

Introduction

I BEGAN WRITING the essays that have grown into this book because of concern over two issues. The first was the erosion of social-liberal political traditions in Australia and New Zealand, the two countries in which I have spent most of my life. Things that were distinctive about our political traditions, things that seemed worth keeping in our political heritage, were disappearing before they could even be placed on the endangered list.

I was particularly struck by a statement by a leading Liberal politician that governments should be judged in accordance with 'how lightly they touch our purse'. This was very different from the social-liberal view I was familiar with: that governments should be judged on the extent to which they provide equal opportunity. It directly affected me as an equal employment opportunity practitioner and as someone involved in equal opportunity policy both inside and outside government. There has been relatively little published on the shifts within the liberal tradition in Australia—and certainly nothing comparable to the flood of material on whether the Labor Party has 'betrayed' the labour tradition and what that might mean. In the centenary of federation, officially subsidised history ruled out much of the liberal tradition as a deviation from the new orthodoxy, the light touch on the purse.

The second matter of concern was the lack of academic feminist interest in the nature of social liberalism, particularly as a framework for the moral claims of the women's movement. It seemed to me that social liberalism had been important historically in justifying state intervention (whether in the market or in the family) and continued to be far more congruent with the expressed demands of the women's movement than any alternative theory of

2 *The Ethical State?*

the state. There are varieties of liberalism, and feminist writing, often highly critical of liberalism, appeared not to distinguish between them.

A substantial body of work had been published in the United Kingdom making such distinctions and resurrecting the ideas of the social liberals—a wealth of scholarship to which I am much indebted. From the perspective of Australia, however, it is notable that this scholarship displays relatively little awareness of how social-liberal ideas influenced institutional developments here. Knowledge of the institutional impact of ideas provides new perspectives on the ideas themselves. It would also be true to say that scholarship on 'British idealism' has been largely untouched by feminist scholarship and uninterested in the relationship between social liberalism and the women's movement. This is odd. To take family allowances as only one example, this was a major cause both for social liberals and for international women's organisations in the early twentieth century. Family allowances were pioneered by social liberals, such as William Beveridge at the London School of Economics and Seebohm Rowntree at the Cocoa Works in York.

Social liberalism is not a revolutionary philosophy and hence, perhaps, lacks romance. Its watchword is social reform rather than social revolution. Nonetheless, in today's world of global markets and economic rationalism, its concept of the ethical state is not unattractive. It involves much higher expectations on the part of citizens concerning the duties of the state than our governments have been anxious to encourage in recent times. The goal that all citizens, regardless of market bargaining power, should have equal opportunity for self-development is surely a legitimate goal and one on which the legitimacy of the state should rest. This book explores whether the social-liberal vision, and the welfare state which partially embodied this vision, have indeed run their course and, if so, what the implications for female citizenship are.

But where did social liberalism come from? Australasian political tradition has often been described in terms of utilitarianism and pragmatic attitudes towards the role of the state. Certainly British settlement coincided with the utilitarian turn in liberalism, the debunking of notions of natural rights, and their replacement by the greatest happiness principle. Policy was to be directed to achieving the greatest happiness of the greatest number and in the aggregation of preferences everyone was to count as one and no-one for more than one. This was a materialist philosophy, which

saw society as simply a mass of individuals, each seeking pleasure and striving to avoid pain, and no moral judgments were to be made of their preferences.

Utilitarianism, or the use of the state to provide material happiness for its citizens, is the basic ingredient of the ‘Australian settlement’ or ‘protection all around’, as described by commentators from W. K. Hancock to Paul Kelly. I believe, by contrast, that to understand the Australian political tradition one must also understand the importance of idealist liberalism at the time of Australia’s nation-building. This is the less well-known story of how late-nineteenth-century, English-speaking liberalism borrowed Hegel’s critique of contract and developed a neo-Hegelian conception of the ethical state. Hegel was the great nineteenth-century German idealist philosopher who believed that reason was progressively unfolding itself in the political institutions of the state. The self-enclosed altruism of the family and the universal egoism of civil society could be contained and transcended through modern political institutions directed to the rational pursuit of the common good.

The key figure in reorienting nineteenth-century liberalism from utilitarianism to idealism and from a negative to a positive definition of liberty was professor of moral philosophy and Oxford town councillor, T. H. Green (1836–82). He published little during his lifetime; his profound influence on a generation of liberal reformers came through his teaching at Oxford and the example he provided of active citizenship, as well as through the posthumous publication of his work. His most famous lecture was ‘Liberal Legislation and Freedom of Contract’ (1881), in which he set out the concept of positive liberty or the power to make the best of oneself—as contrasted with both the negative liberty (‘freedom from’) of classical liberalism and the pleasure principle of utilitarianism. His many followers, including subsequent prime ministers as well as philosophers, disseminated his ideas through their writings and through the settlement movement. The settlement movement took university students into residence in slum areas to undertake social work and social research.

