

A Care-less State? Austerity and the Legitimation of Injustice



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THIS TALK IS BASED

Outline

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- Democracy and Care
- A Care-less State
- Why Affective Equality matters for social justice
- The Neoliberal Turn – implications for democracy
- Austerity – adverse impact on youth, children, single parents, Travellers, ill and disabled, carers
 - Redistribution of wealth - problems with taxation
- Role of Ideology in legitimating inequality
 - Austerity as ideology
 - Charity as ideology
 - Consensualism as ideology
- Conclusion

Democracy and Care

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- Democracy is about achieving **parity of participation** in the exercise of power
- For Democracy to be meaningful, it must have an ‘objective’ or ‘goal’ – **Creating a Caring Society** is a fundamental ethic for a democratic state (J. Tronto, *Caring Democracy*, 2013)
 - Creating a **Caring society**, means creating an equal society for all people in economic, political and cultural terms
- It is about creating **equality of condition** not just equality of opportunity – a place where people live equally valued and meaningful lives, a place where the economic and social policies enable this to happen

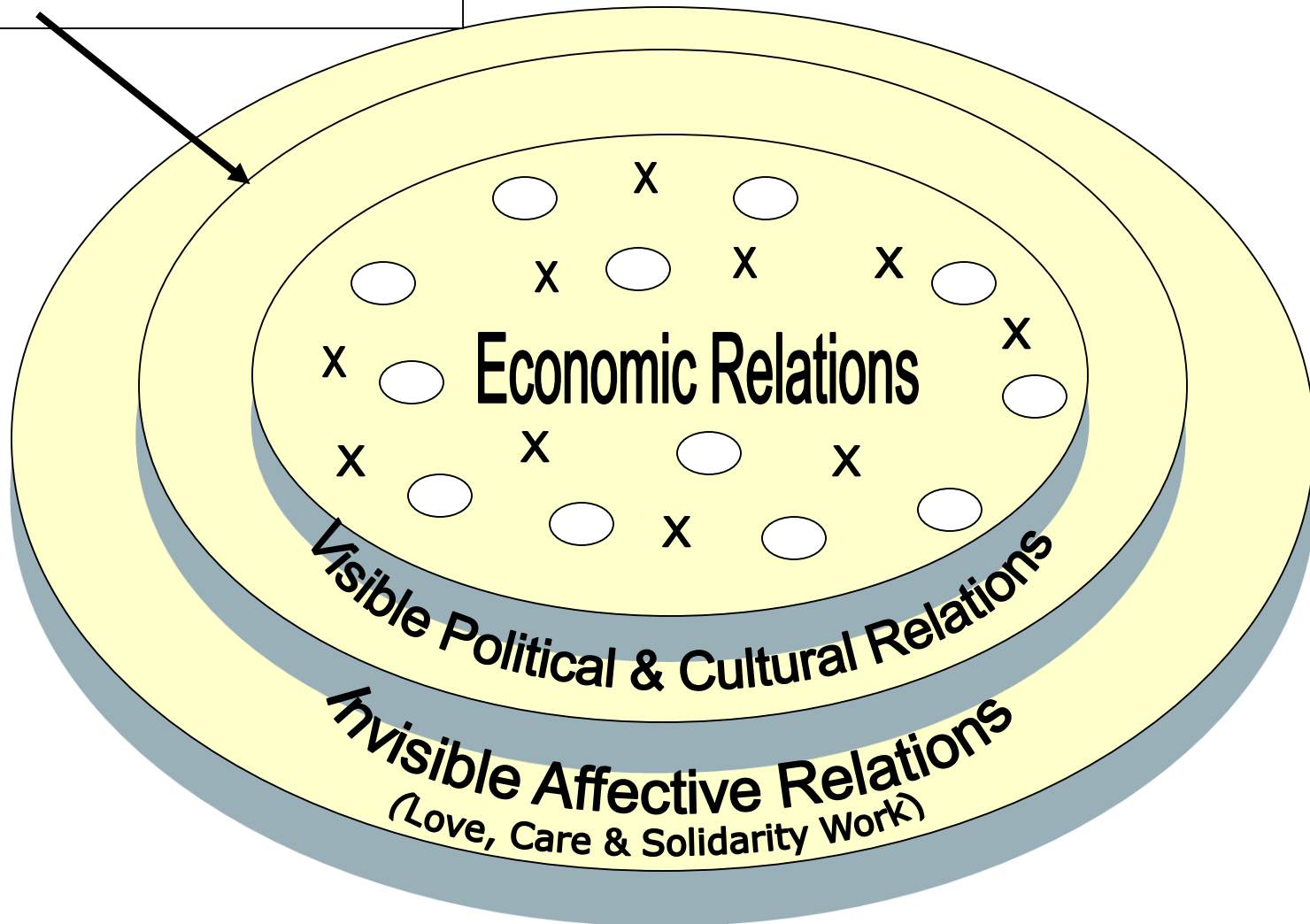
A Care-less state

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- **Public Ethic of Care- means ‘cherishing all the children of the nation equally’....yet Ireland has:**
 - ✦ Disinvested in public care and welfare services over many years
 - ✦ Social Class-segregated education, health care, housing
 - ✦ Religious, ethnic and dis/ability-related segregation in education
- Rhetoric of ‘Community’ and ‘Family’ conceals lack of public supported child care, respite care, under-funded mental health services
 - ✦ Family care = mostly women caring at home with little or no economic security or even time for themselves
 - ✦ **The Affective Equality issue is largely ignored**

Rational Economic Actor (REA) Model of the Citizen- person is valued for performance

Competing Rational Economic Actors



O = Self interested, Calculating, Competing Economic Actors.
X = Competition Between Actors.

