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Gibilisco

***The Enabling State: People before bureaucracy 2001, Edited by Peter Botsman and Mark Latham, Pluto Press, Annandale NSW.***

This book outlines the political agenda of *The Enabling State* according to the ideas of prominent Australians who embrace the 'third way' movement. Mark Latham (p. 34) believes the 'third way' to be the social democratic principal of its time. It is a set of ideas that rely on the philosophies of mutualism, communitarianism, ethical socialism and classical liberalism. The basic argument is that when these philosophies are mixed appropriately, they can provide the state with a system of social and communal cohesiveness, as opposed to the state being depicted as a paternalistic money tree. Further, Peter Botsman (p. 4) argues that the state's role is to be a form of social support. He suggests this will not require the withdrawal of resources for the provision of welfare, but rather the aim will be to focus on redevelopment of welfare programs. Proponents of the third way believe government policies should concentrate on giving power to classify, dispense and administer appropriate forms of social action to communities, rather than to bureaucracies.

The authors of the essays in this book include a wide range of people from academic life, politics and other sectors. Their arguments combine to develop a proposed solution to current social problems,

in which government is viewed as a junior partner to communities. This is in contrast to traditional social democratic approaches, which in many cases have argued for a much greater role for government. The community should be used to embrace many of the solutions of society, rather than today's negative effects of many bureaucrats. Hence, the ambition driving the 'enabling state' is to transform the current welfare system with its format of passive payments, service and information structure, and dead-end dependency, into a system that is qualified to instil an active family that will attain the skills of social and self development.

The book is structured into 6 major parts, each dealing with a significant dimension of the enabling state.

Part A, 'The Introduction' develops a broad framework of the main on which the theme of the third way and welfare reform will be developed.

Part B, 'Enabling Education' lays out the importance of education reform that makes it possible to be part of a knowledge nation and the importance of community based schools in the structural enrichment, and therefore the development, of education.

Part C, 'Enabling Social Policy' is a diverse section that includes three essays concerned with the labour market, and develop an approach to

combine local information structure funding, social welfare payments and training funding to create fully paid work and opportunities, whilst also providing for significant improvements to public housing and the community as a whole. Social wages are redefined as welfare funding and resources developed through regional cooperatives that are run by communities of people and the interests they serve. The last essay in this section argues that our ailing health care system is reformable and that current problems are a product of a lack of support for Medicare.

Part D, 'Enabling Communities' includes four essays concerning the human info structure of communities. The new economy should be functioned through mutual responsibility and social entrepreneurship; Latham argues such work is needed to rebuild communities. Noel Pearson attacks the wisdom of Australia's welfare policy towards Aborigines, rejecting the provision of passive welfare for the entrenchment of reciprocity. Social entrepreneurship in practice is valuing community building and creativity instead of such things as bureaucratic rule making. In the last essay of this section, Botsman argues for the formation of an Australian National Organization of the Unemployed as a new social partner within the enabling state of the future.

Part E, is entitled 'Enabling Governance', and analyses the

moral obligations of government. The first essay in this section recognises the value of bureaucracy, as the apparatus of successful institutions of the 20<sup>th</sup> century; namely the nation state and the institutional firms. The authors in this section follow by appreciating social and political participation that is integral to the development of social capital, and finally they acknowledge the moral foundations that are known as the product of good government.

Part F, is entitled 'The Enabling State: From Government to Governance'. In this concluding essay Mark Latham discusses globalisation, and its effect on social democratic politics, suggesting we have now entered a society where traditional norms and guarantees are no longer of a functional use.

This book accommodates terminology that is somewhat paradoxical to traditional social democrats, with discourse involving social entrepreneurs, social capital and the free market. A critical engagement with these ideas is provided by Callinicos (2001) who argues that the 'third way' is just a continuation of neo-liberal policies. The 'third way' is an illusion. He suggests that the pledge of improved economic efficiency through the market should not be promoted as a reality, as capitalist efficiency is held together by good public services and the necessary formulation of careful regulation. However, in

defence of the third way, Latham (p. 15) believes that '[o]nly the political equivalent of Austin Powers could believe that government intervention achieves better results than market forces'. Latham however, adds there is no logical reason for the marketisation of essential services such as education, health and welfare, as there is a need for the essential services to be presided over by those who employ ethical and moral social principles, rather than the economic principles of the market.

According to the 1998 Nobel Prize winning economist Amartya Sen (1999, p. 111):

The intellectual climate has changed quite dramatically over the last few decades, and the tables are now turned. The virtues of the market mechanism are now standardly assumed to be so pervasive that qualifications seem unimportant. Any pointer to the defects of the market mechanism seems to be, in the present mood, strangely old-fashioned and contrary to contemporary culture (like playing an old 78 rpm record with music from the 1920s).

This book represents the pragmatic and theoretical policy shift of Australia's form of social democracy to that of the UK's 'third way' style of social democracy modelled by Anthony Giddens (1998), and applied by Tony Blair as leader of UK's 'New Labour Movement'. It offers one

set of possible solutions to many of the global economic and social problems faced by traditional social democracy, and as such should be read by all those seeking to confront the major challenges of our era.

by P Gibilisco

### **Bibliography**

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