

## Social In/Equality

Eva Cox

Faculty of Humanities and Social Sciences, UTS (University of Technology, Sydney)

[Eva.Cox@uts.edu.au](mailto:Eva.Cox@uts.edu.au)

### Abstract

*The paper below explores the possibility that perceptions of unfairness may be much more powerful than measured material poverty as a driver of social cohesion or fragmentation. Much of the debate in this area focuses on the material differences between groups rather than their perceptions of their situations. Economists and politicians deny the importance of perceptions, often demanding that people should compare their present situation and how it has improved relative to five years ago and fail to understand why people worry about gaps they see between their situation and the people at the top. Similarly many poverty advocates focus on small changes at the edges to income support, which may ease financial spending issues but do not tackle entrenched perceptions of disadvantages. These may include being an outsider, a sense of powerlessness and the lack of agency that comes from perceptions of inequality.*

The question of inequality as a factor in social cohesion has a particular resonance in the debates on national politics. At the level of rhetoric Australia has had a long commitment to the ideal of egalitarianism, albeit not necessarily in practice. Australia as a settler nation has both a relatively short history and one with a strong focus on government intervention. This has produced the expectation that the nation's political platforms will include commitments to creating equity and the idea of a fair go still has some political traction, albeit with varied definitions of what it may mean.

The settler culture of the 19<sup>th</sup> and 20<sup>th</sup> century's saw Australia as the place where old country (British) class divisions would not operate, and where there was opportunity for all (white men). Therefore early initiatives drew on the 19<sup>th</sup> century UK cultures of reforms and change and accelerated these in the new country. Early introduction of aged pensions (1901) and a basic wage (1907) and the mythologies of Eureka, diggers and the ANZAC cultures made much of mateship and egalitarianism. Post World War Two reconstruction processes, its welfare state provisions and emphasis on home ownership fed these dreams. Without wanting to labour the point too far, the commitment to some form of egalitarian culture offers the Australian experience as a good

case study of the possible effects of free market in-egalitarian rhetoric and outcomes.

Equality/equity can be defined by legalities, by economic measures and, I am proposing, by social perceptions. The tendencies in academic and political spheres are to privilege the relative certainties of legal and mathematical models, rather than the social effects which are culturally inscribed and harder to define. This paper looks at aspects of social equality and inequality and explores whether an increasing perception of inequality should be, in itself, addressed as a serious problem.

The debates on social equality and inequalities go back a long way into the last century. Tawney, in his 1938 preface to his book, *Equality*, stated that as people get used to the possibilities of democracy, they use them for their own demands, and, if the divides grow, they may lead to divisions between democracy and capitalism. Equality and democracy needed to be on the same side as entrenched privilege, unfairness and entrenched distrust damage the democratic processes. He saw, as one of the necessary counters to such individual self-interest, the existence of “institutions which meet common needs and are a source of common enlightenment and common enjoyment”. These, he claimed, were social objectives for governments, never to be completely attained but always to be sincerely sought.

Richard Titmuss, in his post war preface to the same book, saw equalising opportunities for people in unequal positions, as important in offering optimism:

“If there are no radical choices to be made between conflicting social values, then we have only to follow where technological change leads us. Everything becomes a compromise between power groups in society. Political democracy becomes a device. Economic growth becomes an end – not a means to serve liberty and alternative conceptions of excellence. In such circumstances, it can be presumed that the individual’s sense of freedom is diminished. He can no longer feel and no longer believe that a radically different society may or may not emerge as a result of political conflict. ...If the path is fixed and immutable, conformity becomes the supreme virtue”.

Both Tawney and Titmuss saw that egalitarian ideals were important politically and socially yet the above statements come from times when poverty was still seen as a major social problem i.e. just before and shortly after the Second World War. Both recognised that perceptions of change and

possibilities of making society better were most important to the preservation of democratic societies. Yet current debates often neglect those aspects.