*Systems where
Inequality can be generated*

- **Economic system**
- **Cultural system**
- **Political system**
- **Affective system**

*Dimensions of Inequality:
where it is manifested*

Resource inequalities

**Respect and Recognition
inequalities**

Representation inequalities

**Relational inequalities – love,
care and solidarity**

Love, care and solidarity matter for social justice

Lynch, Baker and Lyons, *Affective Equality: love, care and injustice* (2009)

- **Affective relations or Relations of love, care and solidarity exercise the same structural role in relation to *relational life* that economic relations exercise in relation to *material life***
- The concept of affective equality integrates a concept of relationality, dependency and interdependency, into our understanding of equality, human rights and citizenship – human beings have love and care needs as well as material needs
- Inequalities in the receipt of love, care and solidarity (LCS) is a serious human deprivation
- Affective inequalities have profound implications for other injustices
- **And inequality in the doing of love and care work is deeply gendered, raced and classed**

Economic Inequality impacts on our capacity to Care: A Neo-liberal Care-less State?

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- **1st principle** of neoliberal capitalism is to reduce the costs of public expenditure to capital : **creating ‘a small cheap state’**
- Decline in investment in public goods -minimal welfare state is being eroded:
- Cuts to welfare (care) infrastructure of the state:
 - Cuts to welfare benefits for young people, single parents, those who are ill, carers, community (working class) groups, public housing, public (especially higher) education, health services, including mental health services

Economic Inequality - Austerity

Sources: (CSO, SILC 2013, and Keane et al., 2014, TASC 2015)

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- **In market income terms, Ireland is the most unequal country in gross incomes terms in the OECD**
- Ireland relies on social transfers to compensate for inequality
 - However, **Austerity (2008-2014) made Ireland more unequal**
 - ✦ Social transfers (welfare payments) declined for many low-income groups, especially young, single, unemployed since 2008
 - ✦ Indirect taxes/charges have risen
 - ✦ Public services have also been adversely affected due to declining investment – health, education and housing
 - ✦ Rising rents, the property collapse and exposure to debt all impacted

The austerity impact: some key examples of a careless state (Source: CSO, SILC 2013)

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- **Single parent families** (over 97% of whom are led by women):
 - 63% experienced enforced deprivation rate in 2013, almost double that of 2008
 - **Illness and Disability-related unemployed:** deprivation rate rose from 36% in 2008 to 53% in 2012
- **Carers' grant** cut by almost 20% (partially restored)
 - **Home care/help hours** (mostly for older vulnerable people) cut by 18% – 9 million hours in 2013 but 11 million before austerity