I generally call this movement of ideas into action ‘social liberalism’, although in its day it was the ‘new liberalism’. Today new liberalism is too easily confused with ‘neo-liberalism’—a form of liberalism based on market freedoms and rejection of state interference, the opposite of the new liberalism of the 1880s and 1890s. Social liberalism is also the more familiar term in Australia,

although the booming British literature on the subject continues to use the terms ‘new liberalism’ and ‘British idealism’. Both will be found in this book.

The generation of British liberals influenced by Green was rejecting shibboleths of earlier liberalism, including the concept of abstract rights-bearing individuals and the primacy of contract. They saw themselves as part of the evolution of liberalism: the preoccupations of earlier liberalism were to be explained by the struggle against the privilege and corruption of the aristocratic state. In the new era the struggle for liberty had to be concerned with the inequality in social, economic and political power flowing from industrial competition. ‘Freedom of contract’ was no longer the cutting edge of liberalism and had become a watchword for oppression. The social liberals did not seek the abolition of the market economy but believed that it must be subordinated to the democratic state which put the welfare of its citizens before the sanctity of contract and the rights of property.

The social liberals, particularly D. G. Ritchie who was widely read in Australia, developed the concept of the legitimacy of ‘state interference’ in the interests of equal opportunity and fairness. It was fortuitous that such ideas were at the height of their influence at the time of nation-building in Australasia, and timing and sequence is of major importance in explaining Australasian ‘exceptionalism’. When Green’s ideas arrived in Australia they found fertile ground. Green’s concept of active citizenship inspired a partnership between social science and social reform. It was a gender-inclusive concept in which both men and women were to be strenuously engaged in active citizenship. Anti-sweating leagues and other social-liberal causes were remarkable for the number of women appearing on their platforms. By examining specific instances of policy development, such as compulsory arbitration and old age pensions, we gain a clearer understanding of social-liberal ideals and the sometimes contradictory approach to equal opportunity for women.

Green’s critique of oppressive contracts became embedded in the new institutions created in Australia and New Zealand for the compulsory arbitration of industrial disputes. Liberal legislators in the period 1890–1910 shared with emerging labour leaders a belief in the state as the vehicle of equal opportunity for coming generations. The liberal idealism of those who developed the arbitration system led to early interpretations of arbitration as the highest phase of liberalism. The increased strength of trade unions

was a desired effect rather than a cause of this institutional innovation. The institutionalising of social liberalism in the new federal industrial relations system created a path dependence that lasted for almost a hundred years. The theory of ‘path dependence’ describes the way that human affairs will tend to course along paths already cut into the landscape, saving on the risks and costs associated with beating new paths.

While social liberalism began by focusing on the inequalities of class, it created discursive opportunities for feminism and later for other social movements. Social-liberal ideas about citizenship as service, and the entitlements deriving from such service to the community, were embedded in the way old age pensions were introduced in Australia and New Zealand. This established a pattern for Australian social security that is still relevant today. Pensions were an entitlement of citizenship, regardless of whether citizenship had involved paid or unpaid service to the community. Those introducing pensions ruled out a contributory basis for pensions on the grounds that this would discriminate against women. Service to the community included motherhood and it was pointed out that those performing such service often suffered poverty in old age. Indeed, women were the major beneficiaries of old age pensions from the time of their introduction. They also benefited from the shape given to the income tax system by the social liberals and from the later introduction of child endowment or family allowances paid to the mother.

In fact, social liberalism was operating more broadly to feminise thinking about the state. The nightwatchman state of laissez-faire liberalism underwent a sex change as it developed into the welfare state, before eventually being denounced as the ‘nanny state’ by the neo-liberals of the late twentieth century. In his philosophy, as in his life, Green was reconceptualising the relationship between public and private values, or between the family and the state. This involved the extension of the ‘maternal’ values of care and compassion from the family into the state (maternalising the state), while on the other hand the ‘masculine’ values of autonomy and equality were to be extended into the family.

This evolving liberal view of the relationship between public and private spheres both coincided with and provided much of the framework for the demands of the late-nineteenth-century women’s movement: the demand for greater state intervention in families to protect the rights of individuals on the one hand and, on the other, the assumption of caring roles on the part of the state

towards vulnerable members of society. Women were at the forefront of advocacy concerning child welfare, as well as consumer protection and the regulation of sweated labour. Achievement of the goal of equal opportunity required the extension of the liberal values of autonomy and choice to the domestic realm, as in the nineteenth-century ideal of ‘companionate marriage’. It also entailed the ‘domestication’ of the public sphere through the development of the public organisation of caring.

