stand aloof from the social welfare programs which the Whitlam government has begun. Within the system, Marxists must refuse to see social reality as a reflection of people’s minds, but rather present individual problems as a reflection of social reality. We must strive to make social action the focus of social welfare projects.

Marxism-leninism must be presented to people as a methodology with which to interpret society and social change. Of course, because of the exigencies of revolutionary struggle, Marx did not develop a complete theory of the relationship between social problems and the individual. It is up to us to use his methodology to advance our contemporary understanding of these problems. Marx showed us the way forward in his writings on alienation when he demonstrated how humankind has been deprived of the ability to determine her/his own life under capitalism. He showed how capitalist production results in the workers’ alienation from the product of their labor power then from the labor process and finally from fellow workers and the social system. Marx thus captured each individual’s feelings of depersonalisation and hopelessness in capitalist society, and rather than seeing them as some sort of inevitable “human condition”, his theories can give social means and collective hope for an historical transcendence of what bourgeois ideology (e.g. existentialism, psychoanalysis) sees as “man’s fate”.

-- BRIAN McGAHEN
When the marxist economist Ernst Mandel toured this country recently, I remember reading a mocking editorial in *The Australian* to the effect that Mandel was on the old “crisis of capitalism” kick, a favourite line with the marxists, and was not to be taken seriously.

There was the usual stuff about the failure of Marx’s “predictions” concerning the trajectory of capitalist development, and an obvious ignorance of Mandel’s widely respected works. While I, for one, disagree fundamentally with Mandel’s economic analysis, and more importantly with the political strategy flowing from it, he has written nothing to my knowledge in the way of simplistic “crisis mongering”.

But how do the bourgeoisie see the present crisis? I want to argue that it is in fact they who have a bad case of that malaise we socialists are supposed to suffer from that is, they have a dose of the Doomsday Blues, and rightly so.

One newspaper correspondent recently noted, in an article headed “West faces a permanent decline in its life style”:

*The western world has been shocked to discover that it is not its freedoms which guarantee its prosperity and development. Its liberties depend on economic growth and that in turn can only flourish with abundant supplies of energy to run the machines.*

*The true social contract which underpins the western democracies is that, in return for the growth which makes them richer, the working classes agree to let the middle classes run things in more or less their own way. Stifle growth and you stifle democracy.* (David Adamson, *The Australian*, Oct. 1, 1974.)

I won’t quibble about the pseudo psychology of this passage, but just mention in passing what the author hasn’t grasped. And this is best expressed in Marx’s aphorism which claimed that the main barrier to the growth of capital is capital itself. It is precisely the logic of the “liberties” of the “free enterprise” system which leads to its cyclical crash into social and economic crisis.

But returning to my main theme, trying to establish just who has visions of the apocalypse, Adamson’s prospectus for capitalism is relevant. Observing that the world “depression” implies a “recovery after hitting the bottom of the trough”, he continues:

*But what we are faced with now may be a permanent decline, relative and absolute, in all aspects of Western life.*

An even more accurate reflection of the fear felt by the ruling classes can be seen in these comments from the *Wall Street Journal*:

“The US economy, that marvellous machine of plenty, has suddenly turned into a cornucopia of trouble, pouring forth an agonising abundance of distress ..... A bewildering combination of frightening economic developments is tumbling out: soaring prices and eroding wages; topless interest rates and a bottomless stockmarket; a mortgage-money crunch and a home building crash; a menacing explosion of world oil prices and a flood of surplus Arab oil wealth threatening international money markets; swelling business inventories and sinking crop production.” (Quoted in *The Financial Review*, Sept. 6, 1974.)

And this is straight from the dinosaur’s mouth. But the bourgeois class is not merely scared at this ominous horizon, it is also perplexed. The same editorial continues that, in this atmosphere of “jitters and gloom”, the Ford Administration is
groping for new approaches to deal with two economic evils that aren’t supposed to co-exist; inflation and recession.

Doomsday is looming, but in an allegedly logically impossible form.

Finally, Otto Eckstein, a former economic adviser to President Johnson, is cited by the *Journal* as saying that the American economy stands in danger of the worst recession of the post-war period.

If, for Eckstein, the US economy faces a recession, for Dr. Alfred Schaeffer, Chairman of the Union Bank of Switzerland, it is the western economy as a whole which is at stake, and the problem is that of an extensive depression. He is quoted as saying in one report:

*Since the thirties there was never as much fear, uncertainty and disturbance in the world economy as now ..... The political consequences of gliding from a recession into a new economic crisis would be considerably more disastrous than those resulting from the depression of the thirties.* (Warren Beeby, *The Australian*, Sept. 13, 1974.)

