A thesis submitted to Charles Sturt University for the fulfillment of PhD.

‘Inside the tent with half a loaf of bread’:
A critical analysis of the neoliberalisation of community welfare organisations

by

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This thesis is dedicated to my Father

Jeremiah Francis Sheahan

(6 June 1918 - 3 August 1994)

who taught me that compassion without politics is void.
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## Conclusion

The experiences of CWO neoliberalisation have been diverse, with different strategies employed by neoliberal agents to achieve their goals. The primacy of managerialism has been a central theme, with a focus on divide and rule strategies. The role of the state has been significant in shaping these experiences, with various strategies employed by the state to influence the course of neoliberalisation. Neoliberal extenders, supporters, victims, and resistors have all played a role in these processes. The narrative of mitigation has been a common strategy, where organisations seek to downplay the impact of neoliberal policies. The displacement of discourses of solidarity has been a notable feature, as neoliberalism has sought to reduce the influence of alternative discourses. The ambivalence, vexation, and compromise experienced by neoliberal managerial subjects have shaped their actions. The role of agency in these processes has been complex, with a mix of internalising neoliberal language and neutrality. From agents to neoliberal managerial subjects, the transition has been gradual, with a neutral representation of power dynamics. The conclusion highlights the importance of understanding the role of the state in shaping these narratives and the experiences of CWO neoliberalisation. The narratives of mitigation, displacement of discourses, and ambivalence, vexation, and compromise have been key in these processes. The role of the state has been significant in shaping the experiences of CWO neoliberalisation, with a focus on divide and rule strategies. The primacy of managerialism has been a central theme, with a focus on the role of agency in these processes. Neoliberal extenders, supporters, victims, and resistors have all played a role in these experiences, with a narrative of mitigation common among organisations seeking to downplay the impact of neoliberal policies. The displacement of discourses of solidarity has been a notable feature, as neoliberalism has sought to reduce the influence of alternative discourses. The role of agency in these processes has been complex, with a mix of internalising neoliberal language and neutrality. The role of the state has been significant in shaping the narratives and experiences of CWO neoliberalisation.
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Certificate of Authorship

I hereby declare that this submission is my own work and to the best of my knowledge and belief, understand that it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at Charles Sturt University or any other educational institution, except where due acknowledgement is made in the thesis [or dissertation, as appropriate]. Any contribution made to the research by colleagues with whom I have worked at Charles Sturt University or elsewhere during my candidature is fully acknowledged. I agree that this thesis be accessible for the purpose of study and research in accordance with normal conditions established by the Executive Director, Library Services, Charles Sturt University or nominee, for the care, loan and reproduction of thesis, subject to confidentiality provisions as approved by the University.

Name: Marie Sheahan

Signature:

Date: 25th August 2014
LIST OF ABBREVIATIONS

ALMP................................ Active Labour Market Policy
AWT................................. Australian’s Working Together
CWO.............................. Community Welfare Organisations
DSP................................ Disability Support Pension
DEWR............................. Department of Employment and Workplace Relations
ESC...................... Employment Services Contract
HIPE............................. Heterodox Institutional Political Economy
IPA............................... Institute of Public Affairs
JSCI.............................. Job Search Classification Instrument
JN................................. Job Network
KWS............................. Keynesian Welfare State
LMP.............................. Labour Market Programmes
NPM............................. New Public Management
OECD......................... Organisation for Economic Co-operation and Development
RT.............................. Regulation Theory
SWS............................. Schumpeterian Welfare State
WFD............................. Work for the Dole
WTW............................. Welfare to Work
ABSTRACT

The thesis examines the neoliberalisation of community welfare organisations (CWOs) as sites of neoliberal welfare to work (WTW) extension. It takes a political economy perspective that draws on the concept of the ‘neoliberalisation of space’ from social geography (Peck & Tickell 2002) to explore institutional and organisational change as experienced by elite CWO agents. It combines this with a Critical Discourse Analysis (CDA) to explore power relations, contest, social agency and emergent neoliberal hegemony within the community welfare sector. It concludes that power operated in multiple and non-transparent ways to privilege conservative and paternalistic views about unemployment, displacing relations of solidarity with clients and compromising organisational missions. In doing so it examines the path of CWOs from progressive organisations to institutionally networked sites of neoliberal welfare to work.

It identifies that there was strong contest within organisations and across the CWO sector about engagement in welfare to work in the early iterations of the Job Network (JN) and Work for the Dole (WFD). It explores what occurred in CWOs during this contest identifying multiple roles played by CWO actors in either contesting or supporting neoliberal welfare to work as either active or passive agents. It explores the role of ambivalence in the process of neoliberalisation and examines the strategies of contest that were deployed to marginalise dissenters, to construct legitimations for engagement and to quell political internal agitation. In doing so it identifies the ways in which neoliberal hegemony was won in once progressive organisations.

It makes a contribution towards our understanding of the political economy of welfare to work by demonstrating the role of social and political agency in CWO engagement in welfare to work. It provides evidence and insight about previously unexplored contest in CWOs as they were transformed into neoliberal organisations and explores the implications of this. In addition it adds to our knowledge of the political economy of WTW through an exploration of vested interests and socio-cultural power as CWOs became major players in the rise of the ‘unemployment industry’. The thesis also demonstrates how Critical Discourse Analysis provides an enriched methodology for exploring the contest and neoliberal social change.
CHAPTER ONE: INTRODUCTION

These are our experiences of Centrelink breaches and penalties. We have learnt that a person with a mental illness is the first and most vulnerable victim of this terrible system. Without our committed and persistent advocacy, our son would now be living on the streets, incapable of accessing the help he needs. We also know he is not alone (Voss, 2002, p. 5) [Tasmanian parent and teacher on the effects of Welfare to Work (WTW) as practiced in the early years of this century on her disabled son].

Introduction

It is unusual for a community welfare organisation (CWO) leader to break ranks publicly from the sector’s often strong critique of the neoliberal welfare state. In 2011, notwithstanding the concerns of many citizens negatively affected by the current approach to welfare services, and their advocates, then Prime Minister Julia Gillard stated that she would extend the remit of welfare reform and elevate mutual obligation to force the unemployed to ‘pull their weight’ (Dunlevy, 2011). The state was offered strong public support from key CWO leader, CEO Toby Hall of Mission Australia, who dismissed his own sector’s concerns for the unemployed as ‘patronising’ (Dunlevy, 2011). He took direct aim at those on disability pensions. While he was sympathetic towards a deserving ‘300,000-400,000 with genuine disabilities, severe disabilities who may be wheelchair-bound’, he claimed that, in the case of the other half of supposedly undeserving disability pensioners, ‘most of us would question why they had been put in the category of disabled’ (Dunlevy, 2011). In addition, while others in the sector, and many in business, were
advocating for an increase of up to $50.00 per week to the rate of the unemployment benefit, which had not risen since 1994 (ACOSS, 2012b; J. Murphy, Murray, Chalmers, Martin, & Marston, 2011), and which has replaced the sole parent benefit for all categories of sole parents, Mr Hall argued that an increase of $10.00 to $20.00 per week was sufficient.

This thesis aims to contribute to our understanding of the changes wrought upon the CWO sector through neoliberalisation¹, and their engagement in the implementation of WTW reforms. It examines what occurred in CWOs, political strategies pursued in the course of neoliberalisation, and how neoliberal WTW hegemony was won in the sector. It also posits an explanation for why CWOs embraced neoliberal WTW programmes, despite publicly stated misgivings about the impacts of WTW reform on unemployed people. This introductory chapter outlines the background and public significance of the thesis, and specifies the original contribution it makes to studies on neoliberal welfare reform. In doing so, it highlights how it differs from many of the other studies on neoliberal WTW in Australia. It outlines the factors influencing the choice of topic and the structure of the thesis.

¹ The term neoliberalisation is drawn from the work of Peck, J., & Tickell, A. (2002). Neoliberalizing space. Antipode, 34, 380–404 where they make a case for reconceptualising neoliberalism as a process of ‘neoliberalisation’. They seek to reconceive neoliberalism as a process that occurs in space and time transforming local, institutional and national spaces as it rolls out. They argue that their goal is to ‘explore the (subtly transformed) process of neoliberalization in the context of recent history, and in doing so to refine, develop, and modestly revise the received conception of neoliberalism’ (p.383). They further argue that ‘analyses of this process should therefore focus especially sharply on change—on shifts in systems and logics, dominant patterns of restructuring, and so forth—rather than on binary and/or static comparisons between a past state and its erstwhile successor’ differentiating it from more static understandings of neoliberalism (p.383).
Background and significance

The political economy of unemployment has altered dramatically in the last three decades, as neoliberal governance has become the entrenched paradigm through which social life is viewed and regulated. During this time, social security policy has moved away from a statist system based on principles of public administration and underpinned by the discourses of human rights and social development associated with ‘social citizenship.’ In contrast, the current model is based on discourses of self-reliance, obligation and conditionality and governed through the process of ‘mutual obligation’ (Carney & Ramia, 2002a; Curtain, 1999; Goodin, 2002; P. Harris, 2001; McClelland, 2002; McIntyre, 1999; S. Parker & Fopp, 2004; Schooneveldt, 2004; Shaver, 2002). Castles argues that the reforms associated with these changes, combined with the industrial relations reforms that commenced in the 1990’s, and extended under the Coalition, go so far as to ‘tear down the edifice of Australia’s distinctive model of social provision’ (Castles, 2001a, p. 538).

The change in the mode of delivery of employment programmes has been described as ‘radical’ (Finn, 2001, p. 8), as a ‘world leading social reform’ (Dockery, 1999, p. 136) and as ‘so radically different … that it may well be regarded as the most important OECD initiative in social policy in the post war period’ (Considine, 2001, p. 117). The Job Network (JN) emerged in the context of these dramatic reforms to institutional arrangements, which included the dissolution of the post-war bureaucratic frameworks for managing social security, unemployment and job search assistance. It was established under the rubric of new public management (NPM), through a process of competitive
tendering. Programmes were initially delivered through a web of tightly governed, but diverse, organisations with different governance structures that initially crossed the state, community and private for-profit sectors (Considine, 2001; Finn, 2001). With the loss of contracts by Employment National, the rump of the old Commonwealth Employment Service, in the third funding round no government provider existed beyond this point. After the third contract CWOs held 51 percent of JN services (Department of Workplace and Employment Relations, 2003; C. Murphy, 2003) and this sector has since maintained its dominant position in the market (Finn, 2008, 2011). Finn noted that ‘among the non-profits the role of secular, community-based non-profits declined while that of church-based groups increased’ (Finn, 2011, p. 10), and that the most substantial contracts were held by Mission Australia and the Salvation Army. While JN is delivered through both for-profit businesses and not-for-profit CWOs, Work for the Dole (WFD) is delivered exclusively through the charitable sector. Both JN and WFD have been integrated through a range of surveillance, management and information technologies into both the welfare state apparatus (Henman, 2004) and the community welfare sector through contractual arrangements. This has resulted in very strong regulation of unemployed people, who are required to engage in high levels of mandated activity, undergo intrusive surveillance, and endure heavy monitoring for compliance. CWOs, who have such a primary role in this regulation, have traditionally undertaken social justice advocacy on behalf of marginalised groups and in the early years of ‘welfare reform’ undertook strong deliberative advocacy despite engagement in the WTW programmes (Mendes, 2003a, 2008).
The relationship between the state and CWO’s in the neoliberalisation of the welfare sector has been, and continues to be, crucial to the lives of hundreds of thousands of citizens, many of whom suffer social disadvantage and exclusion. Notwithstanding their public criticisms of the WTW system, CWO’s have become an increasingly powerful political, economic, and social force, and the nature of that influence is not yet fully understood. This growth in power has been paid for by the people of Australia, yet its dynamics are less than transparent or democratic. By revealing some of these details from the mouths of the sector’s commanders-in-chief, this thesis makes a significant contribution to public debate and scholarly understanding of this important socio-political development.

**Contribution to the field**

CWOs, particularly those affiliated with the institutional churches, have been critiqued from a historical perspective for their role in the social and moral regulation of the poor. This is most clearly evident in the role of the Charity Organisation Society, which as Murphy (2006) has pointed out, saw its role as primarily discouraging ‘indiscriminate’ alms giving by charities and as ‘as weeding out the undeserving from the deserving’ (p. 9). Dickey (1987) has also documented resistance to the notion of welfare in colonial Australia and the role of the non government sector including the churches in regulating the poor. Until relatively recently these have not engaged in debates about poverty, social class and unemployment. In recent years Mendes (2003a, 2008, 2010) has argued that church affiliated CWOs are one of a diminishing number of progressive voices in formal political debate on social issues. Certainly historically the churches have been a force for
conservatism but in a context of neoliberal policy at the level of rhetoric, if not in practice, they have more recently represented progressive dissent.

Academic scholarship has focused on a range of theoretical, policy, and practice aspects of ‘welfare reform.’ For example, a number of writers have addressed questions of human rights and the ethical legitimacy of the policy of ‘mutual obligation’, which heightens the conditionality of income support in relation to job seeking activity (Bessant, 2000; H. Dean, 2007; Goodin, 2001, 2002, 2004; Kinnear, 2000, 2001; Moss, 2001, 2006; Yeatman, 2000). Others have explained its failings and poor performance in respect of the most disadvantaged job seekers (H. Cameron, 2006; Carney, 2006; Considine & Finn, 2004; Cowling & Mitchell, 2003; Eardley, Abello, & McDonald, 2001; Ferguson, 1999; Schooneveldt, 2004; Ziguras, 2003; Ziguras, Dufty, & Considine, 2003). Some studies examine the emergent institutional governance structures of WTW, as they operate under the rubric of NPM (Carney & Ramia, 2002a; Considine, 2001; Yeatman, 2000). Others have focussed on the neoliberalised landscape that NPM has produced, highlighting the changes in the sector over time. For example, Struyven and Steurs (2005, p. 216) have focussed on attrition in the sector as each contract rolled out, identifying that JN providers fell from 306 under Employment Services Contract 1 (ESC 1) to 205 under ESC 2 to 109 under ESC 3, while those that remain are operating on ever larger scales and in fewer locations. Other research investigates the way that democratic accountability has been undercut by the loss of scrutiny of programmes associated with NPM (Barrett, 2000, 2003; Barton, 2006; de Maria, 2001; Mulgan, 2005), and the erosion of democratic pluralism (Alexander, Nank, & Stivers, 1999; Dalton & Lyons, 2005a; Staples, 2006; Zifcak, 2001).
There is also a literature on the effects that engagement in the WTW system has on the wellbeing and identities of CWO staff (Goddard, Patton, & Creed, 2001; Marston & McDonald, 2006; McDonald & Marston, 2006; Thornton & Marston, 2009), on the exploitation of volunteers (Reeves, 2010), on the behaviour of CWOs as quasi-employment agencies (O'Donnell, 2005) and on the displacement of public sector values through devolution to CWOs and the private sector (Houston, 2008; Perry & Hondeghem, 2008; Taylor, 2010); each of these allude to labour process issues without addressing political economy (P. Thompson, Smith, & Ackroyd, 2000; P. Thompson & Vincent, 2010). These studies do not interrogate questions of power and interests as they relate to capital accumulation and labour relations within the sector. Rather, they assume a dysfunction in the system that could be addressed if only the principles of WTW were more fairly interpreted, if the system were better resourced, if the principles of the Third Way (Giddens, 1998, 2001), for example, were adhered to, or there were less political interference, or the perverse incentives of the system were removed. While some of these studies nod to political economy, many appear to implicitly accept the neoliberal paradigm that making unemployed people competitive in marginal labour markets is the best, or the only, approach to addressing unemployment. In the recent Australian context, this position has been critiqued most systematically through the structural analyses emerging from Bill Mitchell and his colleagues at the Centre for Full Employment and Equity at Newcastle University (Allen, Cook, Mitchell, & Watts, 2007; Bill, Cowling, Mitchell, & Quirck, 2004; Cowling & Mitchell, 2002, 2003; Mitchell, 1998; Mitchell & Mosler, 2002; Mitchell, Myers, & Juniper, 2005; Mitchell & Watts, 2001; Mitchell & Wray, 2005). Within this field of study the overall emphasis tends to be on state actors, with very few exploring the part of CWO’s as similarly crucial actors in the neoliberalisation of the welfare sector.
Studies that focus on CWO’s have been particularly interested in the effects of neoliberalisation and NPM upon them. For example, Kerr and Salvesberg (2001) argued that the shift to marketisation means that the… ‘focus on outputs and surveillance to the detriment of advocacy and community empowerment, will inevitably result in community service sector organisations being little more than what Jamrozick (1996) termed “servants of the state”’ (p.30). Other writers have raised similar concerns, although much of this research downplays CWOs social or political agency (Cass & Brennan, 2002; Hackworth, 2010a; J. Harris, 2003; Hasenfeld & Powell, 2004; Mautner, 2005; Phillips, 2007; Rodger, 2012; S. R. Smith & Lipsky, 1993; Trudeau & Veronis, 2009; Woolford & Curran, 2013). This contrasts with the analysis in this thesis which posits a central and critical place for agency.

There have been a number of political studies that are concerned with examining power relations between the state and the CWO sector, many of which have focussed on the role of political intimidation by the state under the Howard government, and its use of political and economic power to reward or punish CWOs based on perceived compliancy and/or ideological alignment (Hamilton & Maddison, 2007; Maddison, Denniss, & Hamilton, 2004; Maddison & Hamilton, 2007; Melville & Perkins, 2003). These studies documented political practices of silencing CWOs through political threat and, in some cases, the actual defunding of services. Eardley, Abello and McDonald (2001) noted an anxiety from within the sector that CWOs were losing their capacity for advocacy by involvement in the delivery of WTW programmes (see also Casey & Dalton, 2006; Dalton & Lyons, 2005a;
Finn, 2008; Klees, 1998; Maddison & Denniss, 2006; Maddison & Edgar, 2008; Phillips, 2007). In addition several writers have explored the role of right wing think tanks such as the IPA (for such criticisms see Hywood, 2004; Johns, 2000, 2001, 2002a; Johns, 2002b; Johns & Roskam, 2004) in utilising a discourse of public choice theory to delegitimize CWO advocacy, in the age of contracts (Maddison & Denniss, 2006; Mendes, 2001, 2003b, 2005a, 2010; Mowbray, 2003; Sawer, 2002). Many of these studies tend to focus on the ameliorative and advocacy role of CWOs, and the way this has been jeopardised by contractual relations, that is, they convey somewhat of a ‘CWO’s as victim’ narrative.

The most critical studies of the neoliberalisation of CWOs have come from the governmentality research camp (Caswell, Marston, & Larsen, 2010; Henman, 2006; Marston, Larsen, & McDonald, 2005; Marston & McDonald, 2006; McDonald, Marston, & Buckley, 2003). Consistent with Foucauldian scholarship, these focus on diffuse aspects of power and the production of subjects, within a neoliberal ‘truth regime’. These studies, while providing powerful insights into governmental elements of WTW regulation neglect questions of political power, vested interests and political economy.

This thesis differs from the studies mentioned above, through its attention to the political economy and agency of CWO’s in the neoliberalisation of the welfare system, and unemployment services in particular. Theoretically, it combines insights from the political economy framework, focusing on both neoliberal accumulation and modes of social regulation. In the case of the latter, it draws on the insights of governmentality theory and
the powerful forms of explanation this offers about the production of neoliberal subjects and identities. Breakthroughs from social geography’s heterodox institutional political economy (HIPE) approach, which merges regulation and governmentality approaches, are especially useful for this study (Brenner, Peck, & Theodore, 2010; Peck, 2004; Peck & Theodore, 2012; Peck & Tickell, 2002, 2012). While this approach allows for the interrogation of macro and meso conceptions of neoliberalism, as neoliberalised space, the work of analysing micro-level contests, interests and power in this system relies upon Critical Discourse Analysis (CDA). The critical analysis of discourse and language offers particularly vital new insights into the less obvious machinations of power and interests, structures and agents, which cannot be fully discerned from a straightforward structural or thematic analysis. Through close analysis of the representations that elite CWO agents make about their involvement in the delivery of WTW programmes, a more complex understanding of their position – not simply as victims and advocates, but also as beneficiaries of the neoliberalisation of WTW – is possible. This theoretically innovative combination is ultimately aimed at dialectically analysing the influence of CWO’s in the development and extension of the new, and now hegemonic, neoliberal welfare system, and thereby contributing new knowledge to the field of welfare reform studies.

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2 Here the word dialectical follows Fairclough’s (2003; 2005) and Chouliaraki and Fairclough’s (1999) conception of dialectics as relational as espoused by Bhaskar (1996; 2002). They follow Harvey (1996) in conceiving of social practices as a central category in social science and theorise practices from a dialectical perspective where practice is constituted by diverse moments, including a moment of discourse. Fairclough (2005: p. 5) argues that dialectics in CDA requires us to ontologically differentiate between discourse and non-discursive elements of social relations. He argues that while they are different, they are not discrete.
Factors influencing the choice of topic

There are several reasons for my choice of this particular topic and the approach taken. The first concerns my own political and intellectual commitments arising from professional and personal experience with the issue at hand. I have come to share with many critical scholars, a concern about the way neoliberalised societies produce ever greater forms of risk, insecurity, inequality and injustice (Bauman, 1998, 2004a; Beer & Forster, 2002; Haughton, Jones, Peck, Tickell, & While, 2000; Mullins, 2002; Peck, 2001b; Rodger, 2012; Wacquant, 2001b, 2009 2010)).

In the past I have worked in the disability employment sector as a rehabilitation counsellor. In this context I worked with individuals with a range of disabilities, including people with physical, intellectual and psychiatric disabilities. This included homeless men temporarily housed in shelters, a group identified as particularly vulnerable to the insecurities generated by ‘welfare reform’ (ACOSS, 2001a, 2001b, 2003; Salvation Army, 2001). My work in this field allowed me to develop insight into the personal difficulties faced by these individuals. I was aware of the multiple structural factors that inhibit employment opportunities for people with disabilities, and other marginal groups, in the labour market, and how these were heightened by neoliberal forms of governance (Abello & Chalmers, 2002; Argyrous & Neale, 2001, 2003; Barnes & Mercer, 2005; Bill et al., 2004; Russell, 2002). I was also aware from both my personal experience as a practitioner, and as a scholar, that successful employment outcomes required sophisticated and multi-layered interventions and, often,
long timeframes to support the development of capabilities of people with disabilities wanting to find work (see e.g. Clark, Unger, & Stewart, 1993; J. Parker & Schaller, 1996; Wehman, 2006). I was also familiar with the time required to foster and develop support relationships in the workplace to make employment outcomes both desirable and sustainable for such individuals (Brooke, Green, Revell, & Wehman, 2006). In addition, I could see how work outcomes for these groups were often tenuous and precarious. I could also see how structural changes in the capitalist economy, and the individualisation of social risk, worked against employment for people with disabilities. I was also aware of how the Howard Liberal government had taken in excess of one billion dollars from the employment sector in its first budget (Costello, 1996), including the removal of job subsidies for people with disabilities.

At the time I commenced my study in late 2002, the JN, which was in its second contract round, and WFD, were well established as the institutional sites for managing policies of ‘mutual obligation’. At that time, the Pearce Review (Pearce, Disney, & Ridout, 2002), an independent review of breaches in the social security system, was in play. This review was set up by a range of organisations in the community welfare sector, including some organisations involved in programme delivery, to investigate the significant rise in social security breaches over the previous two years. The review was undertaken because it became clear that the most vulnerable groups in the population were affected most severely by harsh social security sanctions, and that the agencies undertaking social justice advocacy were gaining little policy traction and losing public legitimacy. For example, a report by ACOSS in 2001 found that social security penalties had been incurred by vulnerable
people, including people with disabilities, young people, Indigenous people, people with substance abuse problems, people with mental illness and homeless people. During the second JN contract, breaches peaked at 386,946 in 2001, a rise of almost 300% over three years (ACOSS, 2001a, p. 1). Penalties at the time were very severe, with a first activity breach incurring a deduction of 18% of allowance for 26 weeks. A second activity breach incurred a deduction of 24% of allowance for 26 weeks. A third breach incurred total suspension of allowance for 8 weeks. Administrative breaches incurred a 16% deduction for 13 weeks (ACOSS, 2001a, p. 2; National Welfare Rights Centre & ACOSS, 2000).

On a personal level, my family was directly caught up in this social experimentation. As the parent and main carer of a young adult with an intellectual disability, these changes in social policy have a direct bearing on my daughter’s and my own life. I wish for my daughter as much autonomy and opportunity to build her capabilities, including her vocational capabilities, as possible. Above all, I wish for her security in a world riven with change because, for people with intellectual disabilities, security, even at its most basic levels, in the forms of routine and predictability, is the bedrock upon which capability is fostered. The world currently being created through a mix of social policy reform and economic liberalism, is not one in which security for vulnerable people, regardless of the nature of their vulnerabilities, is either valued or actively pursued except in its most residual forms. During the Howard years, my daughter was ‘breached’ (i.e. had her social security income suspended) on three occasions. She worked two days a week in a supported employment context for which she received a $10.00 per week ‘productivity wage’. She (in this case I) was required to report her earnings each fortnight on a day and time designated
by Centrelink, through a rigid automated telephone system, with no possibility for negotiating this without a trip to Centrelink. The three breaches resulted from inadequate reporting information provided to us, by Centrelink, in the first week of my daughter’s employment, and inflexibility in phone reporting times that coincided with a funeral and other unavoidable and unforseen commitments. Each time, this caused my daughter very considerable anxiety and a deep anger and disbelief within myself.

CWO advocacy was highly critical of the regime of penalties affecting enormous numbers of vulnerable people, including my own daughter, yet they were silent about their own part in the operationalisation of these punishments, other than a critique of the policy discourse of ‘mutual obligation’. I had a basic awareness of how the JN and WFD schemes operated. I was also aware that CWOs, including a significant number of church affiliated organisations, were involved in the delivery of both programmes. I also understood that there were contractually required reporting mechanisms for CWOs to administer around the management of individuals’ ‘mutual obligation’ requirements (Considine, 2001). I wondered about how such tensions were being played out in organisations. In all of the preliminary reading I had done, this appeared to be the big sleeper. Some organisations were undertaking advocacy, often robust and sometimes strident in its tone, against policy practices that they were directly implicated in. At the same time because of the commercial-in-confidence clauses in JN contracts, there was little official evaluative or governance documentation available about the role of CWOs. There was an emerging body of academic literature, but much of it was concerned with more technical and functional
elements of the system, and comparative outcomes in relation to earlier labour market programmes (LMPs) (Dockery, 1999; Webster & Harding, 2001).

Through this study, and the personal experiences that prompted it, I, like other writers have come to see ‘welfare reform’ and the shift towards workfare as an extension of neoliberalism that further entrenches and institutionalises insecurity for the most vulnerable, those at the margins of modern life (Bauman, 1998, 2004a, 2004b; H. Cameron, 2006; Lloyd, Harding, & Greenwell, 2002; Marston, 2008; Wacquant, 2001a, 2001b, 2009 2010; Weller & Hersh, 2002). In addition, through its mandatory contractual form, WTW erodes social citizenship (Carney & Ramia, 2001; J. S. Davies, 2012; Schram, Soss, Houser, & Fording, 2010; Shaver, 2002). Furthermore, it heightens class inequality as the nexus between low wage insecure work and welfare support is compressed (Barnett, 2003; Carney, 2007; H. Masterman-Smith, May, & Pocock, 2006; Helen Masterman-Smith & Pocock, 2008; Ramia & Wailes, 2006). Systems built on compliance and penalties do not foster either autonomy or capability. Nor are people equally capable of managing their own social risks. The consequences of an income support system rigidly founded on notions of ‘mutual obligation’, as it currently operates, are that the vulnerabilities of frail and disadvantaged people are heightenened.

There seemed to be enough in this topic to warrant a major study. In addition, the field of investigation was one that was consistent with my political/intellectual commitments and would allow me to make a contribution, by way of empirical research and critique, to the
field of knowledge of neoliberal social policy, as it was playing out at the level of organisational practice in the community welfare sector.

**Structure of the thesis**

The thesis is divided into six subsequent chapters including a theoretical literature review, methodological explanation, substantive analysis chapters and the conclusion. Chapter Two provides a theoretically organised review of Australian neoliberal welfare reform in which to anchor the study. It provides a brief outline of neoliberal policy orthodoxy and a discussion of how regulation, governmentality, and heterodox institutional theories explain neoliberal change in CWOs. The usefulness of theoretical and conceptual insights from CDA, for interrogating the nuanced minutiae of the neoliberalisation of CWOs, is then outlined. Chapter Three explains the research methodology with particular attention to the employment of the analytical strategies of CDA and thematic analysis.

The substantive chapters combine results with analysis to interrogate the what, how and why of CWO neoliberalisation. Chapter Four is primarily concerned with exploring what happened in CWOs, as these landscapes were neoliberalised and became sites of neoliberal extension, particularly through engagement in the delivery of WTW programmes. Critically, it highlights the role of path-dependency in the neoliberalisation of CWOs, through analysis of extracts from a respondent in an organisation that chose, on moral and political grounds, not to enter WTW. The analysis describes the conflicts and tensions that
emerged in CWOs, as the effects of neoliberalisation were realised, with a focus on the dissonance between their public and private reactions to WTW. Chapter Five examines how these conflicts unfolded, that is, the various internal political strategies that were used to secure the consolidation of neoliberal hegemony and the carriage of WTW in CWO space. For example, it investigates how resistant identities were marginalised and silenced within CWOs. Chapter Six considers why CWOs ultimately embraced neoliberalisation and WTW, despite the constraints it posed for their own agency, the consequences for their missions, and the effects on marginal people whom they purported to support. This chapter engages with the political economy of the emergent ‘unemployment industry’, by analysing questions of interests, including the role of the state and the possibilities for, and effects of, competitive accumulation through the commodification (Esping-Anderson, 1990) of unemployment. It places these questions in the historical context of the ebbing and flowing of faith-based CWO’s socio-cultural and political economic power. It finds parallels between the role of parishes in policing the poor, through the workhouse system under the English Poor Laws (Driver, 1993; Walker, 2004; Wood, 1991), and the faith-based CWOs engaged in WTW in the present. Chapter Seven draws together the different threads developed in the thesis to explain the original contribution and significance of the thesis. It underscores how attention to the role of language and discourse furthers our understanding of the nuanced spatial and temporal processes overseen by CWOs, which enabled the hegemonic ascendancy of neoliberalism within the unemployment sector (Peck & Tickell, 2002, p. 385).
Conclusion

In sum, the thesis critically examines the tensions and conflicts that emerged in CWOs in the early years of ‘welfare reform’ in Australia, the ways such conflicts were played out, and the implications for the establishment of WTW hegemony. It specifically focuses on tensions and conflicts that arose within CWOs themselves, and for the sector, over the competing goals of social justice and of undertaking the business of regulating unemployed people. It examines the role of power and interests by analysing a corpus of interviews with elite individuals in the community welfare sector who were centrally located within organisations as they entered the quasi-market for job placement and the enforcement of mutual obligation. This market was consolidated through JN (known as Job Search Australia (JSA) under the Rudd and Gillard Labor governments and currently up for review under the Abbott Coalition government) and WFD contracts, to which many organisations in the sector signed up.

In exploring this development the thesis applies critical theory from HIPE, which explores contemporary social change through the lens of the neoliberalisation of space, with a focus on social regulation (Brenner et al., 2010; Peck & Theodore, 2012; Peck & Tickell, 2002) and overlays this with insights from Critical Discourse Analysis (CDA). The HIPE work of the social geographers springs from regulation theory. It’s most recent iterations build more subtle and nuanced regulation explanations that account for variability and contingency in
neoliberal restructuring, while maintaining a place for path dependency\(^3\). In addition, they integrate insights from post-structural governmentality theory while exploring and explaining the regressive hyper-regulation of unemployed people in neoliberal welfare regimes. HIPE is thus a synthesized theory. This scholarly terrain is examined in the following chapter.

\[^3\] Path Dependence refers to the notion that current and future states, actions, or decisions depend on the path of previous states, actions, or decisions - that history matters (Page, S. (2006). Path dependence, Quarterly Journal of Political Science, 1 87-115). It reflects the realist ontological account of history and society accepted by regulation theorists.
CHAPTER TWO: LITERATURE REVIEW

Introduction

This chapter reviews literature pertinent to understanding the neoliberalisation of CWOs in Australia. It does so through an examination of major theories about neoliberalism, with a particular focus on the emergence of WTW and the role of CWOs as spaces of regulation in its implementation. The chapter commences with a discussion of the role of neoclassical economics in informing welfare policy change and the integration of CWOs as agents of regulation. It critiques the limited explanatory scope of this perspective by examining the contribution of, first, the political economy perspective of Regulation Theory (RT) and, second, the post-structural perspective of governmentality theory.

RT locates the changes associated with neoliberalism within political and economic forces that arise from the contradictions and crisis tendencies of capitalism. It highlights the role of the state in attempting to manage such crises through regulatory practices and processes. Regulationists see neoliberal welfare policies as an attempt to manage crises through both labour market deregulation and the regulation of contingent and mobile workforces, in an attempt to shore up capital accumulation (Benko & Liepetz, 1998; Jessop, 1994a, 1994b, 1995a, 1997b). It is, thus, concerned with macro structural elements of change as they play out in national and regional contexts. This chapter highlights the strengths of this theory in locating the causes of welfare regulation change in the accumulation process.
The chapter then discusses neoliberal welfare reform from the post-structural discursive perspective of governmentality theory. This theory explains programmatic and social regulatory elements of neoliberalism as they relate to the regulation of ‘targeted populations’, where freedom is constructed as the ‘governance of the self’ in relation to market activity (Dean, 1999, 2009; Dean & Hindess, 1998; N. Rose, 1999; Schram et al., 2010). It is, thus, more concerned with social policy aspects of neoliberalism, which is seen in solely discursive terms as a mode of governance rather than path-dependent economic relations.

While these theories provide two key partial explanations of why CWO’s participated in social welfare changes that they ostensibly opposed, neither of them offer a satisfactorily comprehensive account of the what, how and why of the neoliberalisation of CWO space. In seeking a more integrated approach to explaining the neoliberalisation of CWO space, this chapter turns to the work of social geographers whose scholarship commenced in the regulation school, but who have moved towards a more ‘heterodox form of institutional political economy’ (HIPE) (Peck & Tickell, 2012, p. 245). This approach is centred on the work of Jamie Peck and his collaborators (Brenner et al., 2010; Peck, 2001a, 2001b, 2004; Peck & Theodore, 2007, 2012; Peck, Theodore, & Brenner, 2009; Peck & Tickell, 1994, 2002, 2012; Tickell & Peck, 1996, forthcoming). Their work explains neoliberalisation as a process which has meso (institutional) and macro (political economy/spatial) elements. They have focused on the discursive insights of governmentality theory but placed them within a strong political economy perspective that has shifted towards the social regulation,
rather than accumulation, side of the regulation theory equation, as explained below (Peck & Tickell, 2012, p. 245). This perspective synthesizes major insights from governmentality with regulation theory. It focuses on contingent and variable scalar outcomes ranging from micro through institutional (meso) and macro scale in explaining social and economic change. The HIPE perspective argues that neoliberalisation is a path-dependent process that has material/economic and ideological elements, which are not reducible to discursive regimes of practice, but rather unfold in time and space in ways that give rise to particular contingent outcomes. It posits explanations for the restructuring of the welfare state and its devolution into new or radically reconstructed institutional spaces. These spaces include CWOs that are contractually responsible for the delivery of WTW programmes in many Western democracies, including Australia. While this perspective usefully brings together the strengths of regulation and governmentality theory, it has generally sidestepped analysis of the links between linguistics, social change and social regulation. In addition, while it theorises a place for institutional contestation, it does not explore how this emerges, or is played out, at the micro-social level. Nor does it propose a clear methodology for examining the nuances of specific interests and contest in neoliberalising contexts. It sees an important place for hegemony and social relations that are punctuated by its effects, but does not focus on how these are contested and shaped in micro-social contexts, such as the spaces occupied by individual CWOs. This is the gap in the theory that CDA fills.

CDA focuses on what an analysis of language can convey about social cognitions and motivations located within social structures, which facilitate the production and reproduction of social practices, particularly within oppressive social orders (van Dijk,
It is particularly useful for unpacking how individuals who are engaged in personally or socially controversial undertakings, such as CWO agents dealing with neoliberalisation, wrestle with such tensions. It offers a way of explaining how contest occurs in micro and institutional spaces, the linguistic and discursive strategies and resources drawn on in such contest, and how these dialectically relate to macro-scale processes, such as neoliberalisation.

**Orthodox economic perspective**

Central to neoliberal orthodoxy is the notion that the economy is a self-regulating organism that emerges from the self-interested behaviour of individuals. The principles of individualism, freedom of choice, market scrutiny, laissez faire economics, and minimal government are central to the assumptions of neoliberal orthodoxy (Larner, 2000). These principles have informed economic and social policies aimed at ensuring the most ‘efficient’ allocation and employment of resources, including labour, and the most efficient distribution of material and social goods. While this argument for efficiency is promulgated in the privatisation of unemployment services there is, nevertheless, an emerging critique that disputes the efficiency of CWOs in the delivery of labour market programmes (LMP) (Bredgaard & Larsen, 2008; S. Davies, 2008; Stone, 2013).

In Australia, the rise of neoliberalism is traced to a series of reforms implemented by the Hawke and Keating governments in the 1980-90s (Kelly, 1994). The history of the rise of neoliberalism in Australia has been traced by Beeson and Firth (1998) through the
examination of a range of government reports promoting ‘efficiency’, ‘trade liberalisation’, ‘flexibility’, ‘global competitiveness’ and ‘enterprising culture’ (see also Beilharz, 1994). These include for example the Garnaut Report (1989), the Hilmer Report (1993) and the Karpin Report (1995). These reports pre-empted a range of neoliberal economic changes including reducing trade barriers, cutting taxes, the sale of public institutions and the implementation of NPM in public sector organisations. For example, the Garnaut Report, which oriented Australia’s future towards economic engagement with Asia, promoted trade liberalisation including the reduction of tariffs pursued by the Labor government in the 1990’s. The Hilmer Report shaped national competition policy and pre-empted and promoted competition in the provision of public sector services including welfare. This foresaw deregulation and privatisation, which involved the devolution of public and social goods including Labour Market Programmes and resulted in the development of a ‘quasi market’ in the delivery of (un)employment programmes. Previously provided under the Keynesian Welfare State (KWS), they are now provided in privatised and civic spaces, including CWOs, via practices of NPM (Carney & Ramia, 2002a; Considine, 2001, 2003). NPM introduces the logic of the market as a disciplining feature in the governance and delivery of public services. While CWOs entered the field of WTW under the Keating (1994) government’s Working Nation reforms, their role as providers in marketised WTW programmes was dramatically extended under the Howard government and is now institutionalised⁴.

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The Karpin Report (1995) promoted the development of an ‘entrepreneurial culture’ in education and training. It pre-empted processes such as NGOs developing training programmes for unemployed people. These were aimed at developing business skills and entrepreneurial abilities within unemployed people setting them up as contractual agents rather prospective employees within labour markets.

In addition to recalibrating the institutions of the state along neoliberal lines, the emergent form of governance associated with orthodox economics required the abandonment of policies of social protection associated with Keynesian welfare statism - what Carney and Ramia (2002a, pp. 11-23) refer to as the ‘old settlement’- and the dismantling of statutory institutions aimed at achieving collective security (Castles, 2001a). Under the Howard government this resulted in dramatic cuts to LMPs. This was most evident in 1997 when the government scrapped over one billion dollars from them (Costello, 1997; O'Neill, 1999) at the same time as much more conditionality was introduced into the social security system. In summary, from an orthodox perspective, the rescaling of institutions associated with welfare delivery is premised on a set of normative assumptions that constructs the economy as self-regulating through competition and governed by self interest.

From a policy perspective this has informed and legitimated the rollback of statutory provision of social services, including social security and LMPs. This rescaling has resulted in the engagement of CWOs in the delivery of a range of decentralised and privatised social programmes (Carney & Ramia, 2002a; Considine, 2001; Eardley et al., 2001). In the field of WTW, these programmes are concerned with ensuring that unemployed people are always ‘active’, that ‘welfare dependent’ populations are shaped to be ‘self-reliant’, and that surplus labour capacity is always ready to fill temporary gaps in labour markets. This maximises productive efficiency and minimises costs in pursuit of economic growth. In this context, CWOs ostensibly facilitate economic efficiency through their role as labour placement organisations in neoliberalised labour markets, and through managing client access to more conditional income supports and austere welfare programmes. This is problematic for CWOs who have traditionally been engaged in social policy advocacy, including advocacy aimed at critiquing the policy orthodoxy that has shaped neoliberal WTW programmes (Casey & Dalton, 2006; Dalton & Lyons, 2005a, 2005b; Maddison & Denniss, 2006; Mendes, 2003a, 2008; Phillips, 2006). This approach to WTW is limited by its lack of any sociological perspective or critique of wider forces that inform social change. It is ideologically driven in that neoliberal WTW is uncritically accepted as a singular normative system within a dominant policy hegemony. The ideological nature of this perspective is outlines in some of the theoretical approaches explored below and is substantively explored in the empirical chapters of the thesis.
Regulationist perspective

This section outlines the conceptual framework of regulation theory (RT), focusing on the links between modes of social regulation and welfare policy. It places this relationship in the historical context of shifts from Fordist to post-Fordist regimes of accumulation. RT is concerned with providing explanations about why there was a change from predominantly Keynesian approaches to social regulation to neoliberal forms. Proponents of RT locate such change in relation to capital accumulation and crisis tendencies in capitalism, and the need for capital adjustment to emergent periodic crises. Particular attention is paid to the relatively recent ascendancy of what regulationists refer to as the Schumpeterian Workfare State, (SWS) (Jessop, 1993, 1994b, 1995b) a form of social regulation of which neoliberal WTW systems are emblematic. The section includes an explanation of the Australian experience of the emergence of such a regime, with specific consideration given to the implications for CWOs.

RT comprises a series of approaches that take a neo-Marxist perspective in explaining social and economic change. Its materialist focus is on macro-economic structures rather than ideology and micro power relations. It explains neoliberalism as a state response to securing and protecting capital accumulation after the exhaustion of Fordist forms of production (Jessop, 1995a). Neoliberal economic and labour policies are directed at fostering ‘innovation’, ‘flexibility’ and ‘technological take up’. The aim is to increase competitiveness in the global economy. WTW is central in disciplining and regulating labour towards participation in ‘flexible’ labour markets where there has been a significant
rise in contingent, short-term and unstable work resulting from neoliberal policies (Burrows, 2013; Cottle, 1989; H. Masterman-Smith et al., 2006; Helen Masterman-Smith & Pocock, 2008; Peck, 2001b; Standing, 2011).

