
BOOK NOTES

Brett Heino

Regulation Theory and Australian Capitalism

Rowman and Littlefield, London, 2017, 294pp., pb. \$50.95.

This new book looks at Australian capitalism through a distinctive lens. It blends a regulation theory approach to political economy with labour law and case studies of industries undergoing major structural economic change. It helps to show how we, in Australia, have arrived at the current impasse of growing economic inequality, wage stagnation and increasingly precarious employment.

The theory on which the author draws, what he calls the Parisian regulation approach, was developed primarily in France by scholars such as Michel Aglietta, Robert Boyer and Alain Lipietz. Its most widespread influence to date has been in periodising capitalist development during the last century as 'Fordist' and subsequently 'post-Fordist'. The former is said to have been based on mass production and mass consumption of standardised products, supplemented by a broadly Keynesian approach to economic policy. Economic arrangements of this sort developed during the twentieth century in most affluent capitalist nations, including Australia, reaching their zenith during the quarter century following the Second World War. In contrast, Post-Fordist arrangements, featuring flexible production processes, niche markets and a neoliberal role of the state, have been more characteristic of the decades since the general crisis of Fordism emerged in the 1970s.

Heino's book shows the locally distinctive characteristics that 'Antipodean capitalism' has had during the major phases of this transition, emphasising the particular interests and the contradictions driving political economic change. It pays significant attention to the period in the 1980s when the ALP-ACTU Accord operated as a basis for linking industrial relations with economic management under the Hawke-Keating governments. The book's claim is that this ushered in a period of what Lipietz called 'liberal productivism', operating as a class project for subordinating the interests

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of labour to capital. Changes to industrial relations and labour law loom large throughout these processes.

The book's approach to the topic is both academic and politically engaged. Its construction shows the hallmarks of its origin as a PhD thesis, but it has ongoing relevance to strategic questions facing the labour movement. Analytically, it contributes to how we understand labour law in relation to Australian capitalism. Politically, it contributes to consideration of how labour can respond to the challenges of precarious jobs and growing inequality that increasingly bedevil the Australian economy and society.

Peter Gibilisco

Six and a Half Years on a Dunhill: Life in Specialist Disability Accommodation

CCB Publishing, British Columbia, 2019, 226pp., pb. \$24.95.

At a time when public policy for people with disabilities is much in the news, this is a timely book. It is a real insider's view of what it is like to be dependent on policies that determine the accommodation and services provided to people with disabilities. The author has a particularly severe disability - Friedreich's Ataxia - that began its debilitating effects during his teenage years. The disease has progressively limited his capacity for physical movement and destroyed his speech. He is now also suffering severe loss of vision. Yet his disability did not prevent him from completing two degrees at Monash University, followed by a PhD at the University of Melbourne that was awarded when he was 43. During his doctoral studies, although consigned to a wheelchair, he travelled interstate, interviewing prominent Australian social scientists such as Hugh Stretton, whose political economic views strongly influenced his thinking about social justice and public policy issues. He adapted his thesis for a book called *The Politics of Disability*, published in 2014.

Peter's new book takes its title from the years he has spent living in shared supported accommodation in Melbourne. It details problems such as the high turnover of carers, a process that requires each new worker to be taught by the people in their care about their individual needs. This is tough on everyone concerned, not least the people with disabilities themselves. Peter writes positively about the principle of choice that are embedded in

the new NDIS policy, but he also points to the limitations of the 'medical model' of disabilities that has for a long time being the dominant frame for provision of disability services. He also presents, especially in chapter 5, a strong critique of the influence of neoliberalism in public policies and its impact on people with disabilities. He weaves in ethical political economic reasoning. For example, he draws attention to the crude misinterpretations of Adam Smith's views that produce the alleged case for basing society solely on self-interest. The nexus between poverty and disability gets similarly strong emphasis. The result is a powerful blend of analysis and 'down to earth' personal experience.

Bruce Wearne, a former academic who has been supportive and helpful to Peter over many years, says in the book's preface that it should be read as the author's 'pushing back' against his debilitating condition and seeking 'to keep his own responsibility as an advocate for social justice on his and our horizon'. Indeed, the very existence of the book is a tribute to the author. More than that, it is a courageous and commendable contribution to broader thinking about public policy in this difficult area, blending progressive social policy concerns with an insider's view of how even quite well-intentioned policies can fail if they are insensitive to personal needs.

