

# The Neo-Liberal Assault on Australian Universities and the Future of Democracy:

## The Philosophical Failure of a Nation

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**Abstract**—The transformation of universities from public institutions to transnational business enterprises has met with less resistance in Australia than elsewhere. Yet this transformation undermines the founding principles of Australian democracy. This democracy emerged in opposition to the classical form of free market liberalism that the neo-liberals have revived. The logical unfolding of social liberalism in Australia underpinned the development of both the system of wage fixing and the idea of public education as conditions for democracy. The lack of resistance to the destruction of democracy, as it was originally understood in Australia, by successive neo-liberal governments has been due largely to the decadent state of Australian universities. These had come to be dominated by a crude form of empiricist utilitarianism, making Australia peculiarly vulnerable to the ideologues of global free markets and the power of transnational corporations who have sought to transform language to equate the dominance of all facets of life by markets as a defence of democracy. Only through a recovery of the philosophical tradition upon which Australia was founded and the development of this tradition through process metaphysics, it is argued, can genuine democracy and Australia's public institutions, be defended.

**Keywords**—Australia, Democracy, education, Universities, Idealism, T.H. Green, Deakin, Murdoch, John Anderson, globalization, Wilhelm von Humboldt, neo-liberalism, process metaphysics.

The Liberal Party Member of the Federal House of Representatives, Ian McPhee, was wrong when he characterized the changes to Australian media laws in 1989, allowing more concentrated media ownership, as 'the last nail in the coffin of democracy'. This was only part of a raft of changes which have undermined democracy in Australia. There is no doubt that the change to media laws has had dramatic effects. It has resulted in control by the Murdoch Press of more than 70% of readership, the almost complete elimination of investigative journalism by newspapers and the taming of journalists, whose employment positions have been rendered precarious. At the same time the Australian Broadcasting Commission (ABC) has been neutered. Less commented upon but perhaps more significant, the professionalism of state and federal civil services has been undermined and their ability to function crippled by politicization, downsizing, outsourcing and endless restructurings. Statutory commissions which provided objective knowledge to governments and the public, such as the Resource Assessment Commission, the

Australian Schools Commission and the Tertiary Education Commission, have been abolished. More broadly, the undermining of work conditions for employees, eliminating job security and demanding increasing work hours, have deprived most people of the economic security and time to participate in political life. Perhaps the most insidious and corrosive change, however, has been the transformation of the education system. If there has been a last nail in the coffin of democracy, it has been this.

Justifying this claim, however, is no easy matter. People have come to accept that if we have two political parties contending for the emoluments of office by making slightly different promises at election time, we have a democracy. And freedom is now equated with having one's life and property protected and being free from governments to choose for oneself what to buy or sell on the market, including who to employ and who to work for. It is not difficult to expose the incoherence of equating democracy with political parties competing for votes to achieve office in a society of

unconstrained markets. Democracy means, minimally, power in the hands of the people. It implies equality of power. Unconstrained markets inevitably lead to the concentration of wealth. And wealth is power. In an inegalitarian society where elections are themselves conceived as an extension of the market, politics is controlled by those with wealth (in the present case, mostly transnational corporations). So the domination of society by free markets must undermine democracy, and with it, freedom. And it is not difficult to find empirical evidence of this. But few people now have the capacity to question this debased notion of democracy or to take seriously or even envisage the possibility of a more robust form of democracy or a more substantial form of freedom. The equation of democracy with free markets now frames every public debate so that even those opposing its implications have come to accept it as the frame within which they must argue.<sup>1</sup>

My contention is that this equation of democracy with the free operation of the market, now embraced by the dominant factions in the major political parties in Australia and accepted by the general population, is relatively new. It is an ideology, forged by right-wing intellectuals after the Second World War, promoted by media barons and successfully promulgated throughout the world as part of a struggle by a new transnational class associated with transnational corporations and institutions to subvert real democracy and undermine real freedom in order to extend their power. As in George Orwell's dystopia, *1984*, this class has learnt that power can be gained by inverting the meaning of words, so they have redefined democracy to portray the subversion of democratic institutions as the advance of democracy and freedom. In few places has this new international ruling class been more successful than in Australia, and to a considerable extent, this is due to the successful subversion of the education system. But given the perversion of language, how could such a contention be defended?

The role of Australian academics in this ideological offensive against democracy highlights the problem. Academics, at least those in the humanities and social sciences, should have the clearest understanding of what is happening, and suffering grievously from the reduction of

universities to business enterprises, they have most reason to oppose such subversion. But academics educated the politicians and other power brokers who have embraced market deregulation, based government on the 'user pays' principle, debunked traditional notions of education and reduced education to a business. It is not only the economics faculties which have been responsible for the new political directions. The core assumptions underlying neo-classical economics, that humans are nothing but complex machines moved by appetites and aversions, that life is nothing but a struggle for survival and sensuous gratification, and that progress occurs through the struggle for survival, is part of the dominant world-view which has been inculcated into generations of Australian students by its academics. Traditions of thought rejecting these assumptions have only a small foothold in Australian universities. And academics traditionally (although with some exceptions) have been strongly cosmopolitan and suspicious of the nation-state,<sup>2</sup> the upholding of which is the basic condition for defending its public institutions. Some academics have defended, and most have acceded to, the neo-liberal characterization of democracy and freedom. In the face of this, conservative academics, defending the role of the university as cultivating 'the life of the mind', have been able to be dismissed with ease.

One might have expected a more effective response from radical academics; but particularly in Australia, radical intellectuals have been in a state of crisis for some time. Contemptuous of the achievements of social democracy and having lost their faith in the proletariat as saviours, many former Marxists have been contentedly discontent to exhibit their superiority by pointing out that the inexorable advance of capitalism must inevitably dissolve national communities and commodify knowledge, rendering past ideas of the university untenable. An even more cynical attitude has emerged among academics in the humanities, the area most threatened by the new business model of the university. For highly reflective poststructuralists, 'the envisaged reshaping of universities is seen as part of the intrinsic momentum of structures to which all—actors, onlookers and victims—are equally subjected.'<sup>3</sup>

<sup>1</sup> For an analysis of 'frames' and how the New Right have gained ideological dominance through controlling how political debates are framed, see George Lakoff, *Don't Think of an Elephant: Know Your Values and Frame the Debate*, Melbourne, Scribe Publications, 2005.

<sup>2</sup> This is examined and combated by Robert Birrell, *A Nation of Our Own: Citizenship and Nation-building in Federation Australia*, Melbourne: Longman, 1995.

<sup>3</sup> Bernd Hüppauf, 'Universities and Postmodernism, The Green Paper and Some Responses', *Scholars and Entrepreneurs: The Universities in Crisis*, Simon Cooper,

Incredulous of grand narratives, particularly grand narratives of emancipation, these academics have accepted as inevitable and even liberating the dominance of the rules of economic exchange and 'deconstructed' the language through which such developments could be opposed.<sup>4</sup> If there is no essence to a university, if a university is a structure without a centre, there is no reason why its supplement, the money making activities of its senior managers, should not become its end. Since the Second World War the importance of education for democracy has barely been raised as an issue in Australia, although it is difficult to see how the idea that education should be publicly funded and be anything more than training people so that they can earn more income can be defended except on this basis.<sup>5</sup> The reason for this appears to be that most radical academics also have acceded to the neo-liberal redefinition of democracy.<sup>6</sup> Language has been so successfully subverted and frames of debate so successfully controlled in Australia that many radical intellectuals have quite literally 'lost the plot'.<sup>7</sup> They remain masters of critique, but for the most part they only know how to oppose. They have largely lost their capacity to uphold any positive vision or to stand for anything, let alone inspire others to do so.<sup>8</sup> Consequently, they can no longer defend even their own institutions.

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John Hinkson and Geoff Sharp (eds), North Carlton, Arena Publications, 2002., p.13.

<sup>4</sup> This has been shown brilliantly by Hüppauf, 'Universities and Postmodernism', pp.11-33.

<sup>5</sup> The issue has been raised briefly by John Cain and John Hewitt in *Off Course: From Public Place to Market Place at Melbourne University*, Melbourne, Scribe Publications, 2004, p.123.

<sup>6</sup> An honourable exception to this is Peter Vintila who influenced the present work. See his 'Markets, Morals and Manifestos' and 'Democracy and the Politics of Counterfeit Nationhood' in *Markets, Morals & Manifestos*, Peter Vintila, John Phillimore & Peter Newman (eds), Murdoch, Institute for Science and Technology Policy, 1992. Vintila lost his academic position at Murdoch University after the Dawkins reforms and is now campaigning for a new university for the poorer eastern suburbs of Perth.

<sup>7</sup> Implicit in the notion of 'losing the plot' is an appreciation that actions are lived stories and that stories consist of actions, and that it is these lived stories which constitute groups, political movements and communities. On this see Arran Gare, 'Narratives and Culture: The Role of Stories in Self-Creation', *Telos*, 122, Winter, 2002, pp.80-100.

<sup>8</sup> The Australian left does not have a monopoly on such self-defeating ideas. As Richard Rorty noted, the American left see themselves 'as a saving remnant' who 'see through nationalist rhetoric to the ghastly reality of contemporary America' but 'this insight does not move them to formulate a legislative program, to join a political movement, or to share in a national hope.' (Richard Rorty, *Achieving our Country: Leftist Thought in Twentieth Century America*, Cambridge, Mass., Harvard University Press, 1998, p.8).

It has become a major undertaking to show that the transformation of the education system is undermining democracy because people no longer understand the words needed to argue this. We live in a culture where, as Ulrich Beck aptly put it: 'Concepts are empty: they no longer grip, illuminate or inflame. The greyness lying over the world [...] may also come from a kind of verbal mildew.'<sup>9</sup> To free ourselves from this verbal mildew and to reframe public debates on education (and almost every other significant issue), it is necessary to recover the original meaning of democracy, to show what it was, why people fought and died for it, how they extended it, transformed it in order to overcome its deficiencies and adapted it to new conditions. It is necessary to revive a moribund tradition and a moribund language. How can this be done? It requires, as Paul Ricoeur argued, historical narrative, that is, a re-employment of the stories through which we link our present with the past and the future, to liberate 'the unfulfilled future of the past.' And as he noted:

It is principally the founding events of a historical community which should be submitted to this critical reading in order to release the burden of expectation that the subsequent course of its history carried and then betrayed. The past is a cemetery of promises which have not been kept. It is a matter of bringing them back to life like the dry bones of the valley described in the prophecy of Ezekiel (Ch.37).<sup>10</sup>

To extricate ourselves from verbal mildew and bring back to life the narratives which inspired the struggle for democracy, 'democracy' needs to be understood in relation to the founding events and history of Australia as part of the global struggle for democracy.<sup>11</sup>

#### THE PRESENT STATE OF EDUCATION IN AUSTRALIA

To begin with, though, we need to look at what has happened to education in Australia. On the surface of it, it would seem people are being better

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<sup>9</sup> Ulrich Beck, *What is Globalization?* trans. Patrick Camiller, Cambridge, Polity Press, 2000, p.8.

