

BEYOND POVERTY
CITIZENSHIP, WELFARE AND WELL~BEING
IN THE 21st CENTURY

CONFERENCE PROCEEDINGS

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THERE BUT FOR THE GRACE OF WEALTH GO I

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Dependency as well as implying looking to another person or institution for support also means "subordination or subjection; (for example) the dependence of the church upon the state" (Delbridge, et al 1987 p. 476).

Those who are dependent are of less importance than those on whom or that on which they depend - in this sense the welfare client is subordinate to and of less importance than the state. But the state lacks legitimacy without a citizenship which supports it. The state is the totality of its citizenship even

though it serves not the totality of interests of the citizenry but the interests of those who command the hegemonic forces of the day (Gramsci 1978; Bottomore et al. 1983: 201-203).

The process of "assisting" welfare clients, because it provides them with insufficient income to become full participants/consumers of the range of services which might assist them to become active political players, results in their marginalisation. As part of their subordinate status they are expected to remain silent except when they are expected to express gratitude. In a nation where large numbers of people are consigned to marginalised "dependent" citizenship roles, there exists at least the potential for such marginalised people to reject the legitimacy of the state. The one consistent feature of dependency, whether it is expressed in the form of subordination, subjection or marginalisation, is that it involves a power differential - only the giver has control of the outcome. The recipient is always uncertain what will be received and for how long.

In the 1960s and early 1970s when a group of radical social workers helped mobilise clients to confront a Queensland Government Department which provided them with relief, the Department's officers did what they could to divide clients from each other and discourage their having contact with us (Tomlinson 1975). The major demand of the group of clients was that they wanted a published code of practice which listed: rates of payment, eligibility conditions, and a guarantee that all clients of the Department would be treated equally. The

Department preferred to rely on unspecified criteria and the unjustified assertion that it assisted "according to need" (Client Power 1975).

There is an interesting process of denial involved in current Australian political debates where welfare clients and unemployed people are often treated as if they are non- citizens. The recent Mabo and Wik High Court decisions in Australia have been followed by talkback discussions on commercial radio which assumed that the original inhabitants of the country were being totally irresponsible in using the judicial institutions of the invaders to assert their rights.

Welfare recipients and Aborigines are expected to vacate the debate - their rights to engage in the democratic process are suspended. The poor and indigenous have disappeared except when they are needed in order that they might be denigrated. Greg Crough (1993) in his study of the importance of Aboriginal economic development in Northern Australia, entitled "Visible and Invisible", pointed out that indigenous successes are ignored when they succeed economically but where Aborigines fail to achieve economic self sufficiency their "failures" are readily acknowledged. It seems they exist only to be held up as negative role models for self righteous, uptight, competitive, white, economic selfactualisers.

Somewhere in the convolutions of the construction of citizenship there developed the concept of dependency of the recipient equating with the creation of obligations to the giver - thus reinforcing subordination and subjection. This form of relationship was clearly played out in the charity soup kitchens in the early part of this century in the United States of America where those who were fed were expected to sing for their supper; parodied in the Wobbly rejection:

Work and pray,
live on hay.
You'll get pie
in the sky, when you die. (joe Hill)

DISABILITY AND CITIZENSHIP

At a recent disability conference Michael Bleasdale, and I (1996) reviewed the way dependency is utilised by governments to deny people with disability appropriate services. We suggested that citizenship debates need to refocus on the duty of the state to its citizens, and benchmarks should be established that audit social progress and not just economic statistics. Unless we do so there is a danger that those who have been systematically denied opportunities within our society will be blamed for their own disadvantage, and the state be relieved of a further responsibility. In recent years a disturbing trend has developed amongst those British social policy analysts who want us to return to the days when the Charity Organisation Society forced the poor to meet their obligations to their benefactors; they rail against the development of what they define as "dutile rights" (Green, 1996, ch. 5;

Selbourne, 1994). Driven by an intense fear of the dependency rhetoric they themselves created, they are determined to limit social services and demand the poor meet their obligations to the society.

Selbourne and Green have their Australian imitators. When it comes to unemployment benefits they demand that those excluded from work by Government and industry policy demonstrate their commitment to "the active society" (Cass, 1995; Pixley, 1993; Baldwin, 1995; contra Watts, 1995).

Unless we as a country come to understand that the dual nature of rights and responsibilities is as integral to the state as it is for citizens then we will continue as the state does now - to mouth platitudes about rights when what the state is really saying is that citizens have responsibilities, and in return for meeting those responsibilities the state grants conditional benefits. The present debate fails to acknowledge that even in the most highly authoritarian structure consent cannot be divorced from control (Selznick 1948). We argue that there is a clear connection between rights and responsibilities: but that the way this connection is currently played out prevents the state recognising the reciprocal efforts made by many people with disability or those who experience disadvantage. The dual nature of the relationship between the state and its citizenry is further confounded because of the failure of the state to specify

what responsibilities to its citizens the state is prepared to meet.

