Paul Keating, tax alchemist?
A study proposing the interpretive tools of
Pierre Bourdieu

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Abstract
What is the extent of Paul Keating’s contribution to tax reform while a parliamentary member of Australia’s House of Representatives (1969-1996), which includes his time as Federal Treasurer (1983-1991) and Prime Minister (1991-1996)? Even today he is an active commentator on government policy.

Some would claim that Keating simply marketed the tax reform ideas of others to the electorate. Alternatively, using the metaphor of a tax alchemist, he transformed existing tax reform ideals and built upon them. Major tax initiatives during Keating’s public life include dividend imputation, the Capital Gains Tax, Fringe Benefits Tax, the Petroleum Resource Rent Tax and compulsory superannuation, a key pillar in pension funding.

The long term aim of this research is to compare selected aspects of Australia’s tax reform process over two periods, 1983 to 1994 and 2007 to 2012. But first, this study presents the project’s methodological framework and argues the appropriateness of using Pierre Bourdieu’s social practice theory, which adopts an interpretive approach to analyse the relational processes in tax reform between institutions and multiple actors. The Bourdieusian concepts of ‘field’, ‘habitus’ and ‘capital’ help explain contextualised social and relational encounters. My investigation finds that these tools are appropriate for the tax field, given the scenario of the interrelatedness of Keating’s past and present struggles with the tax institutions and its elite political, civil sector, business, academic and trade union actors. Keating’s early tax reforms are now ‘doxa’: normative elements of the tax structure.
1. Introduction

Even sixteen years after leaving politics, Paul Keating still has a presence in the discourse on contemporary Australian policy. Witness his book of recent speeches and sell-out formal public lectures.\(^1\) It is timely to examine the extent of his contribution to tax reform while a member of the Australian House of Representatives. Keating held a number of ministerial positions, including as the Labor Government Treasurer and Labor Prime Minister.

Some believe Keating simply marketed the tax reform ideas of others to the electorate; or alternatively, using the metaphor of a tax alchemist, he transformed existing tax reform ideals and built upon them. Major tax initiatives during Keating’s public life include dividend imputation, the Capital Gains Tax, Fringe Benefits Tax and the Petroleum Resource Rent Tax. The introduction of compulsory contributions to superannuation and its concessional taxation characteristics might also be added.\(^2\) There were also failures; such as his proposal to introduce a consumption tax, in the form of a retail sales tax. Given Keating has actively proffered opinions on government policy since leaving parliament, he provides a good framework to compare societal aspects of past tax reform to current tax reform initiatives.

Briefly, in 1969 Paul Keating was elected to the House of Representatives; and in October 1975 became the (then) youngest federal Labor minister (Minister for the Northern Territory). In Labor’s shadow cabinet of 1976 he was promoted to spokesman on minerals and energy; in 1983 he was appointed shadow treasurer by Labor leader, Bill Hayden; and between 1983 and 1991 was Treasurer in the government of Bob Hawke, and then Prime Minister from 1991 to 1996.\(^3\)

In reflecting on Keating’s contribution specifically to taxation, and more broadly to changes in community access to the tax debate over time, my overall research objectives are:

1. To consider the social practices of the tax field, across both its institutions and elite agents, in the context of Australian tax reform over two periods of Labor Government tax reform: from 1983 to 1994 and from 2007 to 2012.

2. To closely focus on the tax reforms in which Paul Keating has been involved, as either an instigator, or more latterly as a commentator.


2 The superannuation system is currently being criticised for its high fees, the result of outsourced investment services.

3. To analyse Paul Keating’s interrelated ‘struggles’ to enter the institutional structures of the tax field, and acceptance by the elite or dominant tax field agents. Keating’s heterodoxy of tax reform requires consideration of his social practice (or practical knowledge), a combination of his habitus, capital and field position.

This exploratory study, which forms the first part of the research project, outlines the methodological framework and argues for the appropriateness of using the interpretive approach of Pierre Bourdieu’s social practice theory to analyse the relational processes in tax reform between the institutions and agents in the tax field. The context is commentator Keating today contrasted with Keating the MP; and the Australian Labor Government tax reform agenda now versus its tax reforms of the past. My investigation finds that Bourdieusian theory has the range tools to analyse the tax field, given the scenario of the interrelatedness of Keating’s past and present struggles with the tax institutions and its elite political, civil sector, business, academic and trade union actors. The next sections of the paper cover the methodological framework, an overview of the influences on Bourdieu, his practice theory concepts and its application to this research on Keating and tax reform.