Intergenerational injustice: working class-youth-related austerity

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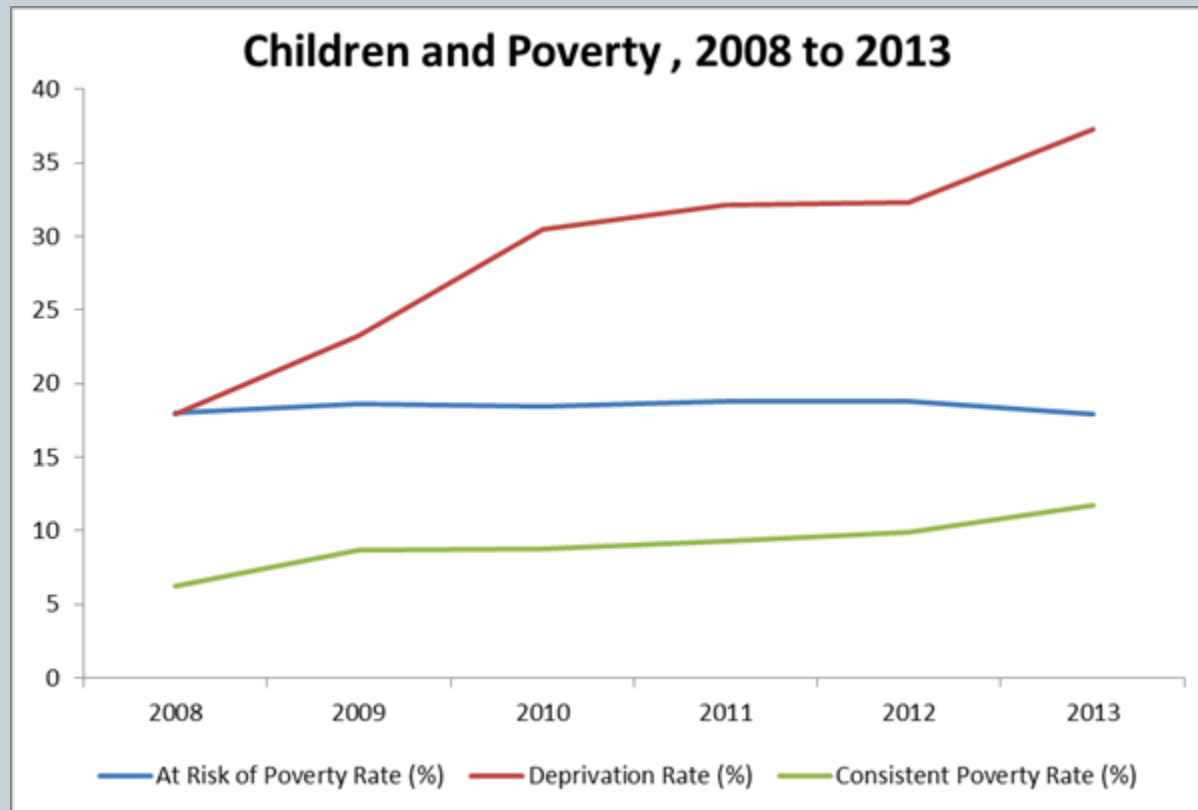
- Funding for **Youth Work** services cut by almost 30% for the five years up to 2015: from €73.1m to €51.4m
- **Community Groups** (serving low-income working class areas) budget cut of 72%.
- **Unemployment assistance** (UA) payments disproportionately cuts targeted at young people:
 - ✦ Jobseekers Allowance fell from €144 to €100 per week for 18-24 year olds;
 - ✦ 25-year-olds' payments were reduced from €188 to €144 per week.
- **Emigration:** almost 50% of those who emigrated in 2011 and in 2012 were 24 years of age or younger
- Substantial rise in **Student poverty**:
 - ✦ 22.7% of students were at risk of poverty in 2010; almost one third, 31.4% were at risk of poverty in 2011

- Sources: *Public Expenditure Report 2013*, Department of Public Expenditure and Reform, December 2012
- http://www.cso.ie/en/media/csoie/releasespublications/documents/silc/2011/silc_2011.pdf accessed March 12th 2015

Children and Poverty, 2008 to 2013

Source: CSO (2015) *Income and Poverty Rates by Age Group, Statistical Indicator and Year: 2008-2013*

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Government– demonising the poor and ignoring the evidence of unjust taxation

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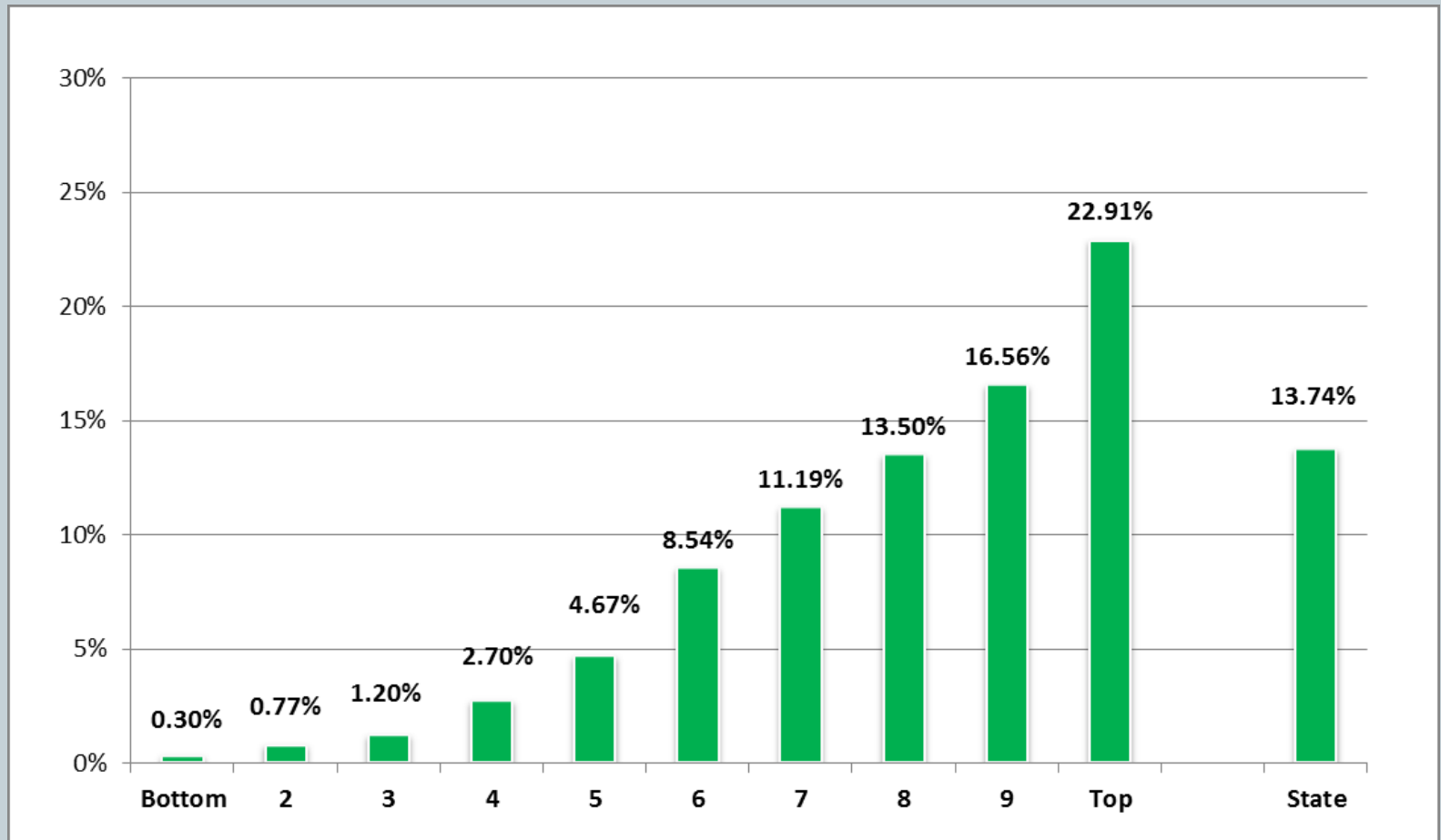
- *“It’s impossible to deliver relief with tax cuts to people who don’t pay tax,”* Minister for Finance
- Post-budget comment in an interview with thejournal.ie on October 14th 2014
- <http://www.thejournal.ie/michael-noonan-austerity-is-over-1723791-Oct2014/>

