liberalism to intervene where there is no obvious failure by the private sector in the provision of jobs with paid maternity leave attached.

In recent years, enormous sums of government money have been targeted at families with children instead of across-the-board tax cuts. Conservatives are very fond of these types of payments and justify the expenditure in terms of increasing the birth-rate, helping families and promoting the stabilising impact on society with which families are credited. The grant of privilege to one group over another is generally opposed by liberalism, preferring to treat everyone equally and so, classically, liberals would oppose such programmes. However, apart from the historical entrenching of such programmes to such an extent that their removal, or even restriction, is likely to be electorally suicidal, it is intellectually lazy to single out payments to parents as deserving of abolition merely because not everyone has children or because it is yet another government expenditure. Instead, some long and hard thinking, perhaps centred around providing equality of opportunity for children, must result in new policy directions that are neither conservative nor merely the continuation of the status quo.

Towards a liberal social policy

What social policy will look like if more informed by liberalism than conservatism remains an unanswered question. The hard thinking and argument is still to be had.

Those of us who claim liberalism as our guiding star do so to reach the twin destinations of equality of opportunity and individual rights. Social policy has more to say about both those goals than perhaps any other policy area.

In recent times, liberalism’s emphasis has been on attempting to reduce the scope of government, even as conservatives and the left find ever-more ingenious ways to expand its reach. In social policy, nobody yet has come up with another way of ‘doing’ liberalism and we have to figure it out. This in no way means adopting the far left’s approach—mandating equality of outcomes, or establishing entitlements based on group membership. For any political organisation to be worthy of the name ‘liberal’, however, there must be a central place for social policy informed by liberalism rather than conservatism. Social policy will be a central battleground for public policy—liberals will need to innovate to compete.

The Liberal Party’s loss at the Federal election provides an opportunity for Australian liberalism to evolve. But this does not mean, as many will likely argue, that liberalism has to ‘go soft’. Liberals will not do themselves any good simply by abandoning the push for reforms such as smaller government, lower taxes and workplace flexibility.

Regardless, reform needs to be addressed within the restraints of contemporary Australian attitudes. As always, sound policy should be developed from a philosophical foundation. The real challenge for liberals is to both guide and align Australian attitudes with an evolving liberal philosophy.

And this needs to be done whether the Howard government, at least in their final terms, failed. That there was failure can best be demonstrated by the divergent attitudes behind generational voting. And the evidence is in the poll numbers. Amongst voters under thirty years of age Howard struggled to find a message that resonated.

The current generation of young adults are the largest generation entering the workforce since the baby boomers. If liberals wants to have a future with a generation whose values will become predominant, they need to understand their values and let liberalism evolve to its next step.

The irony is that younger people are probably the most naturally truly liberal generation in Australian history.

Defining generations and their attitudes is the sport of social researchers. And, for every rule, there is an exception. But the individuals that were born after the 1970s, who are either referred to as the latter part of Generation X or as Generation Y, do have common traits.

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Young Australians have come to their values through an organic evolution which has resulted from living in a dynamic capitalist society, rather than through traditional philosophical development.

In the past few years, there have been two books that have attempted to look at the attitudes of an emerging Australian generation. In 2006, Rodd Honeywill and Verity Byth released their book, *Neo Power*, following research into the attitudes of half a million Australians. One of the findings of their research was to identify two distinct groups that are now emerging in Australian society: the ‘traditionals’ and the ‘New Economic Order’ or ‘NEOs’. In making their broad-brush generalisations, Honeywill and Byth don’t break the two groups into age categories, but rather recognise their difference through attitudes to society. But they do recognise that there is a much higher concentration of NEOs within Generation Y.

Honeywill and Byth identify NEOs as consumers and workers who are ‘socially progressive, economically conservative, and hungry for rich information and memorable experiences’. Conversely, traditionals are ‘aroused only by basic needs and the demand for rudimentary satisfaction … and are rooted in social, industrial, and technological conservatism’.