Ideas on equality became differently contested in the discourses of the last few decades. Sometimes the idea was buried in debates on poverty lines and whether there were absolute levels of material well being. The confusing fusion between difference and inequalities in cultural debates has skewed debates to equating equality with sameness. The concept itself, in political debates, became a slogan for many groups, one being its strong association with the core values of leftist politics and another represented the main demand most peripheral groups laid on the dominant ones. The first often results in egalitarianism being linked with centralist interventionist governments and the second with attacks on unifying categories. This tension offers identifiable reasons why debates on inequality became less fashionable in times when neo-liberal paradigms and demands for minimal state intervention dominated policy debates and arguments about difference also fragmented discussions.

The question of inequality is often confused with poverty, as both may deal with the question of access to material resources. The poverty debates emerged as issues in the 1960s in the War on Poverty in the USA and the Poverty Inquiry in Australia a few years later, as part of the tail end of Keynesian policy making which authorised interventions by governments. The resultant policies often focused on how to define poverty, particularly the possibilities of establishing some 'universal' poverty lines. These were too hard to devise because of the differences between living styles, measures and resources, both regionally and internationally and so the measures, de facto, have ended up as using relativities as a base for assessing need, eg half median earnings which is sometimes used in Australia. This does not, however, stop attempts by governments to define it absolutely such as the costs of children or the basket of goods approach.

There are obvious questions of dire poverty, which this paper does not address eg those areas, mainly overseas, where poverty means risks of starvation, a dearth of all services and shelter which create physical harm. The argument here relates to the policies and practices in mainly industrialised nations with some forms of welfare payments. It therefore eschews the arguments on whether there are absolute measures of poverty and assumes that it, de facto, is a relative concept and therefore better considered as inequality. The main focus of research and comment then becomes how the relativities are affected by social policy provisions and reinterprets the question as a social rather than economic one.

The question of inequality in most social systems raise discussions on the perceptions that people have of their relative status and of the possible intractability of their social and economic positions. This paper explores these perceived relativities and how they may form attitudes about self and relations with others. These are definably social reactions, which may be visible in the ways people therefore define their social relationships, eg who are defined as people like us and who is feared as the Other, forms of submissive or transgressive and pleasure seeking behaviours which situate the problems of inequality in the perceptions, not the actual materiality of differences.

The focus on questions of perceptions of difference varies from poverty debates, which focus on policies for adjusting payments and income. These are responses, which do not explore the social effects, eg the sense of being excluded and the perceived intransigence of one's situation. It is critical of the social inclusion model which does recognise the pain of being excluded, but leaves unanswered questions on whether access to the lowest rungs of the ladder are enough to counter inequality, per se. Many of the debates on social inclusion also suffer from the limits of assuming that adjusting the borders of the current system to accommodate more people is enough to remedy the effects of inequalities in material ways. These 'remedies' ignore the possibilities that perceptions of relative deprivation and the consequent sense of unfairness may be more important than just eligibility for access to resources. Therefore it fails to take account of the evidence that the perception that others have more, and that the rich have lots more and the means of gaining resources are unfairly distributed, may be potent factors in undermining social cohesion.

The studies cited later in this paper suggest that the actual lack of access to services and resources may not be the problem, but the perception of differential access may well be. If this proposition holds, then questions of inequality should take precedence over the issues of poverty per se, and the increasing gaps between rich and poor become a core issue for political decisions. This approach requires, at a minimum, reconsideration of the relationship between social and economic policies and the possible need for more active redistribution of resources to reduce both the perceptions of and actual inequalities. Equality before the law can be there on paper but becomes hollow if one party can hire a QC and the other has to represent themselves. These are profoundly different freedoms and create a strong and accurate perception of injustice.

If, as suggested below, perceptions of gross unfairness are able to damage the social fabric, then the questions of acceptable processes of distribution need to

be discussed as part of the wider debates on how we can best manage globalisation.

