Is welfare dependency ‘welfare poison’?
An assessment of Noel Pearson’s proposals
for Aboriginal welfare reform

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Foreword

Since its establishment 11 years ago, a considerable amount of CAEPR’s research attention has focused on such core themes as the impact of the welfare on Indigenous people, Community Development Employment Projects (CDEP) schemes, economic development, governance structures and self-determination, and alcohol issues. These are amongst the matters addressed by Noel Pearson in his recent monograph *Our Right the Take Responsibility*, as well as in others of his publications and speeches.

CAEPR has found Pearson’s ideas stimulating and challenging for its research agenda, particularly in the wider context of current proposals for reform of the welfare system, such as those contained in the McClure Report. There have been a number of CAEPR seminars, informal discussions, and in-house articles, which have been developed in response to Noel Pearson’s ideas.

One of CAEPR’s great strengths is that it is a multidisciplinary institution which draws in its policy analyses on the frameworks offered by economics and economic anthropology, political science, history, demography, and social anthropology. This Discussion Paper has been written by David Martin, a social anthropologist with many years of experience living and working in Cape York Peninsula, the region on which Noel Pearson’s proposals focus. It evaluates certain core underpinning assumptions in Pearson’s proposals, utilising the insights offered through anthropological understandings of remote Aboriginal societies.

The paper is supportive of the broad thrust of Pearson’s ideas. However, on the basis of ethnographic evidence, it does raise issues about whether Aboriginal ‘families’ and ‘communities’ have the capacity to both demand and implement mutual obligation (‘reciprocity’) in the manner which Pearson proposes. The paper argues that the key to Pearson’s reform agenda lies in the new institutional and governance arrangements which must be devised. However, it argues further that given the fractured nature of the contemporary Indigenous polity, the development and ongoing operation of these new institutional arrangements will require partnerships between Aboriginal people and government, and that such involvement by government will inevitably entail risks for Aboriginal people.

Noel Pearson has made a significant contribution to a debate of national importance. It is to be hoped that this Discussion Paper is seen as a sympathetic contribution to this debate.

Professor Jon Altman
Director, CAEPR
April 2001
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<tr>
<td>AGPS</td>
<td>Australian Government Publishing Service</td>
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<tr>
<td>AIAS</td>
<td>Australian Institute of Aboriginal Studies (now AIATSIS)</td>
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<td>AIATSIS</td>
<td>Australian Institute of Aboriginal and Torres Strait Islander Studies</td>
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<td>AIFS</td>
<td>Australian Institute of Family Studies</td>
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<td>ANU</td>
<td>The Australian National University</td>
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<td>ATSIC</td>
<td>Aboriginal and Torres Strait Islander Commission</td>
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<td>CAEPR</td>
<td>Centre for Aboriginal Economic Policy Research</td>
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<tr>
<td>CDEP</td>
<td>Community Development Employment Projects</td>
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<td>CUP</td>
<td>Cambridge University Press</td>
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<tr>
<td>DEWRSB</td>
<td>Department of Employment, Work Relations and Small Business</td>
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<td>NARU</td>
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Summary

Aboriginal lawyer, activist and social commentator Noel Pearson has recently argued that the current mode of delivery of welfare services to Aboriginal people is deeply antithetical to their interests and wellbeing. Central to his scheme for policy change and improved welfare outcomes are two core propositions. The first is that the ‘passive welfare’ policies instituted in Aboriginal communities over the past three decades, with no demands for reciprocity and responsibility on the part of welfare recipients, have promoted detrimental relations of passivity and dependence which are now deeply embedded within Aboriginal societies.

Pearson’s second key proposition is that addressing the dysfunctional consequences of the welfare system for Aboriginal people will require structural change. In particular, new institutions for Aboriginal governance, both formal and informal, will need to be developed. It is through reform of the existing institutional arrangements between government and Aboriginal communities, and through these formal and informal Aboriginal institutions, Pearson argues, that the principles of reciprocity and individual responsibility necessary to leach the ‘poison’ from welfare resources can be instituted and implemented.

Pearson’s arguments should be seen as a welcome and politically innovative contribution to a policy debate of fundamental importance. The status quo in welfare policy, at least for remote Aboriginal Australia, is not sustainable. However, on the basis of ethnographic evidence from Cape York and other north Queensland Aboriginal communities—the region on which Pearson’s policy proposals are centred—this Discussion Paper suggests that certain of Pearson’s underlying assumptions need careful re-examination and further development, and that the evidence poses certain difficulties for the practical implementation of his proposals.

In particular, the ethnography from Cape York and elsewhere suggests that certain widespread Aboriginal values and practices may be inimical to the kinds of social and attitudinal changes which Pearson is advocating and, further, that these values and practices have not simply arisen as the consequence of the experience of colonialism or the introduction of welfare. This then raises the question of the sources of the moral suasion and authority necessary to demand and implement social change in Aboriginal societies. Pearson proposes that these lie variously within ‘families’ and other local groups and ‘communities’. This view is challenged here, with the argument that such contemporary groupings do not have the requisite moral and political authority over individuals. If this is the case, it creates a dilemma for Pearson’s scheme, for if social and attitudinal changes are necessary, whence can they be driven?

The answer may lie in the new forms of Indigenous governance and leadership which Pearson proposes. However, these would involve significant changes within the Indigenous polity, which may be beyond the capacity of Indigenous groups themselves to institute. Facilitation and support from external sources, including
government, may be required. However, the involvement of government in social change would carry its own risks, since despite rhetorical support for Indigenous self-determination, government is inherently incapable of moving beyond its own dominating rationale.

Acknowledgments

I am indebted to Julie Finlayson who with myself co-presented a seminar held on 21 June 2000 at the Centre for Aboriginal Economic Policy Research at the Australian National University, at which the ideas presented in this paper were first outlined. I am also indebted to the participants at that seminar, in particular Tim Rowse, who provided an invaluable critique in his role as discussant. The readers of various drafts of the paper also provided valuable feedback: Jon Altman, Ron Brunton, Julie Finlayson, Francesca Merlan, Nicolas Peterson, Tim Rowse, David Trigger, and Peter Sutton. Expert editorial and layout assistance was provided by Frances Morphy, Hilary Bek, and Wendy Forster.
Introduction
This Discussion Paper has been stimulated by the speeches and writings of Aboriginal activist lawyer and social commentator Noel Pearson, most particularly by his ideas as expressed in his recently published monograph *Our Right to Take Responsibility* (Pearson 2000b), in his Chifley Memorial Lecture, ‘The light on the hill’ (Pearson 2000d), and in a chapter in a volume on reforming the Australian welfare system (Pearson 2000c). However, this paper does not attempt to present a definitive response to the complex set of inter-related Indigenous cultural, political and welfare policy issues raised with such eloquence and passion by Pearson. Rather, its aim is to examine particular concepts which, it is suggested, lie at the heart of Pearson’s arguments, through an anthropological framework based on ethnographic understandings of Aboriginal societies and their interactions with the welfare system.

