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Integration crisis/  
or, why ~~Culture Wars~~  
now?

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Fighting Obama, not Osama, in the War on Terror?

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‘If I was running al-Qaeda in Iraq, I would put a circle around March 2008 and pray as many times as possible for a victory, not only for Obama, but also for the Democrats.’<sup>1</sup> There is an astonished silence. It is February 2007, in an election year in Australia. The Australian Prime Minister/ John Winston Howard/ has just finished saying that the American Democrats are aiding terrorism. The domestic implication is that those Australian political parties who have criticised the Iraq War are also, objectively, on the enemy’s side. Even the neoconservative Republican President/ George W. Bush/ appears shocked.

He shouldn’t have been. Describing the democratic opposition as supporting terrorists was only the logical consequence of the growth of postmodern conservatism in Australia (and ~~America~~) for the previous decade and a half. What should alert Australians is that this was unmistakably the rhetoric of political authoritarianism. The Howard government, and the postmodern conservative intellectuals in the supporting media, had come to embody a political attitude that brooks no opposition, tolerates no dissent and suppresses efforts to contest its legitimacy. Even at the time, commentators quickly accepted that Howard’s pre-emptive strike on Obama was only a fresh thrust in the

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9 postmodern conservatives' culture wars. The idea that Australian culture is a battleground tells us a lot about the new conservatives' worldview. It goes a long way to marking out the difference between Australia's new conservatives and the more principled conservatives of the Menzies era.

We want to understand why Australia's culture wars are so central to the new conservatism. In part one, we looked at the political history of the postmodern conservatives, before and during the Howard years. In part two, we will challenge the complacent view that the Right's culture wars are a mere distraction from the main economic game. We argue that the culture wars are absolutely central to the new conservatives' continuing agenda, so they are unlikely to disappear any time soon. But far from wholly dismissing this New Right, we propose that the postmodern conservatives correctly identify a major set of social issues. The main problem is a decline in social solidarity in Australian society, with the threat of the increasing break-up of the moral bases of social cooperation. It is true that the Right has exaggerated this crisis of social integration, and worked out how to turn it to political advantage, in campaigns against minorities and 'elites', and for 'law and order'. Yet the present Rudd government faces the symptoms of this decline in Australian social integration, as much as its predecessor.

trs What troubles us is the postmodern conservative solution to this problem of social integration. We criticise it firstly for its political implications, noting its drift towards an increasingly authoritarian state and divisive, bitter public debates. These are both tendencies that can only compromise Australia's democratic institutions. Second, we argue that the postmodern conservatives' proposed solutions to the integration crisis exacerbate the very problems they set out to resolve. Culture wars further divide the Australian people in order to electorally conquer, and to supercharge the new economy. If social cohesion is really the aim, a program of calculated division or 'wedging' the Australian electorate is hardly the way to go.

This chapter provides a theoretical background. Chapters six to eight will then flesh out the central arguments presented here in detail, analysing the levels of culture, society and personality in turn. Together, these chapters outline our larger framework for understanding the culture wars as part of the postmodern conservatives' attempts to maintain social solidarity in the new world of the small state and the open globalised economy. We need to indicate the nature of the decline of Australian social solidarity or 'integration crisis' whose particular aspects the following chapters consider.

S/ The postmodern conservatives' changes to the state, their culture wars and talk of 'clashes of civilizations', are one distinct response to the rapidly changing nature of postmodern Australia. But there are alternatives. So the question is whether Australians should embrace the postmodern conservatives' program, no matter whether it is presented by the parliamentary Right or in watered-down form by the newly economically and socially conservative ALP.

### 'Cultural hegemony' and the instrumentalisation of culture

Ironically, the postmodern conservatives' culture wars continue a trend towards a wholly politicised or strategic understanding of national culture, which began with the New Left's idea of 'hegemony'. /Hegemony/ is a technical term some Marxist theorists use to describe political power that is secured without using repressive force, through winning the people's consent. The Left's idea was that dominant groups in societies secure power when they become able to frame every issue within the terms of their cultural worldview. They do this by installing their spokespeople in the major cultural and social institutions of civil society: schools and universities, media and trade unions, churches and clubs.<sup>2</sup>

By the 1980s, the postmodern relativism that was creeping into the academy altered this idea. Nations' cultures came to be viewed as the sites of ongoing power plays between particular viewpoints. Political dominance was seen as something that occurred when any one group in a society managed to convince all the others that its way of seeing the world was universal, that is, really in everybody's best interests.<sup>3</sup> The catch was that, according to postmodernist theory, no group's view could ever really do this, because there is no such thing as a universal moral principle. However, political history is full of irony. During the 1990s, amid widespread misunderstanding on the Left, the new conservative Right effectively adopted many of these very same postmodern ideas about politics—in the name of opposing the Left and postmodernism! The struggle for hegemony became, in language much more familiar to ordinary Australians, culture wars. And a thousand colourful columns bloomed.

The Right was always fascinated and appalled by the radical students in the 1960s. In response, it made its own concerted bid for cultural dominance. The Right would now halt the New Left's 'long march through

the institutions', challenging the perceived successes of the Left, particularly in the universities and public broadcasters like the ~~Australian~~ ABC or ~~American~~ PBS.<sup>4</sup> Supported by corporate funding and organised through influential think tanks, media outlets and government advisors, the post-modern conservatives and client intellectuals have sought since the 1970s crises to transform public debate from the top down. This is the political side to the cuts in direct government support for universities during the Howard years, and the vocal populist criticism of many government-funded research proposals, especially in the humanities.<sup>5</sup> It also underlies the growth of New Right think tanks. They form a kind of substitute tertiary sector friendly to the new economy. Rather than march through existing institutions, the postmodern Right has created its own institutions in order to get people marching in their culture wars.