Perceptions of increasing inequality in more global socio-political systems have not been adequately recognised as a major problem despite wide agreement that neo-liberal markets are likely to increase the unequal distributions of income, and reduced government interventions will exacerbate these. The growth of neo-liberal influences over the past two decades within and between countries has resulted in growth distributing benefits very unequally. One major response from its proponents has usually been that this does not matter, as the poor have often become less poor in terms of their increased access to paid work and other resources. Their underlying assumption has been that the further the base groups in the populace are moved beyond poverty levels, however defined, the better off they will be and presumably they will recognise this. Their relative relationships to other groups have not, therefore, deemed to be relevant.

The terror exercise in the USA, on September 11, 2001 has produced sporadic attempts to raise questions about the possible deeper and long-standing causes of such animosity and the possibilities of the anger being fuelled by the gross inequalities between nations, as well as within them. Some have framed this in terms of poverty being the producer of possible terrorists but this ignores the prevalence of relatively middle class well-educated recruits in their ranks. This suggests that the sense of injustice, which can be fuelled by inequality, is a contributing factor to tensions within and between communities. Security, both local and international, therefore may also depend on the perceptions of fair dealings versus perceptions of entrenched injustices. At all levels of governance, it may be the socially driven perceptions of unfair inequality that are likely to undermine civil resolutions of the possible increasing tensions of globalisation.

Democratic legitimacy, if undermined by widespread perceptions of inequality as unfair, may be under threat if the voters do not see unfairness being mitigated by political processes. If those in power, elected by the people, are seen by many as unable or unwilling to deal fairly with the distribution of power, privilege and resources, then their legitimacy may be under question by increasing proportions of voters. If, as widely claimed, neo-liberals' economic nostrums are creating perceptions of more financial and social inequality, then governments and political systems, which fail to act on these dissatisfactions, may lose the confidence of the people. Their political reactions to frustrations of inaction may then be seen as threatening social stability. The following sections look at some Australian and overseas examples of measures relating to this proposition.

## Measuring trust

One of the key factors in this mix may be the levels of trust that are manifest in both other people generally and political/financial institutions in particular. There has been a loss of generalised trust in others over the period that neo liberal policies were promoted but the latest question included in the Australian Election Study 2001 study seems to show a rise.

### Trust of others 1983-95 (International Values study)

	1983 %	1995 %	2001 %
Most people can be trusted	46	39	46
Can't be too careful	52	59	54

Source: Roy Morgan Research Centre (1983; 1995 and SSSA AES 2001<sup>1</sup>).

However, such measures are very hard to interpret and have often been criticised as being affected too much by both varied possibilities of interpretation and how their placement in relation to other questions may affect responses. More interesting are figures on trust in government and a recent analysis of a set of data on Middle Australia reveals the following:

“Model C shows that trust in government is best explained by both confidence in public institutions and holding a benign class worldview. Feeling confident in the performance of institutions, which reveals a sanguine perception of impersonal institutional life equally confers trust in government. At the same time, the class worldview scale predicts that the more respondents perceive the world as economically — and unfairly — unequal, the more likely they were to have low trust in government. This may be in part because respondents interpret the trust in government question to be about the current (Liberal-National Coalition) government and not about governments in general. But other studies have suggested that socio-economic worldviews influence trust in government”<sup>ii</sup>.

These possibilities need to be interpreted through the perceptions of trustworthiness of government related occupations. The main findings of an annual Australia-wide survey of professional ethics and honesty, last conducted in November 2003 by Roy Morgan Research<sup>iii</sup>, show political figures have relatively low ratings with 17% for Federal MPs and 17% for state ones. The table below collates the results over time and shows that these

levels seem to have dropped from the mid to late eighties, then have risen slightly in this century but overall they certainly do not indicate much confidence in the political system.