Pearson argues that the current mode of delivery of welfare services to Aboriginal people is ultimately deeply antithetical to their interests and wellbeing. Central to his scheme for policy change and improved welfare outcomes are certain core propositions. The first of relevance to this discussion is that the welfare policies instituted over the past three decades have produced a ‘gammon’ (artificial) welfare economy within Aboriginal societies which contrasts with the ‘real’ economies of both traditional Aboriginal subsistence and the market economy. It is the absence of reciprocity between recipients of services and those providing them which renders the welfare economy ‘gammon’, in Pearson’s view. This ‘passive welfare’ policy and system of service delivery invariably promotes detrimental relations of passivity and dependence which are now deeply embedded within Aboriginal society and culture (Pearson 2000b: 26–39).

Pearson’s second key proposition is that meaningful change to address the dysfunctional consequences of the welfare system for Aboriginal people will require structural change, in particular the development of new institutions for Aboriginal governance, both formal and informal. It will also require the reform of existing institutional arrangements for dealing with the resources provided through the welfare system, including those arrangements which come under the aegis of the State. Genuine partnerships between government and these Aboriginal institutions must replace the current mechanisms which are controlled by government. It is through reform of the existing institutional arrangements, and through these formal and informal Aboriginal institutions, Pearson argues, that the reciprocity and individual responsibility necessary to transform the ‘gammon’ welfare economy to a ‘real’ economy can be developed (Pearson 2000b: 67–82).

This paper is broadly supportive of the thrust of Pearson’s arguments, which should be seen as a welcome and politically innovative contribution to a policy debate of fundamental importance. Pearson is unquestionably correct in his view that it is simply not sustainable to maintain the current status quo in welfare policy, at least for remote Aboriginal Australia. However, it is suggested that on
the basis of ethnographic evidence from Cape York and other north Queensland
Aboriginal communities—the region on which Pearson’s policy proposals are
centred—certain of his underlying assumptions need careful re-examination and
further explication, and pose real difficulties for the practical implementation of
his proposals.

Pearson’s arguments: A brief outline

In a series of articles and speeches (e.g. Pearson 1999a, 1999b, 2000d, 2000a),
and more recently in a monograph and a book chapter (Pearson 2000b, 2000c),
Noel Pearson has argued that engagement with the welfare state over the past
three decades has corrupted traditional Aboriginal values to the extent that
Aboriginal societies have been ‘poisoned’ by the relationship.

While Pearson’s metaphor of ‘poison’ relates to the leaching of toxins from the
cycad palm nut to render it edible (Pearson 2000b: 55), it is also evocative of the
strategies of those nineteenth-century settlers who laced with poison the flour
they supplied to hungry Aboriginal people. Ironically, welfare money comes to
Aboriginal recipients both as the practical symbol of their citizenship status and
entitlements, and as the tangible means of ensuring sustenance to the needy.
Metaphorically, welfare is thus the new form of ‘tucker,’ but in Pearson’s view its
 provision has entailed the unintended consequence of poisoning Aboriginal
society through a debilitating dependency. Speaking of welfare dependent
Australians more generally, Pearson states:

    Today we routinely see third and fourth generations dependent upon income
assistance through the social security system. These people are trapped in the
welfare safety net. Welfare dependency for these people is not a temporary
halfway house. It has become a permanent address (1999a: 31).

This situation is exacerbated for Aboriginal people by a particular set of historical,
social, and locational factors, including racially based discrimination and
exclusion. Many aspects of Pearson’s thinking on how to change current welfare
policies and program administration flow from arguments by Mark Latham (1997)
that advantage and disparity are linked to location (Pearson 1999b). In
constructing his argument and driving home his analogy of welfare as poison,
Pearson focuses on what he portrays as the limited responsibility many Aboriginal
people in Cape York communities take for themselves and others. He argues that
traditional principles of sharing and reciprocity have become ‘corrupted’ in the
Cape York communities as a consequence of welfare policies and service delivery;
for example, in demands to share welfare incomes to purchase alcohol (2000b:
18–19). Pearson concludes that fundamentally, welfare dependency has become a
pervasive component of contemporary Aboriginal values—a mentality—and has
poisoned people’s capacity to assume responsibility for themselves and their
fellows (2000b: 30–2). This dependency has inevitably locked people out of
participating in a ‘real economy’, either the ‘real’ market economy or the ‘real’
economy of traditional society. Common to both forms of economy, Pearson
argues, is the demand for social and economic reciprocity (1999a: 32, 2000b: 26-8).

Pearson accepts that Aboriginal people in remote regions such as Cape York will continue to be, in part at least, dependent upon government transfer payments in some form. What is needed therefore is the transformation of the resources provided by Government from socially corruptive ‘negative welfare’, which encourages dependency, into ‘positive resources’, based on reciprocity (2000b: 53–4).

At one level, many of Pearson’s arguments are far from novel. Locational disadvantage, for example, has long been recognised as a fundamental limitation on service delivery generally, and as an identified obstacle to enterprise development and the achievement of economic independence for people—including Aboriginal people—in rural and remote areas (see Altman 1990; Taylor 1993, 2000). The detrimental consequences of welfare dependency have been recognised by Indigenous people themselves (Macdonald 2000b: 107), and widely observed and critiqued across both the Indigenous sector and the broader Australian society, from a variety of policy and political perspectives (see contributions in Saunders 2000). For example, studies have documented the effects of intergenerational welfare dependence associated with long-term unemployment (see discussions in McCoull & Pech 2000; and Saunders & Stone 2000). Researchers have similarly considered the effects of unemployment benefits, or ‘sit down money’ on skilled Aboriginal pastoral workers in rural and remote Australia, following changes in the pastoral industry and its labour market (May 1994). Martin (1993b) has documented in considerable detail the impact of the welfare-based cash economy on an Aboriginal community in Cape York, in terms which have a strong resonance with certain of Pearson’s key themes.

Pearson refers to none of these works, nor to other relevant academic and policy literature in his arguments. However, he should not be criticised for this omission, for this would be to miss the fact that his is an essentially political argument, which has been carefully crafted to resonate with current political and policy concerns in the wider welfare sector. It is in this crafting that one important dimension of Pearson’s innovation lies.1

A further, and highly significant, innovation is that Pearson explicitly rejects arguments that the current parlous state of Cape York’s Aboriginal population can be solely attributed to the cumulative effects of the racism, dispossession, and trauma to which its communities have been exposed. While these may provide the ultimate explanation for the current situation, in Pearson’s view they cannot explain the rapid social breakdown in these communities over the last three decades of the twentieth century. This Pearson attributes to the artificial economies of these remote communities and the corrupting nature of passive welfare (Pearson 2000b: 29–39). Changing the situation will require partnerships between Aboriginal people, who must take responsibility for change, and government. Pearson thus directly, and courageously, confronts a pervasive
theme in contemporary Aboriginal political discourse, which places the causes of
current problems firmly within the history of colonisation, and establishes
Aboriginal people as its powerless victims.

Pearson's arguments about Indigenous welfare policy resonate with those current
in wider welfare policy debates. Thus, the Federal government has sought to
address long-term welfare dependency by progressively instituting a range of
policies under the rubric of ‘mutual obligation’. Before receiving unemployment
benefits, all job seekers are now required to sign a Preparing for Work Agreement,
which describes the assistance to be provided by Centrelink and other agencies,
and details the activities job seekers must undertake in order to continue to
receive benefits. For certain categories of welfare recipients, this involves
participation in programs ranging from training to ‘Work for the Dole’ as a
reciprocal social duty. These programs are aimed at reducing the economic and
social costs of long-term dependency on state benefits, by seeking to prepare
people for entry to the wider labour market, by ensuring that their capacity to be
‘job ready’ is not lost, and by developing training as a specific component of job-
seeking activity. The relationship between ‘mutual obligation’ and Pearson’s
concept of ‘reciprocity’ will be examined later in this paper.