2. Methodological Framework

The methodology will be comparative over two time frames (1983 to 1994 and 2007 to 2012)—the two periods of Labor Government tax reform. The research will first require the collection of quantitative tax revenue data for plotting it relative to GDP to depict tax reform outcomes. Then qualitative data will be drawn from published journals, biographies, speeches and publically available legislative and policy materials authored by a range of stakeholders, such as politicians, civil servants, business people, academics and trade union officials. In addition, a sample of persons described as elite in the tax field, will be contacted for semi-structured interviews to obtain first-hand insights into their experiences and opinions about social and institutional practices in the tax field. The interviews will aim to penetrate the reform process through four themes: factors to establish authority for a reformist Treasurer; personal insights into tax reform; attributes that equip a Treasurer for a tax reform role; and orthodox tax structure versus change to the heterodoxy of tax reform. Thus, interview data will supplement the archival data that I plan to upload the interview data into NVivo software to facilitate textual analysis and find themes. To keep the project manageable and comparable,
questions will be limited to Australia’s resource tax reform, a key reform in the two selected timeframes. See Table 1 for the interview matrix.

**Table 1. Interview Matrix**

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<tr>
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<tbody>
<tr>
<td>Paul Keating</td>
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<td>Paul Keating</td>
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<tr>
<td>Bob Hawke</td>
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<td>Kevin Rudd</td>
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<td></td>
<td></td>
<td>Julia Gillard</td>
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<td></td>
<td></td>
<td>Wayne Swan</td>
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<td></td>
<td></td>
<td>Martin Ferguson</td>
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<tr>
<td>Bureaucrats</td>
<td>John Stone, Secretary, Treasury to 1984</td>
<td>Ken Henry (Treasury, secretary to 2011)</td>
</tr>
<tr>
<td></td>
<td>Bernie Fraser, Secretary, Treasury, 1984-1989</td>
<td>Revenue Group, Treasury</td>
</tr>
<tr>
<td></td>
<td>David Morgan, Senior Dep. Sec., Treasury, 1980s</td>
<td>Revenue Group, Treasury</td>
</tr>
<tr>
<td>Business</td>
<td>John Schubert, CEO, Esso Australia</td>
<td>Mitchell Hook, CEO, Minerals Council of Australia</td>
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<td></td>
<td>Peter Wilcox, CEO, BHP Petroleum</td>
<td></td>
</tr>
<tr>
<td>Academics</td>
<td>Ross Garnaut, ANU</td>
<td>George Fane, ANU</td>
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<td></td>
<td>John Freebairn, University of Melbourne</td>
<td></td>
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<td></td>
<td>Rick Krever, Monash University</td>
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<tr>
<td>Unions</td>
<td>Bill Kelty, Secretary, Australian Council of Trade Unions, 1983-2000</td>
<td>Dave Noonan, National Secretary; Construction, Forest, Mining &amp; Energy Union</td>
</tr>
<tr>
<td>Community Services</td>
<td>Julian Disney, President, Australian Council of Social Service (ACOSS)</td>
<td>Tim Costello, CEO, World Vision Australia</td>
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Source: the author.

The choice of resource taxes for the interviews is appropriate due to the propensity of such a tax to elicit a range of opinions. Underlying a resource tax is the prerogative of a sovereign state to seek an appropriate return for allowing private interests to extract the finite natural resources, which belong to its wider community. In Australia the royalty, an early form of resource tax, is levied in three ways, on the value (ad valorem) of the mineral being mined; on a unit-basis (volume or weight); or is profits-based. For a mining company, the first method disregards the profitability of the mineral: a disincentive, given the industry’s typically high capital costs; while the ad valorem method of calculation can be complicated. For the state, a unit-based royalty does not reflect a market of high commodity prices, thus revenue flow can be flat; and a profits-based royalty generates no revenue if early capital costs of mining are high.

In 1948, Brown attempted to address these shortcomings of royalties, devising a neutral design he termed the ‘cash flow method’ for resource taxing, based on the profits-
based approach. Much later, in 1975, Garnaut and Clunies Ross posited their variation on the Brown tax, whereby a resource rent tax was to be levied only on the positive net cash flow from a mining project. The next refinement was the allowance for corporate capital (ACC) cash flow method derived by Boadway and Bruce. Their method does not require capital expenditure to be fully deducted when incurred; rather, the capital expenditure (or starting-base assets) is depreciated over the project’s effective life. All three cash flow methods claim to provide a non-distorting tax design. Australia’s petroleum resource rent tax (PRRT) was based on the Garnaut and Clunies Ross method and its minerals resource rent tax (MRRT) on the Boadway and Bruce method, much-modified.