When it comes to people with disability, because the state fails to ensure that such citizens are enabled (empowered) to contribute to their optimum, it limits their citizenship whilst simultaneously undervaluing the contribution they do make.

It is the insensitivity of the state which exacerbates this propensity to undervalue or ignore the reciprocity which its most vulnerable citizens offer (Bleasdale & Tomlinson 1996).

LESS ELIGIBILITY AND ECONOMIC FUNDAMENTALISM

The concept of less eligibility, developed to a fine art in the work houses of Victorian England, is alive and well in charities throughout Australasia. It never disappeared from the social security system in Australia (Tomlinson, 1978, ch. 1; Tomlinson, 1996). Federally provided assistance differed from handouts provided by voluntary bodies in that whilst the recipients were still expected to "sing for their supper" their obligations were codified, at least in Departmental regulations, and often in legislation.

The obligation to the state was more transparent and it was a liability to a reified collective entity as opposed to a bounden duty to particular individuals in a local charity. Those who failed to meet their obligations to the state may well have felt less shame than those who failed to meet their obligations to the local charity: certainly the nature of the dependent relationship with the state was more anonymous. This was particularly so when the duty was specified in legislation because it was less likely to be capricious. Whilst the enforced obligation may well have served the interests of the powerful, it usually reflected what middle Australia regarded as reasonable.

Following the election to office of the Whitlam Labour Government there was a concerted effort to further decrease the arbitrary power of Social Security officials. No longer was it regarded as acceptable to reject applications for invalid pensions, made by people such as alcoholics, on the grounds that "You are not deemed worthy to receive a pension" (Jordan 1984). There was a concerted effort made to enable unsuccessful applicants to appeal decisions and in order that they might do so meaningfully to have

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Departmental operatives clearly specify reasons for grant or rejection.

The current fixation of governments on both sides of the Tasman to privatise as much as they can of nationally provided services, including income support mechanisms, is an attempt to return those who need to call on others for support to a more personal responsibility and a more direct relationship with the dispensers of charity and no doubt a more intense shame, thereby reinforcing their subordination. Whatever, if any, form of agency accountability is put in place (beyond that to their particular god) will not be consistent across the nation, will frequently be arbitrary, rarely committed to written form, difficult to challenge and oozing sanctimonious parsimony.

There is no ideological mystery as to why the Nationals in New Zealand and the Liberals in Australia want to demolish government's involvement in the welfare state. At the most superficial level economic fundamentalists assert that private is always more efficient than public. Such a claim has been exposed as a mystification in Britain, New Zealand and Australia (Le Grand, 1982; Omerod, 1994; Hodge and Russell 1996; Kelsey, 1995) without decreasing its attractiveness to the economic fascists.

There is a clear ideological connection between the desire to return the welfare state to the machinations of the church/private/voluntary Mafia and the desire to introduce/expand economic fundamentalism. In the early writings of the doyen of economic fundamentalism, Milton Friedman (1968), the desire to decrease the size and complexity of the welfare state is apparent. Unlike many of his followers, Friedman (1968) was an advocate of a guaranteed minimum income in the form of a Negative Income Tax.

THE CONSERVATIVE LIBERAL

The idea that someone should be (usually economic fascists suggest that welfare clients choose to be) dependent on others is an anathema to the economic rationalist. The current Australian Prime Minister describes himself as an economic radical and a social conservative. This is not an uncommon condition found amongst econorats (Pusey, 1991).

"The preference for the unplanned, and even the irrational, as opposed to conscious government policy is a fundamental conservative theme, (portrayed in) the nostalgia for the vanished Gemeinschaft, the suspicion of the contemporary Gesellschaft. From Burke to Dostoyevsky to Spengler it has been at the very centre of conservative thought" (Harrington, 1977: 290).

The central feature of the conservative position, in the twentieth century, is support for traditional values - hence the importance placed on the family, sexual restraint, work and the sanctity of private property. Conservatives support the continued existence of inequality and minimal welfare (of the residual kind) because of their fear that planned change will undermine the natural order. They are driven by a naive belief that the non-owners of the means of production will only work if driven to it by economic necessity or totalitarian compulsion.