Pearson is not averse to government involvement in itself. In fact, he argues that
it is imperative for government to provide the resources on which, in the absence
of economic self-reliance through the market economy, Aboriginal people must
depend. However, he argues for a fundamental restructuring of the means
through which these resources are provided. He proposes a form of self
determination which would re-allocate responsibility for policy formulation and
service delivery from government alone to government and community
partnerships. This shift would redefine the role of the state ‘from a disabler to an
enabler’ (1999a: 33, see also 2000b: 53–4).

Pearson argues further that current service delivery has proved problematic on
the ground. Although government has considerable resources to commit to
welfare programs, its modus operandi lacks coordination, encourages overlap and
duplication, and is not based on holistic strategies. For example, in Cape York at
least 15 different health programs, 200 education programs, and numerous
economic development schemes are simultaneously administered (Pearson 1999a:
33). Of course, research has for some time been providing arguments to support a
whole-of-government streamlined management of programs to Cape York
communities and elsewhere; see for example studies relevant to Cape York by
Dale (1992), Finlayson and Dale (1996), and Martin (1990). Yet, Pearson argues,
merely attempting to address the manifest problems in the Cape York Aboriginal
communities through better coordination of programs and other adjustments
suffers from the same basic limitations; it assumes that welfare-induced problems
can be solved through more effective program delivery under policies which are
often developed in a cocoon of bureaucratic isolation. From this perspective,
government has itself become a reproductive source of the negative welfare
mentality (Pearson 2000b: 40–3).
A core aspect of Pearson’s proposed welfare changes is new Aboriginal governance institutions, both formal and informal. In particular, he proposes a new statutory interface between Cape York Aboriginal peoples and government to coordinate holistic policy development, planning, and the administration and delivery of welfare programs at regional, sub-regional and local levels. This ‘partnership interface’ would be crucial to the process of ‘leaching out the poison from the resources of welfare’ (2000b: 70). He suggests that:

[...] the interface needs to become the meeting place between the State and the Cape York community and its leaders, and all government programs and inputs into Cape York need to be through this interface. The State would negotiate with Aboriginal community representatives at this interface about the design of programs and the development of cooperative agreements on how the programs will be delivered on the ground (1999a: 33).

This interface would be the place where the resources of the wide range of external agencies and programs would, in the first instance, be linked and coordinated. Pearson has suggested that it could be a statutory body (2000b: 70–1). Its relationship to the existing Aboriginal and Torres Strait Islander Commission (ATSIC) Regional Council is unclear; ATSIC’s role in Pearson’s scheme appears to be confined to the provision of resources. Nor is the relationship of the proposed interface to proposals for a statutory ‘Regional Authority’ immediately obvious, since Pearson suggests that the interface would not itself be a bureaucracy. Rather, while it would be established under statute, it would be the formal meeting point at which government and Cape York Aboriginal people, through their representatives, negotiated policy development and implementation. Government agencies might continue to deliver programs, but through negotiated and mutually agreed mechanisms. Resources and responsibility for instituting the principles of ‘mutual obligation’ and ‘reciprocity’ would be devolved from this interface organisation to the sub-regional, ‘community’ and ‘family’ levels, or other appropriate local group levels (Pearson 2000b: 70–2).

The key concepts examined

There are immediate issues to address within these proposed new governance constructs: important matters such as the representativeness, effectiveness, and the external and internal accountability of the new interface and other institutions (see discussion in Martin & Finlayson 1996). Pearson himself acknowledges the significance of these issues (2000b: 68), and they have been the focus of much of the commentary on the proposed institutional arrangements underpinning the Cape York Partnerships which are to be developed between the Queensland Government and Aboriginal communities and groups in Cape York. However, this paper does not aim to engage directly with critiques of Pearson’s institutional scheme for Cape York. Rather, it focuses on certain aspects of the underlying conceptual framework advanced by Pearson.
In particular, this paper examines Pearson’s notions of ‘welfare dependency’ and ‘welfare as poison’, and the proposal that through re-introducing the principle of ‘reciprocity’, the ‘gammon’ welfare economy can be transformed back to a ‘real’ economy. While there are many perspectives from which analyses of these concepts could be advanced, this discussion draws on insights offered by anthropological accounts of remote and rural Aboriginal societies. The aim, prefigured here, is to argue that at the heart of Pearson’s proposals lies, of necessity, a requirement for significant personal and cultural change within Cape York Aboriginal societies. Given the increasingly parlous state of these societies, this may well be essential and, as Pearson rightly argues, the changes required cannot be instituted by the state. A fundamental contradiction therefore arises, since it is arguable that some at least of the values which Pearson (and others) seek to change have arisen not solely as the result of the ‘passive welfare’ policies of the past three decades, but in the complex conjunction between such policies and core, pre-existing Aboriginal values and practices (Martin 1993a, 1993b; Sutton 2000).

**Dependency as detrimental**

Pearson is clear in his view as to why Aboriginal participation in the current welfare economy is problematic:

> The problem with the welfare economy is that it is not a real economy. It is a completely artificial means of living. Our traditional economy was and is a real economy. Central to the traditional economy was the imperative for able-bodied people to work. If you did not hunt and gather, you starved …

Common to the real economy of traditional society and the real economy of the market is the demand for economic and social reciprocity. This reciprocity is expressed through work, initiative, struggle, enterprise, contribution, effort. The key problem with welfare is that it inherently does not demand reciprocity. I call it a gammon economy (1999a: 32; see also Pearson 2000b: 26–31).

Concerns about the effectiveness or otherwise of welfare programs, about their long term effects on recipients, and about whether they may in some instances actually exacerbate the problems they ostensibly seek to address, have been the subject of much debate within Australia and internationally (see Saunders 1994: 1–13; and contributors in Saunders 2000). However, it can not be assumed that the pejorative view of dependency advanced in the welfare debate, grounded as it is, in no small part, on an ideological construct of the moral worth of the productive individual within the market economy, is necessarily shared by all Aboriginal people.

On the contrary, there is a significant body of anthropological writing which suggests that ‘dependency’, in terms of a culturally established and validated capacity to demand and receive resources and services (symbolic and tangible) from others, is a core principle through which Aboriginal agency is realised in the structuring of social relationships. This principle operates both within contemporary Aboriginal groups and in the intercultural zone between them and
Objective disparities in power and wealth can be transformed by Aboriginal agency through a process of co-opting others, often outsiders (including non-Aboriginal people) to become patrons or ‘bosses’. Dependency, then, produces a paradox when it becomes a principle of action in the intercultural zone. For within the Aboriginal cultural logic, ‘dependency’ may establish a position of strength in which the capacity to commandeer another’s resources serves to reduce the threat of personal accumulation by others (Finlayson 1991; Martin 1993b; Schwab 1995).

