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Race Blindness in Neo-Liberal and Managerial Approaches to Indigenous Administration

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Abstract

This essay briefly discusses neo-liberal approaches to the provision of social welfare, in synergy with reforms in public administration. It is the nuanced and dynamic interplay between these approaches that influences governance and business management activities of Indigenous community-controlled organisations within the Australian context. This paper draws on previous work identifying the racialised dimensions of neo-liberalism, in particular, how it constitutes and reflects non-Indigenous world thinking and logics for action designed specifically for the non-Indigenous political economy.

Introduction

Indigenous community-controlled organisations are a significant employer of Indigenous people, and provide opportunities for Indigenous people to gain access to knowledge, skills and expertise in governance through managerial and administrative practices that have politico-economic applicability both in the Indigenous community sector and the mainstream. This essay discusses issues concerning the overburdensome administrative reporting and accountability requirements placed by the racialised neo-liberal state on Indigenous community organisations. I suggest we should ask why such a dysfunctional system persists. These requirements are predominantly neo-liberal and managerial, and it is the perceived race-neutrality of these approaches that I call into question. An important dimension often neglected in neo-liberal managerial approaches is the impact of race. Race is a critical influence on the managerial-administrative context in which Indigenous community organisations work. But how do notions of race permeate these ideologies and practices?

According to Dyer, race is 'central to the organisation of the world' (1997, 1). Because, as Dyer states, 'at what cost regions and countries export their goods, whose voices get listened to at international meetings, who bombs and gets bombed, who gets what jobs, housing, access to health care and education, in what terms cultural activities are (validated) – these are all wound up in racial imagery' (ibid). Further, Dyer adds, the 'infinite minute decisions that constitute the practices of the world are at every point informed by judgements about people's capacities and worth, based on what they look like, where they come from, how they speak....they are racial judgements' (ibid). Whilst Dyer concedes that 'race is not the only factor governing these things and we all work with goodwill to overcome the prejudices and barriers of race', he maintains that 'race is never not a factor, never not in play' (ibid).

A number of scholars have theorised the notion of the racial state which, in effect, embodies the pervasiveness or routinisation of race referred to by Dyer (see Goldberg 2002, Omi and Winant 1994). According to Goldberg, the modern state is 'in short...nothing less than a racial state...it is a state or set of conditions that assumes varied racially conceived character in different socio-specific milieus' (2002, 2). In this sense, the racial state is composed of 'institutions, the policies they carry out, the conditions and rules which support and justify them, and the social relations in which they are embedded. Every state institution is then racialised and...race must be understood as occupying varying degrees of centrality in them' (Omi and Winant, 1994, 83).



While their work is grounded in context of the United States of America, Omi and Winant contend that state institutions, as the expression of white sovereignty, organise and enforce the racial politics of everyday life through policies that are explicitly or implicitly racial. In this sense, state institutions and their policies take shape under a series of conditions and rules, where the rules integrate disparate racial policies of different state agencies, define the scope of state activity and establish the “normal” procedures for influencing policy. At the same time, the routinisation of race is reproduced through all facets of social life that are regulated, overseen, managed and mediated by the state (Omi and Winant, 1994, 83).

Historically, racial rule has served the interests of those conceived of as white. Racial states are therefore seen as states that historically become engaged in the constitution, maintenance and management of whiteness (Goldberg, 2002, 195). As states of white rule, white governance and norms of white being, and being white, prevail, so that they are states where whiteness is established as the norm (ibid). Cognitive styles which appear to be universal in society, such as in science, or in liberal theories of public administration, are really the cognitive styles of whites (Stanfield 1985).

Yet the modern liberal state does not expressly manifest itself as racialised. Instead, Goldberg argues the modern state promotes and represents itself as ‘race-less’ - ‘the absorption and transmogrification of the racially differentiated into a state of values and rationality defined by white standards and norms, ways of knowing and being, thinking and doing’ (Goldberg, 2002, 206). Racelessness, Goldberg insists, is the ‘neo-liberal attempt to go beyond – without (fully) coming to terms with – racial histories and their accompanying racist inequities and iniquities’ (op cit, 221). Accordingly, racelessness ‘is an attempt in the name of neutrality to reinstate by presupposing the normative appeal of a certain sort of homogeneity’ (op cit, 224).