This is not standard political economy but, of course, that is just the point. Applying a universal standard, even one nominally centred on freedom of individual choice, can be catastrophic where people have inescapably different abilities and disabilities. NDIS policy-makers and all care-providers, please note.

Jeffery David Wilson

International Resource Politics in the Asia Pacific: the Political Economy of Conflict and Cooperation

Edward Elgar, Cheltenham, 2017, 288pp., hardback, \$145.

The importance of control over resources is widely recognised among analysts of modern international politics. There is continuing public discussion of how countries can most effectively exploit their fortuitous resource endowments or, conversely, how they may attain resource security despite having inadequate domestic supplies of energy resources, land and minerals. The 'global resources boom' from 2004 to 2013 brought

these matters into sharp focus. For a nation like Australia that is heavily dependent on its extractive industries, the issues have particular relevance.

As the author notes in the book's introduction, conventional international relations scholarship represents international resource politics as 'an interstate game played over ownership, control and access'. His approach sets out to be different and distinctive by theorising the issues in terms of 'securitisation'. This leads a political economic view of resources, not just as assets and liabilities that affect states' foreign policy agendas, but as elements in a 'subjective and contingent process arising from the representation of resource issues as an existential threat'. Hence, the need to give particular attention to natural resources because they have deeper significance than other assets and liabilities traded in markets.

The use of the term 'securitisation' here is not to be confused with its more general use in political economy to refer to how economic entitlements to revenues generated by physical assets are re-packaged as financial securities. This latter meaning, following Hyman Minski's pioneering work on securitisation, gained much traction during debates around the causes of the GFC a decade ago. Wilson's approach to securitisation has more in common with the popular usage of the term 'resource security'. Indeed, this is a concern that has loomed particularly large in the Asia-Pacific region. Its political expressions have included nationalist responses to the sale or leasing of Australian land to China-based economic interests. However, it is the role of governments and the strategic political economic elements embedded in foreign policy that are more in the spotlight throughout Wilson's book.

Its analysis of governmental approaches to resource security distinguishes between 'consumer politics', using the concept of 'resource mercantilism', and 'producer politics', where resource nationalism is the dominant theme. These come together in 'regional politics', where 'soft-law cooperation' is said to be a characteristic feature. Three chapters carefully explore these key steps in the argument, followed by chapters on the details of the 'northeast Asian scramble for resources', the 'Australia-China iron ore war' and 'securitising rare earth minerals'.

Overall, the book seeks to probe beyond the veneer of inter-governmental cooperation to reveal the pervasive character of resource conflicts. It offers insight for people interested in understanding how international relations are shaped by the political economy of natural resources. Ultimately, of course, national and regional conflicts over natural resource issues are not

the only game that matters. Looked at from an ecological perspective, the orientation to nation-based conflicts diverts energies from the global cooperation that is more necessary if we are all to have a sustainable future. The bigger, existential threat - the tension between current forms of economic growth and the planet's finite stock of natural resources - requires the subordination of interstate-conflict to global cooperation. Therein lies an even bigger challenge.

Christopher Wright and Daniel Nyberg

Climate Change, Capitalism, and Corporations: Processes of Creative Self-Destruction

Cambridge University Press, Cambridge, 2015, 270pp, pb. \$41.90.

The concern with climate change, its causes, consequences and remedial policies, is central to modern political economic discourse. Indeed, there is already an enormous literature on the topic. What distinguishes this particular contribution is that it looks inside capitalist corporations to see how they are responding. Its authors do not simply assert *a priori* an inherent conflict between short-run profit-maximising business behaviour and the socially responsible behaviour that would be necessary to make the economy and society sustainable in the long run. Rather, they seek to find out what is actually going on inside the corporations.

Are corporations making a genuine effort to adapt to the changing economic and environmental situation? Are the firms' efforts to publicly represent themselves as good corporate citizens mere 'greenwash'? Or is there something in between? And what shapes the economic and environmental outcomes in practice? Does concern with the so-called 'triple bottom line' - involving reportage on social and environmental issues as well as financial outcomes - really make a difference, leading to long-run change in corporate behaviour? The authors of this book have carried out extensive research, including in-depth interviews with managers in large corporations, to find the answers.

The interviewees included people working in departments set up for the explicit purpose of making corporations' behaviour more ecologically sustainable. The results of these interviews are particularly revealing, as one of the later chapters in the book shows. We read about the

contradictions and deep dilemmas of these often well-intentioned people as they come to realise the impediments - and sometimes the sheer impossibility - of effecting significant change within the institutions that employ them.