Total Income Tax & Social Insurance as % of Gross Income:

Irish Households – bottom (poorest) 10% to top (richest) 10%

Source: Micheál L. Collins (2014) *Total Direct and Indirect Tax Contributions of Households in Ireland*. Nevin Research Institute Dublin NERI WP 2014/No 18 (Page 12)

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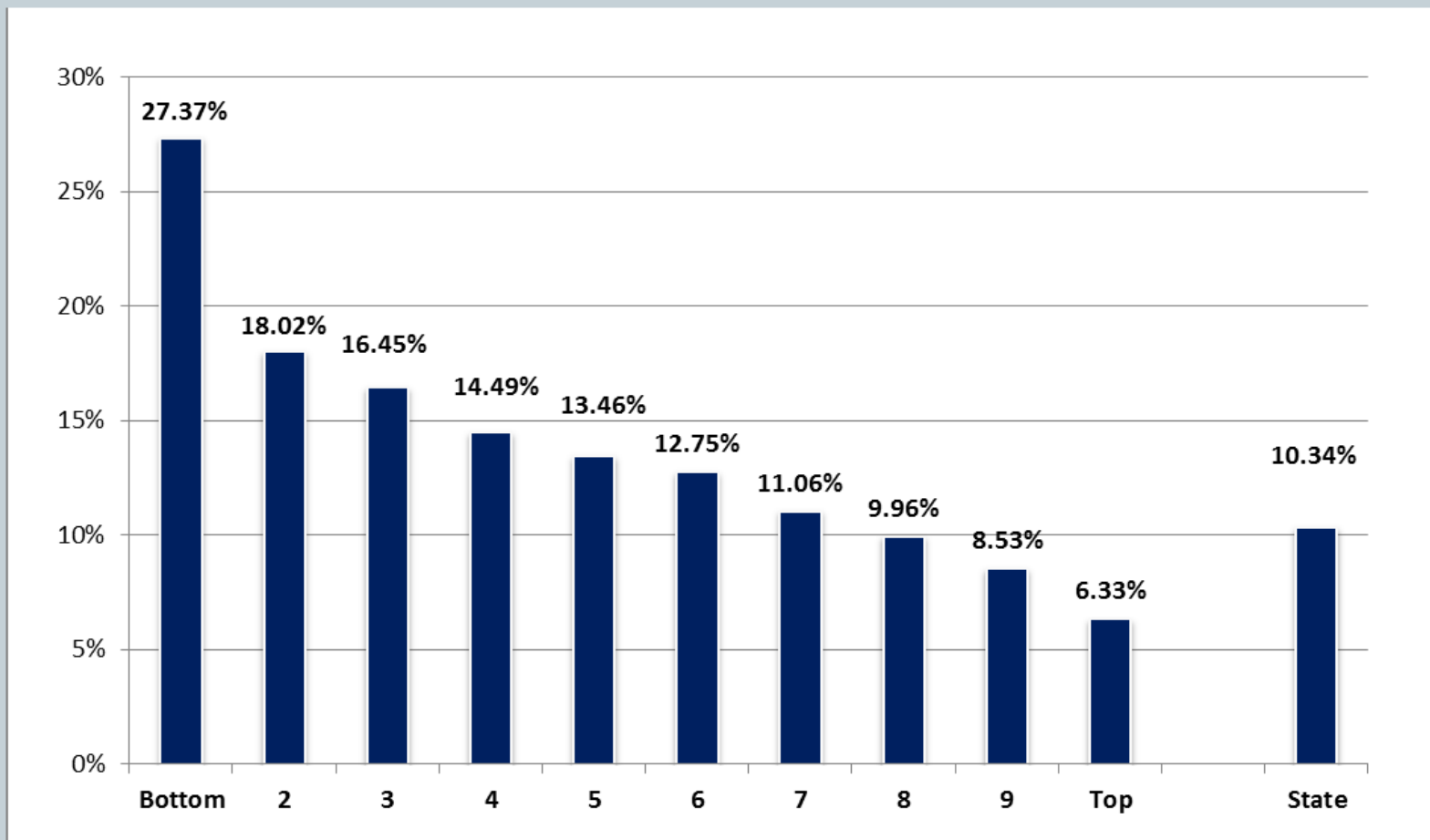