This homogeneity assumes transparency through the eradication of difference and promotes a ‘see-through sociality’ based on an ideal of universality that is, in essence, based on the prevailing norms of ‘an Anglo-European moral tradition’ (ibid). In this sense, the ‘norms of whiteness are represented as the ideals of colourlessness and culture’ (ibid). Racelessness is the imperative to ‘reinstate the power of these values’ - and those who represent them – as traditional (ibid). In this context, the reliance on tradition refers to the norms ‘of those who are white, or at least think the norms traditionally associated with whiteness are necessarily those by which social life ideally ought to be defined and refined’ (ibid).

Neo-liberalism

Neo-liberalism has been identified as the current political rationality shaping government thinking (Cronin 2007; Walter 2007; Beeson and Firth 1998; Hartman 2005). As a political rationality, it has a number of characteristics that inform government approaches to the provision of social welfare. A number of scholars have argued that neo-liberalism emerged as a critique of the welfare state (Rose 1996, 1999; Clarke 2005). The welfare state refers to the form of political organisation defined by certain rights and obligations and the responsibility of the state to meet them (Cronin, 2007, 180). It involved the provision of cash transfers (e.g. pensions) and services (health, housing, education) to offset the unequal effects of the market economy and operated according to ideals of social justice and social support to create an equitable and just society (op cit, 181). The neo-liberal critique was that social expenditure under the welfare state produced negative effects on economies, created dependency, and reduced responsibility amongst the population (ibid).

As an economic doctrine, or a system of beliefs, neo-liberalism places the free market as the key to handling global relations, and as a political ideology, is concerned with the role of the state or government (Hartman, 2005, 58). The neo-liberalist imperative prioritises the notion of the minimalist state, which means smaller government, privatisation, family and individual choice (Cronin, 2007, 184). It seeks to cut back welfare services so that only the neediest are assisted by the state (ibid). A minimal safety net is supported but linkages with social justice outcomes are rejected (op cit, 185). Welfare support ‘should be minimal and not so comfortable so as to reduce the incentive to work’ (ibid).

State welfare programs are therefore to be dependent on economic growth (ibid). Welfare is no longer exclusively the responsibility of the state, with its provision and administration increasingly devolved to the community and quasi-markets (Hartman, 2005, 63). The neo-liberal state is now concerned with

'helping individuals align their individual desires with those of the government, and acquire the requisite virtues in order to become self-governing, enterprising individuals' (ibid). The receipt of welfare is now tied to obligation, not entitlement (ibid).

In particular, neo-liberalism has been aligned with what Dean refers to as "technologies of performance" (2004, 168). These technologies seek to penetrate and subsume 'enclosures of expertise' to 'new, formal calculative regimes' (op cit, 169). Governments are then able to indirectly regulate agencies 'within calculable spaces' (ibid). According to Dean, technologies of performance are presented as 'techniques of restoring trust' but by implication 'presuppose a culture of mistrust' (ibid). This has been achieved through the imposition of 'modes of financial calculation', which effectively substituted previous norms of governance based on the bureaucratic and professional (Rose, 2003, 150).

Through the new regime of accounting, governments were able to 'act at a distance upon the actions of others' (op cit, 152). In tandem, the influx of audit mechanisms have provided governments with the capacity to judge the activities of organisations transforming audit as a 'central mechanism for governing at a distance' (op cit, 154). Government by audit, Rose maintains, not only 'transforms that which is to be governed', it also 'shapes the process that is to be audited' so that in effect, 'the logics and technical requirements of audit displace the internal logics of expertise' (ibid). In doing so, 'accountability to one set of norms – transparency, observability, standardisation and accountability' displace accountabilities to other sets of norms (ibid).

Neo-liberalism has permeated public administration. For around the past 30 years, public administration has undergone significant transformation in the ways it does business. Referred to as the new public management, the changes represent a profound shift towards a model of best practice drawn from the experiences of successful private sector organisations (Parker, Ryan and Brown 2000, 2). These reforms have been driven by criticism of public sector organisations and traditional approaches to public administration (op cit, 3). They call for government cost cutting, the ascendancy of public choice theories which place individual self interest as paramount, and critiques from various other management theories (ibid).

These changes speak to the provision of increased productivity and improved efficiency in the delivery of public services. Parker, Ryan and Brown's central critique of the traditional model was that public organisations were motivated more by internal political considerations than by financial ones (Parker, Ryan and Brown, 2000, 4). The public choice self interest critique concluded that administrators in bureaucracies used power to promote and further self interest rather than serve the public interest (ibid). This led to the maximising of budgets and programs to elicit prestige and improve career prospects and contributed to the expansion of the public sector (ibid). Reward and incentives are now linked to efficiency and productivity as a means to limit these behaviours (ibid).