RT commences with the Marxist assumption that the capitalist mode of production contains structural contradictions that lead to periodic crises (Benko & Liepetz, 1998; Boyer, 1990; Boyer & Saillard, 2002; Jessop, 1997a, 1997b; Robinson, 2012). These include structural asymmetries in the capital-labour relation and contradictions for accumulation that emerge from the interdependence between relations of production and social reproduction. Based on the premise that the capital relation produces antagonism and its contradictory elements lead to crises, RT conceptualisations of the state and the economy are concerned with explaining the durability of capitalist regimes of accumulation (Jessop, 1997b). Examples of such regimes include Fordism and Post-Fordism. Conceptually, a regime of accumulation can be divided into two interconnected parts: the accumulation system and the mode of social regulation (Peck & Tickell, 1992). The first of these, the accumulation system, is constitutive of the organisational and technological elements of capitalist production. The term accumulation system is generally given to long phases of capitalist development in which stability is secured through a range of interconnected elements such as wage relations, the way in which enterprises are structured and the nature of money. Accumulation systems are also concerned with consumption and its role in stabilising capitalism. Jessop argues that regimes of accumulation are stabilised where a ‘complementary pattern of production and consumption that is reproducible over a long period’ (1997b, p. 291) is established. Regulationists argue that in order for a regime of
accumulation to be established, stabilised forms of social regulation must also be secured; this is referred to as the *mode of social regulation*, which includes the regulation of surplus labour.

In analysing the durability of capitalist relations, early regulationists were concerned with examining the regulative role of institutions, laws (for example, property and labour law) and normative relations which, they argue, contain or resolve the structural contradictions and distortions that arise from the accumulation process (Benko & Liepetz, 1998; Boyer, 1990, pp. 35-36; Boyer & Saillard, 2002). For example, centralised arbitration and provisions of the welfare state under Keynesianism provided institutional stability and channelled the tensions associated with the Fordist regime of accumulation. Regulationists argue that such institutional and normative processes provide systemic ways in which conflict is channelled, mediated and contained, ensuring relative economic stability for long periods of time. However, the relative stability secured by such institutional forms and normative processes is always hostage to the inevitable tensions in capitalist accumulation. As the regulative capacity of these institutions, laws and relations is eroded by contradictions, they are no longer able to contain the emergent tensions in the accumulation system, resulting in structural crisis. Such crises precipitate social change, leading to periods of struggle until new forms of regulation are established and stabilised (Jessop, 1990, p. 171).
Some regulation theorists argue the Fordist period entailed substantial state structuring of the conditions for intensive capitalist accumulation into the late 1960’s (Amin, 1994). These conditions were partly secured by the implementation of the Taylorist labour process in which mass production was complemented by mass consumption and by full (male) employment, stimulated by a Keynesian mode of social regulation. It constituted a compact between capital and an economically orthodox labour leadership, mediated by the state and driven by fear of the collapse of capitalist regimes and rising communism (Braverman, 1998 [1974], p. 198). Fordism is often seen as a ‘hegemonic model’ upon which a compromise was established between the Left and Right of politics (Lipietz, 1992). Institutionally, this compromise was secured through the role of the state in providing mediation and institutional conciliation between powerful/elite social forces. Collins and Cottle (Collins & Cottle, 2010, pp. 27-28) note that in Australia this compromise included pastoral and industrial capital, a relatively strong labour movement, and a conservative state; it came at the expense of the Australian working class (Cottle, 1989).

The Fordist regime entered a period of decline from the early 1960’s culminating in economic crisis in the 1970s. Harvey theorises that rigidity within the system was the major problem; it was based on inflexibility in product design, manufacturing processes, technologies and labour regulation (Harvey, 1989, p. 106). French regulationists, such as Aglietta (1979 repr 2000) identified other elements of capital exhaustion including falling profits, a decline in the social wage and increases in labour unrest. Others describe problems with the technical limits of Fordism, such as its inflexible infrastructure and labour process, in relation to productivity and accumulation (Coriat 1979, cited by Amin,
1994; Lipietz, 1986). A further relevant element, in Australia, was a decline in profit shares in relation to labour costs (Collins & Cottle, 2010; Wheelwright, 1996).

In order to sustain a balance between production and consumption, increasing levels of intervention in the labour process were required by the state on behalf of private capital. There were differences between advanced capitalist states, characterised by Peck and Tickell (2007) as ‘variegated national Keynesianisms’ (p. 29). However, regulation generally took the form of a) social legislation covering minimum wage levels and annual wage rises in line with increased productivity; b) a ‘welfare state’ to ensure that all wage-earners remained consumers, even when they were prevented from earning a living; and c) credit money (Lipietz, 1992, pp. 6-7).

In Australia, Keynesianism was the predominant mode of social regulation (Castles, 1988) within the Fordist regime of accumulation. This involved the stimulation of consumptive demand, through policies of full employment and investment, through social planning and public expenditure. The promotion of full employment included policies of protectionism and centralised wage negotiations. Social planning and expenditure included the provision of public services, infrastructure and welfare payments (Castles, 1988). In this way welfare and income security in Australia were substantially met through policies of full (male) employment, with large expenditures on public sector programmes, and the protection of labour in trade exposed industries.
Ultimately, the contradictions in the Fordist accumulation regime matured, which led to an accumulation crisis (O'Connor, 1973, 1984). A consequence of this crisis was high unemployment, which had been a central feature of Western economies during the 1970’s and early 1980s, when the utility of Keynesianism in managing crises waned (Cottle, 1989). As Lipietz (1992, p. 16) notes, this accumulation crisis provided a pretext for the legitimacy of the welfare-state to be called into question. In Australia, its loss of legitimacy manifested in strong pressures for the abandonment of Keynesian economic policies from the early 1970s onwards (Fagan & Webber, 1994, p. 127).

For capital, the emergent form of governance associated with managing the accumulation crisis required the replacement of Keynesian social welfare protection policies with those designed to promote flexibility and enterprise; this was in order to overcome ‘labour rigidities’ that impeded capital accumulation. A key reason for this was that capitalist economies were systemically compelled to respond to competitive global demands where production costs, including labour, could be moved to low-wage, developing economies (Abe & Wheelwright, 1989; Bello & Rosenfeld, 1992, pp. 91-92; Ritzer, 2011). Global competitive demands required a withdrawal of industry and labour protections, the development of ‘flexible’ and ‘mobile’ labour (Harvey, 1989) and the reduction of costs in production. Failing to take such steps, it was argued, would lead to rising unemployment and social unrest.
As a result, the development of a neoliberal trajectory was taken up by the Hawke-Keating Labor governments in the 1980’s-90’s (Beilharz, 1994; Collins & Cottle, 2010). Much of the struggle associated with adjustment during this time was channelled through the Labor government’s Prices and Incomes Accord. This was a corporatist agreement between the state and labour (ACTU), which was established to manage the tensions associated with the removal of labour protections and instabilities emerging from economic adjustment to the 1970s oil crisis (Jose & Burgess, 2005). As part of this agreement, unions traded off wage demands and other protections, such as industry tariffs and centralised arbitration, for an increase in the social wage. The social wage compensations included the development of relatively strong LMPs, including training and development for displaced labour, and a ‘training guarantee’ (Keating, 1994).

The period also saw the beginning of the system of privatising some labour market services to CWOs. This was couched in terms of service delivery ‘devolution’ and constituted early moves in the neoliberalisation of CWOs. The rise of ‘flexible’ labour markets, and the emergence of normatively sanctioned ‘flexible’ work, were associated with the emergence of CWOs in the regulation of unemployed and precariously employed individuals. The integration of CWOs into the institutional system, where their advocacy activities could be curtailed and channelled in particular ways, through the contractual relation, as well as through political processes (Lyons, 2001; Maddison et al., 2004; Staples, 2006), also provided a crucial means of managing social tensions associated with the rise of neoliberalism and the post-Fordist regime of accumulation (Klees, 1998).
The Accord also oversaw a move to active labour markets (Cass, 1988; OECD, 1988, 1990). This shift saw the instigation of the principle of ‘reciprocal obligation’ in the provision of income support and labour market services, along with the initial rejection of WFD on the grounds that it would undermine labour in the marketplace. The action of building obligation into the social security system and linking it to LMPs, was couched in terms of economic adjustment, developing flexible labour markets, developing skilled labour to meet emergent demand and promoting productivist values to consolidate competitive advantage. Ultimately, the focus in the system shifted from one of a collective approach to security, to the individualisation of risk (R. Martin, Rafferty, & Bryan, 2008, p. 129).

Globally, the changes associated with neoliberal forms of governance contributed to the development of dual labour markets in many economies. This entailed the emergence of a ‘core’ of highly skilled, relatively secure and well-paid labour held positions in core areas of the economy, and the growth of a peripheral labour market consisting of low-skill, low-paid, precarious work on the periphery of the economy (Borland, Gregory, & Sheehan, 2001; Burgess & Campbell, 1998; Burgess & de Ruyter, 2000; Cowling & Mitchell, 2003; Gunasekera, 2011; H. Masterman-Smith et al., 2006; Helen Masterman-Smith & Pocock, 2008; Mitchell & Wray, 2005). It is within this context that the CWO sector came to be pivotal in employment placement in the peripheral labour market (Fowkes, 2011).
This historical context leads to the question of social regulation and emergent neoliberalism. Jessop (1994b, 1995b) has theorised that a new form of social regulation subsequently emerged, which he calls the ‘Schumpeterian Workfare regime’. For Schumpeter (1942), progress was dependent on a Social Darwinian recognition and acceptance of social and economic inequality, thus allowing advantages to innovators and entrepreneurs as well as the authority to advance productivist values. Jessop argues of the Schumpeterian workfare state (SWS): ‘Its distinctive objectives in economic and social reproduction are to: promote product, process, market and organizational innovation in open economies in order to strengthen as far as possible the structural competitiveness of the national economy by intervening on the supply side; and to subordinate social policy to the needs of labour market flexibility and/or the constraints of international competition’ (1994a, p. 263).

The shift from the KWS to the SWS was marked by an abandonment of policies of full employment and redistributive welfare rights, and a reorienting towards a ‘productivist reordering of social policy’ (Jessop, 1994a, p. 263). Jessop argues that this workfare regime can be seen as post-Fordist in its focus on innovation, and in that it helps to resolve crisis tendencies in capitalism, particularly the stagflationary impacts of Keynesianism on Fordist growth as the contradictions in this system matured. The SWS sees a shift in social policy whereby unemployment, and its associated risks, are no longer viewed in collective terms at the economic or social level. Rather, these are viewed in terms of the needs of capital and the necessity of labour flexibility in meeting these needs. This sees flexible and precarious
employment and structurally produced unemployment, and the risks associated with these, as being normative elements of the Post-Fordist regime.

Jessop (1993, 1994b) explains various factors as indicative of a neoliberal strategy (as opposed to neo-corporatist or neo-statist strategies) within the SWS mode of social regulation. These include the privatisation of public services, economic liberalisation, and the adoption of commercial practices in the delivery of a residualised public sector; deregulation of the private sector and support for market solutions to economic and social problems; promotion of ‘hire-and-fire’ labour relations, flexi-time and flexi-wage labour markets; and the reorientation of state activities to the needs of the private sector. This approach welcomes internationalisation, even if this conflicts with the creation/maintenance of a coherent national industrial core (Jessop, 1994a, pp. 265-266).

In Australia, the development of Schumpeterian workfare policies was first informed by the Cass Report (1988), which applied the OECD’s (1988, p. 283; 1990) ‘active society’ prognostications. Cass argued that the income support system had three main functions. These were, to support job search activity, to promote labour flexibility consistent with economic restructuring and to redistribute income to those with the greatest barriers to workforce participation. These ensured a ready supply of ‘flexible’ labour to meet the needs of capital as developing and evolving markets emerged in the ‘new economy’. She also recommended that the work test be expanded to an ‘activity test’ that included
participation in activities, particularly training programs, which will increase skill levels and potential employment chances’ (Cass, 1988, p. 283; Jamrozik, 2001).

Active labour market policy (ALMP) has since become universally accepted as the ‘(almost) unquestioned paradigm for social policy regarding employment’ (Ziguras et al., 2003, p. 1). These programs which were tightened, hardened and extended under the Howard government are propelled by legislated compulsion, mandated activity and a subordination of social policy to capital accumulation. While some of the obligations were somewhat softened under the Rudd Labor government, including a narrowing of conduct over which penalties could be applied, and smaller timeframes for remediation of penalties (Ramia & Carney, 2010), recent reforms have seen a re-tightening of policy, including moving sole parents from the pension onto unemployment benefits. This has resulted in an income drop of between $60.00 and $100.00 per week for single parents in receipt of benefits and a loss of up to $6,000.00 per year for some sole parents currently in employment (Whiteford, 2013). From its inception, WTW policy has been aimed at shaping the behaviour of unemployed people in ways that influence labour market participation where such labour markets have become flexible, unstable and contingent.

Jessop (1994b) argues that adapting and securing accumulation under Schumpeterian arrangements has contributed to what he refers to as the ‘hollowed out state’ (See also Rhodes, 1994; 1997). Rhodes differentiates between ‘hollowing upwards’ which is geared towards national acquiescence to pan-global systems promoting globalisation and
‘hollowing downwards’ where powers, formerly vested in the state, including the provision of LMPs, are rescaled and devolved to local or regional levels of governance through reconfigured, privatised, institutional landscapes. In the case of Australia the latter includes CWOs previously vested with welfare and charitable functions (Carney & Ramia, 2002a, 2003; Vromen et al., 2009, pp. 360-362).

Despite these tendencies Jessop argues that nation states still retain primacy as the site of political and social struggles in a world beset by competing national, regional and local forces (Jessop, 1994b, p. 27). This was evident in Australia especially in relation to the struggles over welfare reform in which some CWOs were engaged over the duration of the Howard government era (Mendes, 2003a, 2008). From a regulationist perspective, the changes to welfare support, labour markets and institutional relations between the state and CWOs relate to structural adjustment in response to international neoliberal forces, however, contestation over welfare and labour market policy was domestically focused. CWOs were being integrated into highly competitive markets (Eardley et al., 2001) to deliver Schumpeterian welfare programmes at the same time as they contested their nature, tenor and outcomes (Mendes, 2003a, 2008). This issue is also relevant in relation to the management of tensions about CWO enactment of Schumpeterian programmes, in that RT posits a role for the state in mediating social conflict. Drawing CWOs into the policy delivery field in a tightly regulated and radically restructured institutional domain provided a context in which tensions and conflict were tightly channelled through the institutional field. This contestation was so constrained within the institutional and political fields from the perspective of CWOs that it has been couched in terms of the ‘silencing of dissent’
This included political pressure exerted on agencies by government, such as threats to withdraw funding (Maddison & Hamilton, 2007; Melville & Perkins, 2003). It also included confidentiality impositions, that precluded the public disclosure of contractual relations and arrangements (Barrett, 2000, 2003; Barton, 2006; Considine, 2003, p. 66; de Maria, 2001; Eardley, 2003; Webster & Harding, 2001; Zifcak, 2001), and what has been referred to as gagging clauses precluding comment on policy by contracted CWOs (Sawer, 2002, p. 46; Wright, Marston, & McDonald, 2011, p. 309).

Jessop notes that, instead of an overall removal of the state from the market sector, neoliberalism in its Schumpeterian form, requires heavily directed state action during the period of restructuring and continuing intervention once the transition is completed (Jessop, 1994a). Rather than a retreat of the state, it requires a reconfiguration of state policies aimed at shaping individual behaviour towards marketised activity. In Australia, while the provision of employment programmes is delivered through a privatised quasi-market sector, the state operates in Schumpeterian ways via the multiple forms of compulsion, surveillance and discipline imposed on individuals within the system. In this way Jessop’s conceptualisation of Schumpeterian workfare has similarities to the ‘advanced liberalism’ of governmentality theory (Dean, 1998, 1999; M. Dean, 2007; Hindess, 2001; N. Rose, 1999; N. Rose & Miller, 1992).
In sum, Jessop argues that the neoliberal SWS can be seen as a post-Fordist mode of social regulation in that it helps resolve crisis tendencies arising from contradictions within it (at least temporarily). It does so by helping to consolidate the accumulation prerequisites of a post-Fordist regime (Jessop, 1994a, p. 264). Workfare policies sought to resolve crisis tendencies in the former KWS by adopting supply-side intervention and subordinating welfare and labour policy to market forces. This latter point relates to the Schumpeterian notion that, where possible, entrepreneurial abilities should be instilled in individuals such that they develop abilities to generate their own incomes, reducing demand on the state. In addition, the SWS contributes to structural change by restructuring labour in ways that promote greater competitiveness and labour market flexibility. It also contributes to the disorganisation of labour through loss of job security, which reduces unionisation and collective action, and ultimately undermines wage claims (Peetz, 2006).

RT provides powerful insights into the macro-level material processes behind the advance of neoliberalism, and a generalized recognition of the importance of modes of social regulation, but it does not explain how neoliberal workfare regimes were operationalised. It does not attend to the institutional relations established through neoliberal practices, such as NPM. Nor does it address the implications of such change at the micro-level for CWOs and the agents within them, who are contracted to undertake the regulatory work of governing unemployed people in the SWS, or associated political actions. Rather, RT analysis of political contestation focuses on the depoliticisation of labour movements as a result of structural reform (Burnham, 1997; 2001) and on CWOs as little more than disempowered pawns. These issues are compelling in that CWOs have participated in substantial
deliberative debate over welfare policy, evident in the ‘welfare wars’ with the Howard government over its reform agenda (Mendes, 2004, 2005a) and, more recently, over the changes to sole parent provisions (ACOSS, 2012a) and the unsuccessful campaign to increase unemployment payments (ACOSS, 2012b). At the same time these agencies have restructured to accommodate, and benefit from, neoliberal demands, as leading competitive agents in the field of service delivery. The focus of RT on macro-social economic relations between the state, capital and labour leaves the detailed political and institutional machinations of CWO experience, and the question of CWO power, relatively under-developed.

**Governmentality perspective**

The discussion now turns to another significant field of research on neoliberal welfare reform that is informed by post-structural governmentality theory (Dean, 1999, 2009; Dean & Henman, 2004; Dean & Hindess, 1998; N. Rose, 1999). This section provides a critical discussion of some of the major relevant concepts of governmentality, including its rationalities and technologies of rule that render society and individuals governable. It is a post-structural theory that highlights the disciplinary and penal elements of neoliberalism applied to ‘targeted populations’, in this case unemployed people (Henman, 2004). It focuses on micro-level experiences, but it does so through the lens of subjectivity, rather than political agency or contestation.
Governmentality scholarship has its foundations in Foucault’s (1981, 1988) thesis on governmentality and takes a bio-power approach to the conceptualisation of power. Here power is not exclusively the provenance of particular institutions or laws, nor is it located within particular stratified groups or structures, rather it is decentred and diffuse, operating in multiple sites and through diverse micro channels (Barry, Osborne, & Rose, 1996; Dean, 1999; Foucault, 1990; Miller & Rose, 1990; O'Malley, Weir, & Shearing, 1997; N. Rose, 1999; N. Rose & Miller, 1992). Governance is less concerned with the role of the state and more focused upon the multiple, diverse and heterogeneous ways in which it operates in micro spaces (Foucault, 1990). Governmentality studies are concerned with exploring and explaining the diverse rationalities (that is, mentalities or logic) and technologies (that is, instruments) through which practices of governance are constituted and reproduced, and how they are implicated in change. From this perspective power is not necessarily repressive; it is productive in that it is constitutive of subjectivities that emerge from particular discursive structures (Foucault, 1981, 1988). Rather than having a fixed point in law, institutional norms, or structured power relations, governmental power is exercised through a

plurality of governing agencies and authorities, of aspects of behaviour to be governed, of norms invoked, of purposes sought and of effects, outcomes and consequences (Dean, 1999, p. 10).

In modern societies such governance takes place beyond the boundaries of normative state institutions. Contractual forms of governance have extended the role of the market and civil society into the governance and regulation of individual conduct, that is, into a kind of all-pervading culture of governance.
Rationalities of rule

In contrast to RT’s modes of social regulation, from a governmentality perspective, both Keynesianism and neoliberalism are seen as particular normatively and politically sanctioned rationalities that constitute society, the problems which need to be governed, and the subjects and populations to be governed in different ways. Neoliberal regulation is conceptualised within the framework of particular rationalities, in the case of WTW, the rationality of the market. Governmental analysis pertains to the ‘conditions under which regimes of practices come into being, are maintained and are transformed’ (Dean, 1999, p. 21). It includes the multiple ways in which institutional practices ‘can be thought, made into objects of knowledge and subject to problematisation’ (Dean, 1999, p. 21). Such knowledge defines the objects of practices (for example, the status of unemployment) and regimes of practice (for example, workfare). It ascertains the aims and objectives of practice and codifies how they are to be dealt with in relation to ‘targeted populations’ (for example, unemployed people). Such knowledge also defines the ‘professional and institutional locus of authoritative agents of expertise’ (Dean, 1999, p. 22), in this case the role of case managers in CWOs in assessing and determining the need for, and locus of action in relation to, the governance of unemployed individuals. The dependence of regimes of practice on forms of knowledge accounts for the ways such regimes become institutionalised, and programmatic in character. In WTW, the forms of knowledge are based on notions of paternalism as articulated by writers such as Mead (1991, 1997) and Ellwood (1988, 1994), and of unemployment as a ‘moral hazard’ as conceived by conservative writers such as Murray (1984, 1990, 1994). The diverse rationalities of
governmentality that are constitutive of neoliberal WTW include factors such as *the constitution of society* and *the shaping of freedom*.

Henman (2006) speaks to the first rationality of neoliberalism, the constitution of society, arguing that a governmentality critique allows identification and problematisation of the political and social narratives that ‘tell of the need for welfare reform’ (p. 27). Thus, the constitution of Keynesian welfarism is called into question by its opponents and the solutions to the problem are framed in terms of the relationship between individuals and the state (Dean, 1999, p. 152), and the necessity to remake this relationship in ways that promote individual responsibility and self-entrepreneurship. This conception of society bypasses a more sociological problematic, such as that inscribed in the rationality of the KWS, which included mechanisms for reinforcing social solidarity, preventing social dissolution and ensuring the rights and liberties of socially responsible citizens (Dean, 1999, p. 153). In neoliberal rationality the role of the state is to remove the apparatus of security and to promote the conditions for self-responsibility and self-entrepreneurialism. Yet, in practice as the apparatus of security is reduced, the hand of government, while kept at arms-length, strongly directs market actors. This includes not only unemployed individuals who are subject to neoliberal rule, but also agents within CWOs and other spaces charged with the delivery of disciplinary measures to promote such self-responsibility.

The second interconnecting rationality of neoliberalism identified by Dean is the reshaping of freedom. He highlights how Hayek’s conception of freedom has become a dominant
thread in neoliberal governance. According to Hayek ‘reason is the consequence of those learnt rules of conduct by which humans become intelligent and it is by submitting to their discipline that humans can become free’ (cited in Dean, 1999, p. 156). This rationality does not construct the market as either a natural order or an artificial entity but as a spontaneously emergent social order, governed by customarily developed rules selected through a complex cultural learning process (p. 157). Freedom is obtained by observing the rules of the market, such as the pursuit of self-interest within a competitive rationality, and the management of one’s labour as a commodity, which is the way that it is constructed within this rationality. Dean notes that the general welfare of the populace is not achieved by securing the needs of groups, but by creating the conditions of possibility for individuals and small groups to pursue their own interests (p. 158). Under this rationality markets constructed via neoliberal processes are naturalised as the means through which market behaviour, thus freedom, is shaped.

Dean argues that the shaping of conduct towards neoliberal freedom under the Keating government was constituted by a state ‘promise’ (Dean, 1999, p. 160) - ‘We will assist you to practice your freedom, as long as you practice it our way’. This relationship was governed via a contract between the unemployed individual and the state, and comprised access to a range of resources for the individual – training, job guarantee, subsidies for instance - in return for compliance with job seeking behaviour. Under the Coalition government and more recent Labor governments, neoliberal freedom is shaped via participation in a fully marketised system which includes CWOs. Dean (1999) characterises this as
if you require guidance and training in the exercise of freedom, you must first exercise your freedom as a consumer of employment services to gain access to such guidance and training (p. 161).

Here, the state seeks to contrive and develop markets where they do not exist, and to reconstruct unemployed people as ‘consumers’ exercising their freedom through this constitutive relation. For Dean, this is a radicalisation of neoliberalism in that it extends its rationality into spheres of civil society, such as CWOs, that previously operated independently.

While governmentality theory focuses on the shaping of neoliberal freedom via various authoritarian processes, its focus on the disciplining of labour is strongly reminiscent of E. P. Thompson’s (1967) work on disciplining labour in early industrial capitalism. However, governmentality theory, while focusing on markets, eschews the structural conceptions of society that informed Thompson’s work. This critical thread is picked up by the HIPE social geographers (Brenner et al., 2010; Peck et al., 2009; Peck & Tickell, 2002, 2012) and revisited later in this chapter.

**Technologies of rule**

Alongside these overarching ‘rationalities’ of rule, governmentality theory is concerned with exploring specific political ‘technologies’ of rule, and their role in contexts like welfare reform. For writers such as Rose and Miller (1992), Rose (1999) and Dean (1999; 2007), knowledge technologies have a constitutive role, comprising ‘the complex of mundane programs, calculations, techniques, apparatuses, documents and procedures
through which authorities seek to embody and give effect to government ambitions’ (N. Rose & Miller, 1992, p. 175). The operation of specific technologies of rule and regulation, in the context of CWO involvement in WTW in Australia, are outlined below.

McDonald, Marston and Buckley (2003), through governmental analysis of the Job Search Classification Instrument (JCSI)\(^5\), identify the way this assessment tool constructs the subjectivity of unemployed people, and how it is used to determine ‘case management’ pathways. They identify the minutiae of ‘observable behaviours’ that are included in the assessment, such as ‘inappropriate eye contact, too quiet, too loud, multiple short term employment, dependence on others’, amongst many others that form part of the assessment, highlighting how this pathologises the status of unemployment and shapes casework interventions. McDonald and Marston (2005) also apply a governmentality analysis to identify and examine the forms of expertise and authority drawn on by case managers in governance relationships with clients. These empirical studies highlight practices whereby both case managers and clients are shaped by the technologies of neoliberal rule and the internalisation of its rationality.

McDonald and Marston (2005) and Marston and McDonald (2006) have also analysed how practices associated with case management at the micro level, constitute technologies aimed at shaping the subjectivities and behaviour of Australian welfare recipients. These

\(^5\) The JCSI is a calculative assessment that is applied to unemployed people in Australia. It calculates their risk, classifies them according to this status and channels them into stratified employment programmes with different levels of intervention and resource structures according to their classification.
technologies encourage practices of the ‘governance of the self’ (N. Rose, 1996), shaping behaviour in ways that create personal responsibility for social risk, encourage ‘entrepreneurial’ behaviour and discourage ‘dependency’. Marston and McDonald (2003) highlight the ways that the case management relationship at the institutional level, mediates an operative rationality of ‘self-betterment’; it coerces participation in a contractual agreement that submits the unemployed to sometimes degrading technologies of citizenship, such as counseling, grooming, self-esteem management, the development of labour market skills, the management of diaries, time and mobility. For example, people are enjoined to use

hygiene packs’, have their teeth fixed and develop a work ethic (Marston & McDonald, 2003). They also include ‘the multiple techniques of self-esteem, of empowerment and consultation….., the combating of various kinds of dependency and so on (Dean, 1999, p. 168; see also Marston et al., 2005; McDonald & Marston, 2005).

These technologies are aimed at producing neoliberal subjects, where subjectivity equates to conformity with neoliberal rationality.

Technologies of rule also reconstitute unemployed individuals as legally obligated agents through what Yeatman (1998, 2004) refers to as the ‘new contractualism’ (see also Carney & Ramia, 2001; Ramia, 2002; Vinson, 2007). This is specifically achieved through the utilisation of ‘participation agreements’, binding agreements between the unemployed person and the programme provider. Where individuals are deemed to be non-compliant in governing themselves towards market behaviour, as inscribed in the technologies of rule outlined earlier, they are penalised through income sanctions. Critics have highlighted the problems of this individual deficit approach to unemployment, particularly the ways in
which the practices associated with governmental approaches undermine the integrity of unemployed people (H. Dean, 2007; Dwyer, 2004; Goodin, 2002, 2004). Others have highlighted how the use of the breach mechanism subjugates the citizenship rights of unemployed people (Carney & Ramia, 2001; Hindess, 2004; Jensen & Pfau-Effinger, 2005; Shaver, 2002; Yeatman, 2004).

Technologies of rule are not only directed at ‘targeted populations’ like the unemployed; they also ensnare those who operationalise it through what Dean (1999) terms technologies of performance. These relate to the deployment of expertise on targeted populations, not in relation to how this may contribute to activised or entrepreneurial citizens whose subjectivity is produced under technologies of agency, but to the actual performative elements of professions in meeting the ends of calculative regimes. From this perspective, ‘the devolution of budgets, the setting of performance indicators, benchmarking, the establishment of quasi-markets in expertise and service provision, the corporatization and privatisation of formerly public services, and the contracting out of services, are all technical means to lock in the moral and political requirements for the shaping of conduct into the optimization of performance (Dean, 1999, p. 169). The technologies of performance in CWOs include the subjection of organisations to a range of audits and measurements, highly circumscribed reporting mechanisms, and contractual and commercial obligations, all aimed at measuring and evaluating their performance as WTW providers. These are the technologies used to facilitate the self-governance of regulatory agents in institutional units, including CWOs, so that they police their own compliance with the overall aims of the system of rule.
Overall, the governmentality thesis offers a range of crucial insights into the rationalities, technologies and institutional practices that underpin welfare reform and the discourses which talk it into being. It offers powerful analytical concepts for exploring how they are justified, legitimised and naturalised. In addition, governmentality approaches, taking Foucault’s notion of power, demonstrate how historically repressive and centralised forms of sovereignly held and exercised state power, have evolved into more diffuse and decentralised forms of power, exercised through multiple institutional sites, diverse social relations, and through subjects themselves, as internalised forms of social control. In this way, policy discourses work to construct conformist and easy to govern individuals, and also conceal possibilities for reaction, contestation and critique (Trowler, 1998). While governmentality provides a powerful description of how WTW was carried by the forces of neoliberalism, and how its practices were codified and naturalised within the field of social institutions, it too suffers from a range of shortcomings.

Critiques of governmentality include criticism of its inadequate distinction between the governmental and the political. Political agency, and its role in struggle within systems of rule, is neglected in favour of an analytical focus on totalising systems of governance. O’Malley (1996) argues that the governmentality literature often attempts to explain the political without naming political actors. O’Malley (1996) also argues that governmentality literature under-represents, and under-estimates, accounts of grassroots/non-elite politics. For all its insightful offerings into the operation of power, O’Malley, Weir and Shearing (1997) contend that, in governmentality theory:
the sociological concern with politics as social relations is sidelined in favour of examination of texts of rule that provide the empirical record of governmental plans, programmes, self-interrogations and responses to the intractability of what it seeks to govern (p. 502).

Conversely, the tendency towards abstract diagnostic descriptions in the governmentality literature over-emphasizes the programmatic and schematic forms of neoliberal rule, deflecting attention from ‘the messy actualities of governance’ (citing Barry et al. in O’Malley et al., 1997, p. 504). Such a focus has meant that studies of governmentality have neglected the multiplicity of voices, and heterogeneity within, and subject to, governmental rule (Lever, 2011, p. 88). This removes any theoretical focus from the operation of power as repressive and asymmetrically structured, and from hegemonic struggle. The focus on politics as systematic elements of mentalities of rule accords contestation a place only as a negative obstacle to rule. Where resistance is described,

it is accorded neither the constitutive role that Foucault makes available for it… nor the possibility of providing a counter/reverse project or alternative goals or procedures for governance (Lever, p. 510).

Thus, while governmentality theorists often argue that their intention is to destabilise the presiding rationalities and technologies of rule by making their historical contingency transparent (McDonald & Marston, 2005, p. 379), they do so within a theoretical insularity that does not engage with the materially structured conditions of life, or with antagonistic struggle. Fraser (1985) has identified how this insularity in Foucauldian conceptualisations of power is ultimately conservative in their political effects (166-168).

While CWOs engage in advocacy and contestation, the lens of governmentality discounts this in favour of highlighting the rationality of neoliberal governmentality as an overarching discursive project. Mendes (2003a, 2008) has traced the contestation of CWOs and the
institutional churches over welfare reform, highlighting that the triumph of neoliberal policy has been fraught at the institutional level (See Appendix A which includes submissions to public inquiries and press releases from ACOSS, Brotherhood of St Laurence, Catholic Welfare Australia between 2000 and 2002). These organisations have been concerned with the pernicious social outcomes and cleavages that have resulted from the implementation of neoliberal WTW in Australia, even while they prosecute its governmental elements (H. Cameron, 2006; Lloyd et al., 2002; see e.g. Quiggin, 1999; Saunders, 2002, 2003; Tanton, McNamara, Harding, & Morrison, 2007; Vinson, 2007; Weller & Hersh, 2002). Essentially, the focus on systemic relations and analysis of programmatic elements, precludes problematisation of the effects,

and thus, presumably, eliminates the possibility of assigning the costs to [the] existence of any form of governmentality including neoliberalism, thereby reducing its value as a diagnostic schema (O’Malley et al., 1997, p. 509).

While these critiques come from within the governmentality school, the realist critiques of Brenner, Peck and Theodore (2010) are also noteworthy. They find much that is attractive in governmental explanations of neoliberalism, particularly the foregrounding of its creative capacities for bio-power ‘emphasising its active role in the production of spaces, states and subjects and its context specific impacts on ‘bodies, households, families and communities’ (citing Larner, p. 200). They argue, however, that governmentality theorists draw on simplified and caricaturised macro-economic conceptions of neoliberalism in framing their analysis. There is a reductionism in such caricatures that construct commitment to historically grounded macro-structural analysis as an ‘oversimplified “origin story”’ (Brenner et al., 2010, p. 203). They argue that this ‘exaggerated antagonism
to more structural macro-political perspectives’ of neoliberalism is the source of a range of weaknesses in governmentality theory, stating:

While governmentality theorists rightly insist that neoliberalising logics do not engender deterministic institutional outcomes, their low flying, rigidly anti-systemic orientation tends to obscure from view those macro-spatial rules, parameters and mechanisms that serve to channel, circumscribe and pattern the contextually embedded forms of regulatory experimentation they are concerned to decipher (p. 201).

In their view, the restricted focus leads to an inability to theorise or investigate the *conditions of production* of the diverse, unevenly developed institutional landscapes in and through which neoliberal regulatory experiments are articulated. Further, they note that the insistence on the avoidance of any kind of structuralist foreclosure poses risks of positing an ‘equally overgeneralised, if not ontologically predetermined, analytic of local diversity, variability, mutability and contingency’ (Brenner et al., 2010, p. 202). They also contend that the limitation of analysis to contingent, fluid, localised contexts imposes an *a priori* indeterminacy upon experimental regulatory processes and projects that are highly resemblant, but also have ‘intersecting policy lineages and modes of institutional (co-) production – all with complex connections to multi-scalar dynamics of market disciplinary regulatory restructuring’ (p. 203). In other words, this focus deflects analytical attention away from underlying commonalities such as market logics, property rights, commodification, and productive efficiency. Brenner et al (2010) argue that these pervasively recur throughout neoliberal institutional reform and regulatory experimentation. They argue that each is representative of the macro-structures and path-dependent processes that governmentality theory eschews.
In other words, this focus deflects analytical attention away from underlying commonalities such as market logics, property rights, commodification, and productive efficiency, which pervasively recur throughout neoliberal institutional reform and regulatory experimentation, and each of which are representative of the macro-structures and path-dependent processes that governmentality theory eschews. This is a significant issue when looking at the complex and hybridised institutional landscapes that have emerged through the imposition of NPM on diverse and hybridly-structured CWOs in the WTW context in Australia (Wright et al., 2011).

A further problem discussed by Brenner et al. (2010) is that governmentality theory veers towards an untenable voluntarism in which the practices of neoliberalism are considered to be transferred smoothly across jurisdictions. Here they echo the critiques of O’Malley et al. (1997) regarding the lack of a focus on contest and struggle in governmentality theory. In posing this critique, they state:

neoliberal practices do not merely encounter and then carve through pre-existing and inert institutional landscapes; rather they are actively and combatively fashioned in order to transform targeted features of these landscapes. They are also aggressively promoted by powerful, if not hegemonic, actors and institutions – and their implementation is generally governed through macro-regulatory rules (Brenner et al., 2010, p. 203).

The voluntarism presupposed by, and evident in, many governmentality studies means that the evolutionary trajectories of neoliberal experiments are understood as radically contingent, highly localised and specified articulations and are unable to be theorised at a more general level. Counter to this Brenner et al. (2010) argue that the insights of governmentality can be productively extended through a more systematic interrogation of
the sources and implications of regulatory uneven development under conditions of progressively deepening neoliberalisation (p. 206).

As a result of these gaps and limitations in governmentality research, CWO’s are essentially portrayed as agentless and apolitical tools or operatives bound up in neoliberal technologies and rationalities of rule. The thesis seeks to integrate closer analysis of political agency, interests, and political economy, than this theory allows. It steps outside the narrowness of governmental studies to encompass a broader conception of CWOs and the state, similar to that which is theorised by HIPE scholars who acknowledge the variabilities, contingencies, and geographically dispersed effects of regulatory neoliberalism.

**Heterodox institutional political economy perspective**

The recent work of social geographers from within the HIPE camp such as Peck and Tickell (1994, 2002, 2007, 2012), Peck (2010) Peck and Theodore (2007) Peck, et al. (2009), and Brenner et al. (2010) with their focus on the deepening processes of neoliberalism, provides a more nuanced, multi-scalar and spatially variegated form of regulation theory than the earlier work of the French regulationists, which focused on macro level regime change (Bourdieu, 1998; Peck & Tickell, 2002, p. 382). Their work has been in response to what they identified as inadequate theoretical and empirical attention to the mode of social regulation in regulation theory (Peck & Tickell, 1992). Peck and Tickell trace a shift from the earliest experimental neoliberalisms of Reagan and Thatcher, to the
development of neoliberalism as a spatially uneven political-economic project, to a ‘deep’ naturalised hegemonic neoliberalism that has become ‘the commonsense of the times’ (Peck & Tickell, 2002, p. 381).

In tracing this development, they highlight the evolution of neoliberalism as geographically diverse regulatory projects with contingent outcomes. They also highlight the disciplinary ‘force fields’, the systems of laws, market logics and institutional landscapes in which they are embedded. In relation to social policy they argue that ‘in its diffuse, dispersed, technocratic and institutionalised form, neoliberalism has spawned a free market in social regression’ (Peck & Tickell, 2002, p. 385). The attention to spatial and micro processes in HIPE theory attend to the over-emphasis in earlier regulation and governmental studies on macro structures, which project a degree of fixity to the concept of neoliberalism, thereby obscuring the extent to which neoliberalism is a social process driven by practices at the macro, meso and micro levels. The thesis draws on these insights in the decision to focus on micro-level processes of neoliberalisation in Australian CWOs.

Institutional and localised micro-spaces, such as CWOs, have become more deeply neoliberalised over time (Brenner et al., 2010; Peck & Tickell, 2002). Through the disciplines imposed by contractual law and competitive forces, CWOs are held to have internalised neoliberal logic, which in turn foregrounded new modes of social and penal policy development and implementation. They argue that:
the recriminalisation of poverty, the normalisation of contingent work, and its enforcement through welfare retrenchment, workfare programming, and active employment policies represent a comprehensive reconstitution of the boundary institutions of the labour market (Peck & Tickell, 2002, pp. 391-392).

In this context CWOs appear to have all responsibility and no power. Peck and Tickell (2012, p. 248) describe the

mutations and metastatisations of neoliberalism’ whereby local and micro scale agencies that once held political promise have been so distorted by neoliberalism’s asymmetries that they have become ‘more, not less of a constraint on (local) progressive action (p. 248).

Here, in their analysis of the scalar asymmetries of what they earlier referred to as ‘roll out’ liberalism (Peck & Tickell, 2002, p. 380), lies the conundrum in which CWOs, engaged in workfare programmes, find themselves. Although they are captured within a state imposed logic through processes of NPM and the development of quasi-markets, the question of why this came to be so, beyond generalised structural pressures, is left unanswered in the HIPE scholarship.

The conception of neoliberalisation as a process allows for analysis of the experience of it within the institutional landscapes in which CWOs operate over time. Time is often absent from contemporary studies of neoliberalism, or is sometimes collapsed into a dynamic of speed, such as analyses of ‘fast time’ or ‘fast capitalism’ (Agger, 1989, 2004). The HIPE approach opens the way for an exploration of temporal dimensions of social change in CWOs within contested neoliberalising space, rather than only as an effect, and, thus, requires attention to the processes of struggle at the organisational and individual level.
Notwithstanding its usefulness for analysing the spatial and temporal dimensions of the process of CWO neoliberalisation, the HIPE approach is somewhat unhelpful for explaining the human agency or struggle involved. They acknowledge contestation and resistance, but do not flesh this out either theoretically or empirically. Interrogation of the role of human agency in the variegated processes of neoliberalisation of CWO space is vital for understanding how social change – particularly its oppressive forms – emerge and endure, often in the face of substantial opposition and hostility.

CDA provides a useful means of traversing different scales of analysis - micro-meso–macro - (Fairclough, 2003) while incorporating a clear place for human agency (Archer, 2000). This kind of analysis helps to uncover the often concealed micro-politics that give birth to and nurture regimes of accumulation, modes of social regulation and technologies of rule. It does so, by situating a critical analysis of discourse within the meso and macro-structures that support them.

**Critical Discourse Analysis perspective**

Although HIPE has highlighted the path-dependencies of neoliberalising forces and the contingent and variable outcomes engendered by them, it does not offer ways of exploring the role of social agency in prosecuting these changes at the micro level. One approach for addressing this lacuna, which has been proven in studies of neoliberal welfare reform abroad, is the theory and methodology of CDA. Its leading exponent, Norman Fairclough (2000b), has applied CDA most cogently to explore processes of neoliberalism, including
the ways in which discourse and language were implicated in remaking Britain’s ‘New Labour’ into a neoliberal entity, and to explore the neoliberalism of Thatcher’s Britain (Fairclough, 1992). He has also applied it to analysing welfare reform in Britain during the Blair years, demonstrating how neoliberal language and discourse displaced that of social democratic citizenship (Fairclough, 2000a). Each of these studies demonstrate that CDA’s multi-scalar and dialectical approach to social life can generate new explanations for neoliberal change, including the role and effects of social agency within structured terrains.