Total Indirect Taxes as a % of Gross Income

Irish Households – bottom (poorest) 10% to top (richest) 10%

Source: Micheál L. Collins (2014) *Total Direct and Indirect Tax Contributions of Households in Ireland*. Nevin Research Institute Dublin NERI WP 2014/No 18 (Page 16)

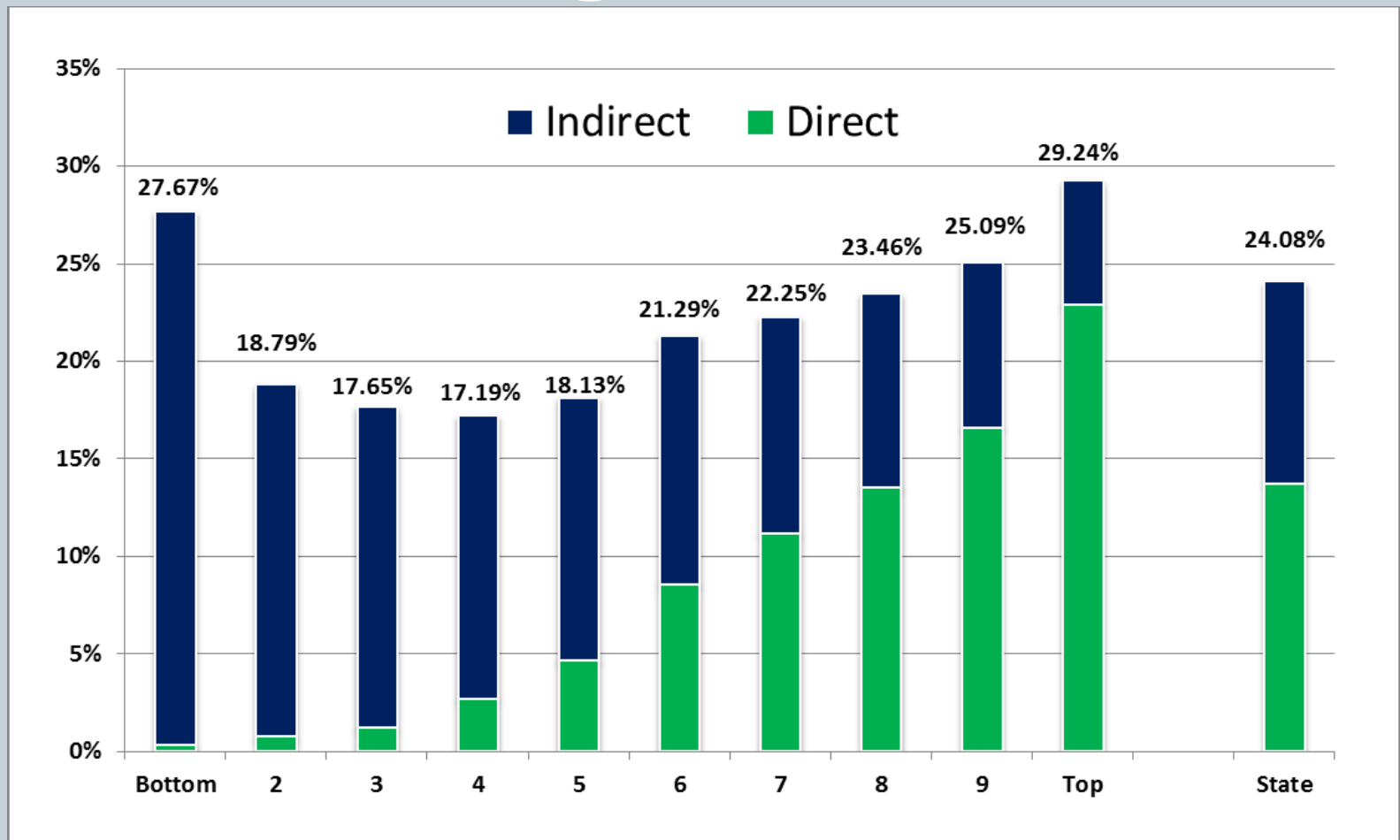
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The percentage of Gross Income spent on taxes by Irish households – from bottom to top groups (10%) **Blue=indirect taxes; green= direct tax**

Source: Micheál L. Collins (2014) *Total Direct and Indirect Tax Contributions of Households in Ireland*. Nevin Research Institute Dublin NERI WP 2014/No 18 (Page 17)