The combination of money and influence with a postmodernist, instrumental view of culture is a heady brew. Liberated from ethical restraints by a relativist position, for which ideas are like weapons to fire at your foes, righteous indignation can easily turn into a witch hunt lacking moral perspective. By 2007, in the lead up to the Australian election, the editorial team of *The Australian* was dubbing former conservative Robert Manne, social-democratic economist Clive Hamilton and liberal lawyer Julian Burnside 'psychotic'—or in layman's terms, stark raving mad. Civility in Australian public debate had reached a new low. The deep problem for Australia today is that swathes of both the postmodern Right and Left see Australia's cultural heritage as a tool to be manipulated for political ends. This is a highly cynical viewpoint encouraged by the long intellectual history of economic reductionism, from Karl Marx and Adam Smith down to neoliberal economics. The basic idea is that the economy is the real core of a society. Politics exists to serve economics. Culture is just a prop for political messages and private agendas.

Today there is an urgent need to grasp the connections between the economic, political and cultural arrangements of our globalised society, if the divisive politicisation of Australian culture from both sides is to be arrested. In order to understand what is at stake in Australia's postmodern conservatism, we draw on two theoretical sources for understanding Australian society. In their way, both are far less obtuse than the neoliberal economics that has shaped Australian public policy for the last two decades—although neither has had the considerable pragmatic advantage of being embraced by leagues of privately funded think tanks and leading

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newspaper chains. The first is the work of German social theorist and philosopher Jürgen Habermas. The second is the Regulation School of economics, associated with people like Bob Jessop and Michel Aglietta. ~~Both~~ of these sources might agree with neoliberal guru Milton Friedman when ~~Friedman~~ declares in the opening chapter of his magnum opus, *Capitalism and Freedom*, that 'there is an intimate connection between economics and politics', so it is false to say that 'politics and economics are separate and largely unconnected'.<sup>10</sup> But ~~both~~ dispute the way our free market radicals understand this 'intimate connection' between economy and politics, and the wider society.

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What is the problem with the neoliberal idea that as much of social life as possible should be delivered over to markets? It is one which American neoconservatives like Irving Kristol or Daniel Bell were very aware of in the 1970s (and Fukuyama still wrote about in 1992).<sup>11</sup> The problem is that a nation's economy, no matter how efficient, remains 'embedded' in inherited cultural traditions and particular histories. And this means that Australian society can not be 'scientifically' treated as if it were only a series of marketplaces without cultural, social and personal consequences. It cannot be politically treated in this way because the instrumental attitude towards other people demanded by the marketplace destroys families, cultures and institutions when it is imported into the home, civil society and the political community.

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Every Australian, as well as being a producer, investor, entrepreneur, worker or consumer, draws on the cultural ideas and moral norms we have grown up with to understand ourselves, our relationships and the world. We each belong to social groups not primarily based on contractual market exchanges—from our families, love relationships and friendships to occupational groups, voluntary associations and sporting clubs. Each of us, as well as being a 'utility-maximising rational chooser', remains an individual with a sense of who she or he is that draws on both our own unique experiences, and the non-economic moral and political ideals we have been brought up with. As well as being an economy with a state which serves to enforce law, order and private contracts, that is, Australia is also:

- a culture. Australians are brought up to believe in a specific set of non-economic ideals, exemplified in stories like the story of the Anzacs at Gallipoli, or the story of our successful multiculturalism. A nation's culture is transmitted between the generations by parents and families,

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(trs) education and increasingly, by the media. Its social function is to form the types of Australians who can take on the roles and responsibilities necessary to maintain Australian society.

- *a society made up of institutions and groups.* Australians are brought up to shoulder moral duties in the belief that they are doing what is right, making a difference, and that their participation in shared tasks will be recognised and duly rewarded.
- *individual men and women* each of whom, if they are to continue to feel like they should 'put in', needs to feel like they can understand the 'whys and wherefores' of their society, the point of their actions, and how their actions 'make a difference', in however small a way.

We should apologise for making these common/sense observations, which Habermas and other sociologists only formalise. They might seem like an exercise in reinventing the wheel. Yet in a time when so much of public debate treats society as only an economy, it is crucial to start with a rich description of Australian life, not a hopelessly impoverished one.

(feel) The culture wars of the Howard years respond to a deep anxiety many Australians feel at the turn of the new century. This is the anxiety that they have lost many of the shared beliefs and institutions that made the 'lucky country', and that they do not know what Australia stands for any more. Howard's postmodern conservatism, however contestably, realised something which sections of the Australian Left, like the neoliberal Right, ignore at their peril. This is that our society cannot prosper if it becomes unable to transmit its moral ideals between generations, or creatively reshape these values in response to emerging changes and challenges. Society cannot be sustained if there is no longer widespread consensus about the legitimacy of its institutions and shared belief in its future prospects. When the meaningfulness of life boils down to servicing 24/7 markets, then both the generations and the individuals that comprise them drift apart in a sea of cynicism and self-interest. Faced with the culture wars, commentators on the Left have decried the illiberal edge to the campaigns about law and order, anti-terrorism, same-sex marriage, asylum seekers and abortion. They have rightly been sensitive to the political value these divisive campaigns held for Howard's Liberals. But what many could not do is confront the culture warriors on their own ground. The truth is that the ideological emphasis on change and difference that the postmodern Left shares with the neoliberal economists prevents many from seeing the integration crisis as a problem at all.