Ignoring the left-wing partisanship of his polemic, Ryan Heath, now advisor to Peter Garrett, published his frustration as a self-anointed representative of young Australia in *Please just F*off: it’s our turn now*. He describes Australia’s emerging generation as global, responsible, pro-capitalist, supportive of a market economy and a market society, individualistic, not selfish and post-PC, amongst many other tags.

There are clear common traits amongst Australia’s younger generation—they believe in the principles of a free market and a free society with individual responsibility central to their way of life. In short, they are archetypal libertarians.

Since the start of the First World War, libertarianism has sat outside the political mainstream as a radical ideology opposed to the growth of the state. Yet young Australians have come to their values through an organic evolution which has resulted from living in a dynamic capitalist society, rather than through the traditional philosophical development where individual freedom was prized in comparison to the alternative variant forms of statism.

Equally, they are not interested in government intervention in their or their peer’s lives. As a result of their empowerment through prolific communications, they believe in individual responsibility. They are also pro-capitalist having being raised in a free market system that has evidently delivered material fortune for themselves and others.

In fact, the free market has become a central concept for the younger generation in the way it views the world. The status quo is now enterprise and it even penetrates the way that young people expect government to address problems. For an avowed leftie, Heath demonstrates the strong attraction that the younger generation has to capitalism. Heath argues that the only new expectation of Australia’s younger generation is that it expects more from capitalism … to work less corruptly, more ethically and to deliver more choices to us than anyone else has been able to so far … [and that his] generation can re-inject the value of trust back into capitalism.

Through both immediate and secondary exposure, the next generation are naturally socially liberal. In the immediate context, they have grown up in a dynamic multicultural society. Equally, young people have travelled extensively and appreciate and respect cultural diversity. The outcome has been that young people tend to look at cultural similarities rather than differences. Drawing attention to a quotation from his peers, Heath points out that the younger generation of Australians simply ‘accept[s] 1700 types of normal’.

Research has also shown that civic virtue is back in vogue, though it is taking on a more individual focus. The Centre for Social Change at Queensland University of Technology analysed the role of civic activism between the Civic Generation (born in the early years of the twentieth century) and the attitudes and practices of Generation X. The main difference is that the Civic Generation tended to become involved through institutions, whereas younger Australians take a more individual approach. Honeywill and Byth
argue similarly that NEOs are so empowered that, when they see a problem, they literally seek to solve it themselves, not turning to established institutions as a means to a solution.

Given these natural inclinations of Australia’s younger generation, it is noteworthy that the Liberal Party still failed to capture their vote. Poll after poll demonstrated that they were a demographic that swung strongly behind Rudd and Labor. The history of the Labor Party has been essentially one of economic irresponsibility together with a flux of social progressivism dependent on the attitudes of the day. Yet, the common philosophical bonds amongst younger generations do not naturally sit with Labor.

There is a serious gulf between the Liberal Party and younger Australians. Liberal philosophy, but not Liberal Party policy, is more naturally attuned to the attitudes of younger Australians.

The problem here is that the values of younger generations are closely aligned to libertarianism, but they do not identify themselves as libertarian. As a result, young people tend to believe that their positions as simply logical, rather than elements of a connected philosophy or ideology, or that they are represented by a political party.

Future liberals need to embrace these changes in attitudes. This means a greater focus on a well-rounded liberalism that embraces and respects diversity in social policy, supports free markets and market-based mechanisms in dealing with the challenges that government ought to address, and harnessing the potential of individuals, rather than government, to effect change in society.

In a climate of economic stability and a consensus on economics, the Labor Party, and to a lesser extent the Greens, will remain the logical parties of younger non-self-identifying libertarians who want social liberty and who view individual activism as the pathway to the future.

But if the liberals and the Liberal Party embrace these changes, the future of liberalism in Australia is bright.