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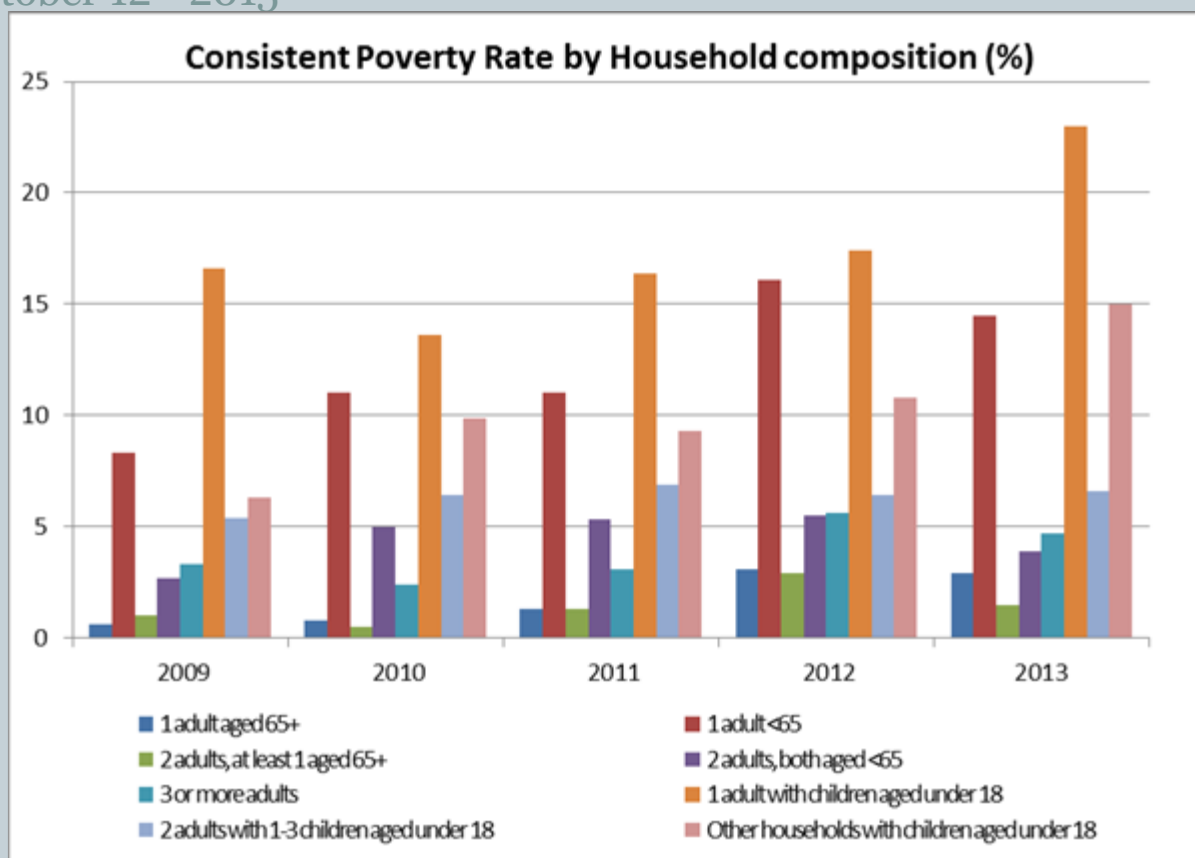


Consistent Poverty Rates by Household Composition 2009-2013

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Source: CSO statbank, SILC data accessed via

<http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?maintable=SIA16&PLanguage=0> _ October 12th 2015



Why do we accept inequality?

Role of Ideology

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- **Inequality is made to appear like** something natural and inevitable – as **common sense** – ideologies (sets of ideas) are popularised in society that make it appear unchangeable
- **Historical roots:** religious conservatism and anti-intellectualism led to the demonisation of secularised forms of egalitarian dissent
 - Socialism, feminism, humanism, atheism, communism were (and often are) inadmissible political subjects
 - People who espouse egalitarian ideals defined as cranks, dangerous, ill-informed
 - Injustices, if and when they were named are seen as being resolved partially by **Charitable acts by individuals and local communities, not by institutional change**
- Ireland was a fertile territory to grow and develop **neoliberal ideologies in austerity form** – no institutionalised intellectual traditions to resist it

Austerity as ideology

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- Suffering is not framed as a consequence of austerity: it is ***framed as a future danger to be avoided*** unless austerity is implemented
- Impression created that 'all suffer austerity equally'...use of the collective pronoun '**we**' ...the people creates myth that austerity is experienced equally by all
- Austerity is a way of rationalizing the impoverishment and suffering of large groups of people on the grounds that prosperity will come at some unspecified time in the future to unspecified people
- 'We' is a dangerous word

Royal ‘we’ and the ‘better’ future

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- “*Making my estimates speech last year, I said I was confident that, **as a people, we would come through this mess** –...Today I am more than confident, I am certain.*” – Minister for Public Expenditure and Reform, Budget day Oct. 14th 2014
- In 2013 the Taoiseach claimed that Ireland ‘*would stick to the final phases of its bailout targets because **Irish people** were pragmatic and could see that **after several years of austerity, economic recovery was underway and better times lay ahead***’ (An Taoiseach, Press briefing, April 2013).
- This statement was made at a time when the then President of the European Commission, José Manuel Barroso, was arguing that relying on austerity alone would not resolve the European crisis.