Australia’s petroleum tax was introduced in 1987, without extensive media discussion. However, by 1996 questions were being asked about whether Australia’s natural resources could sustain both economic growth and welfare enhancement. Sustained demand for mineral resources, from the early 2000s, led to the introduction of the MRRT in 2012, with an attendant research and commentary characterised as varied and fractured. Garnaut called for a balance between private and public interests when considering the merits of the then proposed minerals resource tax.

Economists and tax researchers have supported a resource tax, even in a modified form, claiming both investors and community benefit. Others claim, for example, that mining-related environmental issues have been neglected; problems of a two-speed economy without structural reform have emerged; social justice issues—including criticisms of inadequate community infrastructure in mining communities—are seen as prescient; and family breakdown, a consequence of the demand for a mobile ‘fly-in fly-out’ workforce is

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12 Frank G Nicholls, ‘Environmental Policy in the Howard and Rudd Eras’ (2010) 40, no. 5 Environmental Policy and Law.
common. The preceding shows the call to government for leadership in policy to guide sustainable mining development into the future. I now return to the primary purpose of this exploratory study, which is to argue for the appropriateness of using Bourdieu’s social practice theory in this context.

2.1 Bourdieusian theory

I claim that the theory of social practice derived by French sociologist, Pierre Bourdieu (1930-2002) will be useful to analyse the data collected on the social process of tax reform between multiple actors and institutional settings. Bourdieu developed his theory to address the traditional bifurcation between objectivist and subjectivist approaches. Thus the theory takes into account objective methods that claim to analyse institutional structures that reproduce social relations and subjective personal experience—and attempts to bridge the gap. Bourdieu’s theoretical perspective looks into the practical knowledge of every day action as well as to the objective structures within which such action takes place. His practice theory, or praxeology, explains outcomes that are contended as neither solely objective nor subjective in source. Bourdieu developed power concepts (such as field, habitus and capital) for application to contextualised social and relational encounters in everyday life; tax reform fits this type of context.

Bourdieu’s work was particularly influenced by Karl Marx and Max Weber. Marx (1818-1883) developed theories about society, economics and politics—collectively known as Marxism—that hold that all societies progress through the dialectic of class struggle: a conflict between an ownership class, which controls production; and a lower class, which produces the labour for goods. Bourdieu extended Marx's general framework to comprehend social reproduction processes and extend the concept of capital beyond economic capital. Bourdieu accepted the primacy of class conflicts and material interests as the motivator for class inequalities. The use of the Bourdieusian extended concept of ‘capital’ is seen as more appropriate for my study than, say, Marxist theory, which only privileges economic capital as a path to power.

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14 Objectivism is based on the premise that actions and attitudes, freedoms and wills, are the result of external structures of mechanical determinism, see Pierre Bourdieu, The Logic of Practice (Stanford University Press, 1980), 46.


According to Brubaker, Bourdieu’s corpus of work focused on social class and the capital required to reproduce class-based power and privilege over time.\textsuperscript{17} Bourdieu used the term class to metaphorically describe ‘social structure; class struggles are assimilated to sexual, generational, regional, ethnic; and occupational struggle; and class theory merges with sociological theory in general.’\textsuperscript{18}

Max Weber (1864-1920) wrote, \textit{The Protestant Work Ethic and Spirit of Capitalism}, and called attention to the influence of cultural values, and in particular religious belief, and their impact on economic activity.\textsuperscript{19} Weber contended that sociology orientated exclusively to economic and political interests, social structures, classes, power, organisations, or institutions, ‘was theoretically inadequate.’\textsuperscript{20} Expanding on Weber, Bourdieu coined the term symbolic capital, ‘to include religion, language, education, art and ideology; in short, culture.’\textsuperscript{21} Bourdieu contributed to reflexivity in research, being influenced by Weber’s concept of field to explain social patterns.\textsuperscript{22} Weber’s view of the importance of domination\textsuperscript{23} and symbolic systems in social life, as well as the idea of social orders,\textsuperscript{24} was ultimately transformed by Bourdieu into his theory of fields.

While Bourdieu is one of the most frequently cited authors in the United States,\textsuperscript{25} which includes being cited reasonably often in interpretive accounting literature,\textsuperscript{26} his theoretical work is relatively underutilised in taxation law.\textsuperscript{27} Nonetheless, it has been claimed that Bourdieusian concepts can ‘improve our understanding of tax as a social and institutional

\begin{footnotesize}
\begin{enumerate}
\item[18] Ibid., 770.
\item[20] Ibid., 1(i).
\item[22] Richard Jenkins, \textit{Pierre Bourdieu}, Revised ed. (Routledge, 2002).
\item[23] E.g. Domination of laymen in the church, see Max Weber, \textit{The Protestant Work Ethic and the Spirit of Capitalism}, 142.
\item[24] E.g. Weber referred to the importance of an American’s membership of a recognised association, whether Freemason, Christian Scientist, Quaker etc. as the ‘typical vehicles of social ascent into the circle of the entrepreneurial middle class’, ibid., 133.
\item[26] Bertrand Malsch, Yves Gendron, and Frederique Grazzini, ”Investigating Interdisciplinary Translations: The Influence of Pierre Bourdieu on Accounting Literature.”
\end{enumerate}
\end{footnotesize}
practice’.

