A GOOD BOOK
FOR THE 'THIRTIES

Alastair Davidson

CO-EDITOR Doug Kirsner's chapter appears first in this book but it really begins with the essay of Bruce MacFarlane who correctly claims that his examination of the causes of Australia's economic buoyancy "will form a backdrop to the arguments of my co-authors..." Broadly MacFarlane's argument is this: Australia passed through a first period of boom economic conditions in 1860-90, then a long trough (1890-1939), and finally a second boom period starting after the Second World War and continuing today. In both boom periods the "prosperity achieved was in no small way due to the migration of capital from Britain and America into Australia... [the capital] came largely from the profits of colonialism, obtained at the expense of the immiseration of the peoples of Asia, Africa and Latin America." This inflow of capital fostered local capital formation and was one reason for the comparative well-being of Australian workers, from whose surplus-value local capital would normally have had to be accumulated. Their well-being was also compounded by a relative labour shortage throughout Australian history. As the beneficiary of British exploitation of its colonies, Australia had thus to be seen as a part of Britain and not itself exploited. MacFarlane argues that within the overall picture of an Australia which is "an aggressive outpost, first of British imperialism and later of American imperialism... rather than the victim..." the specific difference of Australian development is this: "... whereas most countries had development through importation of goods from low-wage countries at the price of internal cyclical unemployment, Australia was able to enjoy analogous benefits through the effect of labour-saving inventions made possible by capital inflow."

Where the crucial capital investment of the first boom stemmed from an expanding imperialist exploitation, during the contemporary boom Australia is, however, benefiting from its image in the eyes of retreating imperialism as a safe area of investment and as a "springboard" into South-East Asia for the imperialism characterized by the multinational corporation. It follows that though an Australian economy separate from that of the two main imperialist powers (Japan and USA) with the most capital now invested in Australia is likely to disappear, relative affluence will remain a feature of the capitalist system in this country.

MacFarlane's closing references to the development of the multi-national corporation as the characteristic form of enterprise of declining imperialism leads easily into Wheelwright's discussion of the powers of such corporations. On the basis of the rather sparse evidence available to him, he is still able to construct convincingly a case that three hundred corporations, on whose enterprise the well-being of most Australians depends, hold most economic power in Australia, and that two-fifths of these are already controlled by overseas interests. Between them, by price fixing and monopoly of basic industry, as well as through interlocking directorates and close contact with the state, they control economic and, he intimates, political life: "Across the bargaining tables of power, the bureaucracies of business and government face one another, and under the tables their myriad feet are interlocked in wonderfully complex ways", is the pithy quotation he borrows from Mills. It remain for John Playford to establish that the capitalist corporation in fact rules Australia: "the translation of economic power into social power and thence into political power becomes the crucial concern of the political scientist". Playford maintains that the owners and controllers (including the managers) of capitalist enterprise in fact control political power through their dominance of the supposed governments of the country. He has two explanations how they do this. First there are the structural links with government in its political, administrative, judicial and police roles. Second, there is the shared ideological commitment to maintaining the system described by MacFarlane and Wheelwright.

David Evans then takes up the baton to establish that the ruling class use their political power...
external to "prevent the further erosion of capitalist territory in the world economy" — that Australia's effort in "developing countries" of South-East Asia is in fact, as MacFarlane suggested, to provide a springboard for imperialism. Australian aid and investment, always with strings attached, goes to foster the welfare of the developing capitalist sectors of those countries and not the people as a whole, "building up inequalities and differences between people." Of course, the object is not to set up a competitive capitalist class, but to get rid of obsolete technologies to them, to make way for the more advanced technologies of the multinational corporations, as Australia takes on her "junior partner role" in world imperialist exploitation (Whitlam). Finally, Kelvin Rowley's chapter sets out to show that the object of capitalism internally since 1945 is, through relying on the massive inflow of capital and labour since the War, to control the government and to foster national development in the interest of private enterprise. He points out that the bulk of investment in Australia's paltry public sector goes to foster private enterprise, and that capitalism has stimulated the emergence of a different quality in the classes from that which existed before. The new bourgeoisie, Playford's ruling class, is composed of managers and those with the wealth based on industrial enterprise, together with those in government. The bulk of the workers live in relative affluence. They have not however, become "embourgeoisified", as they still have to sell their labour power to this bourgeoisie to obtain all the consumer items that they are seduced into believing represent happiness. Their nexus with the system depends on the hitherto bulging paypacket continuing to remain bulging. Even a relative decline in the income levels they have obtained could break their cash nexus with the system. Their commitment to either of the parties in the service of capitalism has declined. In particular, as Labor continues increasingly to prostitute itself to imperialism, in all the ramifications described by the other writers, the working class has turned more and more to extraparliamentary solutions to its problems. Yet Rowley concludes, how Australia will fare in the future will depend primarily on the impact of the decline in imperialist power which is going on in the world. He speculates that the growth of multi-national corporations will result in high-wage countries becoming a production liability from the point of view of profit, and thus suggest an "economically dangerous" move to control increases in wages, and that as a result not only of this external decline but resulting internal strife (e.g. from wage freezes), lead to more and more repressive regimes at home declining into fascism and war. Class tensions will increase.

