

BOOK REVIEWS

Greg Crough, Ted Wheelwright, Ted Wilshire (eds), 1980: Australia and World Capitalism (Ringwood: Penguin Books) by Matiss Ositis.

Is it really "THE END OF THE SLUMP" as "The National Times" headlined earlier this year? Or are "the dark days" still with us and promise to accompany us throughout the foreseeable future?

Without some understanding of the socio-economic and political forces operating on and within the Australian and international economic order, it is difficult to assess such bland assurances.

Australia and World Capitalism contributes significantly to such an understanding. The book is a collection of 33 individual articles with the various authors contributing their knowledge and understanding of particular aspects of Australia's current situation. The contributions are collected into 3 parts - Part 1 "Australian Capitalism in Crisis", Part 2 - "Australia and World Capitalism" and Part 3 - "Towards Socialism in Australia". Each "Part" is in turn sectioned into more manageable themes such as "Unemployment, Work and Technology", "Money, Wealth and Income", "Concentration and Foreign Penetration" and "Counter-Strategies".

The "Introduction", prepared by the Editors quickly familiarises the reader with the subject matter, establishes the parameters of discussion and provides a quick lesson in political-economy, providing the collection of articles with a contextual framework -

"The causes of Australia's economic problems cannot be attributed to the niggardliness of nature, but to the characteristics of the prevailing economic system, and the relation of that system to the world economy." (p.1)

Part 1 - "Australian Capitalism in Crisis" examines the current Australian socio-political-economic reality. Ted Wilshire ("The Social Dimensions of Unemployment"), Margaret Power ("Unemployed Women: Scapegoates of the Recession") and Des Storer ("Migrants and Unemployment") look at the consequence of unemployment on the Australian people, pointing out that it is mainly the young, blacks, migrants, women, and the unskilled or semi-skilled who are the biggest "losers".

Al Grassby, in "Migrants, Trade Unions and Racism" warns against the attempts by racist organisations in Australia to capitalise on the current climate of insecurity and reaction "to divide workers and demolish the trade union movement and indeed the fabric of Australian society". (p.54) Timely advice, but often overlooked by the labour movement.

Michael Quinlan ("Health and Safety at Work") identifies industrial accidents and the failure of companies to ensure adequate safety at work as the greatest economic and social cost to industry in Australia.

Ted Wheelwright ("The Political Economy of Technology") ends this section with a brief overview of the impact of new, labour-displacing technology on the Australian workforce, asking the all-important questions, "...WHO actually benefits from the introduction of new technologies - the owners of the new technology and the capital embodied in it, the workers who operate it, or the consumers who buy the product? And who SHOULD benefit, and according to what criteria?" (p.62)

Following an introduction, Phil Raskall's "Who's Got What in Australia?" - an analysis of the distribution of wealth in this country - the theme of "Money, Wealth and Income" is taken up by Ted Wheelwright's look at the tax avoidance industry and the taxation system as a whole ("Tax Dodgers and Dole Bludgers") - "There is even a guidebook to these places, called 'Grundy's Tax Havens', which is a bible for corporate tax avoiders." (p.84)

misplaced - in the struggle for socialism.

Whereas the early years of the ALP saw it with a definite and explicit socialisation objective, successive "watering down" of this objective found the 1930s with an ALP without even a constructive thought on how to deal with the Great Depression. By 1975, the ALP was a mere shadow of what its founders envisaged.

With the structural change of the 1980s and an Australian Government committed to the demands of capital, the Australian working class, without even the benefit of a reformist ALP Government, is forced into a position where it can rely only on itself.

Laurie Carmichael ("A Transition Programme to Socialism"), Bruce Hartnett ("Towards a Counter-Strategy for Labour"), John Alford ("Strategy for Workers' Intervention") show the working people of Australia exactly HOW to begin to attain control over their productive capacities and output.

The first step is the construction of coherent and workable "alternative" corporate plans.

Ted Wheelwright ("Profits Versus Environment") and Jack Munday ("A Wider Vision for Trade Unions") argue that a main ingredient of these "alternative" plans must be a regard for "socially useful" and environmentally-compatible production.

Bob Connell's essay "The Transition to Socialism" details in general terms "...those steps, such as establishing social control of production, WHICH WILL MAKE IT IMPOSSIBLE FOR CAPITALISM TO CONTINUE REPRODUCING ITSELF." (p.289)

Overall, this collection is an excellent and long-overdue contribution to an understanding of Australia and its position in world capitalism.

The articles appear to have been selected with a broad readership in mind - for anybody with even a marginal interest in what is going on and why. They are readable and accessible. The empirical data is presented in a readily identifiable and understandable fashion.

However, there are a number of points which should not have been overlooked by the Editors.

Firstly, there is the conspicuous absence of any real discussion of the Australian capitalist State and its role in the capitalist system.

The provision of a conducive productive environment for private capital accumulation by the State has been a foundation for the historical growth of capitalism in this country. And in the 1980s, its continued capacity to produce and reproduce such an environment is no less important.

The failure to devote any space at all to such a discussion must be viewed as a serious deficiency.

The inclusion of Phillip Deery's "Introduction" to his collection of documents dealing with the 1949 Coal Strike (LABOUR IN CONFLICT, published by the Australian Society for the Study of Labour History, 1978) might have been useful in this regard. Not only does it detail the role of the capitalist State in the provision of a conducive environment for capitalism, but also reveals how the capitalist State itself is "constrained" to such action.