Fairclough argues that the major goal of CDA is to make social, cultural and political discourses, that are relatively opaque, more transparent in terms of their relation to power (Fairclough, 2005b; See also G. Weiss & Wodak, 2003b). This has relevance for interrogating the state and self-imposed secrecy shrouding contestation over WTW within CWOs, given that social justice advocacy has traditionally been an important part of their work, and that many organisations still maintain this to be the case (Mendes, 2003a, 2008). This is of further importance given that very little critical analysis of CWO participation in WTW has taken place. Rather, much of what has been done tends to focus on the ‘victim’ status of organisations as being under pressure and coerced by the state, or as apolitical governmental operatives. In addition, while the socio-cultural power of churches has been in decline over the past century, the expansion of WTW has seen them re-emerge as powerful players in the lives of vulnerable citizens and reassert their roles in governing the poor. This has taken place with very little analysis of the agentive roles of CWOs in this process.
This section outlines important theoretical principles of CDA and relates these to the study. It commences with the ‘constructivist structuralism’ of CDA and its oscillating focus, which views both macro-social structures and micro-social relations as equally important in explaining social change. It highlights that CDA has a dialectical conception of social structure, and that it incorporates a constructionist moment in interrogating the micro-level social agency, particularly through discourse and language moments of practice. Theoretically, CDA is particularly attentive to discursive moments and issues of temporality, ideology and hegemony as discussed below. Close consideration of these aspects of the neoliberalisation of CWO’s is needed to flesh out the overlooked nuances of the process.

Chouliaraki and Fairclough (1999) associate CDA theoretically with Bourdieu’s ‘constructivist structuralism’ (Bourdieu & Wacquant, 1992, p. 11). This provides a way of understanding and interrogating social life as both constrained by social structures (such as the economy, the state and class relations) and as a process of social production, whereby social structures are transformed by socially emergent processes including contest (Chouliaraki & Fairclough, 1999, p. 1). This presupposes an important place for social agency, which is expressed through socially constructed moments of practice. In analysing contest, these often masked moments are focused on for the political and ideological work they do, and with an eye to vested interests (Chouliaraki & Fairclough, 1999, p. 32).
For CDA theorists, discourses are seen to be heterogeneously constituted and complexly worked in institutional contexts (van Dijk, 1998; Wodak, 2008). For example, in this study the project of regulatory neoliberal welfare reform is shaped through a range of neoliberal discourses, including managerialism, neo-classical economics, neoliberal citizenship and contract law. Its penal elements are conditioned by discourses of paternalism (Mead, 1992, 1997), risk, (McDonald et al., 2003) communitarianism (Etzioni, 1995) and moral hazard (S. Martin, 2004; Murray, 1984, 1990, 1994). This heterogeneous neoliberal discourse is articulated in texts, and embodied and enacted through various institutional identities, agents and practices, as well as through the subjectivity of unemployed people governed by and within the system. Discourses are implicated in the neoliberalisation of CWOs, and facilitate the harnessing of CWO potentialities as regulative agents.

However, through the integration of micro-scalar moments CDA furthers analysis beyond the lens of such structuring discourses to include moments of social agency in relation to the capitalist relations that drive social change. For Fairclough, social change may be positive (emancipatory) or negative. In the case of this thesis change is central in that CWOs that previously occupied civic geographies outside market relations, once held possibilities for incubating alternative political imaginaries. They are now neoliberalised as competitive agencies of regressive social regulation and such potential is lost. Chouliaraki and Fairclough argue that social changes in late modernity are at least in part the outcome of particular strategies pursued by particular people for particular interests within a particular system – all of which might be different (1999, p. 4).
The changes that occurred within CWOs, as they were neoliberalised, were not agentless processes. CDA allows for the incorporation and interrogation of these micro-level experiences and, thus, adds another dimension in understanding the operation of power in CWOs as they were neoliberalised.

This thesis interrogates questions of agency in ways that seek to make the neoliberalisation of CWOs more transparent. For example, it facilitates examination of the ways in which political agency was asserted to either resist or embrace neoliberal WTW, and neoliberal subjectivities, within the relations of NPM. CWO agents may internalise various elements of neoliberal discourse, they may individually or collectively contest these, or they may take ambivalent positions. CDA offers ways of exploring these variable positions by attending to the discursive and linguistic representations CWO actors make about WTW and their own agency within the system. It is, thus, attuned to how their discursive utterances at the micro-level may contribute to the reproduction of ideology, dominant asymmetrical power relations of WTW, and neoliberal hegemony (Fowler, Hodge, Kress, & Trew, 1979; Hodge & Kress, 1988; Kress & Hodge, 1979). It also allows exploration of counter-hegemonic inflections that emerge in contestation. In this way, CDA is equipped to answer questions about contest, interests and power as they are enacted and played out at the micro-level, as well as how these contribute to the reproduction and extension of neoliberal social structures.
In the WTW project, micro moments see political agents at the individual level make political claims that are informed by macro structuring discourses, which assert the ideological primacy and singularity of neoliberal welfare reform. They are conveyed in the statements and phrases of politicians in media releases and public statements supporting neoliberal conceptions of unemployment (see e.g. Abbott, 2001b; Brough, 2002; Vanstone, 2003a, 2003b; Vanstone & Abbott, 2002) and by policy papers (Newman, 1999a, 1999b; Reith & Newman, 1999; Vanstone & Abbott, 2001b). Although many of these moments are transparent, the micro politics that occurred within CWOs are not. There is substantial evidence that indicates political resistance to discourses of welfare reform by CWOs at the deliberative level (see e.g. Catholic Welfare Australia, 2001; Salvation Army, 2002; UnitingCare, 2001; UnitingCare Australia and National Social Responsibility and Justice, 2001; Ziguras et al., 2003). Yet these documents offer no insights into the internal political battles and contests over WTW, or why CWOs ultimately became such willing agents in prosecuting WTW, despite their reservations.

This literature begs the question: what actually occurred within CWOs? Further, how were these tensions and contests managed and resolved and what strategies were used to enforce neoliberal change? Why did they enter this undertaking when their stated misgivings were so at odds with the reality of WTW? In addressing such questions CDA analysis should pertain to the ‘concrete, linguistic textual analysis of language in use’ (Jørgensen & Phillips, 2002, p. 62). Thus the utterances and descriptions used by agents are central to analysis. These are interrogated for their structuring and political capacities by examining the structuring discourses individuals draw upon in representation of experience, and
whether they are internalised, normalised or contested. Such a focus allows investigation of whether CWO actors simply became agents of neoliberalism, internalising its discourses and ideology, or whether they contested it and how such contest shaped the emergent WTW hegemony, for example. The following sections highlight theoretical principles within CDA that offer a means for exploring these questions.

Here it is important to note that an analysis of time, and the ways that it is implicated in either contestation or acquiescence in social change, is theoretically integral to CDA (Fairclough, 2003, pp. 151-152). The neoliberalisation of CWO space did not occur at a single moment in time; rather it was a progressive process (Agger, 2004; Peck & Tickell, 2002). Because CWOs were so dramatically and quickly transformed into spaces of neoliberal WTW regulation, the integration of the dimension of time, and its interactions with language, discourse and power, offer further insights into the story of the neoliberalisation of CWOs (see also van Leeuwen, 2008).

Ideology is also critical to the theoretical conceptualisations of power in CDA (van Dijk, 1995, 1998; Wodak, 2011), particularly in the ways that it legitimises power imbalances and their effects. Drawing on Thompson’s (1984) theory of ideology, Chouliaraki and Fairclough define ideology as: ‘…constructions of practices from particular perspectives (and in that sense one-sided) which ‘iron out’ the contradictions, dilemmas and antagonisms of practices in ways which accord with the interests and projects of domination’ (1999, p. 26). This critical view is concerned with the ideological effects of
discourses, as they inscribe practices (Fairclough, 2003, p. 9). It is a modality of power rather than a descriptive position that constructs a worldview, set of attitudes, or belief system, with no reference to the relations of power and domination in which they are located (Eagleton, 1991; Fairclough, 2003, p. 9). Fairclough argues that we can judge whether practices have ideological effects or not by looking at their consequences in particular areas of social life. This is facilitated by asking whether particular practices and the ways these are enacted through social action and social identities, contribute to sustaining or strengthening power asymmetries (Fairclough, 2003, pp. 159-160).

This involves unmasking the means through which interests are served, a task that has yet to be fully undertaken with respect to the neoliberalisation of CWOs. Ideological considerations are also relevant to the way that power elites lay claims of legitimacy for particular social relations, and the way this relates to the development of hegemony.

In examining aspects of the hegemony of neoliberalism within CWO space, the thesis is interested in whether this space still carries emancipatory possibility wherein alternative political imaginaries may be incubated. In relation to hegemony, Chouliaraki and Fairclough define it as a state wherein ‘social forms that are produced by people and can be changed by people are seen as if they were part of nature’ (1999, p. 4). They argue that this process obfuscates the fact that there are ‘unrealised alternative possibilities and that aspects of this new world which enhance human life can be accentuated and aspects which are detrimental can be changed or mitigated’ (1999, p. 4). The development and
deployment of neoliberal linguistic and discursive concepts deepen neoliberalism by naturalising the economic and ideological logic of neoliberalism in verbal and conceptual forms which, in turn, recursively reinforce its material dimensions. For example, the ways in which unemployment is constructed pathologically in neoliberalised CWOs obscures its structural and systemic elements. As naturalised conceptions, they hide the structures and relations of power that serve particular political, economic, and socio-cultural interests, and contribute to particular unequal social outcomes in neoliberalised contexts. Articulated together as neoliberal discourse, they are constitutive of one of the ‘force fields’ (Peck & Tickell, 2002) of neoliberal extension into the geographic and institutional spaces of social life. In this way, they condition and contribute to the construction of social actualities that privilege neoliberal relations, including neoliberalised labour markets, and highly penal governmental welfare states, over social need (Wacquant, 2009). They contribute to the ways in which neoliberalism is constructed as a natural process, beyond the possibility of human influence.

Laclau and Mouffe (1985) utilise the concept of antagonism in describing the process of struggle involved in winning or losing hegemony. Antagonism may take place between and within actors. From the latter perspective, they may be subject to, and carry identifications associated with, positions in welfare programme delivery practices and advocacy practices, in ways that are contradictory or which contain tensions. So participants in this study, who are located in welfare systems, may be constituted in terms of the delivery of ‘welfare reform’ from one perspective, while discursively representing counter claims from a competing advocacy discourse. The contradictory elements of their subjectivity are played
out in social struggle. Actors are not entirely subjected, but neither are they completely autonomous. There is capacity for agency which emerges from within the positional constraints they face. They may, as agents, be engaged in what Gramsci describes as progressive hegemonic struggle in the resolution of tensions (1927, 1991). They may take other positions, including the internalisation of repressive hegemony, through capitulation or forms of non-action, or they may integrate practices of resistance or political activism. To date, no studies have given voice to key CWO stakeholders in relation to their experiences of these processes. This lack of empirical data from the standpoint of CWO actors prevents detailed understanding of the influence of human agency over neoliberal welfare reform.

To date, CDA has not been used to explore the neoliberalisation of CWO’s in Australia, particularly the place of human agency. CDA is commonly used to analyse publicly available official texts. However, this is problematic given the confidentiality restrictions placed on what they can communicate. Hence, this study deploys the CDA perspective to investigate the main research question arising from this literature review: *What can be learnt about the neoliberalisation of CWO’s involved in welfare to work from the standpoint of internal actors?*

**Conclusion**
This chapter has outlined various literatures on neoliberal welfare reform. It has examined the contributions and shortcomings of orthodox explanations, regulation theory and governmentality theory. It accepts that RT and governmentality theory provide critical insights from different perspectives that offer powerful explanatory schema. However, it identifies that the conceptualisation of the neoliberalisation of space as developed in HIPE theory, by drawing on both traditions, offers a more robust and cogent approach for explaining neoliberal change in CWOs charged with the delivery of WTW. However, the HIPE approach does not offer a lens for exploring the neoliberalisation of space in such micro contexts. Hence, it is necessary to overlay the HIPE neoliberalisation thesis with CDA theory to explore micro-processes of power within CWOs and how these dialectically relate to macro-social relations.

The chapter concluded by outlining the major theoretical tenets of CDA that are applied in the thesis and indicates how they add depth and nuance to the HIPE approach to analyzing and explaining institutional reform in neoliberalising spaces. This framework allows for an understanding of CWO neoliberalisation that goes beyond either apolitical or technocratic depictions that side step power or constructions that see CWO agents as political victims of a brutal neoliberal state. The next chapter provides a description of the research design, including methodological concerns, employed to answer the main research question. In addition to the elements of practical, ethical and logistical research design these include the conceptual and linguistic methodological tools of CDA which generate analysis that builds the theoretical explanations.
CHAPTER THREE: METHODOLOGICAL APPROACH

Introduction

This chapter outlines the research design and methodological approach taken in translating the theoretical concerns of the study into an empirical project. It specifies the aims of the research and the research questions and discusses the practical elements of the research design, identifying the approaches taken to gathering and analysing the evidence. It also provides a discussion of elite interviewing and the ethical considerations of the study.

Research aims and question

The study aims to explore the neoliberalisation of CWOs engaged in the delivery of WTW. As indicated in the literature review, while regulationist, governmentality and HIPE scholars convey general understandings of the variegated structural and operational aspects of this process, its nuances are largely unexplored in the Australian context; this is partly because the voices of those who went through the process are largely absent from the scholarship. As such, the major research question driving this study is: What can be learnt about the neoliberalisation of CWO’s involved in welfare to work from the standpoint of internal actors? This study focuses specifically on the views of CWO’s and sectoral leaders about what change occurred, how it occurred and why it occurred despite the threats it posed to CWOs, and strong contestation about it in the early years of WTW implementation. The empirical focus on the experience of elite CWO actors arises from their position of relative power over organisational change within CWOs. A focus on these
individuals is a useful place to start exploring the contests and strategies of domination and resistance within CWOs, as neoliberalisation occurred and WTW hegemony took hold.

**Methodology**

A qualitative methodology, informed by interpretivist and conflict theoretical paradigms (Walter, 2010, pp. 20-26), is well suited to examining the ‘meaning-making’ of CWO actors about ‘the factors and conditions, cultural prescriptions and the social order in general that generate certain situations and social structures’ (Sarantakos, 2005, p. 40). This is because the chosen methodology needs to allow for the integration of the structural (political economy of neoliberalisation) and conflict concerns of the thesis alongside interpretation of the constructivist elements of life associated with human agency, WTW practices and discourse. This approach incorporates methods of data collection that allow for multi-scalar analysis and that can facilitate an oscillation (Chouliaraki & Fairclough, 1999; Fairclough, 2003) between the conditioning macro and constructivist micro-spaces of social life in a neoliberalising context.

In examining power, this study seeks to go beyond analyses of overt political outcomes as outlined by writers such as Maddison et al (2004), Mendes (2001, 2003b, 2005a) and Melville and Perkins (2003), to include an exploration of the role of language and discourse in representing these experiences. This approach is in recognition that such representations are not necessarily transparent or objective reflections of reality (Toolan, 1997) and that attention to the social construction of representations about the neoliberalisation of CWOs
can reveal deeper insights into dialectically related questions of subjectivity, agency, contest, ideology and hegemony. Thus, discursive and linguistic representations of social life in the study context are important in the research design (Fairclough, 2005a).

CDA is therefore a key component of both the theory and the methodology. It views discourses and linguistic representations as ‘the instrument(s) of power and control as well as… the instrument(s) of the social construction of reality’ (Van Leeuwen, 1993, p. 193). CDA allows for the development of insights that are not available through forms of objectivist research, which treat language as normatively and politically neutral (Chouliaraki & Fairclough, 1999; Fairclough, 1992, 1995, 2003, 2005b, 2010). While many CDA studies are concerned with corpora analysis of meta-public, policy and media discourses, qualitative approaches are also consistent with CDA studies (Wodak, 2008).

Methods

Empirical CDA studies have utilised a variety of qualitative methods including analysis of focus group conversations (Lockwood Harris, Palazzolo, & Savage, 2012), semi-structured qualitative interviews (Guo, 2012; Merino & Tileaga”, 2011), unstructured interviews (McKinlay & McVittie, 2011), and conversation analysis (Baxter & Wallace, 2009). These qualitative techniques allow for the generation of richly detailed texts for analysis and, hence, in this study in-depth exploratory interviews are the key method forming the backbone of the empirical research.
Sampling and participant recruitment

Potential participants were purposively identified from a reading of the grey literature, including information on websites about executive staff, and from reading letters attached to submissions for various inquiries into welfare reform, and a range of advocacy documents. Participant recruitment was guided by the research questions, by the limited nature of the field and by pragmatic matters associated with the research, including travel and associated costs, and willingness of participants. The final sample consisted of twenty one individuals (involving twenty-six separate interviews) drawn from ten organisations. They were drawn from executive advocacy and management staff in participating CWOs. Fourteen participants were located in CWOs that had a social justice ‘mission’ and that had undertaken persistent policy advocacy associated with ‘welfare reform’ as well as being engaged in the delivery of WTW programmes. Five participants were from sector peak organisations, including two from a peak associated with the delivery of JN and WFD programmes and three from a general welfare peak. Two participants were from an organisation that was not engaged in the delivery of programmes. These latter participants were uniquely located in relation to the process of neoliberalisation as they were neither subject to the contractual disciplines experienced by other participants or implicated in workfare programme delivery. Thus, they allowed for an examination of path-dependency because, unlike so many of the other organisations, their position was not conditioned by the necessities of neoliberalised space. The data from these two participants is subject to critical analysis, but it is employed as a point of comparison, highlighting the effects of neoliberalised space on organisations and the relative discursive freedoms afforded to organisations located outside the neoliberalising dynamic. This was important, with regard
to enhancing theoretical and political reflexivity in the research design. Such reflexivity is an important device in attaining nuanced, layered and politically aware theoretical accounts of social relations (Chouliaraki & Fairclough, 1999), and allows for explanations that draw on a strong conception of structuration and of positionality within structures (Giddens, 1994; Sayer, 1997), when exploring neoliberalisation.

Given the constraints associated with access to elites which is discussed below, initial access was crucial. Access to a critical ‘insider’ was obtained through a personal introduction. This informant facilitated access to others by providing the contact details for key individuals, thus, allowing the utilisation of a purposive snowballing technique. This individual allowed me to use his name when contacting others by way of introduction. This was a powerful symbolic sanction that facilitated access to others (Fontana & Fey, 2005, p. 707). These introductions assisted in defusing some sensitivity on the part of participants to the political context of the study (Ostrander, 1995; Welch, Marschan-Piekkari, Penttinen, & Tahvanainen, 2002). This included anxieties and sensitivities in some organisations associated with contractual arrangements, including commercial-in-confidence clauses of contracts (Barton, 2006; de Maria, 2001). It also included communication embargoes placed by government on CWOs in relation to welfare advocacy at the time (Wright et al., 2011). The sensitivity of participants to these issues meant that, despite signing consent forms (see Appendix B1) which included confidentiality clauses, three participants did not agree to their interviews being recorded. In addition four individuals who were approached declined to participate.
With regard to representativeness, this meant some important agents were not included. There were no participants from one agency that was seen by others to be particularly close to the government. An executive from this agency was approached with an introduction but declined to participate. There was one participant from another agency, also perceived by other participants to be close to the government, but this individual, while agreeing to be interviewed, declined to be taped as did two other individuals. Given the necessity for accurate detailed texts for CDA analysis this was a significant shortcoming. In addition, it is possible that political sensitivity may have impeded candour in expression by some participants (Puwar, 1997; Sabot, 1999). While this means that the texts drawn on are inevitably limited, there are compelling reasons for undertaking the research despite these methodological limitations. As Alvesson and Karreman (2000) note, some compromises in methodological rigour may be balanced against relevance of research. In this case, where so much policy work and program delivery is hidden from public view through the use of commercial-in-confidence contractual clauses (Barrett, 2000; Barton, 2006) and political embargoes imposed by government (Wright et al., 2011) and, therefore, not open to scrutiny, it is contended that such compromise can be legitimated. Nevertheless, the relatively small sample size is a limitation of the study.

The following table provides a summary of participants by organisation. In the empirical chapters which follow, participants from the organisations are referred to by the following initials.
Table 1: Summary table of participants by organisation

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation A (Welfare Peak)</td>
<td>XA x2; QA; TA (not taped)</td>
</tr>
<tr>
<td>Organisation B (Church affiliated peak and service delivery)</td>
<td>WB; SB; BB; PB; TB x2</td>
</tr>
<tr>
<td>Organisation C (Church affiliated peak and service delivery)</td>
<td>FC; HC</td>
</tr>
<tr>
<td>Organisation D (Church affiliated peak and service delivery)</td>
<td>LD; WD</td>
</tr>
<tr>
<td>Organisation E (Church affiliated peak and service delivery)</td>
<td>DE</td>
</tr>
<tr>
<td>Organisation F (JN and WFD Peak)</td>
<td>TF x2; LF (not taped)</td>
</tr>
<tr>
<td>Organisation G (Non participating in WTW)</td>
<td>JG; FG</td>
</tr>
<tr>
<td>Organisation H (Non church peak and service delivery)</td>
<td>SH</td>
</tr>
<tr>
<td>Organisation I (Church affiliated peak and service delivery)</td>
<td>RI; LI</td>
</tr>
<tr>
<td>Organisation J (Church affiliated service delivery)</td>
<td>WJ (not taped)</td>
</tr>
<tr>
<td>Total: 10</td>
<td>21</td>
</tr>
</tbody>
</table>

The identifier initials do not relate to the names of the participants or their organisations in any way. Those who were interviewed twice are indicated in the table, as are those who declined to be taped and who are therefore not referenced in the analysis.
Data Collection

Interview schedule

A series of sub-questions about CWO agents’ experiences and views were generated to explore the major research question. The three sub-questions are: what were the roles of CWOs actors engaged in the delivery of WTW in the neoliberalisation of the sector; how were the tensions and contradictions associated with the neoliberalisation of CWOs experienced, articulated and/or resolved; and why did the process of neoliberalisation unfold as it did? They informed an open, wide-ranging and semi-structured interview schedule.

The first sub-question was concerned with an exploration of the experience of the contractual relation of NPM, the consequent neoliberalisation of CWO space in the delivery of WTW programmes, and the implications for organisational autonomy and the integrity of CWO actors’ agency. Questions specifically associated with this issue included: what has been the experience of the organisation relating to engagement in WTW contracts, from the perspective of autonomy and engagement in political activism; how has competition shaped or changed practices in the organisation; what have been the effects of competition on the organisation’s relations with clients; what are the impacts of engagement in WTW on the organisation’s mission; and are there different perspectives within the organisation about involvement in the contracts? This analysis is undertaken in Chapter Four, where the data is organised thematically and enriched by a CDA analysis.
The second sub-question examines how the tensions, conflicts and contradictions within CWOs engaged in WTW were managed and their effects. It informed the following interview schedule questions: How has the organisation managed the tensions between engagement in WTW and the proclaimed social justice mission of the organisation; how have tensions and conflict associated with different positions vis a vis engagement in WTW played out between staff in the organisation; are there consistent positions around advocacy in relation to WTW in the organisation or are there different positions according to the relative positions of people in relation to the programmes; and can you tell me about your experiences in regard to possible differences? Chapter Five of the thesis develops the concerns of this question thematically with an overlay of CDA analysis to deepen the insights that emerge.

The third and final sub-question explores the political and economic interests implicated in the variegated outcomes of the neoliberalisation of CWO space. It takes a wider view by looking at the sector as a whole, as it was neoliberalising in different ways. It included questions about specific actions such as the CWO instituted Pearce Review (Pearce et al., 2002) into penalties and sanctions in the Social Security system - a sector-initiated contest with the state. Specific interview schedule questions included: has engagement in WTW contracts impacted on your position in relation to the state, e.g. access to Ministers, getting a hearing from government, being able to influence elements of the system; given the competitive environment, what has been the effect of engagement in WTW on relations with other CWOs and within the sector as a whole; how has your organisation fared in the
competitive context; can you talk about your role in the Pearce Review; and are there other political insights you would be willing to share? Analysis of this data is undertaken in Chapter Six.

The conduct of the interviews also entailed probing questions and specific listening techniques. A range of reflective listening techniques were employed to allow participants to elaborate and provide narrative detail about their experiences and understandings of the context (Johnson, 2002). In addition to active listening techniques, such as reflection, I also summarised and clarified what participants had said to ensure accuracy in my understanding and to allow for any misunderstandings to be immediately corrected (Johnson, 2002).

**Interview process**

Participants were provided with copies of the research proposal, ethical approval of the research, consent forms and details of whom to contact in the instance of distress or concern arising from the interviews. They were informed that, while the thesis would record what they objectively said, it would also deconstruct and analyse their contributions from the perspective of power utilising concepts from CDA. They were also informed that while large portions of spoken text would be documented, it would not stand alone as evidence to support a particular hypothesis or single thematic argument. Rather, it would be subject to rigorous analysis aimed at uncovering relations of power, including ideology, from critical perspectives which would be organised along thematic lines. This
communication to participants reflected an intent to situate both the researched and the researcher within wider power structures and to ensure that the intent and purpose of the research were transparent (G. Rose, 1997; K. E. Smith, 2006, p. 647).

The research demeanour taken in the interviews was based on critical consciousness (Holstein & Gubrium, 2005, pp. 499-500) and in approaching the interviews there was acknowledgement by both the researcher and the participants of power differentials between CWOs and their clients, based on the oppressive nature of WTW. This was articulated in the research information sheet and not questioned by study participants at the beginning of interviews although, in some cases, it was contested as the interviews progressed (see Appendix B1). Theoretical, methodological and personal reflexivity were important elements in undertaking the field interviews (Chouliaraki & Fairclough, 1999; Ward & Jones, 1999). With regard to reflexivity, while they were not included as research participants, the emancipatory focus of the research was ultimately concerned with those individuals subject to the governmental WTW rather than CWOs. While there was acknowledgement of the difficulties experienced by some organisations and participants in meeting their social justice objectives, there was also an explicit referencing of the relative power and elite political and cultural positioning of CWOs. In terms of emancipatory research, the participants and the researcher could be seen as both allies, given their positions around advocacy and activism, (Chouliaraki & Fairclough, 1999, p. 9) and as antagonists, in relation to their positioning vis a vis the WTW implementation. While the reflexive approach taken accepts complexity in power relations (Allen, 2003) and, as Smith suggests ‘power relations within interviews are unpredictable and variable’ (K. E. Smith,
2006, p. 651), it ultimately takes the position that CWOs inhabit spaces that perpetuate domination of more vulnerable people through their relative positioning in the shaping and delivery of WTW and that they stand to benefit from these relations.

This created some interesting relational dynamics and, in some instances, participants who were comfortable with the mantle of power assumed power in the interviews. Whilst, they had sympathy for the topic and acknowledged its legitimacy, at times, some participants redirected or deflected questions. At times, they challenged the premises of questions asked and discounted observations made (Ball, 1994, pp. 96 - 98). This reflected the relatively elite cultural positioning of these individuals and their comfort with being interviewed. Many of them were accomplished at performing in media interviews. This dynamic also turns about some of the commonly cited issues associated with the privileged position of the researcher in qualitative interviews (Guba & Lincoln, 2005). While it may demonstrate resistance on the part of respondents to the power of the researcher, such a position in the context of this kind of research, also evades issues of power associated with social oppression and neoliberalisation on the grander scale. Nevertheless, as writers such as Smith (2006) and Puwar (1997) have noted, elites can experience vulnerability and exposure through participating in research, and this posed further challenges where the political commitments of respondents were sometimes at odds with their positions in neoliberal WTW relations. This impacted on the issue of building rapport, an essential component in facilitating inter-subjective understanding (Fontana & Fey, 2005). While questions asked were critical in relation to the topic area and to questions of power, care
was taken to ensure that the tone of questioning was open and respectful (L. T. Smith, 2005).

Problems related to studies of elites evident in the literature are noteworthy. Here a distinction is made about the way that the term elite is used. Rather than drawing on a Marxist conception of a ruling class elite as a network of corporate or capitalist agents whose interests are served by the state, the view here is closer to Mill’s (1956) Weberian conception of elites based on privileged status accorded by virtue of position, attributes and access to power. It extends this to a conception of what is referred to as the ‘new magistracy’ (Cope, Leishman, & Starie, 1988; Kearns, 1995; Skelcher, 1998), a networked group of agents of governance that have emerged in neoliberal spaces, as public sector agencies and concerns are devolved to private spaces and interests. Such individuals enjoy insider status, governance appointments and partnerships that bring privileges as well as obligations. While elite CWO agents do not necessarily provide an exact fit with this description, they are part of a network from which this magistracy in drawn in relation to WTW reform. For example, Patrick McClure the then CEO of Mission Australia chaired the Howard Government’s Reference Group on Welfare Reform (McLure, 2000). In addition, through their advocacy roles and proximity to political and policy processes, executive staff in CWOs, enjoy ‘insider’ status and, thus, privileges as networked actors in the welfare policy sphere. McClure himself highlighted a preference for the maintenance of insider status in contest with the comment that ‘half a loaf is better than no loaf at all’ in relation to participation in a commanding role in state-sponsored welfare reform processes (cited in Kinnear, 2001, p. 248). Executive staff in CWOs certainly constitute a new cadre
of governance agents in the hollowed out state and are, thus, centrally located in the contests and collaborations through which WTW public policy is forged and enacted (Ward & Jones, 1999, p. 301). Many of the organisations from which the sample was drawn have complex and often hybrid structures (Considine, 2001; Evers, 2005) over which executive staff govern. In addition, a number of participants were on the boards of a range of community welfare sector bodies, including the peak welfare organisation which participated, giving them characteristics of the ‘new magistracy’ as a networked elite with a potential corresponding ‘network agency’ (Schoenberger, 1991).

One of the difficulties when interviewing power elites in any sector is access (England, 2002; McDowel, 1998; Ostrander, 1995; Parry, 1998; Sabot, 1999). In Australia, elites are relatively understudied with one of the few recent exceptions being Murray’s work on business elites in Australia and New Zealand (G. Murray, 2006). Hunter (1995, p. 167) has argued that elites are relatively under-researched not because they do not have social problems, or that they are not implicated in these, but for the very reason that they can easily resist the intrusions of the researcher. In this study, this was evidenced by the fact that agents in some CWOs seen within the sector to be most closely aligned with the government declined to participate. In some instances, participants agreed to be interviewed but deployed tactics identified by other researchers, including attempting to deflect critical questions (Odendahl & Shaw, 2002; Ostrander, 1995), attempting to control the interview agenda (Cochrane, 1998; Odendahl & Shaw, 2002; Ostrander, 1995), presenting themselves and their organisations in a favourable light (Ball, 1994), and, in some instances, finishing interviews earlier than agreed (Odendahl & Shaw, 2002). Nevertheless a number of the
interviewees were extremely open, forthcoming and willing to share experiences (K. E. Smith, 2006) that were painful and, in some cases, left them feeling compromised in their identities or otherwise damaged.

Ward and Jones note that there has been little work on researching the ‘new magistracy’ as well as a dearth of studies on ‘networked agency as an elite’ (1999, p. 302). This relates to the problems of access which, in this instance, are further heightened by the veil of secrecy associated with JN and WFD contracts under the commercial-in-confidence clauses that govern contracts (Barton, 2006; de Maria, 2001). It also relates to the problems of theorising the place of elites in institutional landscapes that are relatively fluid as a result of neoliberal change (Considine, 2001, p. 117; Dockery, 1999, p. 136; Finn, 2001, p. 8). For example, the JN and the magistracy associated with its development emerged in the context of dramatic reforms to institutional arrangements, including the dissolution of the post-war bureaucratic frameworks for managing social security, unemployment and job search assistance. In addition, the Department of Social Security and the Commonwealth Employment Service, which were two of the major bureaucratic structures established as part of the post WWII settlement in Australia, were dissolved and replaced by Centrelink in 1997. A rump of the old CES, Employment National, continued to exist as a player in the new competitive system until it folded in 2003.

These factors point to major problems with existing methodologies, which often assume static contexts. Ward and Jones (1999) suggest that temporality is a critical variable in
accessing elite research participants, particularly where politics intersects with time (p 304). On the basis of their experience studying local elites engaged in contexts that are fraught with political contest, they theorise that contingent temporal factors can lead to more openness in elite networks as a ‘strategy of positionality’ by elites in such contest (p.304). Certainly some actors in the CWO sector were engaged in political struggle, and in positioning themselves in relation to key debates in welfare reform, evident in submission documents and media releases at the time the study was implemented. Such contest was addressed to both questions of adequate resources for WTW programmes as well as the harshness of the regime (see Appendix A). This struggle allowed a timely opening in the system which facilitated access that may otherwise have been more difficult to gain. Ward and Jones also theorise that positionality in external processes, such as bids for tender, may lead to more sensitivity and guardedness in interviews, while other temporal points allow for greater revelation on the part of elites (p. 309). This was certainly the case in the research for the thesis. Interviews were undertaken at a point in time between the second and third Employment Services Contract(s) (ESC2 and ESC3). While some agencies received rollover contracts through an Invitation-to-Treat process, others were required to put in new tenders. Successful bids for the third contract round were announced just prior to some of the interviews being conducted. In this instance it appears that some participants felt less constrained to speak about their experiences, including conflict both within organisations and across the sector, because they did not receive further contracts.

Practically speaking, the interviews were exploratory and critically concerned. Interviews with participants ranged in duration from one to two hours. Five participants were
interviewed on two occasions following analysis of the first interviews. The reasons for this were that critical issues were identified in which questions of power, in particular ideology and hegemony, could be more explicitly explored. Issues that were more fully evident once the interviews had been transcribed came to the fore and the second interviews were aimed at a more critical interrogation of these. The taped interviews were transcribed by professional staff experienced in transcription in the university context and were bound by ethical norms of confidentiality and discretion and double checked by the researcher by listening to the tapes and reading the transcripts simultaneously and making corrections. Many transcripts needed substantial revisions. This related to the number of acronyms used to describe government departments, public instrumentalities, programmes and policies. Security of the transcripts was assured by keeping them in a password-sensitive Word file on the researcher’s computer in compliance with general ethical standards in qualitative research. Each of the transcripts was subjected to a systematic analysis drawing on the theoretical and analytical concepts from critical social geography and CDA, to generate relevant insights using Microsoft Word. These documents were also kept in a password-sensitive file on the researcher’s computer.

Data analysis

As noted above, the analysis of interview data entails both thematic and critical discourse analysis. First, the material was structured along thematic lines, which involved organizing data around the key themes of the what, how and why questions of CWO neoliberalisation. From these large bodies of data, key sub-themes were identified, such as ‘victim narratives’, ‘denigration of opponents’, and so forth. Key sub-themes were then subject to
critical discourse analysis where deeper insights were available, primarily in Chapters Four and Five. The analysis presented in each chapter also reflects upon the existing grey literature and scholarship introduced in Chapters One and Two respectively.

Given CDA can be an initially challenging mode of analysis, two key types of discursive meaning that are referred to frequently in the analysis chapters, require brief explanation. These relate to representational and identificational meaning in texts. Analytical concepts, through which such meaning can be discerned, are outlined below. Key concepts relating to representational meaning include discourse (as analytical category), nominalisation, and semantic relations. Those pertaining to identificational meaning include categorical language, modal hedges and legitimisation. Their relationship to the theoretical concepts, discussed in the last chapter, is also briefly explained. Here it should be noted that while CDA analysis entails a suite of textual analysis strategies, the particular strategies applied in the thesis focuses on the minutiae of speech construction, rather than the strategy of intertextuality/interdiscursivity which analyses different texts (e.g. interviews and grey literature) against each other. The reason for this is because the question of agency is central to the thesis.

Discourse, as analytical strategy, is concerned with deconstructing and representing the social world. Such representations may be general or specific. Specific discourses construct and represent the world in particular ways that carry ideological meaning, and are, thus, implicated in power relations (Chouliaraki & Fairclough, 1999; van Dijk, 1995, 2006). In
CDA, texts are interrogated for evidence of particular discourses that are implicated in structuring social relations (Chouliaraki & Fairclough, 1999; Wodak, 2001, 2008). For the purposes of this thesis, the representations of respondents are interrogated for discourses that carry neoliberal power. Discourses carry ideology not only through the assumptions and prepositions that structure them, but also in the ways they iterate practices that facilitate the realisation of asymmetries in power, such as those utilised in policing WTW. The governmental thesis provides powerful discursive approaches to understanding social life, but CDA goes beyond this in that it identifies social structure, interests and relations of domination as integral to analysis (Chouliaraki & Fairclough, 1999; Fairclough, 2003). Analysis is also geared towards identifying where discourses have been internalised and naturalised, thus contributing to forms of hegemony. Discourse can also be interrogated for absences (Chouliaraki & Fairclough, 1999). This involves identifying where possibilities for representation of counter discourses may be evident, but not acted on. In CDA, the analysis of discourse is attuned to identifying inter-discursive elements of discourse. This is where texts work inter-discursively in a field of practice, and analysis involves identifying various discursive threads and their role in reproducing or challenging neoliberal relations (Fairclough, 2003; G. Weiss & Wodak, 2003a; Wodak, 2001). Discourses are also analysed for the way in which they represent social relations, for example where they set up problem-solution dynamics, articulating social problems in particular ideological ways that impel particular neoliberal solutions (Fairclough, 2003; Henman, 2002). In this thesis, the interview texts are analysed for evidence of neoliberal discourses, the ways in which they operate and their hegemonic or counter-hegemonic effects.
Nominalisation refers to grammatical representations that present processes as entities by transforming clauses into a type of noun. This often entails an abstraction that excludes agents from representations. In such cases, the attribution of agency to non-human entities masks power relations by obfuscating agency and responsibility (Billig, 2003; Fairclough, 1995, 2003). The interview texts are analysed for nominalisations that mask human agency, as it is implicated in the neoliberalisation of CWOs.

In CDA, semantic relations are also concerned with linguistic structures. These can be analysed in multiple ways. In this thesis, semantic relations interrogated include temporal relations: statements of necessity and/or obligation; and imperative relations. Temporal relations refer to time and the way these may be represented to mask particular social relations, or to legitimate them - or as a strategy for ceding social agency. For example, neoliberalism can be represented within a temporal relation of a timeless or eternal present giving it hegemonic properties (Fairclough, Jessop, & Sayer, 2004)). Time may also be represented in existential terms as disembodied, but having intangible authority and thus a legitimation function (van Leeuwen, 2008). When such temporal authority is coupled to neoliberal relations, it is given properties that both serve and legitimate neoliberal means and ends. In the thesis, much attention is paid to temporal relations, particularly in light of the conceptualisation of neoliberalisation as a process that has both spatial and temporal elements (Brenner et al., 2010; Peck & Tickell, 2002, 2012). Statements of necessity and/or obligation can be interrogated in neoliberal contexts to analyse the agency/subjectivity nexus, particularly where deontic expressions of obligation and necessity structured by external relations such as contracts, are given primacy over other ethical or political
considerations (Fairclough, 2003). Thus, they have ideological elements in that obligation can be used as a mask to obscure or justify relations of domination. These also relate to questions of legitimation, whereby reference to such relations may be used to justify or legitimate actions in contexts of tension and conflict.

Imperative semantic relations construct social relations as impelled, necessary and beyond dispute. The use of imperative language in neoliberal social representations is indicative of hegemonic processes, whereby social relations are structured in singular neoliberal ways and possibilities for action are shaped and conditioned solely by these neoliberal structures. (Fairclough, 2003).

Identificational meaning is concerned with people’s identities rather than representations. It can be discerned from analysis of the commitments, truth claims and evaluative comments they make. Identificational meaning is evident in linguistic practices such as the utilisation of categorical language or modal hedges, representations of belief, and political and social evaluations of practices and processes. Thus, it is attuned to questions of agency and politics.

Identificational meaning can be interrogated for how it aligns with social action and with politics, highlighting how agency and identity are aligned or misaligned. It is approached through analysis of modality, particularly for identification of modal hedges, which dilute
commitment and truth claims or soften evaluative critique. Modal hedges are evident in modal verbs such as ‘may’, ‘perhaps’, ‘not sure’, ‘maybe’, ‘if’ and through qualifications (Fairclough, 2003). These allow for analysis of conflicts, tensions and politics within asymmetric contexts.

Identificational meaning also relates to legitimation. Legitimation is evident where people draw on particular sources of power to justify or legitimate positions and action. It is concerned with how things are done and how they ought to be done, and the forms of authority drawn on in making such claims. Van Leeuwin and Wodak (1999) have identified such sources of legitimating power as a) authorization where authority is vested in tradition, custom, law or institutional authority; b) rationalization where institutionalized action, rational knowledge and the validity of these are drawn on as sources of legitimation; c) moral authority where legitimation is sought through reference to a value system. The analysis that follows, examines how legitimation is sought for engagement in WTW and the implications of such legitimation practices for WTW extension, for contest and for hegemony. It examines how agency is surrendered within particular legitimating discourses.

For ease of understanding, other CDA concepts deployed in the analysis, such as nominalisation and modal hedging, are briefly explained at their first appearance in subsequent chapters. It is worth reiterating here that numerous writers have noted there are fluid boundaries between questions of theory and method in CDA (Fairclough, 2001; Gee,
1999, p. 5; Wodak, 2001). The analytical categories are central to this fluidity. They traverse both theoretical concerns and methodological practices. Together, the thematic and critical discourse analysis allow for an examination of the explicit and less obvious meanings conveyed by interview participants, about CWO neoliberalisation.

**Ethical considerations**

The major ethical issues in the research concerned informed consent, confidentiality and minimisation of exploitation (J. Cameron, Frazer, Harvey, Rampton, & Richardson, 1992). Informed consent was ensured by the provision of a research protocol, which included a summary of the research, including the methodology and theoretical frameworks to be utilized (see Appendix B). Participants signed a consent form which guaranteed that no names would be used in the reproduction or representation of interview textual data in the thesis. Confidentiality was especially important because of the risks that subjects took in participating in the research. These risks included participating in the research despite confidentiality agreements with the government agency in which they were bound, by certain contractual obligations, not to discuss elements of the JN and other WTW agreements.

Despite this, some participants argued persuasively that the research should not have been confidential, that the positions of CWOs in relation to JN and WFD should be publicly

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6 The ethics form uses the nomenclature NGO (Non-Government Organisation). During the research the term Community Welfare Organisation (CWO) was adopted as a more accurate reflection of terminology used by members of the sector.
available and did not, in fact, sign the consent form as it was presented to them. Instead they crossed out the confidentiality clause before signing the research consent form. They made their arguments on the grounds that there was a public interest in disclosure, given the lack of transparency within the system, and the relative power imbalance between the agencies and the unemployed people who underwent programmes that were governed by the contractual relationship between the agencies and the government. However, this was not a universal position and many other participants were cautious about participation. In the interests of protecting the participants, despite the reservations and protestations of some, the value of confidentiality has been strongly guarded to minimise any possible harms that may have emerged due to these contractual obligations.