**"Very high" or "High" ratings for Ethics and Honesty:**

	79	81	83	85	86	87	89	90	91	92	93	94	95	96	97	98	99	00	01	02	03	
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	
Nurses	*	*	*	*	*	*	*	*	*	*	*	86	86	87	86	88	89	88	90	90	94	
Pharmacists	*	*	*	*	*	*	76	72	76	79	78	78	79	80	80	80	86	83	83	89	87	
Doctors	62	63	64	64	63	65	62	70	69	69	65	66	69	72	66	69	74	71	75	80	80	
School Teachers	54	55	55	54	57	56	57	61	59	62	61	65	69	68	64	71	71	70	74	79	79	
State MPs	20	16	20	14	17	12	15	11	10	10	11	10	12	12	9	7	13	12	14	17	17	
Federal MPs	16	15	19	13	16	13	15	13	10	10	11	10	9	13	9	7	13	11	16	16	17	
Directors of Public Companies	*	*	*	*	*	*	*	*	*	*	20	18	20	20	17	18	17	20	18	17	16	17
TV Reporters	*	*	*	*	*	*	16	17	15	14	15	16	13	12	11	12	14	12	18	18	17	
Union Leaders	8	8	8	6	5	7	9	8	7	8	9	9	10	9	12	13	11	12	14	11	15	

Clive Bean, in a recent paper, used the World Value Studies to show that many public institutions lost public confidence in the period 1983-95, including the legal system 61% to 35%, the press 29% to 16%, the public service 47% to 38% and the Federal government 55% to 26%. This was the period in which neo-liberalism was promoted and egalitarianism and the public sphere took a back seat. <sup>iv</sup> While Bean quotes some similar data from the 2001 Australian Election Study, which suggested a recent rise in confidence in these same institutions, there are questions on strict comparability in the very different types of surveys.

**Measuring inequality and attitudes to it**

There have been some recent significant studies on the effects of the perceptions of inequality both within and between communities, cities and nations. The construction of an inequality-equality axis as a basis for assessing

social capacity raises issues of how the social relationships are read and defined by the various groups involved. It is not useful to tell people they are doing well, if they do not see it that way. This approach counters the assumptions often made by economists that it is their 'facts' that count.

These studies suggest that the effects of inequality may be more damaging than the lack of material resources. The presumption is that inequality results in lower levels of bridging and bonding forms of trust and reduces capacities for solving problems and collective action. The effects of such perceptions and consequent inaction are recognised as problems in some of the material on capacity building and community strengthening. Stephen Knack and Philip Keefer in their article 'Does social Capital Have an Economic Payoff? A Cross-Country Investigation'<sup>v</sup> based their research on World Values Surveys of 29 market economies. The results suggest that trust and civic co-operation are stronger in countries that are less polarised in terms of income and good government. They state "The findings also reinforce the case for reducing income disparities in developing countries". These policies—often advocated on other grounds—have not proved easy to implement, however.

The above study shows clear correlations between inequality and low trust and strongly suggests that it may be perceptions of inequality that creates much of the damage we often attribute to poverty. Ichiro et al (1997)<sup>vi</sup> used USA State based data to devise social capital measures and mortality. They found that income inequality created "disinvestment in social capital, defined as civic engagement and low level responses to the World Values questions on trusting others". This in turn has a substantial effect on poor health and higher mortality rates. Similar correlations were not found on poverty measures.

Other studies based on health statistics offer further evidence that there is a relationship between inequality and health outcomes. Michael Marmot's studies of the UK Civil Service<sup>vii</sup> showed that the income/power gradients from one to five were reflected in their health status. These and other data suggest that in some way inequality is itself both a health and well being risk, which raises the issue of what might be the causal link. I am proposing that the logic of the data suggests that it is at least in part, the effects of perceptions of unfairness and therefore maybe the inability to effect changes in ones' life or environment.

