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## **Welfare Dependency: The need for a historical critique**

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The Welfare State is under sentence of death, and the charge is supporting a culture of 'dependency.'

'The problem with welfare is that it operates too much like charity. ... Patrons exercise their power and control without an expectation of reciprocity. Clients are denied a sense of social worth and equality. Dependency is the inevitable result. ... unconditional welfare is a crime against the poor.' [*The Enabling State*, Mark Latham, 2001]

An ALP government would be in a better position to carry out this sentence, in fact, than any conservative government. As absurd as Latham's rhetoric of "mass capitalism", "mutual responsibility" and "self-reliance" may be, it must be taken seriously.

The idea of 'dependency' is at the centre of all critiques of the welfare state, and is a notion that has considerable traction right across the political spectrum. 'Dependency' is an historically constructed notion and working out a critique of the existing range of welfare policies requires a deconstruction of the whole notion of dependency itself.

Approaches to the problem of dependency must go into how it is constructed both as a concept and as a psychological, moral and social condition. Philip Mendes raised these questions in *Arena Magazine* No. 69, looking into the causes of dependency. However, it is not just that relations of dependence are structurally imposed, but that one and the same relation of dependency may be enjoyed as a powerful and respected social position, according to its political-ethical evaluation. Dependency is not *just* something to be cured.

Nancy Fraser's 1997 book *Justice Interruptus* contains her article, co-authored with Linda Gordon, tracing the genealogy of the word 'dependency'. Much of what I have to say below draws on insights provided by this article, though I also depart from Nancy Fraser's analysis at times.

Over a period of two hundred years the meaning of dependency has moved from the honourable social condition of the overwhelming majority of the population to a highly stigmatised personality disorder. From beginning to end of the long history of dependency, however, the word has contained a curious contradiction.

In pre-modern times, dependency meant being part of a social unit (estate, family, empire) that was headed by someone else. Dependants (such as servants, retainers and peasants in an feudal estate, wives and children) were 'dependent' in the sense that they had no *legal* status in society at large, and were 'represented' by their 'master.' But in actuality (in retrospect, if you like), the 'master' was 'dependent' on everyone else in the unit for their *material* existence.

The young, single mother is today the icon of dependency and yet it is not she who is dependent in any *material* sense, but the children she

looks after. If she did not accept legal responsibility for the child, then she would not need welfare payments. But she raises her children, generally under incredibly difficult conditions, while the father and the state, who are both also responsible for the support of the child, are *free-riding* on her efforts — *depending* on her, in fact — to do what they will not.

In Australia, the other icons of ‘dependency’ are Aboriginal communities; the settler nation is able to exist only by occupying their land and excluding the Indigenous people from the traditional use of their land. And yet the ideology of ‘dependency’ holds that it is they, not us, who are ‘dependent.’

The stigma of dependency seems to *rub off* on the people who do the supporting. Being independent, on the other hand, is a socio-legal relation enjoyed by people who are supported by the labour of others. But let us follow how the notion of dependency has changed over time.

### **Pre-capitalist society**

The earliest definition of the verb ‘to depend on’ in the *Oxford English Dictionary* is consistent with the usage of the word in Hegel’s *Phenomenology*, in the section entitled *Independence and Dependence of Self-Consciousness*, more widely known as ‘the master–slave dialectic.’ To ‘depend on’ meant ‘to be connected with in a relation of *subordination*’, sub-ordination equals lower in a status order. From the sixteenth century, a ‘dependent’ was one ‘who depends on another for support, position, etc.; a retainer, attendant, subordinate, servant’.

The points to note about the concept of dependency at this time, in pre-capitalist England, are that:

- the concept was not differentiated into separate socio-legal, economic and psychological usages, but rather reflected the fusion of various forms of hierarchy in a society in which these forms of subordination were themselves fused and ubiquitous;
- the condition of dependency was perfectly respectable and covered the vast majority of people, excluding only the top layer of the nobility on one side, and vagabonds and foreigners on the other. Everyone was subordinate to someone else but did not thereby incur individual stigma.