He finishes that socialists must recognise the continuing validity of the orthodox marxist thesis that the "massive support of and participation on the part of the working class" is a condition precedent for socialist revolution in this country, and that since only on the basis of "collective activity and rational thought to overcome shared problems" can true proletarian collectivism emerge, the fundamental task is not to develop the socialist party but its "precondition", organic intellectuals who by engaging in the praxis of the working-class are able to raise its problems to a theoretical level, and thus advance beyond mere populist pragmatism and intellectual elitism.

The other essays in the book, apart from Kirsner's, of which much will be said, do not really belong in it, because they are peripheral to or merely illustrative of the main argument and often merely allow old theories to be advanced once again. (Groenewegen, Sorell, Catley, White, McQueen).

On the whole, the articles discussed are well-backed with facts, based on the most up-to-date research (at 1970) mainly by bourgeois authors, and appear to present a solid "demystified" description of how Australian capitalism works, so that, as the authors never weary of telling us, we will know what action to take as socialists. Or do they?

Tickling our consciousness from the opening lines of MacFarlane's essay is the feeling that we have heard this all before, that far from the beginning of demystification which it claims to be, it is the tail-end of something else. And it is not the leninist thesis about imperialism which MacFarlane admits he starts from, which we are reminded of. Rather, those references to investments in railways and ports making Australia part of British imperialism (p.39), are, are?, are?... reminiscent of Trotsky speaking to the second congress of the Communist International in 1920, and in that flash of recognition we have it. It is not that these writers have not got beyond leninism, they have not got beyond the crude theory of pseudo-leninism advanced by the Comintern. Indeed as we pursue the argument further we recognise the old crisis theory of imperialism "retreating into its last bastions" (MacFarlane) as monopoly capitalism (the three hundred companies or "families") (Wheelwright/Playford) reaches a zenith of concentration, provoking through its own contradictions a reduction in the possible level of bribery (Rowley), a growth in class consciousness and a turn to "social-fascism" for aid, and then to war and fascism (Rowley), the very theory that Stalin advanced in 1928 at the Sixth Congress and soon after at the Ninth Plenum of the Comintern. As many readers will remember it was precisely because world imperialism was supposedly in a state of crisis (the depression) which must inevitably affect all those in its interlocking tentacles, that revolution would ensue, even in advanced capitalist countries like Australia. What these writers have created in the totalization of their host of industriously dug-out facts is a picture of Australian capitalism in which developments in Australia depend on objective structural developments in world imperialism, not only on the level of economics but on the level of politics. Grasp the economic moment (a word used advisedly) and you have explained political possibilities and consequences. In fact their picture of Australian capitalism is not significantly different from that of
the Maoists, whose hope of revolution is so dependent on the change in the balance of world forces, that what their argument really adds up to is a plea to wait and see, a fatalism which on the one hand fosters actions which are adventurist in the interim period, and on the other a feeling of complete structural determination of the outcome of socialist action.

It is the complete anachronism of their theoretical conceptualisation, as implicit in their argument, which provoked the title of this article. Despite periodic lip-service to current heroes, Gramsci, Lukacs, Althusser, and, I fancy, in Rowley's demand that the economy be seen historically, a belated discovery of Labriola, they stand revealed as economic determinists of the crude sort which is associated with Stalinism.

What does this tell us about the value of the book? Simply, that while they discuss economic matters proper they make a useful contribution to our knowledge of Australian capitalism. When they start to relate economic matters proper to politics, far from demystifying they mystify in a totally unacceptable and irresponsible way, in fact not so much by ignoring all the theoretical contributions since Stalin to understanding what is the fundamental problem of revolution: how the realm of economic facts is related to the realm of consciousness; but by ignoring the lessons of real life over thirty years, which provoked reconsiderations of the sort of notion of how history progresses which they advance. Indeed, a close reading to discover the works in the marxist tradition to which they refer to support their view of the interaction of economics and politics reveals that they turn not infrequently to Engels and those volumes of Capital which Engels put together after Marx's death, according to the sort of principle he applied in Wage Labour and Capital when he republished it in 1891, showing a complete absence of a critical approach to theory but a strong commitment to a particular tradition of marxism in their practice.

