Young People, Work and Welfare:
An ‘Underclass’ of ‘Badly Behaving’ Youth?

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Abstract

Current welfare arrangements are underpinned by contentious assumptions about the behaviour and morality of welfare beneficiaries. The agenda is guided by the belief that the sources of disadvantage and exclusion are largely attributable to the perceived behavioural problems and moral shortcomings of the disadvantaged themselves, and the perceived disincentive effects of the welfare state, manifest in what is believed to be an ‘underclass’. The policy solution is to tighten eligibility requirements, coerce individuals into behaving in prescribed ways and to enforce labour market participation.

Guided by critical social inquiry, the paper asks whether the ‘underclass’ is a useful heuristic device for understanding some young people’s disengagement from the labour market. Reporting on interview findings with 27 young people with varying attachments to work, the paper explores respondents’ experiences of, and their values and attitudes towards, work and welfare and examines whether there is evidence to suggest some welfare recipients are ‘behaving badly’.

Key words: welfare reform; youth; unemployment; underclass; structure and agency

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Introduction

Reforms to Australian welfare policy during the latter part of the 20th century have been substantial, especially those introduced by the (1996-2007) Howard-led coalition government. During its term in office, the government mounted one of the most serious attacks on the unemployed and made sweeping changes to the systems of social policy that were in place to support them. Expanding the earlier principle of ‘reciprocal obligation’ that underpinned the former Keating-led Labor governments approach to welfare (Saunders 2002: 25), to one of ‘mutual obligation’, unemployed individuals were increasingly considered responsible for their own exclusion from the labour market, with the government introducing policies designed to coerce people into finding and accepting work.

The Howard government established a policy of reducing what it perceived to be a problem of ‘welfare dependency’, characterised by large numbers of capable workers living on social security payments (e.g., Newman 1999a; 1999b). Beginning with a formal review in 1999, the then Minister for Family and Community Services, Senator Jocelyn Newman, announced the formation of a Reference Group whose task was to ‘guide the development of a comprehensive Green Paper on welfare reform’ (Newman 1999a). The Group released a final report, known as the McClure Report, in July 2000 that provided the basis for a new social support system based on the objectives of reducing ‘the proportion of the working age population that needs to rely heavily on income support’ and developing ‘stronger communities that generate more opportunities for social and economic participation’ (McClure 2000b: 4). The government’s response was the ‘White Paper’ Australian’s Working Together (AWT), legislated in March 2003 that focused on encouraging independence by moving the unemployed into employment (Vanstone and Abbott 2001). These reforms have since
been extended to people with a disability, sole parents and mature aged people as set out in the 2005-06 budget (Australian Government 2005; Department of Employment and Workplace Relations n.d.) in spite of the original assertion that ‘long-term reliance on social security is entirely appropriate’ for some people in these categories (McClure 2000a: 7). Underlying the reforms is the view that some welfare recipients are ‘behaving badly’, as expressed by Senator Newman:

The government recognises that the majority of people who are obtaining assistance under the social security legislation are both meeting their obligations to the taxpayer and genuinely looking for work. But unfortunately there is a small core of people who are not prepared to do either… They are defrauding. (Hansard, Senate 30th March 1999: 3468).

At the heart of this view lie several contentious assumptions about human behaviour that are crystallised in conservative accounts of an ‘underclass’. Advocates basically argue that individuals are capable actors at risk of ‘moral hazard’ by the provisions and availability of welfare services, as reflected in the work of Charles Murray (1984; 1990; 1994; 2001) and David Marsland (1995; 1996). Or, that disadvantaged individuals are the poor with the most severe behavioural problems who will not improve their status unless they are forced to do so, as argued by Lawrence Mead (1986; 1991; 1992; 1997). Both perspectives recognise individual agency and social structures but the first may be considered a ‘pure’ account that emphasises rational choice, while the second may be considered a ‘moderated’ account that places greater emphasis on social structures, especially the family, in its explanation. For both accounts, the solution lies in altering individuals’ behaviour and restructuring the welfare state.
Social democratic critics of current welfare arrangements have generally questioned the issue of rational self-interest and self-maximising behaviour that underpins current welfare, largely by drawing attention to structural factors, but pay insufficient attention to choice, demoralisation and dependency culture. The absence of acknowledgement of the fundamental debate in the social sciences about the relative importance of structure and agency is critical here because the left has largely failed to seriously consider agency in terms of individuals’ ability to make choices within the social structure (eg Jones 1997; Marston 2002; Moses and Sharples 2000). The reluctance of critics to tackle agency has provided conservative writers with an advantage in that it ‘created a vacuum which was filled by conservative writers’ and inadvertently strengthened the credibility of conservative views about the sources of deprivation (Deacon and Mann 1999: 414).

