
BOOK NOTES

Jon Shefner and Cory Blad

Why Austerity Persists

Polity Press, Cambridge, 2019, 208pp, paperback, \$36.95.

During the Coronavirus pandemic, many governments have set aside the austerity policies they have commonly pursued during the last couple of decades. Will there be a reversion as soon as is politically expedient? This book gives us some basis for judgement. It considers the characteristics of austerity as a dominant policy regime, while recognising that there are many paths to austerity. It reviews the experience in various parts of the world - Latin America, Africa, Asia and Oceania, the United States and the European Union. Rounding it off is an analysis of why austerity persists. Although the book was written before the onset of the global coronavirus crisis, it remains useful in showing the long-term basis for governments' belief that austerity policies are appropriate and necessary. By the same token, it helps in forearming us for state policies and tendencies likely to return, perhaps return with a vengeance, during the current decade.

Heather Whiteside

Capitalist Political Economy: Thinkers and Theories

Routledge, London, 2020, 172pp., paperback, \$70.

This recently published introduction to political economy focuses on the contribution and influence of key figures in the history of political economic thought. Following the initial scene-setting, successive chapters introduce us to Adam Smith and Karl Marx, showing their very different conceptions of how the economy works. Then comes William Jevons and other scholars who narrowed the agenda by turning attention away from capitalism as a political economic system to the study of self-interested individuals and idealised self-equilibrating markets. Critics of this new

'Book Notes'
Journal of Australian Political Economy
No. 87, pp. 158-66.

orthodoxy were numerous, of course, as the second half of the book shows. Separate chapters explore the analyses of JM Keynes and notable iconoclasts such as Thorstein Veblen, Joseph Schumpeter and Karl Polanyi. A further chapter considers the contributions by Braudel, Wallerstein and Arrighi to a 'world economy' perspective. Finally, there's a chapter on modern debates about gender inequalities and environmental stresses. These last two chapters make Whiteside's book a significant advance on Robert Heilbroner's rightly renowned book *The Worldly Philosophers*, written over half a century ago. The comparison is intended to be laudatory. Indeed, this lively, modern equivalent should have strong appeal to students and teachers concerned with a pluralist approach to economics education. Moreover, it should have many readers beyond the universities too, wherever people are seeking an accessible introduction to the currents of thought in an inherently contested discipline and a deeper understanding of the major political economic issues.

Lisa Adkins, Martijn Konings and Melinda Cooper

The Asset Economy

Polity Press, Cambridge, 2020, 167pp., paperback, \$30.95.

This book challenges political economists, other social scientists and policymakers to come to terms with the reality of asset ownership as a key dimension and driver of inequality in modern societies. It even challenges the notion that class is primarily defined in terms of people's relationship to the means of production. The authors argue that, such is the importance of real estate as a focal point for the accumulation of wealth that class division is now at least as much about whether people own residential property or not. Those in the former group have often accumulated enormous personal wealth as a result of inflation in land and housing prices, whereas those in the latter group remain marginalised and effectively out of the game. It is a phenomenon that is all too well known to those of us living in Australian cities. The article appearing earlier in this issue of JAPE by two of the authors, combining in this instance with three other similarly concerned social scientists, gives a taste of the fuller analysis presented in the book. Its focus on the connections between house price inflation, household debt and growing socio-economic inequality will surely make it a focal point for ongoing research and controversy.

Jodi Gardner, Mia Gray and Katharina Moser

Debt and Austerity: Implications of the Financial Crisis

Edward Elgar, Cheltenham, 2020, 361pp., hardback, \$169.75.

Here is further analysis of how the modern financialised economy affects households having different positions within the income distribution. Problems of household debt are paramount in the analysis. Chapters have titles like 'debt begets debt' and 'mortgage debt in an age of austerity'. Both attitudes and experiences of heavily indebted households are explored. The book's contents are diverse, as one might expect from an edited collection of 14 chapters contributed by social scientists from a wide range of fields, including geography, sociology, social policy and legal studies, plus some practitioners from banking and citizens' advice. Yet the volume has overall cohesion because of its concern with the application of social justice principles to pervasive real world problems, centred on the all-too-real difficulties of trying to live affordably in modern capitalist cities. While its principal empirical focus is on the UK, a chapter by Jordan Grace widens the coverage to include the Australian situation.

Richard Eccleston and Ainsley Elbra

Business, Civil Society and the 'New' Politics of Corporate Tax Justice: Paying a Fair Share?

Edward Elgar, Cheltenham, 2018, 336pp., hardback, \$178.

Concerns about corporate tax avoidance have grown substantially since the global financial crisis of 2007-8. Vast public revenue is at stake. So too is the legitimacy of multinational corporations who seem largely untrammelled in their capacity to use their 'global reach' to minimise tax liabilities in individual countries. This book brings together contributions by academics and activists concerned to address and resolve this issue. Its dozen chapters explore different dimensions of the campaign against corporate tax avoidance and for more robust and equitable forms of tax collection. The ongoing challenge is to shift the onus of financing public services from lower income groups towards these fabulously wealthy institutions that pour huge resources into minimising their tax liabilities.