For example, Finlayson’s ethnography of a north Queensland community demonstrated how Aboriginal men were able to subvert the potential for women to achieve a degree of financial independence through their relatively higher welfare incomes. By drawing on culturally specific constructions of gender relations, such as women’s obligation to nurture and support their menfolk, men were able to gain access to women’s resources for purposes such as purchasing alcohol. They achieved this through exercising a particular form of power through dependence (Finlayson 1989, 1991). Such values and practices militate against the exercise of the reciprocity and personal responsibility Pearson argues are necessary within a ‘real’ economy.

It is arguable that, historically, the ability of Aboriginal people to survive the impoverishment caused by their social, economic, and political exclusion was bolstered by such mechanisms for the distribution of scarce resources (see e.g. Collmann 1979, 1988; see also Pearson 2000c: 142–3). It is also arguable that Aboriginal people’s ability to negotiate at least some degree of control of certain aspects of their lives since colonisation, despite their structurally marginal position, has in part turned on their capacity to accommodate and incorporate outsiders through such particular cultural constructions of social relations (Anderson 1988a; Finlayson 1991). This incorporation reflects and reproduces a perhaps universal feature of Aboriginal societies: social forms and relations are created and recreated in a direct and immediate fashion through the interactions between persons, rather than mediated through objective institutions as is the case in larger scale and more hierarchical societies (Bourdieu 1977: 96).

A difficult analytical—and political—question is raised here, as to whether such values and practices should be seen as primarily an adaptive response by Aboriginal people to the objective reality of their impoverished and marginalised circumstances, or whether they have their ultimate origins within Aboriginal cultural traditions themselves. It is suggested here that answers to this complex question must take account of both sets of factors. That is, particular Aboriginal values and practices, especially those pertaining to social relations, have historically facilitated Aboriginal people’s capacity to engage with, and maintain a degree of autonomy within, the overwhelmingly dominant society. These distinctive values and practices have impacted upon the nature of the historical interaction between Aboriginal and non-Aboriginal societies. But they have also been changed by this interaction.
Welfare payments as ‘poison’

Pearson’s image of welfare incomes as the contemporary equivalent of the poison-laced flour of the early settlers is a compelling one. As he notes (2000b: 37–9, 2000c: 150), the period since the introduction of welfare payments over the past three decades has corresponded with a deepening crisis within many Aboriginal groups and communities, particularly those in remote and rural regions.

Pearson is undoubtedly correct in implicating welfare payments in the deepening social crisis that confronts the Aboriginal people of Cape York and many other regions. Previous work by such anthropologists as Finlayson (1991), Martin (1993b, 1995), and Schwab (1995) suggests that cash has become deeply implicated in the production and reproduction of the distinctive contemporary Aboriginal values and practices that lie at the heart of the issues raised by Pearson. In the wider market economy, money serves to objectify and depersonalise human relations and transactions, but within the Aboriginal economy, this capacity of money to abstract individuals from personalised relations is typically subverted. Money has become central to a particular kind of Aboriginal ‘performative sociality’, in which social relations (notably, those of kinship) are constantly produced and reproduced through the flows of services and material items between individuals (Martin 1993b, 1995).

However, just as the role and meaning of money are transformed within the Aboriginal economy by particular Aboriginal values and practices, so too has money impacted on these values and practices. With the advent of the welfare-based cash economy, access to resources is no longer mediated through a system of personalised relationships within the Aboriginal realm, but is predicated upon a person’s rights as a citizen of the wider state, as defined by their particular status or category. Aboriginal people are thus increasingly able to assert their independence from others within their significant social networks—men from responsibilities towards their domestic units, wives from their spouses and children, younger men from older people—through the means which cash offers. Martin’s analysis (1993b, 1998) of expenditures on alcohol in Cape York Aboriginal townships demonstrates one particularly problematic outcome of this increased capacity for individuals and groups (especially young men) to exercise autonomy without reference to their connections to and obligations towards others. Recent research on the delivery of welfare services in one north Queensland community has referred to the difficulties in ensuring that welfare payments are directed to the children for whom they are intended, because of such practices as men ‘humbugging’ recipients of Family Allowance or Parenting Payments (Finlayson & Auld 1999: 20; Smith 2000: 36–7).

Cash has certainly played a role in facilitating, or perhaps deepening, the tendencies towards certain kinds of collective actions within Aboriginal groups (e.g. through enabling collective saving for consumer goods such as vehicles, and the financing of large ceremonial gatherings, as well as resourcing drinking and gambling circles). However, its fundamental role has been to accentuate individuation, abstracting people from the particular matrices of responsibilities,
rights, and other aspects of the sets of social relations which characterised Aboriginal societies. Pearson is thus quite right to focus on the introduction of welfare incomes as marking a significant challenge for Aboriginal people in Cape York and elsewhere in remote and rural Australia.

However, the situation is more complex than Pearson's discussion would suggest. First, ‘reciprocity’ provides the linchpin in his moral and political arguments; it is said to differentiate ‘real’ economies, including ‘traditional’ Aboriginal ones, from the contemporary ‘gammon’ welfare economy (Pearson 2000b: 26–8). Yet, at best, this is a gloss on the principles underpinning both ‘traditional’ and contemporary Australian Aboriginal economies: ‘reciprocity,’ as Pearson uses it, is a polemical rather than an analytical concept. Like the notion that ‘caring and sharing’ was fundamental to traditional Aboriginal societies, Pearson’s notion of ‘reciprocity’ ignores basic features of all economies, ‘real’ or otherwise—in particular, power, hierarchy, and instrumentality (see Macdonald 2000b: 92–101).

Second, in the Cape York Aboriginal townships, as elsewhere in remote and rural Aboriginal Australia, cash flows not just through welfare payments to younger, able-bodied individuals (the focus of both Pearson’s arguments and the Federal government’s ‘mutual obligation’ initiative) but through Community Development Employment Projects (CDEP) scheme incomes, old age and other pensions, and wages. Pearson’s argument would suggest that the source of the cash provides a moral force which will be manifested in the way in which it is used by individuals; this is a version of ‘you value the things that you work for’ (Pearson 2000b: 23). There appears to be little published evidence to support this view (although see Macdonald 2000b: 104), and the anecdotal evidence in at least some Cape York communities suggests that it is not so much the source of income for the individual which determines, for example, how much he or she spends on alcohol, but rather the complex interaction between individuals’ values and practices, those of their significant social networks, and those of the community in which they live (see Brady 1992 regarding petrol sniffing in central Australia, and Martin 1998 on alcohol consumption in Cape York). Even within Cape York, there are marked differences in the incidences and types of social pathology to which Pearson refers between and within communities—differences which cannot be solely attributed to differences in their welfare economies.

The relationship between access to welfare-based cash incomes and the manifestations of social pathology of which Pearson writes is very complex. Pearson seems to suggest that the relationship is causal, arguing that contemporary social problems arose directly out of the economic condition of passive welfare dependence:

Of course racism, dispossession and trauma are the ultimate explanations for our precarious situation as a people. But the point is: they do not explain our recent, rapid and almost total social breakdown. And most importantly: if we build our ideology and base our plan of action on our justified bitterness about what has happened to us we won’t be able to claim our place in the modern economy, because our current social dysfunction is caused by the
artificial economy of our communities and by the corrupting nature of passive welfare (2000b: 38).