### The experience of economic rationalism—from legitimation to integration crisis

There is no question that the neoliberal deregulation of the Australian economy has produced a much wealthier Australia than ever before. The question is whether it has produced a better society—for sometimes more is not better. In fact, alongside the celebratory rhetoric that has accompanied Australia's structural reforms, there has always been a darker aspect. Paul Kelly and other more sober celebrants of these economic reforms conceded that the 'end of certainty' involved in reshaping the economy was likely to produce widespread anxiety in the Australian community. In *The Experience of Middle Australia: The Dark Side of Economic Reform* (2003), a book much hated by the New Right, sociologist Michael Pusey provided qualitative evidence to support this insight. Pusey found that ordinary Australians (i.e., those in 'middle Australia', between the 20th and 90th percentile of the national distribution of income) overwhelmingly feel less secure after economic restructuring and believe that the reforms have benefited the rich at the expense of the poor. They believe that the losers in economic rationalism are wage and salary earners and the winners are the big corporations and the corporate executives. These Australians are very concerned about job security and believe that their real prospects are falling. They are anxious about losing work (80%) and believe that they have missed out on prosperity in the midst of a corporate boom (70%). More importantly, there is a lack of fit between intrinsic motivations for work and extrinsic rewards for performance: the rewards have not kept up with increased productivity, and many Australians feel that the dignity of labour is not recognised in the ultra-competitive marketplace. Pusey also found that family life is being negatively affected by the move towards flexibility in the postmodern workforce, according to three-quarters of those surveyed. Economic reform reduces the quality of life by generating a zero sum game (i.e., one or the other trade-off) between family commitments and workplace flexibility. The decline in social services and diminishing housing affordability means that the majority thinks that their children will be worse off thanks to economic reforms of the last three decades. According to Pusey, 'respondents are saying that there is something fundamentally wrong with a theory that says that the goodness of a human family should be judged on its capacity to put the market before its own social needs.'

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Most middle Australians are disappointed with economic reform and expect governments to rectify the situation. They are dissatisfied with the rhetoric of free market capitalism and want corporate services, social welfare, public utilities and government responsibility back. Pusey summarises the resentment in terms of how huge majorities of them think that government can do 'quite a bit', rather than 'very little', to fix a whole range of things including reducing unemployment, improving health and social services, reducing poverty, cutting crime, creating more jobs, supporting families, reducing the gap between rich and poor, making businesses pay fair wages and supporting communities.

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Such unease, the champions of the new economy tend to argue, is the inevitable by-product of the unique moment of opportunity Australia faced at the end of last century. You can't make a new economy without breaking a few people's expectations. In the economists' jargon, this unease is an unquantifiable cultural and psychological 'externality' to be borne for the sake of a more efficient Australia—nothing too serious. Perhaps it will even 'incentivate' Australians to a new spirit of enterprise. Social research now exists that allows us to put some empirical flesh on the clichés of our 'age of uncertainty' or of 'anxiety'. This research tells us that contemporary Australia is characterised as follows:

Declining political, union and church membership.

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The new Australia is a nation where fewer and fewer people are members of political parties, unions or regular attendees at church. In 1975, the Liberal Party had 130,000 members, a figure which had reduced to 69,000 by 1990. The ALP lost 13,000 members in the same period (from 75,000 members to 62,000). In 1967, 32% of respondents claimed to identify 'very strongly' with one of the two parties. By 1990 this figure had dropped to 20%, with the number of uncommitted or 'swinging voters' increasing sixfold from 5% to 30% between 1972 and 1990. The proportion of the major parties' primary votes dropped from over 90% in the 1980s to under 80% in the 1998 election. The percentage of Australians holding shares had increased from 11.9% in 1991 to over 40% by the end of last decade, although the majority of shares remain in a minority of hands. Yet union coverage of Australian workers has declined sharply from 49 per cent in 1982 to 23 per cent (or 1.83 million workers) as of 2002. Catholic church attendance has remained relatively stable. But Protestant church attendance fell from

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around 30% at the beginning of the 1960s to approximately 13% at the turn of the century.<sup>13</sup> Percentages of people attending church at least once a week dropped from 25% in 1967 to 16% in 1993. The number of people who never attend church more than doubled from 17% to 36% in the same period.<sup>14</sup>

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Declining level of trust in public, social and political institutions

- Australians today have worryingly low levels of confidence in public institutions. Figures from 2001 and 2003 indicate that over 50% of Australians had 'no confidence' in Federal Parliament, the public service, the major parties, the legal system, banks and financial institutions, the press (which polled over 80% 'no confidence') and major Australian companies. The Australian political system received a 46% 'no confidence' vote, with the federal government polling 49.1%.<sup>15</sup>

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Increasing segmentation and casualisation of the workforce

