GOVERNANCE AND THE NEOLIBERAL CHALLENGE
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Introduction
In recent decades, Australia has experienced some quite significant policy changes in a number of areas. Most significant has been changes in how governments carry out their policy responsibilities. For instance, long-standing areas of public service provision such as the Commonwealth Employment Service have been tendered out to community and business groups. Some others areas have been fully or partly privatised, including the partial sell-off of Telstra. This direction has been supported by the controversial Hilmer Report which has encouraged market rationales for the provision of public goods and services (Hilmer 1998). More recently, WorkChoices legislation continues the project to by-pass or dismantle long-standing industrial relations institutions, involving a decisive shift in power to employers. Higher Education at the Crossroads has overseen the push towards vocationalisation and commercialisation of the university sector, and its associated repositioning in a globalised market. Reforms to superannuation and private health insurance policy are indicating a shift from public provision to private insurance for addressing risk.

It is important to understand these developments as more than the incremental policy change we can usually expect from successive governments in power. As the following articles suggest, these developments have enormous implications for the nature of social, economic and political life, particularly in relation to the market replacing public interest as an arbiter of policy. Moreover this trend is endemic in various guises across all western nations, and actively encouraged by international economic and development agencies such as the Organisation for Economic Cooperation and Development, the World Bank and the International Monetary Fund. These developments signal a deeper issue about the transformation of how governments govern or how governing happens, that is, 'governance'.

What Is Governance?
Governance can be distinguished from 'government'. Government refers to formal political institutions, political actors and practices. These might include forums for debate and policy-making by chosen representatives, processes for choosing the representatives, and the rules for their conduct. On the other hand, governance refers to 'the process of decision-making and the process by which decisions are implemented (or not implemented)' (UN ESCAP 2005). A more comprehensive understanding of governance is suggested by Rose, that it involves, 'all those ways of reflecting and acting that have aimed to shape, guide, manage or regulate the conduct of persons ... in the light of certain principles and goals', and to connect these principles and goals with 'various procedures and apparatuses that would seek to give them effect' (1996, 41). The means of 'giving them effect' include:

- the complex assemblage of diverse forces (legal, architectural, professional, administrative, financial, judgemental), techniques (notation, computation, calculation, examination, evaluation), devices (surveys and charts, systems of training, building forms) that promise to regulate decisions and actions of individuals, groups and organisations in relation to authoritative criteria (Rose 1996, 42).

That is, governance refers to the practices and procedures of governing, the ideologies and beliefs expressed through them, and the legitimising authority for the processes and outcomes of governing. Governance is not confined to the actions of the governing authority but is dispersed through society as a culture of governing, enacted through a number of agencies right down to the level of the individual. Accordingly, governance takes many different forms in different places and different times. Governance of the European Medieval world differs vastly from that of nineteenth century western liberal nations, while Indigenous governance operates on a distinctive basis from Western forms. These differ again from the latter twenty-first century western governance.
This approach to governance also recognises that the 'techniques of governance', that is, the processes by which policies are developed and implemented, are never neutral. Instead they are in relationship with each other: processes can shape outcomes, sought outcomes can be fostered through judicious choice of processes. For instance, laws can 'create' the criminal by fiat of defining some conduct as 'wrong', many audit processes recognise only conduct that is measurable or assessable conduct over conduct that is not and in this way influence conduct, the experience of an economic relationship between different groups can be shaped by the language used to describe it, such as 'professional and client' versus 'provider and consumer'.

This understanding of governance in all its complexity is helpful for unravelling and demonstrating the implications of the radical policy developments referred to above.

Contemporary Governance and Neo-Liberalism

The focus of this issue is contemporary governance, with a strong but not exclusive focus on Australia. In particular, it is concerned with an apparently radical change in governance practices. On the one hand, nothing much has changed. Liberal democratic institutions such as periodic elections and representative houses continue to persist, rule of law prevails, capitalism flourishes in a new globalised economic arena. Furthermore, the rhetoric of liberal ideas persists, associated with notions of choice, freedom and community. In spite of their persistence, however, the twenty-first century is shaping up quite differently to the previous one. The twentieth century – particularly the second half - was one of collectivist social action, through unions, citizens and community groups, and lobby groups. It was the century of the responsible state - responsible for collective security through the dual economy and protectionism, through government regulation and market intervention. In contrast, the twenty-first century state seems to be emerging as one premised on self-activity and individual responsibility, competition and contractualism between service users and providers and employers and employees, deregulation and privatisation, and a clear shift in responsibility from the state to the individual.

These developments signal a distinctly different orientation to governance, perhaps the end of one era and the beginning of another - albeit one growing from the foundations of the pre-existing one. The notion of neo-liberalism has emerged to signal this development, in both its literal meaning as 'post'-liberalism but also in relation to the nature of the new emergent governance regime with its roots in the conservative liberalism of earlier centuries. Each of the articles in this issue engages with the idea of neo-liberalism to discuss how it operates in contemporary society.

