

Several of the conference presentations are not reproduced in the book. The editors explain that those with substantial audio-visual content could not be included satisfactorily. But they are silent on why Stevan Eldred-Grigg, whose *New Zealand Working People* was launched by TUHP during the conference, does not allow his controversial paper to appear.

*Culture and the Labour Movement* is a well produced paperback. Eighteen papers have endnotes and many contain illustrations and photographs of very good quality. The typeface is large and the format easy to read. The lack of an index limits quick access to some material, but this slight shortcoming is one which is shared with most collections of conference proceedings. *Culture and the Labour Movement* is a significant publication and will have wide appeal. It is a welcome sign of a confident New Zealand labour history, determined, as Alun Howkins observed, to put working people back at the centre of the historical process.

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*Selfish generations? The Ageing of New Zealand's Welfare State.* By David Thomson. Bridget Williams Books, Wellington, 1991, p.233. NZ price: \$29.95.

DAVID THOMSON with his *Selfish Generations?* has provided his readers with a demographic whodunit. In contrast to the authors of the more traditional detective novel his principal task is to establish that there is a victim and that, in fact, a crime has been committed. But of course one cannot have a whodunit without a villain; and punishment must follow crime. This is why a hullabaloo has accompanied the publication of his book. For Thomson the victim is the baby boom generation, now reaching their thirties and forties, as the welfare state, as we have known it, disintegrates. The crime, it is a case of wholesale fraud, is the breaking of the social contract that has underlain the welfare state since its foundation, an implicitly hidden welfare contract in his words, that the generation which pays the heavy taxes today, i.e. the baby boomers, will be rewarded later in life by a subsequent generation. This, he argues, will not happen. The generation born between 1920 and 1940 received the benefits when they were young; and are now continuing to receive benefits as they age, well beyond anything like the amount they contributed during their working life. They are the villain of the piece. The baby boomers have to pay for their benefits by heavy taxes, or reduced welfare incomes. Two parallel welfare states have been created; one's membership is determined not by need but by date of birth. Transference of entitlement is prohibited.

By a skilful handling of data which itself leaves something to be desired, but about which little can be done by way of improvement, by the inclusion of some notable work by American and British authors, Thomson establishes his case. There can be little doubt that the benefits of the welfare state have been slanted in favour of the older generation. This process he terms, the ageing of the welfare state. It has little to do with an increased proportion of older people in the population. Twenty-one per cent of the adult population (i.e. 20 or more years of age) were over 60 in 1945; that proportion had risen by only 1% by 1981, and in 2001 it will still remain at 22 per cent. An increased proportion of the aged is forecast to occur after the millenium. Ageing is a phenomenon apparent in many western welfare states. It is represented by a rising proportion of welfare expenditure being committed to the older generations. In 1971 the over 60s received public expendi-

ture equivalent to 5% of GDP; by 1989 that figure had risen to 9 per cent. Whereas the figure for the under 40s had remained at 11%, their proportion of the adult population had risen from 45% in 1945 to 47% by 1981. In general older people are never as well off as working age people, but relative to the real net income of single males 25-34, the single aged pensioners, along with, let it be noted, single females 20-24 and 25-34 have improved their standing by 17, 23 and 19 points respectively; whilst the standard family with two children is relatively worse off by 15 points.