As Clive Hamilton emphasises in a powerful introduction to the book, 'creative self-destruction' is a dominant feature of modern corporate capitalism. Of course, we all have a common interest in ensuring a sustainable future - capitalist businesspeople just as much as anyone else - but the dominant institutional and market imperatives impede fundamental change to 'business as usual'. This is not good news, but it is better to know the reality of corporate behaviours rather than to base judgement on ideological positions or wishful-thinking. Wright and Nyberg's careful research and engagingly written book is a landmark contribution to this crucially important topic.

Elizabeth Humphrys

How Labour Built Neoliberalism: Labour's Accord, the Labour Movement and the Neoliberal Project

Haymarket Books, Chicago, 2019, 268pp., paperback, \$40.

The political economy of the Accord was always controversial. Its origins were in negotiations between the ACTU and the ALP prior to the latter's success in the Federal election of 1983. It always had its critics on the political right who worried that this greater cohesion between the industrial and parliamentary wings of the labour movement would challenge the dominance of capital. There were always critics on the political left too, arguing that the top-down characteristics of the Accord would, and did, run counter to the interests of workers. Was the agreement one of 'class-solidarity', creating the potential for workers as a whole to achieve better living standards, even if that meant reining in the power of workers in stronger unions? Or was it a class sell-out - a social con-trick rather than a social contract - that imposed an extra form of discipline on unions that only a Labor government could get away with? In practice, the economic experience was mixed, with businesses benefiting from their engagement in processes of planning industrial change and the boost to profits resulting from resurgent economic growth, while workers got

increases in the 'social wage' even if some had diminished ability to bargain directly for higher money wages.

Over time, debates about the Accord mellowed. The agreement itself went through successive phases of renegotiation and, by the time Keating replaced Hawke as PM, it had significantly less traction as a driver of economic policy. In those latter years, it was most memorable for spawning, for better or worse, compulsory workers' superannuation and enterprise bargaining. Then, during the Howard government years, the unions had to face a more openly hostile government, putting them into a more familiar, defensive role. The enthusiasm - and perhaps the capacity - within the labour movement for a repeat run dwindled. A comprehensive attempt at incomes policy has never re-emerged.

This new book by Australian political economist Elizabeth Humphrys is set to revive the debates about the Accord and give them a new twist. Indeed, it is already doing so. Its distinctive thesis is that neoliberalism was nurtured by the labour movement within the processes and policies of the Accord. It is a thesis that directly challenges the conventional view that neoliberalism originated in Chile under General Pinochet, in Britain under Margaret Thatcher and in the USA under Ronald Reagan, and was then 'exported' and adapted to other countries such as Australia and New Zealand (where its implementation as 'Rogernomics' was notoriously vigorous). The front cover of the book, featuring a photograph of Thatcher and Hawke shaking hands, seems to echo that conventional view. The book's contents, however, develop more subtle and sophisticated evidence and argument. Humphrys does not just point to the policies of financial deregulation, privatisation and fiscal restraint implemented by the Hawke-Keating governments in tandem with the Accord's incomes policies. Rather, she presents a more comprehensive and thoroughly researched analysis of the processes by which the labour movement became complicit in nurturing the neoliberal project.

Originating as a PhD thesis, the book has a clear analytical structure. There are chapters introducing the Accord; theorising the state-civil society relationship; exploring the concepts and practices of corporatism and neoliberalism; then turning to look at the evolution of the Accord through its various stages and its relationship to other aspects of policy carried out during the long period of Labor government. Perhaps the most crucial chapter is the one called 'How Labour Made Neoliberalism', arguing that the shift 'from worker agency to state agency', combined with the role of

the Accord in 'managing dissent and disorganising labour', effectively undermined the union movement's long-term capacities for struggle. Before concluding with a chapter on 'Neoliberalism at Dusk', the book also includes a chapter on other countries where the author argues that the organisations of the labour movement also helped to nurture neoliberalism.

Bob Hawke's recent passing triggered numerous personal tributes from across the political spectrum, almost all emphasising his government's role in modernising the Australian economy during the years of the Accord. The class-oriented analysis developed by Humphrys presents a quite different perspective. For readers old enough to have lived through this period in Australian political economic history, the book's judgements about what happened - and why - will revive and provoke controversy. For younger readers who want to understand more about the period and its legacy, it should stimulate interest in what types of incomes policy and industrial relations reforms are possible and desirable.