<sup>10</sup> Paul Ricoeur, 'Reflections on a new ethos for Europe', in *Paul Ricoeur: The Hermeneutics of Action*, London, Sage, 1966, p.8f.

<sup>11</sup> For a broader history of the struggle for democracy, showing what democracy has meant at different times, see Arran Gare, 'Democracy and Education: Defending the Humboldtian University and the Democratic Nation-State as Institutions of the Radical Enlightenment', *Concrescence: Australasian Journal of Process Thought*, Vol.6, 2005.

educated than ever. Over the last thirty years we have moved from a situation in which only 10% of school leavers undertook higher education and less than 40% any form of tertiary education, to a situation in which 40% of school leavers enter tertiary education and 80% of all people commence some form of tertiary education. However, during this time real funding for higher education through taxation actually declined. It dropped 4.6% in real terms in 22 years, from 1.43% of GDP in 1975-6 to 0.89% of GDP in 1997-8.<sup>12</sup> This meant a dramatic fall in spending per student. After having been more than halved between 1975 and 1996, government funding per student load (in 2000-01 prices) fell from \$A10,467 in 1996 to \$A7,797 in 2001, and it has fallen further since then. Higher Education Contribution Scheme (HECS) fees since 1989 have supplemented university income, but this only covered one-third of the gap between 1977-78 funding and 1997-98 funding. Some of the shortfall has been made up through Tertiary and Further Education (TAFE) charges and HECS and tertiary institutions have also sought to generate money by attracting fee paying foreign students, running fee paying diploma and post-graduate courses and attempting to attract research grants from business. But this has not made up the shortfall. Student/staff ratios indicate the fall in real funding, increasing from 14.2 students per academic staff member in 1993 to 20.4 in 2002.<sup>13</sup>

The change in Australian universities, however, has been far more dramatic than these figures reveal. As noted, universities are now run as business enterprises selling services to clients.<sup>14</sup> Rather than being public institutions, they are increasingly run as transnational business corporations. Education for the most part is seen as investment by students in training, and more importantly, in getting a certificate, with the hope of generating profits through higher incomes later in life. The rest is mere entertainment. Providing education is no longer the end for universities; it is a means to generate profits. Power has been concentrated in the hands of management. Academics have been largely removed from the governing bodies of universities, the university councils, and have lost

job security. They have been reduced to employees whose sole basis for employment is that they can generate a surplus of income to the universities over their costs of employment. There has been a massive increase in the numbers and salaries of senior management, while much of the teaching is now done by 'sessional' staff employed as day labourers. In 2001, only 37.5 per cent of university staff was engaged in teaching.<sup>15</sup>

All this has been associated with massive changes in what is taught.<sup>16</sup> While overall there appear to be only minor changes in the number of academic staff employed, this hides the reductions in staff in what used to be the Science and Arts Faculties. While there has been a massive growth in business studies, with the 'discipline' of marketing having grown faster than any other,<sup>17</sup> disciplines in Science and Arts Faculties have been severely cut back or even eliminated. Fifty per cent staff reductions in these disciplines have been common, and some literature, classics and language departments have been closed down. In the 1990s, Monash University reduced the teaching staff of its mathematics department from 50 to 25 while its physics department lost an even higher proportion of its staff members. Philosophy staffing at Swinburne University was reduced by 60% and politics was reduced by over 70%. Generally, historical knowledge is being erased. The assault on these academic staff has often been undertaken through a management strategy of divide and rule. Those staff who have been willing to collaborate with management in retrenching colleagues, eliminating subjects, employing 'sessionals' (people employed on a day by day basis) and lowering standards have been rewarded with light teaching loads, extra study leave, grants for travel, and promotions, while those opposing such policies if they have not been forced out of the universities are frequently declared non-strategic, lumbered with extra teaching loads and declared ineligible for sabbatical leave, almost eliminating their capacity to undertake research.

Inevitably, there has been a collapse in standards. This became evident in the Senate inquiry into higher education of 2001: 'Universities in Crisis: Report on Higher Education'. Professor Anthony Thomas of Adelaide University claimed that 'To

<sup>12</sup> Simon Marginson, 'Towards a Politics of the Enterprise University', *Scholars and Entrepreneurs*, p.114f.

<sup>13</sup> Simon Marginson, 'They make a desolation and they call it F.A. Hayek: Australian Universities on the Brink of the Nelson Reforms', *Australian Book Review*, 260, April, 2004, p.32.

<sup>14</sup> On the nature of the transformation, see Simon Marginson and Mark Considine, *The Enterprise University: Power, Governance and Reinvention in Australia*, Cambridge: Cambridge University Press, 2000.

<sup>15</sup> Marginson, 'They make a desolation and they call it F.A. Hayek', p.32.

<sup>16</sup> On this, see Stuart MacIntyre, 'Funny You Should Ask for That': Higher Education as a Market', *Scholars and Entrepreneurs*, pp.79-89.

<sup>17</sup> Marginson, 'Towards a Politics of the Enterprise University', p.121.

reveal to physicists at MIT or Berkeley the content of an Australian undergraduate physics course would be to invite derision.<sup>18</sup> Huge falls in standards were noted in chemistry. Monash University was using a textbook in third year designed for first year undergraduates in Britain. Quantum theory, once taught in first year chemistry, is now regarded as too difficult for students in third year. It seems, however, that it is the subjects that are more difficult to benchmark that have suffered the greatest declines in standards. The culture of universities has changed. A high proportion of students have successfully been inculcated with cynicism and lost interest in education as such, and academic staff who take a stand against the fall in academic standards are likely to lose their jobs. The government is aware of this, and despite the rhetoric of autonomy for universities, is devoting more and more of the shrinking education budget to monitoring what universities are doing, further exacerbating the problem.<sup>19</sup>

This collapse of standards in universities is paralleled by a collapse of standards in schools which have been subject to similar deprofessionalisation of teaching staff and a similar reorientation of education around training people for work. Some idea of how low standards now are can be gained from what happens when high school students educated in Austria or Singapore come to Australia: they are put up two grades. Most frightening is the interaction between secondary and higher education. The Senate Inquiry Committee identified one of the most serious problems in education being 'the downward spiral of quality standards that results from inadequate school preparation, compounded by diminished standards at university, which are then fed back into the schools.'<sup>20</sup> The effects of this have been exacerbated by the reduced time parents spend with children as their hours of work have increased. University staff almost universally are claiming a massive drop in standards over the last four or five years, despite official figures claiming the contrary. And what is most clearly evident is the collapse of the ability to think conceptually and a decline in general knowledge, particularly historical

knowledge, the kind of knowledge people need to function as citizens of a democracy and to carry on the project of nation-building.

What this means is that despite the vastly greater amount of time people are spending enrolled in education institutions, people generally are less well educated and basically less cognitively developed than they were in the 1960s.<sup>21</sup> Given the fall in teaching standards and the loss of interest in and erosion of facilities for adult self-education, possibly, as in USA where illiteracy rates have soared, people are now are less well educated than they were in the 1930s.<sup>22</sup> They are less able to think abstractly and, more importantly, without historical knowledge or even the beginnings of an integrated world-view, they have no capacity to put anything in perspective and therefore little curiosity.

#### AUSTRALIAN DEMOCRACY

From the perspective of rational choice theorists and neo-classical economists, there is nothing wrong with this: this is how people are assumed to be for the market (including the political market) to function properly. This is all that is required for democracy. So, what has been lost? To assess the situation it is necessary to look at the history of Australian democracy.

Australia federated to form the Commonwealth of Australia after a long campaign for democracy at a time when the struggle for democracy was in the ascendant.<sup>23</sup> One impetus for democracy, particularly in Victoria, was the Chartist movement of the 1840s which had a major influence on the Eureka Stockade rebellion of 1854 and its

<sup>18</sup> Senate Employment, Workplace Relations, Small Business and Education References Committee, *Universities in Crisis: Report on Higher Education*, September, 2001, p.150.

<sup>19</sup> See David Murray & Brian Dollery, 'Institutional Breakdown? An Exploratory Taxonomy of Australian University Failure', *Prometheus*, 32: 4, December 2005: 385-398.

<sup>20</sup> Senate Committee, *Universities in Crisis*, p.155.

<sup>21</sup> In Britain an investigation of 10,000 11- and 12- year olds found that they are 'now on average between two and three years behind where they were 15 years ago' in cognitive and conceptual development (Joseph Crace, 'Children are less able than they used to be', *The Guardian*, Tuesday, January 24, 2006). This was attributed by Professor Michael Shayer, the person who carried out the research, to more time spent watching television and playing computer games. With parents in Australia forced to work longer hours and using television and computer games to mind their children, there is likely to have been a similar decline in intelligence.

<sup>22</sup> 47 per cent of Americans do not know that the earth revolves around the sun in a year, and 17% think that the sun revolves around the earth each day. In 1930, 80% of blacks and 98% of whites over 14 were literate in USA compared to 56% of blacks and 83% of whites over 16 being literate in 1992. See Regna Lee Wood, 'The Dumbbell Curve', *SAT Backgrounder*, 1996, p.14f.  
<http://www.ocpathink.org/Education/dbellwww.htm>.

<sup>23</sup> See the lectures in *The Distinctive Foundations of Australian Democracy*, Papers on Parliament Number 42, Department of the Senate, Canberra, Dec. 2004.

aftermath.<sup>24</sup> The first person to promote the idea of an Australian federation, however, was the Tasmanian anti-transportation-of-convicts campaigner, John West (1809-1873). West published seventeen essays on federation entitled 'Union of the Colonies' in 1854 and continued writing political essays for Fairfax newspapers to promote this end and develop his political ideas until he died in 1873. In these he discussed the problems of other nations: Britain, USA, Canada, the Dutch Republic after 1648, the Swiss federation and constitutional experiments in New Zealand. In presenting his vision for Australia he argued for a hierarchy of elected authorities—voluntary organizations, local government, state government and federal government. Ultimately, he called for a world federation. While upholding this, he called for as much decentralization of power as possible, maintaining the principle that 'No system of government can or ought to be satisfactory which does anything for the people which ... takes out of the hands of a town, a district or a Colony, affairs which ... may be properly left to the judgement or even the caprice of those concerned.'<sup>25</sup> To 'suppress lower order democratic institutions', West believed, 'was to prevent training and acculturation in democratic principles and practice.'<sup>26</sup>

While these ideas provided a starting point, towards the end of the nineteenth century Australian political thought was immensely enriched by first, the ideas of John Stuart Mill, then the new liberal or 'social' liberal philosophy inspired by the British Idealist philosopher, T.H. Green (1836-1882).<sup>27</sup> Following Hegel, Green had attacked the atomic individualism of economic theory and the equation of liberty with freedom to make contracts.<sup>28</sup> 'When we speak of freedom' he wrote, 'we mean a positive power or capacity of doing or enjoying

something worth doing or enjoying, and that, too, something that we do or enjoy in common with others.' True freedom, Green argued, consists in pursuing the common good which augments the freedom of all people. As Green continued: 'When we measure the progress of a society by its growth in freedom, we measure it by the increasing development and exercise *on the whole* of those powers of contributing to social good with which we believe the members of the society to be endowed; in short, by the greater power on the part of the citizens as a body to make the most and best of themselves.'<sup>29</sup> The function of the State, crystallizing in its institutions the will for the common good, is to provide the conditions for people to develop their full potential as social individuals.<sup>30</sup> So, instead of being seen as a law enforcer and upholder of contracts, the State was seen to have an ethical mission to nurture the potential of its citizens. Developing this potential is only possible through participation in social life—doing things worth doing in common with others. That is, Green argued for an active citizenship, that is, for democracy, in opposition to the anti-democratic philosophy of liberals in the tradition of Locke. Liberty, for Green, meant full participation in the life of the community, and it was only when such ideas had displaced the earlier form of liberalism that liberalism came to be equated with support for democracy.