Jessica Whyte

The Morals of the Market: Human Rights and the Rise of Neoliberalism

Verso, London, 2019, 288pp., paperback, \$40.

Coming at the challenges of the current era from a distinctive academic perspective, this new book by philosopher Jessica Whyte provides a scholarly account of how neoliberals have constructed a version (perversion, some might say) of human rights that effectively stand in the way of economic justice and a more comprehensive social equality. Neoliberals are fond of claiming that their political economic philosophy is deeply respectful of individual freedom. This book exposes the claim as a fig-leaf over the otherwise naked class interests that neoliberal practices and policies actually serve. It argues that the central values of civilisation are endangered because the policies favoured by neoliberal exponents are not actually respectful of human rights. Rather, they constitute what the author calls the 'shabby remnants of colonial imperialism'. Neoliberalism's origins in Pinochet's Chile are considered in the penultimate chapter, showing how its policies and practices emerged in a regime that blatantly curtailed political rights. A concluding chapter explores what is to be done, emphasising the need to expose and challenge the neoliberal assault on postcolonial economic justice.

Rob Watts

Criminalizing Dissent: The Liberal State and the Problem of Legitimacy

Routledge, London, 2020, 302pp., paperback, \$78.

Challenging the prevailing political economic order involves dissent. This process raises important questions for both analysts and citizens concerned with the particular problems arising from current institutions and public policies. What is the right to dissent? Is dissent being criminalised and, if so, why and to to what extent are liberal democratic states doing that? Is it possible and necessary to contest the tendency towards criminalisation of dissent? In exploring these complex questions, and much more, Australian social scientist Rob Watts offers no easy answers: rather, he presents readers with a careful analysis of the issues while leaving little doubt about

which side he is on. The penultimate chapter, titled 'why dissent is good for us' ends with the proposition that 'we need to make deliberative dissent our default position'. The logic of this bold claim follows from the two preceding chapters on 'the political legitimacy of the liberal-democratic state' and 'the legitimacy of political violence'.

Alex Millmow

The Gypsy Economist: the Life and Times of Colin Clark

Palgrave Macmillan, Singapore, 2021, 396pp., hardback, \$135.

Studying the history of economic thought gives insight into the origins of both progressive and conservative influences. Both are evident in this book which draws attention to one of Australia's most overlooked economists. Millmow argues that Colin Clark was the first economist to derive the concept of Gross National Product, the first to broach development economics and to foresee the impact that development in India and China would have on the modern global economy. Clark's strong personal adherence to Catholic doctrine also made him a staunch opponent of policies to control the pressures of population growth. The author says Clark 'rambled through the fields of applied economics in much the same way as he rambled through the English countryside and the Australian bush', and his choice of title for the book reflects this emphasis on these 'imaginative wanderings'. The book's in-depth approach emphasises the connections between Clarke's 'life and times' and his professional concerns and contributions, ranging from innovation in economic statistics and macroeconomics to bringing Catholic social doctrine to bear on contemporary policy debates.

Ken Heydon

The Political Economy of International Trade

Polity Press, Cambridge, 2019, 240pp., paperback, \$28.95.

Written by a former Australian government trade official, this book provides a contemporary overview of international trade issues. It contains three broad sections: the nature and distribution of the gains from trade, how the international trading system works, and the array of policy issues that confront individual nations states and international organisations. It is

clearly written with students in mind and includes case studies that help to bring practical realities as well as theoretical positions into the discussion. At a time of instability and change in the multilateral trading order, the issues raised by this book deserve critical, ongoing consideration.

Franklin Obeng-Odoom

The Commons in an Age of Uncertainty:

Decolonizing Nature, Economy, and Society

University of Toronto Press, Toronto, 2020, 280pp., hardback, \$111.

This new book by a notably productive political economist, like his other recent book reviewed earlier in this issue of JAPE, shows Obeng-Odoom's concern to analyse important contemporary issues by drawing from different currents of political economy, including the oft-ignored ideas of Henry George. His focus here on the commons is timely, given the surge of interest worldwide in resisting 'land grabs' and extending property in common as an alternative to the dominant policies of neoliberalism and land privatisation. As the author points out, much blinkered thinking about the 'tragedy of the commons' has arisen from the writing by Gareth Harden whose work is commonly cited (but probably much less commonly read). Actually, it is by no means inevitable that commons are degraded by over-use. With due acknowledgement to the contributions of Elinor Ostrom as well as George's ideas, Obeng-Odoom seeks to develop a better approach to extending the possibilities, showing the relevance of the concept of the commons in the context of cities, technology, oil and water. This is a significant contribution to modern political economy, integrating Georgist ideas about land with considerations of the progressive potential of the commons and its management.

Éloi Laurent

The New Environmental Economics:

Sustainability and Justice

Polity Press, Cambridge, 2020, 228pp., paperback, \$37.95.