Damien Cahill and Philip Toner

Wrong Way: How Privatisation and Economic Reform Backfired

La Trobe University Press and Black Inc. Books, Carlton, 2018, 336pp., paperback, \$35.

What is economic reform anyway? Does it imply change for the better? The editors and contributors to this book take the view that the so-called economic reforms carried out in Australia during recent decades have generally had harmful effects. The targets of the critique are variously identified as radical marketisation, privatisation of public enterprises, deregulation, the development of a contract state and the macroeconomic policies that have provided opportunities for corporate capital to profit and grow at the expense of a broader public interest.

There are 19 chapters, most of which are case studies of particular industries or sectors where the impacts of neoliberal policy have been particularly pronounced. These case studies include early childhood education and care; private health insurance; vocational education and training; privatisation of prisons; and aged care provision. Other chapters deal with employment services, electricity reform, labour market policy,

financial deregulation, housing and universities. There are also good analyses of the loss of public sector engineering competence, the NBN fiasco, monetary policy, unemployment, productivity, free trade agreements and foreign investment. Indeed, all the chapters are informative and engaging. Together, they comprise a devastating critique of what the Australian people have been asked to accept as policy imperatives for which there is no alternative. The book shows that the impact has been to deplete the public sector, impair the quality of socially necessary services and make the distributions of income and wealth increasingly unequal.

Has the process run out of steam? Some critics wryly observe that there are now not many public assets left to privatise. Yet, the process of driving markets into all aspects of social life continues apace, requiring households to shoulder increasing economic risks while facing sometimes totally perplexing choices (such as those between different providers of energy and telecommunications services). Meanwhile, jobs become more insecure, incomes become more unequal, and the environment goes to hell in a hand-basket.

With the Coalition government recently re-elected for another three year term, we can expect more of the same, so some strategic thinking about what an alternative would look like is timely. Hopefully, this book will nudge that process along, stimulating creative thinking about a better way forward. It is not that neoliberal reforms have 'failed': on the contrary, they have generally served corporate interests well. But for those of us who seek greater ecological sustainability, economic security and social equality, finding a new way to replace the 'wrong way' is imperative.

Bruce Pietrykowski

Work

Polity Press, Cambridge, 2019, 180pp., paperback, \$31.95.

This brand new book is the first to appear in Polity's 'What is Political Economy' series. Although short, it is a significant contribution and bodes well for further contributions. Starting the book series with a focus on the political economy of work is thoroughly appropriate, of course, because work is fundamental to value-creation. It is also the source, especially under capitalism, of class conflict, economic inequality and numerous

social and ecological stresses. As the blurb says, '[m]uch of our life involves working, preparing for work, searching for work, or thinking and worrying about work. Whether paid or unpaid, free or coerced, full-time, part-time, or zero-hours, work defines us and helps shape our behaviour both on and off the job'. A political economic analysis must necessarily explore what are the general characteristics of work and labour under different modes of production and what is specific to the changing character of employment in modern capitalist societies.

Pietrykowski addresses these issues at the outset with a chapter giving a historical perspective on the changing forms of coerced and 'free' labour, leading to philosophical reflection on labour's unique character. He continues with chapters on inequality at work; gender at work; managerial strategies; worker cooperatives and technology; and automation and skills. His analysis draws on Marxist, feminist and post-Keynesian political economic perspectives, challenging the orthodoxies in mainstream labour economics. It is remarkably wide-ranging account for such a small book, touching on care work, the gig economy and universal basic income, along with broader issues about how the exercise of power in the workplace interacts with class, gender, race and place. A distinctive feature is the author's focus on alternative forms of work organisation that could have increasing significance in a post-capitalist future.

The book is targeted at an international readership, but its analysis also needs to be considered in relation to locally-specific conditions. Here in Australia, the ongoing work of the Centre for Future Work is pertinent to note in this context. Although established by the Australia Institute only a few years ago, the Centre has quickly become a key source of progressive information and analysis on labour market issues, identifying specific workplace concerns and their broader political economic significance. Readers of this journal may recall a special issue that was published last year (*JAPE* 81), jointly edited by the Centre's Director Jim Stanford and focussing on wage stagnation and the declining share of labour in the Australian national income. It illustrates how the general characteristics of labour and work that Pietrykowski's little book discusses can be 'grounded' in analysis of local conditions and struggles. Thus progress may be made.

Book notes by Frank Stilwell