

Welfare: The Next Frontier

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JOHN Howard is a leader (tax) and a policy wimp (digital TV) by turns. Nevertheless, there is more reform in him than is sometimes credited. His 'social coalition', somewhat in abeyance while the GST beds down, is an attempt to change attitudes to dependency upon government and to personal and corporate responsibility for a strong 'civil society'. It is more fundamental, more important and will prove more difficult than tax reform. Like many leaders, he is driven more by the right gut instincts than by detailed reasoning. Others must make the case for relying more upon society's 'little platoons'.

In spite or because of welfare expenditure that has increased almost fivefold in real terms since 1960, welfare dependency has increased. We are now so unhealthy that three per cent of the population relies on disability pensions—a proportion that is increasing by about .01 of a percentage point annually. Father-absent families and drug dependency have increased. The incidence of 'serious crime' has risen two-and-a-half times since the 1960s. The unemployment rate is three times higher than at the end of the 1960s and Aboriginal health and life expectancy have barely improved.

Some more disputable trends also accord with experience. One of these is the rise and rise of the complaining class. Where today is pride in shrugging off life's vicissitudes? We exaggerate our grievances and look to blame someone with deep pockets. We deny responsibility not just for our own lives but for family members and our duty to less well-placed strangers. We thus invite others to blame us as feckless and grasping. A vicious circle is entered, 'communities' wither and the 'alienation' described by Marx becomes com-

monplace. Alienation, not xenophobia or rural services, was the root cause of the Hanson phenomenon.

Would the proverbial sociologist from Mars expect anything else? Welfare's ill-effects cannot be entirely dissociated from the good. Where misfortune is profitable, it tends to be exaggerated. One does not have to take a moral position to conclude that we are reaping a harvest of our own sowing.

If I understand Howard correctly, he is trying to lead us toward social welfare that caters better for the genuinely needy *and* has fewer untoward side-effects. He wants a system that is

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more personal, more flexible and more discriminating. Government, which most people will cheat at least a little and which can operate only by rules that are uniform and impersonal, cannot offer these advantages.

The problem is more easily described than the solution. The ideal is of many competing welfare organizations that can deal personally and flexibly with those who seek their aid, while maintaining a safety net that has no more holes in it than has the present one. That such a welfare system would better identify real needs is easy to accept. The difficulty is in

agreeing upon how aid should be rationed. Those who can pay for services should pay, but most of welfare's intended benefits are for those who cannot. For these, too, some form of rationing is required. Small organizations will probably ask people to comply with their views of right and wrong. For instance, they might insist, upon pain of withdrawal of services, that one beneficiary lay off drugs, another stop sleeping around, a third cease beating his partner, a fourth call upon the resources of her wealthy sons, etc. Not wanting to lose a customer to whom government money is tied, organizations will assist people to live these 'better' lives and they will resort to moral persuasion. In itself, this should horrify no-one. Welfare's very existence is based on a value judgement and the various qualifying conditions reflect the government's values. Semi-independent welfare agencies will, however, use more diverse criteria, some of which would not be acceptable to some people. The potential client would, however, be able to choose his welfare provider. If everyone turns him away, then he probably is undeserving. My guess is that there would, in fact, be less unfair discrimination than exists at present.

Government does not have a responsibility to provide welfare payments and services. It has a responsibility to ensure that they are provided by whoever supplies them best. Community-based systems will be imperfect but they offer better-targeted welfare with some associated discouragement of adverse side-effects. If future benefit cheques come with a little lecture on mutual obligation, so be it.

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