

Abstract

The role of the state has been reshaped in recent years by substantive economic and political internationalisation processes, making it replete with inherent contradictions or tensions. This paper examines whether these tensions are visible 'on the ground' and if so, how they affect citizens. The story of 'tax effective schemes' in Australia is examined as an example. Approximately 40,000 individuals made tax-related investments in the mid-1990s which were subsequently ruled to contravene tax law. Affected investors have responded by arguing they were trying to do as the Coalition government has increasingly requested - provision for their own family's future economic security. Inherent systemic tensions made carrying out this task within the bounds of the law problematic. For one, the system of tax administration in Australia - here discussed through the Foucauldian concept of 'technology of the self' - requires individuals to be wholly responsible for practices and knowledge over which they have little control or access. As a result, many investors who aimed to heed the self-provisioning call are now facing bankruptcy, and the state response has been to call for more regulation to be introduced into the marketplace, thus perpetuating and intensifying the already present tensions.