The term ‘independence’ was at first only applied to *aggregate* entities, not to individuals, ‘independence’ coming to be used in relation to churches or nations in the seventeenth century. By the eighteenth century, an individual could be said to have an ‘independency’, meaning an ownership of property that made it possible to live without labouring. Dependency, by contrast, was characteristic of the condition of the majority, of wage labourers as much as serfs, of men as well as women. Dependency, therefore, was a normal, as opposed to a deviant, condition — a social relation, not an individual trait.

To be *outside* this system of relations, such as was the case for those driven off their land during the Enclosures, was the worst of all possible fates. These paupers and vagabonds were the ‘human dust’ out of which the modern wage-labourer was fashioned. While wage-labour did enter the relations within the landed estates, more significantly, wage-labour

grew from this human dust being sucked into the factories and the formerly independent craftspeople who lost their modest independence and were brought down to the condition of factory workers.

The distinctively modern relation of wage-labour became 'respectable', and recognised as a form of independence, through the battles for civil and electoral rights, which constituted the organised working class as a *subject*.

The idea that being a member of the retinue of a feudal noble was a form of dependency, while being a wage-worker was *not* a form of dependency, was therefore not merely the re-branding of a form of dependency — a *real* change in social relations had been achieved. Famously, wage-slavery differed from slavery by giving the worker the freedom to starve. The worker did not begin from a base of dependency within a feudal estate, but rather from 'independence', that is to say, from being *outside* the relations which guaranteed rights, both material and political, to the peasant or servant, subsumed within the personality of a feudal lord.

Capitalism did not, of course, abolish subordination of women by men and nor did it abolish colonialism. On the contrary, legal coverture of women, that is the 'representation' of married women by their husbands, and the subordination of the colonies, meant that dependency now took on an *association* with the normal condition appropriate to women, slaves and 'natives'.

With the separation of economic dependency — now the honourable condition of *wage-labour* — from socio-legal dependency, still appropriate for paupers, slaves and 'natives', came a new kind of dependant, invented in the twentieth century, the 'housewife'. Even while socio-legal forms of subjugation of women were being battered down by the suffragettes in the early twentieth century, new forms of economic subjugation were being put in place through the collaboration of trade unions, the courts and employers, and institutionalised in the Harvester Decision, the gender division of labour and female rates of pay. *Domestic labour* was institutionalised within a new form of patriarchal subjugation. Continuing the pre-industrial assumption that fathers headed households and 'represented' the other members of the household, the now-unsustainable socio-legal forms of 'dependency' were replaced by new forms of *economic* subordination. While wage-labour was deemed a form of independence, domestic labour was a form of *dependency*, moreover one deemed appropriate for women.

As the colonised nations threw off the mantle of dependency in the national liberation struggles of 1945–75, in the West dependency now took on a distinctively female connotation, not sustainable in its original socio-legal or political forms, but instituted in *economic* form. The *feminisation* of dependency, now economic in appearance, accentuated the stigmatisation of dependency already tied up in the racist connotation of dependency inherited from colonialism.

The aura of 'independence' for white male workers was built on consent in the economic subjugation of women. Employers backed up the idea by excluding women from well-paid jobs and governments introduced the category of 'dependent' for wage-earners to claim tax deductions for 'supporting' a wife.

## **Public Assistance**

Economic hierarchy as exercised in the employment relationship, was made acceptable in the nineteenth century — an invisible kind of ‘voluntary’ subordination, not subsumed under the relation of dependency. Once political and socio-legal dependency had been formally abolished, it appeared that the only barrier to a person’s independence could be moral/psychological, a new register of dependency.

In Australia, old age pensions were introduced in the wake of the depression of the 1890s, and further benefits for the deserving poor flowed over the next 60 years. In the US, it was the New Deal in the wake of the 1930s Depression which introduced these ‘respectable’ benefits. Old age, sickness, unemployment benefits and so on, aggravated the stigma attached to ‘welfare dependency’ in direct proportion to the way they made other benefits ‘respectable.’ By setting up *accounting fictions* to create the appearance that people who received old age, widows’, veterans’ or unemployment benefits were only getting back what they had put in, they created the *two-track* benefit system. Those who were deemed not to have ‘contributed’ were paid out of general revenue, and subject to means tests, moral supervision and all kinds stigmatising humiliations on top of a miserly level of benefit; workers suffering temporary periods of unemployment, veterans and old age pensioners were deemed not to be receiving ‘public assistance’, but simply receiving their ‘just deserts.’