The risk of exploitation was related to the analytical methods to be used. Many of the concerns associated with this have been addressed earlier. Participants were provided with a summary of CDA (see Appendix B2) and how this method meant that their representations would be closely analysed at a discursive and semantic level in relation to what they had to reveal about power and domination. However, none of the participants were aware of CDA as a method, and most were more familiar with objective representations of qualitative data as evident in their own advocacy and research documents. This methodology is evident, for example, in Maddison et al (2004) and Melville and Perkin’s (2003) work on tension and compromise in the CWO sector. An example of CDA analysis from each interview was provided to participants whose interviews were recorded for comment via email. No participants responded to this invitation, although four expressed interest in the final document.
Conclusion

This chapter has outlined the research design and methodological approach undertaken in the research. In addition to outlining the qualitative approach and the steps taken in generating the interview texts, it has introduced CDA as an analytical strategy, alongside thematic analysis, that enables examination of multiple layers of meaning and power. Some of the problems in undertaking research with elite actors, including ethical considerations, and the ways these were approached, were discussed. The next chapter commences the task of examining the data on the first sub-question using thematic and CDA analysis.
CHAPTER FOUR: THE EXPERIENCE OF CWO NEOLIBERALISATION

Introduction

This chapter explores the extension of neoliberalism into CWO space and the process of subsequent CWO co-option into the delivery of WTW programmes. It employs concepts from CDA to analyse respondent representations of their experience within the marketised and contractual context established through NPM practices. It argues that while the discourse of NPM creates managerial and contractual subjects within CWO space, this is not the entire story of their experience.

In responding to research sub-question one, what were the roles of CWOs actors engaged in the delivery of WTW in the neoliberalisation of the sector, this chapter employs a CDA perspective to explicate the role of agency (and its surrender), decisions and agentive representations of social relations within neoliberalising space, and agentive accommodations to such space. Rather than accepting respondent representations as transparent reflections of reality, describing repressive power relations in blunt political terms, exercised through threat and contractual processes (for example, as described by Hamilton & Maddison, 2007; Maddison et al., 2004), a CDA approach focuses on how the representations themselves are implicated in processes of power. It demonstrates that whole other layers of non-transparent power can be interrogated by an analysis of language and discourse, layers that are not immediately evident from a straightforward thematic analysis. For example, capture of CWOs within the neoliberal state could be determined through
evidence of contractual agreements, however, the nuances of how agentive decisions and actions on the part of CWO actors are implicated in such, and its consequences, requires attention to less overt exercises of power. In many instances, these nuances are not consciously articulated by respondents, particularly where certain narratives underpin deep-seated psychic and emotional defence mechanisms, but rather are conveyed through specific characteristics of verbal representations. Hence, this analysis applies a range of CDA techniques to draw out insights into how language and discourses are employed by agents to extend or resist neoliberalism. These include the application of concepts such as nominalisation, semantic representations of time (temporal relations) and identificational expressions of subjectivity within neoliberal discourse; absences in representations that convey hegemonic power relations; representations of agency; and the internalisation of neoliberal discourse.

The empirical analysis is grouped into five sections that convey key agentive roles that CWOs occupied, that is, neoliberal resistors, victims, supporters, extenders and contestants. The adoption of these roles by CWO actors is sometimes clear-cut, while at other times blurred and contradictory. The first section analyses an extract from a respondent located within a CWO outside of the WTW regime and, hence, from within the cracks of neoliberalised space. It conveys an agent clearly engaged in counter-hegemonic struggle through representations of the system as oppressive and through political economy critiques of its neoliberal premises and consequences. This respondent demonstrates the feasibility of resisting neoliberal co-option and offers a sharp point of comparison against which to understand the ensuing sections.
The remaining sections are concerned with the experience of working within neoliberalised CWO space, as it deepens over time. Section two explores several examples of how CWOs deny their own agency in the establishment and extension of the WTW regime, by attributing agency to abstract referents of time, systems and models, and by disavowing alternative discourses. In doing so, they claim the status of powerless victims for themselves. However, they simultaneously privilege the contractual and marketised context over the human needs of the unemployed people that they govern. The analysis explores how respondents within CWOs represent their experience of both the introduction and the consequences of marketisation and contractualism, and their adaptation to it. The third section conveys representations of agency, where neoliberal space is supportively coupled to governmental relations through WTW measures, most notably the role of the breach mechanism. It reveals how agents in CWOs play roles other than victims, by internalising and naturalising neoliberal hegemony, and by engaging in oppressive relations with those unemployed and underemployed individuals whose human needs are most subverted to neoliberal governmentality and accumulation. The fourth section focuses on how the reproduction of neoliberal discourse, ideology and practice, was extended into the lives of the unemployed though the operationalisation of mutual obligation and the breach mechanism of WTW. The final section, considers the disjuncture between the victim narrative explored in section two and the evidence of neoliberal support and extension provided in sections three and four. It contends that some of the differences between the public and private faces of CWOs reflect organisational, and indeed sectoral, conflict on the
issue of WTW. It suggests that while competing ideological positions existed within CWOs and the sector, those who embraced neoliberalism ultimately prevailed.

**Neoliberal Resistors**

The empirical analysis commences with an extract from respondent JG in Organisation G, which did not enter contractual relations with the government to deliver WTW programmes. Agents in this CWO made an explicit choice not to tender for these programmes based on a critique of the system and its potential implications for both their organisation and unemployed people. The reason for commencing with this extract is because it provides a sharp analytical counterpoint to the extracts that follow. JG provides a strong spatialised and theoretical critique of government policy and the consequences for CWOs. In positioning the organisation outside, or at least in the cracks, of neoliberalised space, a position only made possible by human agentive decisions not to enter contractual relations, JG provides a representation that is emblematic of a clear position for critical human agency within WTW debates and processes.

The analysis below draws on CDA concepts that focus on representations of agency and identity, to highlight how attributions are made about the power of individuals and the organisation itself. JG makes strong truth claims and critical evaluative commentary on WTW and employs counter-hegemonic discourse in making political claims.

The reason we didn’t go into providing employment services was because we didn’t see it as a function of a charitable organisation such as
ourselves. And we don’t see how it could succeed. What government is seeking to do, is to turn charities and related organisations into organisations that they can blame for failures on their part, to produce certain policies so it’s all care with no responsibilities. They hand over to charities and some other organisations and say you’re going to handle this employment situation. We’ll give you a certain amount of money to do this, that and the other, but it’s all your fault if this system fails. When you look at unemployment in this country at the moment, they say its six percent; but it’s not. It’s closer to ten percent and possibly more. But there are certain postcodes of poverty, about a hundred of them around the country, where the unemployment rate is fifteen, seventeen percent. In those areas, the steel industry is gone, the ship building industry is gone, a lot of food processing industry is gone. The manufacturing industries are gone. Now what is the point of the government setting up a corner shop in one of those areas run by, you know, a charity or someone else that’s gonna say ‘oh we’re gonna find you jobs’. The point is the jobs are gone. The only way you’re going to get jobs back into those areas is anathema to some people in government and it is you’ve got to go in there and create the jobs. Now we’ve talked to people about why jobs aren’t being created in these areas and the economic theory. They’re supposed to be there because you’ve got a large unemployed labour force, cheap rates, plenty of land. Why aren’t they moving there? You know the free market is supposed to respond to this sort of thing. Well it’s not. ‘We’ve just got to leave it to the market’. That’s the response we get from the government… we get a totally negative response from anything that smacks of government - what they call - intervention in the market. The market works. The market is ultimate. And we say that is rubbish. There are so many things the market doesn’t give us. The market is a wealth producing mechanism. It is not a wealth distribution mechanism. Our strong thing is that they certainly won’t generate full time, long term high paying jobs. They will produce what we fear is happening in Australia at the moment and that is the upstairs-downstairs economy. Smaller, and growing smaller, number of very wealthy and growing in wealth. A larger and larger number of low income people, and they are being forced into this temporary and casual work as cooks, dog walkers, gardeners and so on. They’re not the full time jobs that we used to have several years ago. That’s why we’re staying back because we really don’t see the system working. We don’t think the employment system for finding jobs for the unemployed is adequate at all at the moment, and we think it’s got to have a job creation program (JG).

Three key observations are discerned from this extract in relation to the employment of counter-hegemonic discourses, the possibility of resisting neoliberal extension, and identificational positioning. First, JG makes a strong representation of personal identity and
of social agency in explaining the position of the organisation to not submit a tender to deliver employment programmes. He frames these in terms of identity [because we didn’t see it as a function of a charitable organisation such as ourselves] and prediction […] and we don’t see how it could succeed]. Both of these statements are made in categorical terms, which indicate a sense of alignment, or absence of tension, around organisational and individual identity and practice. Fairclough (2003, pp. 166-173) argues that language strongly references identity in relation to commitments, evaluations and truth claims. Modalised language in the form of verbal hedges dilutes identification, while categorical or assertively expressed language indicates strong identificational truth claims and commitments. This extract contrasts significantly to the extracts that follow, where tension, identificational ambivalence and acquiescence to the subject relations of NPM discourse, are evident in modalised language. There is a sense that JG and his organisation are aware and proud of, perhaps even defiant in, their adoption of this dissenting standpoint.

JG’s narrative adopts several counter-hegemonic discourses to critique the government’s neoliberal approach to unemployment. He constructs the contractual bargain as, in part, a way for government to depoliticise the issue of unemployment [We’ll give you a certain amount of money to do this, that and the other, but it’s all your fault if this system fails]. He then goes on to provide a strong structural critique of government economic policy, drawing on the kinds of insights contained in regulation theory and empirical evidence of the spatialised nature of unemployment [postcodes of poverty] that emerges out of neoliberal economic policies and practices. He makes strong evaluative commentary and truth claims about neoliberalism, which speak to a confidence that comes from relatively
untroubled ideological and political convictions compared to the representations of many neoliberal supporters provided below [And we say that is rubbish. There are so many things the market doesn’t give us. The market is a wealth producing mechanism. It is not a wealth distribution mechanism. Our strong thing is that they certainly won’t generate full time, long term high paying jobs]. This critique unwaveringly rejects the individualising and victim-blaming tenets of hegemonic neoliberal unemployment discourses, by drawing attention to its structural causes and collective experience. It highlights how a critical discourse, based on a geo-spatial economic critique, is drawn upon in articulating truth claims and identificational positions that support a robust political agency. This agent does not shy away from, or obscure, the role of the organisation and its managers in the contestation around WTW, and willingly asserts a strong counter-hegemonic identity. Further, he discusses the consequences of neoliberalism in relation to the distributional inequality produced, and to the kinds of precarious, tenuous, unskilled work flowing from neoliberal relations. While at this point in the interview JG doesn’t mention the punitive nature of WTW policies (neoliberal governmentality), he provides a strong critique of the uneven spatialised landscapes in which they operate and their outcomes under deepening neoliberalism: a smaller number of very wealthy individuals and companies and larger numbers of people in low-paid temporary employment. This critique represents unemployment as the product of inequitable social relations that are structurally produced, rather than drawing on the neoliberal discourse of individual pathology and deficit, which are emblematic of paternalistic and conservative social theories (Mead, 1986, 1992, 1997; Murray, 1984, 1990, 1994). Importantly, these counter-hegemonic representations demonstrate that the CWO sector had an alternative analytical repertoire at its disposal in
determining whether to enter WTW contracts, but that most chose to ignore these for various reasons explored in subsequent sections.

Lastly, JG is able to offer these critiques on the basis of a strong identificational position because of his institutional position. What makes this organisation different to the majority who succumbed to government enticements to enter the WTW terrain? Organisation G is conditioned by the effects of human agentive choice, structured by particular political decisions (of non-engagement in programme delivery) and reflexive critique. In other words, sufficient numbers of individuals within this organisation were able to influence its decision not to participate. In doing so, they consciously refused to become subjects of technologies of governance. Hence, through their resistance, the effects of progressive neoliberalisation did not saturate this space while it was deepening in the broader CWO institutional landscape. This resistance has also provided a localised institutional space in which the actors in Organisation G have a political remit not available to organisations operating within neoliberalised space. In contrast to extracts that follow, JG conveys that CWO’s had the option to resist and even reject WTW and, thereby, retain a strong congruence between their social justice mission and practical solidarity with the unemployed. It demonstrates clearly that there was no particular path-dependency that necessitated CWO involvement. Further, organisational autonomy and clarity of mission survive robustly outside of neoliberalised space and despite its wider policy hegemony. It also conveys how theoretical or ideological reflexivity within political contestation can shape choices and articulations that resist the ‘force fields’ of neoliberalism, which otherwise extend it into institutional and localised CWO space. Indeed, each organisation
exercised choice in entering the employment services contracts and many benefited from doing so, as discussed in Chapter Six.

While the full reason for Organisation G’s resistance, which was not evident in other CWOs, is beyond the scope of this thesis, several factors may have been influential. Unlike others, this organisation has a flatter internal hierarchy, drawing upon a lot of volunteer labour for both senior management roles and grassroots program and service delivery. Two senior leaders interviewed for this study (JG and FG) were highly qualified in critical studies of politics and economic policy, and one had a long history as a dissenting senior bureaucrat with an antipathy towards neoliberalism. The importance of leaders’ professional and academic milieu on their political, economic and cultural influence, albeit usually of a conservative persuasion, has been well noted in other studies and may have been a factor in this situation (Cahill, 2004; Kaptein, 1993; Kemp, 1988; Mendes, 2003b, 2005a, 2010; Sawer, 1982). Organisation G’s leaders certainly brought strong progressive convictions to their roles. Both articulated a commitment to what they referred to as a ‘preferential option for the poor’, a theological position of solidarity with unemployed and marginalised people. Organisation G was amongst a number of CWO’s that worked closely with disadvantaged communities at the coalface prior to WTW, through a range of services. While several other CWOs were enticed into the WTW regime, which required major changes in their operations and culture, this social proximity perhaps afforded Organisation G a clearer political basis from which to critique neoliberalism, compared to other CWO’s that had more professionalised and hierarchical cultures. This may have distanced the latter from the lived realities of social disadvantage and, hence, reduced their ability to empathise
with the jobless and critique the social ramifications of the WTW regime. In the end, a combination of factors appear to have afforded Organisation G greater capacities for critique of WTW relations and neoliberal space and for resistance, while others clamoured for contracts.

In sum, this extract has demonstrated the possibilities of avoiding neoliberal co-option and of resisting neoliberal internalisation and extension, both in discourse and in practice. It highlights the discursive, linguistic and organisational options for counter-hegemonic contestation available in such space. The analysis next explores representations of CWO experience within neoliberalising space, that is, from respondents located in organisations that elected to engage in WTW contracts, notwithstanding well-known criticisms and warnings.

**Neoliberal victims**

For JG, the choice to decline participation in WTW lay entirely within the power of Organisation G, on the basis of the critical reflection and agency of its personnel. Other CWO respondents were more circumspect in their ascription of where agency and power lay in driving their organisations’ decisions to participate. In many instances they represented themselves and their organisations as victims of neoliberal processes and as being at the mercy of the inevitable flow of time. The analysis that follows draws out these representations and their implications for the extension of neoliberal space and the naturalisation of WTW. It focuses on representations and attributions of social agency,
including the ways in which agency is acquiesced, or absented, in representations of engagement in WTW contracts by respondents.

**Attributing agency to time**

The first extract presented below demonstrates the way that the narrative choices of respondents occlude social agency from representations of CWO movement towards neoliberalisation. The concept of nominalisation (Fairclough, 2003, pp. 144, 217, 220) is applied to the extract to enable an analysis of representations of time and to identify the construction of a narrative that tells of CWO capture through temporal progression rather than human decisions. This individual, through the purposive sampling and snowball technique used to identify respondents, was referenced by most other respondents in the study. His role as the CEO of the peak organisation that serviced the CWO sector with training, information and advice on the employment service system, gave him enormous cross-sectoral knowledge, experience and insight. This arguably afforded him a position within the sector as a highly connected member of the ‘new magistracy’ that emerged as part of the neoliberalisation of the sector (Cope et al., 1988; Kearns, 1995; Skelcher, 1998). He also had a long-term view of CWO engagement in programme delivery, as he had a long history of senior level work in the employment sector.

I think it’s also fairly true to say that there is an insidious momentum in this. A lot of these organisations that we are talking about… many of them go back to the establishment of the former Community Support Scheme in 1975 where there was no such thing as contracts (TF). What is most striking about this representation is its attribution of social agency to time itself. TF represents CWOs as victims of time rather than purveyors of change. This is
evident in the way that time is constructed to give it inevitable and existential properties. TF commences this representation at a macro-level that locates the changes encountered by organisations in what he constructs as inexorable historical processes evident in the use of the phrase ‘insidious momentum’. As noted in Chapter Three, this kind of nominalisation is seen in CDA scholarship as a means through which human agency, the choices and decisions of humans, are constructed as reified processes that have no relation to human decisions, choices or actions, thus, providing ideological ballast for established orders (Billig, 2003; Fairclough, 1992, 2003, 2008; Fowler et al., 1979; Langacker, 1999; J. R. Martin, 2008; Muntigl, 2002).

By constructing CWO engagement in WTW in this way, TF occludes the role of the social agency of CWO managers in the extension of neoliberal space. The representation is, thus, an act of agency that, in a constructionist moment, reifies social relations. This is a political act that negates particular relations of domination. It elides the fact that the neoliberalised context was iteratively constructed by the decisions of particular agents, with particular interests and policy desires, particular normative positions and in particular moments of action/practice (Mautner, 2005; Muntigl, 2002). While certain structural factors may have motivated the actions of such agents, the previous extract clearly indicates that this was not necessarily a determining factor and that agents could take alternative decisions and actions. They could reflectively critique the system, drawing on critical discourses and analyses of the material relations that could predictably emerge from the proposed WTW system. The ‘insidious momentum’ described by TF has a dialectical social element that is not represented or articulated; rather, he describes a kind of agentless political economy.
While nominalisation in CDA generally interrogates the absence of agents in instances where neoliberalism is represented as a positive and inevitable globalising process, which minimises its harsh consequences (Fairclough, 2003, pp. 217, 220), this analysis demonstrates how nominalisation can also be evident in critical representations of neoliberalism. In other words, CWO’s public critique of neoliberalism is possible without acknowledging their personal, professional or organisational perpetuation of it. Hence, this conceals the relations of domination in which they are implicated. By referencing an allegedly unstoppable ‘momentum’, the role of human agents in making policy decisions and exercising choices associated with neoliberal extension is hidden. In this way, the representation can be understood as an ideological cloak for the powerful interests that benefit from WTW programmes and neoliberal extension more broadly.

**Attributing agency to systems/models**

Another common feature of respondents’ representations of agency, in the neoliberalisation of unemployment assistance, involved attributing responsibility for its implications to abstract, non-human actors. This is explored in the extract below.

> What it’s done is made the safety net, the netting, wider so people are falling through it. You’ve got people who are really, really, really, very, very, very disadvantaged now falling through some part of the system. It’s inevitable when you look at the model (TB).

While TB references the consequences of the neoliberal regime in terms of the failures of the ‘safety net’, he too does so in relation to an imperative time relation [It’s inevitable]. His representation also contains a nominalised reference to the ‘system’ and the ‘model’.
While the quote is an evaluative statement of the failures of neoliberal WTW, the reference to the ‘model’ does not explicate a place for social agency. The agents within the ‘system’, both in its construction and its implementation, are not referenced by TB, although its consequences are. In abrogating responsibility to an abstract entity, this representation lacks any political critique, either in terms of those agents who designed and participated in the construction of ‘the system’ or those implicated in its delivery. This demonstrates the ideological character of this representation. While it offers a social critique, through a reifying nominalisation, this very representation strips it of political critique. Reference to the ‘system’ also reduces those regulated by WTW, as well as those who deliver it, to the status of subjects in the first instance and instruments or ‘technologies of agency’ in the second (Dean, 1999; M. Dean, 2007; Dean, 2009). Furthermore, it dehumanises the relationship between unemployed people and those agents within CWOs charged with their governance, thereby eroding possibilities for a relationship built on any values outside of neoliberalism, including relations of solidarity and struggle.

In addition, it introduces a discourse (as structuring principle) critique which, while providing a critical representation, does so in a way that distorts neoliberal reality through reference to ameliorative, rather than neoliberal, language. This is evident through the utilisation of the term ‘safety net’. Ameliorative models of welfare have long been replaced by governmental forms, entrenching the rampant disadvantages and inequalities already resulting from neoliberal accumulation (Bauman, 2004a; Wacquant, 2009; Wacquant, 2001b). That TB references a ‘safety net’ indicates an identification with a discourse of ‘civilized capitalism’ (McInerney, 2012), which it could hardly be said neoliberal WTW
encompasses. The shift to the right in welfare provision is not reflected in the language of the ‘safety net’ used by TB, even as he describes and critiques its neoliberal effects. The articulation of governmental WTW in ameliorative terms, rather than neoliberal ones, conveys how this sort of representation serves ideological purposes. The blurring of competing discourses by dressing neoliberalism in social democratic clothes, may indicate either apolitical naivety, or a degree of obfuscation aimed at denying or obscuring vested interests, by appearing to convey some sympathy for the position of the poor while simultaneously policing them (J. Harris, 2003; Rodger, 2012).

The holes in the ‘safety net’ that were referenced by TB were deliberatively and iteratively built into the WTW system, which CWOs stood to benefit from and, in many instances, did as will be discussed in Chapter Six. While there was attrition in the sector and many CWOs lost contracts, and in some cases ceased to exist, this was always going to be the end result of neoliberal competition, of the creative–destructive dynamic of neoliberalising space (Brenner & Theodore, 2002; Harvey, 2007; Peck & Theodore, 2012; Peck & Tickell, 2002; Tickell & Peck, forthcoming). The critical point is that CWOs chose to enter this space in the hope of growth despite the effects on unemployed people and within the context of a dramatically eroded social welfare system. As the extract by JG makes clear, there were possibilities to remain outside of the neoliberalising dynamic and, in doing so, claim a space for alternative representations of social life and expressions of critical agency.
Denying alternative past and present discourses

Another way in which respondents constructed themselves and their organisations as victims of neoliberal necessity was the employment of a Thatcherite TINA (there is no alternative) narrative, which rests on the usually implicit assertion that other modes of thinking and practice are irrelevant or beyond contemplation. These narratives reify neoliberalism and minimise the agency of CWOs. For example, a TINA narrative was mobilized by BB in the following extract.

It’s how the system is now. It’s what we’ve got to work with. The market model is here to stay. There isn’t an option for that (BB).

The first point is that time is referenced in terms of the temporal present ‘now’. This is an example of what Fairclough refers to as a representation of a ‘timeless present’ (Fairclough et al., 2004). The market model is represented as a reified entity having properties of permanency outside of any human agency, reflecting its hegemonic status. This evocation of a timeless present allows for the denial of alternative historical discourses. CWOs portray themselves as helpless in the face of powerful new modes of governance, yet this is partly because of their acceptance of neoliberal dictums that past knowledge and practices, including their own, have no contemporary validity, and hence, cannot be feasibly drawn upon as a basis of critique or resistance.

Necessity and obligatory relations are drawn on in constructing the representation. Necessity implies that there are no alternatives, that forces of change are necessary and unstoppable, a common neoliberal refrain (Peck, 2011a; Springer, 2012). Fairclough sees the narrative of necessity, as it is articulated in neoliberal discourse, as ideological in that it
narrow the horizon of social possibilities (2003). This shifts focus from human agency, as political will or action, to a more discursively subjective form of human identity in neoliberal conceptions of society such as articulated in the governmental thesis (Dean, 1999, 2009; Foucault, 1981, 2008; N. Rose, 1999). Yet, it also highlights the potency of Fraser’s (1985) critique about the inherent conservatism of post-structural critique (Fraser, 1985). BB’s representation is without reference to the agents, policy decisions and humanly constructed practices that iteratively created the system. Such a representation masks an ideological affiliation with neoliberalism.

Further, associated with their disavowal of past and present alternative discourses, both BB and WB below construct a neoliberal problem–solution narrative (Fairclough, 2003, pp. 91-92) that avoids questions about the structural nature of unemployment. In this instance, the neoliberal market model is constructed as the solution to the problem of ‘welfare dependency’ (Henman, 2006). WB internalises and accepts this, giving the ‘system’ a singular agency for addressing unemployment from a universal neoliberal perspective.

It is not clear to me that the Commonwealth Government is ideologically driven in the way it has designed the Job Network. In other words, that it is an ideologically driven process that is about believing that people should pull themselves up by their own boot straps and get on with the job and stop being bludgers on the community, or whether they are genuinely trying and experimenting with a public funded program that will give unemployed people the best opportunity to get into work. I mean I’m not quick to jump into the fact that this is a right wing ideological program. Some of my colleagues see it that way. I think they are genuinely trying to do something to help people get into work to address welfare dependency (WB).

Problem-solution models in CDA are akin to concepts such as framing devices or agenda-setting (Fairclough, 2003; Henman, 2006; Marston, 2008). Problem-solution constructions
have ideological effects in that they promote problems within a frame of reference that impels particular solutions. WB accepts the dominant problem-solution frame of neoliberal policy, seeing neoliberal forms of WTW as a genuine approach to the problem of ‘welfare dependency’. In doing so, he eschews the more critical approach taken by some of his colleagues, that the policy reflects an ideological desire by government. WB’s acceptance of the neoliberal problem-solution frame reduces the scope for critique and gives legitimacy to the premises of the system and its instruments. Notably, WB denies the legitimacy of elements of ‘welfare dependency’ discourse while simultaneously employing it to legitimate the JN, which suggests a disjuncture between privately held and publicly expressed belief systems. Such a view, which was promulgated through the McLure welfare reform process (Carney & Ramia, 2002b; Reference Group on Welfare Reform, 2000), buys directly into the paternalism that informed the WTW project. It focuses on individual deficit rather than on economic malaise, variegated economic landscapes and the destructive and polarising effects of neoliberal growth (Brenner et al., 2010; Peck, 2004; Peck & Tickell, 2007, 2012). WB internalises much of the government’s rhetoric around WTW and the role of aggressive regulation in addressing it and, in doing so, discounts structural explanations of unemployment. This conveys an underlying ideological support for neoliberalism by WB.

The apparent neutrality in which WB and BB express themselves is indicative of an evaluative vacuum (Cass & Brennan, 2002; Kerr & Savlesberg, 2001; Naples, 2003; Rossa, 2013) in relation to the destructive elements of neoliberal growth, including the relationship of governmental WTW to the disciplining of labour (Barnett, 2003; Carney, 2006; Cowling
No concern or disquiet is expressed about the harm that CWO complicity in WTW may have caused for already vulnerable people, nor is there acknowledgment of any sense of responsibility that comes with significant power over their lives. This adds to its ideological edge and is again consistent with the emergent neoliberal WTW hegemony. This view not only prevailed in the political sphere at the level of executive government, which is the focus of most critiques (Curtain, 1999; Engels, 2006; McLelland, 2002; Moss, 2001), but also within CWOs themselves, making them ripe as spaces of neoliberal extension (Castles, 2001b; J. S. Davies, 2012; Goodin, 2001; Hackworth, 2010a; Marston, 2008; Trudeau & Veronis, 2009).

Many alternative discourses associated with unemployment were available for these respondents and other CWO actors to draw upon. For example, both WB and BB ignore the orientation of Keynesianism towards full employment and social progression in welfare provision. Their representations obscure the shift to managing the whole of society, including civil institutions, for competitive and efficiency outcomes, in order to support accumulation rather than stability in social relations (Jessop, 2002). This means that both WB and BB construct neoliberalism as a singular and universal option. In addition, they ignore alternative contemporary approaches such as those proposed by institutional economists. For example, Mitchell and Mosler (2002) invoke a Job Guarantee approach, which argues for a buffering role for the public sector in providing jobs at a minimum wage with social wage supplements during private sector downturns (Mitchell & Watts, 2001). This is referred to as the ‘employer of last resort’ strategy (Mitchell & Wray, 2005;
Ormerod, 1994). These economists also call into question the efficacy of what is referred to as the non-accelerating inflation rate of unemployment (NAIRU), which is used to calculate what is termed ‘buffer stock’ employment to total employment, that is required to stabilise inflation (Mitchell, 1998). This institutionalises a level of unemployment to contain inflation in neoliberalised economies. In other words, a level of unemployment is structurally necessary for neoliberal capitalism to function, which is a very different view of unemployment to the narrative of ‘welfare dependency’ offered in neoliberal governmental accounts.

These representations within a TINA narrative also disavow other contemporary discourses of human need and development including Amaryta Sen's (1999) and Martha Nussbaum's (2000) capability approaches. They exclude the possibilities of rights-based discourses encompassed by Rawlsian liberalism (1971, 1996). In these representations the values of human rights are subjugated to the grinding narrative of competition, the primacy of the market and the need to address ‘welfare dependency.’ By choosing the inevitablist narrative encompassed by TINA conceptions of WTW over alternative discourses, some CWOs sought to build an ideological basis upon which they could claim to have been trammelled by extenuating circumstances and entities beyond their control. The internalisation of a TINA narrative implies a necessity for CWO engagement in delivering services, again obscuring the fact that CWOs did have options, as evidenced by the position of Organisation G highlighted early in this chapter.
This section has examined various ways in which CWOs claim identities as victims in neoliberal systems where they ‘must’ do particular things, internalising a neoliberal subjectivity of adjustment, as proposed by Post-Fordist accounts (Jessop, 1994b, 2002; Lipietz, 1992), without reference to questions of agency and power. Many of these representations accord with the general characterisation of their position in regulation theory. However, the possibility of making alternative choices and the widely known public debates and information about the perils of engagement, when placed alongside the potential for growth and the generation of surpluses under the competitive model (Finn, 2008), suggest that CWOs were not powerless victims. Inevitablist neoliberal narratives deny their power and agentive role in the roll out of the WTW regime. These depictions need to be weighed against the actualities of their entry into this system. These included the financial benefits they potentially stood to accrue from the competitive and marketised approach and the clear neoliberal signals from government agents who articulated a supportive commitment to the further extension of neoliberalism to welfare reform (Abbott, 2000a, 2000b, 2001a, 2001b; Brough, 2003b; Reith & Newman, 1999; Vanstone & Abbott, 2001a), and passed legislation extending the obligatory and punitive elements of the WTW system (Department of Family and Community Services, 2002, 2003).

**Neoliberal supporters**

In critiquing the victim stereotype of CWOs, the above analysis revealed a degree of internal support for WTW that has escaped much scholarly or public attention to date. Indeed, their participation in the system for many years and their routine execution of some
of its most pernicious features point to the very real power they exercise within the WTW system. This section examines aspects of that power in relation to the internalisation and naturalisation of neoliberal ideology. It looks at questions of agency, subjectivity and identity by demonstrating how neoliberal discourse and language are internalised, inculcated, and perpetuated by respondents. It demonstrates that this is a hegemonic process and reveals the restrictions it has for the development of emancipatory agency. Neoliberal ideological weight is carried even in the reflexive representations of politics, articulated as contest. This section first considers examples of the general inculcation of neoliberal language (Fairclough, 2003, p. 130-131) by CWO actors, expressed through the unconscious and seemingly neutral use of neoliberal descriptors and metaphors to not only describe current practices and thinking, but also to revise and reinterpret the past in accord with current strictures. It then examines an example of this broader trend, namely the relinquishment of political agency by CWO’s and its replacement with more passive, and conservative, contractually subjective positions.

Internalising neoliberal language

The analysis below indicates how the internalisation and use of neoliberal language makes TB a purveyor of neoliberal discourse, naturalising it in the institutional landscape. It identifies how agentive ambivalence is embedded in the identification made by TB, thereby contributing to neoliberal extension.

For better or worse, agencies have realised well we have to be entrepreneurial and we have to be, not cut-throat, but we have to balance the books at the end of the day. There’s not as much money around in the
sense that everything that you’re contracted to do has to have a proven outcome, but also in a price competitive environment, you haven’t got the margins that you used to have (TB).

The first point to note is that the overall representation is framed within competitive market metaphors. The internalisation of neoliberal language is evident in the choice of terms [entrepreneurial … balance the books … proven outcomes … price competitive environment … margins], implying a relative hegemonic closure to the representation. A second point is that TB premises his statement in ambivalent evaluative terms [For better or worse], giving it apparent neutrality. Through a mask of ostensible objectivity, such neutrality attempts to strip away the potential for critique and conceals its ideological basis. However, the neoliberal hue of the comments is unmasked through TB’s use of categorical and imperative statements [agencies have realised … we have to be entrepreneurial … we have to balance the books… There’s not as much money… has to have a proven… you haven’t got], that speak to the internalisation and naturalisation of the neoliberal narrative. A third relevant point here returns to the question of representations of time. This relates to TB’s utilisation of the phrase ‘at the end of the day…’, which is an example of what van Leeuwen refers to as a disembodied time summons (2008, p. 77). This is an existential reference where time itself is agentive and is constructed as ‘a kind of inescapable fate’ (2008, p. 77). In this case, it is an inescapable fate inside a particular set of neoliberal relations. The representation internalises these relations, thus, removing an overtly political dimension from it. There is a further reference to temporal factors where he relates the representation to a past where these neoliberal imperatives were not central to service delivery [you haven’t got the margins that you used to have]. What is interesting is that the pre-neoliberal past is represented in terms of neoliberal language [the margins], highlighting the degree of internalisation. TB makes these references without any reflexive,
moral or political dimension. Here, hegemonic notions frame the language of possibilities, including the retrospective representation of earlier times where neoliberal assumptions did not condition language and practice so pervasively, when the social realm inhabited by Organisation B had not yet entered the contractual space, or been subject to the consequences, of deepening neoliberalisation. Past time has been dissolved into an eternal neoliberal relation in this discursive representation. TB becomes a purveyor of such language, simultaneously acculturated in, and acculturating others to, neoliberal hegemony within CWO space (Foucault, 2008).

The slippage into neoliberal language was common, but not universal. The extract below demonstrates a reflexivity about language and discourse that was often lacking. However, at the same time, it demonstrates how, in their discursive positioning when engaged in struggle, CWOs limited their own possibilities for political identification and contestation. In the extract below XA describes how the word ‘fairness’, traditionally associated with Rawlsian liberalism (Rawls, 1971, 1996), had become hostage to neoliberal notions of what is fair, or not, and indicative of the right wing philosophy of Nozick (1974) in deliberative debate. However, in this instance there is a reflexive moment, demonstrating that it was possible for CWOs, and the agents who inhabit them, to pause and consider the use of discourse and language and their effects. The extract below is illustrative of some resistance and struggle over language. In framing his point, XA commences with a statement about how the word fairness in political contexts had become a resource for neoliberal representations of the world.
We even had to redefine fairness because we find that a concept as simple as that, that you would have understood... that you would have thought that the general population takes or that we all had a common agreement about. We find that our opponents, the advocates of free market solutions to everything, used fair and fairness in terms of everybody having the same, you know, basically getting - not the same opportunities, not affirmative action to ensure that everybody has the likelihood of getting the same outcomes - but that everybody had equal access to any tax concessions and equal access to any money, so that if we are going to subsidise, then all people should be entitled to the subsidy. That’s what they meant by fairness. So we had to define it in terms of, for our own thinking even, that we’re talking about a relatively even distribution in the benefits and burdens. A fair distribution, you know, of benefits and burdens... Some of the conservative organisations had a view closer to the government. Even here there was debate about what it meant (XA).

XA describes how the concept of ‘fairness’, as conceived in public debate, in policy, and as a concept which the organisation could draw upon in articulating its position, had became unstable both within the organisation itself and in wider debates. Here the analysis turns to the question of language as a resource in hegemonic struggle, as evidence of how the peak organisation’s own position was contested from within at the same time as it fought external battles over salvaging the use of the word fairness as a principle of social justice.

This extract makes transparent a struggle over language and its identificational possibilities in relation to articulating a political position. It also highlights the importance of language as a political resource in struggle. In more collective political contexts, the word fairness informed political discourses of social justice, but XA asserts the way in which it is now used by the forces of neoliberal conservatism to undermine and dismantle political structures and practices aimed at strengthening social democracy. The notion of fairness as a policy concept is disembedded from the realm of Rawlsian liberalism (Rawls, 1971, 1996), or the collectivist discourses of Titmuss’ social democracy (Titmuss, 1968, 1974), and
articulated into a neoliberal notion of market fairness, that is, of equal market opportunity, rather than social equality. In this representation, which is contested by XA, fairness is reframed purely in terms of access to and placement within a market. In making his point XA stresses an internal relation [even for our own thinking]. The purpose of defining fairness was not simply as a counter to the government’s use of the term but for clarity in their own arguments. This indicates that, within this CWO, meanings associated with the term ‘fairness’ had become unstable and politically contested. The reduction of the term fairness to a neoliberal notion where it has lost both its potency as a critique of orthodoxy, and its potential as a mobilising principle for alternative politics, gives it hegemonic characteristics. The above statement by XA demonstrates that the peak organisation fought a rearguard action to salvage and rehabilitate earlier established notions of fairness so that the term could continue to be used in a politics of critique or dissent, to have utility in a ‘war of position’ (Gramsci, 1991). But the fact that this struggle was necessary highlights how language and discourse had become unstable in the face of neoliberalising processes within the sector.

While the above analysis demonstrates a discursive reflexivity aimed at countering neoliberal discourse, further analysis uncovers another more ideological element to the representation. This is evident where XA, in a statement of identification, formally locates the peak in an ideological context. While he has used the term ‘our opponents’, he has not employed a traditional market/state, capitalist/social democrat or individualist/collectivist binary. He has constructed an oppositional politics within a hegemonic orthodoxy, [our opponents – the advocates of free market solutions to everything]. The implication is that
political opposition and dissent within the CWO sector is firmly established within a context where antagonists define themselves in terms of the absolutism of their opponents, rather than from alternative perspectives or discourses. This restricts the grounds on which political argument can be articulated. The arguments lack any political economy critique. The comment could be deconstructed as ‘we are not the advocates of free market solutions to everything, we are not ideologues’. The definition is bound within a negative. Such a position weakens the political clarity of arguments around redistributive principles and lessens the identificational commitments that can be made in contest. This statement reflects a particular neoliberal politics, which has its embodiment in 1990’s Third Way thinking (Giddens, 1998, 2001), with its deep attachment to notions of political consensus focused on economic growth. At the same time, it jettisons the language and concepts that enable critique of the social and economic structures that index poverty and inequality. This reduces the discursive sphere of political argument. Meanwhile the ideological position of ‘the advocates of free market solutions to everything’ is submerged in both elite and populist politics. The best XA can come up with is ‘we are not what they are’ – but this does not provide any real insight into what Organisation A are, which is important given their self-confessed claim is to represent low income and disadvantaged people - those who are marginalised by orthodox economic practices. With such a limited discursive field to draw upon, XA, and other political agents in the community welfare sector, allow themselves to be captured within this orthodoxy and the language of contest and dissent takes place within a hegemonic position of neoliberal extension.
Neutral representations

Another hallmark of the ideological internalisation of neoliberalism entails the neutral representation of its pernicious and destructive effects in the lives of vulnerable people, reflecting a degree of political and emotional distance. In the extract below PB echoes the kinds of analyses offered, for example, by HIPE theory, but he describes the pernicious outcomes of neoliberal competition on the sector with a grim neutrality, devoid of critique (Brenner & Theodore, 2002; Harvey, 2007; Peck, 2001a, 2011b; Peck & Theodore, 2007; Peck et al., 2009; Peck & Tickell, 2002). PB indicates a strong internalisation and naturalisation of neoliberal language, however he clearly specifies agency, but attributes this solely to the government.

This government has quite clearly shown that it likes to work with the very – the corporate sort of model. And so that makes it easier for them to deliver and monitor, to set up the contract, to check the contract’s deliverables against the outcomes that they are seeking. If they are just dealing with one organisation, I think they feel that the levels of efficiency and effectiveness are far greater. We did see a lot of attrition from the first Job Network contract onwards, where regional networks of employment support programs were actually decimated. The model did not bode well for small regional programmes... In some cases, regions lost community infrastructure (PB).

The internalisation and naturalisation of neoliberal language is evident in the terms he uses from managerial and neoliberal policy discourse [the corporate sort of model … check the contract’s deliverables against the outcomes … levels of efficiency and effectiveness]. Organisations are referenced singularly, as neoliberal contractual entities, without reference to other roles and capacities, thereby obscuring their own complicity in WTW.
Although PB references the ‘decimation’ of regional programmes, an acknowledgement of the variegated spatialised problematics of neoliberalising logic and progress including their destructive elements (Brenner et al., 2010; Harvey, 2007; Peck & Tickell, 2002, 2012), the representation uses the discourse of NPM in a seemingly neutral way. This is evident in the use of terms such as ‘efficiency’ and ‘effectiveness’ and ‘economies of scale’. As with earlier extracts, PB represents this as a problem with the model, [the model did not bode well for…] rather than with the wider dynamics of neoliberalisation (Peck et al., 2009). There are no evaluative or judgmental markers to indicate a critical conception of the relations he is describing. Nor are there evaluations that indicate a critique of the premises of neoliberal logic or its outcomes. The discursive choices of PB present neoliberal outcomes as simply the facts of the case and they highlight the neutrality of contractual discourses in market settings, once again suggesting ideological affiliation with neoliberalism (Carson & Kerr, 2003; Cass & Brennan, 2002; Kerr & Savlesberg, 2001).

**From agents to neoliberal managerial subjects**

A common feature of the above extract and the earlier one from PB is the way that individual and organisational power are relinquished and the frame of reference used by both TB and PB is, instead, solely shaped by their subjectivity as managerial agents in WTW contracts. In many instances the human agency of respondents was elided to managerial contractualism, or other forms of neoliberal subjectivity when they represented their roles in the WTW system. While there are representations of agency, these are limited
and mediated by strong constructions of subjective relations. The extracts below refer primarily to experiences and perceptions of post-contractual engagement with WTW.

TF highlights the way that individual or organisational agency is represented as slipping into subjectivity as a result of entry into neoliberalised institutional relations; a slippage which is explained in imperative and obligatory terms. These terms give the representations an inevitable element and suggest an internalisation of neoliberal logic.

Now a lot of those organisations have been through numerous and iterative changes to the way things are done, and in 1995 when the government announced the Job Network and the axing of the CES and Skillshare and all sorts of other things, contracts and the like, they had to make decisions about whether they’d play. Now, one of the issues that comes into the fore in this, is the governance of organisations and the extent to which the people working in them and the leaders, the paid leaders, in the organisations, are actually captured by the momentum of the situation (TF).