The social liberals inspired by Green's philosophy undertook a moral critique of the barriers to liberty posed by poverty and ignorance. They demonstrated empirically that poverty was socially produced and systemic in nature, not the fault of individuals. L.T. Hobhouse and J.A. Hobson<sup>31</sup> argued that wealth was created by society rather than individuals, and that the State owed its citizens the means of maintaining a civilized life, a debt, Hobhouse argued, 'not adequately discharged by leaving him to secure such wages as he can in the haggling of the market'.<sup>32</sup> Hobhouse also called for

<sup>24</sup> See John Molony, 'Eureka and the Prerogatives of the People', *The Distinctive Foundations of Australian Democracy*, pp.59-70.

<sup>25</sup> John West, Essay I: 29, cited by Patricia Fitzgerald Ratcliff OAM in 'The Australians Are One: John West guiding colonial Australia to nationhood', *The Distinctive Foundations of Australian Democracy*, p.109.

<sup>26</sup> Ratcliff, 'The Australians Are One', p.109.

<sup>27</sup> The extent of this influence has been shown by Marian Sawyer in 'The Ethical State: Social Liberalism and the Critique of Contract', *Australian Historical Studies*, April, 2000, Vol.31, Issue 115, 67-90, and Marian Sawyer, *The Ethical State? Social Liberalism in Australia*, Melbourne, Melbourne University Press, 2003, building on work of Craig Campbell, Tim Rowse, Michael Rose, Bill Brugger, Stuart Macintyre, Peter Beilharz and Gregory Melleuish.

<sup>28</sup> Green was also strongly influenced by Kant, but his social and political philosophy were Hegelian, enriched by his knowledge of Fichte who had strongly influenced Hegel.

<sup>29</sup> T.H. Green, 'Lecture on "Liberal Legislation and Freedom of Contract"' in *T.H. Green: Lectures on the Principles of Political Obligation and Other Writings*, ed. Paul Harris and John Morrow, Cambridge, Cambridge University Press, 1986, p.199.

<sup>30</sup> Green developed his theory of the State in 'Principles of Political Obligation', *T.H. Green*, pp.13-193. On the function of the State, see esp. 106ff.

<sup>31</sup> Hobhouse and Hobson distanced themselves from Green's Idealism, but retained his opposition to atomic individualism. See Peter Clarke, *Liberalism & Social Democrats*, Cambridge: Cambridge University Press, 1981, p.56 & 193f.

<sup>32</sup> Cited Sawyer, 'The Ethical State', p.72 from L.T. Hobhouse, *Liberalism*, London: Williams & Norgate, 1911, p.164.

wealth taxes to 'quench the antisocial ardour for unmeasured wealth, for social power and the vanity of display.'<sup>33</sup> The State is needed to redistribute income and wealth to liberate people from the impediments to participation in community life and to create a healthy community. The inequality and poverty engendered by laissez-faire economics were seen to be bad not on utilitarian grounds, but because it made it impossible for people to develop their potential and function effectively as citizens of a democracy. The older laissez-faire liberalism was deemed to be theoretically and practically obsolete.

If people were to participate in political life, then it was also necessary to overcome their ignorance. As David Boucher noted in his introduction to an anthology of the British Idealists, 'the Idealists ... explicitly and fervently linked democratic reforms with the need for reforms in education ... advocating that at all levels access to knowledge was a concomitant on the extension of democracy.'<sup>34</sup> The reason was straightforward: 'Only an educated and enfranchised electorate could exercise the duties of citizenship responsibly.'<sup>35</sup> Green had proposed a system of scholarships that would enable working class or middle class boys to take advantage of every level of education, including university. John Caird, the brother of the neo-Hegelian philosopher Edward Caird, founded the Association for the Higher Education of Women, while Edward waged another campaign to admit women to degrees when he became Master of Balliol at Oxford. The social liberals also called for free public libraries and galleries and set up the Workers' Educational Association (WEA) to educate, and to facilitate and promote the education of, the working class. The WEA executive included representatives from universities, trade unions and the co-operative movement. Upholding the Humboldtian tradition of education, classes were based on tutorial discussions in which university tutors learned from the experience of the participants rather than lecturing to them.

The leading figures involved in setting up Australia as a federation (Australia was formed as a federation in 1901) were part of this movement of social liberalism, having been influenced directly or indirectly by Green.<sup>36</sup> The Australian colonies were

designated as 'nurseries of practical and fearless idealism', and the British Idealists looked to Australia to confirm their beliefs.<sup>37</sup> Consequently, the founders of Australia were scornful of the idea that freedom could be gained through the free operation of the market. Freedom, they believed, came through the development of a democratic State. The State was seen to have a duty to remove the obstacles to the full development of the potential of its citizens to freedom, most notably, poverty and ignorance. As David Boucher pointed out, 'The argument in Australia was not between socialism and anti-socialism, but between different degrees of socialism.'<sup>38</sup>

It was in the service of freedom that they set up the system of conciliation and arbitration in labour contracts to ensure a 'fair go' for workers. Bernard Wise, the author of the New South Wales *Industrial Arbitration Act 1901* who assisted in the drafting of the federal Conciliation and Arbitration Bill, had been a student of Green at Oxford. He argued that there could be no freedom of contract where people were unequal, and defended unions on the grounds that 'when a labourer came to make a bargain about disposal of his labour, he was only "free" to do so when he was active in combination with others.'<sup>39</sup> The federal Bill was introduced by Alfred Deakin, another social liberal. In the second reading, Deakin claimed: 'No measures ever submitted to any legislature offer greater prospects of the establishment of social justice and of the removal of inequalities than do those which are based upon the principle of conciliation and arbitration.'<sup>40</sup> The defining event of Australian social liberalism was the 1907 Harvester Judgement of Mr Justice Higgins, also imbued with the philosophy of social liberalism (although he was also influenced by the Fabians). This judgement set the principle of determining the basic wage by reference not to what the market could bear, but the provision of a fair living standard required for 'living in a civilized community' for a worker and his family.<sup>41</sup> That is, it was the wage necessary not merely to survive but also to function as a citizen of a democracy with all the obligations to participate in

<sup>33</sup> Cited *ibid.*, p.73 from Hobhouse, p.201.

<sup>34</sup> David Boucher, 'Introduction', *The British Idealists*, Cambridge: Cambridge University Press, 1997, p.xxvii.

<sup>35</sup> *Ibid.*, p.xxviii.

<sup>36</sup> See *ibid.*; Sawyer, *The Ethical State?* esp. Ch.2; and David Boucher, 'Practical Hegelianism: Henry Jones's Lecture Tour

of Australia', *Journal of the History of Ideas*, Vol.51, No.3, Jul.-Sep., 1990: 423-452.

<sup>37</sup> Sawyer, *The Ethical State?* p.31; Boucher, p.444f.

<sup>38</sup> Boucher, p.447.

<sup>39</sup> Cited Sawyer, 'The Ethical State', p.81 from *NSW Parliamentary Debates*, 4 July, 1900, p.641.

<sup>40</sup> Cited *ibid.*, p.81 from *Debates*, Australia, House of Representatives, 1903, 15, p.2868.

<sup>41</sup> Cited *ibid.* p.82 .

the community entailed by this function. Endorsing Green's critique of the notion of contract among people of unequal power, Higgins averred that where the employee is concerned, the so called 'freedom of contract' is in reality 'despotism in contract'. He went on to proclaim that 'this Court is empowered to fix a minimum wage as a check on the despotic power.'<sup>42</sup> When freedom of contract was referred to in the Harvester Case, he famously interjected: 'like the freedom of contract between the wolf and the lamb'.<sup>43</sup> As Marian Sawyer noted: 'Those involved in the development of the arbitration system generally shared this contempt for those who placed so-called economic laws above the social rights of the individual.'<sup>44</sup> For Higgins, as for all the social liberals, 'real freedom' of the individual can only be achieved through participating in a collective will oriented to the common good.

Trade unions were promoted not merely as a way of strengthening the bargaining position of workers, but as 'the most accessible forum for the active citizenship of male wage-earners.'<sup>45</sup> Unions themselves were to provide a practical education for democracy, although this needed to be augmented by other forms of education. Along with promoting unions, Higgins also supported the Australian branch of the WEA, and social liberals campaigned to have public libraries and art galleries opened on Sunday for those who were trying to educate themselves. The close association between education and unionism was noted in a WEA textbook: 'In the practical exercise of citizenship, the average worker has more opportunity of developing his civic capacity than are members of any other class. Through his trade union, friendly society, co-operative store and political leagues, he learns much that enriches his citizenship'.<sup>46</sup> The second director of the WEA in New South Wales, G.V. Portus, many years later summed up the aims of adult education as 'encouraging individual development' and 'educating for citizenship'. This involved developing in each individual 'the will and, if it can, the power to modify that society where change is necessary to secure the proper development of the individuals who live in it.'<sup>47</sup>

The Australian social liberals campaigned for education generally as essential to democracy. In 1867 the Victorian Attorney General, George Higinbotham, had called for the provision of universal state education from elementary education through grammar schools to university in order to develop the capacity for democratic citizenship.<sup>48</sup> The call was taken up by social liberal academics and acted upon by social liberal politicians. Francis Anderson (1858-1941), who absorbed Green's ideas from his mentor at the University of Glasgow, Edward Caird, migrated to Australia in 1886. After having been involved in various social-liberal reform projects, he took up a lectureship in philosophy at the University of Sydney in 1888, and in 1890 became the Challis professor of logic and mental philosophy, a position he held until 1921. Along with defending Green's Idealist philosophy, he promoted the new science of sociology and called for a chair in sociology at the University of Sydney. With his wife Maybanke who had been president of the Womanhood Suffrage League in the 1890s, he worked in the Kindergarten Union and the WEA. The Andersons also campaigned for the proper training and certification of teachers, resulting in the establishment of a chair of education at the University of Sydney and of a teachers' college and kindergarten training college.<sup>49</sup> Another social liberal, Alexander Mackie, became the first principal of the new teacher's college.