US Blacks and women were deliberately excluded from these ‘first-track’ schemes, just as in Australia indigenous people were excluded, while today’s ‘self-funded retirees’ live off the profits extracted by capital from those still in work, and yet enjoy the honourable status of being deemed to be ‘independent’. For selected groups, however, the stigma of ‘welfare dependence’ is added with correspondingly greater intensity to the insult of poverty.

The period of the rise of the welfare state corresponded to the institutionalisation of the organised working class movement. The early trade unions were just as much ‘friendly societies’ as they were ‘class struggle’ organisations; the ‘strike fund’ was an account alongside the ‘distress fund’; and the construction of working class consciousness was just as much tied to the protection of members in their times of need as it was to solidarity on the picket line. The objectification of workers’ ‘mutual aid’ in the welfare state meant that these functions were secured as *rights*, at the same time as separating them from voluntary class struggle associations. So long as people enjoyed these benefits as universal rights attached to citizenship, like public education, then this is hardly problematic, but this is not always the case.

The very formation of the working class was bound up in systems of mutual aid; a hundred years ago the workers’ movement succeeded in institutionalising these programs as universal rights and benefits provided by the state; the side effect of this institutionalisation, in which workers’ mutual aid was now mediated by the capitalist state, was the subjective and objective gutting of the working class as a class for itself. All answers to the problem of ‘dependency’ have to begin from this historic problem.

It is easy to see how, in this situation, working class organisations could become complicit in the exclusionary and discriminatory implementation of this regime as exemplified in female rates of pay, and exclusion of Indigenous people from use of their land.

Every opportunity for a claimant to qualify as 'deserving' adds stigma to another person thereby deemed 'undeserving'. The point about universal entitlement as opposed to targeted assistance based on either need or desert, is two-fold. From the social-psychological point of view, targeted assistance inevitably carries a stigma whatever the basis for targeting, and separating out the 'deserving' poor only accentuates the stigma for those deemed 'undeserving'. From the point of view of distributive justice, universal benefits ensure that no one slips through the net.

However, so long as wage-labour is ubiquitous, there is little reason to work other than to earn a living, so universal benefits have a tendency to become very expensive. The other problem with universalist provision is that although it avoids exposing groups to exploitation and stigmatisation, it does not prevent free-riding — not so much the iconic dole-bludger, but the men who free-ride on the care-giving of women, and the capitalist who can free-ride on the backs of underpaid workers. The only answer to this is to change the behaviour of those who free-ride. It cannot be fixed by any system of payments.

Thus, even universalist provision of welfare as of right, does not prevent exploitation and stigmatisation so long as a real hierarchy of subordination exists *in society*; universal welfare can actually *underwrite* exploitation. Also however, provision of welfare as of right relies on citizenship as the form of subjectivity by means of which a person relates to the benefits they receive from the state. State-provided benefits are only as secure and meaningful as is citizen control over the state. People who cannot exercise political pressure on the state, and cannot see the state as really an expression of their own subjectivity, are not only going to *feel* excluded, they are going to *be* excluded.

### **Dependency as a Personality Trait**

In this environment, efforts by pressure groups to establish welfare benefits as rights are pushing uphill to say the least. All the arguments now are about 'incentives': Do child benefits encourage women to have more out-of-wedlock children? Do they discourage them from accepting jobs? Can reducing or withholding benefits serve as a stick to encourage recipients keep their children in school, get married? Dependency is now a synonym for poverty, with moral/psychological dependency now widely accepted as a personality disorder, whether taken as the cause *or* the effect of poverty. The relations of subordination hidden within the discourse of dependency have disappeared from view.

The idea that welfare may create 'habits of dependency' dates back to the Depression of the 1930s. In the 1950s, psychiatrists began to diagnose dependence as a medical disorder, specifically as form of immaturity among women, particularly among single mothers. These psychological themes are now ubiquitous.