TF refers to the extent to which organisational leaders are captive to neoliberal relations over which they have little control. This situation implies a subsuming of agency to the demands of Post-Fordist structural change. However, the temporal reality is that it is only after making a voluntary decision to enter the more neoliberalised system, an act of human agency, that the issue of political and economic capture emerges. This indicates how organisations surrendered their agency to both neoliberal time and space. They were then subjected to the force fields of neoliberalisation (Peck & Tickell, 2002, p. 385).

Once this decision is made, neoliberal logic enters the institutional and local spaces occupied by CWOs in the system. As a result, organisations and the people working in
them have legal and contractual responsibilities, including much greater financial responsibilities and dependencies. Their position and pathways of action are mediated by particular economic relations and legal discourses that engender necessity and obligation. So on entering the system they slip from agents to managerial subjects. The implications of this are that CWO agents are then interpellated in ideological ways (Butler, 1997; Lemke, 2002). They are captured in a neoliberal embrace, but one they made decisions to enter and which cauterises their capabilities as agents of either resistance or counter-hegemonic struggle.

As a result of these relations, CWOs are engaged in practices that compound their own asymmetry in relations with government and place them in a more hostile ideological relationship with unemployed people. The Skillshare programmes referenced by TF, which focused on developmental capabilities and employment support for disadvantaged and long-term unemployed people (Webster & Harding, 2001), were implemented within pre-neoliberalised space on the basis of Commonwealth Government grants and prior to the implementation of governmental paternalism. CWOs were therefore afforded much greater agency in this context. CWO support of neoliberalisation did not stop with their own personnel and organisations; it also had profound implications for their relationships with clients and for client well-being.
Neoliberal extenders

This section considers how CWO agents represent their role in the extension of the reach of neoliberal WTW into the lives of the unemployed, through their operationalisation of the system. The analysis is framed around the very directive governmental elements of the system, the contractual obligations relating to the regulation of unemployed people, and the implications for political agency for CWO agents. It extends the analysis of slippage from a position of political agency to managerial subjectivity experienced by CWO agents, outlined above. It does so by focusing on the role of organisations in enacting governmental ‘technologies of agency’ in the regulation of unemployed people (Dean, 1999, 2007). In this section, linguistic analysis is supplemented with a more discursive analysis, where structuring discourses are identified for the insights they offer about domination, political agency and subjectivity.

Displacement of discourses of solidarity

Organisational relations with clients and the social agency of their staff were channelled in deeply coercive ways that extend neoliberalised practices into the governance of unemployed people. TB identifies the displacement of particular discourses of solidarity/mutuality within the organisation, as a result of implementing neoliberalised governmental relations with clients.

So we’re in a welfare organisation where we have very much had a partnership relationship with people using our services and working with them on how best they can overcome particular issues that they want to address and how we can help them do that, where you work beside them. Now we have this relationship with clients that has a compliance regime,
activities and so on built into it. And expectations built in. There is a much more direct…. A contract such as the Job Network is much more directive when it says, ‘the client will do this, it will do that, the agency will offer this, it will offer that’ (TB).

TB raises the tensions in the relationship between the programmes Organisation B implements and their clients. He highlights the governmental and directive nature of what the contracts require services to do in relation to securing client compliance. He outlines how this has displaced a solidarity or ‘partnership’ approach of working with unemployed people. These representations are drawn from non-governmental discourses of mutuality. They imply a political agency where unemployed people are treated as partners in a relationship, rather than as subjects in a system.

The displacement of notions of partnership and any capacity for its expression, much less a political agency of solidarity, is partly explained by the legal and financial demands of WTW contracts and the coupling of these to obligated relations with clients, where the latter are structured by governmental relations. This construction legally binds the agencies to a process that reflects the paternalistic discourses of neoliberal governmentality, of ‘reforming the individual’ to comply with a particular form of freedom denoted by market oriented behaviour (Dean, 1999, 2009; Dean & Henman, 2004; Hindess, 2001).

In entering WTW contracts, CWO’s relinquished the formerly more mutual relationship between themselves and their clients in favour of the discourse and governmental instrument of ‘case management’, including the power to suspend income payments. The
willingness to adopt case management was critical to the extension of neoliberalised
governmentality. In the extract below, RI’s comments illustrate that the displacement of
more collaborative client relations by the new WTW regime, and the increased power it
provided to CWO staff over the lives of unemployed people, was welcome in some
quarters.

Some of the agencies… they feel that the breaching serves a purpose.
That this could, sort of, motivate people, that they need it as a tool. I don’t
agree with that, but some of them certainly feel that way (RI).

The overt support of the breach mechanism in disciplining unemployed people by the
individuals referenced by RI, aligns them with the intentions of WTW, if not its
assumptions. This extract explicitly references the use of power by individuals, in utilising
the breach mechanism as a ‘tool’, where it is constructed as having useful and purposive
elements in the case management relationship. The practice of case management, originally
from social work theory (Applebaum & Austin, 1990; Rubin, 1987), substantially informed
the design of the employment model under Labor’s Working Nation policy (Keating, 1994;
Webster & Harding, 2001). This policy preceded the Coalition’s more strongly
governmental WTW approach. Harris (2001, p. 20) has argued that the discourse and
language of Working Nation was hybridised between entitlement and responsibility.
Reciprocation as a policy principle, and the associated breach mechanism for policing it,
were introduced into the case management relationship, originally under Working Nation.
These were later foregrounded in the policies of the Coalition government (Abbott, 2000b;
Reith & Newman, 1999; Vanstone & Abbott, 2001a). Much of the language and tenor of
these documents draws on the work of Laurence Mead and closely ties in with the concerns
of governmentality theory (Dean 1999, 2009). This dramatic reconfiguration of CWO
relations with clients reflects their slippage into contractual subjectivity, and places those governing them in a discursive and practical relationship of discipline rather than solidarity.

**Ambivalence, vexation and compromise**

While the above extracts illustrate how the governmental relation facilitated a slippage from agency to subjectivity, what governmentality theory does not provide insight into, is the deep ambivalence that emerges for CWOs once they enter the contractual context and are obligated to perform the more coercive and punitive elements of governmental programmes. In this extract TB provides a more reflexive representation, where he discusses the tensions and contradictions of the organisation’s position in relation to the contracts and their relationships with unemployed people. Here the representation is explicit, but a very deep ambivalence emerges. This ambivalence indicates a vexed identity and a compromised social and political agency.

You sort of get drawn into the whole compliance regime around income security and so on, so that you have a relationship that you are trying to grow with a client that is really working with, and alongside them, and yet you have almost a policeman role that you – if they don’t turn up for interviews, if they don’t comply – that you would be recommending them for a breach in their payments. And that does potentially, really does compromise your relationship with them - typically one of the people that our mission would be asking us to serve rather than to master (TB).

TB explicitly references the tensions and contradictions between the philosophy of the service and the reality of working in the context of WTW. He does not slip directly into a representation of subjectivity, but rather conveys ambivalence and compromise. The ambivalence is evident in the content of what he says although there is a reluctance to
explicitly state it. He initially uses a hedge representing the relationship as being ‘potentially’ rather than actually compromised, as though there is a resistance to acknowledging the coercive status of the relationship, although he then makes a greater truth claim through the use of the word ‘really’ [and that does potentially… really does compromise your relationship with them]. While TB does not seek refuge in a position of neoliberal subjectivity, he does convey that engagement in the system is something that the organisation has been ‘drawn into’, rather than an explicit legal agreement that they voluntarily and competitively entered. TB employs a strong reflexivity in his representation in which there is a cautionary element. It has a moral tone, but no political dimension. Van Leeuwen (2007) argues that cautionary tales act as a form of moral legitimation. Here the cautionary element drawn from bitter experience is offered as a legitimating salve. Overall, the CDA analysis indicates a very conflicted identificational position and a vacuum in the place of antagonistic political agency. The rise of vexed/compromised identities curtails the development of antagonistic agency. The question of moral ambivalence and its role in contest within organisations is revisited later in the chapter.

This section has examined how CWOs have played an active role in the neoliberalisation of their work with unemployed people. This stands in stark contrast to identificational claims of being powerless victims of an unrelenting and irresistible force, discussed earlier. What requires explanation is why CWOs would position themselves as victims while simultaneously pathologising and policing the poor, that is, the real victims of neoliberal WTW social relations. The following section interrogates several extracts that provide clues about the organisational motivations for this incongruity.
Acquiescing organisational mission

The pervasiveness of neoliberal language and practice has entailed substantial acquiescence of CWO missions to the neoliberal project. Much has been written about the conflict between their mission and participation in WTW programme delivery, largely from the perspective of CWOs as neoliberal or contractual victims (Alexander et al., 1999; Hasenfeld & Powell, 2004; Wright et al., 2011, p. 312). The analysis below takes a more critical view and demonstrates that CDA offers insights not available to more orthodox approaches in examining this conflict. It focuses on the ways in which WTW contracts obligated CWOs to work with neoliberal governmental frameworks, and how this contributed to the bowing of organisational mission to neoliberal relations, highlighting that CWOs could have evaluated these frameworks before entry into the system. For example, the following extract refers to provisions within the contract that prescribed the populations or types of categories of unemployed people that the organisation could work with (Caswell et al., 2010; McDonald et al., 2003). SH’s comments indicate that Organisation H entered WTW despite strong misgivings.

Generally the target group that we are trying to work with is disadvantaged job seekers – the most disadvantaged job seekers, but under the JN you can’t choose a particular type of population. You can’t just say we are going to work with the most disadvantaged and especially under the new JN you have to… each provider has to provide all levels of services. You can’t just do intensive assistance. So we couldn’t say we’re only going to work with the most disadvantaged. We just had to be a JN provider and then we got all clients. So we’d get some who weren’t disadvantaged at all. We’d get some that had some disadvantage and then we’d get a group who were the most disadvantaged and so that meant that the resources of the organisation, rather than being targeted on the specific group that we’d really be aiming for, were spread across
everyone going for employment services. It’s not what we wanted to do (SH).

The description is textured with the consequences of deep contractual obligation that reduced organisational autonomy and structured its relationship with clients. SH describes how the relations of NPM and neoliberal governmental classifications of clients shifted the focus away from working with the most disadvantaged unemployed. The extract is textured with semantic references to imperative, obligated and consequential relations [You can’t choose … You can’t just say … Each provider has to provide… You can’t just do… we couldn’t say … we just had to]. They contextualize and imply the dilution of CWO resources in relation to the agency’s mission. The neoliberalisation of this space via contractual relations structured what Organisation H could do, which was often antithetical to their mission. This appears to be further eroded by the description of clients as contractual entities or forms of product, without moral or political reflexivity, offering further evidence of the acquiescence of mission and the extension of neoliberalisation, through a complicity in the commodification of unemployed people.

While SH makes explicit the consequences of participation for the agency mission, she does so without acknowledging the CWO’s awareness of the specific contractual requirements before submitting for tender. Yet, the organisations knew what they were tendering for in relation to the classifications of job seekers and the requirements to work with all population groups (Australian National Audit Office (ANOA), 2000; Finn, 2001). SH critiques the premises of the contract, but not the decision to either tender for or undertake it. If agents in Organisation H had made the critique of the structures and relations of the system at the time the tender for WTW was called for a different story was
possible, whereby they could have demonstrated political resistance to WTW, as Organisation G did. Instead, through entry into the WTW contract, the organisation ceded its potential for political agency to neoliberal relations.

This section has examined various aspects of CWO complicity in the extension of neoliberalism into the regulation of the unemployed. It highlights how this occurred through various channels, including the displacement of discourses of solidarity with unemployed people, the role of moral ambivalence in diluting capacities for critical resistance to WTW, and the surrender of organisational mission to neoliberal relations. The widespread support and extension of neoliberalism points to elements of CWO culture that were already open to its influence, and to a process of significant organisational change that requires deeper examination.

Neoliberal contestants

The divergence between CWO’s public image as hapless victims of the WTW system, on the one hand, and their internal support for it, on the other, speaks to organisations mired in internal conflict. This section provides evidence of the internal contest about WTW in the CWO sector, particularly in relation to breaching, and provides a frame of reference for understanding their relationship to hegemony and counter-hegemony. While deliberative documents available in the public domain indicate that most CWOs in the sector protested the breaching regime at the level of public advocacy (See Appendix A), the seven extracts
below indicate that internal to CWOs a very different story was occurring. The extracts highlight that there were diverse views including many in support of the breaching regime. They also highlight the heated tenor of debates internal to organisations. This section examines the structuring discourses that respondents drew on in describing internal political contest. The extracts also indicate how the identities of managerial personnel were elemental to the structure and outcomes of conflict.

The extracts are concerned with representations of intra-organisational contest over participation in the system and the requirement to recommend Centrelink breaches for what was deemed non-compliant behaviour on the part of unemployed people. In addition to the thematic examination below, the analysis applies notions of identification (Fairclough, 2003) to interrogate commitments to truth or rightness that the research respondents made about engagement in the system. Exploration of identificational meanings in representation offer insight into the beliefs people hold about WTW and how deeply these are held. Such analysis also allows for an exploration of how well-aligned political agency is with political identity in contest. In addition to a CDA exploration of identificational meaning, extracts are also interrogated for the discourses that are drawn on in articulating positions in contest. These discourses are examined for what they tell about the positions respondents take in relation to the political economy of WTW. Each of these points offers different insights about political identifications (commitments), contest and power as they played out.
Dissent and moral ambivalence

In the first extract, FC provides a triangular description of conflict around the question of breaches. A key point highlighted by the analysis is that, counter to what was evident in public advocacy and deliberative debate, there was not a single universal position of dissent on WTW in the organisation. Further, the identificational positions that advocates took in expressing their political agency as either hegemonic or counter-hegemonic involved drawing on different discourses in relation to WTW as normative policy. Moral ambivalence was also central to the way that contest was played out.

There were fierce debates. Some people in Job Network services took the position that we should never breach. That was just harming people, and that was against what we claimed that we were on about. Others took the view that this was a contract where we were legally bound to breach people and that we might not like that, but we had to do it… And then others I think didn’t see breaching as such a negative thing and thought that that sort of discipline was quite important for some unemployed people and that ... that tough love approach was actually helpful for some people (FC).

FC identifies a group of strong WTW dissenters with unequivocal and uncompromised positions in relation to the question of breaching [never breach]. He offers two bases for their critique. The first relates to the normative and ethical questions of harm, in which questions of asymmetric power are implicit, echoing concerns raised by several writers of liberal and social democratic persuasion (Bessant, 2000; H. Dean, 2007; Kinnear, 2000, 2001; Moss, 2001, 2006; Mullins, 2002; Yeatman, 2000; Zifcak, 2001). The second objection relates to the antithetical position of breaching to organisational identity (Casey & Dalton, 2006; Kerr & Savelsberg, 2001; Klees, 1998; Maddison & Denniss, 2006; Phillips, 2007). For these individuals, political alignment and solidarity with disadvantaged people was the key basis of their WTW opposition.
Members of the second group were ambivalent about breaching. They did not like or support it, but they sought refuge for their position in an appeal to the legitimating authority of contract law. Fairclough has demonstrated how appeals to authority differ from appeals to moral evaluation in legitimation claims (Fairclough, 2003, p. 98). Members of this group elevated their subjective position as legal agents, deferring to legal authority rather than mobilising their moral agency in political contest. While Clarke (2008) has argued that ‘ambivalence’ offers ways of undermining the discourse of neoliberalism by destabilising its normative premises, the actuality of mixed feelings or indecisiveness that it entailed, in this case, acted to reduce and mute counter-hegemonic struggle within the organisation. Ambivalence, rather than destabilising the neoliberal relation, allowed its extension, by reducing the weight and depth of counter-hegemonic discourse (Lauri & Bondi, 2012). The silencing of political identity associated with ambivalence implicitly sanctioned the position of the third group who supported the breach mechanism.

This latter position incorporates assumptions associated with the discourse of paternalism (Mead, 1991; 1996). It is consistent with the premises of governmentality as theorised by Dean (1999; 2007; 2009) and assumes that unemployed people have bad practices or behaviours that have led to their unemployment. The discipline of breaching is seen as important for ‘helping’ such individuals (P. Harris, 2001; McDonald & Marston, 2005; S. Parker & Fopp, 2004) or, in the words of Laurence Mead, to ‘help the helpless help themselves’ (1997, p. 113). This discourse embodies a moral claim that legitimates the authoritarian and disciplinary tenor of WTW. It highlights the links between the personal
dispositions of the agents of neoliberalism located within CWOs and its implementation within these spaces. The reference to ‘tough love’ indicates that, in representing this latter group of actors, FC is not drawing on the rational professionalised discourses implied by governmentality theory (Rose, 1999), but on a more pastoral approach to discipline which, nevertheless, relies on governmental forms of regulation and which echoes the historical and traditional role of parish churches in regulating the unemployed through the workhouses of the 19th century (Driver, 1993; Mendes, 2010; Spierenburg, 2004; Walker, 2004). The judgments implied by such a moral economy are indicative of conservative, rather than progressive, social agency. Paternalism along with moral conservatism (Murray, 1984, 1990, 1994) is consistent with the behavioural modifying technologies of governmental WTW. These moral entrepreneurs (Hasenfeld, 2000) easily occupy the subject positions of ‘JN service manager’ or ‘case manager’ and can comfortably integrate governmental technologies of agency into practice (Marston & McDonald, 2003). Thus, their identificational positions are consistent with advocacy for heavy regulation of unemployed people and are supportive of the extension of neoliberal WTW hegemony.

The extract above highlights how conflict within the organisation emerged in a struggle over different ideologies – one, a counter-hegemonic position that sought to assert the primacy of organisational identity, associated with a discourse of social justice and solidarity with unemployed people, and the latter, a neoliberal ideology based on support for WTW and consistent with governmentality. A midway position of ambivalence reduced the capacity for greater collective resistance to the emergent hegemony of neoliberalism.
Divide and rule

The inward channelling of conflict in CWOs displaced energy that might have be harnessed for counter-hegemonic contest in the wider political domain. The extract below highlights how a good deal of political antagonism was focused on internal relations, rather than on contestation in the wider political field. When asked about engagement in external political advocacy about WTW, RI made the following comments:

Some of the agencies in the employment service area they've been so hunkered down and so, in some instances, there’s been fierce debates within the employment sections themselves about whether we ought to be involved or not. Why are we involved in programmes that breach people? And so there’s all this energy going into arguments with each other, defending themselves within the bigger sort of organisation and surviving the kind of disciplines that are imposed on them by the market structure and by the contracts (RI).

RI provides an overt representation of conflict and contestation within the organisation. He paints a picture of agencies internally riven and in survival mode, in relation to the neoliberalised environment. His description of conflict is unambiguous and unresolved. It depicts the actors within the organisation as being engaged in internal political struggle in a context of oppressive political economic relations and legal contractual obligation, a kind of neoliberal pincer. It highlights a divide and conquer dynamic set up by the contractual conditions, and demonstrates that this worked to fracture organisations themselves, not only the wider CWO field as identified by Maddison and Hamilton (2007). This dynamic is explored further below through the starkly contrasting positions of two agents, both senior staff within Organisation D.
The primacy of managerialism

In the two following extracts WD, a managerial agent in the employment services arm of the organisation, discounts the role of conflict and asserts that the system works well, acting as an agent of neoliberal hegemony with unproblematic conscience or political identity. However LD, an advocacy agent makes a representation which expresses there was not enough debate and argument within the organisation about engagement in the system.

Some of the other organisations I have talked to have had a lot of conflicts with – particularly ‘work for the dole’ – whether they should or they shouldn’t - particularly around the whole issue of the nature of the contracts and the requirement to make recommendation for breaching. Has that been problematic at all for us here? It has been an issue but it hasn’t been a problem. …Well it hasn’t been a problem for me or the programmes I manage but a lot of other people have worried about it. Do I have a problem with breaching? No. If you turn up you don’t get breached. If you don’t turn up you get breached. Simple. I don’t have a problem with that (WD).

WD’s position ideologically concurs with the premises and codified practices of the programme including the requirement to breach. He expresses a simple and brutal statement of consequence about breaching. He appears to evaluate the rightness of this through a profoundly pragmatic and reductionist evaluation –‘simple’ – supporting neoliberal paternalism. He adds evaluative texture [I don’t have a problem with that] indicating no ambivalence or vexed conscience. His own disposition, aligned with the means and ends of WTW, and his managerial position gave him a mantle of authority in its prosecution. Hence, his personal agency could easily be harnessed, under the premises of NPM, to act as a strong hegemonic force for the extension of neoliberal WTW within Organisation D.
The problematic of this position is evident in the extract from LD, a senior manager, who is removed from the coalface of WTW, but concerned with organisational mission and questions of social justice advocacy.

Some of the agencies felt that the government’s contractual boundaries and parameters were completely unjust and unfair and we argued about those, and I don’t think that we argued enough (LD).

This extract indicates that positions, such as those represented by WD, carried the day in relation to conflicts over engagement in WTW programmes that occurred within the organisation and these were consistent with the neoliberal regulatory regime. LD utilises her agency in articulating the ‘unjustness’ and ‘unfairness’ of the system, but this is framed within a negative statement of powerlessness, rather than robust political agency [I don’t think we argued enough]. The logic of managerialism was drawn on by WTW supporters and served to override dissent and steamroll the neoliberalisation of the organisation.

Analysis of the above extracts has demonstrated the ways in which the process of the neoliberalisation of institutional space, along competitive lines and in relation to governmental WTW extension, took place, despite contestation and positions counter to neoliberal hegemony. It identified that CWOs did not operate as spaces of universal dissent and opposition to WTW reforms. It examined how the political position that actors took, in relation to WTW, differed according to their prior beliefs about the nature of unemployment and their sympathy with the paternalistic premises and regulative role of WTW. It examined how this was evident via identification of the different discourses they employed, the identifications they made in relation to WTW, and the degree to which they drew upon their subject positions in support of WTW. These differences were articulated in
how they mobilised their political agency in contest. Moreover, particular voices were gaining ascendency and neoliberal hegemony was being established in organisations while CWOs continued to participate in dissent about WTW, in a range of deliberative fora, such as the Senate Poverty Inquiry (2003). The NPM context provided legitimacy and strategic resources to managerial identities, instead of advocacy agents, within CWOs (Mullins, 2002; Villadsen, 2009). It highlighted how managerial agents benefitted from the passive approach to time taken by some dissenters. Finally, these extracts indicate that the political strategies within CWOs in which hegemonic forces were the most powerful, require closer examination.

Conclusion

Overall, this chapter has argued that CWOs are more than mere subjects in a discursive system, as implied by governmentality theory, and more than powerless, socially progressive, victims in a hegemonic regime of accumulation or mode of social regulation. Internally, CWOs were dominated by WTW supporters adopting managerial methods, internalising neoliberal ideologies and discourses, and engendering the extension of neoliberal hegemony - who at the same time obscured their own agency and suppressed dissenters. Having considered what occurred as CWOs were neoliberalised, the next chapter unpacks how neoliberalisation of CWO space was achieved through the suppression of dissent. It examines strategies of domination that were utilised by agents internal to organisations to establish to win and consolidate neoliberal WTW hegemony in CWO space.
CHAPTER FIVE: HOW CWO'S WERE NEOLIBERALISED

Introduction

This chapter responds to sub-question two, *how were the tensions and contradictions associated with the neoliberalisation of CWO’s experienced, articulated and/or resolved?* In doing so it explores how the forces of neoliberalism became hegemonic within CWOs. Thematically, the chapter examines four sets of hegemonic strategies associated with contest over engagement in WTW. These are the denigration and purging of critics/opponents of neoliberal WTW; the elevation of managerial power and practical pragmatism as the dominant methods of dealing with tensions and conflicts about participation in WTW; the legitimation of participation in WTW through narratives of mitigation; and the deferral of responsibility and decision making associated with the delivery of WTW programmes. The former strategies of denigration, purging and the elevation of managerial power and pragmatism constitute hard transparent forms of domination used against dissenters within CWOs. These contributed to the purging of strong internal dissenters. The latter strategies – mitigating narratives and deferral – were softer forms of domination that were used to legitimate engagement in WTW and head off disquiet or dissent amongst those with more ambivalent moral positions about engagement in WTW. These are constitutive of hegemony by stealth. CDA is applied where it offers insights that add to the thematic analysis and highlights less transparent elements of the operation of power. Overall, it argues that CWO’s used their moral gravitas in an attempt to
generate social license for their embrace of the WTW agenda, and where this was unsuccessful, suppressed internal criticism in more direct ways.

**Strategy: Denigration, silencing and purging of opponents**

Denigration is often explored in CDA studies as a critical strategy of suppressing dissent (Apple, 2000; van Dijk, 2003, 2006). In this study it was an oft-noted way in which many opponents to engagement in WTW were either silenced or expunged from CWOs. This section examines several ways in which this occurred, namely through stigmatisation, steamrolling, and purging of unsympathetic personnel.

The first extract typifies the first denigration strategy of stigmatisation. TB offers an example of how contestants opposing WTW were stigmatised through negative constructions of them as ‘purists’. This kind of characterisation depicted opponents as overly-sensitive, out-of-touch extremists, rather than personnel who held reasonable social and moral objections to the practices that accompanied getting ‘dirty hands’, as exemplified below.

> It is the only system and so you get your hands a bit dirty. I don’t think anyone keeps their hands entirely clean if they are going to work in this area and I don’t see it as a great virtue keeping your hands entirely clean because you might not be dealing with the messy reality of life. So it is tough, and you have to walk a line and I think most importantly you have to know what you are doing. You have got to know that this is a bit dodgy and it’s a bit on the nose, but we are in here and how far will we go. You get your share of purists and you get your share of absolute pragmatists – who just say ‘we will take money from the devil if it means we can help’. … So between those things you work out your boundaries and you put
your safeguards in place and you say ‘where’s the line’ and sometimes you get mighty close to it, sometimes you might sway over it… (TB)

TB takes a perspective which argues for both the impossibility and the undesirability of keeping hands ‘entirely clean’ in relation to WTW operationalisation. Hence, ‘purists’ are constructed as being without ‘virtue’ because they will not or cannot perform the sometimes unpleasant, but allegedly necessary, work alongside their colleagues. The denigration of politically motivated contestants, whose greater concerns were with the social justice missions of organisations and with the effects of neoliberal WTW on clients, represents them as less morally developed and the legitimacy of their position is challenged on these grounds. This marginalizes them, and points to the creation of a hostile work environment in which their views are seen as illegitimate because they are too clean, too idealistic, too pure.

Conversely, the denigration of dissenting voices served to elevate those agents who were more willing to wear the burdens of moral compromise. These positions are constructed within a narrative of moral fortitude, where ambiguities are borne as a mark of moral courage. However, as De Wijze (2004) explains, the euphemism of ‘dirty hands’ is often used to account for circumstances of unavoidable moral wrongdoing when complex moral realities make it necessary for good persons to act in ways that, although justified, leave the agent with a moral stain and a particular emotional response. While this discourse is utilised by TB, engagement in WTW was unnecessary and avoidable, undercutting the argument made.
Furthermore, stigmatisation elevates a kind of agency that is preoccupied with constructions of the moral worth of the self over a political agency that extends practical solidarity to unemployed people. This personal moral fixation displaces focus from the political economy of unemployment and neoliberal domination. It highlights Thompson, Smith and Ackroyd’s (2000) labour process argument that taking an ethical position about political problems, which implies relativism based on differential values, denies the material nature of the world and the power relations that structure it. It thus offers no utility for addressing real political problems (P. Thompson & Vincent, 2010). Overall, stigmatisation of social justice proponents, through morally elevating the compromises of ‘dirty hands’, helps to legitimise and facilitate CWO engagement in punitive governmental forms of neoliberal WTW. The marginalisation of dissenting individuals was also achieved through steamrolling and silencing their views, as discussed below.

Steamrolling of opponents was evident in many instances where no consensus was ever achieved about engagement in WTW before entry. Managerial staff seized power while debates were still taking place, relegating dissent to the rhetorical field (McDonald & Marston, 2002). The extract below indicates how the concerns of dissenting individuals were disregarded in the rush to tender for contracts.

At the beginning of the tender it’s fair to say, there was a lot of angst in the church about which has never really been resolved. It has gone away because we are doing it, but we never really had the development of an either theologically based position or a policy position on whether we would tender for this particular sort of contract for employment services and so there are still parts of the organisation that are quite uncomfortable that the church is involved in the delivery of employment services where contractually you are obliged to report activity… (LD).
This evidences that social justice agents within the organisation were still undertaking debate and coming to a position about WTW at the same time as managerial agents within the organisation tendered for and accepted contracts. Domination is evident in the representation in the way it describes agents as submitting for tender and delivering programmes under contract before any ethical basis (much less any critical political grounds) for participation was established in the organisation. Certain managerial agents took decisions and steamrolled CWO participation in WTW, a political tactic that has been successfully deployed in other managerialist contexts (Reay, 2006). LD describes the way that engagement in the system eclipsed and shut down debates about its rightness or wrongness [It has gone away because we are doing it]. The representation is muted about conflict and contestation after the contract was won. There is also no reference to antagonistic struggle associated with the effects of the programmes on unemployed people once the organisation entered the WTW field. While she describes concern in some parts of the organisation, antagonism around engagement in, and delivery of, the programmes is negligibly represented. The only reference is to ‘discomfort’. Such individualised and partitioned practices of ethical dissent do not translate into, or offer possibilities for, any kind of collective political agency. The extract, therefore, highlights how individual ethical struggle displaced any counter-hegemonic political activism once the organisation was fully engaged in WTW programme delivery.

Steamrolling allows agents whose own positions align with the paternalist and punitive elements of the WTW regime to ascend. Their own views are consistent with the premises of WTW and the regressive outcomes for unemployed people. Once entry into the contract
was facilitated, neoliberalising logic became the dominant structuring force, eclipsing other possibilities and closing off emancipatory debate. Many in the organisation did not contest neoliberalisation and those who were concerned were silenced.

Sector-wide steamrolling of opponents and the rush to gain contracts was articulated succinctly by TF. He highlights the elements of political economy that shaped this rush, referencing ‘market signals’ and the lie of the land. He does so in a critical way, drawing on a masculinist metaphor to describe the actions of neoliberal agents in the competitive environment, thereby strengthening his claims, while also underscoring the highly gendered tenets of NPM and the institutional landscapes that prevail as its effects roll out (A. Davies & Thomas, 2002; Hopton, 1999).

Some of the market signals they were sent early in the piece made it clear to them that if you were small your chances were pretty thin and if you didn’t look like you were getting bigger your chances were pretty thin. Now we say of that, that some people in organisations had a rush of blood out of their heads to another part of their anatomies. I mean they weren’t all men, but most of them were (TF).

In describing the effects of competitive logic, TF highlights the relationship between the ‘creative destructive’ elements of neoliberalising process and the asymmetries it produces (Peck & Tickell, 2012). This is evident in his reference to the size of organisations and the necessity to grow or perish within the market (Eardley, 2003; Eardley et al., 2001; Struyven & Steurs, 2005). This is also indicative of the ‘beggar-thy-neighbour’ strategies associated with neoliberal survival outlined by Peck and Tickell in their early work (1994, p. 323). In the metaphor he uses, TF describes a competitive stampede by organisations to submit for tender. It references a desire to outflank rivals and to consolidate positions in the face of the
destructive forces of competition, where resources were scarce in relation to need, but the opportunity to grow was great (Finn, 2008, 2011). The organisational domination by WTW supporters, evidenced by processes of steamrolling, not only served to silence internal dissent, but contributed to an exodus of progressive staff.

Many dissenters who could not, or would not, be silenced or steamrolled, eventually left their organisations or the sector. The extracts below identify how, in some instances, dissenting individuals who took strong social justice orientations and who contested WTW were, in fact, intentionally purged from organisations. Some who participated in this study had vacated the field at the time of the study. Others left the field not long after this research was done further illustrating this ongoing dynamic. This issue was noted in a report from Jobs Australia in 2006. While no actual figures are available, the report explicitly stated that staff in the CWO unemployment sector, including many very senior and very experienced personnel, had left the sector in ‘unprecedented numbers’ in the previous twelve months (Jobs Australia, 2006, pp. 6-7; See also Wright et al., 2011). The extract below describes the departure of dissenters from Organisation C, but also indicates a nascent opposition that never flowered into strong collective action.

A lot of people left. They could not handle it. They did not like what was happening. There was a lot of anger. They were saying ‘why are we doing this? We are just doing the government’s dirty work. This isn’t what we are about’. One manager went to Organisation X [Homeless organisation]. There is less conflict now, but I would say there is still underlying tension. Every time the government announces a new round of reforms it flares up again (FC).

FC identifies that, as those with stronger dissenting consciences left, the conflict dissipated, although he equivocates this with a statement of underlying tension flaring up each time
new WTW measures were announced. Such flare-ups indicate potentialities for struggle that didn’t fully materialise. Dissenters who raised issues were talked down and, ultimately, silenced as WTW policy hardened.

While in most cases dissent was essentially contained so that CWO contracts and benefits were not jeopardised and state interests were not threatened, there was a notable exception. In 2006 Catholic Welfare Australia, after undertaking strong public advocacy, refused to tender for new contracts associated with income management for Indigenous people (Wright et al., 2011). This position demonstrates that dissent and refusal were possible in relation to discrete elements of the WTW project, even after substantial neoliberalisation of CWO space had occurred. Yet few CWOs ever exercised this choice. The material interests associated with market entry and with maintenance and growth of organisational position, in most instances, outweighed concerns over the effects of WTW on clients.

SB was one of those who had been expunged from the institutional space governed by the WTW contracts. He had left the organisation and taken up employment in a different structure within the institutional church. The position he now occupied was removed from service provision and was concerned with reflective matters of moral teaching, which is ironic given the strong political economy critique outlined in the second extract below. SB left after, and despite his complicity with the WTW regime, and the two extracts below identify the emotional costs of doing so. The first extract is concerned with outlining his
representation of the personal costs and the second explores his reflections on the costs from a perspective of political economy.

The worst day of my life was the day I signed the Work for the Dole contract.... When I look at what that is, I conceive of it as trading in damaged stock (SB).

For SB, the burden of ‘dirty hands’ translated into a betrayal of his beliefs wherein his own psyche and personal actions are implicated in the extension of neoliberal space, despite a counter-hegemonic discourse informing his political position. Here there is a deep psychological cleavage between his political identity and his political agency, linking the micro-cognitive realm to the structural (Chouliaraki & Fairclough, 1999; van Dijk, 2001, 2003). Such ambivalence might be characterised by post-structuralists as one of the mysteries of postmodern life, affirming ambiguities (Spicer, Alvesson, & Karreman, 2009), but the analysis below demonstrates how such ambivalence, and the associated silencing and lessening of politics, is deeply implicated in neoliberal outcomes in spaces that might once have held emancipatory opportunity. The constructivist moment of signing WFD contracts, despite deep misgivings, profoundly extended the reach of neoliberal ideology and practice into the organisation and institutional space it occupied. SB does not discount his own culpability in this process. He uses a market metaphor ‘trading in damaged stock’ with an ironic tone. In the extract below he articulates a Post-Fordist discourse in critiquing the effects of neoliberalism on the labour market and jobs and relates this to WFD. He also highlights the links between neoliberal accumulation, governmental WTW and job degradation (Wacqaunt, 2009), including the relationship between social insecurity, workfare and penal systems (Wacquant, 2010).

The proportion of long term unemployed in the overall unemployment levels has increased... there’s a higher number of people in the crappy
positions really… at the fringes of the labour market, and in intermittent casualised employment, in and out of the labour market, so that the best that they could hope for was pretty casualised short-term, low paid, insecure work. And the employment support model has become a process-driven kind of crack the whip model... When I drive to work and I see those men in work vests picking up rubbish from the side of the road I think well that used to be a real job. Now I know it’s either people on work for the dole or from the jail (SB).

In this extract SB moves from discussing the personal costs of ‘dirty hands’ associated with the extension of WTW to questions of political economy and social justice outcomes. He speaks of the relationship between WTW and the rise of marginal work and of the removal of jobs away from the labour market into the remit of WFD (Burgess & de Ruyter, 2000). He references the punitive nature of WTW and the relationship of this to labour regulation and the blurring of WTW and penal labour. He questions the legitimacy of the organisation being involved in the delivery of WTW programs even while he owned his own role in this. This demonstrates how ethical dissent within dominant discourses, referred to as ‘poiesis’ by Fairclough (2003), drawing on Foucault’s theories of ethics and resistance (Foucault, 1997, p. 290), does not offer any kind of political identity that generates collective forms of action, including counter–hegemonic struggle. It demonstrates how purely critical intellectual resistance to the premises of the WTW system while participating in its practices, is devoid of any political agency of struggle and contributes to the extension of neoliberal space and governmental programmes despite such resistance. The self-censorship and silencing of his own conscience (Bird, 1996) means that SB embodies both the personal and political effects of ambivalence in a context where those who are ‘too pure’ are silenced, and where managerial agents seize control.
In other organisations, case managers with social justice orientations who did not voluntarily leave, were forced out. HC, of Organisation C, identifies the role of managerial practices in this process.

There was a feeling that previously there had been, almost a public service mentality, and there was too much focus on this caring, soft-talking about your problems perspective. So there was too much of this, I guess, charity model and not enough actually working with people and really focusing on getting jobs and with the change in the JN structure forced changes on the organisation and forced a lot of changes in work practices and caused a lot of internal tension in the process… People who managers decided weren’t appropriate for this new structure, a lot of them left… (HC).

In this extract domination is evident through a strategy of contrasting two different types of service models, the ‘old’ public sector model with the ‘new’ market model. Agentive struggle within the organisation is presented within a frame of competing positions for legitimacy based on these models. The representation indicates that managerialism was privileged over social justice. The latter is presented in derogatory terms as ‘public service’ thinking (Cheung 2002) and is elided with ‘charity’ further undermining its legitimacy. The extract demonstrates how dominant agents drew on the ideology of NPM in devaluing public sector values and public servants themselves. This allows HC to utilise the term ‘public sector mentality’ in a derogatory way, reinforcing the marginalisation of individuals with more collectivist values who might offer a counter discourse to neoliberal WTW. In this context, CWO narratives that denigrate public sector values and practices and elevate managerial values, serve to further neoliberal hegemony. The final statement by HC highlights how managerialism was instrumental in purging those individuals who were deemed to belong to the old ‘public sector’ way and were labelled as ‘not appropriate for
the new structure’. Their departure can be seen in terms of the dominance of NPM and WTW forces within the organisation.

The devaluing of public sector models relates to a wider diminution of public sector values, including strong commitments to social democratic principles (Brewer, 2003; Houston, 2008; Perry & Hondeghem, 2008; Taylor, 2010) and collective approaches to workplace relations. This is partly explained by the fact that the public sector is relatively well-unionised with higher levels of remuneration and labour protection than the CWO sector (Burgess & McDonald, 1999). Privatising employment services helped to break the role of the relatively strong public sector unions (Burgess & McDonald, 1999) in labour relations within the employment service sector more broadly.

Relatedly, the coupling of industrial and social policy through WTW served to undercut social democratic approaches to industrial relations (Ramia & Wailes, 2006). By entering the WTW field where marginal labour is policed, the CWO sector itself was instrumental in facilitating the conditions in which labour could be more readily exploited. This is not only evident in the way unemployed people are forced to undertake WFD under the tutelage of CWOs, but also in the labour relations of some of the CWOs themselves. For example, in some instances CWOs have relied on the exploited labour of volunteers (Reeves, 2010), in others they have acted as quasi labour-hire agencies (O'Donnell, 2005). These points are especially pertinent in light of the fact that one of the main neoliberal arguments for the devolution and privatisation of public sector employment services, efficiency gains, has
been dispelled. In the end, the privatised employment sector has proven to be no more efficient than the public sector (Bredgaard & Larsen, 2008; S. Davies, 2008; Stone, 2013) and has participated in highly distortionary practices, such as ‘creaming’ and ‘skimming’ (Considine, 2001; Productivity Commission, 2002), which undercut claims about the effectiveness of the sector. Such arguments are further eroded by recent claims of fraud and rorting in the sector (Besser, 2011a, 2012a, 2012b, 2012c; Morris, 2007; Vasek & Karevelas, 2012). This latter point is explored in more depth in the following chapter, which explores power and interests through a broader political economy lens.

Another dynamic at play which led to the purging of dissenters was the perceived necessity of having ‘insider’ political status, a strong refrain from managerial identities (Kinnear, 2001). This preoccupied some organisations, leaving them vulnerable to intimidatory political strategies by the state (Maddison et al., 2004; Maddison & Edgar, 2008; Maddison & Hamilton, 2007; Melville & Perkins, 2003) that contributed to the purging of dissenters. LI discusses this experience below:

When I left a big part of it was because I didn’t believe what they were doing was right. I spoke to my colleagues and I really searched my conscience. We had always thought that it was important to be in it… to be able to do things and to influence it. We had always worked with government… . You could negotiate. But in the end it was like pure intimidation. That was the government. They dictated to the sector (LI).

As actors such as LI left the system, according to their conscience and their experience of intimidation, the space was left to those whose views better aligned with paternalism and neo-conservatism. This allowed WTW to be prosecuted in a less fraught internal political environment. LI also alludes to being inside the tent as affording ways of influencing the
system. This may suggest a naivety about both executive power, as it was encoded into the contracts, and the neoliberal political economy through which they were governed. The extract, with its reference to the searching of conscience, also reinforces the earlier point that dissent about the social relations of WTW, from a singular perspective of individual ethics or moral conscience devoid of a collective, critical political economy, limits antagonistic possibilities (P. Thompson et al., 2000).

This section has demonstrated the ways in which strategies of denigration, silencing, steamrolling and purging of dissenters limited political antagonism within CWOs. It has explained how these strategies allowed for the relatively unproblematic ascendancy of WTW supporters and extension of the role of CWOs in implementing WTW. The analysis highlights how individual ethical dissent that is unanchored from political critique or a collective will, atomizes social agency; heightens ambivalence; and undermines collective struggle. It leaves those dissenting voices relatively isolated, weakened and vulnerable to personal bad conscience (Bird, 1996) or to managerial punishment (Etzioni, 1964). It also highlights how the rush to gain contracts and, thus, potential benefits, saw nascent dissent crushed in at least one organisation. Once CWOs received contracts, a strategy of pragmatism, of prioritising action over principles, was evident in the way that many of them prosecuted the WTW agenda.
Strategy: Elevation of pragmatism

The exodus or silencing of dissenting voices entailed significant personnel changes that, in part, involved the promotion or recruitment of more compliant, supportive, conservative, pragmatic and often paternalistic, personalities into key management positions. Those opposed to WTW were arguably less likely to seek employment in the more punitive roles in CWOs, while those dissenters who quietly remained, were under no illusion that open criticism or resistance was dangerous or futile. This section examines evidence of this shifting personnel landscape and its contribution to the extension of neoliberal hegemony within CWOs through the elevation of pragmatism.