Male social liberals, however, were often insensitive to the limitations to equal opportunity posed by the assumption that women would become financially dependent upon marriage. They did not see how this assumption, that women would leave paid work to become financially dependent on a husband, would affect the careers open to women or the status of women inside and outside the family. Their ideas were challenged, however, by others for whom improvement of the status of women was a central issue. Feminists had been engaged in separate institution-building from the 1880s in order to articulate their own versions of social liberalism and bring pressure for a more inclusive version of equal opportunity. The century-long waltz between feminism and social liberalism is a central theme of this book and provides the title for Chapter 4.

The right music was not always playing for this dance; it was disrupted by war and by Depression, and by the falling back on the old remedies of retrenchment. But just as feminist institution-building in the 1880s helped enlarge social-liberal discourse, so a renewed wave of institution-building in the 1970s helped expand the equal opportunity discourse of Labor reformers such as Don Dunstan and Gough Whitlam. In turn this expanded discourse facilitated the relatively strong development here of ‘state feminism’, as well as of access and equity policies relating to cultural and other forms of difference such as disability.

Just as social liberalism had inspired innovative state institutions at the turn of the century, so from the 1980s Australia became known for its feminist engagement with the state and for the new policy machinery pioneered by its ‘femocrats’. By the beginning of the twenty-first century, Australian innovations such as gender budgeting were being emulated around the world. These initiatives assumed that public policy would have a different impact on men and women because of their different location in and relationship to the labour market, and that the development of public

policy must be informed by knowledge of this differential impact. They were an attempt to address through the state more complex issues relating to equal citizenship than were originally encompassed by equal opportunity discourse.

In addition to the pattern of engagement and disengagement of feminism with social liberalism, another issue is raised by the relationship between social liberalism and federalism. There appears to be a contradiction between federalism, theorised by the American founding fathers as a means of dividing and limiting government, and the ethical state, where equal opportunity is delivered regardless of the social or geographical location of citizens. This perceived contradiction has resulted in equality-seeking organisations seeking greater power for the centre. The alternation between growth of federal responsibilities and recurrent proposals for devolution provides the counterpoint to the waltz between feminism and social liberalism.

This tendency to seek more power for the centre has not been balanced in Australia by a coincidence of feminism and nationalism at sub-national levels, as in Quebec where francophone feminists have supported centrifugal claims for cultural recognition. Examination of the gendered implications of the federal compact raises the further issue of the nature of the decision-making between component governments, and the secrecy and lack of accountability of 'executive federalism'. Standard arguments from the federalism literature that federalism facilitates policy innovation, by enabling social experiments in one jurisdiction, have their attraction. But while sharing of best practice in intergovernmental forums has sometimes been beneficial for equity initiatives, the implications of executive federalism are more problematic. Intergovernmental decision-making has been notorious for secrecy and lack of democratic accountability, including accountability for gender impact.

In addition to federalism, the nature of the Australian Labor Party (ALP), as the most important vehicle of social liberalism for much of the twentieth century, must be taken into account. The emotional geography of 'laborism' presents important obstacles to equal opportunity for women. Women were not originally seen as part of the core constituency of the 'workers' party', although they had a role to play as wives and mothers. Despite overt commitments to social equality, laborism included a sentimental attachment to the right of the male worker to maintain a

dependent wife and family. This hankering after the family wage survived both the large-scale entry of married women into the labour market and the victories of the women's movement in winning equal pay decisions. While similar parties overseas today enjoy majority female support thanks to women's prioritising of welfare state issues, the ambivalence of the ALP over its constituency has made it harder for it to capitalise on what should be its natural advantage.

If in the nineteenth century the ethical imperatives of social liberalism helped fuel feminism, by the late twentieth century feminist critics were often seemingly oblivious to the complexity of the liberal tradition. There was a failure to grapple with the shifts in liberal thinking across time and place. When arguing that liberalism is incompatible with feminism, for example, feminist critics are usually focusing on John Locke, rather than on T. H. Green. Standard feminist criticisms of abstract individualism and public/private boundaries are misdirected if we are thinking of late-nineteenth-century social liberalism. The 'new liberal' individual of the 1880s was connected and interdependent in a way quite unlike the self-reliant, rights-bearing individual of John Locke or the competitive utility-maximising individuals of classical political economy.

Feminists have often used American critiques of liberalism as a point of reference, without acknowledging that the object of these critiques was somewhat different from liberal traditions at home. American nation-building preceded that of Australia by more than a century and was inspired by a different form of liberalism. American political institutions embodied an earlier era of liberal thought, grounded in theories of natural rights and in the paradigm of contract as the only relationship between rights-bearing individuals compatible with liberty. As we have seen, by the 1880s the new liberals fanning out from Oxford believed that in the industrial era the struggle for liberty required new concepts. In conditions of gross inequality, contract easily became a means of oppression rather than a means for freely-choosing individuals to achieve mutual benefit. Contract corresponded to the old negative or 'hands-off' idea of liberty; it needed to be replaced by the new idea of liberty in which interference with contract might well be required. It is with this liberal critique of contract that my book begins.