Pearson argues that the contemporary social problems faced by Cape York Aboriginal people are unprecedented in their scale, despite vastly improved material circumstances, and contrasts the current situation with that obtaining before the 1970s. Aboriginal people lived in great poverty prior to the introduction of welfare, Pearson suggests, but their societies, while under sustained attack, were ‘strong, if bruised’ (2000b: 39). Yet, the social devastation of which Pearson writes so compellingly is not in fact unprecedented, in Cape York or elsewhere. Historical accounts of life for Aboriginal people on the fringes of mining camps and pastoral stations, and along the northern coasts of the Cape as the result of depredation by trochus shell fishermen, demonstrate that in the late nineteenth and early twentieth centuries Aboriginal societies in many parts of the region were under severe pressure (Chase 1980; Evans, Saunders & Cronin 1993; Kidd 1997; Loos 1982; Rowley 1983).

It was, precisely, the concern demonstrated in the southern cities about the appalling circumstances to which Aboriginal people had been reduced that led to the passage of The Protection of Aborigines and Prevention of the Sale of Opium Act 1897, the establishment of the missions in Cape York, and more generally to the regime of authoritarian supervision and control of Aboriginal people’s lives by State officials and their missionary delegates under successive statutes. Such controls were only finally formally removed with the repeal of the Aborigines Act 1971 (Qld) in 1984.

Furthermore, while the issue of social order in the Cape York communities is clearly a major concern both for their Aboriginal residents and for government, it is not a new issue (although its scale may be different). The maintenance of order within settlement populations was a major preoccupation of State and mission authorities long before the introduction of welfare payments (MacKenzie 1981; Rowley 1983). Arguably, problems arose not just from hostility to the mission or settlement authorities, but from the fact that the settlement populations comprised, then as they do now, disparate Aboriginal groups forced into often uneasy co-residence in close social and geographic proximity to each other, with little capacity to resolve conflict by moving away. These settlement situations directly confronted such widely reported Aboriginal values as the strong emphasis on immediate kin group loyalties and a preference for direct confrontation, and often violence, to redress perceived wrongs (see e.g. McKnight 1986; Martin 1993b). Indigenous authority structures and conflict resolution mechanisms, including those within kin groups, were eroded or suppressed under the mission and State settlement regimes. This process has been dramatically exacerbated in contemporary times, when the authoritarian regimes of the missionaries and superintendents are no longer possible nor desirable. Indigenous organisations (such as community councils) lack the requisite legitimacy, both alcohol and the cash to purchase it are freely available, and Aboriginal authority structures have become further contested and attenuated.
The period up to the 1970s to which Pearson refers—of ‘strong, if bruised’ Aboriginal societies in Cape York—thus preceded not only the introduction of welfare payments to Aboriginal people, but also the removal of many of the more direct controls over Aboriginal people’s lives which had been exercised by settlement superintendents and local police sergeants. It also preceded the increasing availability of alcohol in the previously dry Aboriginal communities. Kidd (1997: 302–3) notes that there is little doubt that the legal availability of alcohol after 1971 led to considerable turmoil in these communities, and that this was compounded by the illicit sale of alcohol including fortified wine and spirits—the so-called ‘sly grog’ trade.

As Pearson recognises (2000c: 141), the late 1960s and early 1970s was the period of the relocation of significant numbers of Aboriginal people in Cape York and elsewhere in northern Australia from pastoral properties to the fringes of country towns and to the missions and government reserves and settlements (Sutton 2000). This followed the introduction of award wages for Aboriginal employees, progressive mechanisation which led to a drop in the demand for labour, and the virtual collapse of the pastoral industry with its increasing exposure to the demands of international competition.

Cape York Aboriginal people have thus been exposed over the past three decades to a plethora of social, political, and economic forces of quite profound significance, and not just to the introduction of welfare payments. Pearson is undoubtedly correct in his view that there is evidence of increasing social pathology in the Cape York communities. This paper has argued, however, that he is not correct in positing access to welfare incomes for Aboriginal people as contributing to this social breakdown in a direct and causal sense. His primary focus on the economic factors underlying social change (both as disintegration and as regeneration) leads Pearson to largely ignore other areas amenable to policy changes. For instance, while he devotes some attention in his writings to the impact of alcohol on Cape York Aboriginal societies (e.g. 2000b: 16–20; 2000a), his focus on reforming the delivery of welfare leads him to underestimate how deeply alcohol is implicated in the production and reproduction of the problems he has identified. It also leads him to ignore potential avenues for addressing a crucial structural issue in the facilitation of social change—the supply of alcohol through the canteens controlled by the Cape York community councils (Martin 1998).

‘Reciprocity’ and ‘mutual obligation’

Pearson’s scheme gives considerable weight to mechanisms for instituting what he terms the principle of ‘reciprocity’ as a core means by which the ‘gammon’ welfare economy is to be transformed to a ‘real’ economy. It is this suggestion, above many others in his proposals, that has been taken up approvingly by a range of social and political commentators (e.g. Koch 1999). This is in no small part because the concept seems to resonate strongly with the principle of ‘mutual obligation’, which has such currency in Australia, and which also pervades policy thinking on welfare issues in other countries such as the UK and USA. However,
there are important differences between Pearson’s concept of ‘reciprocity’ and the political and policy principle of ‘mutual obligation’ as it is currently articulated by government.

The stated objective of mutual obligation is to encourage greater self reliance and motivation in job seekers by encouraging them to take responsibility for, and to be more focused on, preparing for and searching for work. Under ‘mutual obligation’, in return for the provision of welfare (an obligation of the state to support individuals who cannot find paid work) the individual has an obligation towards the taxpayer, mediated through the state. For instance, a core objective of the Federal government’s Mutual Obligation Initiative, which includes the Work for the Dole scheme, is to ensure that younger unemployed people undertake economic or community activity in return for their support by the taxpayer (Newman 1999). The summary statement of ‘Mutual Obligation’ by the Department of Employment, Work Relations and Small Business (DEWRSB) is that:

> mutual obligation is based on a simple proposition—unemployed job seekers supported financially by the community should:
> - actively seek work;
> - constantly strive to improve their competitiveness in the labour market; and
> - give something back to the community that supports them.9

Mutual obligation is thus held to obtain essentially between the individual, as an autonomous actor, and the state, representing an undifferentiated ‘community’. Furthermore, while the McClure Report (McClure 2000) takes a rather broader view of ‘mutual obligation’, current government policy is clearly focused on moving individuals from welfare dependency to engagement with the formal market economy. As such, the government view of ‘mutual obligation’ is consistent with the increasing reliance upon market and quasi-market forces in areas of social as well as of economic policy (George & Miller 1994, cited in Macdonald 2000a). It is also consistent with a view of the individual as being abstracted from particular networks and communities and from a commitment to particular values and locales. Rather, people are to take their place as individuals in an increasingly mobile workforce within a globalised economic order.

However, as Pearson articulates it, ‘reciprocity’ does not obtain between the Indigenous individual and an undifferentiated, taxpaying Australian ‘community’ mediated by the state. Pearson argues in part that the state is too remote from its citizens, and furthermore does not have the moral authority with Indigenous people to appropriately undertake this role. Rather, ‘mutual obligation’ must be demanded and implemented between the individual and his or her particular community, family and local group (Pearson 2000b: 85–7). It will be argued in the next section that there are likely to be considerable practical difficulties in establishing such reciprocity and mutual responsibilities.