The intention is to use Bourdieu’s three step process with the aim of understanding the practice of tax reform. First, the tax field will be considered in relation to the state (a site of power); second, the tax actors’ volume and the structure of the ‘capital’ will be the mapped, which is required for establishing positions of power to invoke taxation change; and third, selected elite tax reform actors from each time frame will be interviewed, to garner their insights on Keating, his habitus and tax reform. In justifying my approach in selecting two time frames for comparison (1983 to 1994 and 2007 to 2012), I follow Bourdieu’s advice:

I have strongly advised researchers to study at least two objects...for example, in the case of historians, besides their principle [historical] object, to add the contemporary equivalent of this object. The study of the present has at least the virtue of forcing historians to objectivize and to control the prenotions that they are likely to project into the past...

In my proposed methodological framework in this exploratory study, I have used particular terms that recur in the Bourdieusian praxis. These require further explanation and are given below, with other key concepts, taken either directly from Bourdieu’s works or from interpretations by exponents of the theory, as found in the literature. The definitions may seem prescriptive because many are directly quoted, rather than paraphrased. In attempting to justify the use of Bourdieu’s empirically derived theory, it is useful to lay out the concepts beforehand. The following sections also give some examples of the theory’s applicability to the case of Paul Keating, and in some instances, to the Australian resource taxes. Later, in the overall project, the concepts will be applied to aid research data interpretation.

-Field
Generally, a ‘field’ may be defined as a ‘network, or a configuration, of objective relations between positions. These positions are objectively defined in their existence and in determinations they impose upon their occupants, agents or institutions, by their present and potential situation in the structure of the distribution of capital.’

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29 The three step process is adapted from Pierre Bourdieu and Loic J.D Wacquant, An Invitation to Reflexive Sociology (University of Chicago Press, 1992), 104-5.
30 Ibid., 234.
We can compare the ‘field to a game…it follows the rules…the product of competition between players.’\textsuperscript{31} The game metaphor was much favoured by Bourdieu and a similar analogy will be used for this study. This current era’s partisan, polarised politics has been imported from the US to Australia and elsewhere. When Julia Gillard ascended to Prime Ministership in 2010 she quipped, ‘game on’ as a challenge to the just as competitive opposition leader, Tony Abbott.\textsuperscript{32}

Insights into the bureaucratic mechanisms of government emerge in Bourdieu's works such as \textit{Language and Symbolic Power} (1991), which posits that a site of power can emerge from the state, a dominant field which can include ‘ministries, departments, parliament, officers, legislation and policy...’\textsuperscript{33} The term field describes ‘the space in which we can identify institutions, agents, discourses, practices, values...; and the government [state] has the responsibility to regulate, manage and police the national community; and power is the mechanism it applies to fulfil this responsibility.’\textsuperscript{34}

Government is not the field of power, but one of the sites in which power operates. In the two comparative periods for this study, a Labor government is a site of power. Bourdieusian fields are ‘networks of social relations, structured systems of social positions within which struggles or manoeuvres take place over resources, stakes and access; and they are hierarchically distributed depending on the kinds of capital, the number and types of positions.’\textsuperscript{35} Social positions are always in flux. ‘Fields are characterised by forces and struggles; a form of life, social microcosms.’\textsuperscript{36} ‘It is in those fields that professional practitioners of representation...clash with one another’ and it is those fields that have to be analysed.\textsuperscript{37}

To understand how power constitutes and institutes an authorised spokesman, party leader or trade-union leader in a field, ‘one must analyse the logic...described as a process of delegation, in which the mandated representative receives from the group the power to make the group.’\textsuperscript{38} ‘The spokesperson is endowed to speak for group through the magic of the

\textsuperscript{31} Ibid., 97-98.
\textsuperscript{32} Maxine McKew, \textit{Tales from the Political Trenches} (Melbourne University Press, 2012), 169.
\textsuperscript{34} Jen Webb, Tony Schirato, and Geoff Danaher, "Understanding Bourdieu," 86.
\textsuperscript{38} Ibid., 739.
slogan "the password"...the substitute for the group that exists only through this surrogacy.'  

