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POVERTY AND INEQUALITY

The State of Play

By Bruce Duncan

Ten years ago the Australian Catholic bishops released the results of a five-year inquiry into poverty in Australia, *Common Wealth for the Common Good: a statement on the distribution of wealth in Australia*. This 198-page document summarised the results of a nation-wide consultation, 1300 written submissions and a series of public hearings concerning poverty and social equity. It attracted considerable media attention and was debated in various parliaments in Australia, especially federally.

The Australian Catholic Social Justice Council recently asked some well known Australians to contribute their reflections on that 1992 document, to assess its significance and determine how well Australia had dealt with poverty and inequality. Entitled *A Fair Society? Common Wealth for the Common Good: Ten Years on*, this 56-page booklet includes contributions from Michael Costigan, Thomas Keneally, Bruce Duncan CSsR, Lowitja O'Donoghue, John Phillips, John Warhurst, Veronica Brady IBVM, Julian Disney and Robert Fitzgerald.

Michael Costigan details the context and initial results of *Common Wealth*

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A FAIR SOCIETY?

Common Wealth for the Common Good: Ten Years On



- Veronica Brady IBVM • Michael Costigan • Julian Disney AO
- Bruce Duncan CSsR • Robert Fitzgerald AM • Thomas Keneally AO
- Lowitja O'Donoghue AC • John Phillips AM • John Warhurst

for the Common Good, and sketches subsequent Church statements developing these issues.

Bruce Duncan evaluates changes in the distribution of wealth and income in Australia since 1992. He discusses the methodological problems involved in measuring poverty and

inequality, and traces the changes in the nature of poverty, particularly the link with unemployment. The literature reveals that poverty disproportionately affects children, with 18% of children in homes where no one has paid employment; that unemployment is now more concen-

trated in low-income homes and areas. He argues that recent emphases in public policy stem from a neoliberal ideology virulently opposed to a Catholic philosophy of social justice. In an appendix he critiques the neoliberal views of the Centre for Independent Studies.

Novelist Thomas Keneally, in an address at the Eureka monument at Ballarat in 2001, reflects on the significance of Eureka, especially the miners' yearning for fair play and opportunity. He traces that yearning into the very name 'Commonwealth', and explores why it was chosen for Australia, enshrining an ideal of social equity and prosperity.

Lowitja O'Donoghue emphasises that inequalities in the distribution of wealth are central to many of the great problems the world faces, between rich and poor countries, and within nations like Australia, with indigenous people being disadvantaged in multiple ways. She also draws attention to the plight of asylum seekers.

From a business perspective, John Phillips notes the continuing gaps between rich and poor, and public anger at the 'appalling corporate governance and rampant greed' reflected in business collapses and excessive payouts to some corporate executives. The collapse of business ethics has found 'chairmen "asleep at the switch", chief executives running their companies like personal fief-

doms...' Fortunately, such excesses are far from universal. Good corporate governance recognises that profits are only part of business. As David Rockefeller quoted in 1997: 'There is something fundamentally wrong in our society when one person's unemployment generates another person's wealth' (p. 35).

Political scientist, John Warhurst, gives a political angle on the document, again noting the growing inequality in Australia and the increasing dominance of economic rationalism, making it harder for the Church's voice to be heard: 'the Australian community now expects congratulations and pats on the back rather than criticism and pricks to its conscience' (p.39).

In her lively style, Veronica Brady argues that 'the Emperor of Economic Growth has no clothes'. We must reject the fantasies of wealth and power and instead learn to care for one another in realistic ways. While the world has become more secular and hostile to the Church, we need to become more intelligent and fresh in our engagement, or as Thomas More put it, to 'serve God wittily in the tangle of the mind'.

Julian Disney warns that while Australia has grown wealthier, it is living beyond its means, and failing to distribute resources equitably, with low-income people suffering disproportionately. He is disturbed about the

increase in sole-parent families. He particularly urges revising the taxation system to make it fairer, and improving the distribution of employment opportunities, with flexibility to meet family needs. He considers that 'the general community has not become inherently more greedy or intolerant', but that the commitment of elites to principles of justice and equity has deteriorated.

Robert Fitzgerald examines the changes in attitudes to wealth and enterprise in the last ten years, noting that economic inequality has remained unchanged or worsened. He insists that the incidence of disadvantage is a matter of choice by governments and communities. He challenges a growing demand for middle class welfare and resentment against those who receive income support. 'The Hansonite debate reshaped and redefined the notion of fairness in this community, and the damaging legacy continues' (52).

He identifies some key issues: inter-generational equity; the concentration of poverty and disadvantage in certain localities; the need for a new ethics in business and government; encouraging new enterprises for the common wellbeing; and isolation and social exclusion. Above all, he calls for a fresh conversation and engagement by the Church with our culture, business and community. *

A Fair Society? Common Wealth for the Common Good: Ten Years on, Catholic Social Justice Series No. 46 (North Sydney: Australian Catholic Social Justice Council, 2003). The booklet is available from Catholic Social Services Victoria for \$5.50 plus \$1 postage, or from the Australian Catholic Social Justice Council, 19 Mackenzie St., North Sydney, 2060.