- While unemployment as officially measured has fallen in the last decade, there has been an unprecedented rise in the proportion of casual, fixed term and part-time jobs in the Australian economy. Between 1988 and 2006, 54% of all new jobs created in Australia have been casual positions. By 2003, 28% of all wage earners (around 2.2 million men and women) in Australia were employed as casuals, with rising numbers of male workers, and of workers of both sexes over 25 years of age. According to a 2004 report by the Chifley Research Centre, the growth in casual employment—defined as jobs without basic leave rights—placed Australia behind 'just one or two' other OECD countries in terms of rates of casualisation.<sup>16</sup>

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Ballooning private debt

- Contemporary Australians have unprecedented levels of private debt. Whereas in 1975, Australian households saved 16.4% of their after-tax incomes, by 2005 they 'dissaved' some 3.2%. Between 1992 and 2002 alone, the ratio of household debt to average household income rose from 56% to 126%. By the 2004 election, in which Howard ran primarily on his economic credentials, Australian foreign debt stood at \$393 billion (over double the figure the Liberals' 'debt truck' had driven around the country before the 1996 election). Expenditure on imported consumer goods grew by 60% between 2000 and 2004 alone. Australians currently borrow ten times more for housing than

they did ten years ago and credit card debt alone stands at above \$Aus 27 million.<sup>16</sup>

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Rising numbers of divorces, and rising ages of marriage and of first home ownership.

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• There was a near fourfold increase in numbers of divorces in Australia between 1981 (13 900 divorces) and 2001 (55 300 divorces). In the same period the median age of marriage rose from 26 to 31 years for men, and from 23 to 29 for women.<sup>17</sup> By 2005 this figure had risen to 32 for men, and 29.7 for women.<sup>18</sup> Between 1981-82 and 1995-96, comparatively, the median age of Australian first home buyers increased from 27 years to 32 years.<sup>19</sup> In 1986, house prices were approximately four times one year's average earnings. By 2006 this figure had risen to seven times average earnings (a rise about 75% more rapid than that of wages). By 2007, both major parties had begun to accept the reality of a 'housing affordability crisis'.<sup>20</sup>

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Increasing mental illness and obesity

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• In the new Australia, troublingly high numbers of individuals suffer from mental illnesses, or are on some kind of psychological medication. According to 2003 Mental Health Council Australia figures, in Australia each year, 500/000 children (14%) and 2.6 million adults (nearly 30%) experience some form of mental illness. In 2004, there were over 1 million prescriptions of antidepressants in Australia.<sup>21</sup> In economic terms, anxiety-related disorders account for some 2.7 million days off work in Australia each month, with depressive disorders following closely, at some 2.1 million days per month.<sup>22</sup> Australian Bureau of Statistics figures also show an unprecedented numbers of Australians suffering from obesity, with 3.3 million adults (16% of men and 17% of women aged over 18). This is an 80% increase among men in just over two decades and a 150% increase in the numbers of women.<sup>23</sup>

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What does this and like data indicate about the new, post-reform, postmodern Australia? In historical terms, it indicates that Australia at the turn of its second federated century is faced by a new set of problems. These are different problems than those which troubled the world in the 1970s, at the cusp of the neoliberal era. The crises of that time centred upon the economic and political performance of the state. In conditions of growing economic crisis, Western states lost the ability to sustain

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 citizens' trust in their political legitimacy. The 1970s saw what critics on both the Right and the Left (respectively) called a 'crisis of governability', or 'legitimation crisis'.

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 Today, the site of real and potential crises in Australia is not the state. It is the Australian community or 'civil society'—ordinary Australians in their everyday lives. Like the legitimation crisis of the 1970s, today's problems involve people's attitudes towards their society. Pusey's attitudinal research bears this out. But the legitimation crisis of the 1970s concerned the state. It was manifested in the political activities of the new social movements, civil rights campaigns and feminist activism being two prime examples. By contrast, today we face an 'integration crisis'—a crisis of cultural values and social cohesion. Its mark is not increased political activism, however alarmed conservative journalists became about the 2003 anti-war protests. The integration crisis makes itself felt in Australians' growing sense of alienation from political processes and social institutions, and in growing numbers of social problems and personal illnesses.

From our perspective, the 'integration crisis' in postmodern Australia can be specified as follows. The socio-cultural framework of everyday life—what Habermas and other social theorists call 'the lifeworld', the way people experience their workday and family lives—is maintained when people are able to respond to changing situations by drawing on meaningful ways of interpreting the world (the level of culture), accepted social institutions and relationships (the level of society), and their own individual and family histories (the level of personality). In times of change, these frameworks must be creatively adapted and imaginatively renovated to integrate our new experiences within meaningful cultural narratives, shared morality and expanded possibilities for individuality. By contrast, when rapid social changes mean that the old ways of seeing and doing things no longer speak to our lived experiences, but cultural renovation is blocked, this generates a sense of disorientation, anxiety or even anger. This is especially so when democratic dialogue as a response to the challenges of social change—through political participation and public debate—is prevented from the top down by a highly commercialised culture and a media-managed political system. Drawing on Habermas' framework of culture, society and personality, postmodern Australia's crisis of social integration can be analysed on three levels.