Work on definitions of social capital exploring the difference between bonding and bridging social capital by Woolcock and Narayan<sup>viii</sup> has opened up the issue to wider applications. The latter form may be the more relevant to this chapter as it relates to the capacities for confidence in strangers and

institutions. Some forms of the bonding version of social capital can use the closeness of the familiar to develop some of the closed commonalities, which can lead to populism and violence. The loss of bridging trust as social capital increases the possibility of more enclaves and communitarian self interest, and the possibilities of fear and envy as drivers for the search for safety. There are interesting questions of whether inequality leading to loss of trust can also then lead to fear of Others.

Inequality, as unfairness can affect both winners and losers, as the former fear those they see as losers because they often read the oppressed as a threat and in this process demand more law and order. The anxieties about inequalities may themselves trigger off defensive models, which reinforce the sense of exclusion of the less equal and therefore inflame a process of division. This may cause some of those who see themselves as unfairly excluded and who have been defined as a threat, to become one. So increasing inequality, perceived as unfairness, may therefore threaten levels of civility and order.

The question of government intervention is particularly significant in the Australian context as an indicator of attitudes. There has been a long-term expectation that government is a major player in income distribution as indicated above. Wages have been set centrally and taxes and income transfers have been part of the mechanisms for the 'fair go'. The idea that Australia gives everyone a fair go has been part of past optimism about the future. People still expected government intervention to reduce inequalities not very long ago as is shown by some data from polls over time.

The following material looks at local data on both the actualities and perceptions. Some of the data were collected back to the eighties when governments adopted the neo-liberal rhetoric about the limits to intervention and the increasing need for deregulation and market forces. It seems a reasonable claim, albeit hard to prove, that this political strategy, which was seen as shared across the major parties, was in part responsible for the apparent pessimism about the possible achievement of a more egalitarian ideal.

There has been a long-time perception that Australia is becoming less egalitarian. A 1988 National Social Science Survey, available on the ANU Social Science Data Archive, repeated in 1994, showed both the Australian commitment to an egalitarian society, with about 80% wanting equality for most people, and the belief that, to date at least, we have been moving towards this. Asked to describe Australia in the past, present and future, most respondents in both surveys claimed we had become more egalitarian up till

the time polled. However, when asked to project thirty years ahead, the expectation in both was that inequality would increase rather than decrease.

However, there were differences. In 1994, 26% believed there would be few at the top and most at the bottom, as opposed to only 12% in 1988. This is in conflict with their stated wishes in both surveys that most should be in the middle, with few at the top or on the bottom. In 1994, only 27% had an expectation that most of us in the future would be on the middle level. Other survey responses, quoted below, illustrate this viewpoint as well.

'An important aim over next ten years is to reduce difference between rich and poor.'

Agree 52% Disagree 26% (NSSS survey 87/8 SSDA website [only time asked])

'Australia is becoming a less fair society, where the gap between rich and poor is getting wider.'  
Agree 83% (AGB McNair 1989)

'Australia is a fair country that looks after people who are not doing well.'  
Agree 73% (Quantum survey 1994)

The Australian Election Surveys<sup>ix</sup> offer one of the few time series from 1987 to 2001, which measure how many respondents agreed that the government should be the major player in creating equality. Levels of agreement ranged between below 51% over the main neo-liberal 1987 to 1996 period, but saw a big jump to 62% in 2001.

**'Income and wealth should be redistributed towards ordinary working people.'**

	1987	1990	1993	1996	2001
Strongly agree	17%	16%	24%	18%	35%
Agree	28%	25%	27%	29%	27%
Total	45%	41%	51%	47%	62%
Disagree total	55%	59%	49%	53%	38%

The above answers showed a continued expectation that we were able to make a public commitment to fairness. There is an interesting question therefore on how far these beliefs will be sustained if inequalities continue to increase and government fails to stem this. The polls above suggest that a quantum shift in party and political attitudes, supporting the idea that inequality is both morally and politically unacceptable would be supported by voters.