The general thrust of Schaeffer’s message was then summarised as follows:
Dr. Schaeffer concluded that even a partial dislocation of the West's free economy owing to monetary and currency factors would place a heavy strain on the free-enterprise system ... in fact, a strain which would adversely affect the entire system as we know it.

According to this authority even a partial dislocation would precipitate the final crisis of world capitalism. Perhaps marxists have attributed too much stability to this economic system rather than the converse.

To the accompanying din of the crash of banks in New York, West Germany and Switzerland, the International Monetary Fund issued a sombre annual report. Unless some measure of international co-operation is attained (and what is more, co-operation "of a quality rarely achieved in the past"), then we will experience an intensification of the woes presently afflicting us: a virulent and widespread inflation, a deceleration of economic growth in reaction to the preceding high rate of expansion, and a massive disequilibrium in international payments. (The Australian, Sept. 16, 1974.)

And echoing the Eckstein report characterises the situation as constituting the most complex and serious set of economic problems to confront national governments and the international community since the end of World War II."

And it is interesting to note in passing that the IMF (following Dr. Schaeffer) sees as one of the main weapons and policy measures in the struggle against the decline a massive increase in unemployment, and large cuts in government spending. The logic is familiar: if there is to be a crisis, as there obviously is, then let the working class bear the brunt of the burden. Reading the IMF report, and Dr. Schaeffer's comments, it is almost as explicit as that.

The managing director of the IMF, H.J. Witteveen, is not merely despondent at the actual condition of the world economy, but is even despairing of the possibility of his suggested solutions proving efficacious. The vital necessary condition for a viable strategy of recovery is supposed to be the "formation of a world-wide anti-inflationary political consensus". And this "consensus" can embrace everything from the above-mentioned administered rises in unemployment through to an overall cut in hard-won living standards, military intervention in the Middle East to secure cheap unhindered oil flows and CIA sponsored coups in those capitalist nations threatened with economic disaster (the one specifically cited by Kissinger being Italy). If all this is not forthcoming then the world economy most certainly faces "serious and prolonged damage". Yet even if it is achieved it may not prove effective since inflationary pressures have become so deeply imbedded in public attitudes and expectations, they are likely to persist for some time even if the stance of financial policies in all the large countries were presumed to be wholly appropriate in the light of all legitimate domestic concerns.

As warden of one of the central financial institutions of the American empire, Witteveen is obviously spending some sleepless nights over the prospects he sees facing the US "international community".

Moving closer to home the outlook of the bourgeoisie seems to be the same. J.K. Galbraith noted in his The Great Crash that the stockmarket is the mirror of the fundamental economic situation. If this is so, as Michael Blendell writes in an article aptly entitled "Capitalism in the Balance?", then the "implications for everyone in Australia ..... are alarming". Commenting on the movement of the share index late this year he said:

Last night's close of 294.78 puts the index back to its 1962 levels. And if any allowance is made for the dwindling purchasing power of money, it is running closer to its early 1950s levels.

Which carries with it the astonishing implication that Australian industry in 1974 is worth less than it was in 1954. (The Australian, Sept. 17, 1974.)

But this is not merely a national phenomenon: All the world's leading bourses are pointing inexorably downward. Once again, Doomsday looms. This implies a cataclysm of social and economic dimensions unparalleled this century, or world war ..... All this reads like something straight out of Lenin's Imperialism! And to cap it off Blendell reports: According to the more objective stockmarket observers, no end to the downward trend is in sight.

If the objective observers see no end to the plummet down, the subjective ones do (and these include many of the world's leading economic authorities). The end is quite simply capitalism in ruins. One doesn't need to be an economist to see some of the basic tensions involved. Capital formation (and thus growth) is on the decline due to high interest rates, while
reserves and profits on hand are also declining due to the erosion of their real purchasing power, and so on. (For closer analysis see the New York Times (International Ed.), Sept. 8 29, Oct. 27, 1974.)

It thus seems that the functionaries and members of the international bourgeoisie are suffering from that affliction (the Doomsday Syndrome) usually confined to lesser mortals and socialists, and for good reason. Their economic system has run amok in a very dangerous manner. Its irrationality can no longer be dismissed (as is possible in times of periodic stability) as a figment of the marxist imagination. And if the fate of the proletariat (and thus the whole of humanity) was not so closely bound up with the fate of contemporary capitalism, one could almost enjoy the plight of these once smug social parasites.

It is indeed as Marx observed in one of his most profound works, The Communist Manifesto:

Modern bourgeois society with its relations of production, of exchange and of property, a society that has conjured up such gigantic means of production and of exchange, is like the sorcerer, who is no longer able to control the powers of the nether world whom he has called up by his spells.

At least one of his predictions has come true, again.

-- D. MORAN