Economic rationalists who declare themselves liberals derive support from a very selective reading of Hobbes who conceived of the natural state of humans as resulting in the "war of all against all" in which life is solitary, poor, nasty, brutish and short and therefore in need of regulation by some form of social contract (Sills, 1968:230). They couple this acquaintance of classical liberals with Locke's modification that the contract should not be with the sovereign" but that through mutual contracting people would be freed to pursue their individual self-interest (Sills, 1968:226-231). They are equally selective in what they incorporate from the writing of Adam Smith, neglecting those inconvenient parts of Smith's writings which would place a brake on economic fundamentalist's celebration of inequality or their exploitation of others (Agyrous and Stilwell, 1996).

THE LEFT

Given the challenge waged by socialists and Marxists over much of this century and the commitment which many mid-left have to the welfare state, it might be expected that the conservative and liberal promotion of inequality would encounter strong opposition throughout the left. Unhappily, no. Social Democrats support equality of opportunity, happily ignoring the fact that without a deep commitment to equality such Fabian mystification invariably results in inequality of outcome. Only socialists and Marxists are committed to equality, freedom and mutuality.

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BASIC INCOMES

As a socialist I abhor inequality. As an anarchist and a humanist I resist dependency. I believe that only in situations where people are provided with the certainty that they will have an income sufficient to maintain themselves with dignity, irrespective of circumstance, can they be truly free. That is when they are provided with what Goodin (1992) described as a non-presumptuous income guarantee. In order to ensure that the state does not transfer dependency from the collective to the family, the income guarantee must be paid to the individual.

THE CONFUSING APPEAL OF DEPENDENCY

Conservatives, because of their attraction to inequality, their abhorrence of society-wide plans, find great attraction in residual welfare run by charities. Liberals, and economic fundamentalists of all hues celebrate "self provision" and therefore inequality. Their promotion of individualism and freedom from restraint in the market place leads them to denigrate social security because it requires tax raising to fund it and because they believe it saps people's initiative to provide for themselves.

Debates about income provision get smothered in rhetoric about undeserved benefits accruing to many recipients. They argue that welfare should only be provided to those "who are truly needy through no fault of their own". It is denied that whenever discretion about eligibility and amount of assistance is allowed there is at least the potential for errors of judgement being made by the people administering the scheme.

In 1983 a group of low income earners in the Northern Territory describing the Territory's welfare department wrote:

"It is not possible to obtain clear guidelines from this Department as to whom it assists, under what conditions, or at what rates it pays people who approach it. The Community Welfare Section of the Department hides behind the oldest trick in the Welfare system: it claims to assist people in NEED but then refused to specify what it considers to be need. The combined experience of our members is that there is no consistency in the way this Department handles people who approach it" (Colie, 1983:1).

David Criffith had reviewed emergency relief distribution throughout Australia some eight years previously. He concluded: "Discretion as it applies to the present provision of emergency relief is a euphemism for discrimination" (Griffith, 1975:27). Twenty years later little has changed in the provision of emergency relief; yet this is the direction in which governments on both sides of the Tasman would like to see the welfare system, including income support, move.

INCOME GUARANTEES

One question which those of us who want to see every person in our nations guaranteed an income capable of sustaining them in dignity have to address is: If such an income support system was implemented would it result in the fears of economic fundamentalists, liberals and conservatives being realised?

A related but far less politically important point is: Should such an income support regime be implemented would it meet the aspiration which socialists have of it?

A confounding feature is: Following such a change to income support would many people who are advantaged by the existing system (including those who make their living out of other people's poverty) be detrimentally affected?

The last question we must address is: What would be the major advantages to society and to individuals in moving to introduce a basic income scheme?

It will be obvious that I have not asked: Can we afford to introduce a guaranteed minimum income scheme? I have not done so because the answer has already been provided by leading economic writers in many countries. (Rhys-Williams, 1943; Friedman, 1968; Henderson, 1975; Gorz, 1985;

van Parijs, 1992; VCOSS and Good Shepherd, 1995; Watts, 1995; Rankin, 1996; Stilwell, 1996; Ritchie, 1997).

QUESTION ONE

If a universal income support system was implemented would it result in the fears of economic fundamentalists, liberals and conservatives being realised?

To answer this question we have to admit that once a basic income was in place people would not be able to be forced to work by sheer economic necessity. The entire sociology of work is predicated on the belief that people work for many reasons other than economic necessity (Tomlinson, 1991) and the Australian experience in relation to the one income guarantee experiment supported such a belief (Liffman, 1978). In any case even if there was a 10 per cent decrease in the labour force this would not affect the total number of employed people in Australia. It would result in a dramatic drop in the number of people recognised as unemployed.