The literature on environmental issues has grown prodigiously during recent years, and rightly so. Are we thriving or are we doomed? That is the question with which this new book begins. Laurent, a French economist,

is primarily concerned to assess whether and how economic analysis can contribute towards sustainability and social justice. The topics addressed include biodiversity and ecosystems, energy and climate change, environmental health and environmental justice, as well as the array of new indicators of well-being beyond the conventional economic measures based on GDP growth. It is written primarily as a textbook, showing how the huge challenges of the modern era may be addressed from an environmental economic perspective. Of course, a huge number of books on this general topic already exists, so the impact of the book will depend on how it is seen in relation to its competitors. The author's approach is bold in its emphasis on the magnitude and array of environmental problems and in its inclusion of topics like urbanisation, but more modest in its call for economists to adopt a 'critical toolbox' approach. Political economists may ponder whether this goes far enough to engage with the vested interests and political economic power relations that are such an impediment to any 'just transition' to ecological sustainability.

Klaas Woldring

How to Improve Australia's Democracy: Breaking the Vicious Cycle!

BookPod, Melbourne, 2020, 144pp., paperback \$20; e-book \$9.99.

The author, a former academic at the Southern Cross University and long-time advocate of combining republicanism with more comprehensive political economic reform, has written an engaging book on what he sees as the major problems of Australia's political system. He challenges its in-built conservatism and its orientation to 'piecemeal tinkering', making a strong case for more fundamental systemic change. Key focal points among his prescriptions are workplace democracy, a fundamentally reformed federation, proportional representation and a new constitution. He posits that, because the pandemic has opened up a situation conducive to considering major political system and constitutional changes, the timing is now propitious for the Australian Republican Movement to grasp the nettle, raising the big constitutional reform question: 'what kind of republic do we want?' It is a small, self-published book raising big issues.

Erik Paul**Australia in the Expanding Global Crisis:
The Geopolitics of Racism**

Springer Nature, Singapore, 2020, 147pp., hardcover, \$102.45.

Erik Paul sets out to explain and criticise the elements within Australia that distort democracy and foster nationalism, racism, violence and current social and environmental stresses. The book contains three distinct essays, one on 'emancipation and genuine democracy', one on 'racism as nationalism and capitalism', and the third on 'Australia's existential crisis'. The author was formerly President of the advisory council for the Centre of Peace and Conflict Studies (before senior managers at the University of Sydney decided that CPACS, which had linked peace studies in the university with peace activism in the broader community, should not continue to exist). He has previously written extensively on imperialism and violence, and he continues these themes here, writing that: 'the evolution of imperial capitalism has undermined democracy in Australia and created a political culture obsessed with war'. Peace is more than the absence of war, of course, and Paul's book shows that social justice is its essential accompaniment. The political emphasis is on re-engaging citizens in democratic political processes that oppose the influences of racism and nationalism, thereby offering the elusive prospect of a deeper emancipation and a sustainable future. The 'passion for peace' that Stuart Rees demonstrated when he was at the helm of CPACS shines from every page of this slim but timely volume by his similarly-committed colleague.

Alex Cobham**The Uncounted**

Polity Press, Cambridge, 2020, 200pp., paperback, \$29.95.

This book argues that systematic gaps in economic and demographic data lead to understatement of socio-economic inequalities, thereby tending to exacerbate them. The inequalities on which Cobham focuses relate typically to Indigenous populations, women and people living with disabilities. Because these groups are consistently under-represented in the data, the consequence, so the author argues, is that the social and political pressures for redress of their disadvantaged conditions are reduced. What

is marginalised in the data tends to be yet more persistent in reality. As the book proceeds, a second tendency also emerges, which is the under-representation of extreme wealth at the ‘top end’ of the official data. This bias arises partly because corporations and the ultra-rich tend to keep their wealth hidden as far as possible in order to avoid regulation and taxation. Efforts by investigative journalists as well as political economists have sought to bring the fuller picture into public view in recent years, yet the double-headed problem persists - inadequate data on extreme wealth and great difficulties in getting the ultra-rich to pay more tax. Because the data-policy relationship is symbiotic, the possibility of turning it from a vicious circle into a virtuous circle offers a source of hope for potential progress. This book’s linkage of the data and policy problems at both ends of the inequality spectrum, pointing to the need for reform in both statistical agencies and public policies, is an important contribution.

Bill Dunn (ed)

A Research Agenda for Critical Political Economy

Edward Elgar, Cheltenham, 2020, 247pp., hardback, \$160.

Meanwhile, at the research frontier...

The dynamism of political economy as a challenge to economic orthodoxy and as a means of understanding how the world actually works depends crucially on progress in research. This is particularly pertinent in this subject because of the continuously changing characteristics of the real world that is being analysed. This edited collection shows the nature of what is being done – and what still needs to be done – in important sub-fields of political economy. These include the analysis of economic inequality; economic growth and development; money and finance; international trade; time, space and geographical scale; political economy of cities; studies of refugees; consideration of alternatives beyond capitalism, and much else besides. Fifteen chapters by different authors survey the territory. The result is a timely and useful stocktaking of the subject and some of its most important focal points for ongoing research endeavours.

Book notes by Frank Stilwell