‘Individualised and market based assistance: a critical appraisal of Australian housing policymaking’

Keith Jacobs
Key questions

• Why are policymakers advancing market based reforms and individualised forms of service delivery?
• What are the impacts of market based reforms for welfare organisations and low income households?
• At a time of rampant neoliberalism, how can we engage in forms of intervention that advance a more progressive reform agenda?
The age of anxiety

The age of anxiety – ‘we have entered an age of insecurity – economic insecurity, physical insecurity, political insecurity. Insecurity breeds fear. And fear – fear of change, fear of decline and fear of strangers and an unfamiliar world – is corroding the trust and interdependence on which civil societies rest’ (Judt 2010).
Understanding Neoliberalism

• Neoliberalism is bad for poor and working people and we must oppose it’ (Ferguson, 2011).
• Seeing NL as some Leviathan operation that we have no agency over
• Connect variegated practices and understand these as features of a system.
• Risk that we dissociate from all that we don’t like and project onto others culpability for what we think is wrong.
Reframing neoliberalism

• Poverty in the midst of plenty doesn’t reflect some unalterable law of nature; it reflects the existing social organisation of power (Wright 2011:37).

• A compelling moral narrative but critiques of NL ‘remain chronically constricted in their capacity to reflect seriously on questions of institutional design, political organisation and economic coordination’ (Barnett 2005:10).

• Seeing the world in terms of good and bad. Projecting all the major problems of society onto an elite is tempting but is it good sociology?
Contemporary Reform Agenda

• Policies are demand focused rather than attentive to supply issues
  • Extension of choice through market based mechanisms and flexible forms of service delivery.
  • Stock transfer of public housing to community housing agencies
  • Client based support programs for the homeless
  • Homeownership support via subsidies
  • Inputted tax subsidies for homeowners and rental investors.
REVERSE WELFARISM

Annual government expenditure on housing policy (Kelly, et al. 2013)
Shortfall in social housing.
Investigative Framework

Rationale

Individualisation

Mechanism

Choice

Via the market design
e.g. CRA individualised payments

Via service design
e.g. tenant participation
wrap around models

Implementation and delivery

Goal

Individualised service
Tailored to individual needs - cost effective
Australian examples

Via Market Design
- Commonwealth Rental Assistance
- Privatisation and stock transfer of public housing
- Private Rental Support Schemes
- Aboriginal Homeownership Schemes
- NDIS

Via Service Design
- Wraparound care provision
- Specialist homeless services
- Active support ‘transition to retirement’
- Tenant and consumer engagement projects
Programmes that are not consistent with an individualised approach?

• Stringent allocation policies
• Prescriptive housing management practices
• ‘No choice’ forms of service delivery
• Institutionalising people living with disability
• 3 strikes approach to anti-social behaviour
International examples of individualisation practice

• Universal credit UK
• Choice based lettings NL
• Insurance home care NL
• Housing Vouchers US
• Tenant Participation and Cooperatives DK
Risks of imposing competition on housing organisations

• Individualisation through market mechanisms and customisation of services changes the dynamics of service provision. Competition can engender an organisational culture in which other service agencies are seen as threats rather than as collaborators.

• Additionally, competition can accentuate an overt focus on short-term performance goals at the expense of welfare and relational aspects of care.
Demand side interventions and quasi markets

• One widely used means of individualisation is demand side assistance to improve access to *existing* private rental housing markets. The research found that this type of assistance is of limited effectiveness if the market does not respond through improving supply.

• Another means of individualisation is through *creating* markets (or quasi markets) for welfare services. This entails private, not for profit and government organisations competing to provide different types of housing assistance. Housing assistance clients could have a personal budget to access the ‘bundle of assistance’ they require. There are practical difficulties in applying this approach to housing assistance which involves assets as well as services.
Resistance and forms of intervention

• ‘In psychoanalytical language, resistance as a concept is far closer to defensiveness than to freedom; you resist when you don’t want to budge’ (Rose: 1995:6).

• Is it a form of redemptive fantasy in itself to believe that, in the world of publicly engaged action, you can step forth free of mental embarrassment (Rose 1995:8).
Working through the market not against it?

• Is it possible to rework ‘individualisation’, commonly associated with neoliberalism, and appropriate it in a way that is more aligned to notions of social justice?

• Empirical experimentation rather than moralistic denunciation – ‘a left art of government’ (Ferguson, 2011).
Conclusions

• Demand side initiatives to extend ‘choice’ will have only limited impact.
• Market based reforms, expensive and difficult to oversee
• Promoting ‘housing’ as an investment good through generous tax arrangements or as an opportunity for ‘profit’ has accentuated problems for low income households
• Marginal private rental sector likely to become a permanent feature of the housing system.
• No substitute for **sustained investment** to boost the supply of social housing.
• Resistance is necessary starting point but not an endpoint for challenging neoliberal ideology.
A productive engagement?

• Look for empirical examples that advance progressive alternatives.
• Analyse institutional design and strategies.
• Pursue individualisation via service design rather than by competition.

But avoid the temptation to be a cheerleader, uncritically extolling the virtues of promising experiments (Wright 2011).


