

When welfarism takes over, disaster will follow

Noel Pearson

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THE Catholic principle of subsidiarity first articulated by Pope Leo XIII in his 1891 encyclical *Rerum Novarum* is probably the best available guide for determining the proper role of government in the lives of citizens.

The subsidiarity principle holds that the government's role should be limited to those matters that exceed the capacity of individuals and private groups acting independently.

Subsidiarity means that responsibility should be vested in those persons or institutions that are capable of carrying out the service, and those who are close to the issue at hand.

The defence of the realm is appropriately the responsibility of the nation state, but parents are the best holders of responsibility for the welfare of families.

My point in last weekend's article is that the misery of Aboriginal Australia is a testament to the social disaster that results when the welfare state colonises responsibilities that are best held by individuals, families and local communities.

Unhealthy societies or subgroups are those where the principle of subsidiarity is not reflected in their relationship with governments.

Healthy and functioning groups in society are those where governments occupy important but limited roles in their lives. It is worth thinking of the three spheres in people's lives: the public, private and voluntary. All of us move between these spheres.

We are more or less engaged in public life, in receiving services from governments and participating in public processes. A large part of our life is private: where we work, our homes, our education and health choices. While governments may play a large role in providing solutions for some of these things, we make our own private choices about those things that most affect us as individuals.

We would not feel free and would be very unsatisfied if many of the important matters that are central to our private selves were instead subject to public prescription. And then there is our participation in recreational, charitable and religious organisations and activities, which we engage in on an entirely voluntary basis.

The liberal tradition strongly prioritises the private sphere, whereas socialists strongly prioritise the public.

Notwithstanding these longstanding debates, it is enough to say that healthy societies are those where all three spheres are strong and vital.

It is important to keep in mind these three spheres. Because they are in their nature distinct, and the proper rules of individual behaviour within these spheres are distinct. Problems arise when we forget the distinctions between these spheres and blur the boundaries between them.

In the public sphere the fundamental principle is public service. Proper behaviour in the public sphere should be disinterested and the performance of one's public duties should be impartial. One is not supposed to pursue one's own personal or family interests in the public sphere.

In the private sphere the fundamental principle is self-interest. The pursuit of self-interest is proper behaviour in the private sphere. Preferencing the interests of one's own family is not nepotism, it is the key to individual progress and family success. Indeed, the very engine of development lies here.

In the voluntary sphere, the fundamental principle is voluntary contribution. It is improper behaviour to pursue one's self-interest in this sphere. Indeed, this is where social capital is built.

In functional communities each of these three spheres thrive and everyone moves between them knowing well what is expected of them in each.

The dysfunctional communities that I have seen in Aboriginal Australia and among disadvantaged white Australians are characterised by the dominance of the public sphere in the lives of people. Government almost monopolises the field, with its endless programs and service deliverers.

The private sphere in these communities is stunted. To the extent that people have the freedom to choose, it is in relation to lifestyle choices. Whereas for highly privileged people libertarianism may be the apex of liberalism, for the underprivileged it ends up being the very definition of dysfunction. Not only is the private sphere small in such communities, the voluntary sphere is also shrivelled.

It is in such places where the leviathan of the welfare state has spread its tentacles into almost every corner of people's lives. And no matter how many service deliverers and programs and budgets have been mobilised in pursuit of development, it has not happened. And it will not happen.

Development in such disadvantaged communities will only take place when the public sphere retreats to its appropriate size and governments perform only their subsidiary functions. Development requires an expansion of private life.

The liberals are probably correct when they say that a strong and healthy private sphere will occasion an expanded voluntary sphere: people who have secured their own interests will contribute to their wider communities.

Does this mean that governments should not ensure social support to the disadvantaged?

Of course not. Governments have a fundamental responsibility to guarantee social supports to all who stand in need of them and to spread opportunity to those who otherwise would not have access.

The \$64 million question of social policy is this: in fulfilling its responsibility to provide support to the needy, how can governments distribute such support in a way that enables the needy to develop their own capabilities, rather than cultivating a learned helplessness and passivity?

We still do not have effective answers to this question in Australian social policy. Governments across the country continue to deliver passive welfare, and the bureaucratic industries that were the subject of my discussion last weekend, are the norm rather than the exception.

No matter how many times governments commit to Closing the Gap on indigenous disadvantage, it ain't going to happen until the principle of subsidiarity is reflected in the role that governments propose to play in this endeavour.

It is important to respond to a correspondent to this newspaper, Stuart Davidson, who wrote the following response to my article: "So now it's the public service that is to blame for the problems in isolated Aboriginal communities. Pull the other one, Noel. What other group of Australians have access to such a plethora of free service provision? Most people would be glad to have these services. And blaming over-provision of services for the lack of responsibility taken by most of the residents in these communities? It's the complete and utter lack of responsibility taken by many in these communities that has created the need for the services the government provides.

"Maybe it's time for the Aboriginal community to stop blaming others (and it is always someone else's fault) and take a look at themselves."

Well, actually Stuart, most people would not be glad to have government service provisioning dominating their lives in the way Aboriginal and other like disadvantaged people's lives are. There is no freedom of private choice and action when governments have assumed responsibilities that are normally undertaken by responsible parents and individuals. That government intervention has crowded out the responsibilities of individuals, families and communities is my point.

It is a misinterpretation of history to say that service provisioning followed a lack of responsibility. Aboriginal people never chose welfare as the basis of their inclusion in the country's citizenship. They wanted equal wages, not welfare. They wanted a hand-up, not a handout. They wanted freedom from discrimination and racism.

But the welfare state regarded Aboriginal people as helpless and hopeless. It has never had any expectations of Aboriginal people. Or disadvantaged people generally. That is why it has stepped into their lives to such an extraordinary degree.

If you treat people as hopeless and helpless, you then create a learned helplessness.

Davidson goes on: "Noel, do you know what the real root is here? That the taxpayer is continually paying to prop up these isolated and unviable communities. If these people were to relocate to larger population areas, think of the money that would be saved and the employment and education opportunities that might exist."

If those on the left side of the political and cultural divide in Australia have had low expectations of Aboriginal people that resulted in disastrous welfare policies, then too many on the right side have harboured a miserable attitude to Aboriginal people truly taking their place in Australian society. Davidson's comment is symptomatic of too much glib thinking in Australian thinking about indigenous policy.

If Aboriginal people from remote areas relocated in the way suggested by Davidson, they would simply join the miserable urban underclasses in Macquarie Fields and other like places. Not to mention the history of governmental control over the movement of Aboriginal people in and out of these remote communities for most of the 20th century. It is far too late in the day for such people to be prescribing relocation policies for Aboriginal Australians: enough damage has been done over two centuries in pursuit of such arbitrary policies.

Noel Pearson is director of the Cape York Institute for Policy and Leadership.