Thomson believes that generation is a much neglected category of historical analysis. He believes also it is a powerful analytical category, that lies behind the intersection of class, gender and ethnicity. Certainly it is a tricky category, and evidence for this is to be found in the section where Thomson has his own grandmother and mother at one time in the same over-sixty generation. Historically a person's chances have always been strongly influenced by their age and date of birth. But the outcome for persons born within ten or 20 years of one another can be remarkably different. The generation born between 1920 and 1940 includes members of families who have fought in both World Wars and those who have fought in neither one. The life chances of a person born in Chemnitz in 1920 and 1940, especially if the earlier born were also Jewish, will have been remarkably different and not interchangeable. The later born after 30 years occupied employment in the GDR may, nevertheless, have ended up jobless, homeless and with worthless savings. I am still to be convinced that intra-generational differences are less important than inter-generational differences. In Table 2.2 section C, Thomson demonstrates that effective taxes for Standard Families between 1945 and 1971 were negative; but this is not true for the upper percentiles of income earners. It is true for those that were poorer at the time. What is more, and here there is a little statistical sleight of hand, he counts the expenditure upon health and education as part of income. The money that was made available from taxation, which Thomson counts as family income, provided the school buildings and the teaching services received by the pupils, increasing, supposedly, the human capital of the baby boomers — not their parents, the oldies. And it provided the salaries of the teachers, who spent it on their living circumstances, housing, travel and imports. Thomson makes it seem that the selfish generations were the sole beneficiaries. Likewise, the health expenditure paid for the ante and post natal care of mothers presumably helped them and also increased the life chances of the baby boomers, their weight at birth, their increased height, and — if they didn't get into drugs — their longevity. Some of the money expended went to nurses and doctors, raising their living standards.

His unfortunate choice of title has probably done irreparable damage to his case. Certainly with large sections of the public it has made it difficult for him to get a fair hearing. After all it is quite a complex argument, which is essentially correct, but, unfortunately, it is a little beside the point. For Thomson, the crime, perhaps we should call it a misdemeanour, has not been wilfully committed. For him it is a phenomenon immanent to the welfare state, arising out of the inevitable human tendency to plunder the common: a tendency aggravated by the alienation that accompanies the breakup of the smaller territorial community and its absorption by the nation-state. 'Mass pooling,' he concludes, 'had robbed us of an identifiable community with whose resources each elector must act responsibly.' Why then point the finger at the Selfish Generations?

Here in New Zealand and elsewhere, the Keynesian aspects of the welfare state: tariff protection and governmental pump priming of demand, were introduced originally to ensure the economic survival of the capitalist nation-state. More recently, tariff protection has been removed and the monetary and fiscal independence of the nation-state curbed in order to ensure the competitive advantage of national industries in the global economy; the remaining duties of the state being to provide the educational system and infrastructure that will make the national territory a more attractive place than elsewhere for

investors and managers capable of moving freely their knowledge, technology and finance to wherever they choose.

The hidden contract aspect of the welfare state — Thomson's concern — was an invention of politicians and ideologues who supposed that the abundance promised by technology had supplanted all economic laws and any shifts in the structure of the world economy. When the non-contributory welfare schemes, known as the Beveridge Plan, were introduced in Britain, from some quarters they evoked considerable criticism. Kingsley Wood and the British Treasury insisted they were unsustainable: 'in blistering papers to the Cabinet and War Premier . . . the Chancellor's criticisms amounted to a percipient prophecy of the crisis that would eventually overtake the welfare state and its financing in the 1980s.' Basic to Kingsley Wood's analysis was the incalculable and open-ended nature of the scheme. 'The scheme is presented as contributory but . . . depends on a deficiency grant, which will grow in the course of time to immense proportions, from the general taxpayer . . . . Acceptance of the complete plan involves a contract with many millions of beneficiaries, the continued fulfilment of which would properly have to be, in good or bad times alike, a prior charge upon the national resources'.<sup>1</sup>

The first labour government had of course introduced a scheme similar to the Beveridge Plan in 1938, and ever since the whole nation has applauded itself for leading the world. It is difficult to believe that the British reservations were unknown in this country. However, 'Superimposed on a tax level already increased to meet the recent expansion of social security, the amount of war taxation was impressive, but not excessively burdensome in the circumstances. *It was largely the proven capacity of the country to bear such a load that led to further increases in welfare expenditure after the war*' (emphasis added). The postwar export boom only served to strengthen the belief in the economy's capacity to support more welfare spending. By 1966, what had been an experiment in 1938 had become a way of life. The 'nature of Government expenditure has become relatively inflexible. Much is now so entrenched, so closely built into the political social and economic structure that major surgery, though feasible, is hazardous. Change is towards more, rather than less, Government spending: economy takes the form of limiting this propensity of expenditure to increase and proliferate.'<sup>2</sup>