The Austerity Imaginary

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- Austerity draws on scientific (medical), moral and magical imaginaries simultaneously to create allegiance to enforcing inequality policies
- Austerity is represented as...a
- ***Magical potion***...produce a good future –not clear how and who will benefit
- ***Medical Cure***: for the ‘over-indulgence’ in the ‘Celtic Tiger’ years
- ***Moral directive***.. Atonement for past sins (K. Allen, 2012)
- The combined imaginaries helped the *global financial crisis* of capitalism to be *translated into a fiscal crisis of the state*
- ***New Common Sense*** is the normalisation of austerity for the most vulnerable in society

Austerity is gendered

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- Both in Ireland and in Europe, the leaders of major financial institutions that caused the crisis, were male:
- **In 2008, 95% of the 22 key decision-makers in the European Central Bank were men while 95.5% of those on the Board of the IMF were men** (Pearson and Elson, 2015: 14).
- The heads of all the major Irish banks were men throughout the crisis as was the Taoiseach, the Minister for Finance and Head of the Central Bank of Ireland. In 2015 all of these posts were/are still held by men
- Austerity-in-practice was deeply patriarchal in many respects, **cuts to forms of welfare/work on which women are disproportionately dependent:**
- child benefit, maternity benefits, one parent allowances, BTEA, lengthening the working day in public services which is costly for women as primary carers

Charity as ideology: framing the response to the crisis

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- **Charity ideology** dominates public discourse about social justice in Ireland- *means-tested vs few universal welfare payments*
- Charity operates as both ideology and practice and has deep roots in religious beliefs and metaphors.... '*Poor we will always have with us*'
- Even our public services have a 'charity' dimension: *incomplete funding of public services so people can make a 'donation' or 'voluntary contribution'* (schools); social housing is provided increasingly by charities (housing associations) .
- Religion has monopolised moral spaces in Ireland ...economic inequalities were accepted as normal but softened by charity -Irony – power of religious groups to control moral spaces has facilitated a deeply immoral society as charity allows for complete inconsistency in the practice of equality and social justice

Problems with the charity model of social justice

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- **Charity is not justice...as it is an entirely voluntary act**
 - It can be given and taken away, a gift held by those who decide to give, on the terms which they decide to give it.
 - **Philanthropy-capitalism**....new way for the rich to pay taxes on their own terms...so they can do charitable works and gain public acclaim for their 'generosity'
- **Charity is not collectively binding**
 - Those receiving charity have no rights to the services or goods offered...(Charity ideology leads to misrecognition/non-recognition of particular groups - ideology of deserving and undeserving poor develops from within the charity framework – e.g. cutbacks to 'single-parents' , Travellers,
 - Cutbacks to social welfare were justified in recent years on the grounds they were 'too generous' ...(Dukelow and Considine 2014) - deeply-charity-based view

Dangers of charity as a political principle

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- It is driven by the desire for moral recognition on the part of those who give, not by a recognition of the rights of those who receive.
 - It services the guilt of the better off not the needs of those who are vulnerable at a given time
- The generative causes of injustice at the level of structures are not changed
 - (*Charities Act 2009* specifically precludes human rights advocacy work if an organisation wants charitable status)
- **Charity can exacerbate inequality** as it can absolve the government of responsibility: it gives the impression something is being done

Dangers of charity as an operating political principle

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- Charitable work is voluntary so it is often **uncoordinated** and ad hoc...one area has a service, the other has nothing
- It creates a public impression that those offering charity are **morally superior** to the needy as they are working out of virtue
- It is **demeaning** for those in receipt of it —
 - charity has to be sought, it is not a right so those seeking it are subject to scrutiny on the terms defined of those in power...
 - A Justice model built on Charity is based on the institutionalisation of unequal relationships

Consensualism as ideology

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- Dangers of the royal 'we'....
- Consensualism in **academia...** critiques not encouraged.. In economics, one narrative, classical economics...
- Consensus-building central to **Catholic tradition** -ideology of 'corporatism' reflected in the 1937 constitution and the vocationalism of the Senate
- **Trade unions** - Social partnership 1987-2007 – ability to organise, resist etc. was demolished during social partnership

Consensualism of the civil and public service

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- The Neoliberalisation of State agencies was resisted by public and civil servants in many countries but led by the Senior members of the civil service in Ireland
- The Strategic Management Initiative (SMI) led to the *Delivering Better Government Report* (1996) by the Secretary Generals of the Civil Service. Both the SMI and the 1996 report culminated in The Public Service Management Act (1997) instituted a technicist approach to change that was strongly driven by business rhetoric:
- *Advocates of 'running the government like a business' and practitioners of the NPM [New Public Service Management] approach to the reform of the public sector have sought, at least in part, to have the public service operate according to 'market-like models'. NPM is based on an economic understanding of governance in which the market – or approximations to it – is regarded as the ideal mechanism for the allocation and delivery of public services. Central to this approach is the perception of the citizens as customers. (Collins, 2007: 31).*
- Collins, Neil (2007) 'The public service and regulatory reform' in Collins, N., Cradden, T. and Butler, P. (eds.) *Modernising Irish Government: the politics of administrative reform*. Dublin: Gill & Macmillan