Social liberal ideas on education were promulgated vigorously by Walter Murdoch (1874-1970). Murdoch taught at The College, Warrnambool before becoming Professor of English (in 1912) at and later Chancellor of the University of Western Australia. Subsequently, Murdoch University was named after him. Reviewing in the *Argus* J.H. Muirhead's lectures on Green, Murdoch wrote that soon even the man in the street would know who Green was and what his name stood for. Murdoch set about expounding Green's ideas about the State. Attacking the false antithesis between state and individual, he wrote in *Loose Leaves*:

A man can attain his supreme good only as the citizen of a state; and the whole function of the state is to remove the obstacles which hinder a man from realizing himself. Men can realize

<sup>42</sup> Loc.cit.

<sup>43</sup> Loc.cit.

<sup>44</sup> Loc.cit.

<sup>45</sup> Ibid., p.84.

<sup>46</sup> Cited ibid., p.84.

<sup>47</sup> Cited Sawyer, 'The Ethical State', p.77 from G.V. Portus, *Happy Highways*, Melbourne: Melbourne University Press, 1953, p.203.

<sup>48</sup> Birrell, *A Nation of Our Own*, p.48.

<sup>49</sup> His most influential address on education was published as Francis Anderson, *The Public School System of New South Wales*, Sydney, Angus & Robertson, 1901.



themselves only by attaining a good which is common to themselves and other men.<sup>50</sup>

In 1903 Murdoch published *The Struggle for Freedom*, a book written for schools, in which he argued that such self-realization requires the liberty of and democracy within one's society. Now that the struggles for liberty and democracy have triumphed (struggles which began with the Norman Conquest) 'it is obviously our first duty as citizens to learn to govern.'<sup>51</sup> In a representative democracy, responsible government is 'government by *public opinion*', so, 'a citizen's first duty is to get into the way of forming right opinions on matters that concern the welfare of the State.'<sup>52</sup> This is the prime reason why the State must provide public education. As he continued,

If the people are to govern, it is necessary that the people be educated; therefore the State provides the best education available, and insists that all its citizens shall take advantage of the education provided. ... Every boy or girl who puts whole-hearted diligence into school work is not only learning to be a good citizen in the future, but is a good citizen already.<sup>53</sup>

This book went through many editions and was widely used in schools. In 1912, Murdoch published his best-selling civics textbook, *The Australian Citizen: An Elementary Account of Civic Rights and Duties* (which was also revised and reprinted many times). Here he argued that liberty 'is an essential condition of the best kind of life; that is the principle underlying democratic government.'<sup>54</sup> Murdoch proclaimed 'the aim of the best government is to make the best kind of life possible to all. It seeks the common good.'<sup>55</sup> In dramatic contrast to the views of the former Federal Minister for Education, Brendan Nelson, who claimed in a *Four Corners* television program that education should be seen as a privilege, Murdoch argued that 'the state is the means by which society tries to help every individual member to realize his highest possibilities—to lead the best life possible

to him.'<sup>56</sup> State intervention was defended as necessary to increase people's liberty, which Murdoch argued, could be measured by their real opportunities, or as he put it: 'not as freedom *from*, but as freedom *to*'.<sup>57</sup> Again, he stressed the duty of the state to provide public education: 'The supreme need, for a self-governing state, is the need of a body of enlightened and thoughtful citizens; men and women trained to reflect, to reason and to observe; trained also to be masters of themselves, to control their passions, to do their duty.'<sup>58</sup> As Sawyer noted, through Murdoch's popular writings 'a generation of Australians were to be inculcated with Green's views of the state.'<sup>59</sup>

If there was a single figure who was the founding father of the Australian federation, it was Alfred Deakin (1856-1919). Deakin was not only the main architect of the constitution but also the dominant political figure in the first decade of the Federation.<sup>60</sup> Deakin, as noted, was a leading social liberal and characterized himself as an 'ultra-Radical'.<sup>61</sup> To begin with, he was more closely aligned with the Labour Party, although later he was forced into an alliance with his erstwhile conservative opponents, the supporters of free trade. Deakin only enunciated his political philosophy briefly,<sup>62</sup> but had a deep interest in philosophy, and some idea of his philosophical views can be ascertained from works he studied and from those he befriended.<sup>63</sup> Most of his large library consisted of works in philosophy, from the Ancient Greeks onwards. He befriended Walter Murdoch in 1905, supporting his promotion of civics education, lauding while offering some minor criticisms of his book, *The Australian Citizen*, and offering crucial support for his application for professorship to the University of Western Australia.<sup>64</sup> When the neo-

<sup>50</sup> Cited by Sawyer, *The Ethical State?* p.44 from Walter Murdoch, *Loose Leaves*, Melbourne: George Robertson and Co., 1910, p.64f.

<sup>51</sup> *Ibid.*, p.236.

<sup>52</sup> *Ibid.*, p.237f.

<sup>53</sup> *Ibid.*, p.238f.

<sup>54</sup> Walter Murdoch, *The Struggle for Freedom*, rev. ed. Melbourne: Whitcombe and Tombs Ltd, 1<sup>st</sup> ed. 1903, p.210.

<sup>55</sup> *Ibid.*, p.209.

<sup>56</sup> Walter Murdoch, *The Australian Citizen: An Elementary Account of Civic Rights and Duties*, Melbourne: Whitcombe and Tombs, p.14.

<sup>57</sup> *Ibid.*, p.208.

<sup>58</sup> *Ibid.*, p.75.

<sup>59</sup> Sawyer, 'The Ethical State', p.78.

<sup>60</sup> For a biography of Deakin, see Walter Murdoch, *Alfred Deakin: A Sketch*, London: Constable & Co. Ltd, 1923. For a sketch of Deakin, see Stuart Macintyre, 'Alfred Deakin: A centenary tribute', in *The Distinctive Foundations of Australian Democracy*, pp.1-11. On Deakin's political policies, see Birrell, *A Nation of Our Own*, p.173ff.

<sup>61</sup> See Murdoch, *Alfred Deakin*, p.124.

<sup>62</sup> Alfred Deakin, 'What is Liberalism?', *Age*, 19 March, 1895.

<sup>63</sup> See Judith Hartley, 'Alfred Deakin - My Grandfather's Legacy', *The Alfred Deakin Lectures 2001*, ABC Radio National, <http://www.abc.net.au/rn/deakin/>.

<sup>64</sup> See Walter Murdoch and Alfred Deakin, *Books and Men: Letters and Comments 1900-1910*, ed. J.A. La Nauze and

Hegelian philosopher Sir Henry Jones, the successor of Edward Caird in the chair of moral philosophy at the University of Glasgow, undertook a lecture tour of Australia in 1908 to promote Idealism, Deakin competed with Murdoch over who should host him to lunch.<sup>65</sup> Deakin later corresponded with Murdoch about Green's and Jones' political philosophies.<sup>66</sup> However, it was Deakin's friendship with the more original American neo-Hegelian philosopher, Josiah Royce, which provides the best indication of Deakin's views. Deakin met Royce in 1888 in Melbourne and spent an intense week talking and walking with him at a resort in the Blue Mountains. Walter Murdoch wrote of the relationship which emerged from this chance meeting in his biography of Deakin:

The two men were firm friends at once; and though they were able to enjoy one another's companionship for a few days only, the friendship endured. For years Professor Royce continued to send Deakin copies of his books as they appeared, and for years Deakin continued to respond in letters of acknowledgement, criticism, and appreciation. (The last of these letters is dated so late as 1912, twenty-four years after their meeting.) He liked and admired Royce as a man, and when he came to read Royce's books he found in them a philosophy which seemed exactly to fulfil the needs of his own soul. These letters are .... proof of the seriousness of Deakin's interest in philosophy. They make it plain that the problems of philosophy are part of his mental outfit, and his intense interest in Royce's solutions shows how closely Royce's thought fitted his own intuitions, liberating them and facilitating their self-expression.<sup>67</sup>

In these letters, Deakin discussed not only Royce's philosophy, but also the philosophies of Kant, Hegel and Caird.

#### JOSIAH ROYCE AND NEO-HEGELIAN PHILOSOPHY

Royce's work was a further evolution of the neo-Hegelian tradition of Idealist philosophy. His ethico-political ideas were grounded in an analysis of the conditions necessary for an individual life to

become meaningful. Kelley Parker summarized Royce's conclusions:

To lead a morally significant life, one's actions must express a self-consciously asserted will. They must contribute toward realizing a plan of life, a plan that is itself unified by some freely chosen aim. Such an aim and its corresponding plan of life could not easily be created by an individual out of the chaos of conflicting personal desires and impulses that we all encounter. Rather, such aims and plans are found already largely formed in social experience: we come to consciousness in a world that proffers countless well-defined causes and programs for their accomplishment. These programs extend through time and require the contributions of many individuals for their advancement. When one judges a cause to be worthwhile and fully embraces such a program, several momentous things happen. The individual's will is focused and defined in terms of the shared cause. The individual becomes allied with a community of others who are also committed to the same cause. Finally, a morally significant commitment to the cause and to the community develops. This commitment is what Royce calls 'loyalty.' The moral life may be understood in terms of the multiple loyalties that a person exhibits.<sup>68</sup>

For Royce, community precedes the individual. Responding to Nietzsche, Royce argued that my life means nothing unless I am a member of a community. Community and the formation of a collective will does not involve the dissolution of individualism but is the condition of being an individual. It is through membership of communities that it becomes possible to harmonize desires and integrate them into a self. And loyalty requires that individuals scrutinize the aims and actions of the communities of which they are part to reform their 'disloyal' aspects. A community is constituted by people accepting as part of their own individual lives the same past events and the same expectations: they must be a community of memory and a community of expectation or hope.

Not any loyalty makes actions morally valid, however. Royce recognized that some of the most hideous acts in history have followed from loyalty to causes. To be morally valid the cause to which loyalty is given must be consistent with loyalty generally. The highest moral achievements involve

Elizaberth Nurser, Melbourne: Melbourne University Press, 1974.

<sup>65</sup> Sawyer, 'The Ethical State', p.77.

<sup>66</sup> Murdoch and Deakin, *Books and Men: Letters and Comments 1900-1910*, p.43. At different times, Deakin also discussed Nietzsche and David Ritchie's study of Plato.

<sup>67</sup> Murdoch, *Alfred Deakin: A Sketch*, p.126f.

<sup>68</sup> Kelley A. Parker, 'Josiah Royce', *Stanford Encyclopedia of Philosophy* (Fall 2004 Edition), Edward N. Zalta (ed.), URL = <<http://plato.stanford.edu/archives/fall2004/entries/royce/>>. p.6.

individuals' loyalty to ideals that promote the formation and expansion of communities of loyalty. As Royce put it:

A cause is good, not only for me, but for mankind, in so far as it is essentially a *loyalty to loyalty*, that is, an aid and a furtherance of loyalty in my fellows. It is an evil cause in so far as, despite the loyalty that it arouses in me, it is destructive of loyalty in the world of my fellows.<sup>69</sup>

For people to gain meaning in their lives by being loyal to causes, they must first be free to make such commitments and then free to be loyal. To be loyal to loyalty causes must be pursued in a way which upholds the conditions of others to make such commitments. Other people, therefore, whether colleagues loyal to the same cause, or people pursuing other causes, must never be treated as mere instruments to be used or exploited for profit. They must be recognized as free subjects and the causes which they have committed themselves to and by which they have given meaning to their lives must also be recognized.

