Australian Conceptions of Poverty

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The end of 1990s presents a time of change and uncertainty for many Australians in the face of 'globalisation', profound economic and social change, especially changes in employment and also to the role of government. In this context, when what nations and communities can and should achieve is being re-examined, this paper asks:

• What is happening to the way Australians think about 'poverty'?
• What are the competing views of causes of poverty?
• What do different groups, including decision makers, think should be done about poverty?

These questions are considered here drawing on a project being undertaken by the Brotherhood of St Laurence. The 'Understanding Poverty' project aims to increase our understanding of different perspectives within Australian society about the nature, causes and responses to disadvantage and poverty. The project's findings will be used to inform advocacy for changes to reduce poverty in Australia.

The early stages of the project have included a critical literature review, questions in an omnibus survey and some pilot focus groups. We are about to commence individual interviews with 'decision makers' and a range of focus groups in the wider community. A process of dialogue and debate will be developed from these.

This paper outlines some of the findings of the literature review.

1. What is happening to the way Australians think about 'poverty'?

Two main approaches have been taken to looking at conceptions of poverty: consideration of policy discourses and a review of research studies of public attitudes and opinions.

International influences and Australian views

There is strong international input, particularly from America and the United Kingdom, in many of the discourses around poverty and related issues in Australia. This input needs to be looked at critically, given many of the key social and economic aspects which differentiate Australia from these countries. For example, the terms 'underclass' and 'welfare dependence' are used in the United States typically to refer to African-American inhabitants of urban ghettos and single mothers. Their use in the Australian context in a very different demographic situation and with a different social welfare system needs careful consideration (Saunders & Whiteford 1989).

In both the US and UK, there has been a major policy shift over the last two decades from 'social justice', (through the provision of benefits and services), to the enforcement of work obligations (workfare) and criminal sanctions in the welfare area (Jordan 1996, p.35). The outcome has been characterised in the United States as 'the war against the poor' (Gans 1995), a far cry from 'the war against poverty' of the 1960s.
A recent review of British poverty research, describes the 'striking paradox' which characterises the contemporary debate about poverty: 'that it has become increasingly concerned with dependency at the very time that inequalities have been growing' (Deacon 1999, p166). He notes that for many commentators the central question is no longer how to redistribute resources, but how to change behaviour of individuals.

Australian debates have reflected similar changes. The discourse of civil society and the public sphere of the early 1970s was seriously challenged, if not entirely replaced, by the discourse of economic rationalism during the 1980s (Pusey 1991) and by the focus on mutual obligation and welfare dependency in the late 1990s.

Public opinion in the nervous nineties

Have the economic and social changes of the 1990s been associated with changes in the Australian public's attitudes to poverty? It is becoming increasingly recognised that the uncertainty experienced by many Australians could translate into a hardening of attitudes towards disadvantaged groups. For example, a Mackay report, based on 16 non-directive groups discussion about Australian society, suggested in the 'nervous nineties' a loss of communal feeling was associated with a less sympathetic attitude towards the unemployed and disadvantaged (Mackay 1995).

Pusey's 1996 study of 400 'middle Australians' explored attitudes about who were winners and losers from recent economic change (Pusey 1997). The respondents felt that, on balance, 'ordinary people' were losers and that their own incomes and job prospects were falling and quality of life declining. They saw as winners the rich, big companies and politicians. Most frequently seen as losers were people on low incomes and small business. People on social security payments were typically seen as losers from the economic change, however a minority (over 20 per cent) saw them as winners, indicating some resentment.

There is only a limited amount of recent Australian research that focuses explicitly and directly on attitudes to poverty. The Social Policy Research Centre's 1999 survey, 'Coping with economic and social change', includes questions on poverty and will provide useful contemporary information when results become available.

Probably the most comprehensive recent study of attitudes to poverty is that commissioned by the Western Australian Poverty Taskforce (ACR 1998). This involved a phone survey of 609 people across the state in 1998, four focus group discussions and 12 interviews with community leaders (ACR 1998). Poverty was not very high among the most important issues identified, unprompted, by respondents - crime and violence was the most frequent issue (identified by 34 per cent of respondents), followed by unemployment (17 per cent), with reducing poverty at seventh place (3 per cent). Issues raised under this category included unequal distribution of wealth, the widening gap between haves and have nots and lack of money for those at the lower end of the scale. However, in responses to other questions, the survey found high awareness and concern about poverty, with 62.5 per cent describing poverty in Western Australia as serious or very serious (ARC 1998).

These Western Australians identified four groups as most likely to be in poverty:

- Aboriginal people (51.5 per cent),
- unemployed people (39.5 per cent),
- pensioners (21.5 per cent) and
- sole parents (19 per cent).
The Western Australian study used some of the same poverty questions as a Victorian telephone survey of 500 people, undertaken by AGB McNair for the Brotherhood in June 1997 (Taylor 1997) (Table 1). These indicate that a greater proportion of Victorians than Western Australians see poverty as a major problem in Australia (64 per cent in Victoria compared with 48 per cent in WA).