Furthermore, while Pearson accepts the need for engagement of Aboriginal people with the market economy through, for example, enterprise development, he also
accepts that factors such as locational disadvantage make formal economic independence an unrealistic goal, in the short term at least (2000b: 54–5). Transfer payments from the state will therefore continue to be required, for individuals and for their communities. Rather than arguing that individuals should move into the mainstream economy, Pearson argues that welfare provides potentially valuable resources for the development of Aboriginal communities, but that systemic changes are required in the way in which these welfare resources are directed to Indigenous people, if their ‘poison’ is to be leached out. This focus on the potential of welfare resources for community development rather than on interim individual economic support therefore marks a further substantive departure from the current principles of ‘mainstream’ mutual obligation.10

A further significant difference between ‘mutual obligation’ and Pearson’s compact which is yet to be fully explored, or perhaps even clearly identified, by government proponents of his scheme is the notion that the demand for individual responsibility must come from the individual’s community, family or local group. Pearson’s address to the Brisbane Institute in July 1999 laid out his interpretation of the community–individual relationship. He stated:

> When we think of reciprocity at its most simple level, the community needs to ensure that if there is an income support program that has been provided for a specific purpose, say for the well-being of children, then it should be the children that benefit from these resources. Ensuring that welfare resources are used for the purposes for which they are provided is the least reciprocity that needs to be implemented … Communities in Cape York need to be given the responsibility to implement reciprocity and responsibility amongst its [sic] members. What this all means is that the State must see itself as a partner, and, at the most, a junior one. The State must cease to see itself as the sole service provider, particularly when it comes to social policy. The objectives of the State, to resolve social problems, will not be achieved without effective community engagement. If it is to enable communities and individuals, it must understand that good policy ideas and initiatives can be generated within the community. Not all good policy ideas come from the State (1999a: 35; see also Pearson 2000b: 84–7).

Again, this paper supports Pearson’s general propositions, that attempts by the state to institute social change may be counterproductive and that it is crucial to engage those directly affected. However, the difficulties in actually implementing the reciprocity he is seeking can not be underestimated, for Pearson is dealing with groups in which Indigenous authority structures are often diffuse, fractured, and highly contested, and where attempts by others—whether outsiders or members of the individual’s own kin group or ‘community’—to change their chosen course of action are generally strenuously resisted. This issue will be discussed further in the next section.

‘Community’ and ‘family’ as units of moral authority

Pearson wishes to sever the direct connection between the welfare state and the Aboriginal individual, by establishing new governance structures, including an ‘interface’ institution through which broad policy development and program
delivery would be negotiated (2000b: 67–73). However, power is to be devolved to, and program implementation is to take place at the sub-regional, ‘community’, or ‘family’ levels, as appropriate. In particular, as discussed above, reciprocity or mutual obligation is to be implemented between the individual and his or her ‘family’, local group, and ‘community’. This reciprocity is to be instituted not solely in terms of the individual providing some return to his or her community or family (for example, through socially useful labour), but also through ensuring that individuals allocate expenditure of their incomes in accordance with the purposes for which they are received, as the quote above from Pearson’s 1999 speech makes clear. He is thus assuming that the ‘community’ and the ‘family’ are units of both moral and political authority as well as of the distribution and consumption of resources.

Pearson devotes surprisingly little space to the conceptualisation of what constitutes the ‘community’ or for that matter the ‘family’ in the Aboriginal context. There is little to differentiate his use of these terms from their use within past and current bureaucratic thinking. For example, it appears that what Pearson means by ‘community’ corresponds, geographically at least, with the discrete settlements in Cape York which for the most part derive from the original missions and government settlements. The requirement that Aboriginal people develop a sense of community, and notions of community which ignore the realities of Aboriginal values and practices, have been a feature of bureaucratic thinking and have underpinned self-determination policies since the 1970s (Cowlshaw 1998: 150, 1999: 16, 22–3).

In fact, like all collectivities, but in particular ways, these Aboriginal residential communities are highly complex and internally differentiated. They exist as communities of interest, if at all, largely in relation to the outside world. The sense of loyalty and commitment to such communities required by policy makers is at odds with Indigenous traditions (Cowlshaw 1998: 160). Their populations are internally differentiated in terms of the factors which continue to inform Aboriginal political, social and economic relations, such as affiliations with ancestral lands and language, personal and group histories, ethnicity, and bearing on all of these, kin group and other local group affiliations. Few if any Indigenous community-wide political institutions exist, apart from the quasi-local government community councils instituted under State legislation, and regional bodies such as the Cape York Land Council and Balkanu Cape York Development Corporation (Martin 1997).

Despite a legislative responsibility for the general peace, welfare and health of community residents, the community councils have neither the political nor the moral authority to institute the kinds of responsibility and reciprocity for which Pearson is arguing. This can be seen most clearly in the inability of any of these councils to deal with the problems directly arising from the extraordinarily high consumption of alcohol from the canteens they control (Martin 1998). In Aurukun, an attempt to institute mechanisms by which a statutory ‘Alcohol Law Council’, comprised of a broadly representative group of nominally authoritative individuals, could control the consumption of alcohol has been largely
unsuccessful. This failure has arguably resulted in part from a lack of effective institutional support, but also through the reluctance of people to intervene in the behaviour of others, unless their own interests are directly affected.

Aboriginal societies in Cape York, as throughout much of Aboriginal Australia, are characterised by an intense ‘localism’, in which primacy is accorded to relations, values and interests grounded in the particular and local, rather than in the broader and more general (Martin 1997). Core constitutive elements of these societies are indeed the ‘families’ of which Pearson writes. These are structured by principles of kinship and descent, and may live across a number of households within a community or even dispersed across communities. These ‘families of polity’ (Sutton 1998: 55ff.) are not to be understood as merely the Aboriginal equivalents of the extended families of the non-Indigenous domain, but as playing a central role in defining and organising social, economic and political relations (Mantziaris & Martin 2000: 169–70; Sutton 1998).

Nonetheless, while ‘families’ may constitute basic units for the coordination of certain forms of social and political action (for example in disputation and fighting; see Martin 1993b), they are typically highly internally differentiated and often deeply factionalised. Kinship may provide the idiom in which relations of amity and mutual support are expressed, but it also provides points of fracture and differentiation (Mantziaris & Martin 2000: 282–3; Sutton 1999: 56–7). Sibling rivalry, for example, is one of the dynamic principles underlying traditional ritual and land tenure in western Cape York societies, and it is also manifested in contemporary political structures and processes.

‘Families’ and other such local groups cannot be seen as clearly bounded entities, with unambiguously defined memberships. Within families and households, the autonomy of individuals is typically jealously preserved, and attempts by others to control behaviour strenuously resisted. Even children assert considerable autonomy, for example in refusing to attend school, and in demanding cash from other family members (Finlayson 1991; Martin 1993b). Such practices arguably reflect continuities in child-rearing practices as much as they do social breakdown (Sutton 2000). It is rare for even a senior individual to be able to exercise authority across all members of a family, particularly in relation to the matters about which Pearson is most concerned—expenditure of individual incomes, care of children, consumption of alcohol, and so forth. On the contrary, it is more often the young men who succeed in demanding the resources of others, and whose drinking is often beyond the capacity of others to curtail, and the younger women who are able to leave the care of their children in the hands of their mothers and grandmothers (Finlayson 1991; Martin 1993b).