With this principle it is possible to clarify the Hegelian argument that to achieve concrete liberty it is necessary to maintain a plurality of autonomous institutions within society constraining each other to serve the common good. Recognizing the autonomy of institutions within a nation is to recognize the causes their members have committed themselves to and the significance of these causes, whether the cause be raising a family, advancing one's trade, craft or profession, defending the nation, maintaining and improving people's health or upholding and pursuing justice. Of central importance is the need to recognize the causes of public institutions, the institutions of government, concerned with reproducing the whole, including the institutions devoted to research and education. If the pursuit of each of these causes is conducted according to the principle of loyalty to loyalty, then each institution will provide the conditions for people in any of society's institutions to take responsibility for and be concerned to contribute to the common good of the nation, and beyond that, to the common good of ever broader communities characterized by loyalty to loyalty, embracing more cosmopolitan and inclusive communities. The highest causes are 'lost causes', that is, causes the scope and magnitude of which transcends

individuals' lives. It is these which generate the highest hope and greatest moral commitment.

Chief among these 'lost' causes are the pursuit of truth and the establishment of universal loyalty to loyalty. This injunction allows us to appreciate the modern 'Humboldtian' university.<sup>70</sup> Laying out the principles of the new University of Berlin, Humboldt characterized the function of higher institutions as 'places where learning in the deepest and widest sense of the word may be cultivated'. To attain their purpose,

... the inward organization of these institutions must produce and maintain an uninterrupted cooperative spirit, one which again and again inspires its members, but inspires without forcing them and without specific intent to inspire. ... It is a further characteristic of higher institutions of learning that they treat all knowledge as a not yet wholly solved problem and are therefore never done with investigation and research. This ... totally changes the relationship between teacher and student from what it was when the student still attended school. In the higher institutions, the teacher no longer exists for the sake of the student; both exist for the sake of learning. Therefore the teacher's occupation depends on the presence of his students. ...<sup>71</sup>

The Humboldtian model of the university, autonomous, combining teaching and research and upholding above all else the quest for a comprehensive understanding of the world and our place within it, was so successful compared to the utilitarian model developed in France or the business model developed later in USA, even on purely utilitarian or business criteria, that universities everywhere were forced to embrace its central principles. The Arts and Science Faculties became the core of universities, recognized as superior because these were the faculties most committed to free enquiry and the pursuit of the truth and developing the full potential of their students to participate in and uphold the cause of this pursuit, to producing an educated public, to preserving, criticizing, developing and passing on the national culture and to contributing to and developing the potential of students to contribute to the culture of the nation and of humanity. The

<sup>69</sup> Josiah Royce, *The Philosophy of Loyalty* [1908] Nashville, Tennessee, Vanderbilt University Press, 1995, p.56.

<sup>70</sup> As Bill Readings argued, the modern university, now under attack globally, is based on the model that Humboldt instituted at the University of Berlin. See Bill Readings, *The University in Ruins*, Cambridge, Harvard University Press, 1996. For a defence of the Humboldtian University and the nation-State, see Gare, 'Democracy and Education', *Concrescence*, 2005.

<sup>71</sup> Wilhelm von Humboldt, *Humanist Without Portfolio*, Detroit, Wayne State University Press, 1963, p.125f.

universities in turn influenced schools and technical institutes. As such, the university became a central pillar of democracy. When united in the cause of education and the pursuit of truth, acknowledging each of its members as free agents who have embraced this cause, the university provides the prototype of a community united by such loyalty to loyalty. Insofar as its members, including its students, are engaged in the pursuit of truth and convey this sense of loyalty to the pursuit of truth and loyalty to loyalty, insofar as the university provides students with the means to participate within, appreciate, scrutinize and reformulate the beliefs and the aims and actions of institutions and communities, particularly those they will enter into as mature adults, the university is essential to the cause of democracy, nation building and civilization.

#### AUSTRALIA AND THE GLOBAL ADVANCE OF SOCIAL DEMOCRACY

This neo-Hegelian idealism provided the basic philosophy on which Australia as a nation was founded. The notion of the 'Commonwealth' of Australia, literally, the 'common well being' or 'common good' of Australia, encapsulated the commitment to being a free, democratic society committed to the well being of all its members. All that Deakin and other social liberals strove for, including the provision of public education, becomes intelligible on the assumption that he saw himself from this perspective as a participant in the struggle for freedom striving to realize within Australia a higher phase of freedom and democracy. Deakin conducted his life and formulated his policies in accordance with the principle of loyalty to loyalty. The idea of loyalty explicated by Royce pervaded not only the life of Deakin and the other social liberals, but had a pervasive influence on Australia's culture until the 1980s (although utilitarianism was also a major force and the 'greed is good' philosophy existed as an undercurrent, dominating in the 1920s).<sup>72</sup> Deakin and his allies 'effectively institutionalized the Australian ideal of the "fair go", introducing a system he called "New Protection", that linked

tariff protection to high wages and reasonable working conditions so that Australia would be a nation where no-one was "left-behind".<sup>73</sup> It would be a community of memory and a community of hope in which all its members would be recognized as free agents. Along with other social liberals, he upheld the institutions and organizations through which individuals were able to become members of communities committed to causes in such a way that they augmented the loyalty to the causes of others, in particular to becoming free members of a self-governing national community. In so doing, Deakin set the trajectory for Australia to become a social democratic nation.

The development of public education based on humanistic principles was central to this trajectory. As Alan Barcan described this education:

Characteristic features of the humanistic education which developed in Western Europe after about 1780 were a concern with character, with the inculcation of certain moral values, and with mental training. This focused on the individual but also embodied the transmission of a cultural heritage and the cultivation of thought and reason. It also managed to accommodate, ultimately, scientific and commercial education. In Australia this culture was at a peak from the 1880s to the 1960s.<sup>74</sup>

This was the form of education defended by the influential Sydney philosopher, John Anderson (1893-1962). Anderson, who had been a student of Henry Jones in Glasgow, had taken up the Professorship in Philosophy at Sydney University in 1927 and remained politically active until his death in 1962. While he rejected the Idealist foundations of social liberalism and joined the Communist Party, he still defended Idealist notion of democracy as participation in social life.<sup>75</sup> He later resigned from and opposed the Communist Party because of its undemocratic proclivities. Examining the relationship between politics and education, he argued (soon after his appointment as Professor): 'A liberal education is one which enables us to live *freely*. It is training, not in a particular job or service, but for a whole life.'<sup>76</sup> For

<sup>72</sup> Tim Rouse has described how the initial philosophy of social liberalism was undermined by various critics (which, after the final assault by postmodernists – an assault well described by Boris Frankel - paved the way for the triumph of neo-liberalism) in *Australian Liberalism and National Character*, Malmsbury, Kibble Books, 1978. For Frankel's analysis of the impact of postmodernism, see *From the Prophets Deserts Come*, Melbourne: Arena, 1992.

<sup>73</sup> 'Alfred Deakin Vision', *The Alfred Deakin Lectures 2001*, ABC Radio National, <http://www.abc.net.au/rn/deakin/>

<sup>74</sup> Alan Barcan, 'The Disputed Curriculum', *Quadrant*, Vol. XLIX, No.6, June 2005, p.37.

<sup>75</sup> See A.J. Baker, *Anderson's Social Philosophy: The Social Thought & Political Life of Professor John Anderson*, London, Angus & Robinson, 1979.

<sup>76</sup> John Anderson, *Education and Politics: Essays*, Sydney, Angus & Robertson, 1931, p.55,

Anderson, as A.J. Baker wrote in his study of Anderson's social philosophy, 'conceptions of education as critical thinking and democracy as active, aware citizenship coalesce. ... Democracy and education ... are jointly involved in the permanent struggle against forces conducive to political and intellectual regimentation and as such are very important manifestations of .... the activities that make history "the story of liberty".'<sup>77</sup>

Australia's development as a democracy was in harmony with the general trend in the twentieth century towards greater democracy, despite the growing power of corporations and associated efforts to subvert democracy in USA,<sup>78</sup> the defeat of the democratic wing of the Bolsheviks in the early years of the Russian revolution,<sup>79</sup> the rise of fascism and then Nazism, and, after the second world war the replacement of colonialism by neo-colonialism. The most important components of this advance were the growing acceptance of the principle that all nations should be self-determining and the provision within countries of a humanist public education for the entire population. The spread of the principle that governments should be elected with the franchise extended to all adults was also important, but only where people were provided with real choices and the education and knowledge to make these choices, and citizens were politically active. The Great Depression, vindicating the social liberal claim that the free operation of the market for labour would lead to under-consumption and recession, gave an impetus to social democratic movements, the successors of social liberalism, with the lead in realizing the Hegelian model of society being taken by Sweden. The drive for democracy gathered pace after the Second World War, with the United Nations being set up to uphold the right to self-determination of nations, and the Bretton Woods agreement formulated to enable nations to achieve democratic control over their markets. Sweden became a model for other countries with Austria, Denmark, Finland and the Netherlands and Germany in particular attempting to emulate Sweden's achievements. By the 1970s, with the defeat of USA in Vietnam, it appeared that Third World countries would free themselves from neo-colonialism and there would be a convergence between East and West as democratic elements

gained power in Communist countries (despite the suppression of the 'Prague Spring') and social democrats gained strength in the West.

The core aim of social democracy was to modify the condition of wage-slavery and to gain freedom through circumscribing and controlling the market to enable people to participate in community life and to embrace causes consistent with the principle of loyalty to loyalty. This was achieved through the development of nation-states supporting a plurality of institutions and cultural fields autonomous from the market, particularly the international market, able to act as centres of countervailing power to market forces and to those with wealth, and by 'professionalizing' work, gaining respect, security of employment and autonomy for employees. Such professionalization of work was associated with developing the means to distribute income on the basis of justice rather than market forces. In this way, the conditions and rights of people without property to participate in public life, to express and assert themselves without fear of retribution while ensuring that they could be heard, were secured. The next item on the agenda of social democracy was the development of industrial democracy; that is, democracy in the workplace, along with a greater devolution of power to local governments.<sup>80</sup>

After having been at the cutting edge of social reform at the beginning of the twentieth century, however, Australia began to lag behind other countries, particularly after the Second World War. To a considerable extent this can be explained by the intellectual decline which set in with the abandonment of Idealism as a guiding philosophy and the rejection of its logical successor, process philosophy. Process philosophy emerged with the appreciation that Idealism could not be defended against Darwinian evolutionary theory, but that the achievements of the Idealists could be defended on naturalistic foundations by replacing scientific materialism with a conception of nature as a process of creative becoming from within which humanity had emerged with the characteristics ascribed to it by the Idealists. The first philosopher in Britain to take this path was the Australian

<sup>77</sup> Baker, *Anderson's Social Philosophy*, p.76.