While the Howard government lost office at the 2007 federal election to a Rudd-led Labor government it remains to be seen what, if any, substantive impact this will have on social policy. Early indications show a commitment to greater citizen engagement, a lessening of the harsher aspects of the previous government’s approach to industrial relations and its contentious Work Choices policy (Australian Government 2008a; 2008b). In spite of the significance of these measures, they do not indicate a fundamental rethinking about the behaviour and morality of welfare beneficiaries.

This paper reports on one part of a substantial study into social divisions and adaptations of social policy to a conservative neoliberalism. The focus here is on welfare reform and young people’s labour market engagement that examines whether the ‘underclass’ is a useful heuristic device. Reporting on interview findings with 27 young people with varying attachments to work, the paper explores respondents’
agency within the context of their environment and asks whether there is evidence to suggest some welfare recipients are ‘behaving badly’. Even though the sample size is small (and cannot be statistically representative) it is illustrative of young people’s agency and their relationship to work and welfare.

**Methodology**

Three samples of young people aged 18-24 were interviewed, including those who had never been unemployed (7), those who were long-term unemployed (6), and those who had been long-term unemployed but had returned to work or study at the time of interview (10). A fourth group of four young people was added after the data had been collected, to account for those who wished to participate in the study but did not fit neatly into one of the three main categories. Of this group, three had been unemployed for between 6 and 12 months, and another identified herself as long-term unemployed regardless of the fact that she had been working, and was continuing to work for her father as a paid clerk. For the purposes of the study, long term unemployment was defined as a continuous period of unemployment for 12 months or more.

Guided by a ‘critical post-traditional paradigm’, informed by the work of Titmuss (1956; 1958 and 1963), Jamrozik (1991; 2001; 2005 and with Nocella 1998) and Bourdieu (1984; 1987; 1988; 1989; 1993; 1999 and with Passeron 1977), the research as a whole considered the ways in which relations of power and policy systems create and sustain inequalities. The work of Bourdieu was particularly important to the interview analysis as it drew attention to the place of ‘choice’ in young people’s labour market engagement. According to Bourdieu (1993), action is theorised as a culturally mediated response to structural constraints and change. Human action is not
merely carrying out a social rule or law, but rather is based on the incorporated principles of a ‘generative habitus: a system of dispositions acquired through experience, variable in both place and time’ (Bourdieu 1987: 9). The strength of Bourdieu’s work is that it transcends the agency/structure divide because it provides a means of incorporating a ‘…sociocultural analysis of mediations that bridges the social psychological analysis of individual actors… and the macrostructural analysis of social systems…’ (Swartz 1997: 56-59). The elements of the ‘critical post-traditional paradigm’ that informed the research are unified by a concern with the reproduction of inequalities and power relationships in society, and uncovering these as a means of undermining their legitimacy.

Findings
The key findings are discussed in terms of four interrelated themes: labour market attachment and experience; secondary and tertiary education; family and social networks; and lifestyle.

Young people and the labour market
All participants agreed that working was important although they offered different reasons why. Those who had never been unemployed reflected upon the acquisition of life skills, and contributions to family and lifestyle. They generally held a positive view of their employment experiences and that of the labour market for young people generally. The positive outlook of the young people in this group was in sharp contrast with the labour market experiences of those who were unemployed or had been previously. While all young people in the sample considered working important, the reasons gave by those unemployed or previously unemployed reflected the more immediate impacts of work, including earning an income, countering boredom and improving their self-image. They appeared to have limited ambitions and a low
perception of their skills and abilities. Many did not have clear career goals and most indicated that their ideal jobs would be ones typically considered blue-collar, including work as a mechanic, carer, bartender, chef, kitchen hand or pruning grapevines.

Many told stories of exploitation and harassment, poor supervision and training and/or that they were doing fairly meaningless work that brought them little enjoyment or job satisfaction. One long-term unemployed young man, for example, recounted his experience of exploitation when he was hired as a mechanic’s assistant at the age of 19. His employer expected him to undertake the skilled work of a qualified mechanic, including removing engines from vehicles, repairing them, putting the engines back in and finalising customer accounts. The young man’s wage was a pitiful $40 per day or $200 per week in 1999, which even after allowing for inflation fell way below Australia’s federal minimum wage, which was $467.40 in 2004 (ACTU 2005).