The first four articles focus on the liberal state, drawing attention to the changing regime of governance. They are united by common themes in neo-liberal governance, commenting on its broader social, political and economic implications, and also its reach down into our individual lives and life-worlds. According to Dean: advanced liberal government endeavours to work through the various forms of freedom and agencies of individuals and collectives but also to employ indirect means for the surveillance and regulation of that agency (1999, 149).

Similarly, Williams proposes that neo-liberal advances:

- beliefs about individuals and markets and the relationship between the two... Ideally a free market is one where individuals become voluntarily responsible for themselves and self-sufficient within the market place. They freely choose to 'enterprise themselves' through a 'responsible' attention to their own self-interest (1996, 249).

Each of the first four articles explores different aspects of these issues.

In 'Neo-liberalism and the State', Patricia Harris refers to neo-liberal governance as 'governing through freedom'. She draws attention to a cultural change where individuals are to become more 'enterprising, active and self-directive'; the state's role is to create the preconditions for this cultural change. She suggests that to achieve this outcome, the state has adopted a culture of competition, individualisation, and authoritarianism where new forms of social control are being implemented to ensure compliance with the new culture. She expresses concerns about the impact of these developments on the nature of social life and our relationships with each other: 'competitive and individualist' rather than 'collegiate and common relations'; market value rather than public good; and 'assessing' citizens rather than 'honouring their intrinsic worth'.

Howard Guille follows on from this, by addressing industrial relations reform. In 'Governing Industrial Relations' he focuses on changes in work practice and workplace relations, and like Harris, he also expresses concerns about the state's role in coercive cultural change. He suggests that the new WorkChoices legislation is pivotal to the new neo-liberal industrial relations regime. This involves a number of significant
departures from twentieth century industrial relations regimes, including the increasing deregulation of labour market conditions and an enhanced role for the market in determining ‘workplace relations’. The effects have included increasing the power of employers, limiting the bargaining position of workers, and coercively controlling unions.

In the following article, ‘Neo-liberalism and Political Inclusiveness’, Elizabeth Eddy focuses on the transformation of democratic practice arising out of neo-liberal governance regimes. She argues that for more than a century, collectivist democratic practices have underpinned liberal democracy, as unions, welfare lobbies, citizens’ action groups and others from civil society have collectively mobilised towards better welfare outcomes. However neo-liberalism governance is re-configuring collectivist practice to one of individualism, premised on consumer choice in the market-place rather than citizenship rights. With collectivist political formations under challenge, she expresses concerns about welfare outcomes for the marginalised, expressing similar concerns to those raised by Harris.

‘Governing Australia’s Universities’ continues many of the themes raised above. Lew Zipin discusses the introduction of neo-liberal governance rationales into the university sector. In drawing upon the themes of performativity, budgetarianism and proceduralism he explains how micro-management practices that are being introduced into universities engender complicity in ‘self-governing’, to carry out the will of the federal government. He is referring to the means by which those working in the university, at all levels, are rendered compliant through an ‘internalised subjectivity’, where the language and procedures shape experience. He expresses concerns about the impact of the changed governance rationale for universities, and in particular the social implications for broader society.

Donna Weeks draws an interesting contrast to the Australian experience noted in the above articles, by examining implications of neo-liberalism for Japan. In ‘Japan’s Postal Reforms and the Neoliberal Zeal of Approval’, she focuses on privatisation of the postal sector, indicating that the ‘neoliberal project is manifesting itself in interesting ways in surprising places’. In this case study, Weeks examines the ‘construction of consent’ in relation to implementation of neo-liberal reform.

Tony Corbett addresses the issue of performance assessment in ‘The National Native Title Tribunal’s Façade of Indigenous Advocacy’. In particular he discusses the problems arising from the ‘output and outcome framework’ used by the Native Title Tribunal. He explains that the ‘outcome’ or broader intention was to ‘recognise and protect native title’, however the processes associated with the output and outcomes framework undermined this intent. That is, a seemingly neutral legal-judicial process has allowed the original intention of the process to be stripped away, and replaced by a re-politicised outcome more in accord with those with the stronger bargaining position and a stake in not recognising native title. This development has implications for all vulnerable groups who may rely on such processes for achieving just outcomes.

In ‘Contradictions of Collaborative Politics’, Denny Nash discusses citizen participation in collaborative politics, using the example of natural resource management. He draws attention to several factors that limit the capacity of citizens to engage effectively in these processes, despite the collaborative rhetoric of partnership between government and community in the achievement of common goals. A central issue is the apparent disjunction between what he refers to as the formal rationale of the state and the subjective rationales from the community, where scientific and technical discourse dominates over the passions and values from the community. He also expresses concerns about the seeming appropriation of community activism to instrumental state objectives. He encourages those involved in collaborative politics to remain critically engaged and to resist the domination of their subjectivism.