<sup>78</sup> On this, see Alex Carey, *Taking the Risk out of Democracy: Corporate Propaganda versus Freedom and Liberty*, Urbana, University of Chicago Press, 1997.

<sup>79</sup> On this, see Arran Gare, 'Soviet Environmentalism: The Path Not Taken', in *The Greening of Marxism*, Ted Benton (ed.), New York, Guilford Press, 1996.

<sup>80</sup> On the goals, achievements and failures of social democracy, see Michael Harrington, *Socialism: Past and Future*, Little, Brown & Co., 1989, and Magnus Ryner, *Capitalist Restructuring, Globalization and the Third Way: Lessons from the Swedish Model*, London, Routledge, 2002. For a critique of these works from a libertarian socialist perspective, see Robin Hahnel, 'Social Democracy: Losing the Faith' in *Economic Justice and Democracy*, New York: Routledge, 2005, Chap.5.

philosopher, Samuel Alexander (1859-1938).<sup>81</sup> While John Anderson attended lectures by Alexander and was influenced by him, he did not embrace process philosophy. Subsequently, Australian philosophers abandoned the whole heritage of British Idealism and developed a particularly sterile form of analytic philosophy known as 'Australian materialism'. 'Materialism' was associated with contempt for 'idealism', both as a philosophy and as an outlook on life, and engendered a corrosive cynicism which came to pervade Australian culture. Apart from this influence, philosophy as such was marginalized from cultural and political life.

The subsequent impoverishment of Australian culture is evident from reading Tim Rowse's *Australian Liberalism and National Character*,<sup>82</sup> a history of ideological debates in Australia up to the 1970s, in conjunction with Murdoch's *The Struggle for Freedom*, first published in 1903. What becomes immediately evident is the philosophical crudity of later thought and its historical parochialism—effectively the abandonment of philosophical reflection built on two and a half thousand years of thought for what amounted to little more than haphazard observations and expressions of opinions, with a complete lack of concern for the place of Australia in world history. This crudity can be further highlighted by contrasting it with the political thought of Ernst Wigforss (a Marxist revisionist influenced by British Idealism), the most influential theorist and architect of social democracy in Sweden.<sup>83</sup> In place of the quest for freedom promulgated by the Idealists which inspired the Swedes, Australians regressed to a crude and unreflective empiricism and utilitarianism bordering on nihilism.<sup>84</sup>

However, Australia was still on the trajectory that had been set for it by the Hegelian social liberals in the first decades of century.<sup>85</sup> As H.V. Evatt (1894-1965), a student of Francis Anderson, a third generation disciple of Green, and later federal leader of the Australian Labor Party, wrote in 1918: 'Liberalism in Australia is the spirit of Liberalism taking its time to reveal itself, and teaching its adherents in the rest of the world its new possibilities in practice.'<sup>86</sup> After the Second World War it was social democracy as this had been realized in Scandinavian countries and in Austria which provided the ideal against which the actual state of affairs in Australia was measured (although those committed to democracy, such as John Anderson, criticized the welfare State 'for its passive, servility-inducing conception of citizenship and for its promotion of covert managerial and bureaucratic interests'.<sup>87</sup>) Similarly, it was the Humboldtian form of the university which, however imperfectly this was realized in Australian universities, was the ideal against which universities were judged, at least by their more committed students (with their humanist high school education) if not by their staff and administrators.<sup>88</sup> The reforms of the Whitlam Labor government which held power between 1972 and 1975 were seen as catching up to what had already been achieved by the social democracies in Northern Europe; that is, speeding up the development of Australia on the trajectory that it was already on. This involved a huge commitment to education in general and universities in particular, with university education being made free.

<sup>81</sup> In Britain, it was the Australian philosopher Samuel Alexander who founded the tradition of process philosophy. Alexander studied at Merton College, Oxford when T.H. Green was at the peak of his influence, and Alexander's first work was an effort to reconcile Green's ethics and political philosophy with Darwinian evolutionary theory. Alexander was a major influence on John Anderson, who continued the work of reformulating Idealist philosophy on realist foundations.

<sup>82</sup> Tim Rowse, *Australian Liberalism and National Character*, Melbourne: Kibble Books, 1978.

<sup>83</sup> For an account of the ideas of Ernst Wigforss, see Timothy A. Tilton, "A Swedish Road to Socialism: Wigforss and the Ideological Foundations of Swedish Social Democracy", *The American Political Science Review*, Vol. 73, 2 (Jun., 1979), pp.505-520.

<sup>84</sup> See Hugh Collins, 'Political Ideology in Australia: The Distinctiveness of a Benthamite Society', *Daedalus*, 114: 1, Winter, 1985, pp.147-170.

<sup>85</sup> As Marian Sawyer noted, social liberalism set up 'longstanding patterns of social action reinforced by social understandings and expectations', *The Ethical State?* p.31.

<sup>86</sup> H.V. Evatt, *Liberalism in Australia*, Sydney, Law Book Co. of Australasia, 1918, p.73, cited by Sawyer, 'The Ethical State', p.79.

<sup>87</sup> *Ibid.*, p.145.

<sup>88</sup> While Readings argued that the modern university is essentially the Humboldtian University, Australian politicians and academics seemed to be far less committed to this model of the university than in other countries. On just how imperfectly realized in Australia the Humboldtian University was, see Stuart MacIntyre and Simon Marginson, 'The university and its public', *Why Universities Matter*, ed. Tony Coady, St Leonards, Australia, Allen & Unwin, 2000, pp.49-71.

### THE GLOBAL ASSAULT ON DEMOCRACY AND THE ATTACK ON EDUCATION IN AUSTRALIA

For Royce, the highest kind of transgression in an ethics of loyalty is treason, the wilful betrayal of one's own cause and of the community of people who serve it.<sup>89</sup> The traitor is someone who culpably commits some act that undermines the cause and the community. The embracing of 'neo-liberalism' by successive Labor and Liberal governments in Australia after 1984 was a betrayal of the founding principles of the Australian nation, a betrayal of the cause of social justice, a betrayal of the cause of nation-building and a betrayal of the cause of democracy both within Australia and globally.<sup>90</sup> Efforts to undermine the various causes of the various institutions that made up the Australian nation, particularly educational institutions and their pursuit of truth, can best be understood as part of this betrayal. What were the conditions that brought this about? And how is it that such betrayals are not seen as betrayals.

The advance of social democracy throughout the world generated increasing resistance from the super wealthy, and complacency and decadence among its beneficiaries<sup>91</sup>—most importantly, among academics whose careers had flourished with the rise of social democracy.<sup>92</sup> Disaffected intellectuals hostile to social democracy had been working to focus opposition to its advance. Led by members of the Austro-Hungarian nobility who were hostile to social democracy, most importantly, Friedrich von Hayek and John von Neumann, and their American disciple, Milton Friedman, these intellectuals attacked the core ideas on which democracy was based. Looking back to Locke's political philosophy, this intellectual movement struggled to revive and advance neo-classical economic theory and extend its assumptions into a general theory of choice, of politics and public policy formation, reviving precisely those ideas that the social liberals influenced by Green had regarded

as obsolete.<sup>93</sup> This was the ideology of neo-liberalism (or more accurately, managerialist market fundamentalism).<sup>94</sup> In reviving the Lockean tradition they took up again the project that originated with Hobbes to transform language to make the whole project of achieving liberty, as it had been understood in Ancient Rome and in Renaissance Italy, unintelligible.<sup>95</sup> Along with reforming crucial notions such as justice, 'rational choice' theorists worked towards changing the meaning of 'rationality' so that it could only be applied to efforts to realize personal preferences.<sup>96</sup> Crucial to this was the work of Kenneth Arrow who, presupposing that people's preferences are given and not amenable to rational deliberation, constructed a model that showed that there is no decision procedure that could yield a unique optimum resolution of people's conflicting preferences. This was taken to imply that it was pointless to even look for the common good. Arrow's results also showed that the market could not solve this problem of reconciling interests, but this did not affect reliance by economists on the market because, as S.M. Amadae noted, 'it has no pretensions to serving the "public good".'<sup>97</sup> Elections for political office were redefined as a form of market in which politicians vie for the emoluments of office by offering different packages of promises to the electorate, effectively legitimating corruption. Then instead of attacking the quest for democracy as Hobbes and his epigones had done, they claimed that only by commodifying public goods, transforming public institutions into business corporations, dissolving communities into market relationships, applying the 'user pays' principle and placing public policy formation in the hands of experts in economics, systems analysis and rational choice theory, do we

<sup>89</sup> Josiah Royce, *The Problem of Christianity*, Vol. II, New York, Macmillan, 1901, p.264.

<sup>90</sup> This betrayal has been well described by Michael Pusey, *Economic Rationalism in Canberra: A Nation Building State Changes its Mind*, Cambridge: C.U.P., 1991.

<sup>91</sup> This occurred even in Sweden. See David C. Korten, *When Corporations Rule the World*, San Francisco, Berrett-Koehler Publishers, 1996, p.95. See also Ryner, *Capitalist Restructuring, Globalization and the Third Way*.

<sup>92</sup> For a characterization of the state of universities before the neo-liberal assault upon them, see Arran Gare, *Postmodernism and the Environmental Crisis*, London, Routledge, p.21ff.

<sup>93</sup> For the most influential statement of this doctrine, see Milton Friedman, *Capitalism and Freedom*, Chicago: The University of Chicago Press, 1982. The core of Friedman's doctrine is contained on page 13 where he identifies freedom and cooperation with market exchanges. For Hayek's political views, see Friedrich A. Hayek, *The Constitution of Liberty*, Chicago: University of Chicago Press, 1960. On how economics was reformulated, see Philip Mirowski, *Machine Dreams: Economics Becomes a Cyborg Science*, Cambridge, Cambridge University Press, 2002.

<sup>94</sup> For efforts to characterize this, see *Neoliberalism*, ed. Alfredo Saad-Filho and Deborah Johnston, London: Pluto Press, 2005.

<sup>95</sup> On this, see Quentin Skinner, *Liberty Before Liberalism*, Cambridge: Cambridge University Press, 1998, esp.p.85, and *Visions in Politics, Volume III: Hobbes and Civil Society*, Cambridge: Cambridge University Press, 2002, p.14f.

<sup>96</sup> See S.M. Amadae, *Rationalizing Capitalist Democracy*, Chicago, The University of Chicago Press, 2003.

<sup>97</sup> Amadae, p.132.

have freedom and democracy. They redefined democracy as exercising choice through the market, effectively granting unlimited power to the wealthy elites to control the world in their own interests. These are the ideas which are now almost universally accepted by the Australian public.