The difficulties which will confront attempts to draw upon existing authority structures within groups such as ‘families’, or wider collectivities, can be clearly seen in the native title context. Here, questions of who has authority, over what, and in which contexts, have proved to be the subject of significant disputation and even some litigation, for example in the matter of who may properly authorise a native title application (Mantziaris & Martin 2000: 39–41, 315–7). Identifying
individuals who have the authority to act on behalf of others may be problematic and attempts to do so produce a pattern of shifting allegiances and disputes. This suggests that Pearson’s expectation, that ‘families’ will adopt an instrumental role in establishing and demanding reciprocity from individual family members in return for their welfare incomes, as well as enforcing responsibility in the expenditure of such incomes, is unlikely to be realised.\textsuperscript{11}

Thus, the practical implementation of mutual responsibility and reciprocity between the individual and a broader collectivity, whether this is defined as the ‘community’ or even the ‘family’, is likely to be beset with difficulties, at the very least. At the worst, it has the potential to engender considerable conflict. It may be difficult or even impossible for disputes within ‘families’ or communities about the implementation of responsibility and reciprocity to be resolved without external assistance (Mantziaris & Martin 2000: 315–7). The question of how such conflicts might be mediated or arbitrated is one to which Pearson, as yet, appears to have given no consideration. But it is one of considerable importance to the implementation of his scheme.

The impetus for social change

Pearson is clearly arguing for both structural and attitudinal changes in Cape York’s Aboriginal societies, and recognises that these two dimensions are linked. Transforming the current economy to a ‘real’ economy is a necessary precursor, in his view, to transforming corrupted values into real reciprocity and mutual obligation.

This paper has discussed a number of issues for Pearson’s scheme raised by anthropological understandings of remote Aboriginal societies, particularly those of Cape York. It concludes by focusing briefly on three interrelated questions which go to the heart of his scheme. Briefly stated, these are:

• how is change to be effected when the evidence suggests that certain widespread Aboriginal values and practices may be inimical to such change;
• where might the necessary moral and political authority to effect such change lie; and
• what are the implications of these factors for the new institutional arrangements Pearson argues are required?

A new moral order

Underpinning Pearson’s scheme is the institution of a new moral order. Structural change is required but the state, he argues, does not have the moral authority with Aboriginal people to undertake this. Rather, moral authority, exercised through the requirement for ‘reciprocity’, resides with units within Aboriginal society—variously the ‘community’, local groups and the ‘family’.

Pearson’s arguments for a new moral and institutional order reflect his concern about the often quite desperate situation in much of remote and rural Aboriginal
Australia, including Cape York. Maintaining the status quo is clearly an inadequate response, both ethically and politically. In Pearson’s view, the necessary changes must be demanded and implemented from within Aboriginal societies themselves, although the state can assist by creating the necessary structural changes (e.g. at the policy level). Pearson thus inverts the conventional rhetoric of Indigenous self determination—which is typically focused on maintaining the uniqueness of Indigenous social and political and economic forms—and instead harnesses it to a dynamic for social change.

Pearson’s scheme is ultimately predicated upon a degree of compulsion, albeit arising from within the Aboriginal polity. His implicit reliance upon the capacity of Indigenous mechanisms operating within various levels of social grouping—‘family’, ‘local group’, and ‘community’—to demand reciprocity and responsibility assumes that certain deeply sedimented values and practices in these troubled and fractured societies can be changed from within. Herein lies a paradox.

It is certainly arguable that a new moral order is required, as part of the necessary structural change. But the research discussed in this paper suggests that the difficulty in locating centres of moral authority within contemporary Aboriginal societies must not be underestimated. Attempts to institute the ‘community’, the ‘family,’ or other such social units of Aboriginal society as sources of moral authority or suasion for the purposes of implementing welfare policy are likely to be ineffectual, or even actively resisted. There is a parallel difficulty in locating clear centres of political authority in these essentially acephalous societies.

Pearson himself appears to accept that certain of the values and practices which are manifest in dysfunctional Aboriginal societies in Cape York have not simply arisen because of the historical processes of exclusion, oppression, alienation and consequent trauma. He acknowledges that they also resonate with deeply embedded Indigenous principles: thus, for example, he writes of the contemporary distortion of the Aboriginal values of reciprocity and sharing amongst drinkers (2000b: 18–19). He raises indirectly the difficult question as to whether certain core Aboriginal values and practices may inhibit the capacity of the Cape York communities to institute the changes that are, in his view, necessary. To put it another way, Aboriginal people may actively resist attempts to change certain of their core values and practices which are incompatible with those of the dominant society. This question is far from a novel one for anthropologists (see e.g. Brunton 1993; Cowlishaw 1998; Elkin 1951; Macdonald 2000b; Stanner 1979; Sutton 2000), but however carefully and sensitively discussions of this issue are conducted, there is the potential for them to feed into contentious political debates and be portrayed as ‘blaming the victim’. Pearson’s response is to reject the appellation of victim, to argue that change is required both in Indigenous values and practices and in those of the state, and to affirm the capacity of Aboriginal people to institute change.
Authorising change

Given the absence or attenuated nature of legitimate Indigenous authority structures in many Aboriginal communities, including those in Cape York (see e.g. Martin 1993a, 1993b; Wyvill 1990a, 1990b), it is far from clear how the reciprocity and responsibilities of the kind Pearson envisages might actually be instituted without active intervention, either by external individuals or institutions, or by internal institutions (formal or informal) with the necessary moral and political authority. External interventions have a long and problematic history, in Cape York and elsewhere, for example in the attempts in missions and government settlements to reformulate Aboriginal beliefs and practices to accord with those of the external agents of change (e.g. Kidd 1997; for accounts relevant to north Queensland see also Anderson 1988b; Chase 1980; Finlayson 1991; Martin 1993b). In particular, the demand for reciprocity by an external source of moral (and political) authority is far from new; it underpinned the operations of many of the missions in Cape York and elsewhere, in which the mission administrations variously demanded labour, bush tucker, cleanliness, and religious observance in return for protection, food, and housing.

Pearson rejects such forms of external intervention, and is especially critical of the ‘white dictator’ leadership model of which missionaries and government superintendents were exemplars (Pearson 2000b: 49). Yet, this paper has suggested that it will prove very difficult to locate appropriate and legitimate sources of moral and political authority within the existing Indigenous polity of Cape York. It has argued that underlying much of the social devastation and dysfunction of which Pearson and others have written is a particular conjunction between certain features of Cape York’s traditional Indigenous cultures and the historical forces to which they have been exposed during and since colonisation. These forces include, but are not limited to, the introduction of the welfare system on which Pearson focuses. This same conjunction also underlies the marked contemporary emphasis on individual rights over personal and collective responsibilities, and also the fragmented Indigenous polity with its diffuse and contested authority structures.

This brings us to the fundamental question: if (as Pearson suggests) the state does not have the necessary moral authority to institute change, and if (as this paper argues) groupings within the Indigenous polity such as ‘families’ and other local groups or the residential ‘communities’ and their organisations also do not currently have the relevant capacity or authority, then how is change to be authorised and implemented?