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The ~~Australia~~ Australia of the turn of the 21st century is ~~an~~ Australia in which many of the cultural bedrocks of modern Australia have melted into air. The old moral limits that formerly restricted the markets, as a result, have disappeared. The lifeworld of most Australians is bombarded with new cultural products, technological devices and a highly commercialised entertainment culture. Academic postmodernism, whatever its flaws, reflects this emerging sense of cultural crisis. With its ideas of the 'end of history' and 'incredulity towards metanarratives', coupled with a general, highly sceptical relativism, postmodernism captures the belief that we can no longer rationally decide on the truth or goodness of competing sets of ideas, so we may as well just accept and 'remix' them all. But although we are concerned about the tearing apart of the lifeworld, we are not cultural conservatives: cultural renovation always involves the adaptation of existing cultural frameworks to new situations in processes of cultural renewal. In chapter six we will look at how the dissolution of old shared understandings makes many Australians feel culturally disoriented.

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Successful moral (or 'normative') integration reinforces the cultural norms and ethical values that support democratic institutions, and it maintains a sense of personal relevance to social actors of their social obligations. Normative integration succeeds, in other words, when individuals believe that they have a moral duty to other members of their society and that their participation will be rewarded in proportion to their efforts. Australians are brought up to shoulder moral duties in the belief that they are doing what is right, making a contribution and that their participation in shared tasks will be recognised and duly rewarded. But the evidence concerning Australians' declining membership or trust in forms of political and social organisations indicates that postmodern Australia is a society undergoing an erosion of social solidarity. Australians feel increasingly alienated from the social institutions intended by ~~its~~ founders to represent ~~them~~. The workplace relations reforms of the last two decades have intentionally accelerated the decline in union membership. This is coupled with remarkable rises in forms of casual, part-time or temporary employment. Again, the economists encourage us to celebrate the great expansion of

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'choice' the microeconomic reforms of the last decades have produced. But the increase in flexibility has been paid for by many Australians feeling inessential to their workplaces, anxious about their ability to plan ahead, and prey to the sense that, with every man, woman and teen out for themselves, they owe their fellow citizens less loyalty than ever before.

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Individuals and families

• Successful socialisation creates individuals who can deal on a realistic basis with the situations that arise in their lifeworld. The ability to cope with reality increases individuals' capacity for innovatively interpreting and integrating new knowledge and improves the likelihood that their motivations will fit with overall social goals. But the numbers of Australians suffering from some form of mental illness, together with statistics on pathologies like obesity and ADHD, show that post-modern Australia is much less personally content than stellar figures on GDP alone can suggest. Two recent developments are worth mentioning here, because so many of these afflictions are befalling the young. The first is the new predominance of the mass media in the socialisation of children. According to 2002 statistics, 1 million Australian children aged under 14 years of age spend more hours over the course of a year watching television than playing or attending school. The ABS reported in 2000 that children aged between five and eight spent an average of 15 1/2 hours a fortnight watching television.<sup>28</sup> The rank order of importance in children's education is shifting from parents towards the media. The second phenomenon is the much-discussed decline of the two-parent, single-income nuclear family, and the associated rise of the 'child care industry'. As more and more Australians work longer and more flexible hours, many parents have less time to spend with their kids, or ability to plan such time. Children's exposure to an extended range of parental figures, other kids/and caring environments can have beneficial effects—including teaching children to socialise on equal terms with children from different social, economic and cultural backgrounds. But if overwork and stress turn the home environment into an emotional wasteland, then the potential benefits might easily be reversed. Indeed, many Australians are questioning the benefits of what free market ideology calls the 'new individualism' in Australian society: an attitude which prioritises self-expression over

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social obligations, and ties self-expression to our 'consumer choices' in the postmodern market. The marketing of the new capitalism urges us to enviously compare ourselves with our neighbours, and to out-compete them by buying more and 'cooler' things. The less 'sexy' side to this cultural trend involves mushrooming consumer debt. As we shall examine in chapter eight, there is also the question of the way the new individualism impacts on our ability to actively participate in democratic decision making, a vital part of Australia's modern heritage.

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### From state-centred Fordism to culture-oriented post-Fordism (changed economy, changed society)

The million dollar political question raised by these symptoms of an emerging crisis in Australian society is: what is their cause? Can all these social trends really hail, as the postmodern conservatives claim, from the 'permissive', 'politically correct', postmodern multiculturalism supposedly being preached in high schools, universities and the nation's public broadcasters? Doesn't targeting a few cultural studies professors sound like an explanation that is out of proportion with the widespread social problems it sets out to explain?

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As we have said, it is commonly assumed by many people on both the New Left and Right that economic and political management are the serious business of politics. Social cohesion is a 'merely cultural' issue. It is this stereotype which underlies the New Right's idea that the so-called elites' concern for social issues is purely self-indulgent, since the real business lies elsewhere. It is this stereotype that led Labor to fight a 'me too' campaign on culture wars during the 2007 election.

By introducing a key set of ideas from the Regulation School, we want to challenge this stereotype. The Regulation School argues that the economic crises of the 1970s, which launched the postmodern, neoliberal period, also marked the end of an economic era, in terms of the way that developed nations produced goods. The economic crisis was so severe, with rates of profit so historically low, that companies and states around the world began to look for new ways of organising production. What the Regulation School emphasises is how the resulting change led to a new 'mode of social regulation', or whole set of interconnected social arrangements. Like many nations around the globe, since the 1970s

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Australia has changed from a 'Fordist' mode of social regulation to a predominantly 'post-Fordist' mode, with widespread social, cultural and political aspects. Let's explain.