The extract below highlights the changing character of CWO management culture through the allocation of key employment service positions to individuals whose identities, desires and social agency were aligned to the managerialist and paternalist discourses and values of WTW. SB explains the power that these managers had to shape WTW practices, in the belief that such practices were part of a self-propelled ‘machine’, rather than the actions of humans.

Sometimes when systems get up and running and operate smoothly, or otherwise, the focus is on the mechanics of it, and systems sometimes have a tendency to not do very human things like give the benefit of the doubt to someone where there’s a disequilibrium of power for example…, You either comply or you’re out…. Some people don’t see it that way. Some managers… they don’t see the mechanics of the system. They just follow the letter of the law (SB).

As noted in Chapter Four, the tendency of some managers to focus on the mechanics of the system removes attention from the actions of agents. This view tends to displace conflict
from an agentive level of political struggle to a personal interpretive process of critiquing a ‘system’ or a ‘discourse.’ The position of critique also indicates a demeanour of resistance as poiesis, as described earlier. It is a form of reflective emotional labour, but it is without political impact or alternative framing. It offers no defence against the carriage of neoliberalisation via conservative pragmatism, evidenced in the description ‘Some managers… just follow the letter of the law.’ SB sees the problematic role of uncritical managers, devoid of a social justice orientation, in producing unequal and inhuman consequences, but otherwise expresses powerlessness to influence actual WTW operations.

A further point of contention here is the way that particular professionalised identities, which have been aligned with emancipatory social projects, such as social work since the 1960’s (Fook, 2002), have become adaptable and amenable to neoliberalised practices (Bradt & Bouverne-De Bie, 2009), lessening the potential for dissent from within CWOs.

By constructing relations of domination in neutral systemic terms, rather than as the actions of agents who choose to do this work, their sense of personal accountability is reduced, which in turn facilitates a tough pragmatism in the way that clients are viewed. In the extract below LI conveys that such individuals had no difficulties with either the discourse or practices of NPM, and took a pragmatically neutral or, in some cases, zealously aggressive approach to prosecuting WTW.

…there were people in the organisation who, I would say, were happy to prosecute the government agenda... I think they liked the system (LI).

In prosecuting WTW the identities of the individuals described by LI were well-aligned with their social agency, meaning that as managers they were not troubled with moral
issues such as the abuse of power, injustice and victim-blaming (McDonald, 2005). As LI conveys, they could comfortably and without bad conscience undertake the required activities associated with WTW.

BB was one such respondent who was comfortable representing WTW in singularly managerial terms. He takes a position in support of the primacy of government authority in determining policy and overseeing programme implementation, thereby simplifying the unemployment experience and extricating WTW implementation from ethical or critical debate (Kerr & Savlesberg, 2001).

There is, you know, there is always going to be some compliance regime and we can argue about how tough it should be and all that, what the disclosure requirements should be and how much discretion should be given to case workers relative to, you know the master government programme. But, again, I just go back to my point, this is going to be government-funded, it’s largely going to be a compliance regime. They’re going to have to comply. They’re going to have to deal with it (BB).

For him, authority is uni-dimensional and rests with the government as ‘master’ in the relationship. Actions should be guided by the necessities of the relationship rather than by principle of justice. He states his argument in universal [always going to be...] and imperative [have to comply..., have to deal with it...] terms without representing any extenuating factors outside the contractual relation. By attributing legitimacy to the authorising power of the government and contract law (van Leeuwen & Wodak, 1999), the neoliberal relation that underpins both the contract and the punitive WTW system is normalised and naturalised. Further, the universal frame ‘always’ diminishes any possibilities for agentive discretion by discursively placing CWO staff, whether they are
managers or case workers, exclusively in an ostensibly neutral system of contractual relations devoid of political, moral or ethical context.

WD similarly evidences such an identity, however when contrasted with the identity of a colleague in the mission arm of the same organisation, his position points to considerations beyond individual ideologies to the institutional legitimation work that takes place within CWOs.

Like I said if you are engaged, you don’t get breached. If you show up you don’t get breached, and so if you respond to any of our messages, or calls, or whatever, then no-one breaches you. I don’t think rules have changed (WD).

The extract indicates WD’s alignment with, and internalisation of, the ideology and punitive elements of WTW. Unlike other respondents, he does not reference pragmatism within a dynamic of contest. The representation is without ethical nuance or concern about the injustices of the system that preoccupied some other respondents. It is without any critique informed by either the value of compassion or political economy. Rather, by presenting an uncomplicated and stony pragmatism, which reduces breaching to a simple cause-effect outcome of client non-compliance with programmes, it is a deeply victim-blaming representation. It’s uncompromising and unreflective tone is indicative of a confidence that his views and actions are hegemonic within the organisation and the sector.

This brutal and brutalising representation of the relations of WTW practice, from an agent within an organisation that purports to deliver services from a more humane perspective,
conveys something about the individual, but more importantly, much about the organisation and sector. While WD is comfortable wielding the authority assigned to him, it also suggests that the organisation has no qualms in appointing someone with little apparent appreciation of the structural causes of social disadvantage or the political economy of WTW, or of how it is reproduced through the gross inequities between well-paid privileged positions, such as his own, and the hardships experienced by those thrown on society’s unemployment scrap heap. Instead, there is almost contempt for the unemployed, based on a pathologised view of unemployment, which in turn reinforces a sense of entitled or meritorious privilege and superiority amongst those selected to discipline and punish the unemployed. In addition to demonstrating the role of individual agency in the carriage of WTW, this response unmasks the ideological position of many church or faith-based organisations where they publicly present as agencies of benevolence and care, but privately act as aggressive corporate agents of neoliberal regulation, in part, through their recruitment decisions.

The institutional agendas at play loom larger when WD’s position is contrasted with the seeming naivety of LD, a senior manager in the welfare advocacy arm of the same organisation, who comments about the marginalised individuals who seek welfare relief upon being breached:

We know from our welfare arm that a lot of those who are breached have problems. A lot of them have mental illness, schizophrenia and things like that. A lot of them are homeless (LD).
LD critiques the harsh social outcomes of social security breaches on clients while, WD, the senior manager of the WTW programmes, prosecutes them in a coldly indifferent way. However, LD’s extract, while describing negative outcomes of breaching, provides no evaluative comment. It is presented as fact, neutral in tone, without normative judgment or evaluative texture. It is, thus, complicit in its deferral to managerial authority despite its critical intent. It bows to the views and practices of CWO actors whose ideology is aligned with government and who are vested with paramount managerial power to implement WTW. These two extracts together highlight the way in which CWO recruitment of managerial and conservative personalities facilitated the relatively unproblematic internal prosecution of WTW, despite public lamentations by others in the organisation about the most vulnerable.

The elevation of pragmatism, through the employment of conservative managerial staff, effectively channelled and contained the views of social justice advocates. The extracts above perhaps indicate a Janus-faced organisation. Public expressions of concern are reduced to mere ‘empty words’ where organisations are otherwise complicit in prosecuting WTW. They serve to mask the reality of what occurs in CWO’s less-than-transparent dealings with vulnerable people. Indeed, a wall of institutional, governmental and commercial secrecy surrounds breach rates by individual service providers (Administrative Appeals Tribunal Administrative Appeals Tribunal of Australia, 2004). Rather than silencing or expunging dissenters as discussed in the previous section, in these exemplars the appointment of managerial pragmatists is utilised to override, yet never fully extinguish, counter-hegemonic views.
The remaining three extracts in this section demonstrate how the unease with which some managers wore the mantle of managerial pragmatism necessitates recourse to several legitimation narratives. This is evident in the extract below, where LI conveys a sense of helplessness while complying with and reproducing the dominance of a managerial view that one should act with expediency in dealing with clients who do not show up to be disciplined.

If the client fails to appear for the first interview, get them off your books. That might be the view. You see because the agency has no way of really making contact and having enough details to counter that unless they turn up in the first place. So just do it (LI).

LI preceded these comments with an explanation about the contractual necessity for job placement outcomes and breach recommendations, alongside the cost pressures of working in the competitive market (Australians Working Together (AWT), 2003; Pearce et al., 2002). She also articulated this comment in relation to the ‘maximum capacity’ clause in the contracts which created incentives to recommend breaches. Notwithstanding these structural factors, no moral compunction is expressed, but rather an almost indifferent pragmatism referenced through the statements ‘get them off your books. ... So just do it.’ It illustrates how pragmatism operates as a moral/psychic distancing strategy wherein no-one feels individual responsibility, because they see themselves as part of a machine or system driven by a legal rationality that is unrelated to questions of justice and vulnerability. In such a system, no one person pulls the trigger on suspending income support for the unemployed; rather it is a semi-anonymous cumulative outcome of ‘the system’ given the authorising legitimacy of commercial law (Fairclough, 2003; van Leeuwen & Wodak, 1999). Their actions can be constructed as one point in ‘chains of activity’ or ‘networks of
practices’ (Chouliaraki & Fairclough, 1999), lessening personal culpability, where the punitive and disciplinary elements of WTW have deleterious outcomes for unemployed people.

Despite CWO’s publicly expressed moral and practical concerns associated with the implementation of WTW and breaching, recourse to a discourse of legal rationality, and a pragmatic acceptance of this, became the strategic point at which struggles over power were corralled within some organisations. Below, FC describes the way in which an appeal to the authority of contract law was used to quieten contestation around CWO mission and the requirements of WTW contracts.

I guess the position that we’ve taken is that certainly we’ve got to meet the requirements of our contract. There’s different ways of doing it, but breaching ultimately is a very punitive approach to employment and that people don’t need to be fined you know hundreds of dollars to make them motivated to look for work and that breaching was..., is quite a harmful practice (FC).

FC references moral and ethical concerns, notably the harmful and punitive effects of WTW, nevertheless he calls on the logic and privilege of the contractual relation to quell such worries. There is an ambivalence represented here. Legitimation comes through a type of moral escape clause by allowing individuals to take solace in the authority of contract law over organisational mission or client need. The elevation of the contractual relationship is also strongly evident in the extract by SH, a manager in another church-affiliated organisation.

We have a contractual agreement. We signed up to it and we have to abide by it. That requires us, in some instances, to do things that we would not necessarily do in other circumstances. We are paid to do
particular things to help people to be job ready, to be competitive in the labour market... Now we might not like some of what we are required to do, especially in relation to recommending breaches, but we have agreed to it (SH).

SH refers directly to the contract and the necessities it engenders. Social agency is represented within a system of contractual relations, which has a legitimating authority.

A further point here is that SH references job placement in neoliberal terms, having people be ‘competitive in the labour market’ rather than placing them into jobs. There is no affordance to critical political economy, to employment landscapes where often, at best, the jobs available are temporary and precarious (Burrows, 2013; Helen Masterman-Smith & Pocock, 2008; Myconos, 2005; Standing, 2011), nor to the punitive and compulsory nature of the programmes. The reference also takes a distinctive business discourse of market exchange, which reduces the relationship between the agency and government to one of purchaser – provider and the relationship with the client to one of product or commodity in a market relation (Ferguson, 1999). It is a profoundly neoliberalised and managerial construction of the social relations, and it is devoid of critique except in terms of organisational distaste [we might not like some of what we are required to do]. There is no reference to what this means for unemployed people or critical concern with social justice outcomes. These are outside the pragmatic lens taken, which reduces complex WTW relations and their effects to a question of contractual compliance. The legal imperative to meet contractual obligations provides a psychic refuge from the moral and ethical quagmire of the WTW system.
In sum, pragmatism was often represented as a way forward for organisations riven with tensions, a way to disentangle practical programme implementation from ethical conflict and political struggle. It was most evident in the elevation of contractual obligation above all other values and a deferral to the authority of the state in the contract relation. Pragmatism was also evident in the recruitment of people who were comfortable with the disciplinary, and often punitive, authority vested in their positions, to particular managerial roles. In many cases these individuals had conservative social outlooks consistent with paternalism and were relaxed about the harsher elements of the WTW contracts. Others were able to overcome concerns about such issues by anchoring their moral compass on the legal obligations of contracts. However, contractual legal rationality did not provide sufficient moral ballast for some respondents, who instead drew on narratives of charitable mitigation to legitimate participation in the WTW system, despite their public protestations about its inherent injustices, as examined below.

**Strategy: Narratives of Mitigation**

Various narratives of mitigation were used to take the uncomfortable moral and political edge off the social consequences of prosecuting WTW. They were a ‘softer’ form of domination in that they were used to persuade dissenting individuals of the legitimacy of CWO WTW participation. The next seven extracts provide evidence of the ways in which these were used to quell dissent and claim legitimation for engagement in WTW, despite its highly punitive elements. These narratives construct CWOs as civilising or mitigating agents of neoliberalism notwithstanding their role in its extension. They were used to claim
that CWOs softened the harsh outcomes of WTW, and to persuade dissenting individuals that CWOs could provide more caring services than for-profit providers, thus making them more palatable. Respondents drew on these narratives in attempts to secure consensus in organisations. Such narratives act to facilitate ‘inner coherence’ for respondents, highlighting the ways they seek to justify their decisions and actions in relation to structured situations (P. Thompson & Vincent, 2010).

Below WB, from a CWO providing programmes into areas of high unemployment explicitly discusses the issue of breaching. He introduces an element of mitigation into the narrative through identificational expressions, including evaluations of the situation, context and circumstances. These include reference to things such as ‘going to great lengths’ and ‘reluctance’.

One of our big worries at the outset was the question of breach. If a job seeker did not cooperate with our offers to help them, then we were obliged to report them back to Centrelink and they could be breached and lose their benefits. Then we, because of our approach to this work, we had to go to great lengths to get them to participate and participation wasn’t great… But you had to go to great lengths just to get them to attend… well not all of them, but a number of people…, because we were reluctant to recommend, to tell, Centrelink that they had failed to attend, because we didn’t want to be the instruments through which they had their benefits withdrawn. But at the end of the day, if you couldn’t find them, if they didn’t answer the letter… they may have moved… we had to tell somebody (WB).

Here mitigation is represented in the sense of having costs for organisational personnel, indicated by a reference to a burden of emotional labour associated with implementation of the programmes [great worries]. In this emotional economy the costs to staff are foregrounded (Goddard et al., 2001; Marston & McDonald, 2006; McDonald & Marston,
2006; Thornton & Marston, 2009) over and above those to unemployed people. There is a temporal element to the representation in WB’s reference to great worries ‘at the outset’. Yet, the agency entered the contract in the knowledge of the explicit obligation to recommend breaches in multiple circumstances. When the circumstances materialised, as they inevitably would, the mitigating narrative emerged.

Further evidence of legitimation here is WB’s reference to ‘offers’ to assist jobseekers. This masks the compulsory and punitive nature of WTW, constructing it as a benign offer, rather than a mandated requirement. There is also a victim-blaming element where WB constructs clients as uncooperative. There is no reference to the structural barriers or patterned elements of disadvantage, including landscapes where neoliberalism has decimated jobs and degraded the infrastructures to support employment (Beer & Forster, 2002; Stilwell, 2005).

Notifying Centrelink of a recommendation to breach is expressed in obtuse terms [we had to tell somebody]. WB situates this within an existential time relation [at the end of the day...] which implies that numerous steps were taken to avoid the breach. He does not infuse his description with a discourse of moral struggle or ethical nuance. Rather, the narrative of mitigation is expressed parallel to a subjective discourse of obligations, necessity, conditions and consequences. Thus, his statement indicates high levels of pragmatism and a refuge in contractual relations running parallel to the narrative of mitigation.
In a similar vein, BB constructs another mitigating narrative that invests the organisation with heroic qualities in working to protect unemployed people from the harsh WTW regime.

I could honestly say that in most of our organisations, they have absolutely bent over backwards over a medium to long term period, and that if those people who have recommended a breach its only as really the absolute last resort, and I think that’s quite fair (BB).

BB attempts to add moral weight to his representation by making a declarative statement of honesty. He represents the organisation as a mediating agent prepared to suffer to reduce the effects of WTW on clients. Agents within the organisation are constructed as morally good in the face of an unjust system, however as noted previously, the effects of the injustice are represented as being borne by the provider rather than unemployed people. This averts focus from the political economy of the system, and allows actors to quell the ambivalences and internal contradictions they face in their roles as agents of discipline and surveillance. The final statement adds an evaluative comment that seeks to affirm the rightness of this approach and implies that where people are breached it is not because of the heroic attempts of the agency to assist them; rather it is because of clients own failings and, thus, is a just response. This appeal to fairness acts to assuage uncomfortable truths that the WTW system is inherently punitive and unfair. It is a powerful legitimising narrative that allows BB to articulate a moral agency that focuses on the costs to the organisation, rather than to clients. It also constructs a cleavage between the agents within the CWOs and the unemployed people they claim to assist, thereby dampening possibilities for working in collective solidarity with them to challenge the system.
The term ‘the last resort’, like ‘at the end of the day’, is an existential time summons (van Leeuwen, 2008) displacing agency to the existential relations of undefined linear time, where it has ideological properties that mask the realities of agentive decisions. It was utilised by several respondents when referring to the actuality of recommending breaches. Respondents used this phrase to denote a consequential summation of the end point of the contractual process, and to signify that many mitigating steps had been taken to avoid recommending breaches but without iterating any of these steps. The comment below illuminates how respondents utilised this term to present a softer ameliorative face to WTW.

From our point of view, the sort of advice to the members is that we have to put interests of the person first. So the whole idea of recommending for breaches in something is an absolute last resort (TB).

While TB states that the interests of the person are to be put first, it is clear from the overall picture provided that, almost universally, the obligatory and prudential requirements of the contract are elevated over client need. Mitigation here is framed as a moral imperative to justify WTW participation by CWOs. Again, it does not challenge the premises of the system, its social relations or its effects. It masks the political economy of WTW and acts to extend hegemony by softening the moral and political implications of CWO participation. This softening is addressed below, where the kindness of CWO’s is evident as another narrative of mitigation.

Respondents often argued that their own organisations were ‘softer’, when it came to recommending breaches, than others. This involved favourable comparisons between
themselves and for-profit organisations and, sometimes, other CWOs. This again constitutes a means of quelling internal dissent, managing ambivalence and communicating legitimation to external audiences. The two extracts below provide examples of respondents comparing their organisations to other CWOs. In both cases, they state that they have a superior record on minimising breaches. In the first extract WD who, as noted in Chapter Four, had no compunction recommending breaches, states that Organisation D has a softer approach to breaching than Organisation E. The second extract is from a respondent in Organisation E who claims the opposite.

If you think about the other – [Organisations E and J] they are more hardnosed and commercially minded than I am. They are much more brutal with their clients… My people have worked for them, and for me. So we know (WD).

WD’s comparative claims of a softer approach are made despite the deeply managerial and punitive approach to WTW referenced by him previously. He adds legitimating texture by stating that members of his staff have previously worked for other organisations including Organisation E, giving him inside information. This comparison serves to communicate internally that Organisation D has a less tough, less ‘commercially minded’, more ameliorative approach. It provides a narrative of moral superiority (van Leeuwen, 2007; van Leeuwen & Wodak, 1999) whereby actors in Organisation D can take solace from the worse deeds of others. Similarly, DE makes the following claim:

We keep our breaches at a minimum. You see they have to be approved by our CEO. We know that our breach rates are much, much lower than some of the other not-for-profits (DE).

DE refers to an internal process through which breaches are managed with the CEO being the ultimate arbiter. He makes a truth claim stating that they know their breach rates are lower. Mitigation is established through a strongly textured comparative relation evident in
the statement ‘much, much lower’, which serves to justify engagement in the system and again assuage internal discomfort and contain dissent.

Importantly, figures for breach rates either individually or comparatively by organisations are not publicly available and are protected by ‘commercial-in-confidence’ clauses and by a decision of the AAT in 2004 on the grounds that commercial interest outweighs any public interest in the figures being made available (Administrative Appeals Tribunal of Australia, 2004). The peak organisation, Jobs Australia, represented the sector in the tribunal hearing of a legal case taken by welfare academic, Susan Lackner, ensuring that this material remains beyond public scrutiny. Neither Organisation E, nor any other CWO engaged in WTW, has ever released information about recommended or imposed breaches. So statements of comparison of breach rates do not have any empirical validity, but rather rest on hearsay. The veracity of these claims is further eroded by the above extracts, wherein Organisations D and E both claim the mantle of moral righteousness over others. These claims serve ideological purposes that allow the sector, and individual organisations within it, to maintain a public face of charitable benevolence while participating in a system that punishes the poor. In addition to the internal legitimation functions they offer, these mitigations help participating CWOs to present an external face, free from any real scrutiny.
Other respondents drew comparisons with for-profit providers by mobilising existing mythologies of not-for-profit benevolence and contrasted these with a more brutal for-profit sector.

The more you move towards our community service delivery end of the church, people get rather more pragmatic and are saying yes but the services are going to be delivered and if we’re not in there delivering them well, they’ll be delivered by people that really don’t give a stuff about the people accessing those services. So we should be doing it (LD).

The mitigating narrative here asserts that the CWO sector, especially church-affiliated organisations, is inherently kinder and more caring, and implies that unemployed people will be harmed more in a callous for-profit sector. Thus, the softening edge that CWOs offer is again represented as an internal justification and external legitimation.

A further sub-text is that, in this comparison, a bid for economic power is made by questioning the motives of the for-profit sector. In the context of the size of the contracts, the potential for growth and the competitive risks, this can be seen as a legitimation claim for greater share of the market, thus safeguarding the personnel and material resources of organisations that survived the first two contract rounds. It attempts to elevate the allegedly superior services of the CWO above alternative providers, including potential public sector services. LD implies that CWOs have greater levels of agency and discretion in delivering WTW projects, though this has been disputed in comparison to public sector provision (Considine, 2003; Considine, Lewis, & O'Sullivan, 2011; S. Davies, 2008). This inference also contradicts previously examined claims of CWOs as powerless and helpless victims of neoliberalisation, wherein respondents often acquiesced social and political agency to the managerial relations constructed in the contracts, and via the discourse, of NPM. As
discussed earlier, CWOs delegitimised dissenting positions, enforced a brutal pragmatism, and unleashed approaches and personnel that ranged from neutral to paternalistically aggressive in prosecuting WTW. These inconsistencies negate the argument that they deliver the programmes any less aggressively than for–profit or public providers. In addition there is substantial evidence that over time CWOs acted little differently to for-profits in WTW delivery (Considine, 2003; Considine et al., 2011; Finn, 2008; S. R. Smith & Lipsky, 1993; Thomas, 2007a) and that, as neoliberal progression took place, they became more routinised and standardised and less and less flexible in service delivery (Considine et al., 2011).

At times, respondents cited the missions of CWOs and/or their existing charitable and welfare infrastructures when contrasting them positively to for-profit providers. This is evident in the extract below where TB references the ameliorative possibilities offered by the charitable arm of organisation B.

*We locate within a broader social mission and social welfare thing, so all of that employment service stuff is also tapped into an agency that offers a whole lot of other support and stuff, and that is the sort of thing that we would run around. I have heard [Organisation E] say we are kicking people out one door and have them come in the other. Well a straight out employment network doesn’t even have another door, it just says ‘see you later, get out, you’re not helping’ (TB).*

Here TB makes a bid for the privileging of CWOs as providers because they are guided by a ‘mission’ and have a welfare infrastructure that can be utilised to ameliorate the effects of breaches. While he doesn’t explicitly specify charitable relief in his reference to ‘support and stuff’, the reference to ‘another door’ implies this. Again a mitigation is achieved through comparison with for–profits who are constructed as more brutal or profit-driven.
This mitigation secures legitimation through a moral claim (van Leeuwen, 2007; van Leeuwen & Wodak, 1999) and serves as a strategy to secure consent from those who protest about the system, on the basis that the CWO sector is the lesser evil.

However, charitable relief is deeply implicated in sustaining and reproducing the unequal power relations of neoliberal WTW and its impoverishing effects (Poppendiek, 1998). In Australia, rising calls on charitable relief have been evident over the period of neoliberalisation (ACOSS, 2003, p. 151; 2013). It is deeply demeaning to unemployed and underemployed people and adds further to the degradations and humiliations suffered by those on the margins of the labour market (Frederick & Goddard, 2008; Helen Masterman-Smith & Pocock, 2008) and profoundly undermines and stratifies their citizenship (Schram et al., 2010; Shaver, 2002; R. P. Weiss, 2001). Not only are unemployed people subject to all manner of mandated, and often fruitless, activity overseen by CWOs, to demonstrate their ‘obligation’ to society in exchange for a pitiable statutory income, they are further punished by being reduced to little more than beggars when their income is suspended, or in the instance that their negligible benefit is insufficient to cover the basic necessities of life. Rather than challenging the political economy of neoliberal WTW, this mitigation, through reference to the meagre ameliorative potentials in CWOs, is central to its resilience and extension. It is deeply reminiscent of the traditional role of the churches in disciplining the poor through the almshouses and workhouse system of the past (Driver, 1993; Spierenburg, 2004; Walker, 2004) a theme picked up in the next chapter. By privileging amelioration over collective action, the role of charity in sustaining the neoliberal welfare state is absent from these representations.
The above extracts have identified how narratives of mitigation were used by respondents as a veiled measure of securing neoliberal hegemony within CWOs. They allow them to construct justifications and legitimations that manage the internal ambivalences and contradictions of participating in the WTW system. They also allow CWOs to attribute to their ameliorative capacities a function of civilising capitalism. They construct narratives of mitigation where, through reference to their missions and their welfare relief infrastructures, they present themselves as reducing the harshest effects of neoliberal WTW, all the while normatively reproducing its hegemony.

**Strategy: Deferral**

This section looks at a fourth and final strategy of internal domination by the forces of neoliberal hegemony within the sector, the deferral of decision making. The six extracts below examine how deferral was evident, how it contributed to the consolidation of WTW and how it was used to contain dissent. It focuses on the particular examples of deferral as a strategy of attrition, deferral based on a discourse of evidentiary legitimation, and deferral as a process of sophistry and appeasement. The section concludes that, when organisations did vacate WTW programmes, it was on the basis of failed tender rather than organisational choice as some respondents attempted to project.

In the extract below deferral is associated with the earlier analysis of steamrolling of dissent in the pursuit of WTW contracts, which ultimately served to subdue opponents in an
internal war of attrition. There are two key insights in the extract. The first is that WTW opponents were captured in defensive and reactive positions once contracts were accepted. The second is that dissent was articulated in contingent and hypothetical terms, reducing its potential as a resource for counter-hegemonic contestation.

One of the questions that we really had, after looking at the review and looking at where we were going to go, was trying to work out whether there is scope within that model to operate and still achieve the social justice outcomes we wanted to achieve and meet the contract requirements and the funding requirements to actually be sustainable, and there was never a result. It was never really resolved. There was talk about well, if we move into the third contract we’ll implement… we’ll develop indicators to maybe try and measure the kind of social outcomes that were achieved and follow where people were going. So that would have been a better way to go (HC).

The utilisation of a strategy of deferral of decision-making about ongoing WTW participation as a way of managing dissent, essentially facilitated the loss of counter-hegemonic agents by attrition, allowing neoliberal hegemony to be carried with less and less conflict over time. The necessities engendered by the contract meant that dissenters were impelled to either leave the organisation or articulate a counter position within a suspended state of deferral without any resolution. The phrases ‘trying to work out’, ‘talk about well if…’, ‘maybe try…’ each, in different ways, encapsulate deferral where a resolution is left open at the same time as neoliberal logic progresses further into the organisational landscape. There is a displacement of values of justice and fairness, as guiding principles to a contingent and hypothetical future or an alternatively imagined past.

Having lost the battle over participation in WTW, dissenting agents in this CWO were reactively attempting to work out a rearticulated position, or political imaginary (Laclau &
Mouffe, 1985), as neoliberalising logic made its way into the organisational landscape. However, this rearticulation was bound up with the material necessities of contractual obligation, rather than counter-hegemonic contestation. HC indicates that critical analysis of the social and economic relations of WTW post-dated entry into the contractual arrangement. He rearticulates dissenting positions in hedged and contingent terms, evident in phrases such as, ‘if we move into a third contract...’. This phrase is a temporally contingent statement referencing a hypothetical future. In this way neoliberalised time serves to disorganise and demoralise dissenting voices, forcing them to cede ground and to search for a new counter-hegemonic strategy as they adjust to neoliberalisation. In this instance dissenters were engaged in a process of organisational and discursive repositioning around a contingent future, the possibilities of which could only be shaped by neoliberalised space.

Another strategy of deferral involved the promulgation of arguments by some respondents about the necessity of gathering evidence and achieving proof about the success or otherwise of the WTW system. This was evident in claims made that inadequate evidence was available to inform decisions about ongoing engagement in WTW. These can be seen as a further delaying tactic to ward off critics. In the extract below deferral is achieved through reference to the need to gain evidence about the effectiveness of WTW.

Well I suppose one of the reasons for us being in there, and it is still pretty much a testing time to see if it works, but the agencies involved typically have had a long term relationship with training and growing employment opportunities for people [who] have been right on the margins of the job market (TB).
At the time of the interview the organisation had been involved in delivering JN programmes for six years. The extended deferral here draws on a discourse of empiricism and references a non-specific evaluative process represented in the phrase ‘to see if it works’. This means that in the present time no judgement can be made about whether WTW works or not. Deferral is justified through this frame, and is wielded as a weapon against dissenters who protest against the assumptions and practices of WTW on, allegedly, unproven moral and political economy grounds. This essentially put an impossible burden of proof on the shoulders of those with the least institutional support and capacity. In the implied absence of undeniable evidence, WTW is represented as something worthy of ongoing examination despite the clear, long-running detrimental effects on unemployed people. This infers that the direct experience of CWO personnel, and the findings of the sector’s own independent review (Pearce et al., 2002) that documented the very high breach rates and effects on unemployed people, were an inadequate evidence base upon which to make unequivocal decisions about WTW participation by CWOs. It also assumes that the evidence needed to establish its ‘efficacy’ required a relatively extended length of time, during which vulnerable populations were subject to invasive and harmful social experimentation on an enduring basis while indisputable evidence of its overall costs and benefits is sought. Suspended evaluations about the system, and the delays in decision-making that this entailed, served to normatively and practically establish WTW and the process of neoliberalisation. Dissenters, once again, could leave the organisation as casualties of attrition or bow to the justifications and deferrals associated with the ‘testing’ of WTW.
The extract below provides a related insight into another more subtle way in which deferral was achieved through perennial question-raising, based on evasive temporal arguments, thereby appeasing internal critics and external proponents. It entailed perennial moral questioning about involvement in the system, but with an undefined end point against which judgments could be made. In other words, a form of sophistry, an evasive argument, clothed as moral reasoning and given the imprimatur of ‘church leaders’, was used to dominate dissenters.

When it was all in the open – when it was all discussed and all that sort of thing – they [senior people within the wider church institution] were comfortable with our involvement, so that was good that that brought people to think about why we were in it... and it is a constant issue because this contract... there is always a question for us, as to – we have to keep asking ourselves, and we do keep asking ourselves, ‘is this a suitable service for the church to be involved in?’ And at this stage the answer is ‘yes, it is’ (PB).

The deferral in this case is evident in the qualifications, hedges and delays in the representation. In addition there is a dominance of present time representation in which evaluations about WTW are suspended [constant issue] [asking ourselves] without judgement being made. There is a veiled and less transparent description of the conflict, expressed as ‘comfort’, downplaying the level and tenor of contest and, thus, the political identities of dissenters. The role of church leaders is cited as positively sanctioning participation and pitting dissenters against ‘leaders’, thus, making transparent power differentials associated with contest. Crucially, this admission adds further substance to the earlier contention that, particularly, faith-based CWO leaders actually supported the WTW agenda, despite public and some internal objections, and were those responsible for appointing equally conservative managers to oversee its implementation. PB locates this
deferral in the present [at this stage the answer is ‘yes it is’] without any explication about what point might constitute ‘discomfort’ with continued involvement. The suspension of decision-making occurred within a space where managerial relations were deepening and WTW obligations on unemployed people were being significantly ramped up, through the AWT proposals.

A little later in the same interview PB elaborates his position further and again this is done through temporal references. In the extract below, he makes a deferral through the present tense statement [the jury is still out], again, suspending judgement about continued involvement.

We are in a little bit of a hiatus kind of a time at the moment, trying to work out whether this new service is functioning properly. Everybody is. So the jury is out a bit right now and I am not going to say good or bad, there are a lot of issues we are trying to fix up and work out, and funding problems and all sorts of things. So they have an impact on service to clients and whatever – we are working through them like everybody else. So that is a difficult time. Our view though, when we tendered, was that this was still a viable service from a job seekers point of view, that the funding in the service was adequate to do what needed doing for job seekers. However, as the market opened and the money wasn’t flowing, of course, that put some quite big restrictions (PB).

The present time deferral [a hiatus kind of a time at the moment] is legitimised through collective references [Everybody is … like everybody else] that aim to diffuse responsibility. PB delays judgment and makes a deferral about a moral evaluation [I am not going to say good or bad] while still referencing problems for jobseekers. This extract is also laced with temporal references that convey prevarication, qualification and appeasement, with no evident horizon upon which firm judgement might be made.
In the final extract below, PB reiterates this deferral particularly in relation to the ‘most disadvantaged’. He references a hypothetical future time when the organisation may judge it is time to exit the system.

Our interest is in the most disadvantaged and if the money is not there for them, well, in the end, it would be as a service we’d say ‘we are out of there’. It could get to that point at some stage. Not there yet, it’s fine at the moment (PB).

In this extract PB references a possible [might] future [It could get to that point at some stage] and relates this to the present [Not there yet, it’s fine at the moment]. The reference to this hypothetical future is hinged on the financial interests of the organisation [if the money is not there] rather than on the punitive impacts of regulation. In this way, the resourcing of the system from the provider perspective is privileged above the impact of the neoliberal regulatory system on individuals. The deferral enables neoliberal reform of CWOs as spaces of regulation and as neoliberalised economic entities to prevail and deepen while offering dissenters the balm of possible exit in some undefined, contingent and hypothetical future.

The fallacy of this position is made clear in the extract below. WB, another respondent located in the same institution but in a different position made the comments below in relation to the third tender. His statement is also saturated with deferral, prevarication, qualification and delay. It identifies that despite all of the concerns, equivocations, negative evaluations made about WTW, it was due to loss of contracts, through the tendering process, that the organisation exited the system, not due to a moral decision.
We had to submit another tender. And the way it was organised we were not successful. So that was all pretty bad. In the meantime, of course, it became much clearer about how ESC3, which is the new tender which came to operate, and I’m not sure to this day whether even if we had have got an offer whether we would have accepted it. It was the whole question of mutual obligation, which seemed to be placing on long term unemployed and people with barriers to employment tremendous burdens to demonstrate their participation So, even if we had won an offer of business in ESC3, I’m not sure we would have accepted the offer. We were still debating right up until the last minute whether this was in accord with our mission (WB).

In this instance, uncertainty and deferral are described as being present right up until the moment of unsuccessful tender for the third contract. In the opening sentence WB refers to the necessity to submit a tender for the third JN contract, through the use of the imperative ‘had to’, due to the failure to get a rollover contract. The imperative relation implies there was no choice to tender when, in fact, there was no necessity to do so. He refers to the unsuccessful nature of this tender and offers an evaluation: [so that was pretty bad]. He then makes reference to the increasing clarity that was emerging about the way ESC3 would work in terms of the question of participation and the burdens placed on long-term unemployed people. While, at the time, the welfare reform process saw an extension of the participation requirements on the part of unemployed people through the extension of the AWT (2003), the punitive elements of the system were already well known and had been subject to much critical deliberation by the sector, including representations by Organisation B. Nevertheless, this did not cause CWO’s to withdraw from WTW. Instead, a tender was entered but is represented in conditional terms with qualifications and prevarications evident in the statements [I’m not sure...] and [we were still debating...]. WB’s representation is suffused with temporal elements [In the meantime....], [To this day...], [up until the last minute]. Each of these signifies and communicates a deferral. There was no actual horizon articulated, in terms of social justice outcomes, which would
end the process of deferral. Rather than making a decision to exit the system based on
critical assessment of its effects on unemployed people, this particular organisation had the
decision made for them through the failure of tender. Dissenters had been left in a state of
suspension or unfulfilled hope, waiting for a horizon in which a definitive decision about
exiting from the system would be acted upon. The sophistry of the position taken, which
paraded as ‘moral reasoning’, in fact cloaked the business interests of the organisation, and
left dissenters in a futile position where they did not know who the enemy was or where the
lines of struggle were drawn.

Deferral is another ‘soft’ approach to domination, but it is powerful in its stealth and in the
role it plays in managing both dissent and ambivalence, about engagement in WTW in
CWOs. It is most evident in relation to the question of continued involvement in the WTW
system after contracts were accepted, despite publicly expressed disquiet from the sector. It
relates in part to the strategy of steamrolling opponents in the pursuit of contracts, and the
consequences once WTW was integrated into organisational landscapes. Once they were
integrated into the WTW system, participating CWOs were subjected to all of the material
and financial pressures of neoliberal economic logic. This meant any decision to exit was
much more difficult, not least because they often borrowed heavily to build infrastructure
(Eardley et al., 2001) and the structure of funding meant that they were paid on the basis of
‘outcomes’. An important point here is that organisations were neoliberalised in time as
well as in space. As a result of this, debates, about whether to stay in WTW or leave it,
were conditioned by the period of time that was inscribed in the contracts, giving CWO
supporters of the regime substantial armoury in the organisational war of position that was
occurring within the emergent ‘unemployment industry’ (Finn, Blackmore, & Nimmo, 1998).

**Conclusion**

This chapter has explored the ways that both hard and soft strategies of domination were utilised to secure WTW hegemony in the CWO sector. The former included strategies of denigration, silencing and/or purging of opponents and the mobilisation of a strong managerial pragmatism to override dissent about participation in the system. The latter were more subtle forms of domination. The first of these was individual CWO’s use of ‘narratives of mitigation’ to argue that they would prosecute WTW in a more humane, less brutal way than for-profit and other CWO providers. The second involved sophistry encapsulated in the articulation of an extended deferral, where commitment to the WTW project was constructed as contingent with the possibility of withdrawing from the system at some forever undefined future point. Each of these strategies had implications for dissenters and for contest, where the struggle for hegemony became a war of attrition in which the asymmetries of the neoliberalised context favoured the agents of its hegemony. In demonstrating the myriad ways in which neoliberalisation occurred in CWO’s delivering WTW programmes, the question of why it was so successful has also been touched upon, and is more fully interrogated in the following chapter.
CHAPTER SIX: WHY CWO’S WERE NEOLIBERALISED

Introduction

This chapter addresses sub-question three why did the process of neoliberalisation unfold as it did? It offers an explanation for why CWOs both entered, and then remained within, the neoliberalised WTW system, given the constraints it seemingly put on their own agency, the consequences for their missions, and its highly punitive elements and detrimental effects on unemployed people. It first considers external factors, with a focus on the role of the state in driving the neoliberalisation and corporatisation of unemployment assistance, despite the protests of CWOs about the punitive nature of the system. Secondly, it examines why many in the CWO sector, nonetheless, capitulated to the state’s agenda, through a consideration of how it offered them an opportunity to expand their economic, political and cultural power at a time when the reach and influence of faith-based organisations had been in historical decline. It, thus, shifts the focus from social regulation to the relationship between regulation and accumulation.

The first section considers a range of strategies utilised by the state in dividing and disorganising opposition within the sector, suppressing dissent and privileging more conservative organisations in the political field. This exemplifies the role of the state in applying particular political strategies to achieve its goals of harnessing the CWO sector to the project of governmental WTW. It focuses on strategic issues, rather than consequences already identified in the literature, such as the erosion of democracy and citizenship
(Carney & Ramia, 2001; Cass, 1994; Dalton & Lyons, 2005a; J. S. Davies, 2012; Maddison & Denniss, 2006; Maddison et al., 2004; Maddison & Hamilton, 2007; Melville & Perkins, 2003; Shaver, 2002; Zifcak, 2001). It provides an examination of some of the strategies used by the state in countering dissent and building an institutional framework for the commodification of unemployed people (Esping-Anderson, 1990), which incorporated a pivotal role for CWOs,

The second section is concerned with examining internal factors that influenced CWO’s motivations to participate in the neoliberalised system, by exploring the benefits and power that engagement in WTW potentially offered them. It, thus, shifts its focus from the tactics used by the state in forwarding the neoliberalisation agenda to the potential interests, power and influence of CWOs, including the economic effects and benefits that were contingently spread across the sector.

The chapter finishes with a discussion of the way in which the political economy associated with the neoliberalisation of WTW was explicitly implicated in the development of an unemployment industry in which unemployed people became a commodity for state-sponsored trade within neoliberalised CWO spaces, and within a moral economy built on neoliberal views and assumptions about the world (Carney, Ramia, & Chapman, 2007). It closes by asserting that the neoliberalisation of CWOs, through engagement in WTW, has contributed to a re-ascendancy of faith-based CWOs as sites of regulation of the poor, reminiscent of the role such organisations played under the British Poor Laws of earlier
centuries (Driver, 1993; Spierenburg, 2004; Walker, 2004). It argues that this has been an important strategy in building the infrastructure of meta-regulation for what Peck and Tickell describe as ‘new modes of “social” and penal policymaking, concerned specifically with the aggressive reregulation, disciplining, and containment of those marginalized or dispossessed by the neoliberalisation of the 1980s’ (Peck & Tickell, 2002, p. 389).

**External influences: the role of the state**

Much has been written about the Howard government’s attempts to muzzle the CWO sector during its reign (Casey & Dalton, 2006; Maddison & Denniss, 2006; Maddison et al., 2004; Maddison & Hamilton, 2007; Melville & Perkins, 2003). Most of this literature takes a position that is concerned with explicating the suppression of liberal pluralism and loss of democratic accountability, rather than political economy. For example, several scholars have highlighted how attacks by public choice theorists have eroded the legitimacy of CWOs as mediators between the state and the community (Brough, 2003a; Henderson, 2001; Hywood, 2004; Johns, 2000, 2001, 2002a, 2002b; Maddison & Denniss, 2006; Mowbray, 2003; Sawer, 2002). This was, partly, achieved by the Howard government funding of the conservative think tank, the Institute of Public Affairs (IPA), to develop a protocol for determining relations between the state and the CWO sector (Johns & Roskam, 2004; Mendes, 2009; Staples, 2006). This strategy was implemented specifically to stymie CWO dissent (Shanahan, 2003). Typically, the IPA took a public choice perspective, highlighting a conflict of interest between the advocacy and contractual roles of CWOs (Johns, 2001; Johns & Roskam, 2004). The protocol was aimed at delegitimising the role of
such organisations in undertaking public advocacy (Johns, 2001, 2002b). In addition, the
government tabled, but never passed, legislation threatening the charitable status of CWOs
and, thus, the tax breaks accorded to them (Australian Government, 2004). The proposed
legislation, thus, became an intimidatory threat used against the sector as it was
neoliberalised and exposed to market risks. These strategies speak to the ways that the state
maneuvered to marginalise the sector, as a collective voice of dissent, while programme
delivery was devolved to CWOs.