Managerially, efficiency and effectiveness gains could be obtained through the application of management techniques sourced from private-profit making organisations (op cit, 5). Policy development has been separated from service delivery roles and market pressures introduced in service delivery locales (ibid). Neo-liberal policy management also involves a change in emphasis from rule enforcement and administration to the achievement of results through mission statements, performance management and performance based rewards (ibid).

Additionally, neo-liberal policy management supports a greater emphasis on outputs and outcomes including cost effectiveness (op cit, 6). Where previously public sector organisations focussed on the exercise of administrative discretion and the administration of rules, they have been re-orientated towards an emphasis on economic goals, competition, entrepreneurship and the achievement of results (ibid). In effect, 'public sector organisations have been compelled to develop new control and reward mechanisms which are market-based including financial (budgetary) controls, performance indicators, performance based remuneration and enhanced competition through privatisation, contracting out and the introduction of internal market models' (ibid).

Indigenous community organisations

Indigenous community-controlled organisations are in a general sense both representative and constitutive of the forms of governance 'associated with self-determination [but only as it applies] in the [non-Indigenous] liberal state' (O'Malley, 1998, 160). Established as 'self managing corporate entities', the advent of these organisations were accompanied by the import of 'an array of related discourses and practices of modern liberal rule such as impersonal administration, impartial justice and meritocratic hierarchicalism' (ibid). In such organisations, the 'personnel are Indigenous but the institutional arrangements are alien', with such organisations infused with a 'host of functions based on liberal models of abstract universal individuals' such as 'bureaucratic management [and] impartial principles of distributive justice' (ibid).

A general set of barriers has been identified that are unfortunately characteristic of the Indigenous community-controlled sector. The Australian Collaboration-AIATSIS 2007 report documents the following: existing funding levels do not support verified demand for services; difficulty in recruiting and retaining staff is compounded by competition with mainstream agencies for skilled and experienced staff; non-Indigenous partner organisations often lack a nuanced understanding of the complex holistic nature of Indigenous client service needs, resulting in undue pressure on organisations to conform to inappropriate organisational models and administrative procedures; Indigenous staff may face difficulty from time to time in separating their identities as members of the community and their professional roles as employees of the organisation; and lastly, the present accountability regimes that attach to funding and acquittal practices of government are commonly experienced as an excessive administrative burden with the effect that compliance is prioritised over service (op cit, 2007, 34-36).

However, the racialised neo-liberal managerialist reform agenda also extends to the terms for service delivery of Indigenous welfare. A number of nationally delivered services are no longer grant-funded but subject to competitive tendering under contract funding. Government promotion of inter-sectoral partnerships and whole of government frameworks to facilitate better coordination through all tiers of government is a key part of these reforms. These represent new challenges to Indigenous service delivery organisations, especially in the post-ATSIC era, and they require new responses of Indigenous organisations. The latter include internal organisational reform and new ways of working. One such reform, documented in a report produced by the Australian Collaboration and the Australian Institute of Aboriginal and Torres Strait Islander Studies, concerns the increased reporting demands and compliance costs placed on Indigenous community organisations (op cit, 2007, 40). The report notes that an increasing number of Indigenous community organisations are now funded under contestable service contracts where the objective has been the reduction of transactional costs in the community service sector through market forces (ibid).

In a number of instances, Indigenous community health organisations argued that market mechanisms are ineffective because funding bodies 'fail to take account of the high resource costs of servicing compliance and conforming to multiple reporting regimes' (ibid). In fact, these compliance standards were observed to 'exceed those of their corporate regulator such as the Australian Securities and Investment Commission', which in effect, transfers the 'regulation of (these) organisation(s) to the funding body' (ibid).

Indigenous community organisations typically rely on a mix of Commonwealth, state/territory and private sources for their funding (ibid). Yet the report reveals the absence of 'common compliance standards between these sources, or even departments' (ibid). The reality for Indigenous community organisations is that they must negotiate 'a range of disparate administrative, accountability and financial reporting regimes' (ibid). This is further complicated by the mix of grants and fee-for-service contracts that these organisations manage. The net effect of this complex funding framework is confusion at the community organisational level 'since the different funding structures are likely to have contradictory policy objectives' (ibid).