A new institutional order

As an intrinsic component of his proposal for social change in Cape York’s Aboriginal communities, Pearson has argued for new institutions at the interface between the Indigenous polity and the state, and for power and decision-making to be devolved to both formal and informal institutions at the regional, community and local levels. Such arrangements should build on existing local
and regional organisations and capacities, Pearson argues, rather than supplanting or competing with them (2000b: 65–73). It is through these institutions that reciprocity and responsibility are to be demanded and implemented.

However, Pearson’s focus on economic factors (welfare) as the primary cause of the contemporary malaise and dysfunction within Cape York’s Aboriginal communities has led him to give undue emphasis to the role of these proposed institutions in controlling and distributing government resources. In particular, Pearson has concentrated on the projected role of these institutions in the distribution of welfare-based resources in return for socially valuable work or other activities, and (more problematically) in monitoring the utilisation of those resources by individuals. Pearson has called for a new form of Indigenous leadership, which he suggests should be a ‘pervasive’ concept throughout the layers of governance (Pearson 2000b: 51–2), a form of what Wolfe (1989) calls ‘dispersed governance’ (see also Rowse 1992: 88–90). However, Pearson’s discussion elides the essentially political nature of the new Indigenous institutions that he advocates; political not just in the shift in power relations between Indigenous groups and the state that the new partnerships would require, but also in the necessity to establish and sustain new dispersed sources of authority and power within the Indigenous polity itself (Rowse 1992: 90).

Fundamental questions are thus raised, not only for Pearson himself but for those such as the author of this paper who is in agreement with his call for a radical rethinking of the current policy climate. What institutional forms might be drawn from, or developed within, the existing Cape York Aboriginal polity in order to authorise change? What would be the sources of their moral and political authority? How might decisions based on assessments of the collective good be implemented in political cultures with a characteristically strong emphasis on personal autonomy and individual rights? These are, it is suggested, significant issues, for the kinds of structural and attitudinal changes which Pearson seeks will not be achieved merely by persuasion and negotiation.12

While government may not have the moral authority with Aboriginal people to effect change, as Pearson suggests, it is arguable that it does have a moral responsibility to ensure that principles of social justice, equity, and accountability are adhered to in the utilisation of the resources it provides to address Indigenous socioeconomic disadvantage.13 This, and the fractured nature of the contemporary Indigenous polity, suggest that government may need to be involved as ‘partners’ at a far more intimate and hands-on level than Pearson envisions, including assisting with the development of new Indigenous governance institutions and facilitating capacity-building within those institutional arrangements (e.g. through supporting ‘social entrepreneurs’ (Pearson 2000b)). The Aurukun Alcohol Law Council, previously discussed, which was established under State legislation following intensive community consultations, provides an illustration of how new and innovative institutions which have an organic basis within the Indigenous polity can founder without proactive and intensive external support (Martin 1998). Yet such support and
intimate involvement also bring their own inherent risks, since whatever their protestsations regarding support for self determination, the state and its agents are ultimately incapable of divesting themselves of their own political and cultural baggage (Cowlishaw 1998: 145; Macdonald 2000a: 10–12).

**Conclusion: Is welfare dependency ‘welfare poison’?**

Pearson has argued strongly that profound social and political and economic change are necessary in Cape York Aboriginal communities, and has been willing to confront difficult and contentious issues. This paper supports his contention that the dysfunction in these communities is of such a magnitude that maintaining the policy status quo is simply not an option. It is also supportive of his argument that structural and attitudinal changes are necessarily interlinked, and that policy should be directed at both levels.

However, Pearson’s argument for an essentially mono-causal connection between the introduction of the welfare system and increasing social dysfunction ignores the impact of a whole range of factors since colonisation began. The issues raised by Pearson go to the heart of the relationship between contemporary Indigenous groups and the modern state; they do not just concern the impact of the welfare-based cash economy. The problems faced by Cape York Aboriginal people therefore cannot be seen as arising just from ‘welfare poison’. Rather, they derive from a ‘toxic cocktail’ of ingredients (Pearson 2000a), including some that may ultimately originate within the Aboriginal realm itself. Pearson is right to call for a reform of Indigenous governance as a fundamental component of the wider reforms he seeks, but his focus on welfare as the primary cause of the problems within Cape York’s Aboriginal communities has led him to underestimate the significant internal political dimensions of the necessary institutional changes.

**Notes**

1. A related point was made by Tim Rowse, as discussant in response to a presentation of an earlier draft of this paper at a seminar at the Centre for Aboriginal Economic Policy Research, The Australian National University, June 21, 2000.


3. Currently (February 2001), those on full unemployment benefits who may be required to participate in Work for the Dole are 18 to 19 year-old school leavers who have been receiving Youth Allowance as a job seeker for three months, 18 to 24 year-old job seekers who have been receiving Youth Allowance for six months or more, and 25 to 34 year-old job seekers who have been receiving Youth Allowance for 12 months or more. As well, people who are 18 years old or more and receiving the full rate of Newstart Allowance or Youth Allowance may volunteer to participate in Work for the Dole (http://www.dewrsb.gov.au/wfd/mutual_obligation/MO_Q&A.asp).
4. Pearson’s proposal for a statutory interface organisation to co-ordinate policy development and program delivery for Indigenous people, shares some structural and conceptual similarities with the recommendation of the Reeves Review of the *Aboriginal Land Rights (Northern Territory) Act* 1976 (Cth) for a Northern Territory Aboriginal Council to act as the formal partnership interface between Regional Land Councils and government (Reeves 1998).


6. The author of Saunders (1994) is Peter Saunders, of the Social Policy Research Centre at the University of New South Wales. The editor of Saunders (2000) is also named Peter Saunders, but was (then) of the Australian Institute of Family Studies in Melbourne.

7. For example, see the discussion of this mutual implication of ‘structural’ and ‘cultural’ factors in the development of Aboriginal drinking patterns in Martin (1998).

8. I am indebted to Francesca Merlan (pers. comm.) for this observation.


10. Although the McClure Report itself (McClure 2000; see also Lyons 2000) argues for a commitment by all levels of government, as well as by business and the non-profit sector, to community capacity building and community economic development, this is not as yet reflected in government policy.

11. This is not to say that ‘families’ can not form appropriate groupings through which, for example, mechanisms for establishing more collective savings and expenditure goals might be negotiated, as in the ‘Family Income Management’ projects which are currently being trialed in a number of Cape York communities. However, such necessarily voluntary schemes typically require the intensive assistance of outsiders (such as the social entrepreneurs of which Pearson writes), and are vulnerable to instrumental action by individuals refusing to have their own autonomy curtailed. Structural factors, such as the availability of banking or credit facilities, are critical to the success of these projects, not least because they can short-circuit the demands from kin for access to cash incomes.

12. More broadly, the issue of moral suasion, or perhaps even coercion, in instituting cultural and social change, even if arguably for the common good, also raises the matter of basic citizenship entitlements in a modern democratic state, an issue to which Cape York Aboriginal people are highly attuned.

13. Peter Sutton (pers. comm.) brought to my attention this argument for differentiating the (possible lack of) moral authority of the state on the one hand, and its moral responsibility to act for the common good on the other.
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