The following section explores other, less visible, less explored strategies used by
government to divide and suppress the sector during the process of neoliberalisation.
Respondents discussed three features of the state’s neoliberalisation agenda that created
tensions within the sector as some CWOs competed for ascendancy and influence at the
expense of others (see Mendes, 2004). The first was a divide and rule tactic, where some
organisations were rewarded for supporting the government’s agenda, and others were
punished. Secondly, the state sought to suppress sectoral opposition through the
establishment of a competing and politically-aligned group that might usurp the role of the
existing, somewhat recalcitrant peak bodies, thereby disrupting the established, more
progressive status quo within the sector. Thirdly, when the sector eventually launched a
major public policy intervention, in the form of an independent review, the state responded
immediately with the establishment of its own inquiry, aimed at containing the political
fallout. These examples are indicative of the political landscape in which CWO’s were
embroiled as the state drove the formation of an ‘unemployment industry.’ In addition, the
government was successful in pursuing these strategies because it was able to exploit existing schisms within CWOs around WTW.

**Divide and Rule**

Maddison and Hamilton (2007) have noted that the government used divide and rule tactics in favouring some larger CWOs, both in terms of awarding contracts and placement of personnel onto government inquiries and other bodies. Personnel from these organisations were awarded plum insider positions on government inquiries and boards. These included, for example, the placement of Patrick McLure, the CEO of Mission Australia, as the chair of the welfare reform process in 1999 (Reference Group on Welfare Reform, 2000). As noted earlier, Mission Australia is now a very large provider and its current leader is publicly supportive of WTW extension (Dunlevy, 2011). While paternalism and mutual obligation as policy drivers preceded the formal inquiry, it was this process culminating in what is generally known as the McLure Report, that formed the deliberative context in which these policies attained institutional legitimacy (Castles, 2001b). It was during the first iteration of the reforms that emerged from the McLure process, that social security breaches soared. Many organisations in the sector were engaged in adversarial politics against the government over breach rates during 2000-2002. However, WTW criticism was not a universal platform of CWOs and there were very disparate positions about mutual obligation and breach rates within the sector (Moyes, 2001), with some organisations embracing its paternalistic thrust, evident in the use of the term ‘welfare dependency’ in so
much of the CWO literature of the time (see e.g. Mission Australia, 2000; Smith Family, 2000). The government exploited these differences, through strategies of divide and rule, and fear and favour. In the establishment of the Welfare Reform Reference Group, there had been a key motive to dilute the influence of public servants in the left-leaning Department of Family and Community Services and the welfare peak ACOSS (Mendes, 2005b; Stewart & Maley, 2007). Further to this, Howard, himself, had noted that he favoured more conservative faith-based organisations, explicitly citing the Salvation Army (Stewart & Maley, 2007).

While individuals from some of the organisations, deemed to be closest to government, chose not to participate in this study, the following transcripts describe the nature of differences and conflict within the sector. Much of the division centred on the question of breaching and its role in the regulation of unemployed people. The extract below from QA highlights views and attitudes that could be harnessed and exploited by the government in establishing the WTW agenda.

There was conflict, sector-wide… everything. So, some said never breach. Some said it’s a reality; just sort of try to ameliorate its effects… And there are some whose personal and organisational views were that actually a breaching regime is a functional part of a Social Security and a participatory system. In other words, that it was basically kind of a good thing provided that they weren’t too harsh and there were services and supports to go with it (QA).

The comments indicate that the struggles taking place within individual organisations, as explored in Chapters Four and Five, were replicated across the entire sector. As with contest within organisations, the sectoral positions taken by the second (ameliorative effects) and third (supportive) groups of organisational actors support the power relations
built into the surveillance and disciplinary elements of the system. They accept the premises of WTW, which individualise unemployment and align with paternalism, rather than with structural accounts of unemployment. These positions mirrored those of the state, and negated the possibility of the development of a strong collective political agency, engaged in counter-hegemonic struggle against the premises and practices of WTW. They also allowed for the government to build a wedge in the sector. Thus, much energy was diverted to intra-sectoral contest rather than outward in counter-hegemonic struggle. In this way the sector played out the divide and rule dynamic identified by Maddison and Hamilton (2007, p. 88).

In many ways, the politics of WTW replicated wider wedge politics played out by the government, where divisive social issues were used as a calculative political tactic to ‘gain political support, weaken opponents and strengthen control over the political agenda’ (Wilson & Turnbull, 2001, p. 384). In the extract below, TF describes the diversity of positions, in a nuanced way, highlighting the problems this caused for collective advocacy. His comments illuminate the weaknesses and schisms within the sector that made it ripe for the politics of division. TF also identifies inconsistency and hypocritical positions by organisations which, again, made transparent weaknesses that could be exploited by the government.

Well there have been many difficulties across the sector trying to come to an agreement on a position we can take to government. One of the big problems is that organisations themselves have diverse views. Often there seems to be idiosyncratic views by particular players that are counter to the views of the larger organisations. Some of the managers in some regions are basically rednecks. So you might have a senior organisational player in Melbourne take a strong view against breaching, but managers
and staff in other places don’t necessarily share that view. Some agencies seem to say one thing and do another. It’s not a simple picture. But these issues have made it more difficult to get agreement across the sector. It does weaken our collective advocacy (TF).

XA, from his position inside a major peak organisation, provides more detail about conflict within the sector.

Across the sector we could not agree. We could not agree. None of us could agree that there should be any [breach] penalties. We certainly couldn’t agree on the severity of the penalties. I mean we all knew they were too harsh, but we couldn’t agree on, you know, how the sector should respond as a whole. The Bigs, they were closer to government. They had a much more conservative view. But it wasn’t consistent. Some of the more progressive organisations, or at least the ones we thought were more progressive, were supportive of the breaching system. Even here in Organisation A the views are diverse (XA).

He highlights the widespread and deep nature of conflict within CWOs. Even in progressive organisations, including Organisation A, with its strong role as a peak, there was no agreement or cohesive position about WTW legislation, particularly in relation to the breach mechanism. The divide and conquer elements of political strategy and the political interests of conservative forces within the sector and within individual CWOs, aligned as they were to government policy, contributed to a fracturing and fragmenting of advocacy positions. This is most clearly evident where XA identifies that, at the institutional level, there were organisations which he refers to as ‘the Bigs’ who were ‘closer to government’ and ‘more conservative’. This brings forth another strategy exerted by the state, the process of destabilising and attempting to usurp the existing, more progressive leadership in the sector, through the elevation of sympathetic leaders and their organisations. While this organisation mobilised to maintain its position in the sector, the extracts and analysis below indicate that the political process through which these tensions were resolved, ultimately, contributed to the practical extension of WTW and the consolidation of neoliberal WTW hegemony. The discussion below also hints at why the
sector was so susceptible to neoliberalisation, and the role of both state power and sectoral politics in conditioning the process of neoliberalisation.

Usurping sectoral leadership

The role of the ‘Bigs’, large CWOs that exerted high levels of influence and were ideologically aligned with the state, is crucial to understanding why the sector complied with the WTW agenda. This issue is explored through a series of extracts from XA and TF, who both work for peak bodies. XA identifies how these organisations maneuvered to distance themselves from more progressive elements of the sector and consolidate their power with government.

He’d be saying to them, the Prime Minister would be saying ‘why do you put up with that shit from [Organisation A]. Aren’t you a member? Why aren’t you in there bloody stopping those bastards from criticising us all the time.’ And ZZ and ZY have given us a bit of stick behind the scenes. You know ‘what is this’? … there was talk about a break away and an independent group and stuff (XA).

XA describes the way in which these large service delivery organisations responded to pressure from the Prime Minister to silence critiques of government by the sector peak. He highlights the political stakes in this conflict, stating that the ‘Bigs’ considered formation of a breakaway peak group, conservative in nature and closely aligned with government, as discussed further below. In the extract below he describes the necessity to ‘placate’ these groups as a political strategy.

We had to start meetings of those big groups to placate the Bigs, the big service providers - as opposed to the consumer groups who are screaming for more and more of this criticism of [WTW] - but the big service providers are wanting it done less, more subtly (XA).
This highlights how Organisation A was required to tie up scarce resources in placating these large, more conservative groups. It demonstrates a schism between these large provider groups and consumer groups who were affected by the various regressive social policies prosecuted by organisations engaged in WTW. It makes clear the political difficulties faced by the peak, where its legitimacy was under threat from within, and its political power was challenged by WTW proponents who were closely aligned with the state.

In the extract below TF, further describes the way some of the larger more commercially successful CWOs exerted power in the sector to silence public criticism of the commercial arrangements and practices of the JN. The decimation of smaller providers, and failures of the JN and WFD to meet the needs of unemployed people, were outweighed by private interests. This was central to the power plays in the sector. Here, the role of these large CWO organisations, in exerting pressure on dissenting voices and, thus, collaborating with the state in establishing and consolidating the hegemony of the system, is made transparent.

I attended a conference of all of the providers in Melbourne at the time and said ‘this was blowing up’ and it was clearly problematic. People were going broke. The system wasn’t helping people. People weren’t able to do… but it was characterised as the ‘world of grins’. Anyone who wanted to advocate against it was advocating against the commercial interests of those who were in it and the bigger providers were very loud about keeping quiet. So ‘shut your mouth. You’re doing damage to all of us’ (TF).

This extract demonstrates that the silencing of dissent was not a singular trajectory asserted from the state, but that there were significant horizontal players who stood to benefit from crushing protest. The political machinations associated with this powerful group within the
sector acted to usurp the voices of sectoral leaders. The political lengths these organisations went to, in concert with the state, are made more transparent by XA below. He identifies a particular agent by position, cites the relationship between this individual and the Prime Minister, and states that funding was made available to examine the possibility of establishing an alternative representative body.

In fact there was a move to set up an alternative body as a peak industry body to look at… It came from ZY, the Chair of ZY, close to the Prime Minister, Liberal Party, all of that stuff, that’s where it came from. They even got money out of business, the bloody Prime Minister’s community business partnerships to fund a feasibility study (XA).

In the extract below XA describes the way that Organisation A mobilised to counter this strategy by diluting the remit of the proposed organisation, taking an aggressive role in advocating for how it should be shaped and what it should include.

We decided, rather than allow it just to happen we thought we better get in there and try and shape it and now it’s become the Third Sector organisation. … our strategy was to not deny that such a body had some validity but to make sure that it didn’t just deal with the community welfare sector but that it dealt with the entire Third Sector, including all the voluntary organisations, the Scouts and the Arts and the sports. Now we’ve got this overarching third sector peak. We’re a member and it’s not a threat to us (XA).

This extract demonstrates an important way that the divide and rule tactics utilised by the state were played out in the sector. It demonstrates that more progressive organisations and activists had their energies and political agency tied up in defensive strategies, attempting to secure their position against moves to usurp them by more conservative forces that were aligned with the state. While XA represents this as a win, as no longer a ‘threat to us’, it evidences how some of the more progressive organisations within the sector, played out
struggle on external fronts. However, it also demonstrates that these battles were shaped by political strategies of the government.

**Outmanoeuvring critics: Political machinations and Pearce**

One way progressive forces tried to seize the initiative, transcend the conflict within the sector, and reassert their own leadership was to facilitate an independent review into breaches and penalties in the social security system (Pearce et al., 2002). While the sector was divided over WTW and the contests were fiercely fought in a highly uneven terrain, there was a point at which the sector largely, but not universally, came together to undertake collective advocacy in 2002 and early 2003. This was in response to a sharp rise in social security breaches during 2001 and 2002 (ACOSS, 2001a, 2001b; Commonwealth Ombudsman, 2002; Salvation Army, 2001). It took the form of funding for an independent review of breaches and is referred to as the Pearce Review (Pearce et al., 2002). The most specific requests asked of the review by the auspicing CWOs were to:

- identify factors affecting, and the consequences of recent changes in the incidence of breaches and penalties relating to unemployed people receiving social security payments; and
- recommend any improvements in the effectiveness and fairness of the system which we consider desirable in relation to statutory provisions and policies and practices of governmental and non governmental agencies. (Pearce et al., 2002, p. 2).

The review was used by the sector to pressure government to make reforms to soften the harshest elements of the breach system. At the same time, the political process associated with the review also resulted in the extension of WTW to more vulnerable and previously protected groups (Australians Working Together (AWT), 2002).
The extract below identifies moves on the part of the state to circumvent the public deliberative process established through the Pearce Review. It also examines some of the political machinations associated with the Pearce Review; that is, its role in building a temporary coalition amongst CWOs, and, importantly from a critical perspective, its contribution to legitimising the breach mechanism at the institutional level and the extension of WTW to other groups. XA describes the genesis of the Pearce Review process. He discusses the problem of getting political traction for advocacy aimed at reducing the level and intensity of breaches imposed on unemployed people.

We eventually decided this is not getting anywhere. We’re exposing it. We’re exposing it. The numbers are going up, the numbers are going up. It’s an issue. It’s a one or two day wonder every time we expose it. We’ve got to break that cycle. We’re not getting any political traction. Government doesn’t feel that they have to do anything about the numbers nor about the severity of the penalties. So, um, a rare moment of inspiration. We decided we needed our own independent review. We needed to try and create something… a space where everybody could say ‘well okay let’s go there instead’. It’s neutral. It’s neutral. So we rang around. Got all of round about seventy or eighty thousand dollars from seven or eight organisations - kicked in ten thousand each into the can - and set up an independent review with Pearce – Pearce, Disney and Ridout (XA).

The comments above reflect the need for something neutral and independent that could transcend the contests within the sector for successful collective action to occur. The review required impeccable legitimacy for it to be politically effective. Thus, the constitution of the Independent Review panel was critical in giving it cross sectoral and political acceptability; it included a former Ombudsman, Dennis Pearce, a highly respected social policy analyst and former head of ACOSS, Julian Disney and a respected and powerful person from the business sector, Heather Ridout.
Importantly, some of the groups siding with government in support of WTW and the neoliberal model also funded this review highlighting that some of these groups were also developing disquiet about the harshness of some of the policies. In the extract below, XA proffers an alternative, more morally charged explanation.

> It is true that those with contracts are compromised and they say and do less. However, by the same token, it was those with contracts whose conscience made them kick in the ten thousand into the can to give us the capacity to go a different route (XA).

XA, thus, indicates that he believes it is bad moral conscience, rather than self-interest, that motivated such organisations to contribute funds for the review to be undertaken. However, TF contends that this was, in part, motivated by a political decision about how such organisations were publicly perceived.

> We all put in twenty grand each to fund that. That was an interesting thing… and I’m privy to some of these discussions that go on from some of the head … the sort of leaders and CEOs of some of the big churches and charities. While it’s important for them, from one point of view, to be seen to have a strong social justice orientation … when one observes the discourse that goes on in the public arena and the private arena and elsewhere, there’s a growing tendency for their discourse to be informed by their own business interests (TF).

His observation indicates a more instrumental motivation by such organisations in funding the review. TF proposes that, for their public image, it was important that these large organisations be seen to be strong social justice advocates, thereby safeguarding their

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7 The commissioning organisations for the review were Australian Council of Social Service, Brotherhood of St Laurence, Community and Public Sector Union, Jobs Australia, Job Futures Limited, Mission Australia, National Welfare Rights Network, The Salvation Army, Australia Eastern Territory and The Smith Family. Additional funds were made available to the Review by way of a grant by Bokhara Foundation and Search Foundation (Pearce et al., 2002).
public standing. However, he balances this with a strong view that their private interests are transparently evident within industry and other insider contexts.

In any case, the role of large insider organisations that were close to government, in supporting the review, was important in gaining political traction for the overall sector in advocating for a softening of the system (Mendes, 2004). However, the inclusion of organisations with close political proximity to government, may have had other consequences. TF states that it was believed that such organisations could exert influence on the relevant Minister J. He indicates that this was successful, adding insider texture by stating that he ‘heard it from the horse’s mouth’.

Well the independent review of breaching which became known as the Pearce Review was set up,… facilitated or instituted by ACOSS as a means of trying to pursue the breaching, penalties objective when it was thought that some of those organisations with some of their status and standing in the community and their interest in broader social justice issues could create a vehicle which could serve to influence [Minister J] and others on that agenda and, in fact, it did and I know this to be the case because I had this from the horse’s mouth so to speak. The government and [Minister J] sought to gazump Pearce by introducing a range of changes to the system (TF).

TF claims the government maneuvered to dilute the political effects of the review by pre-empting changes to the breaching regime. This political process is elaborated in several extracts from XA below. He firstly describes, in intimate detail, a conversation with the junior minister at the time, KW, warning him that a detailed report on the level and effects of breaching was to be released and that they were instituting an independent inquiry, naming two of the large organisations that were close to government as funding partners.
The government swiftly responded by setting up its own inquiry into breaches. In XA’s description, the communication to government that its political allies had coalesced with its opponents to fund the Pearce Review provoked action. While the process achieved the desired effects of a softening of the breach mechanism, and consolidated the position of the peak organisation, the public face of this was negated by the swift action on the part of the government.

I rang the Minister on Friday. We knew we were going to put out this report on Sunday for Monday. I rang the Minister, J, on the Friday, didn’t take the call, so I rang the junior Minister on Saturday out on his farm, KW. I said ‘K we’re putting out this report. We want to tell you something we’re putting it out and it’s going to expose the numbers yet again. It’s going to be pretty damming but we are also going to announce an independent inquiry. We do not want this to be just another political battleground. It’s pointless. It’s just too harmful, too damaging and the whole sector is now really worried about the number of people that are sort of being breached and then coming to charities. It’s really become an issue. So we’ve got all… Mission Australia, the Smith Family and these others kicking in. We’ll be announcing this on Monday but it’s not, I assure you, it’s not a political point scoring exercise. Here we want to say that the whole of Australia needs an independent review for the sake of these people.’ He said ‘well that’s very interesting. Thank you for letting me know. I’ll have a look at the report’ - so it was emailed up to him on Saturday – ‘and I’ll get back to you tomorrow and let you know. What we’re doing... you know how ... we view the report’. On Sunday I started to get phone calls from the media saying the Minister’s announced an internal inquiry into breaches, a Senate inquiry into Centrelink. At first I thought you bastards and then it didn’t take long to realise well that’s bloody good actually because even though it’s only administrative and its only internal and its only Centrelink, it might achieve about 50 percent of what we’re trying to do anyway. All we had to do was announce the inquiry, the independent inquiry and look what happened. So that’d moved it on. Numbers started coming down almost as soon as the inquiry started. Centrelink started looking at its practices (XA).

So, the institution of the Pearce inquiry and response by government meant there were parallel inquiries running on breaches and penalties associated with WTW. The extract below highlights that the findings and recommendations of these two inquiries were very similar. This is verified by a comparison of the Pearce recommendations with those of the
The Senate Review (Australian Senate, 2002). The Senate Review cites the Pearce report and notes that ‘(3.13) The Department contends that when the Pearce Review was released many of the recommendations had already been implemented as a result of the Centrelink internal review or other ongoing processes’ (2002, p. 38). The parallels are referenced by XA below.

The Independent Review circulated a draft of its findings and recommendations prior to a few people and somehow, somehow that got leaked and somehow a lot of the Senate’s recommendations just happened to look the same as the independent review. So they preempted the independent review as soon as we told them the independent review was going to announce their outcomes (XA).

XA credits the Pearce Review process with forcing the government’s hand. However, in the extract below, he also highlights the necessity for ‘horse trading’ in relation to the Australians Working Together legislation, the tranche of welfare reforms that the government had introduced to Parliament, which extended WTW to people with disabilities and sole parents (Department of Family and Community Services, 2002, 2003).

This brings another political dynamic into the frame, where the government achieved its own political ends in extending the remit of WTW to other groups in exchange for a legislative, as opposed to administrative, softening of the breach system. In the negotiations around the proposed WTW changes Organisation A was engaged in discussions with other parties who were instrumental in the legislation passing the Senate. XA describes how Organisation A sanctioned the extension of WTW to people with disabilities and sole parents in exchange for softening the breach mechanism and protecting the working credit measure in AWT. The working credit, which was included in the AWT Bill (Department of
Family and Community Services, 2002) under the title Making Work Pay, was instituted from September 2002 and was devised to ‘encourage people to take up temporary or casual work opportunities’ (p. 1). People on income support payments could accrue up to $48 per fortnight from their income free area, or if they had little or no earnings, up to a maximum of $1000, so that their payment would not be reduced as much when they took up paid work.

Well there was no intention of the government to do anything. I mean it gave the government the impetus to do what it did do, but it didn’t have the intention to do it. It needed to be seen to be doing something. But the reason it went further is the government... the particular changes to arrangements for sole parents and mature workers which formed one part of the Australians Working Together legislation had to get through the Senate, you know. So there were two sets of horse trading going on. One with the Democrats and one with the ALP. In the end, the Democrats were prepared to do a deal and I think if they had not done that the Treasurer was... the other part of that package was the working credit thing and Treasury was just dying to get its hands on that. I think that represented $700 million of the package and it was a question of knowing where you draw the line and what to give up... when to give up (XA).

So the political machinations associated with Pearce were important for the softening of the penalty system at the time, but they were also central to the extension of the remit of neoliberal WTW, a key objective of the government (Reference Group on Welfare Reform, 2000). In addition to securing the changes put forward by Pearce, most of which had already been recommended by the government’s own inquiry, and to protect the working credit arrangements, people with disabilities and sole parents were ‘given up’ to the system.

The ‘horse-trading’ that was done, the trade-offs agreed to by powerful players in the sector, under the deliberative auspice of the Pearce Review, were undertaken without any challenge to the premises of the system or critique of the political economy of
neoliberalisation. While the Review provided a central role in softening the breach regime, it also formed part of the politics that instituted the breach as an accepted mechanism in the social regulation of unemployed people, as well as the extension of regulation to previously quarantined groups. Thus, the government was able to stem dissent about the legitimacy of breaching from within the sector, silencing counter-hegemonic struggle about the element that most divided it. The institution of the Pearce process, funded in part by, and steered by, conservative forces within the sector and supported by progressive ones, in the pursuit of unity, in fact secured political legitimacy for breaching as a strategy of regulation within CWOs. The terms of reference for the review were constructed inside the premises of the neoliberal reform agenda. To this end, the focus of the review was on technicalities of WTW: referral processes, activity tests, reporting, management and accountability. The focus was on reducing the ‘harshness’ of the breach regime, rather than challenging its legitimacy or the political economy of WTW. It was yet another acquiescence to the moral economy inscribed into social regulation and the governmental processes through which this was practiced (Henman, 2006; Marston, 2008; Marston et al., 2005; Marston & McDonald, 2006; McDonald & Marston, 2005). It also sanctioned the multiple forms of governmental rule applied to shape the behaviour, appearance and compliance of unemployed people within this moral economy, giving CWOs social agency as moral entrepreneurs (Hasenfeld, 2000; Howard, 2006; Marston et al., 2005; Marston & McDonald, 2006; McDonald & Marston, 2005; Voyce, 2003 - 2004). This reflects the concerns of powerful players inside the sector who accepted the discourse of paternalism and ‘welfare dependency’, and were broadly sympathetic with the neoliberal WTW agenda, but who had experienced some discomfort with the level and harshness of the breaches
because, according to at least one player, they had a public image problem associated with their supportive prosecution of WTW.

While many contended that a key advantage of the Review was its ability to present a CWO united front against WTW, others saw it as another betrayal of the unemployed and a missed, and potentially last, opportunity for a progressive resurgence. Below, XA describes the uniting element of the process and highlights how, as a ‘compromise’, the Pearce recommendations were, despite their ‘toughness’ and ‘unfairness’, nevertheless palatable. ‘Reducing the harshness’ of the penalty regime was something that all parties could get behind despite their philosophical differences with the ideology and premises of WTW.

The other thing that the independent review did was that it gave the sector a rallying cry. None of us could agree that there should be any penalties. We certainly couldn’t agree on the severity of the penalties. I mean we all knew they were too harsh but we couldn’t agree on, you know, how or if they should apply. But we all fell in behind Pearce and said ‘look it’s a compromise. It’s not as good. It’s still tough. It’s still unfair, but hell at least we can all fall in behind it (XA).

While much of the sector came together in this contest, the comment by DE below, who was from one of the auspicing organisations, highlights the concerns by antagonists in the sector about this. When the review was established, CWO agents engaged in it, either as funding partners or deliberative agents, were not aware of the additional political ends to which it would be put, through the ‘horse trading’ that emerged as part of the process. DE discusses these issues below, but provides an overall positive evaluation of the process as helpful.

We did work with the other agencies on the breach report, Pearce. We put in some funding and it was something that we could agree on. Some
organisations weren’t happy with the support for restricted breaching recommended in this and some individuals even here weren’t happy. Also there was a lot of consternation about the extension to other groups, people with disabilities and such, which was part of the political process in reducing breaches - the horse trading. But at least we got the sector together as one on reducing the harshness of the breach system. It did help (DE).

DE outlines the costs and consequences of the ‘horse trading’, but does so without real critique. His representation highlights how Pearce was central to further marginalising dissenters who felt that the breach should never be supported as a matter of principle. This highlights a further dynamic at play that compounded the existing vulnerabilities they experienced, as outlined in Chapters Four and Five.

These concerns and the debates around breaches are more explicitly expressed by FC in the extract below. While his organisation (C), ultimately, took the line of institutionalising the breach by supporting Pearce, there were profound and unresolved differences in coming to this position and dissenters were politically marginalised by the process. While these debates were never resolved within the organisation, and it, ultimately, lost contracts, the support for the Pearce process superseded the internal hegemonic contest.

In our public advocacy I guess we followed pretty much the line that [Organisation A] and that the Pearce Report took. We didn’t oppose the necessity of having breach penalties ultimately, but we did argue about how much they should be and that how easily and quickly they should be applied and argued a lot about the system being too trigger happy if you like... But yeah there are certainly arguments between different bits of the organisation about breaching and some people in employment felt that they were unfairly singled out for their role in breaching and that the organisation didn’t understand what they were doing. Other people thought that it was shameful that we were involved and that we were contributing to people being breached and so it was quite, I think, emotionally difficult (FC).
TB, a respondent in an organisation that did not fund the review, but which put forward a submission to the process, provides a more antagonistic perspective. His comment below highlights that, while many in the sector saw the Pearce process as a cohesive moment of political advocacy and struggle in which the sector was united, others strongly contested this view.

We were furious… we still are that they (Organisation A) traded off protections, for single parents especially, as part of the political fix that went with the Pearce Review. They claimed to speak for the sector. They didn’t speak for us (TB).

He is particularly scathing of the political process and horse trading that accompanied the review and challenges the assertion that the sector spoke with a united voice. Thus, TB indicates that, as a uniting strategy, Pearce did not fully achieve its objectives. Major concessions were made, whereas antagonism and dissent still prevailed, at least on the part of some organisations or parts of these organisations.

Others from Organisation B were more circumspect in their position about the Pearce process. For example, in the extract below BB states ‘dissatisfaction’ with the position of the peak organisation in the Pearce process, but makes a number of statements in support of the political legitimacy of the organisation in a context of more conservative voices gaining ascendency. In this context, a different point of view is expressed in a more subtle way. This view takes account of the wider political machinations around Pearce, which were associated with shoring up the role of Organisation A in the face of a conservative onslaught in the sector. From this perspective, the shift to the right, exemplified by the deliberative institutionalisation of the breach mechanism and extension of the remit of
WTW, are seen by BB as lesser evils than ceding the territory to those more conservative organisations.

Look, I argue, and have argued with other bodies that Organisation A is an extremely important organisation. It is the only one that does bring us together and gives us a voice. I get concerned that the government is seeming to choose to promote some other bodies. And that, to me, looks like somebody wants to exclude Organisation A and I think that their voice is an important one. It also means it is very important for Organisation A to actually give a fairly accurate voice of the feeling of the sector as well. And I think they do that. I know from my point of view, we often work on different positions with Organisation A and, in many instances, would find that there is agreement on the position. But in other instances you would find that there is quite a divergence. I think on the acceptance of the recent welfare reform, our position was quite different from theirs and, in fact, we were quite dissatisfied with Organisation A’s position (BB).

Notwithstanding the defence of the sector by BB and others, ultimately, the sector was too weak to take a more assertive line on the WTW system and its reactionary assault on the poor. While efforts to out-smart the state can be spun as a success in curbing WTW excesses, it did nothing to prevent its expansion or challenge its political, economic or social foundations. As noted previously, the sector was only capable of standing collectively against policy elements because it does not have a collective vision for any alternative system for which it is willing to fight, in part because of the ongoing political and social distance between these organisations and those they purport to serve, with the exception of Organisation G, which has steadfastly rejected the WTW system.

This section has highlighted how the political machinations associated with the Pearce Review were constitutive of a double-sided political play, which tells of why the sector was susceptible to the embrace of neoliberal WTW. The constitution of Pearce did transcend
much of the conflict and, at least temporarily, shored up the peak organisation within the sector. It also achieved a softening of the harshest elements of the system and was hailed as a win by the CWO sector (Mendes, 2004). On the other hand, manoeuvring by the government in response allowed them to pre-empt change, remove political heat and to stifle emerging dissent amongst its strongest supporters in the sector. The review, and political machinations that accompanied it, were instrumental in achieving political and institutional legitimacy of the breach mechanism as a potent form of behavioural sanction for unemployed people, a long held aim of the Coalition. In addition, this process was also instrumental in building a political consensus that saw WTW extended to those most vulnerable, such as people with disabilities. This was a major step that bedded down the emergent hegemony in WTW. It was a pivotal moment in which the sector in practice took a step to the right, gave up dissent about breaching, and gave into neoliberal ideology.

In partially winning this strategic battle CWOs actually lost the ideological and political war over welfare reform. Regardless of the positive spin CWOs put on the Review, the state turned it into a death blow for progressive sectoral struggle against WTW, which has not materialised on any equivalent, or more assertive, scale since. Any future struggles now only take place where landscapes of social democracy had been ceded to neoliberal hegemony. While government pressure on the sector has been made clear, this section also tells a story of acquiescence led by sympathetic CWO leaders. When viewed in concert with the rise of pragmatists and managerialists within potentially dissenting organisations, as explored in the previous chapters, it throws new light on the powerful processes at play in the extension of neoliberal ideology into once progressive social landscapes.
Internal Influences: Organisational Survival and Power

What remains to be explained in detail is why large sections of the sector were so susceptible to the state’s divisive tactics and sympathetic to the broader neoliberalisation agenda. In this section the internal motivations of CWO’s is examined with respect to the economic, political and cultural power that the state’s neoliberal agenda potentially offered them. While respondents highlighted the importance of JN contracts for organisational survival, they were not in themselves sufficient to meet the capital accumulation ambitions of some CWOs, leading to the systematic tendency to ‘cream’ lucrative clients, ‘park’ the most difficult to place (Considine, 2003, pp. 70-72; Productivity Commission, 2002 chapter 9), and, on occasion, to participation in fraudulent practices and rorting. Notably, the latter has been exposed in the media, but not explored by scholars (Besser, 2011a, 2011b, 2012b, 2012c; Morris, 2007; Vasek & Karvelas, 2012). Ultimately, the rise of the unemployment industry allowed not merely survival, but also organisational affluence and power, for some faith-based CWOs, arguably on a scale not enjoyed by such organisations for many generations. Moreover, the means by which such possible financial gains were to be realised, aligned well with a current of conservative paternalism within many faith-based CWOs (Hackworth, 2010b; Warhurst, 2007). Such paternalism had survived from previous eras of social dominance, allowing such organisations to foster and facilitate the re-emergence of traditional roles associated with the social control of the poor, in tandem with the state (Spierenburg, 2004).
This section commences with an exploration of the way that the political economy of neoliberalised WTW conditioned action towards organisational survival, in some CWOs. This was the case in organisations that did not succeed in expansion and development. It discusses the way that variable social geographies were implicated in the contingency of outcomes, examining the effects for an organisation with contracts governing very depressed economic geographies and constituencies. It then looks at an organisation with satellites in variable sites, and explores how the dynamics of neoliberalisation were implicated in the outcomes for this organisation, highlighting the evolution of the creative-destructive dynamic of neoliberal capitalism (Harvey, 2007; Peck & Theodore, 2007). For these organisations, structural factors meant that survival, in the first instance, and maintenance of position in shifting economic landscapes, in the second, were the principle drivers of action, and that client needs were subjugated to these factors. The latter part of the analysis below, shifts from questions of interests as economic survival and/or adaptation to questions of booming accumulation, expansion and socio-cultural power, resulting from the establishment of an ‘unemployment industry’ in which CWOs have become powerful players (Finn et al., 1998, p. 14).

**Economic survival and power**

When organisations entered the field of WTW they often borrowed heavily to develop infrastructure to support their programmes (Eardley et al., 2001), placing them in a position of deep path-dependency with regard to financial interests. Borrowing was ostensibly undertaken on the presumption that organisations would consolidate their positions, and
that the incomes generated from the contracts would fund such service infrastructure, including professionalisation of some CWOs’ original volunteer labour force, and allow for growth. What appeared to be absent in the equation was the outcome-based nature of payments. This meant that income generated was always going to be contingent on jobs being available in regions where CWOs were located. Unemployment and underemployment have become enduring spatially-conditioned elements of the economy under global neoliberal capitalism (Cowling & Mitchell, 2003), with many regions experiencing substantial economic malaise (see e.g. Allen et al., 2007; Burrows, 2013; I. Gray & Lawrence, 2001). Following the logic of neoliberalisation, great variability in job outcomes occurred in regions and market failure was endemic in the early rounds of the JN (Cowling & Mitchell, 2003). In areas of high structural unemployment, CWO providers struggled financially while unemployed people were subject to intense regulation even though there was little hope of attaining sustainable work (Haughton et al., 2000). This was referenced by RI who describes the difficulties with finding employment for clients in Tasmania and Newcastle where the CWO held contracts.

Well we found we were just cycling people through Work for the Dole without any possibility of finding any kind of real job for them. There are no other labour market programmes. Work for the Dole is all there is (RI).

Because unemployment was so high in these regions the organisation did not generate sufficient income from JN to retain viability. Energies were focused on the dual tasks of economic survival and meeting the requirements of the contract to keep people ‘active’. Thus, they were substantially policing much less lucrative WFD programmes rather than placing people in actual jobs. RI describes a deep contractual commitment and the
experience of financial threat as a result of engagement in JN contracts where the prospects of attaining employment outcomes were poor.

The government through the contract process has just been able to tighten the screws on the agencies. So all agencies are now deeply committed to delivering services, are finding it much more difficult to make ends meet and keep their heads above water and provide the level of service to honour the contract while the government reduces the amount of funding available (RI).

RI describes the deeply oppressive political economy in which the organisation found itself and echoes the sense of victimhood of some organisations highlighted in Chapter Four. This description is suffused with expressions of powerlessness and economic captivity in the face of contractual obligation. In this instance, organisational survival became the primary motivating force, replacing expectations of CWO development and growth. While the power relations between the CWO sector and government are made explicit, RI is silent on the relations between CWOs and unemployed people. The primacy of the contractual requirements and the economic survival of the organisation in the competitive context were paramount, but the consequences for, or interests of, unemployed people are not addressed. To survive, organisations were required to perform the punitive and disciplinary regulative work of WTW, with slim hope of placing people into jobs.

In many instances, the way that the contractual dynamic played out led to particular variegated geographic outcomes for CWOs as predicted by the social geographers (Harvey, 2007; Peck & Theodore, 2007). PB describes both growth and contraction in services provided by Organisation B, highlighting geographic contingencies. Geographic decisions were made about what areas could and couldn’t be viably served.
It has left us, in financial terms, about the same, but fewer sites though. What’s happening in Job Network is that, as deregulation advances, the tendency is – fewer providers, fewer sites, but bigger sites and that has happened to us too. We have got 15 sites, where we had 24 last time, but the overall business is about the same, they are bigger sites (PB).

While the contract value remained the same after the third round, it was concentrated into fewer and larger sites meaning that unemployed people in some regions were required to travel further or had less choice in service. Many CWOs succumbed to the centralising tendency of neoliberal policies.

This section has focused on the question of interests as they relate to economic survival. It has analysed the experience of an organisation which went into the business of regulating unemployed people, but found itself captive to the wider neoliberalising logic where actual jobs were thin on the ground. Instead of placing people into employment, they found themselves churning unemployed people through WFD programmes, with little hope of assisting them to find actual jobs (Le & Miller, 1999; Watson, 2005). At the same time, they found themselves financially captured within the system, whereby the potential income they could generate was limited by the effects of neoliberalised space on the geographies inhabited by the people they regulated. Neoliberalised space conditioned the trajectory of expansion and contraction in a second organisation. This, again, highlighted how neoliberal progression shaped differential spatial outcomes for unemployed people and the organisations contractually charged with regulating them. The following section explores the experiences of CWO’s who flourished through engagement in neoliberal WTW.
Accumulation and expansion

The creative destructive dynamic of neoliberalising space remade the institutional landscape, wherein some CWO’s struggled for survival while others experienced very substantial growth. By 2008, the value of the JN contracts was worth over $2.1 billion dollars to the job placement sector, more than 50 percent of which was held by the not-for-profit sector (Finn, 2008, p. 12). Finn also notes that most of the growth in the sector was in organised religious institutions, with the Salvation Army and Mission Australia being the largest agencies in the network overall. In the interviews, respondents generally occluded the vested interests of their own organisations when discussing participation in the WTW regime. As is evident from Chapter Five, however, there was common reference to CWO business models and financial interests by some respondents. Nevertheless, the issue of financial interests was directly addressed by members of peak organisations, who did not generally deliver services but were privy to many of the practices and developments in the sector. For example, TF made the following comments:

There is a very clear tendency for there to be a greater focus on the business interests of the organisations and a diminution of their focus on their values and what they were there for and about assisting people. I think that’s most starkly illustrated by the extent to which a lot of employment services providers, non-profit and others, are inextricably involved in the process of breaching and penalising unemployed people, which is partly a product of systemic things like the way things - the way that chains of activity actually happen. But it clearly illustrates that, for some organisations, primacy…. there is primacy of business interests over what they would purport to be their roles as advocates for the poor and oppressed (TF).

TF identifies the role of organisations in the breach process and states unequivocally that, for some organisations, there was a clear privileging of business interests over the interests...
of unemployed people. His representation here represents a mixture of both relative captivity and agentive choice and this choice is reflected in the privileging of business interests over those of clients. When asked to give an example of this privilege he stated:

Well I’ll give you an example [Organisation E] is on record in a Senate Estimate Committee hearing, the Senate Community Affairs Legislation Committee, railing about the immorality of Work for the Dole. And the next year as it got…. as it was obvious that it was going to get bigger, that there were very large sums of money involved, they suddenly started bidding for it…. You think…well what are you doing? (TF)

Here TF identifies contradictory moral positions associated with agentive choice in shaping the decision by Organisation E to make a bid for WFD programmes. His evaluation is that the substantial amounts of money available, and the size of the contract, conditioned a business decision by the CWO to be involved in bidding for the contract, and this outweighed the earlier publicly stated negative moral evaluation of the programme. The decision to pursue a contract that was not aimed at placing people in work but, rather, aimed singularly at policing unemployed people to meet obligation requirements, through WFD, highlights the primacy of generating income through regulation over producing actual work outcomes for unemployed people. It also highlights a willingness to undertake this work, even though it was much less lucrative than successful implementation of JN placements. In neoliberalised landscapes where jobs were scarce, business decisions were made by organisations to undertake WFD when the financial promises of the JN failed to materialise. The shifts in this organisation’s position may be reflective of the processes of neoliberal hegemony identified in the last chapter, including pragmatic decisions to employ compliant managerial personalities, the expulsion of those with more social justice orientations and the naturalisation of neoliberal language and practice. Whatever changes occurred within the organisation during this time, it is clear that Organisation E moved
from resisting to embracing WFD, and that a substantial sum of money accrued towards the organisation in doing so.

There is clear evidence of both a drive for contracts and a successful pursuit of financial growth by many CWOs. For example, WD proudly outlines the growth that occurred in Organisation D through successful bids for JN contracts:

[Organisation D] is an arm of the [X] Church but, under [GM] leadership, it is a fairly aggressive one, so we are encouraged to tender for work, and get work, and grow. We have grown I think – I think it was pretty much bankrupt when he got there 10 years ago, and now we have a turnover of $130-140 million a year. So it is pretty big…. I’ve gone from – my budget was about $300,000 and we are up to $30-odd-million, so it has been an exciting adventure (WD).

As one of the winners out of the system, although on a smaller scale than some other CWOs, WD describes engagement in the system in personal terms, where he boasts of the growth in the organisation he has overseen, demonstrating an accumulative impulse. In the extract below he references a ‘comfort’ with the commercial development of WTW. He states that unemployed people ‘do alright out of it’, disregarding the multiple critiques of the system as punitive and degrading. He also ignores the structural elements of unemployment and the imbalances of power which allow the generation of huge surpluses from the commodification of unemployed people from which he and Organisation D have benefited.

I am comfortable with the commercial development to it. If we have the goal of work, then we get rewarded for getting them into work, and they do all right out of it, so I am comfortable with that. We would always like more money of course (WD).
WD constructs a simple equivalence between the Organisation’s goal of ‘getting them into work’ and the clients ‘doing alright’ out of it. It is a grindingly pragmatic and simplified view. There is no reference to the complexity of lives rendered insecure and vulnerable by neoliberalisation or to the degraded economic geographies governed by the contracts held by Organisation D which, in this instance, included areas that perennially experience high long-term unemployment, including the north coast of NSW, the Hunter, Lismore and parts of Western Sydney (ABS, 2003; Mitchell & Bill, 2005). The intent in pursuing growth is described as ‘aggressive’ by WD. These are substantial sums of money generated through the regulation of unemployed people. As is evident from previous chapters, WD had no qualms about the aggressive application of governmental regulation including recommending breaches.

The recruitment of managerial and deeply pragmatic personalities has paid significant financial dividends for the CWOs that employed them. SB comments on operatives within Organisation B who ‘chase the money.’ He frames this within a critique where these expansionary impulses erode the ‘soul’ of the sector. He makes these comments, from a perspective of distance, having previously held a senior managerial position within the wider organisation.

There’s some that are really hard, you know. And you’ve got to think what the hell are you doing calling yourself a community-based, you know, it seems that something in the process, because of the way that system operates, the heart and soul that characterises our sector has kind of been lost in that process. Some of them are so hard and others they just chase the money (SB).
Here, again, there is evidence that the character of organisations changed with the exodus of dissenters, such as SB, and the rise of managerial subjectivities and actors whose motivations were shaped by self-interest and the accumulation dynamic.