The same young people stated emphatically that there were not enough jobs. The reasons they gave included an uneven distribution of jobs, with some people having ‘three jobs at once’, a lack of jobs in their area, and a shortage of suitable low-skilled jobs. Most young people felt they had tried to secure work, and their unemployment was not due to a lack of job-seeking effort on their part. Speaking of the difficulties they encountered in trying to obtain work, many commented upon what they perceived as employers’ expectations for job seekers to have skills and qualifications, while being reluctant to give young people a job so that they could build the skills and qualifications employers desired. Some young people also cited a lack of employers’ flexibility and transport issues as key sources of their unemployment.
Their experiences contrasted strongly with the views of some young people who had never been unemployed. The latter maintained that participation was dependent upon the efforts of individuals themselves and the type of work they were willing to accept. Some felt that a number of young people were ‘too picky’. While they acknowledged that most of the work available to young people with few skills was largely unattractive, some felt that young unemployed people should take whatever work was available.

Aside from those who had never been unemployed, one unemployed young man expressed the view that some people choose to be unemployed. He indicated he himself had chosen not to work so that he could ‘take a holiday and travel around’. He felt confident he could get work any time and his father was financially secure and he knew he could always ask for assistance if he needed it. Significantly, the young man was able to choose to be unemployed because he knew he had the option of working and, unlike many of the other young people, he was not facing the same financial pressure to do otherwise. This is not to suggest that unemployment was the only option available to this particular young man, rather it was one from a number that made the most sense to him at that particular point in time.

**Young people and education**

The most striking difference in the education experiences of young people was between the sample of young people who had never been unemployed and the others. Among the former, half went to a public school and the other half went to a private school or a combination of both. Most had completed year 12 and went on to study at university. Two of the respondents left during year 11 or 12 to study at TAFE. Most indicated they had a positive learning environment overall.
In sharp contrast, none of the participants who were unemployed went to a private school, although two of the ex-long-term unemployed did. None of them completed year 12 and most indicated they did not like school. Half of the young people who were long-term unemployed were expelled and another person was suspended, in their words, ‘at least 20 times for drugs and fighting’. Poor relationships with teachers seemed to be a consistent theme in the reports of their experiences.

Their experiences drew attention to the school environment, especially the public system, and the ways in which the academic and personal needs of some individuals were not being met. It was clear from the reports given by many of the long-term unemployed that the education system was failing them. For those who had needs that were not being addressed, their response was to withdraw and/or to rebel against it. There was also evidence to suggest some young people had internalised their school experiences by blaming themselves rather than the system, citing their own ‘bad behaviour’ for their predicament.

**Young people and family**

While there was a slightly greater incidence of divorce and separation among the families of those who were long-term unemployed and ex-long-term unemployed, the negative effect of family breakdown was most apparent among the long-term unemployed. The differences became particularly evident when the quality of the relationship was considered. All of the young people who had never been unemployed reported a positive relationship with one or more of their parents. Similarly all of the people who were once long-term unemployed and had returned to study or work (except for a young woman placed in foster care) reported positive relationships with at least one of their parents. Significantly though, many of the latter reported that their
relationship had improved only recently, either just prior to entering the labour market and/or returning to study, or shortly thereafter.

Among the group of long-term unemployed, their relationship with their parents was much more fragmented. One of the young men in emergency accommodation recounted years of being moved between his divorced parents’ homes and how he never felt like he really belonged anywhere. He had spent the last 2 to 3 years living transiently between friends’ houses, emergency accommodation and the streets.

Lifestyle
The young people who were unemployed generally led much more sedentary lives than those who were studying or working. Among the latter, a typical day consisted of work and/or study, possibly some part-time work and sporting commitments. This contrasted with the long-term unemployed who generally indicated their days were being wasted ‘sitting around’, ‘hanging out’, playing computer games and simply sleeping. A number of young people across each of the samples held negative views about the lifestyles of others. Asked whether or not young people liked working, some respondents including those who were unemployed or had been previously, commented they knew of people who enjoyed being unemployed and ‘couldn’t be bothered’ looking for work.