How was such a cultural revolution achieved? To begin with, the cultural weakness of Australia has to be acknowledged, a weakness in considerable part due to the acceptance by its academics of a crude empiricist utilitarianism which obliterated any concern for maintaining the liberty of the nation. Australia was an easy target. It was targeted to begin with by corporate propaganda. Corporate propaganda, as it emerged in USA under the banner of 'public relations', has always worked against democracy.<sup>98</sup> Public relations intensified in the later half of the twentieth century as business leaders sought to undermine what democratic control had been gained over the economies of nations by developing a new form of transnational business organization, the transnational corporation.<sup>99</sup> After the defeat of USA and its allies in Vietnam and the growing threat posed by revived democratic movements to their power, these corporations went on the ideological and political offensive.<sup>100</sup> This offensive has been associated with the emergence and empowerment of a mass of transnational bureaucracies, unencumbered by notions of popular sovereignty and political community. These compete with each other to formulate international standards, replacing substantive or 'means-ends' notions of rationality through which social goals are formulated and evaluated, with formal notions of accountability, transparency, value for money etc., dehumanizing and obliterating the distinctive features of products, amenities, services and social

forms.<sup>101</sup> The success of such global organizations has produced a new transnational ruling class (major fractions of which are the 'coordinator class' and 'symbolic analysts') with no loyalty to any national community, although they often foster a pseudo-nationalism to suit their purposes.<sup>102</sup> Armed with the ideology of neo-liberalism supplemented on occasion by neo-conservatism, members of this new class have worked towards the establishment of a new global State (of which the IMF, the World Bank and the WTO are major components), totally undemocratic, serving the interests of this class and augmenting the power of transnational corporations.<sup>103</sup> As William Robinson observed, this global State usually does not compete with nation-States but absorbs and transfigures the institutions of the nation-State into its instruments, using them to dissolve national control over economies and to impose market relations on all facets of life.<sup>104</sup> The institutions of the State are then used to protect corporations from the general public.

To succeed, this new class has co-opted or corrupted its potential opposition—a strategy associated with the lowest form of cultural hegemony (or organization of consent) where the ruling class believes their interests and aspirations do not accord with those they seek to lead.<sup>105</sup> The co-opted would be people prepared to abandon the cause of nation building and the quest for democracy within their own countries and, in the terminology of the civic humanists, 'enslave', or accept the enslavement of their people to transnational corporations and this new class.<sup>106</sup> In Chile they found their man in Pinochet.<sup>107</sup> In

<sup>98</sup> See Alex Carey, *Taking the Risk out of Democracy: Corporate Propaganda versus Freedom and Liberty*, ed. Andrew Lohrey, Urbana: University of Chicago Press, 1997.

<sup>99</sup> The first person to recognize this development was Stephen Hymer writing in the 1960s. See Stephen Hymer, 'Internationalization of capital and international politics: a radical approach' in Edward J. Nell, *Growth, Profits, & Property: Essays in the Revival of Political Economy*, Cambridge: C.U.P., 1980, pp. 189-203. Hymer's work was followed by Richard J. Barnet and Ronald E. Müller's, *Global Reach: The Power of the Multinational Corporations*, New York: Simon and Schuster, 1974, and then by Korten's *When Corporations Rule the World*. On the manner of operation of corporations, see Joel Bakan, *The Corporation: The Pathological Pursuit of Profit and Power*, London, Constable, 2004.

<sup>100</sup> This ideological offensive is well described by J. Tunstall, *Media Moguls*, London: Routledge, 1991. As it was implemented in Australia, see *Communications and the Media in Australia*, ed. Ted Wheelwright and Ken Buckley, Sydney, Allen & Unwin., 1987.

<sup>101</sup> Winton Higgins, 'How we are governed now: globalization, neo-liberal governmentality and the nullification of substantive politics' Institute for International Studies, UTS research seminar, 5-7 December 2005.

<sup>102</sup> See Leslie Sklair, *The Transnationalist Capitalist Class*, Oxford, Blackwell, 2001.

<sup>103</sup> On their success at this, see Korten, *When Corporations Rule the World*. On how this class exercises power, see John Pilger, *The New Rulers of the World*, London: Verso, 2002.

<sup>104</sup> See William I Robinson, *A Theory of Global Capitalism*, Baltimore, John Hopkins University Press, 2004, ch.3.

<sup>105</sup> On this form of hegemony, see Joseph V. Ferria, *Gramsci's Political Thought: Hegemony, Consciousness, and the Revolutionary Process*, Oxford: Clarendon Press, 1987, p.47.

<sup>106</sup> 'Enslave', in the technical sense deriving from Rome meant for the civic humanists who recovered this language in the fifteenth century, putting people in a position of dependence on others who can then harm them. See Quentin Skinner, *Liberty Before Liberalism*, Cambridge: Cambridge University Press, 1998, p.40.

<sup>107</sup> See David Harvey, *A Brief History of Neoliberalism*, Oxford: Oxford University Press, 2005.



Australia, they found the collaborators they needed in a new sub-class of university educated careerist managers (the rapidly developing 'coordinator class'), most important among these being the careerist politicians who were taking control of the ALP and the economists who were taking control of the Federal civil service.<sup>108</sup> At the same time, with the help of television advertising and 'postmodernist' intellectuals, they were able to cultivate a hedonistic consumerism among the rest of the population, crippling any broad-based resistance.<sup>109</sup> After winning the 1983 election the ALP leadership decided that the best way to retain office was to embrace the ideology of neo-liberalism and effectively to identify with the transnational capitalist class and hand over power to transnational corporations, while promising the general population higher levels of consumption in compensation for their loss of liberty. They destroyed the partial autonomy gained by Australia from the global market, eliminated the autonomy of the institutions of the State and undermined the economic security underpinning the freedom of its citizens, thereby empowering transnational corporations to operate in Australia on their own terms. They massively redistributed wealth and income to the wealthy, and empowered the new managerial 'coordinator' class to 'deprofessionalize' work and reduce all employees to 'wage slaves'. Putting people in 'obnoxious positions' of dependence on the power of these managers for their livelihoods, they created an environment conducive to the flourishing of 'obnoxious characters' - to again use the language of the civic humanists<sup>110</sup> (otherwise known as 'operators' or 'careerists') willing to prostitute the causes of their institutions, crafts, trades and professions to ingratiate themselves to those who had gained management positions. Ultimate success for these careerists entailed becoming managers. Those who did maintain their loyalty to causes and took their responsibilities as citizens of a democracy seriously were dismissed as 'the chattering class'.

In the terminology of Royce, the ALP was taken over by traitors, traitors who betrayed the central cause of freedom and democracy that the ALP and the Australian nation had stood for. This facilitated the triumph of the neo-liberals and neo-

conservatives within the Liberal Party over the social liberals upholding and developing Australia's founding principles. On gaining office in 1996 these Liberal Party politicians further betrayed the cause of freedom and democracy, privatizing more public assets, further corporatizing public institutions (that is, transforming them into business enterprises), allowing more foreign takeovers of Australian companies and facilitating a massive growth of net national debt, which now stands at more than 50% of GDP. This has further enslaved the country and its citizens to the transnational capitalist class and transnational corporations and further undermined Australian culture. Continued undermining of employees' economic security, allowing further concentration of media ownership and neutering of the ABC, the continued undermining of the professionalism of the civil service, dissolving statutory commissions and, most importantly, the further onslaught on the institutions of education, have undermined loyalty to the pursuit of truth. Neo-liberal economic doctrines are now accepted by politicians as a religion beyond questioning to which all intellectual inquiry must be subordinated, with the government making an unprecedented effort to control all research funding. This is part of a new round of attacks on universities which is being met with almost no resistance. Young people, betrayed and sold out by their governments, without historical memory and therefore without hope, no longer have access to the language required to appreciate truth, justice and democracy as worth fighting for. This is their, and Australia's, ultimate enslavement.

#### REVIVING DEMOCRACY AND EDUCATION

In these circumstances, are there any prospects for reviving democracy and education? To begin to answer this question we first have to appreciate what is at stake. In 2005, the distinguished American geographer Jared Diamond published a major study: *Collapse: How Societies Choose to Fail or Survive*. This was an examination of societies of the past: the Easter Islanders, the Anasazi, the Mayan Indians, the Greenland Vikings among others, to work out why they had collapsed. But it was not only about past societies. Drawing conclusions from these studies, Diamond went on to examine several modern societies in danger of collapse. Included in these was Australia. Australia is a country where, Diamond claimed, the environmental destruction is accelerating exponentially. Diamond analysed the mind-set of Australians responsible for this situation. The mind-set is that of miners. Miners, when they discover an

<sup>108</sup> On this see Pusey, *Economic Rationalism in Canberra*.

<sup>109</sup> On this, see Boris Frankel, *From the Prophets Deserts Come*, Melbourne: Arena, 1992.

<sup>110</sup> For these notions see Skinner, *Liberty Before Liberalism*, p.95f.

ore body, mine it as fast as they can, since this is the most profitable strategy. In Australia, all resources have been treated in this way. Profitable fish stocks, with the exception of the Western Australian crayfish, have been fished to virtual extinction one after another 'in short time, like a gold rush.'<sup>111</sup> Forests and timber species have been and continue to be exploited unsustainably. Land is farmed to generate maximum short term profit, resulting in massive land degradation. As he put it, 'Most of Australia's ... agriculture is in effect a mining operation that does not add to Australia's wealth but merely converts environmental capital of soil and native vegetation irreversibly into cash'.<sup>112</sup> The consequence of environmental destruction is that small inland cities and towns are in decay or disappearing. Diamond suggested the most likely outcome for Australia will be 'a declining standard of living in a steadily deteriorating environment.'<sup>113</sup>

While Diamond saw some signs of hope in the environmental movement, he did not factor into his assessment the impact of neo-liberalism. The triumph of neo-liberalism has been associated with the same mining mentality being applied to Australia's accumulated social wealth. This has involved allowing Australian companies to be bought by foreign companies, privatizing mutual provident funds and selling off public assets. It has also taken more subtle forms. The pressure on universities to finance themselves by attracting fee paying foreign students and to provide cheap research to the private sector is itself a form of mining as the accumulated prestige and research abilities of Australian universities are dissipated for short term profits. The same mentality has been taken towards Australia's working population. While successive Labor and Liberal governments have claimed outstanding economic growth rates, the reality is, as Professor Bob Gregory has shown, that full-time working males have suffered dramatic reductions in life-time incomes.<sup>114</sup> They also have drastically reduced job security and greatly increased hours of work. And these are the lucky ones. Many employees have been reduced to casual work. Working people no longer have the economic conditions required to raise families, resulting in a dramatic fall of fertility well below replacement

level. Government policies amount to a slow genocide of its working population for short term increases in profitability of what are now mostly transnational corporations. This liquidation of accumulated social wealth, often with only a small proportion of the wealth liquidated accruing to Australians, makes it virtually impossible for society to address the broader environmental crisis confronting it.