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'Fordism'—or revisiting Menzies' Australia

The Australian society that existed in the 1950s in and —Howard-era nostalgia—is called 'Fordist' by the Regulation School. The name refers to the Ford Motor Company, taken by these theorists to be representative of the period. Menzies' Australia was a country in which large manufacturing companies like Ford or Holden prospered behind high protective tariff walls. In these companies, entire complex products like cars and trucks were assembled in one place, largely by semi-skilled workers working on production lines. Although this work was often repetitive, the predominant human relations management philosophy (associated with Australian Elton Mayo) argued that unionised workers would trade productivity gains against high wages and stable employment. The state was central to this system—managing tripartite bargaining between unions, employers and government, controlling demand through welfare and subsidies, and investing in infrastructure to support national prosperity. Thanks to the effectiveness of this state-centered model of national development, Australia's Fordist companies made historically high rates of profit (peaking at 16.2% in 1969).

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These profits were largely based on what economists call 'economies of scale': the calculation that the more of each model of motor car Holden or Ford made, for example, the cheaper each car was to produce. The result was that, compared to the incredibly diverse consumer goods of today's markets, Australians generally had only a few competing models of locally made cars, televisions, radios and so on to choose from. Backed by governments who accepted the Keynesian idea that their primary economic task was to sustain the level of demand, Australian companies marketed their goods to consumers as tokens of Australians' belonging to one unified 'way of life'. The advertisements of the day typically picture Australians enjoying just that way of life to which Menzies appealed in his famous speech about the 'forgotten people'; a way of life characterised by high suburban home ownership, large backyards, full male employment and nuclear families whose fathers worked dependable 9-to-5 jobs.

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The transition to 'post-Fordism'—from the dismissal to today

The modern Australian Settlement disintegrated after 1975. This was the year of the dismissal of the Whitlam Labor government by the Governor

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General, as a result of the Fraser Liberals' refusal to pass supply bills in the Senate, federal legislation against racial discrimination and, coincidentally, the introduction of the Bankcard, the first credit card in Australia. Internationally, the long post-war boom ended, and the global economic crisis began in 1973. Faced with declining rates of profit (these had fallen in Australia to 8.9% in 1975, and to 6.5% in 1983), companies and states rethought how they could do business.

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The key change characterising the shift from Fordism to today's 'post-Fordist' production is captured in the jargon of 'outsourcing' and 'downsizing' that has become so familiar since the early 1980s. The rapid-fire development of Information Communication Technologies, together with states' removal of national barriers to the free movement of money and products, has facilitated the growth of companies like today's Toyota. These are multinational corporations that have subdivided their 'value chain'. This means that the different stages of making a car (for example), from its basic chassis to its motor or computer system, are now done by independent business units that compete within the corporation. Work on each of the products' parts is outsourced to a network of different locations around the world, wherever the comparative costs of production (balanced against logistical costs) mean this can be done most cheaply. These parts are only brought together at the point of final assembly, when branding is also done, and the product is rolled out to the dealers.

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The new post-Fordist companies' profits tend to be made on the basis of faster turn-around times and economies of scope rather than the economies of scale of their Fordist predecessors. In other words, the most successful companies in the new global economy tend to produce smaller numbers of more specialised products. Gone are the economic days of mass-produced items aimed at homogenous national markets protected by tariffs, import subsidies and closed national cultures. The result is that the post-Fordist Australian marketplaces are characterised by the economically driven collapse of any single national way of life. Australians as consumers today face many more choices of product than they have ever faced before—from the handful of locally manufactured refrigerators in the early 1980s, for example, to the range of dozens of cheaper, more elegantly presented items manufactured around the world today.

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In these more competitive post-Fordist marketplaces, companies are also forced to spend much more on advertising. They need to differentiate their products from competitors. Marketing, a distant second to the

production of goods in the post-war years, has become, in the new global economy, an essential component of production. Sociologist Wolfgang Haug and economist Ben Fine have noted how, in the new economy, marketers' targeting of niche markets for the latest products increasingly takes priority over developing new engineering or technological advances.<sup>28</sup> Post-Fordism is therefore characterised by more, and more sophisticated, advertising. This advertising systematically borrows techniques from the avant-garde 'adversary culture' neoconservatives hate, in order to sustain the new economy they love.

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Finally, post-Fordism was born at the time of the deregulation of countries' financial sectors following 1975, and the US-led deregulation of the world's financial markets. The Australians of Menzies' day (and Howard's upbringing) were exhorted to save before spending. Australian banks made stringent checks before lending money. In comparison, credit is much more readily available to ordinary Australians today than ever before. In the new Australian economy, financial institutions sometimes seem to be falling over themselves to give an increasingly 'geared' Australian population credit for just about anything:

loose line

If you've got plans for your home, there's no need to wait. We can help you get the money to make it happen today. More than money for home improvements, we can also help you with money for nearly any purpose. No matter what you need it for, for a holiday or a car, we make getting the money you need easy!<sup>29</sup>

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### From neoliberal globalisation to neoconservative stabilisation

This is the major problem with the 'Howard took us back to the 1950s' line. Perhaps in social policy Howard dreamed of the Fordist world of his youth, with strong nuclear families, iconic Australian products and regular attendance at the local church. Yet any such return would be very bad indeed for the new, post-Fordist Australian economy. After the economic reforms of the 1980s, it is, in fact, impossible except as a political slogan. To re-engineer a single way of life would require re-erecting the tariff walls ~~whose~~ dismantling Howard cheered. It would mean excluding many multinationals from producing the goods and services that are the material face of any nation's 'way(s) of life'. It would also prescribe tighter moral censorship on advertising content, a move which would be resisted by

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significant sectors of business. Yet only in this way could the exponential growth in the number of postmodern subcultures who define themselves against the mainstream be restrained, and the morally objectionable aspects of the new capitalism, such as the progressive sexualisation of culture—lately including even preteens—be averted.