Finally, Giorel Curran discusses the battle for control of the international environmental agenda, in the context of neo-liberal or corporate globalisation. In ‘Whither Environmentalism’, she points out that the seemingly radical sustainable development discourse has been coopted by two different environmentalist agendas. One seeks social, political and economic change as the necessary basis for environmental improvement. The other seeks sustainable development in terms of ecological modernisation; it is concerned with absorbing environmental considerations into the current trajectory of development. Similarly to Nash, she argues that the cooption of the technical language of efficiency excludes social justice and other substantive considerations and indicates that knowledge and discourses are themselves power resources and thus are subject to contestation in unequal social contexts. Curran nonetheless remains optimistic that the global justice movement will remain a voice for justice in debates about global environmental governance, suggesting that the tension in the environmentalist movement ‘generates the frisson that strengthens the social change dynamic. It also keeps movements vibrant, vigilant and contemporary.’
International ‘Best Practice’ and Neo-Liberal Governance

There is little doubt that twentieth century liberal governance was faltering in many ways. Towards the end of the century, governments were overloaded, regulatory frameworks complicated and contradictory, and domestic economies unstable. Concerns had been expressed from across the political spectrum about a number of issues including welfare dependency, unemployment, and environmental change. Thus it is not too surprising that in Australia and elsewhere, new approaches to governance have been often enthusiastically embraced by governments across the supposed left-right divide and by public sector managers seeking better ways to govern. This involves fundamental changes in governance that resounds in all sectors, at all levels of society, and right into the hearts and minds of all citizens and how they live their lives.

Moreover, the emergence of neo-liberal approaches to governance has international impetus dedicated to introducing and implementing a culture of change in response to the apparent failures of liberal governance. In recent years, ‘good governance’ has been a priority for western governments and international governance bodies such as the World Bank and the OECD. For instance, the OECD is developing codes of ‘best practice’ in governance for all sectors of society while the International Monetary Fund enforces best practice in governance as a precondition to development assistance (Harvey 2005). This preoccupation is recognition that radical change or alternatives to twentieth century liberal governance practice is needed. However, it is strongly influenced by the New Right.

The New Right has been in political ascendency in the western world for several decades now, and has strongly influenced all major political parties (Marginson 1997). Popular New Right commentators such as Hayek have long advocated the reinstatement of markets as the best form of social, political, and economic practice (1992). Downes has been another strong advocate for marketisation, that is, a changed culture of governance in which individuals resume responsibility for their fate for which the state is currently held responsible (1998). Their ideas have been embraced by capitalist elites seeking to regain power they had seen reduced by the reforms of the second half of the twentieth century. Moreover, their approach to corporate governance has been very influential in the shaping the ‘good governance’ agenda of international economic and development agencies. The adoption of conservative approaches to good governance by domestic governments is legitimated by its status as best practice, which by definition is an endorsement on technical grounds seen to be outside ‘ideology.’ Best practice speaks for itself as the ‘right’ way to proceed, and precludes critique and debate.

There are enormous external pressures on domestic governments to conform to an international agenda of ‘good governance’. There are also extensive internal pressures as over-burdened and economically precarious governments grapple with steering the nation. As all the contributors to this issue have remarked, change is inevitable and even desirable, however it must be subject to public scrutiny and contestation.

Where To Now?

The specific developments in neo-liberal governance we are experiencing today are not inevitable and are likely to change again, similarly to the pendulum swing between liberalism and mercantilism in the eighteenth and nineteenth centuries. They arise out of human agency, through decisions and actions taken, in a climate of debate and contestation about the future. While those currently shaping the immediate neo-liberal future are drawing substantially upon New Right ideas of the ‘good society’, this need not remain so. The challenge at hand is to understand what is happening and why, in order to be part of shaping the future. With neo-liberal governance has come new forms of social control, surveillance, and pressures towards complicity. However it is also potentially an opportunity for addressing the failures of the twentieth century, and to allow us to think again about what a just and peaceful society could look like.

Men [sic] make their own history, but they do not make it under circumstances chosen by themselves, but under circumstances directly encountered, given and transmitted from the past (Karl Marx 1852).

References


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i is the site of government or maya
for Anita Gallardo

this illusion grows stronger everyday
by night its face shifts & becomes
a howl-fixing rostrum into mirror paperscape
an image of hellish monsters ruling over

no escape to it as i appears every time
looking at its watch is money game
eluding facing the graffiti of walls
& skins tattooed with sameness

horror of this i wanting to posses itself
& thoughts growing stronger & military
vacui mask rooting itself to skullmind
lizard bluish tongue stick surfacing

the world waters through hands of inkscape
blotting its way into books of heavy
fictional libraries & fantasies weighting
down beautiful rooted tree of life

this i does not exist neither weight
the beauty of the world out there no match
we play i’s illusion bubbling game
& persist in building up i big papa foundation of government

there is no i but u the seat of meaning & youth
u the soul of life & u new born mapping
u no fantasy & u eyes wide open rooted
in other plains & wild horses running river of life

SERGIO HOLAS
BRISBANE

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