Colette Dowling's 1981 *The Cinderella Complex* talked of 'women's hidden fear of independence' and the 'wish to be saved'. Melody Beattie's *Co-Dependency No More* set off an avalanche of books blaming carers for the dependency of those they care for, casting it as a form of

addiction just like 'drug dependency', ascribed invariably to women and rubbing off in a stigma attached to all the feminised caring professions. In 1980, the American Psychiatric Association officially listed the term Dependent Personality Disorder (DPD), 'apparently common and diagnosed more frequently in females'.

Take 'drug dependency', for example. It is rather uncommon to hear 'dependency' used in relation to genuine medication, or even tobacco and alcohol. Dependency is used mostly in relation to *illegal* drugs; that is, the stigmatised condition which is marked as dependency is the relation of subordination, in this case the subordination that the addict is exposed to by the *illegalisation* of their need. Any wonder that use of such drugs is sustained by the formation of a counter-culture in which use of the drug is normalised.

Likewise, and this is most important, welfare is an instrument used in combination with policing in order to dissuade people from earning a living by crime. Whether we like the idea or not, welfare is part and parcel of the *suppression* of ways of life which the state deems socially undesirable. No able-bodied adult human being will fail to do whatever is necessary to stay alive. Welfare is an essential part of the apparatus by means of which socially-excluded ways of life are suppressed, and those who would practice them subordinated.

### **Building Capacity vs Philanthropy**

The end-point of the ideology of 'dependency' is the concept that the 'real' economy is in the private sector and that government cannot act in this arena. The state itself is then cast in a kind of relation of dependency in relation to the 'real' economy, with its own services rendered as costs relative to the services of the private sector deemed as products. The state, it is argued, must hand over responsibility for capacity building to those qualified to play in the economy. Government intervention is therefore to be mediated by private companies (or charities) rather than bureaucracies — a kind of 'franchising' of government activity.

The idea here is that welfare-dependency cannot be overcome by philanthropy, i.e. by bridging the deficit in wealth, but only by assisting people in building the 'assets' that they need in order to lift *themselves* out of dependency. Without skills (called 'human capital') and social connections or networks of trust (called 'social capital') people have no way of earning a living.

In this discourse, rather than governments providing education and training, public safety and infrastructure, the responsibility for 'capacity building' is handed over to capital (a.k.a. 'the community'), who are encouraged to fulfil their social responsibilities by entering 'partnerships' with people to build 'social capital.' A central concept for this exercise is 'social enterprise', which means helping people start up small businesses, employ people in their neighbourhood and provide services, usually back into the same community. This is a kind of 'import substitution' which has the by-product of facilitating the accumulation of small-scale capital. The result is a kind of *privatisation* of welfare which has the effect of subsuming under capital relationships which, to their detriment, have been outside of capital.

The key word here is 'inclusion'. Dependency now denotes being outside of capital; independence is achieved by being subsumed under capital,

either as employee or as small-scale capitalist. Capacity building involves assisting 'entrepreneurship' and 'investing in human capital', to facilitate 'inclusion' under capital.

The problem is that it is the action of capital which separates people from their means of livelihood in the *first place*. Still, it is better to be employed and exploited than to be unemployed and marginalised. But isn't there something deeply problematic about instrumentalising whatever relations of trust and collaboration exist within a community as relationships of domination (i.e. employment relations)? Both the small-scale capitalist and their semi-marginalised employees remain in a position of total powerlessness in the face of 'market forces.' The formation of companies *is* one possible step towards self-determination, but it is by no means the only one, let alone the best one for poor communities.

There is an implied interpretation of 'dependency' here which holds that getting things off government is dependence, while engaging in a business relationship with a private company is being independent, and what people need is the capacity to do business. But the kind of 'independence' people get this way is just in proportion to their economic muscle; what is left out of the picture altogether is the *political and socio-legal muscle* that people have or don't have.

Independence is far more about empowerment on the social, legal and political domains than it is about capacity on the productive plane or moral/psychological causes. In fact, dependence is more often associated with being productive than with not being productive, and with being responsible rather than irresponsible. Historically, the usual precursor to being subordinated is being *excluded*, and subordination is the essential condition which underlies dependence.