Open for business now in the global economy, Australian government policies are increasingly made with an eye to Australia's place in the international division of labour. Social policy is increasingly subordinated to economics, and the state functions more and more to attract foreign investment and keep markets open to the maximum variety of interests. Gone are the days of redistributing income through progressive taxation to help generate the mainstream consumption norms of Fordist days. The Australian state stimulates technological innovation through competition policy rather than direct state investment. This is accused of being inefficient and inevitably inflationary. As Australians learnt to their dismay with WorkChoices, one option available to Australia's leaders to 'grow the economy' is to use the power of the state to divide Australian workers, and limit their ability to take collective action to defend their jobs, wages and working conditions.

One way of describing the rapid changes to the Australian state and society since the dismissal of the Whitlam government would be this. In response to the legitimisation and fiscal crises of the 1970s, the Right—and the ALP—embraced neoliberalism as a means of shifting the risks, costs and burdens of social reproduction back on to individuals and their families. It makes sense then that in the new Australia, as against the Australia of the 1950s to late 1970s, the central problems should be concentrated in the areas of culture, personality and society, rather than in the performance of the state. In economic terms, it makes sense that Australia is now burdened with an unprecedented level of private debt, at the same time as our major parties compete to build bigger public surpluses. Since so many of its service obligations have been outsourced, the state has less to do today—at least if national security is omitted from the equation.

The 'crisis of governability' the Right lamented in the 1970s led to the neoliberal solution of governing *less*, not better: a solution whose democratic credentials have always looked problematic. It is true that under Howard, Australian families, especially single income families (as against single parent families), could expect growing family tax benefits. And a social safety net, albeit privatised, remains. Yet as more and more Australians

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took on flexible, fixed term or casual positions, and fell into heavier and heavier private debt, welfare recipients were being ritually demonised by the Howard government on commercial TV and talk back radio/ as 'bludgers', 'cheats' and an economic cost we could hardly afford.

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Meanwhile, the opening of our economy to global financial markets and direct investment has produced massive dislocation in domestic industry, and the redistribution of wealth. The neoliberals can hardly deny this, since they often boast about this 'creative destruction'. Inevitably, it has also seen ordinary Australians increasingly exposed to multinational companies' slick advertising, with its glossy postmodern vision of the world as one field of dreams, investment opportunities and private play. This is another reason why the new conservatives' ritualised attacks on academic postmodernism's celebrations of the collapse of mainstream national cultures miss the mark. It has long been a staple of social theory on both Left and Right that postmodern relativism is what one commentator has called 'the ideology of late capitalism'. This is a central idea in neoconservative Daniel Bell's classic study, *The Cultural Contradictions of Capitalism*, and Irving Kristol's old lament that virtue had 'lost her loveliness' in contemporary America. Naomi Klein's *No Logo* brought this point to the attention of the wider reading public in the early 1990s. As Yanchelovich Partners, one of the world's leading consumer research groups argued in 1997, the postmodernists' beloved value of diversity is the defining idea which today's gen Xers 'bring to the market place'. Far from being the subversive face of the avant-garde, it is what individuality was for the baby boomers, and duty was for Menzies' generation, that is indispensable to successful marketing in the post-Fordist economy.

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So why then doesn't our form of globalised/free market/consumer capitalism automatically generate cosmopolitan, postmodern pluralism and tolerant multiculturalism? Why has post-reform Australia produced Joh Bjelke/Petersen, Pauline Hanson and the later Howard years, with their fear campaigns about immigrants and anxiety that we have lost our way? In a world where every individual is constantly driven to fashion themselves by purchasing elements from the consumer lifestyle-identikit, doesn't our new globalised economy mandate a multiplicity of subcultures and ways of life? Every way of life is now, after all, a new niche market. Every traditional moral value is a potential 'consumer preference', or a 'look' with which we can identify a new product. Why didn't Howard's government, the most allegedly pro-free market administration in Australian history, encourage

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more cultural diversity, more pluralism, more choice and rush to embrace their postmodernist enemies in the left humanities?

Multiculturalism and cosmopolitanism *were* embraced during the first stage of economic neoliberalism in Australia, under Hawke and Keating's ALP. Keating not only introduced financial deregulation and microeconomic reform; in elegant Italian suits, Keating promoted Australia's cosmopolitan engagement with Asia, indigenous reconciliation, multiculturalism and a political republic—a 'small-~~Liberal~~ social agenda. Yet Keating's big picture was soundly trounced by the resurrected John Howard in 1996, running largely on a culture wars platform. Then two things happened. Instead of market-fuelled postmodern culture, the Howard government waxed neoconservative on social issues and waged the culture wars. And instead of small government, the Liberal Party increasingly delivered a strong, more authoritarian state, backed to the hilt by Australia's commercial media in a climate of rolling emergencies.