## Misreading the data

The question of what constitutes disadvantage has been exacerbated by the emphasis on materialist/economistic measures and the lack of recognition of the links between social and economic factors. Attitudes and perceptions have not been seen as serious factors to be considered in policy, in part, due to gender based perceptions that these were social statistics and not reliable. The recent worldwide revival of interest in society and social measures in the last decade was overdue as the dominance of macho-economics falters. The paradigm shifts suggest the need for different viewpoints to explore the quality of social formations and relations, which are beyond the narrow sphere of public exchanges. So far, the recent return of interest in the social has not challenged the materialist views of inequality but there are increasing signs that even economists are looking past self interest as the basis for decision making<sup>x</sup>.

If inequality is perceived as unfair, as opposed to natural or reasonable, the impacts of inequality will be different. The material and resource deficits are important but primarily insofar as they may affect the ways people interpret their experiences of self and others. The gendered defining as private the areas of feelings and emotions, means there have been few attempts to understand their importance and significance for the public policy agendas or research on policy efficacy.

These omissions and selectivity about what is worth measuring create information imbalances in making rational decisions. The emphasis on the economic/public aspects of policy making over the last quarter century has failed over most of this time to acknowledge the social effects of the policies that have been pursued. By ignoring the cultural and social aspects of a sense of well being, many political and social agenda setters have managed to inappropriately limit the base assumptions on which policy decisions have been made. The partially gendered blinkers have led to perceptions of the primacy of materialist assumptions based on economic epistemology's which assume that the welfare/well being of a community or nation can be solely identified by per capita average incomes and assets alone. Measures of

inequality, such as Gini coefficient, are not seen as related to attitudes or behaviour. Therefore there is little recognition of the possibility that there are social effects of the distribution of resources and of perceptions of a lack of systemic fairness. Measuring well being mainly through a series of economic measures has limited the perceptions of what makes a good society and what may undermine one.

## Conclusion

'We shrink the world to our communities and the community reduces to self. Meantime inequality is increasingly viewed- as is ecology- as an outside question.' 'Community attracts us especially when we are under threat, but it also trades in sameness. Sameness means absence of the other.....For Baumann, these are manifestations of the kind of habits of the mind and practices that led to the holocaust. For Baumann, we are at risk of losing the capacity to connect, those skills that make us social and sociological animals....' <sup>xi</sup>

In all social systems, large or small, there have always been compromises between interest groups, held in place by mores, laws and sanctions. The obligations of blood, law and informal relationships are combined with gifts and care to make us social beings. The so-called social fabric can be described as the threads of connection that pattern our sociality. These need to be sufficiently resilient threads that make us tolerate the irritants, conflicts and breaches that occur in relationships. The capacities of collective groups from families and neighbourhoods to nations depend on these so threats that come from perceptions of unfairness, whether structural or informal create asocial tensions. Communities and nations need both solidarity and bridging forms of connections to outsiders and strangers to hold the larger formations together.

The ethos of such connections is part of the social fabric but in recent years it has often been subsumed and obscured by the ideological shifts to economic explanations of individualism. The disappearance of state support may exacerbate exclusion, localisms, in-groups and other groupings, which seek self-advantage over others and can undermine broader social cohesion. These changes remind us that the post World War Two strategies for modern nation states involved reducing internal community conflicts and establishing national identification to create functional societies. The lesson of the thirties was that damage of inequalities, exacerbated by the depression, had to be remedied so as to maintain civil social order.

The welfare state offered quality of life policies such as good public education, healthcare and basic resource security, which make people feel secure. These programs have tended to be rationed over the past decades: their reach into the community has been limited by the introduction of means testing and user pays policies at the same time as market forces have also increased gaps between low and high income groups. While the policy promoters may in some cases promote their targeting processes as countering inequalities, these also can be seen as making differences more visible, creating institutionalised definitions of needy and greedy. Whilst these strategies may limit government spending, they need to be evaluated on the social criteria as well as financial to find out how they may affect people's ability to deal with the perceptions of fairness and income inequality.