The dominance and success of the Bob Hawke and Paul Keating mandate for tax reform from 1985 is an example that will be explored later.  

Often a group breaks down and leaders are deposed, or choose to depart for ideological reasons. ‘Political alienation arises from the fact that isolated agents—the more so, the less strong they are symbolically. The isolated cannot constitute themselves as a group...except by a site *par excellence* of symbolic efficacy.’ Arguably, Paul Keating’s political alienation from the mainstream political game is evident today.

**-Tax Field**  
Bourdieu used all his theoretical concepts to explain legal power and the legal profession. For instance, Bourdieu applied his concept of ‘field’ to the juridical field, ‘a social field organised around a body of internal protocols, assumptions, characteristic behaviours and self-sustaining values.’ He sought to explain the invisible but forceful influences upon patterns of legal profession behaviour. Others have followed in applying his theory to general law issues. Madsen and Dezalay, for example, offered unique definition of the legal field for modern European countries: the law faculty and the state. Early research by Dezalay and Garth directed Bourdieu's concepts to the legal field in the United States. They examined the division of labour between practicing lawyers and professors of Ivy League law schools; and referred to the division as symbolic domination in the legal field. Using their capital of social relations members of elite legal circles establish their own networks of influence in their struggle for domination. The legal field theme for the US was recently extended by Dezalay and Garth, who argued that legal aspects of international relations display a relative success in ‘Americanization’ abroad, which reinforces the power of lawyers, and the clients they serve in the United States. The researchers claimed that each of the legal field, human rights

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39 Ibid., 740.  
field and the state as a site of power, ‘is structured around three main pillars: Ivy League campuses, Wall Street, and Washington DC.’ They found that although elite influence has changed, the pillars have become more entrenched.47

Within the legal field, tax is a distinct field. Generally, Bourdieusian theory has been under-utilised in tax law policy, reform and practice, but recently in the UK some researchers used Bourdieu to examine the relational complexities of the regulation of tax avoidance and the fine boundary of acceptable tax practice.48 For Australia, I see the tax field as comprising the state, which includes the Treasury and Australian Taxation Office bureaucrats. The state is defined as a political entity that has a monopoly on the use of legitimate physical and symbolic violence for a jurisdiction and its population.49 Tax field actors include the global accounting and legal profession, elite law faculties, multinational industry, trade unions and community pressure groups.

What is the relevance of trying to define and understand the Australian tax field anyway? Tax reform from the Keating era of the mid-1980s might be as familiar as yesterday to Australian Baby Boomers; an interesting ‘piece of history’ to their progeny, Generations X and Y; and perhaps inconsequential to those beyond Australian shores.50 Baby Boomers may be so thoroughly suffused with, for example the petroleum rent tax, that, given a tendency to forget the deals and compromises, they have lost any critical perspective of the 1980s. For these ‘Boomers’ this analysis, which will use Bourdieusian theory to explain past tax law policy and reform, may show that ‘familiarity has bred an ignorance.’51 For them, and Generations X and Y, the 1980s era in Australian tax will be a benchmark for the later attempts at tax reform in the 2010s. Those beyond Australian shores might note that Bourdieu insisted on the unity of theory and empirical research;52 thus for them, my study will be another example of the wider applicability of Bourdieu’s concepts.

For instance, in 2010 a head of the mining industry lobby, Mitch Hooke,53 and three multinational mining companies engaged in a very public battle against the Australian Government about the design of Australia’s then proposed minerals rent tax. The struggle to modify the proposed tax resulted in Prime Minister Kevin Rudd being deposed, and ‘faceless

49 Pierre Bourdieu and Loic J.D Wacquant, An Invitation to Reflexive Sociology.
50 Baby Boomers were born from 1945 to 1960; Generation X from 1961 to 1976; and Generation Y from 1977.
52 Richard Jenkins, Pierre Bourdieu, x.
53 Chief Executive of the Minerals Council of Australia
numbers men’ supporting Julia Gillard’s ascendance to the national leadership role. She then had to broker peace with the mining lobbyists by agreeing to lighten elements of the tax.  

By contrast, in 1987 during Paul Keating’s time as Treasurer, the then new petroleum tax was passed with minimal protest because the replacement of the complex excise tax on oil production was advantageous for industry. In both time frames the community’s position in the tax field needs further explanation, for in Australia they are the owners of the nation’s natural resources.

Garcia and Oats have claimed that the UK tax field experiences ‘complex compliance boundary negotiations as sites of fierce power struggles where consensus is sought or imposed’, resulting in shifts in the balance of power, authority and control. It is part of the tax compliance game. ‘The field of taxation is not immune, nor isolated from the influence of other significant actors within the field,’ which includes pressure groups. The Australian legal profession has been strangely quiet during the 2010s tax reform debate. The Government and mining industry were the main protagonists, and global accounting firms had active input. Input from the academic fraction of the tax law field of today was also muted when compared to academic discussions of the 1980s.