Mental health issues, both medically diagnosed and undiagnosed, were common among the unemployed and the ex-long-term unemployed, with many reporting that they were experiencing depression, low self-esteem and/or poor self image. While it was not possible to definitively establish causation, from the perspective of the participants, mental health issues seemed to arise as a consequence of the experience of being unemployed for long periods of time.
Discussion

The data generated from the small sample showed evidence of a group of young people who were excluded from mainstream society, some of whom appeared to be doing little to improve their circumstances. *Prima facie*, this gives support to conservative ideas about the existence of an immoral and feckless underclass that justifies the introduction of punitive policies designed to rectify ‘bad behaviour’.

What the data also revealed, however, is that conservative underclass claims are based on overly-simplistic understandings of human agency. The young people’s perceptions and experiences of the labour market raised a number of structural issues concerning the availability and suitability of jobs. For those experiencing long-term unemployment, it would seem that their experience of the labour market and being unemployed presented greater barriers to employment than it did for other young people who had not experienced long-term unemployment. Those who were long-term unemployed or ex-long-term unemployed, reported cumulative disadvantage in the forms of educational underachievement and poor school experiences, fragmented family backgrounds, lack of financial support, transitory accommodation arrangements and mental health problems.

The significance of the impact of education on young people’s labour market opportunities and the particular type of industries that were available to those with limited skills in particular cannot be ignored. It was clear that the education system and the existing structure of the labour market were failing some young people in that they provided little in the way of a career structure, forcing some into ‘early retirement’.
The interviews also raised some questions about the behaviour of young people in terms of their job searching efforts. The activities that the young disadvantaged people spoke of reflect their adaptation to limited opportunities. The work choices available to many of the long-term and ex-long-term unemployed are unlikely to be the same as that perceived by policy makers, who may regard the final choice undesirable or even devious. The labour market status of the unemployed young man who had chosen not to work is likely to be viewed as one example of ‘fraudulent’ and/or ‘bad behaviour’ by conservative advocates of welfare reform. Yet it is evident that he was simply choosing from the limited options he perceived to be available to him and chose the one that made the most sense to him at that point in time. It is interesting to note that while Bourdieu goes to great effort to explain most action in terms of unconscious interest and clearly rejected a rational actor model of action, he does suggest that under certain circumstances *habitus* may be superseded by other principles such as rational action and conscious computation (Bourdieu 1987: 107-108). A possible explanation is that rational action occurs at periods of significant life changes and/or crises, which also appeared to be relevant to the case of this young man who had relocated interstate to be with his girlfriend.

In terms of human behaviour, the point Bourdieu makes is that action conceived as adaptations to limited opportunities in society facilitates the revelation of how structural disadvantage can be internalised into relatively durable dispositions (Swartz 1997). The cumulative effect of an ‘underclass’ perspective of human behaviour is that it creates an environment of inclusion and exclusion that is attributed to the individuals themselves either through hard work and effort, or laziness and irresponsibility. This environment reinforces the notion of individual responsibility, while the identification of ‘bad behaviour’ acts as a disincentive to engaging in that
behaviour. The effect is the legitimation of both class arrangements and the policy approach itself.

**Conclusion**

The interview findings suggest that contrary to conservative claims of a devious and immoral ‘underclass’, young unemployed people are not necessarily lazy or intentionally abusing the welfare system, and nor are they simply the product of intergenerational welfare. The three social structures explored here including the family, the education system and the labour market, contribute cumulatively to the context in which people make their decisions. Better recognition of human behaviour as a mediated response to structural constraints has the potential to strengthen social democratic challenges to current welfare approaches and the maintenance of power relations and systems of legitimation. The findings suggest more study of the issues raised would be likely to add to sociological debates about welfare reform and agency and structure that further challenge pejorative claims of a sub-group of ‘badly behaving’ youth.

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Footnotes

1 A critical content analysis of policy documents pertaining to the Howard government’s welfare reform agenda are in Martin (2006) and Martin (2007). The records analysed include: Newman (1999a; 1999b); McClure (2000a; 2000b); Department of Families and Community Services (2000); Vanstone and Abbott (2001); Commonwealth of Australia (n.d. a, b, c); and Hansard for the period September 1999 – December 2004.

2 The study comprised three empirical components including a quantitative analysis of social divisions using international, national and Local Government Area level data on indicators of disadvantage; a qualitative content analysis of key policy documents and Hansard; and interviews with welfare providers and young people.

3 The framework is detailed in Martin (2004 and 2006).