From the beginning a few critics recognized that the hidden welfare contract might be unsustainable. Of Thomson's 'Selfish Generations' some were not born when the whole tragic cycle commenced, others were at the most, teenagers. By the time things first began to fall apart they were between 26 and 46 years of age. But in the seventies another generation had the bit between its teeth. The state's purse was assumed to be bottomless. In 1975 the Interdepartmental Committee on Population Questions foresaw the state including within its purview jobs in which tedium is reduced as far as possible, the promotion of inter-personal relationships and the diminution of alienation, isolation and loss of sense of identity, the creation of conditions which will permit a choice of living styles and access to opportunities for more freedom of individual expression, reflecting more flexibility in conditions of work, alternative cultures, work patterns and styles. (This is only the Shorter Version.)

David Thomson's anguish caused by the disintegration of a dream has stimulated a valuable and novel investigation of our human condition. But the problem is not the differential outcome for the different generations. This is a consequence that has a tragic

1 Corelli Barnett, *The Pride and the Fall*, 1986, p.47.

2 Both quotations are from 'Finance, Public' in A.H. McIntoch, ed., *An Encyclopaedia of New Zealand*, 1966, Vol. 1, pp.661-71.

inevitability about it, given the origins of the venture. The problem is the resolute refusal to restructure the economy, advocated by Walter Nash at the Industrial Development Conference in 1960, promoted by the IMF investigation in 1968, and latest of all, recommended in the Porter Report. For without this restructuring the implicit contract between the generations is unenforceable. The problem is the one recognized in 1976 by Morris Janowitz: the failure of the welfare state to generate a political, social or intellectual basis for sustaining and transforming itself. The problem is, in Thomson's own words, 'the tame scholarship' which has masked 'and so sustained the manipulation of the implicit contract between the generations', which collectively have treated the two most fanciful Utopias of this century, socialism and the welfare state, as matters of self congratulation rather than scepticism.

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*Governors and Settlers: Images of Authority in the British Colonies, 1820-80.* By Mark Francis. Canterbury University Press, 1992. 331pp. NZ price: \$69.95.

FORTY YEARS AGO imperial history occupied a very prominent place in the curriculum of New Zealand university history departments, and rare was the student who completed his or her major in history without learning a great deal about such topics as the Durham Report and the Statute of Westminster. From the fifties the decline of the Empire itself was accompanied, with the customary time-lag, by the decline of the prominence given to matters imperial. The Empire became a forgotten subject.

This new book by Mark Francis appears to confirm that 'imperial history' is re-emerging in a new, one might even say, post-modern, or at least post-structuralist, guise. Old topics are being looked at in startling new ways, and some unexpected new insights are emerging. One thinks for instance, of Ronald Hyam's work on sexuality and the empire or, to come closer to home, the profound disturbance which James Belich gave to conventional views on New Zealand's wars of the 1860s.

Francis provides a study of the political culture of British settler colonies, focusing on the period 1820-1850 when governors were more than titular figureheads. He has rescued from oblivion some quite intense debates about the ideas of governance which were held by these men and those over whom they governed. This is viewed against the background of political debate in Britain itself from which the governors were but temporary exiles and in whose affairs some of them wished in due course to have a renewed involvement. Colonies were seen as laboratories for experimentation in forms of political organization which were not yet safe or wise in Britain itself. The book stresses the consequences of the weakness of patterns of deference in the colonies. There was abundant questioning of the ways in which authority was exercised.

This is a study of discourse. There is much emphasis on ceremonial and what is meant. The author investigates in considerable and often entertaining detail the many rituals and ceremonies in which governors engaged, often because this was what was expected of them. He teases out the hidden agendas, the strategies, the unspoken meanings of these occasions.

This is a book which needs and largely repays careful and close reading. It suffers from a rather disjointed presentation in which there is some risk that a reader who does not have a reasonably sound prior knowledge of colonial history may go astray. There is no attempt