Neo-liberalism's emphasis on market forces and self-sufficiency may have exacerbated the perceptions of inequality as people lose the ethos of pooling of resources via the public spheres. At its best, the public and communal provision of goods and services offers space sharing and a sense of public riches, which may counter the anxieties created by the unequal capacity for purchasing resources of individuals. The sense of communality that can be generated in shared public spaces and facilities may ensure some levels of equality for the rich as well as the poor. The removal and/or privatisation of such spaces, the diminishing public roles of government, the increased badging of programs in communities with private sector brands seem to be counter to the common sense of the common good.

The emphasis of government policies on economic outcomes often diminishes the importance of social ones. The best on offer at present fall into the category of remedying social exclusion by integrating people into the bottom levels. Debates on anti poverty measures are often limited to improving the financial status of the bottom groups relative to where they are now and little attention is paid to inequality as a problem in itself. Fairness and relative well being are therefore not seen as political or economic issues despite the evidence cited above that inequality is in itself a problem, visible particularly in areas like health and education. The welfare debates in Australia tend to accept the dominant models of policy and do not promote fairer societies in social terms but mainly in the financial areas, as illustrated by the submissions to the Senate Inquiry into Poverty this year<sup>xii</sup>.

The material above suggests that social policy advocates need to consider how to reframe arguments about the role of the nation state and its policy responsibilities. These may need to be revisited in looking for the balance between demands for economic deregulation and the continued importance

for making policies, which recognise social fairness as the basis for equitable social and political democratic processes.

---

<sup>i</sup> Tawney, R.H. ed pref. R. Titmuss, 1964, *Equality*, Unwin Books UK.P14)

<sup>ii</sup> Fattore T., Turnbull N., Wilson, S. 2003 ISSN 1443-8607 "'More Community!'" Does the Social Capital Hypothesis Offer Hope for Untrusting Societies?' *The Drawing Board: An Australian Review of Public Affairs* Volume 3, Number 3: March 2003, pp 165–179 School of Economics and Political Science, University of Sydney

<sup>iii</sup> Roy Morgan Research - <http://www.roymorgan.com/news/polls/2004/3701/>

<sup>iv</sup> Bean, C, 2003 *Citizen Confidence in Social and Political Institutions in a Changing World*, QUT conference paper, *Social Change in the 21<sup>st</sup> Century*

<sup>v</sup> Knack et al 'Does Social Capital Have an Economic Payoff? A Cross-Country Investigation' November 1997 1251-1288 *Quarterly Journal of Economics* vol 112 No 4)

<sup>vi</sup> Ichiro et al 1997 'Social Capital Income, Inequality and Mortality' *American Journal of Public Health* Vol 87, No 1.)

<sup>vii</sup> Marmot, M. and Davey Smith, G. 1997, 'Socioeconomic differences in health: the contribution of the Whitehall studies'. *J. Health. Psychol* 2(3):283-296.

<sup>viii</sup> Woolcock, M. and Narayan, D. (2000) 'Social Capital: implications for development, theory, research and policy'. *The World Bank Observer* 15 (2) 225-249

<sup>ix</sup> These surveys are undertaken by the ANU and are available on their Social Science Data Website

<sup>x</sup> Writers such as Amartya Sen and Daniel Kahneman have been awarded the Nobel Prize in Economics for recognising social and emotional factors affect the ways people make economic decisions.

<sup>xi</sup> As quoted in Beilharz Peter, 6/6/01 in the Australian HES 'When politics shrinks the economy rules' a review of Bauman, Zygmunt (2000) 'Community: Seeking Safety in an insecure world,' in *The Individualised Society*, Polity UK.

<sup>xii</sup> A quick scan of the submissions on the senate submissions on [www.aph.gov.au](http://www.aph.gov.au) show the dominance of this mode of debate.