Unsurprisingly, Indigenous community organisations express concern in the report that 'current funding and acquittals practices are administratively burdensome and pay little attention to the grant term or the amount of money involved' (op cit, 41). Not surprisingly, these same organisations argued that grant/contract compliance impacts on organisational capacity so that compliance is prioritised over service (ibid). The report noted that 'very few grant-funded programs cover administrative costs' (ibid).

The red tape associated with the lack of standardised reporting, compliance and acquittal processes adds to the burden, particularly multi-funded organisations, which usually required a dedicated staff member with extensive corporate financial competency to undertake this work (ibid).

Not unexpectedly, the report observed that the amount of program reporting and detailed acquittal obligations had a negative impact on actual service delivery and organisational success in the community sector (ibid). One consequence of the shift to contract funding agreements is that external funding agencies - most notably governments - have been provided with a mandate through service delivery risk assessments to interfere with the internal governance processes of community sector organisations (ibid). The report notes that performance measures, for example, create tension between government value for money imperatives from contract providers and the cultural imperatives of community-controlled providers (ibid). The previous processes under which community organisations undertook their core tasks faced challenge under the new terms and conditions for Indigenous service delivery requested by government (ibid).

The impost of competitive tendering for service contracts has meant that the staff and boards of community-controlled organisations have been required to manage and administrate according to commercial business management principles (ibid). These include 'the capacity to operate competitively and achieve value for money; technical expertise to assertively negotiate funding terms with government agencies; a high standard of literacy in terms of complex legal and administrative contracts; ensuring ready access to experienced, qualified financial advisors; and a political competence to navigate a dynamic policy environment so as to anticipate emerging realities and future change (op cit, 42).

According to O'Malley, government funding support of programs and services delivered through and by the Indigenous community sector can be thought of as 'the strategic enlistment of Indigenous organisation[s] into a government program, in order to govern a problem which cannot be left entirely to the management of individuals' (1998, 158). In doing so, governments 'aim to mobilise a *particular* sense of shared interests, train participants in *specific* skills, provide information about certain *selected* "community" risks [and] enlist *targeted* local participation in "community" efforts' (op cit, 159). Such efforts were predicated on assumptions that Indigenous people were 'liberal subjects already primed with the taken-for-granted assumptions, knowledge and practices of the populace of urban, white Australia' (op cit, 161). But as O'Malley reports, the general view that locates Aboriginality as the fundamental cause for the failure of good government and administration in Aboriginal affairs privileges the views of government programmers - whilst rendering invisible - Indigenous agency and resistance to unworkable corporate and impersonal forms of imposed governance (ibid). The alternative interpretation is that Indigenous forms of governance 'render[ed] white practices of rule unworkable in many contexts' (ibid).

Conclusion

It has become critical that Indigenous managers and administrators working in the community sector remain – or become - vigilant in assessing the impact of racialised neo-liberal economic and commercial principles into Indigenous managerial and administrative domains. While there are likely to be threats to established culturally defined practices, opportunities to effect positive reforms through astute appropriation and strategic exploitation of the new logics are also potentially available. Indigenous organisations may choose, for example, to re-construct and apply such practices according to cultural and social values. There is some evidence to show this has already occurring (see O'Malley, 1998, 161). Indigenous community organisations in Central Australia have responded to modern liberal government concepts and forms by 'sustaining and adapting their own practices and discourses, actively paralleling and even displacing those of white government' (ibid). Such resistance opens a potential space for community-government partnerships to jointly explore both new ways of thinking and doing in order to achieve positive transformation. As O'Malley observes, the 'existence of Indigenous forms within the subjugating regime provides sites within [neo-liberal] rule for the operation of counter-discourses and sub-coordinated knowledges' (op cit, 169). Yet, as Box et al. argue, an alternative model to the current market-based public administration should have as a central element 'a collaborative relationship between citizens and public administrators.....based on shared knowledge and decision-making rather than control (2001, 616).

Racism is a nuanced, complex and diverse concept. Retaining a race-blind or race-less approach is – and has been – counter-productive. Flagg’s transparency phenomenon – the capacity of whites not to think of their whiteness and its effects (1998, 1) – makes it clear we need to engage in critical dialogue with our white colleagues to identify how whiteness works – and can work – in and out of the state against the achievement of goals and objectives mutually agreed between government and community – and developing appropriate collective responses to address complex problems. This would ensure that the discourse of governance reform presently targeted at community organisations and their employees also extends within government.

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