We would have to admit also that stigma, uncertainty, capricious rejection and enforced poverty would in large part be removed from the income support system. There would be a decrease in dependency thereby lessening subordination and marginalisation as people came to treat the receipt of their basic income as a right of citizenship or permanent residency.

But conservatives and liberals could console themselves with the knowledge that even though we had in Lady Rhys-Williams' words (1965:163) put in place "a " floor" below which he cannot fall" without installing "a ceiling beyond which he cannot rise". There would be continuing inequality, the system of market democracy would still hold sway, class antagonisms would still be there, they would still be able to assert their superiority over non-owners of capital.

Choosing the individual rather than the family or the household as the unit of income for the purpose of the income guarantee would, in Australia, bring the income support system into line with the taxation system and lead to greater efficiencies. This simplification, this (in economic jargon) "removal of an inefficiency" should endear itself to the economic fundamentalists. Conservatives might initially fear that the nuclear family could dissipate once the "traditional" dependency ties were no longer in place. We would need to point out that, compared with the existing income support system, payment to individuals would actually provide a financial incentive to keep families together in order to share rent and household costs. Currently in Australia people deemed to be cohabitating couples are financially penalised by the existing system of income support.

The market liberals and economic fundamentalists would quickly find that the provision of a basic income would increase the spending power of less affluent

households thereby expanding the size of the market economy. They would also find that many people used the basic income as a launching pad to get into business. Because some of everybody's wage would be paid by the state, employers would find the price they paid for labour (excluding taxation) would actually decrease without the dissatisfaction which reduced wages usually bring in their wake.

QUESTION TWO

Should such a universal income support regime be implemented would it meet the aspiration which socialists have of it?

Because whatever form of income guarantee, which might conceivably be introduced on either side of the Tasman Sea would at best provide a modest level of income, it will not satisfy socialists' aspirations for full blown equality. It would provide a sound basis from which to work for more egalitarian societies and to build, empowerment through solidarity" (Bleasdale and Tomlinson, 1996).

QUESTION THREE

Following a change to universal income support would many people who are advantaged by the existing system (including those who make their living out of other people's poverty) be detrimentally affected?

Existing categorical benefits and pensions differentially reward some categories of recipients compared with those who are less socially valued. A Basic Income would distribute funds equally, whilst a Negative Income Tax and a Guaranteed Minimum Income would distribute funds in inverse proportion to other income obtained by an individual. Therefore were an income guarantee introduced then some who are currently advantaged by the existing system of income support would be treated equally with those who are currently disadvantaged.

There are people employed to categorise income support applicants who, once an income guarantee scheme was introduced, would no longer be required to exercise such functions. They would need to find something socially constructive to do with their lives. At least they, unlike many of the people they now cut off benefits (leaving them without any form of income support), would have an income guarantee to sustain them in their search for a socially productive job.

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QUESTION FOUR

What would be the major advantages to society and to individuals in moving to introduce a basic income scheme? The main advantages of introducing an income guarantee would be that it would lessen dependency, create greater certainty amongst vulnerable people, inhibit bureaucratic pettiness, lessen stigma, ensure people were financially capable of having sufficient on which to live with modest dignity, provide non-threatened flexibility in the labour force, ensure that no permanent resident of the country was excluded incorrectly from income support and free people to make a socially useful and environmentally sustainable contribution to their society.

CONCLUSION

Governments, conservatives and economic fundamentalists are unified in their use of dependency rhetoric to reinforce the subordination and marginalisation of welfare recipients. They happily suggest the poor are dependent without asking why, or what that "dependency" means. They happily ignore the fact that, it is the failure of government to provide low income earners with a Basic Income which causes their "dependence". People need an income to survive and if it cannot be obtained through paid labour then it is hardly surprising that they rely upon the income support provided by the state.

If dependence was really the problem then dependency could be abolished by introducing a universal income guarantee for all permanent residents of a country. What we know is that governments, conservatives and economic rationalists believe if they constantly harp about dependency then they increase the stigma associated with income support receipt, thereby limiting outcomes and reinforcing recipients' need to express gratitude. For governments, conservatives and economic fundamentalists then dependency is the solution rather than the problem.

In this paper I have shown that many of the conservatives' fears about the introduction of a Basic Income are unjustified and that many of the hopes that socialists might have for a Basic Income would not be attained.

But that follow

- workers could not be coerced
- dependency amongst income support recipients would dramatically decrease
- independence and interdependence would be encouraged, and
- we would have laid the foundation to create what Eva Cox (1995) called A Truly Civil Society.

It would be a society which really could claim to represent what conservatives choose to describe as the "common good" though it would be one which remained a long way from installing what socialists call the "general will".

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