Consensus and the mythical left-right dichotomy

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- Metaphor of left/right in politics creates an illusion of a reasonable centre...those who are 'without interests', the reasonable 'middle'
- Consensus is found in the middle...between the 'extremes'.. it suggests there is a 'mainstream'.. a unified group with shared views
- The mythical binary feeds into conservative politics as the 'reasonable centre' is non-existent. The 'Centre' is the powerful middle class and the upper class from which they pick their 'drop down' class menu
- The left-right binary leads to the demonisation of egalitarian politics as it is construed as 'hard left' or extreme...far out from the reasonable 'middle'.. the 'normal' place to be is in the 'middle'

Making consensus by Closing down dissent..

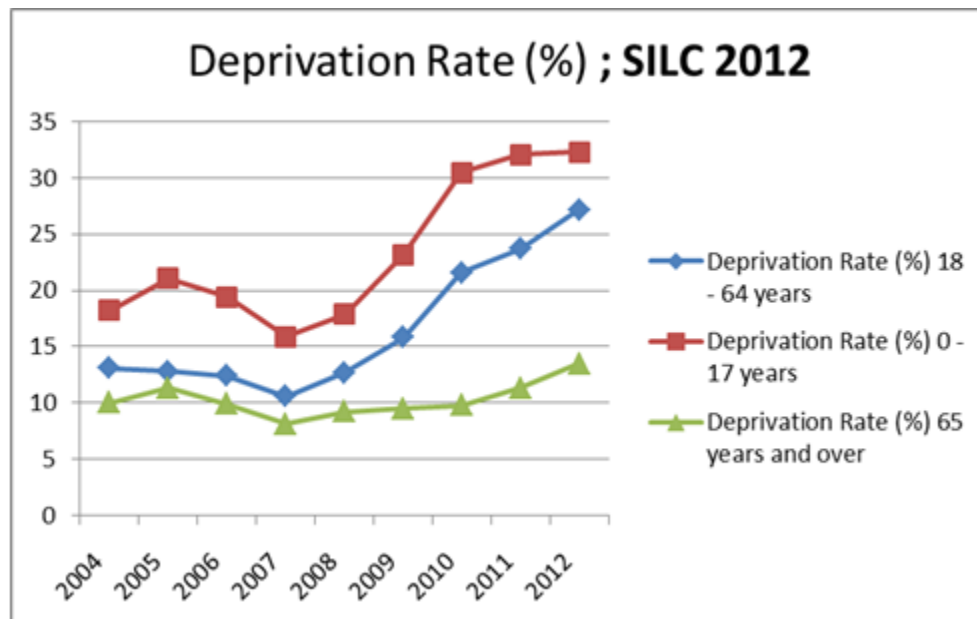
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- Equality infrastructure dismantled- cutting back of funding of equality monitoring agencies, CPA, NCCRI, Equality Authority, National Committee on Ed. Disadvantage etc.
- Cuts to numerous gender equality bodies –Women’s Health Council, Crisis Pregnancy Agency
- Cut funding to community groups- closing down working class voices
- Cutting 85% of funding for Traveller education and activism

Conclusion

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- Economic Inequality and Care-related Inequalities are deeply linked
- Discourses of austerity, consensus and charity have played an important roll in foreclosing political activism and debate about the impact of injustices for a significant and diverse range of minorities
 - They have also played on the 'fear' problems generated by the risk and insecurity promoted by a neoliberal state...
- Politics of change cannot be driven by interest-based politics/ there is no way within the interest-based- paradigm to justify the interests of the poor over the rich, the powerless over the powerful
- Politics is about moral purposes –politics needs to be built around a set of principles that will protect and empower people not a fake left/right binary
- **Caring Democracy is possible but it must be built on egalitarian principles**



Notes...Changing language denotes change in values, culture

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- Changes in Nomenclature reflect cultural shifts:
 - People have moved from being **Citizens with rights** to Market-defined **Customers, Clients, Jobseekers**
- <http://www.education.ie/en/The-Department/Customer-Service/Customer-Charter>
- <http://www.welfare.ie/en/Pages/Customer-Charter.aspx>
- Re-emergence of 19th Century language of **the deserving poor** (the so-called '**squeezed middle class**'...new name for deserving poor)
- 'Probation and Welfare' changed to 'Probation'...**concept of welfare is removed**

Lecture is based on a paper:

‘Inequality’

Kathleen Lynch, Sara Cantillon and Margaret Crean

forthcoming in William K Roche, Andy Prothero and Philip J.
O.Connell (eds.)

Austerity: The Irish Experience. Oxford University Press. 2016