Howard's Liberals could do this because, as the Regulation School stresses, there is no necessary correlation between post-Fordist production and any one form of cultural policy. The role of fortune, personality and trial and error still play the role in nations' political life they have always played. A change in the economy must have many effects on a nation's society and culture. But it does not wholly or mechanically determine these areas of life. In the Australian case, what the postmodern conservatives realised better than Keating was that too-rapid economic reforms had produced significant anxieties in the Australian electorate, particularly among lower middle class and country voters in danger of being left behind by the new economy. And these anxieties reflected real tensions between the emerging postmodern cosmopolitanism championed by the ALP and the social cohesion of Australian society. Postmodernism's celebration of plural, different, local lifestyles 'fits' with post-Fordism's new, highly variegated marketplaces. But this new culture's attitude towards inherited values and modern political institutions tends to be merely sceptical. The culture warriors are right about this. It promotes social atomisation, political withdrawal and a cultural relativism ('all cultures are different but none better than any other'). This relativism reflects the flood of slick images and information Australians are bombarded with today from all parts of the globe. Moral values find themselves today repackaged as 'consumer' or 'lifestyle preferences'. The rhetoric of flexibility ~~rhetorically~~ sweetens the harsher reality of growing insecurity in the workplace, and the difficulty of

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the work/family balance, let alone longer-term life plans. The media management of the democratic process, the convergence of the mainstream parties on the centre/Right of the political spectrum, the emergence of 'lifestyle politics' as an alternative to democratic participation, and the entrepreneurial ideology of the new individualism, all converge on the statistically verifiable decline in Australians' interest in politics and public issues.

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Enter the postmodern conservatives, behind a resurrected John Winston Howard. Their program, beneath the militant language of the culture wars, was actually one of stabilisation. Fundamentally, postmodern conservatism aimed to continue the program of economic neoliberalism, restoring the social integration that the new economy undermined using post-liberal, authoritarian means. Culturally, there was the fight conducted from opinion columns and political office against 'new elites' to reclaim a shared vision of mainstream Australia. Politically, there was the willingness to countenance and pass legislation which restricts citizens' civil rights in the name of national emergency and economic efficiency.

Given the rolling back of the welfare state, the postmodern conservatives' signature focus on cultural issues emerged in the neoliberal era as a cheap and attractive political device. Having largely outsourced its capacity to deliver services—and with deficit spending to fund nation building absolutely off limits—conservative governments in recent times have few other means at their disposal to promote social integration. Within the cultural realm, rather than confronting the contradictions between promoting atomisation in Australians' work lives and spruiking traditional values, postmodern conservatism set about actively re/culturalizing religion, the family, and nationalism by means of state intervention into cultural life. The aim is a social cohesion to rival bygone Fordist days plus the post-1983 neoliberal programs and policies which brought those days to an end. Australia shall have a larger economic cake and eat its social integration too.

The postmodern conservatives' strategies, as we will examine in the chapters to follow, are threefold.

- First, from the neoconservative perspective of the postmodern conservatives, cultural foundations are, and should be, religious and particularistic at their base. Among other things, encouraging religious conviction in citizens is useful in lowering peoples' political demands

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and expectations. The postmodern conservatives foster the increasing role of religious groups in the provision of social welfare, and are willing to encourage and ally themselves with the new fundamentalist churches. Instead of cultural renewal through imaginative exploration of new possibilities and open dialogue on meanings and values, the culture wars proffer us the false choice between a postmodern cultural supermarket emptied of real meaning, or a retreat into the cultural museum marked 'Endangered Anglo-Celtic Christian Heritage. Do Not Touch'. We will argue in chapter six that this false choice amounts to cultural sclerosis or disintegration, not cultural adaptation.

- Second, the family becomes, for the postmodern conservatives, a bulwark against consumer hedonism, feminism and moral relativism. For this reason, it assumes increased centrality in political debate. Strong values inculcated by heterosexual parents are supposed to socialise agents into ways of behaving consistent with the mainstream Australian way of life. Complementing this focus, the nation is regarded as the ultimate form of social solidarity—with national security in partnership with the family as a haven in an increasingly risky world. As Howard's *Future Directions* put it: belonging to a family and his country is 'enough for any man to be'. In chapter seven we will examine the impacts of economic rationalism on everyday life and ask whether multiculturalism, which is the usual suspect in culture war debates about declining social solidarity or 'social capital', can really be blamed for this problem.
- Third, postmodern conservatism aims to put in place a new, post-democratic way of legitimating our political institutions, through the grounding authority of the nation, and the state's ability to protect Australians and their way of life, rather than through the ability of these institutions to deliver on democratic promises. The 'new individualism' that accompanies post-Fordism and is celebrated by the economic right, prioritises self-expression over social obligations, and ties self-expression to consumer choices in the postmodern marketplaces. Yet as we will see in chapter eight, there is a big question about the way that the new individualism impacts on ~~people's~~ <sup>their</sup> care about, and <sup>their</sup> ability to actively participate in democratic decision making about public affairs—a vital part of our nation's modern heritage. Contemporary research shows how the new individualism can sit all too well with a neoconservative repackaging of politics in a new public sphere with

significantly reduced scope for critical voices, and a form of social integration that lays great stress on who is included (us) and excluded (them). The basic appeal of this new politics can easily be authoritarian: the old bargain of *protego ergo oblige* ('protection therefore obedience') which the state offers its atomised, entrepreneurial citizens.

In terms of the history of political ideas, given a choice between Hayek's liberalism or a Hobbesian, authoritarian state, the postmodern conservatives reply, 'Yes, please!' In other words, given the problems of social integration that have emerged in the wake of their prized economic reforms, many on the postmodern Right are coming to accept both.