Secondly, the Editors have failed to include in the discussion of the social casualties of "Unemployment, Work and Technology" the growing numbers of

Ted Wilshire's "Government Policy and the Social Wage" explains the Fraser Government's thoughts on the matter of unemployment benefits, health, education and other social welfare areas.

Wheelwright excels in his explanation of inflation and the reasons behind it, in his "Political and Social Demensions of Inflation."

Steve Cooper ("Repressive Legislation and Australian Trade Unions"), Chris Forsyth and Dexter Tiranti ("Aborigines and Mining - the Conflict"), Griselda ("Accomplices of Foreign Capital") and Garth Stevenson ("Mineral Resources and Federalism") round off Part 1 with the suggestion that minerals, de-industrialisation and repression seem to go together in Australia of the 1980s.

With the necessity of providing a conducive investment climate for the foreign-owned extraction companies, comes the need for repressive anti-labour legislation. While Queensland and Western Australia are the leading contenders in this field, the authors warn of the prospect of similar moves in the other states, suffering increased unemployment and social instability of workers finding themselves on the scrap-heap as resources are diverted to the capital-intensive "Resources boom" away from general manufacturing.

The increasing concentration and centralisation of foreign-owned/controlled Australian resources and productive capacities, discussed in Part 1 slides smoothly into Part 2 "Australia and World Capitalism." Part 2 deals specifically with Australia's relationship to world capitalism.

While world capitalism is being transformed from a collection of private "national" enterprises to "private conglomerate, transnational enterprise", Australia is becoming increasingly "the biggest export platform in the world."

Paul Nankivell ("Australian Agribusiness: Structure, Ownership and Control"), Greg Crough ("The Australian Financial System" and "The Political Economy of the Mineral Industry") and Ted Wheelwright ("The Age of the Transnational Corporation") provide useful statistics on the extent of foreign-ownership, concentration and control of the most important and profitable sectors of the Australian economy.

Jim Kemeny ("Dependent Economy, Dependent Ruling Class") examines the inability of the local bourgeoisie to "compete" with the foreign transnationals in this process.

Greg Crough also provides information on the important, but little-understood soft-focus world of "transfer pricing".

Sam Bowles ("Can the Trilateral Commission make democracy Safe for Capitalism") and Helen Hopps and Joyce Randall ("The Global Handymen - the Trilateral Commission and the Third World") end Part 2 with an exposition on the work and influence of the Trilateral Commission.

Part 3 "Towards Socialism in Australia" opens with a description by Bruce Williams of what socialism is: "...communal ownership of the means of production, a planned co-ordinated economy, and democratic self-government of the people...a free and classless society." (p.215)

Tom Uren ("The Labor Party and a Socialist Strategy"), Ted Wheelwright ("The Socialization Objective of the ALP") and Bruce McFarlane ("The Role of Economists") open the discussion with an examination of the role that the ALP has - or rather

adult-unemployed - the "early retiremnt" statistics of labour-displacing technology, bankruptcies and takeovers who find themselves on the scrap-heap after 30 or 40 years of productive labour.

They are just as much part of the "hidden unemployed" in this country as are the housewives who "stay at home looking after the kids" for fear of "taking jobs from the young".

These criticisms should not however detract from the usefulness of this otherwise excellent book. Its contribution to an understanding of the current reality is invaluable.

I just wish that the kids hanging around the pin-ball parlours had enough dole money left over to pay the recommended \$5.50 for this book. Then perhaps they might KNOW WHY they're there.

Ben Fine, Economic Theory and Ideology (Edward Arnold, 1980, UK) by Peter Rawlinson.

This is an important book for those who wish to keep up with current debates in economic theory. These debates centre around the sometimes totally obscured concept of ideology and the way the use of certain ideologies affect how reality is perceived and recorded.

As the book discusses most of the major polemics within neoclassical theory, it requires in some cases general and in other cases sophisticated grounding in neoclassical and post Keynesian economic theory. It is to this end that a preliminary reading list is placed at the front of the book together with recommended reading lists at the end of each chapter. "There is, however, no substitute for reading 'Capital'".

Apart from this necessary element to any book that tries to cover such a vast terrain of economic theory it is surprising that the text lacks extensive footnotes which allows the reader to investigate for his or herself the many areas of interest.

The first chapter investigates the relationship between ideology and economic theory - an undertaking which has been successfully shoved under the rug by bourgeois economists who bask in their value free analysis. As Fine comments:

"Commodity fetishism is an ideological product of capitalism that blesses both capitalist and labourer although it serves the interests of the capitalist by desocialising individual understanding of the capitalist society." p.4.

Fine's analysis of the ideological implications in economic theory draws together Marxist political economy to enable it to squarely debate the underpinning. In other words, Fine attempts and succeeds in analysing why reality appears the way it does to bourgeois theory and how it attempts to depict reality in such a way as to leave the mode of production unquestioned - as a social system that is assumed into the very basis of the theory.

In the next chapter, Fine describes the role of capital in a capitalist system by beginning with an ABC of Marxian economics. He extends his critique to Sraffian and Kaleckian theories of distribution and explains how each theory directly or indirectly involves the value judgement that perceives reality in terms of the

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