In summary, from recent public opinion surveys, Australians consider poverty in Australia as a serious issue (ACR 1998; Taylor 1997), but it does not appear as one of the issues of greatest priority, such as unemployment (ARC 1998; Eardley & Matherson 1998).

2. What are the competing views of causes of poverty?

What people see as the causes of poverty will influence what they see as appropriate responses. In Townsend's words 'Any explanation of poverty contains an implicit prescription for policy' (Townsend 1979, p.64).

The competing views of causes of poverty over a long period of time can (to oversimplify) be characterised as representing structural views, which hold the cause to lie primarily outside the individual in social and economic inequalities, and individualistic views, which see the individual as largely responsible. The language has changed over the years, for example from the 'evil of idleness' in the 19th century to 'dole bludging' or being 'welfare dependent', but similar attitudes remain visible. Studies over time suggest that Australian views of poverty may be more structural than individual while both attitudes co-exist (Feather 1974; Salmon 1978; Johnson 1984, Garton 1990).

In the Western Australian survey (ARC 1998), the majority of people emphasised what were described as structural causes of poverty: The six main causes of poverty (unprompted) were:

- unemployment (59 per cent),
- not having enough education/skills (31.5 per cent),
- low wages and restructuring (14 per cent),
- family breakdown (11 per cent),
- poor handling of money (11.5 per cent) and
- high costs (10.5 per cent).

Eardley and Matherson (1998) provide a recent report on attitudes, both Australian and international, towards unemployment and unemployed people. This raises various issues of relevance to consideration of poverty including change over time and the persistence of both structural and individual explanations for unemployment. From the Morgan polls, the most frequent causes of unemployment changed from laziness in the mid 1970s, to union wage claims in the later 1970s, to world economic pressures in the early 1980s. In the 1990s government mismanagement and world economic pressures were both increasingly causes. However a proportion over time continued to see wilful idleness as the cause.

Whiteford (forthcoming) points out that the ways different societies conceptualise poverty is likely to reflect the complex political balances within that society. He suggests a spectrum of five political theories of poverty ranging from the socialist to the neo-liberal, as follows:

- Poverty and inequality are structural features of capitalist societies, and are not amenable to 'welfare state' interventions, or poverty and inequality are 'functional' for capitalism. (The socialist perspective)
• Poverty and inequality are the result of social organisation under capitalism, but are dysfunctional and can be alleviated by welfare state policies. (The social democratic perspective)

• Inequality is necessary for the functioning of the economy. Policy should be concerned with economic growth, which can reduce poverty and alleviate the worst excesses of inequality. (The classical liberal perspective)

• There is no 'real' poverty in developed countries like Australia, the USA or the UK. (The conservative perspective)

• The real problem is not poverty but welfare dependence and the growing underclass, which are caused by the welfare state policies ostensibly designed to alleviate poverty and inequality. (The neo-liberal perspective)

He notes mainstream poverty research in Australia is undertaken almost entirely from the social democratic or traditional liberal perspective.

3. "What do different groups, including decision makers, think should be done about poverty?

Responses to poverty: public opinion and the role of government spending

Studies of public opinion over time have tended to show Australians placing quite a strong emphasis on government spending to reduce poverty.

National social surveys of attitudes to government spending on welfare provide some insight into what the public think should be done about poverty (for example Papadakis 1990, 1994; Kelley & Bean 1988; Graetz & McAllister 1994). The International Social Survey (ISSP) study in the mid 1980s, showed Australians were overwhelmingly in favour of the government taking responsibility for providing health care for the sick and a decent standard of living for the old. Over half said the government should reduce income differences between rich and poor, provide a decent standard of living for the unemployed and provide a job for every one who wants one. In terms of international comparisons, Australians were more in favour of these government interventions than Americans, but generally less so than Europeans (UK, West Germany, Austria and Italy) (Bean 1991, p.80). Unfortunately recent ISSP survey results have not been available.

Recent studies continue to show Australians believe that governments are able to act to reduce poverty and give strong support to government spending to reduce poverty. In Pusey's study of Middle Australia the majority felt the government could do 'quite a bit' to reduce poverty (71.2 per cent), to reduce unemployment (70.9) and to reduce the gap between rich and poor (59.6). In the Western Australian survey (ARC 1998) almost two thirds said governments were not doing enough to reduce poverty. The two major solutions to reduce poverty were to create jobs and improve education. Respondents supported the importance of maintaining a strong and compassionate welfare system in Australia: 62 per cent agreed that it is important to maintain a better welfare system in Australian than there is in the USA. Focus group participants said they did not want to see the level of poverty increase in Australia to the point where we have 'cardboard cities' that they associate with some American and European cities.

A 1998 national survey for Uniya found 42 per cent of people in favour of government increasing tax by one or two cents in the dollar to support families in need. Some 36 per cent
favoured the status quo while 18 per cent wanted spending cut and taxes reduced, while the remainder did not indicate a preference (Baldry & Vinson 1998).