A Bourdieusian dissection of the interrelations between the main actors will provide a closer and more critical questioning of the power of agents in the tax field.

-Habitus

Bourdieu’s notion of ‘habitus’ has been understood as ‘the deeply ingrained aspects of identity; such as gender, race, ethnicity, and class that individuals bring to a field...’ For Brubaker, ‘habitus is interpreted as the system of internalized dispositions that mediates between social structures and practical activity…it is a system that mandates...between inert structures and the practices through which social life is maintained.’ Habitus and the

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56 Ibid., 318.
57 In the 1980s the Australian Tax Research Foundation was amply sponsored by professional bodies in the accountancy, law and taxation – the Australian Society of Accountants, the Institute of Chartered Accountants, the Law Council of Australia and The Taxation Institute of Australia - quite a contrast to today’s requirement for competitive funding for tax research.
extended concept of capital combine through agents and institutions (in Bourdieusian terminology, a field) to inform practice. This study’s interviews will aim to uncover the habitus of the elite players in the tax reform game as a critical element in understanding tax practice. For instance, Keating introduced portability of superannuation (the award pension), an important reform particularly for women. Keating’s record on social justice issues was arguably the product of his formative years spent in lobbying for improved wages and conditions for workers.

-Capital
Bourdieu extended the traditional concept of economic capital to include cultural, social and symbolic capital; they are many types of capitals, but most important are economic and cultural capital.

‘Capital... represents a power over the field (at a given moment) and like aces in the game of cards, power defines the chances of profit in a particular field. Actors are positioned in fields according to the overall volume and relative combinations of capital available to them.’

While economic capital, represented by cash, is the most tradable for power, the use of Bourdieu’s extended concept of ‘capital’ is seen as more appropriate than Marxist theory, which only privileges economic capital as a path to power.

‘Bourdieu developed the concept of cultural capital to explain differences in educational performance and cultural practices that remained unexplained by economic inequalities. Cultural capital is accumulated over time as an investment. It returns dividends at school, university, social contacts... job market.’

Culturally legitimate tastes can be seen in the overt selection of fine wine or ‘highbrow’ opera. Paul Keating, for instance, arguably extended his cultural capital by developing a reputation for an expertise in Mahler’s music and empire clocks. Contrast the effort required by Keating to establish cultural capital with those born into privilege and have inherited such capital.

64 Paul Keating, After Words: The Post-Prime Ministerial Speeches, 181-83.
Social capital is about a parvenu’s ability to foster relations with those of influence to bolster their own trajectory through a field. ‘Social capital is the sum of the resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutionalised relationships of mutual acquaintance and recognition.’

Were Keating’s efforts to raise his social and cultural profile instrumental in gaining access to powerful agents?

There is continuous competition over the form and type of capital. Capital types vary in liquidity, the speed by which one type of capital can be transformed into other forms of capital. Bourdieu’s two-dimensional concept of capital, having volume and structure, depicts generalised outcomes; such as the intelligentsia ‘as rich in cultural capital and (relatively) poor in economic capital; while executives and professionals might be seen as rich in economic capital and (relatively) poor in cultural capital.’

‘It is the competence of individual agents that ultimately influences their ability to mobilise the capital that enables their participation in a field.’ Figure 1 below depicts two sub-sets of cultural capital, educational and inherited cultural capital, and their volume and structure. It shows possessors of strong educational capital have also inherited strong cultural capital (point B); they assume positions as legitimate members of the dominant class having ease and familiarity with culture. Those with lower educational capital were found to have lower inherited cultural capital, and are situated lower down the axis (point A). Those with the same inherited cultural capital as B, but who obtain lower educational capital, are still closer to B than A (points C and C*). Those who have a similar educational capital, but commenced with lower inherited cultural capital (points D and D*), and for whom culture is the result of schooling, were found to be still lower down the cultural axis than C and C*.

The last type of capital to be covered, symbolic capital, may commonly include ‘prestige, reputation, renown etc.’ Language is symbolic capital, ‘which is both a battleground and a weapon’ and powerful when used in the struggle to impose on others a particular view of the world. The dominant agent or institution in a field may legitimise power through specific language. Often control over symbolic capital, such as technical language, is accepted without question. For, it is not clear where those who occupy dominated positions in both social space and the ‘field of symbolic production’ obtain ‘the instruments of symbolic production for them to express their viewpoint.’ Renowned for his language skills, Paul Keating was encouraged to tackle the technical jargon of the profession in the tax field.