What is nasty about being a 'welfare dependent' is that you are subordinated to others — bureaucrats, philanthropists, police, landlords. No welfare claimant is going to complain about the benefits they receive; it is the subordination that goes along with getting the benefit which is the problem, and the stigmatisation associated with that subordination. No doubt, a company turning up and offering work in a small community would be welcome. But if the relationship is just a charade, and benefits which rightfully belong to the community are being channelled via a company and offered as a private favour, this is a slender basis for overcoming 'dependency'. So long as the differential power between the giver and the receiver of benefits is there — and passing benefits via a company hardly addresses that differential — then subordination is the likely result, even if it is a *benign* subordination. When the giver is setting the conditions, the receiver is subordinated.

To overcome subordination, what is needed is *self-determination*. Self-determination is not an *individual* question: no individual can attain self-determination except by means of participation in a social subject — be it a company, a social movement or administrative agency. The difference between 'dependency' and 'independence' is the difference between subjugation or participation in a social subject which expresses one's *own* subjectivity through some particular organisational link. The usefulness of a practice is defined by the subjectivity within which it is enacted.

The only answer to dependence, welfare dependence or any other kind of subordination, is getting organised.

### **The Ideology of Self-reliance**

All institutions have systems of reward and punishment to support the practices which they constitute, inclusive of allowing people to earn a living by furthering their activities. This is the mortar that binds social subjects together. But it is the enjoyment of the essential mission of a social subject which lifts human beings from subsistence and creates a basis for social solidarity. Reward and punishment, far from alleviating the stigma of dependency, are its usual accompaniment.

One of the most pervasive ideological prejudices which support the neo-liberal analysis of 'dependency' and their policies for 'welfare reform' is the thesis that 'self-esteem' flows from 'helping yourself'. In this 'theory', which is a perversion of the aesthetics of labour and pragmatist social psychology, a person sees an image of their own worth in the value of what they have acquired for themselves by their own efforts. Thus the billionaire is the happiest person imaginable, and the welfare claimant, who has been given what they have without any effort on their part, is totally lacking in self-esteem. What welfare claimants need, therefore, is a chance to develop self-esteem by working for their dole.

This is an outrageous lie! The origin of self-esteem is the perception of oneself through the eyes of another who esteems you, above all because you have met *their* needs through your labour, not because you have helped yourself.

The caveat has to be added, admittedly, that providing for the needs of your own family or contributing to the needs of any larger institution, by *whatever means*, is indeed a source of self-esteem, but this is equally well met by stock market swindling, welfare benefits or crime. What the unemployed person needs, if they are not raising a family or busy with voluntary work, is not a means of acquiring a fortune, but simply some way of making themselves *useful* to someone else, something which work-for-the-dole is not likely to provide so long as it is just the hurdle through which you must jump to qualify for your pittance.

Further, the origin of virtue is the enjoyment of values intrinsic to social practices, rather than their *external rewards*. Once a person finds themselves doing something only for the reward they are given for it, rather than the value intrinsic in the practice itself, then their life has lost all meaning. That this is the condition of millions of wage-workers and celebrities alike is no comfort. If someone does 'community work' simply as the hurdle which they have to jump to get their entitlement, then it is hard to see what good will flow from this.

The opposite of 'dependency' is *self-determination*, subjectivity, which, for an individual, means participating in a social subject. In modern conditions, this cannot mean subsumption within a society-wide hierarchy headed by the King, since modernity is characterised by a multiplicity of subjectivities. Nevertheless, to be second fiddle in the orchestra or a rank-and-file member of the union is hardly experienced as 'subordination'. In such a social subject, the individual sees in the agency of the social subject, an expression of their own will. Conversely, a social subject sees to the sustenance of their individual members and struggles for recognition on the political and economic arena.

The shattering of various forms of social subjectivity by commodification, and the suppression of ways of life inconsistent with capital accumulation, has reduced millions of people to the status of *objects*. The answer to poverty and exclusion lies not in economics, but in politics.

## **References**

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*Justice Interruptus*, Nancy Fraser, Routledge 1997.