What this means is that Australia is becoming an almost purely 'extractive' economy, to use the terminology of Stephen Bunker, an economy that uses up its wealth (its minerals, the fertility of its land etc.) as it 'develops'. While 'productive' economies as they develop become richer, more productive and more powerful, extractive economies become poorer and weaker. Bunker examined the relationship between productive and extractive economies in the world-system. Productive economies as they develop also develop their power to control and exploit the extractive economies, preventing them developing into productive economies. While this leads over the long term to impoverishment of people in the extractive economies (although such destructive exploitation is usually associated with the development of a small, wealthy comprador class), the problem is much more extensive than the suffering it inflicts on people in extractive economies. The increasing power of the core zones, Bunker argued, is leading to 'hypercoherence', the situation where those who dominate are so powerful relative to those they dominate that they become totally unresponsive to them, and so tend to destroy them. Applying this concept to the global system, Bunker argued:

Hypercoherence ultimately leads to ecological and social collapse as increasingly stratified systems undermine their own resource base. ... The exchange relations which bind this system together depend on locally dominant groups to reorganize local modes of production and extraction in response to world demand, but the ultimate collapse will be global, not local. The continued impoverishment of peripheral regions finally damages the entire system.<sup>115</sup>

The undermining of democracy in Australia is essentially the disempowerment of Australians as Australia comes under the control of the hypercoherent transnational capitalist class. If

<sup>111</sup> Jared Diamond, *Collapse: How Societies Choose to Fail or Survive*, Penguin: Allen Lane, 2005, p.406.

<sup>112</sup> Diamond, *Collapse*, p.413.

<sup>113</sup> Diamond, *Collapse*, p.409.

<sup>114</sup> Bob Gregory, 'Competing with dad: Changes in the distribution of male labour market income'. In *CEDA Bulletin*, March, 1999: 29-32.

<sup>115</sup> Stephen G. Bunker, *Underdeveloping the Amazon: Extraction, Unequal Exchange, and the Failure of the Modern State*, Chicago: University of Chicago Press, 1976, p.253.

people living in an exploited region such as Australia are not able to regain control over their economies and destinies, the future of humanity and most other forms of life is bleak.

Neither proponents of proletarian revolution still called for by Marxists nor anarchic communities provide plausible answers to global capitalism.<sup>116</sup> The only solution that appears viable is the development of precisely the form of multi-levelled democratic federalism which can control the market for the public good called for by John West in the nineteenth century, a federalism in which power is decentralized as much as possible.<sup>117</sup> This is what Benjamin Barber characterized as 'Strong Democracy'.<sup>118</sup> This is the strategy now being pursued with outstanding success by Venezuela where direct democracy is being promoted through the State to provide a power base to free State institutions from corruption and make them serve the common good, while an extended Latin American nationalism is being promoted to unite South America to free this whole region from domination by USA, thereby supporting democracy at more local levels.<sup>119</sup> In this struggle against neo-liberalism, the transnational capitalist class and transnational corporations, any success anywhere in the world aids every other struggle for democracy; every failure will make it more difficult to achieve democracy elsewhere. It is a matter of democracy or ecocide, and given the significance of Australia's role in supporting the concentration of economic and political power globally against its own interests, the struggle for democracy in Australia is as important as the struggle for democracy anywhere.

If it is incumbent upon any Australian concerned with the future of humanity to join the struggle to defend and advance democracy in Australia, it is also incumbent upon them to join the struggle against the degradation of the education system into a commercial enterprise training people for jobs. The universities are central to the education system.

Given the crisis we are facing, the alternatives are the dissolution of democracy in Australia or defence of the notion of education as the formation of people with the knowledge and virtues necessary to achieve and sustain democracy and freedom, as promulgated by the social liberals, and to promote the revival of the Humboldtian ideal of a university as a largely autonomous community committed to the quest for truth. Truth here should be understood not as an accumulation of facts but as the 'unattainable' comprehensive, coherent understanding of who we are, what is our place in history and in the cosmos. The quest for truth is the quest for a world-orientation through which people can define their ultimate ends and control their destinies. As Alfred North Whitehead proclaimed, 'The task of a university is the creation of the future, so far as rational thought, and civilized modes of appreciation, can affect the issue.'<sup>120</sup>

This does not mean going back to how universities were before the neo-liberal attack upon their privileges. It should now be clear that academics in Australia did not have the virtues required to uphold and sustain the integrity and autonomy of their institutions, nor the virtues to support the broader institutional framework required to sustain this integrity and autonomy. As the influence of neo-Hegelian philosophy and social liberalism of Francis Anderson, Walter Murdoch and John Anderson waned, academics in Australia became severely anti-intellectual and hostile to democracy, either upholding an almost medieval elitism (defending universities as institutions for 'the life of the mind') or a corrosive cynicism and thwarting the idealistic expectations of students, although some opponents of such views were able to gain a foothold in some universities.<sup>121</sup> As Hugh Collins wrote of the universities in 1985, before the Neo-liberal assault upon them had begun:

The universities, which have codified and certified knowledge, have been mostly post-Darwinian creations: the particular scientific paradigm they have enshrined has reinforced the tendencies of utilitarianism. Empiricism has been a natural enemy of speculative thought; positivism has reigned, almost without challenge, in science, law, philosophy, history, economics, and the social sciences. The secular

<sup>116</sup> On this, see Arran Gare, 'Beyond Social Democracy? Takis Fotopoulos' Vision of an Inclusive Democracy as a New Liberatory Project', *Democracy and Nature*, Vol.9, No.4. 2003, pp.345-358.

<sup>117</sup> As I have argued in Arran Gare, 'Process Philosophy, Democracy and the Environment: Defending Democracy Against Neo-liberalism', *Concrescence: The Australasian Journal for Process Thought: An Online Journal*, Vol.5, 2004.

<sup>118</sup> Benjamin Barber, *Strong Democracy*, Berkeley: The University of California Press, 1986.

<sup>119</sup> Richard Gott and Georges Bartoli, *Hugo Chavez: The Bolivarian Revolution in Venezuela*, London: Verso Books, 2005.

<sup>120</sup> Alfred North Whitehead, *Modes of Thought*, New York, The Free Press, 1938, p.171.

<sup>121</sup> As Pusey noted in *Economic Rationalism in Canberra*, see esp.p.232f. Anti-intellectualism in Australian universities has taken a number of forms, the most potent being the promotion of logical empiricism and utilitarianism, vulgar Marxism and most recently, bowdlerized post-structuralism.

“engineering” character of Australian tertiary education is nowhere more evident than in the professional separation from humanities and social sciences achieved by law and economics. The autonomy of law and economics faculties has been to the detriment of each and at the cost of all, since they supply the graduates who chiefly govern the nation—the former in the legislatures and the courts, the latter in the bureaucracies, private as well as public.<sup>122</sup>

Academics contributed significantly to undermining the founding principles of Australia, its democracy, and their own institutions. Universities were far from the Humboldtian ideal, although they had some of the outward form of the Humboldtian university and academics enjoyed the privileges of this form.

If universities are to be defended, the Humboldtian ideal form of the university must be taken more seriously. The direction they should take was indicated by John Anderson in the late nineteen twenties when he appealed for public financial support for the University. Universities cannot be defended as havens for those who would like to live a life of the mind, or as Anderson put it, to ‘be cultured in the full sense of the term’, ‘implying leisure and the gentlemanly outlook ... opposed to anything of the nature of a commercial or technical training’.<sup>123</sup> Against such an elitist notion, Anderson contended ‘that culture is not a leisurely affair, but is something that a man must put into his work, and that liberality of thought is opposed to every sort of exclusiveness and thus to the very notion of the “gentleman” or of social rank in general.’<sup>124</sup> But this does not mean that education should be utilitarian. ‘The ordinary notions of utility and social service, propagated as they are by those who profit from them,’ Anderson proclaimed ‘presuppose a *servile status*.’<sup>125</sup> In opposition to this, Anderson maintained ‘that all education must be liberal, and that training of a “utilitarian” character, by being illiberal, is at the same time, uneducative.’<sup>126</sup> Nor can universities be havens for nihilistic denizens of micro-disciplines uninterested in broader questions about the nature of the universe, of life, of humanity and its history and unwilling to take responsibility for their institutions and society. It is necessary to follow Anderson’s injunction ‘that all the subjects studied be brought

into the closest possible connection, that classics, literature, history and science should be taught as parts of a single culture’.<sup>127</sup> More generally, Anderson argued:

... it is by its cultivation of free inquiry that the University maintains its universal appeal. To think of it apart from the general system, not merely of education, but of public life, is to neglect the social character of its work, to overlook the fact that it is only the criticism of preconceived ideas and arbitrary standards that public spirit can be fostered.<sup>128</sup>

That is, the defence and revival of universities should be undertaken as part of a commitment to democracy, requiring that the full potential of students to participate in the highest causes, consistent with the principle of loyalty to loyalty, be realized.

What is required is a university system where academics, along with their students, in their commitment to truth are involved in interrogating all received ideas, institutions and social projects while striving to develop a comprehensive understanding of the world, revealing and developing its and their own potentialities and orienting themselves and others to create the future. At the same time they must also understand the value and underlying principles of the institutions of their society, the struggles which underlay their formation and what is required to maintain or advance these principles. Of course there has to be specialization, but all specialization should be undertaken as part of the project of achieving such comprehensive understanding, requiring a constant movement between efforts to grasp the totality and efforts to do justice to every particular, both within each area of specialization and within the totality of enquiry. Because of their commitment to truth and the virtues needed to sustain this commitment and to preserving, questioning, developing and passing on their cultural heritage, the Arts and Science Faculties must be defended as the core of universities, and access to the professions and specialized education should be conditional on achieving a broader education through these faculties. At the same time, universities should be seen as cultural centres with a mission to uphold the commitment to truth more generally and to educate and culturally enrich the broader community as an essential condition for democracy.

<sup>122</sup> Collins, ‘Political Ideology in Australia’, p.156.

<sup>123</sup> Anderson, *Education and Politics*, p.53.

<sup>124</sup> Loc. cit.

<sup>125</sup> *Ibid.*, p.54.

<sup>126</sup> Loc.cit.

<sup>127</sup> *Ibid.*, p.60.

<sup>128</sup> *Ibid.*, p.11.

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However, it is unlikely that this will be achieved without overcoming the crude empiricist utilitarianism which lies at the root of the sickness of Australian culture and society and without providing a philosophy which can orient people in their lives and in their struggle for democracy. This means that if democracy and the Humboldtian model of the university are to be defended it is necessary to accord philosophy the central place within universities and in culture ascribed to it by Wilhelm von Humboldt. This does not mean supporting Australian philosophy in its current form. It is necessary for philosophy to rediscover its vocation as the discipline which must continually question the assumptions of society, of all other disciplines, and of philosophy itself, and in so doing struggle for a comprehensive understanding of life, humanity and the cosmos which can orient people to create the future. That is, it is necessary to revive philosophy as it was understood by and inspired the founding fathers of Australia.

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