**Australian decision makers and poverty discourses**

'Decision makers' comprise an important group whose views and understanding can shape the future in critical ways. The views of decision makers becomes especially important as, with increasing inequality, their different income and lives are likely to have rendered them more out of touch with the struggles associated with poverty and hardship as it exists now.

The views of Australian decision makers about poverty-related issues have not been particularly explored by poverty researchers. However there are studies and writings from which some comments of relevance can be gleaned. For example Pusey's (1991) study of senior bureaucrats in Canberra in the 1980s, documenting the dominance of economic rationalism.

The dominant discourse among many of Australia's 'decision makers' would seem to be that of neo-liberal economic rationalism which assumes that, in principle, economies and markets deliver better outcomes than states, governments and the law (Pusey 1998). There is policy debate about the supremacy of 'the market' and the economy over 'society' and social well being, with some attempts to return the 'social' to a place of policy prominence (for example Argy 1998, Australian Economic Review 1998).

Something of the debate between the economic rationalist approach and others is illustrated in contrasting articles on equality in the *Australian Business Monthly*. In writing of 'Equality: why we can't have it' Jonson (1995 p.46 ) comments: 'Successful growth both requires and produces inequality'. He writes of state assistance to those at the bottom reducing the incentive to work and encouraging the milking of the welfare system and of creating a culture of dependency. An accompanying but contrasting article 'Equality: why we need it' questions the economists of the right and quotes European research establishing that income equality in a democratic society will in fact generate greater economic growth (O'Reilly 1995 p.42).

Mendes (1997) also considers these conflicting discourses and summarises the New Right's critique of the welfare state and presents the opposing views of their critics.

On the basis of recent national polls Eckersley (1998) suggests that many Australians are identifying economic restructuring as a problem while governments persist in seeing it as the solution to our situation

**The Understanding Poverty study**

The *Understanding Poverty* project aims to explore different perspectives in Australian society on economic disadvantage and poverty. A central part of the research will be listening to the ideas of people who are identified as being particularly influential in the areas of economic and/or social policy. This will involve up to 25 individual interviews with people in key positions in politics, the media, business, unions and the wider community. We will also be holding some 20 focus groups with diverse groups across three states and in rural and urban areas. These will involve small business, union, church and other groups.

**Conclusions**

Answers to the questions about the extent conceptions of poverty are changing and what influences such changes remain elusive. Various writers identify "Key factors of a changing
context over the 1980s and 1990s, including the increase in inequality between rich and poor, the impact of 'globalisation' on local economies and the development and dominance of the discourse of economic rationalism. Studies suggest both changes and continuities in conceptions of poverty.

The available studies also suggest divergence between the current policy emphasis on small government - reduced government spending, deregulation and privatisation - and public opinion. Research of public opinion shows resentment expressed against government and big business and a belief that government could and should be doing more to reduce poverty.

We hope that the next stages of the Understanding Poverty project will add to our understanding of what poverty means to various groups of people in Australia and contribute to the debate about how poverty can be reduced. Being informed about the different perspectives of poverty current within the Australian society is an important step to developing dialogue about, and action towards, the sort of society in which we wish to live.

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### Table 1: Attitudes to Poverty, Victoria 1997, Western Australia 1998

1. Now I'd like you to think about some current issues in Australia. When you think of poverty in Australia do you think it is?

<table>
<thead>
<tr>
<th></th>
<th>Vic 1997</th>
<th>WA 1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>A major problem</td>
<td>64%</td>
<td>48%</td>
</tr>
<tr>
<td>A minor problem</td>
<td>32%</td>
<td>46%</td>
</tr>
<tr>
<td>Not a problem at all</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Don't know</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

2. Who should take the major responsibility for reducing poverty, should it be?

<table>
<thead>
<tr>
<th></th>
<th>Vic 1997</th>
<th>WA 1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to the individual</td>
<td>6%</td>
<td>9.5%</td>
</tr>
<tr>
<td>The government</td>
<td>40%</td>
<td>24%</td>
</tr>
<tr>
<td>The business community</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Welfare organisations</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>A combination of the above</td>
<td>48%</td>
<td>64%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Don't know</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

3. Which group in the community do you think welfare agencies should be helping?

<table>
<thead>
<tr>
<th></th>
<th>Vic Help a lot</th>
<th>WA Help a lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>People who are unemployed</td>
<td>42%</td>
<td>42%</td>
</tr>
<tr>
<td>Homeless people</td>
<td>72%</td>
<td>70%</td>
</tr>
<tr>
<td>Aged people</td>
<td>67%</td>
<td>75%</td>
</tr>
<tr>
<td>Sole parents</td>
<td>29%</td>
<td>34%</td>
</tr>
<tr>
<td>Newly arrived migrants</td>
<td>23%</td>
<td>17%</td>
</tr>
<tr>
<td>Aboriginal people</td>
<td>41%</td>
<td>34%</td>
</tr>
</tbody>
</table>

References


Bean, C 1991, 'Are Australian attitudes to government different?: a comparison with five other nations', in Australia compared: people, policies and politics, ed. F Castles, Allen & Unwin, Sydney.


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