Allied to symbolic capital is Bourdieu’s theory of symbolic violence, which is exercised upon individuals. ‘The term symbolic violence is meant to be provocative’ and implies the imposition of principles on recipients who have little choice on acceptance or rejection. Goods and services might be denied to a minority group for reproduction of the social order and to maintain the interests of the dominant. Symbolic violence is ‘exercised upon a social agent with his or her complicity.’ It is a ‘gentle, hidden form of violence’, and

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established when overt violence is impossible.\textsuperscript{78} For example, the reassuring language skills of Paul Keating often morphed into a sharp-tongued weapon to silence political opponents.\textsuperscript{79} One might also suggest the Australian Government’s closed negotiations in 2010 with multinational mining companies over the minerals tax, is an example of symbolic violence against the community, as it had little say in the final outcome.

In summary, the three conceptual tools of field, habitus and capital can be brought together and represented by the following equation: $[(habitus)\text{(capital)}]+\text{field} = \text{social practice.}$\textsuperscript{80} Thus social practice is the result of the interrelationship between one’s disposition or habitus to the volume and structure of capital one possesses, together with one’s position in the field. Bourdieu encouraged the examination of social practice, or practical knowledge, which he distinguished from knowledge acquired from phenomenology (individual experience in the wider world) and objectivism.\textsuperscript{81} For instance, emphasis on practical knowledge can be constituted through various practical functions, such as the calculation of tax contained in legislation. The aim is to characterise the ‘particular practices of competent actors as they master various situations.’\textsuperscript{82} Social actors develop repertoires for perception, appreciation and action.\textsuperscript{83} ‘The logic of practice is internalised as second nature and then forgotten as history’;\textsuperscript{84} it enacts with habitus. Part of this study’s overall aim is to consider how Paul Keating negotiated the heterodoxy of tax reform though the tax field by considering his social practice (or practical knowledge), a combination of his habitus, capital and field position.

**-Doxa and Illusio**

The final two Bourdieusian concepts to be covered are doxa and illusio. Agents naturalise certain dominant practices, making them appear as self-evident, fundamental and a universal way of organising personal and professional lives;\textsuperscript{85} this is what Bourdieu referred to as ‘doxa’. For example, the 1987 introduction of the petroleum rent tax in Australia meant the

\begin{thebibliography}{99}
\bibitem{78} Pierre Bourdieu, \textit{Outline of a Theory of Practice}, 196.
\bibitem{80} Karl Maton, "Habitus," 51.
\bibitem{81} Jane Baxter and Wai Fong Chua, "Be(Coming) the Chief Financial Officer of an Organisation: Experimenting with Bourdieu's Practice Theory," 213. See Pierre Bourdieu, \textit{Outline of a Theory of Practice}.
\bibitem{82} Pierre Bourdieu, \textit{Outline of a Theory of Practice}, 36-37.
\bibitem{83} Jane Baxter and Wai Fong Chua, "Be(Coming) the Chief Financial Officer of an Organisation: Experimenting with Bourdieu's Practice Theory," 214.
\bibitem{84} Ibid.
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removal of the requirement for excise case law precedents and tax office determinations that had guided the application of excise on offshore oil production.\textsuperscript{86} In other words, the new petroleum legislation replaced the hitherto requirement for hours of debate. Doxa takes place intuitively, it is pre-reflexive, for practice is misrecognised as being second nature. ‘Most people, for most of the time, take their social world for granted’,\textsuperscript{87} and never question its many obligations; such as the submission of correct and timely tax return forms. One of the significant mechanisms used by the state to produce doxa is the ‘bureaucratic institution, which is perhaps the most powerful institution of government.’\textsuperscript{88} In Australia, the Australian Taxation Office (ATO) is the intermediary between the state and taxpayers, implementing the government’s policies. For instance, once a tax reform battle is over and initiatives legislated, legislation is enforced by the ATO as regulator, a bureaucratic arm of the state; a site of power in its own right.

Thus the term doxa, is used to describe the ‘apparently surprising practice of accepting things without realising that one is being oppressed.’\textsuperscript{89} ‘The ways in which we submit to and are taken in by this normalised, doxic view of practice, is referred to as illusio’ and likened to being ‘caught up in a game’ and ‘having a feel for the game’. For instance, Paul Keating at the height of his parliamentary career was a leading exponent of the parliamentary ‘game’ of tax reform. To legitimise reform to the electorate he needed to maintain the illusio of a complete understanding of the technical aspects of tax. The next section considers alternative research approaches to tax reform and provides the conclusion.