The relationship between organisational mission and financial accumulation was noted by several respondents. For example, it was raised by XA, a respondent from a sector peak.

It’s come a long way from Skillshare where the motivation was actually to work with unemployed people to where it is now, which is to run large contracts presumably to work with unemployed people too. I mean Organisation Z has still got their mission and Organisation E has probably still got their mission and they do a good job … within the confines of, the limitations of the commercial arrangements. But you also have to understand these are big organisations now. There are very substantial amounts of money involved (XA).

While XA does not state outright a conflict between commercial arrangements and missions of these organisations, he alludes to this as a problem when viewed in relation to pre-neoliberalised time. TF voices one of the critical issues that emerge from this conflict:

Then there’s another set of questions about what the hell they… if they’re generating surpluses and some of them are… we know they are huge… what the hell are they doing with them? (TF)

In WD’s comments about vast financial growth, he makes no reference to what uses the surplus generated is put and, when asked about this later in the interview, he referred this to a higher authority within the Church, stating that he was ‘not at liberty’ to answer this. The question of surpluses, and the use these are put to, is a void in the research on CWOs and engagement in WTW. This information is not publicly available and is also protected by commercial in confidence legislation. It is, thus, opaque and beyond scrutiny (Barrett, 2003; see also Barton, 2006). This secrecy allows organisations to generate very substantial surpluses with no public scrutiny, except in the case of the occasional reporting in the
mainstream media of fraudulent practices (Besser, 2011a, 2011b, 2012a, 2012b, 2012c; Vasek & Karvelas, 2012). This lack of transparency allows CWO JN organisations even greater privileges of secrecy than those accorded to listed capitalist corporations, which are required to release details of profits and losses to shareholders. Large CWOs, making substantial surpluses out of public money on the backs of unemployed people, are exempted from such fiduciary duties. This allows them to generate surpluses that can never be fully ascertained, beyond their internal reporting mechanisms.

TF suggests that, because of the uncertainties associated with the way that the market was evolving, organisations put surpluses away as a buffer in case they lost contract rounds. This would not be surprising, given what happened in the first two contracts where, although some agencies grew enormously, others went out of business after the loss of contracts (Eardley et al., 2001; Productivity Commission, 2002). Nevertheless, in these instances, organisations entered the market with the aims of securing both growth and contract retention.

Some of them … a lot of them because the market’s so precarious I mean you can have a three year contract and then find out, if you don’t watch it, you haven’t got the next one. So we think there’s a fair bit of salting it away for a rainy day (TF).

TF’s assessment is that, in some cases at least, monies generated from the contracts went into buffering organisations rather than the service of unemployed people, and in doing so they were invested, presumably for profit. This expansionary dynamic is corroborated by a public statement in 2009 by David Thompson, the chief Executive of Jobs Australia, that ‘many not-for-profit Job Network agencies invested their surpluses and some had become
dependent on them to fund other work’ (reported by Horin, 2009, p. online added emphasis). For some CWOs, the WTW regime is a highly lucrative, fund-raising opportunity to resource other non-transparent, sectarian objectives, paid for by the people of Australia. The expansion in other areas of work done by CWOs, referred to as cross-subsidising by the Productivity Commission (2002), includes their charitable roles. Thus, the status of being unemployed is exploited for expansionary purposes aimed at securing accumulation, legitimacy and power. This is most evident in the development of a personnel infrastructure and adoption of operational practices to implement a suite of regulatory processes in the delivery of welfare to work (Henman & Fenger, 2006; Howard, 2006) and includes the development of vast networked technological surveillance instruments (Henman, 2004; Henman & Adler, 2003). It was also evident in references to the commercial operations, the growth in many organisations and the ballooning managerial structures discussed by participants.

The competitive exploitation of unemployed people for CWO financial gain has generated several suspect practices including creaming, parking, rorting and fraud. The precarious nature of the contracts, the drive to achieve the outcomes prescribed by the funding model, and practices geared towards the generation of surpluses, conditioned service delivery in ways that served organisational, rather than client, interests. As noted in the previous chapter, some CWO operatives see these interests as one and the same. Yet, the prioritising of CWO interests is evident in the practices of ‘creaming’ and ‘parking’, which were identified by Considine (2001) and the Productivity Commission (2002) as distorting the
outcomes of the model. Creaming involves placement of those individuals with the least barriers to employment in jobs, over those experiencing the most disadvantage, to achieve quick financial gain. Parking refers to the overlooking of difficult to place clients, who receive little help in the so called ‘intensive phase’ of assistance (Eardley, 2003, p. 321). The perennial nature of these problems has been outlined by several more recent reports (ACOSS, 2008; P. Murray, 2006; Thomas, 2007a). However, these reports tend to focus on the ‘perverse incentives’ and difficulties in the system that require remediating, rather than focusing on the wider political economy of neoliberalisation that underpins the system.

While these issues have been discussed as systemic problems, the CWO experience of being embroiled in these practices has not been explored from the perspective of agents in the system. For FC and HC, ‘creaming’ is linked to economic survival within neoliberalised space, introducing a narrative of necessity (viability) into the discussion. However, FC locates this problem within a neoliberal narrative of ‘perverse incentives’, implying a market distortion rather than a critique of the neoliberal premises of the system.

In terms of the Job Network there’s two things, the funding model itself and the degree to which the program does help disadvantaged people and, you know, there’s all incentives set up for creaming and to be viable you’ve got to work with people who are likely to get jobs, the people who are most likely to get work. There’s not much incentive to invest a lot of time in people who are struggling because you’re not necessarily likely to get them into a job, so you’re not going to get any money back. So there’s a whole bunch of funding and program elements which we’ve seen as problematic for our services (FC).

One of the big tensions was the contract requirements and the funding model that was used, so that there was always a pressure to be achieving outcomes and having that outcome focus meant that people focused on… or especially managers, there was pressure by managers on case managers
to be getting outcomes and I guess the structure of the Job Network, the way the funding model’s set up to get outcomes, you end up being pressured into supporting those jobseekers [who are]… the easiest to place (HC).

Here again, there is a clear indication that the interests of the most needy are subjugated to the interests of the organisation. But beyond this, the desires of those agents of the state responsible for the design of the system are met by capturing the agitative potential of Organisation C in this case, via both economic and legal institutional channels (Chouliaraki & Fairclough, 1999, p. 28). The outcomes produced, in terms of creaming, are presented as a logical outcome of the way that contracts had been set up so that interests are codified into practices and neoliberal space is naturalised. The political economy that structures the system, creating financial incentives or imperatives, puts ‘pressure’ on personnel to produce ‘outcomes’ and to push staff towards accumulative practices.

While the benefits that accrued to some CWO’s, often through creaming and parking, were substantial, they did not satisfy the ambitions of some organisations who resorted to fraudulent practices to secure survival or maximise capital accumulation. The Productivity Commission (2002) found that surpluses were often generated at the expense of unemployed people, through dubious measures, allowing organisations to secure payments without placing unemployed people in jobs. These included, for example, ‘manufacturing jobs or recycling a succession of job seekers through the same job to get outcomes payments’ (p. xxx). Further, a number of CWOs were found to be fraudulently making claims for outcomes that were not achieved (Morris, 2006, 2007; Thomas, 2007a). More recent investigations into the JN have identified that both CWOs, and for-profits, have been involved in further false claims for job outcomes where no service was provided to

According to Besser, false claims:

… have become, in one senior figure's words, ‘the bread and butter’ of a booming industry, where giant multinational companies and venerable religious charities scramble for dole-callers. In a somewhat unedifying spectacle, hundreds of employment agencies and thousands of branches are elbowing each other for a turn at the teat of the Commonwealth, which 13 years ago passed to them the problem of long-term unemployment (2011a).

In other words, the unemployed are not only subject to all of the regulatory practices of WTW, their unemployed status is falsely exploited for gain to the point where Noel Pearson states they have turned into ‘walking barcodes’ (Besser, 2011b).

There has been no academic exploration of this issue. While it has been mentioned in the occasional evaluative report into the JN (Productivity Commission, 2002; Thomas, 2007a), it has not been subject to substantive interest or examination. Generally, where rorting and fraud have been exposed, the government quietly ‘recovers’ funds. In a case reported in 2012, which did not name fraudulent organisations (both CWO and for-profits), Besser quotes a Departmental officer who stated ‘In addition to recovery and potential administrative action, these cases will be referred to the department's investigations area under the current fraud framework’ indicating internal investigative processes would occur rather than criminal charges (2012c, p. 1). These cases came to light less than twelve months after other cases emerged highlighting the perennial nature of these issues (Besser, 2011a, p. 1; 2011b, p. 1).
In sum, this section looked at economic power and CWO interests and the way they shaped the progression of CWO participation in WTW. The analysis highlighted differential trajectories of neoliberalisation in CWOs. It highlighted that some CWOs and their managers benefited very substantially from participation in WTW. These organisations experienced high levels of growth, the accumulation of surpluses, the expansion of sites and programmes and, thus, power over very large numbers of unemployed people as the sector developed into a multi-billion dollar industry. Importantly, it outlined how those organisations most favoured by government, were the most substantial ‘winners’ from the neoliberalisation of CWOs. The introductory chapter quoted the current CEO of Mission Australia, Toby Hall, as being out of step with others in the community sector about the employment of people with disabilities and the level of the dole. When these comments are placed in a political economy context, where the organisation he manages stands to reap great benefits from cycling individuals through mutual obligation programmes and short term jobs, they constitute a bid for economic power that, in turn, expands political and socio-cultural power. This section also identified the ways in which some CWOs exploited incentives and structures within the system in highly dubious ways to boost their financial positions, suggesting that neoliberalised CWOs are no less susceptible to the worst pathologies of capital accumulation than many private corporations.

The material in this part of the chapter has shifted the lens back to the accumulative dynamic in the neoliberalisation of CWOs, whereas most critical studies of CWO participation in WTW have focused on regulatory practices associated with it. Regressive
social regulation has also been a major focus of the HIPE scholars generally (Brenner et al., 2010; Peck & Theodore, 2012; Peck & Tickell, 2002, 2012). However, this section has demonstrated that the opportunities for capital accumulation within the sector, while geared towards growth and surplus, rather than profit per se, have been critical in shaping participation in the WTW system. Thus, the regulatory capacities of the system were mobilised through harnessing the accumulative drive of organisations entering the system.

**Political and socio-cultural power**

Through their booming economic and institutional power, CWOs are in a more powerful position to influence social values and practices. Those who are uncritical of the ‘work ethic’ and pathologising aspects of the WTW model, are once more able to impose their moral economy on the poor as occurred during the period of the English Poor Laws (Driver, 1993; Spierenburg, 2004; Walker, 2004; Wood, 1991). The ‘civilising mission’ has been given new life through the neoliberalisation of CWOs and the attendant rise of the unemployment industry, in which they are dominant. FG, a respondent in Organisation G, which did not enter contracts on the grounds outlined early in Chapter Four, took a long historical view in reflecting on the role of the churches in the regulation of the poor stating:

If you take the long historical view, I don’t think there is anything terribly new or shocking in this. The churches don’t have a particularly honourable history with the unemployed. You just have to look at the workhouses. What has always been the case, some periods more obvious than others because of the particular balance of forces, if you like, within the churches, within religious and political movements, there has always been a tension and inner contradiction whereby there has been a movement towards favouring that coercive apparatus where the poor… where we might pretend they are treated with a velvet glove, but there is
an iron fist behind it. Some NGOs today they might use the discourse of
the Third Way to try and justify their position or to ameliorate the
harshness of their position, but it’s a very handy set of discursive
practices, the Third Way, because it gives an NGO a position of
legitimacy between government and business and saying ‘we have to
work with both’. And the rest is history. My biggest concern is the macro
is being unchallenged. You can set up all the social enterprises in the
world but, if the very structures that cause and exacerbate inequality are
left unquestioned, well I would have to question the efficacy of that
project in the long term. There isn’t a response to the objective conditions
that create inequality (FG).

Here just as his colleague JG did at the beginning of Chapter Four, FG provides a strongly
dissenting counter position. He has no truck with WTW, highlighting the regressive
historical role played by churches in the regulation of the poor. He draws an equivalence
between the current system, where faith-based CWOs have substantial coercive power and
control over unemployed people, and the workhouses and almshouses of the past. He does
not frame the failures of WTW in functionalist terms, or as a failure of the model, or
perverse incentives or distorted contractual arrangements. FG places unemployment, and
the system that is operationalised to police and regulate it, within the material forces that
create and reproduce inequality. He critiques the discourse of the Third Way seeing this as
a legitimation strategy drawn on by CWOs to validate their positions in WTW and give
justification to the power they have now resurrected over unemployed individuals. He
identifies how WTW, located within a discourse of the Third Way (Giddens, 1994, 1998),
places CWOs in a strong position between business and the state, shoring up their
institutional and cultural legitimacy. Given the enormous power accumulating to these
organisations, FG cogently argues that they have simply reverted to a repressive regime
where they work hand in hand with the state and capital interests (Spierenburg, 2004) and
where structural inequalities arising from neoliberalisation are accepted as normative.
The political economy of the WTW system allowed faith-based CWOs to establish new forms of cultural power as middle-class agents of the social and moral regulation of the poor, reminiscent of their historical role (Spierenburg, 2004). This extension of political, economic and socio-cultural power offers a more nuanced explanation for why these organisations privately embraced the system, despite their public rhetoric about the implications for unemployed people.

**Conclusion**

This chapter has shifted from an analysis of the micro-processes of agency associated with contest, power and hegemony within CWOs and the dialectic between these, to the macro-processes of neoliberalisation explored in the two previous chapters. It has applied a wider explanatory lens to explore why CWOs so readily entered and remained in the field of WTW, with all of its transparently harsh and punitive elements. It examined the role of the state in pursuing neoliberalisation and the strategies it applied to achieve its political and economic agenda of commodifying unemployment and establishing a market in which such commodification could be realised. The government was able to exploit existing schisms within the CWO sector through divide and rule, and fear and favour tactics, in its pursuit of neoliberalisation. Some CWOs acted in concert with the government through moves to crush dissent from within the sector, especially when it potentially threatened their interests. The state also successfully subverted a process of coalescence within the sector, triggering political machinations that were so weak that the agendas of mutual obligation and WTW were furthered, rather than curtailed. This weakness can be attributed to the
political economic interests of sympathetic and conservative CWOs, some of whom have also reclaimed the traditional socio-cultural power of church-based organisations, thereby stemming long-running decline in their influence and reach. It allowed them to claim a powerful ascendant institutional space in the neoliberalised landscape constructed to regulate the poor.
CHAPTER SEVEN: CONCLUSION

Introduction

It is now eighteen years since mutual obligation was enshrined in social policy and fifteen years since WTW was devolved to the private and CWO sectors. WTW is now normatively established and its hegemony is complete. Six years of a Labor government, while softening some of its harshest edges (Ramia & Carney, 2010), has not challenged the major premise of neoliberal WTW - that unemployment is an individual and behavioural problem. Indeed, whilst in government, the ALP refused to increase the level of the dole despite a concerted push from a coalition of community sector and business forces (ACOSS, 2012b; Business Council of Australia, 2012; Karvelas & Chambers, 2012). Instead, they extended the policy of income management for Indigenous and other vulnerable people (Buckmaster, Ey, & Klapdor, 2012; VCOSS, 2013), reduced benefits for sole parents and increased activity obligations for this group (ACOSS, 2012a). The structural nature of unemployment continues to be denied in policy discourses and the Coalition government has signaled a range of reforms of a punitive nature that they intend to implement (Anderson, 2013; Karvelas, 2013). These include: a tightening of WTW regulative mechanisms; moves to shift substantial numbers of people from Disability Support Pension to the dole (Viellaris, 2013); the extension of income management (Karvelas, 2013); and the withdrawal of substantial amounts of employment support funding (Karvelas, 2013). The CWO sector will again be at the crucible of such changes (Anderson, 2013). It is in a position to either exercise an agency that refuses further neoliberal co-option or, alternatively, to extend their role as its agents and beneficiaries.
Original contribution to the field of neoliberal welfare reform

This study makes an original contribution to the Australian field of neoliberal welfare reform research through an empirical investigation of the experience and influence of CWOs. While a handful of scholars have attended to aspects of their experience, there has been no detailed critical analysis of their complex relationship to processes of neoliberalisation to date. The thesis has been primarily concerned with identifying, from the words of commanders within the sector, what occurred in CWOs as they were neoliberalised, how the tensions and conflicts within organisations and the sector were stabilised, and the implications of the latter for WTW hegemony. In addition, it analysed aspects of the political economy of their influence of neoliberal welfare reform, through an examination of the role of accumulation in exploring why so many CWOs embraced neoliberal WTW, despite expressed concerns and misgivings about the policy for unemployed people. Four major contributions to flowed from these interrogations. The first contribution puts agency at the centre of analysis allowing for a transcendence of the dominant narrative of CWOs as victims and an exploration of the agentive roles of CWO actors in neoliberalisation and WTW. Secondly, it provides evidence and insight about contest within CWOs and the relationship of this to the ascendancy of WTW hegemony. Thirdly, it highlights unexplored elements of the political economy of CWOs, demonstrating the role of power and interests in the neoliberalisation of CWOs as sites of WTW extension, and their place in the development of an ‘unemployment industry.’ Lastly, the thesis is the first study to apply CDA to the study of neoliberal welfare reform in Australia. As Luke’s (2005) and others have argued, social power operates across multiple dimensions, consciously and unconsciously. CDA has been shown in this research to be a
valuable framework through which to theoretically and methodologically reveal submerged and subconscious political worlds (Fowler et al., 1979; Wodak, 2006). It is particularly useful for interrogating the experiences of elite members of society who are protective of, or oblivious to, their social privilege. Moreover, the thesis demonstrates that social constructionist discourse analysis of a phenomenon is possible without jettisoning consideration of its political, economic and cultural foundations (Chouliaraki & Fairclough, 1999; Fairclough, 1995, 2003; Fairclough et al., 2004).

**Key findings**

In telling this story the thesis first examined theories of neoliberalism in which to anchor the arguments of the thesis. Chapter Two identified that while RT (Jessop, 1995a, 1995b, 1997b) and governmentality theory (Dean, 1999; M. Dean, 2007; N. Rose, 1999) provide explanations of the emergent neoliberal WTW system from different perspectives, neither of these offer adequately comprehensive accounts. While they speak to the rise of neoliberal regulatory processes in WTW neither give satisfactory attention to agency. RT, while offering insights about social regulation as it relates to neoliberal accumulation (Jessop, 1994b, 1997b), has conventionally tended towards rigidity in analysis and is limited in its explanations of neoliberal variability. In placing emphasis on mammoth and cumbersome accounts of structure, the multiple path-dependencies that shape neoliberalised space and account for its contingent and variable geographic and institutional outcomes are neglected. Conversely, governmentality theory veers towards a conceptual universe that is built on a discursive rationality, devoid of any theory of macro-structures and processes (Brenner et al., 2010). It focuses on the highly contingent localised ways that regulatory
governmental rationality plays out, without adequate consideration of the political factors, institutional similarities and macro-social processes that shape and condition governmental forms of regulation. HIPE, which theorises neoliberalisation as a deepening process that occurs in both time and space, that has creative as well as destructive moments, and which links neoliberal political economy to an emergent form of hyper-regulation of unemployed people, was introduced as a theoretical framework in which to anchor the thesis (Brenner et al., 2010; Peck & Tickell, 2012). HIPE explains the logic, and variable and contingent progression, of neoliberal practices such as managerialism, marketisation and institutional rescaling in WTW, as well as the punitive and penal systems of regulation it encompasses (Brenner et al., 2010; Peck, 2011a; Peck & Tickell, 2002). It hypothesises about the potential path-dependency of organisations in particular neoliberal contexts, which could be extended to CWOs in WTW and their contingent outcomes in the sector. However, like RT and governmentality theory, HIPE neglects to provide a detailed account or empirical investigation of human agency, particularly as it reproduces oppressive social relations.

CDA was applied to reveal the story of human agency - to tell of politics, power and its critical moments - in the neoliberalisation of CWOs as sites of neoliberalisation through WTW extension. This was a path-dependent process. There were organisations that resisted entry to the field and this resistance was based on viewing WTW through the lens of political economy, as unjust, as pathologising the structural experience of unemployment, and as punitive. The entry of CWOs into WTW was based on human decisions and actions. Counter to the dominant victim narrative, this thesis sought to uncover the role of CWO
agency and the ways it was both enacted and ceded through analysis of the words and discourses of elite agents within them.

Chapter Four explored the early neoliberalisation of CWOs, determining what occurred as they embraced WTW contracts under the rubric of NPM. It explored the forces that shaped neoliberal adjustment in the years between the establishment of JN and WFD at the time the research was done, and the responses of CWO agents. More specifically, it analysed the various roles CWOs played as dissenting victims, sympathetic agents, extenders and contestants during this period.

This chapter uncovered public representations of victimhood, which differ from those of brute political intimidation and threat described by others (Maddison et al., 2004; Maddison & Hamilton, 2007; Melville & Perkins, 2003). It demonstrated how, rather than political victims of the state, CWO actors constructed themselves as victims of time, of systems and models, and of neoliberal discourse. These linguistic and discursive practices were represented as inevitably triumphing over human decisions or actions. It demonstrated how this provided an ideological mask for the power relations enacted through WTW.

Chapter Four also identified how the ceding of agency was evident in constructions of engagement in WTW where non-human ‘models/systems’ that shaped the spaces in which WTW was enacted were attributed agency over which CWOs were helpless to assert themselves. A third way in which agency was ceded was through the denial of alternative discourses about social support for the unemployed. Thus agents saw themselves as
neoliberal victims/subjects where they occupied an existential space that was singularly structured by the discourses of neoliberalism and where no alternative ways of being, of judging, of identifying, or of contesting were possible. They internalised a governmental view of themselves, which reduced them to mere ciphers of technologies within the system and, thus, to vessels of authoritarian rule as outlined in the governmental thesis (Dean, 1999; M. Dean, 2007; Dean, 2009). Such victimhood portrayals were essential to the neoliberalisation of CWOs. Attribution of the perniciousness of WTW to non-agentive factors and to impersonal processes provided a way of assuaging individual concerns and ethical discomfort. It also smoothed a path for the emergence of ambivalent and authoritarian identities, shaped by NPM and paternalism. These identities were central to the neoliberalisation of CWOs and their acquiescence enabled neoliberal practices to be enacted upon unemployed people - the real victims of the system.

Other CWO agents internalised the discourses of neoliberalism, often unconsciously, and drew on these to construct a veil of neutrality when discussing the harmful effects of neoliberal relations on unemployed people (Kerr & Savlesberg, 2001). This gave their social agency an ideological character (Cass & Brennan, 2002). Addressing the circumstances and relations of WTW in the neutral language of markets, contracts and obligations leaves aside the issue of power and masks the multiplicity of political decisions and actions that occurred within CWOs as they were neoliberalised and which were essential to the regulatory WTW project. In addition, it demonstrated how CWO agents took refuge behind managerial discourses and the identities produced through them.
Whether portraying themselves as victims or internalising neoliberal ideology, the absence in representations of self or organisational agency potently conveyed the role of CWOs in extending neoliberalisation into the lives of the unemployed. In particular, there was an annihilation of political identity that came with choosing an ambivalent position about WTW. Allowing harm to vulnerable jobless people through ambivalent inaction contributed to the rise of vexed and compromised identities, where the capacities for agentive resistance were displaced and neoliberalising logic could progress relatively unimpeded. The self-silencing associated with ambivalence, thus, became a weak link in CWOs that was easily exploited by the neoliberalising forces to extend its dynamic.

Over time, other acquiescences accrued as neoliberalisation progressed through CWO cultures in ways that saw the erosion of organisational missions and the loss of capabilities for acting in solidarity with unemployed people. Chapter Four conveys a stronger place for the expression of political agency through the identification of internal contest about engagement in WTW within some CWOs, although it finds that this agency was cauterised as political activism in three ways. First, conflict did not take place along a binary cleavage represented by those for and those against WTW. The field was splintered by the third position of ambivalence and this ambivalence was resolved through acquiescence to powerful neoliberal forces leaving antagonists exposed and weakened. Second, because antagonism was often turned inwards in internal struggle, any potential solidarity against the external force of the state was fractured. In fact, because hegemonic and counter-hegemonic struggle took place inside individual organisations, the contest over WTW occurred largely outside of normative political domains, such as the media and the
parliament, allowing its wider cultural hegemony to flourish. WTW could be more easily carried when the field was fractured and the battles fought behind closed doors. Finally, Chapter Four identified the role of managerialism in triumphing over the contest. While internal battles were underway, and before agreed positions were formed, managerial agents sought advantage by applying for contracts. Thus time was seized by the agents of neoliberalisation.

Chapter Five analyses how struggle played out and the strategies utilised by neoliberal WTW forces to carry its hegemony within CWOs. A strong role for human agency is again posited. It identified, in the words of respondents, multiple political strategies that were undertaken by the agents of neoliberalisation, including strategies of legitimation. This part of the story was concerned with the explicit use of power in both ‘hard’ and ‘soft’ forms in hegemonic struggle.

Hard strategies of domination were directed at dissenters in various ways. Dissenters were silenced and marginalised through strategies of stigmatisation and steamrolling. They were also demoralised by the actions of dominant personnel, for example, through the elevation of managerial pragmatism. Such pragmatism prevailed in the face of profound contestation by some, and deep ambivalence by other, agents. Managerial agents could draw on the multiple resources afforded them by neoliberal space or the obligations and necessities engendered through neoliberal contracts. These latter positions allowed them to draw on
managerial and neoliberal forms, including its legitimating authority. Dissenters who could not be contained, were eventually replaced by more WTW sympathetic personnel.

This chapter also identified two softer forms of domination that were directed mainly at ambivalent personnel and the wider public. These were narratives of mitigation and the practice of deferral. The former were used as a comparative strategy to make the moral case for CWOs to be engaged in WTW. These involved arguments that CWOs were more compassionate, kind and caring than for-profit providers; that, as WTW was going to be implemented in any case, only CWOs could take the harshest edges off it. They were also evident in linguistic utterances that constructed organisations as taking numerous mitigating steps, above and beyond contractual obligations, in attempting to assist unemployed people. They offered a salve to the moral burdens associated with engagement. Mitigations were sometimes premised on the dominant narrative of paternalism, that unemployment was a result of individual failure on the part of jobless people, introducing a victim-blaming element to such mitigations (Marston, 2008, p. 364). Locating the legitimation for participation in the moral realm, where ‘dirty hands’ were constructed as necessary and virtuous, masked the political economy of WTW and the avoidability of engagement. It also identified how narratives of mitigation were drawn on by agents to facilitate the high-wire balancing act of maintaining public legitimacy, as acting in the interests of the poor and unemployed, at the same time as the system deepened its disciplinary hold over them.
The latter form of soft domination was deferral, which was most explicitly evident in relation to decisions about staying in the WTW system as its effects played out over time and as it was extended to more groups. It was also conveyed in retroactive representations made after entering WTW about hypothetical contingencies. These were suffused with potentialities about what might have happened in an alternative future where the organisation might have acted differently but, at the same time, took no steps to remediate what had already taken place. It was also evident in claims about waiting for evidentiary evaluation of the system which were drawn out over years. This insistence on waiting for always elusive, unequivocal proof occurred despite the well-documented pernicious effects on unemployed people and the advocacy of CWOs themselves about these. Appeasement strategies were deployed, where the potential for future withdrawal from the system was held up as a possibility, but one of indeterminate time or horizon. Such deferrals allowed the ‘force fields’ of neoliberalised time and space to harness human agency, such that the regulatory work of WTW took place within an ever-deepening hegemony.

Chapter Six explored why CWOs so willingly, enthusiastically, and sometimes aggressively sought WTW contracts. This was despite their publicly professed antipathy towards the system, its cost to their own missions and autonomy, and the often harmful effects on unemployed people. A critical eye is turned directly to political economy of the sector, positing roles for both state power and sector interests.
State strategies in disorganising, weakening, and outmaneuvering the sector in the early iterations of WTW were crucial to its success. This lessened the possibilities for collective action and crushed any opportunities for nascent solidarity within the sector. It demonstrated how the state enacted a divide and rule strategy that pitted favoured CWOs against others, providing more texture to this story than previous accounts (Maddison et al., 2004; Maddison & Hamilton, 2007; Mendes, 2004). It described state attempts to usurp progressive leadership within the sector and how a collective dissenting action, the Pearce Review process, was circumvented and manipulated by the state. These insights add a new layer of understanding to the field about the power of the state over the CWO sector (Mendes, 2004). This collective action, through a strategy of privileging technical aspects of breaching, rather than challenging its normative legitimacy, was critical to establishing the normative and institutional legitimacy of breaching in the regulation and governance of the poor. Further, the political machinations that accompanied the Pearce Review saw the extension of neoliberal regulation to more groups of unemployed and vulnerable people.

The question of CWO power and interests in interrogating why they embraced WTW was also examined. It identified the expansionary dynamic associated with WTW implementation and the opportunities it afforded for CWO growth, including the accumulation of surpluses by some. In other cases it explained how the response to economic pressure came down to questions of organisational survival resulting in the needs of the unemployed being reduced to a secondary consideration. This competitive context sometimes spawned dubious practices such as ‘parking’ and ‘creaming’ of jobless people (Considine, 2001, 2003; Productivity Commission, 2002; Thomas, 2007b). Rather than
seeing these as resulting from ‘perverse’ incentives as orthodox explanations do, the analysis conceptualised these as central to the political economy of neoliberalised CWO space, where activity is geared towards either survival or competitive expansion. It also examined recent charges of fraud and rorting, in which CWOs are implicated (Besser, 2011a, 2011b; Vasek & Karvelas, 2012), that continue to plague the system as CWO’s scramble for ever-greater accumulation from the commodification of unemployed people. The neoliberalisation of CWOs entails a bid to secure economic and industrial power through engagement in an emergent ‘unemployment industry.’ This state-sponsored and publicly-funded industry is geared towards extracting surpluses from the aggressive regulation of unemployed individuals.

Chapter Six concluded that CWO engagement in WTW could also be viewed as a clamour for enhanced socio-cultural power through the political economy of WTW. This is most notable in relation to faith-based organisations that operate as arms of the institutional churches. It argued that the neoliberalisation of these spaces has seen a re-emergence of their role as ‘moral entrepreneurs’ (Hasenfeld, 2000), where they claim socio-cultural power reminiscent of their role in regulating the poor through the alms and workhouse systems of earlier centuries (Spierenburg, 2004; Walker, 2004).
Implications and future research possibilities

The thesis has implications for our general understanding of the role of the state and the role of CWOs in advancing neoliberal forms of governance and neoliberalised space. A deeper appreciation of the politics of WTW also flows from the investigation, which may have ramifications for future struggles around the current mode of social regulation. This section also suggests future lines of research investigation, based on recognition of the limits of the current study which includes the limited sample size and the constraints placed on participants by the political climate.

These include questions about the public interest in a political economy that is fraught with the destructive forces of neoliberalisation. By taking a political economy perspective, the thesis has extended debates about accountability and democracy beyond prudential and transparency concerns (Barrett, 2000, 2003; Barton, 2006; de Maria, 2001; Mulgan, 2005) to look at the question of interests. The loss of public provision of unemployed services has facilitated a governance context, which not only privileges commercial secrecy over public accountability but which provides a wall behind which fraud and rorting appear to be flourishing, in a sector dominated by CWOs. Further critical research into these practices and the political economy that fosters them are warranted to expose the dynamics of these practices. In addition, research focused on how accumulation is remaking CWO landscapes and the less than transparent purposes to which surpluses are put is warranted, especially in relation to how these further support and legitimate the extension of neoliberalisation.
The research also has implications for how CWOs are theorised in neoliberalised space. It demonstrates a need for a much greater political economy critique of their roles in neoliberal societies. By interrogating what happened as they neoliberalised, how neoliberalisation was won and the factors which drove the embrace of neoliberal WTW, the thesis has identified an important role for incorporating the question of interests into understandings of the neoliberalisation of CWOs. In this study, rather than acting as progressive sites through which the rights of marginal people might be fostered and relations of solidarity might be forged, neoliberalised faith-based CWOs have reasserted their traditional role as agents of social control. They do so in tandem with a repressive state and in a context where they have a vested financial interest. As a result, their long-running paternalistic, anti-working class culture (Goodland, 2001; Roberts, 1958) has been given new lease of life, through public funds. The repressive role of the churches in regulating the poor were among the reasons that their historical role with the poor was transferred to secular publicly funded bodies with the rise of the welfare state. Those lessons have been forgotten or ignored. Thus, the research points to a refocusing on the repressive role of these organisations, rather than their status as neoliberal victims. Moreover, the results demonstrate that only the poor and working class can be their own liberators. They cannot rely on the supposedly progressive impulses of CWOs, given how removed most CWOs are from the lived realities of poverty, with rare exceptions, like Organisation G, who refuse to be co-opted.

The thesis also has implications for understanding the politics of WTW, especially the role of CWO politics in WTW extension. While they have been predominantly seen as offering
a counter-politics to neoliberal conservatism (Mendes, 2003a, 2004, 2008), the thesis has demonstrated how they were central to the extension of WTW at a critical time. By allowing themselves to be divided, their collective power as dissenting agents was depleted and this was exploited by the state. In a collective action undertaken to challenge the harshness of the breach mechanism, the sector was outmaneuvered by the state. While they made much of winning some concessions on the harshness of breaching, they were much more silent about the tradeoffs made to win this. While the state had always intended to extend WTW to other groups (Reference Group on Welfare Reform, 2000), the Pearce Review presented an opportunity whereby CWOs gave legitimacy to this extension while, at the same time, contributing to the normative legitimacy of breaching. This tells of the way in which CWOs gave way to conservatism, vacated the political terrain of principled social justice advocacy and, in doing so, created a vacuum where more progressive, social democratic voices once held sway.

Like all research, this study suffered from several limitations, largely as a result of time and resources, which suggest the need for future investigations. The study focused on one, albeit powerful, section of the CWO sector in relation to the normative establishment and prosecution of neoliberal WTW. Other voices require attention. For example, the political voice of the unemployed is needed to start filling this vacuum by raising understanding of ongoing class dynamics, which was beyond the scope of this project. Also, research on non-elite actors in CWOs is needed, perhaps using labour process analysis, to delve deeper into the internal politics of neoliberalisation as experienced at the frontline of WTW. Further, research that examines the perspective of uncooperative and dissenting CWOs, to
identify seeds of resistance and perhaps revival of an organised politics of genuine social solidarity with the jobless and socially disadvantaged is also warranted.

**Conclusion**

Ultimately, this thesis tells the story of how CWO interests outweigh professed solidarity with the powerless. It offers an explanation of how it came to be that Mission Australia CEO, Toby Hall, could embrace WTW with such enthusiasm and ardour as outlined in Chapter One. It tells of how CWO agents could so easily reduce unemployed people to aberrant neoliberal subjects, and how they so readily internalised the discourses of governmental WTW and became such fervent proponents of this system. The CWO sector, rather than acting as an ameliorative agent in neoliberalised space, has become one of the sites of its metastases and mutations (Peck & Tickell, 2012, p. 294). CWOs, such as Mission Australia, expand their remit over the lives of the most frail and vulnerable individuals, such as Mary Voss’s son (Voss, 2002) and my daughter.

They enthusiastically impose individualised behavioural solutions to social risks, produced by the pathologies of neoliberalism, and they benefit and further their own interests in doing so. They do so in a discursive context where any account of the social, beyond the atomised individual in an entrepreneurial market for their labour, is negated. Where the jobless are unable to find work, or to demonstrate neoliberal identities, they are subject to
relentless and meaningless activity to demonstrate their mutual obligation under the tutelage of governance agents, which include CWOs. Political advocacy in such a context is voided by the material realities, power structures and force fields of progressively neoliberalised space. ‘Crying wolf’ is the most potent strategy that CWOs have, with all its meaningless rhetoric and negated utility. In this context it is nothing more than a rhetorical strategy to shore up CWO public legitimacy with progressive constituents. CWOs through their participation in the system have annulled any possibilities for truly acting in solidarity with unemployed people towards a counter universe, where justice for those most marginalised by neoliberal progression might be possible.
References

ACOSS. (2012a). *Sole parents won’t be helped to find employment by cutting their payments.* Submission to the Senate Community Affairs Committee regarding the Social Security Amendment (Fair Incentives to Work) Bill (2012). Strawberry Hills.


Garnaut, R.


OECD. (1988). The future of social protection OECD.

OECD. (1990). Labour market policies for the 1990s OECD.


Wacquant, L. (2001a). Deadly symbiosis: When ghetto and prison meet and mesh Punishment and Society, 3(1), 95-133


APPENDIX A: KEY EXAMPLES OF DOCUMENTS FROM THE GREY LITERATURE

ACOSS. (2012a). Sole parents won’t be helped to find employment by cutting their payments. Submission to the Senate Community Affairs Committee regarding the Social Security Amendment (Fair Incentives to Work) Bill (2012). Strawberry Hills. 


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Canberra AGPS.


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Wacquant, L. (2001a). Deadly symbiosis: When ghetto and prison meet and mesh Punishment and Society, 3(1), 95-133


CONSENT FORM

Name of Research Project: Non-Profit Organisations, Advocacy and Employment Policy: "Inside the tent with half a loaf of bread".

Name, Address and Phone No. of Principal Investigator:
Marie Macklin
School of Management
Charles Sturt University
Wagga Wagga NSW 2650
Ph: (02) 6033 2960

Name of Participant:

1. The purpose of the research has been explained to me, including the potential risks/discomforts associated with the research. I have read and understand the information sheet given to me and have been given the opportunity to ask questions about the research and have received satisfactory answers.

2. I understand that I am free to withdraw my participation in the research at any time.

3. I permit the investigator to tape record my interview as part of this project.

4. I understand that before publishing any comments that attributable to my organisation I will be consulted and the organisation I work for will also be consulted and express approval will be sought, from myself in the first instance and the organisation in the second, for such disclosure by the investigator.

5. I understand that any information or personal details gathered in the course of this research about me are confidential and that neither my name nor any other identifying information will be used or published without my permission.

6. Charles Sturt University’s Ethics in Human Research Committee has approved this study. I understand that if I have any complaints or concerns about this research I can contact:

Executive Officer
Ethics in Human Research Committee
The Secretariat
Charles Sturt University
Bathurst NSW 2795
Ph: (02) 6338 4628
Fax: (02) 6338 4194

Signed by

__________________________
Date

Version 3

September 2000
INFORMATION SHEET

Name of Investigator: Marie Macklin

Host Institution: Charles Sturt University, Wagga Wagga NSW 2650
Ph: 02 6923 3960

Name of Project: Non-Profit Organisations, Advocacy and Employment Policy: “Inside the tent with half a loaf of bread”.

Description of the Project:

The purpose of the research is to explore how non-profit organisations (NPOs) that have traditionally had welfare relief and social advocacy roles are adapting their advocacy functions in the context of a significantly changed social policy environment. In particular the research will focus on how NPOs that deliver unemployment services under contract to the Commonwealth government reconcile what appears to be divergent and, at times, conflicting functions. It will examine how their advocacy roles may have changed in the context of tensions between their original justice charter, the programs that they deliver and the broader policy and competitive financial environments in which they operate. It will identify whether agencies are developing new advocacy strategies and, if so, how these are manifested.

In-depth interviews will be used to explore how key personnel (CEOs, advocacy specialists, policy researchers, program managers) in NPOs perceive the changed policy environment, how they understand their emerging role in terms of service delivery and what their perceptions are about the agencies advocacy roles and functions. Interviews will explore how NPOs are adapting in the new policy environment and the types of strategies they are undertaking to manage conflict between advocacy and service delivery functions and in what ways they are protecting the integrity of their advocacy roles.

It is anticipated that the interviews with each participant will be of approximately 2 hours duration. In some cases participants may be interviewed twice. Interviews will be recorded on audio tape and transcribed. Data from the interviews will be cited in the thesis that is produced from the research. However, where organisations give prior consent the names of participants will be identified. Confidentiality of participants/organisations is guaranteed unless specific and express written consent is given. Tapes and transcriptions of interviews will be held in a secure cabinet in Marie Macklin’s office for a period of five years after which time they will be destroyed by shredding.

NOTE: Charles Sturt University’s Ethics in Human Research Committee has approved this project. If you have any complaints or reservations about the ethical conduct of this project, you may contact the Committee through the Executive Officer:

The Executive Officer
Ethics in Human Research Committee
The Secretariat
Charles Sturt University
Ballarat, NSW 3350
Tel: (03) 6338 4625
Fax: (02) 6338 4194

Any issues you raise will be treated in confidence and investigated fully and you will be informed of the outcome.

Signed:
Marie Macklin

Date:

Version 3
September 2009

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Appendix C: Interview Schedule

1. Can you describe your role in welfare to work in relation to policy advocacy the organisation undertakes?

2. What changes have occurred within the sector / organisation as a result of changes to WTW and entering WTW contracts?

3. How were the changes associated with entering the competitive tender for welfare to work programmes experienced in the organisation(s)?

4. What was the reasoning behind the decision(s) to enter the contract tender?

5. What were the experiences of the organisation as the first and second contract terms came to an end?

6. Did you enter a second and/or third WTW contract round? Reasonings?

7. How did the organisation fare in the competitive context? Implications?

8. What were the implications of entering the WTW contract for the autonomy of the organisation/sector in relation to the government and its objectives?

9. Has the capacity for political activism associated with WTW and social justice by the organisation/sector been hindered through the contractual relation? If so can you describe how or provide examples?

10. Has the relationship between the organisation and clients of the organisation/unemployed people changed as result of entering WTW contracts?
11. Has the mission of the organisation altered in name or in practice as a result of entering WTW contracts?

12. Have there been tensions associated with the decision(s) to enter WTW and the social justice missions of the organisation?

13. What has been the experience of tension and or conflict within the sector/organisation associated with the decision to enter WTW?

14. Have these been managed/resolved? If so what occurred?

15. What kind of advocacy actions or practices associated with WTW has the organisation/sector been engaged in?

16. Has engagement in WTW impacted on the ability/capacity/desire of the organisation to undertake social justice advocacy?

17. How has any advocacy undertaken been received by government?

18. What kind of access do you have to Ministers and Departmental Heads in engaging in WTW? What has been your experience in these discussions?

19. What experiences have you had in discussions with Ministers, Department Heads in relation to social justice advocacy?

20. Has the relationship between the organisation and other CWOs been affected by engagement in competitive relations through the WTW contracts?

21. Did you participate in the funding of the Pearce Review of sanctions and breaches in the Social Security system?
22. Did you contribute a submission to the Pearce Review?

23. What was your view about what the Pearce review achieved?