3. Progression of the study

In a 2010 analysis of preferences and reasons for tax reform shifts, James claimed that such outcomes are often the product of a range of political-economic factors.\textsuperscript{90} James adapted the analytical approach of Canadian political scientist, Simeon, whose framework attributes policy reform outcomes to the socio-economic environment, relative power of participants,
community cultural traits and institutions that progress reforms. Simeon’s framework, published in 1976, is neither theoretically nor empirically based; in fact it pre-dates North American acceptance of Bourdieu’s vast corpus of work, which has had a profound effect on approaches to sociological disciplines, including legal studies. Nonetheless, Simeon raised the problem of the gap between subjective and objective approaches, which Bourdieu’s theory of practice tries to address. In shaping her conclusions James also acknowledged the importance of the Weberian idea of culture [religious belief], but as mentioned previously, Bourdieu expanded considerably on Weber’s, perhaps one-dimensional, interpretation of culture.

James has a later (2012 but as yet unpublished) more comprehensive analysis of dominant approaches to explain tax policy and reform, and focuses on public choice theory, which builds deductive models of individual and collective behaviour; and historical institutionalism, which explains the present by the institutional practices of the past, through case studies and supporting quantitative data. She uses the latter approach.

For this study, to take either an objectivist approach (analysing institutional structures that reproduce social relations), or a subjectivist approach (interviewing to gain data about the thoughts and decisions of individual agents) will leave a gap; a perpetuation of epistemological shortcomings, as identified by previous scholars. It is a reasonable ontological view that state institutions (that make and enforce tax laws) and personal experience (of tax law cultures and external social forces) are interrelated, and warrant utilising a theory that might bridge this divide. Bourdieu is widely used, (e.g. in legal studies in the UK and the US) and, according to Lamont, is generative, creating strong sociological

93 In 2010 a cross-Atlantic conference “Trente Ans Après La Distinction” marked Bourdieu’s work “Distinction”. Lamont acknowledged the impact of French sociologists, including Bourdieu, on many disciplines in North America for 30 years from around 1979. Michèle Lamont, ‘How Has Bourdieu Been Good to Think With? The Case of the United States’ (2012) 27, no. 1 Sociological Forum, 229.
94 Richard Simeon, "Studying Public Policy.
95 Kathryn James, "An Examination of Convergence and Resistance in Global Tax Trends,” 486, footnote 60.
96 Buchanan writes in support of public choice theory, claiming its essential wisdom of insights into the workings of human nature, follows the thinking of Adam Smith, see James M Buchanan, ‘Public Choice: Politics without Romance ’ (2003) 19, no. 3 Policy.
Bourdieu's practice theory calls for reflexivity by the researcher, particularly where interview is the method of choice. Star and Griesemer claim that, ‘achieving consensus and reflective practice involves negotiation, debate, triangulation and simplification...’ Bourdieu’s conceptual tools are thus argued as appropriate for the analysis of Paul Keating’s contribution to tax reform, given many of his past and present struggles concerning the tax field. Keating was once part of the state, a site of power in the tax field; but today he might be seen as politically alienated: an isolated agent.

As the primary researcher, continually reading about Keating, to address the inclination that I may eventually ‘assume to know’ my research subject, the need to scrutinise and reflect upon the findings is an important aspect of the study.

To progress this study to the next stage, and after due reflection, it is feasible that social practice theory will help explain: if and how class-based power and privilege in the tax field, for the purposes of tax reform, has changed from 1983 to 1994 and from 2007 to 2012; the extent of Paul Keating’s contributions to tax reform since he first entered parliament, and now as a commentator; and how Keating negotiated the heterodoxy of tax reform though the tax field by considering his social practice (or practical knowledge), a combination of his habitus, capital and field position. The research will also contribute to the literature on the use of Bourdieu’s conceptual tools in the legal field of taxation. The overall study will conclude with a call to other researchers to select a perspective from which to analyse Keating’s contribution.

Paul Keating, as prime minister, delivered a welcome speech to the Australian cricket team at a reception in Canberra, where he uncharacteristically admitted ‘scant knowledge’ of the finer points of that sport. Importantly however, he made an analogy between the game of cricket and his approach to performance in the Parliament:

It is where the game is won or lost, and if you’re serious about your profession and the country you’re playing, you play seriously.

Game on!

99 Michèle Lamont, “How Has Bourdieu Been Good to Think With? The Case of the United States.”
102 See Pierre Bourdieu and Loïc J.D Wacquant, An Invitation to Reflexive Sociology, 199-212; Cecile Deer, “Reflexivity.”
103 Paul Keating, Paul Keating, Prime Minister: Major Speeches in the First Year (Australian Labor Party 1993), 192.
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