In their concern to get at the "empirical facts" of Marx (to demystify), they have fallen into the error of equating these with economic facts, whence in their argument all else flows, in Playford's words "structurally", (I note as an aside that many wrote these chapters before they discovered Althusser, and that their notion of structural determinants has nothing in common with the Frenchman's theory). They have, with the exception of Evans, arrived at a complete lack of concern for men: indeed the Australian society they describe is devoid of the men who suffer so much in Marx's Capital. Insofar as men exist they exist as categories, as objects, who are objects of the structural determinants. That this is an inadequate way of explaining how economic developments are related to politics is revealed in the contradictions particularly manifest in Playford's article and to a lesser extent in Rowley's. Playford cannot really make up his mind whether the link between economics and politics should be seen on the level of structures (p.123) whose objective functioning can be established, or on the level of ideology (pp.140-1) where subjective positions are of paramount importance. Of course in the first scheme, one is made a capitalist (or implicitly a proletarian) by forces external to oneself, and in the second one makes oneself either a proletarian or a socialist in collective action. Neither of these either/or positions corresponds with that of Marx.

On a theoretical level Rowley, who is the most sophisticated of all theoretically, realises the inadequacies of the "vulgar" marxism he practises, but he too is riddled with contradictions. On the one hand he recognises correctly that the economy can only be understood historically, that is, as the product of men's actions, and yet on the other he ends up having men's actions the product of the economy: as a corollary on the one hand he recognises explicitly (p.289) that it is production relations and not consumption which is crucial in the marxist definition of class (and indeed, had he taken to heart the Grundrisse, and the favoured Nicolas' reading of it, he would have maintained that frustration of production rather than consumption is crucial in the rise of class consciousness), but he ends up making frustration of consumptive ability (freeze on wages and buying power) (p.316), his stimulus to class antagonism. Not having your needs satisfied makes rebels, not marxist revolutionaries.

This criticism of the theoretical level of the book — how the writers totalised their facts — brings me to what is disconcerting about it on a practical political level, and I think explains the lone contribution of theory by Kirsner. When this book was planned some people close to or associated with the CPA were to write papers for it. At the behest of the bulk of the contributors they were excluded, because of the hostility towards the CPA shown by nearly all the remaining contributors except Kirsner. The argument usually proffered to me (and it is not sour grapes on my part as I was not one of the intellectually purged) was that those excluded were not up to it intellectually. This was completely spurious. But, the political result was the exclusion of the thirty years of CPA experience of the practical consequence of its own theoretical mistake in accepting the understanding these men advance, which lesson has been manifest in a determined effort not to fall into the sort of theoretical error characteristic of this book, by keeping up to date in a real sense with contemporary reaction to that error.

The connection of the sort of theory common to stalinism and to these authors, to the terrible practical debacles in Italy in 1922 and Germany in 1933, provoked the Gramscian and Marcusan and other subsequent theory. While communists have internalised those real lessons and thus the substance of the new theory (they do not have to have lived through Hitler to do this), these authors have only paid lip-service to this theory. So by refusing to accept the intellectually inferior, repellant and chastened men who were heirs to past practice (by ignoring their own behests (see Rowley) to live the
real experience of life), they cut themselves off from contemporary theory in anything but the most name-dropping of senses. Only Kirsner was left to make a valiant attempt to totalise the facts of this capitalist society in up-to-date conceptual terms. Embodying much of the populism they claim to despise, they have attacked him privately and publicly, fearful that his article constitutes "bullshit artistry". Does it cause them concern that so many bourgeois and renegade reviewers (see the Age and the Bulletin) voicing the populism of Australia have also attacked him in like terms? This is not to deny that Kirsner's chosen theorists are themselves to some degree reminiscent of Saint Bruno and Saint Max, or to assert that his essay is to be exorbitantly extolled. It is, however, to recognise that as a product of real theoretical practice, he has attempted to understand Australian capitalism in the theoretical terms of the seventies, not the thirties.

DEMOCRACY & SOCIALISM

Manuel Azcarate

(An extract of a paper - slightly abridged - given at an International Symposium organised by the Communist Party of Japan as part of its fiftieth anniversary. The paper was delivered by Manuel Azcarate, member of the Executive Committee, Communist Party of Spain. The full text of the paper will shortly be published by the Communist Party of Australia.)

Our path to socialism must be characterised by thoroughly democratic forms, and democratic not in a bourgeois or reformist sense, but in a strictly leninist one.

One of the axes of the marxist critique, and of the struggle of the proletariat, against capitalism, is the winning of liberty. One of the richest sources of revolutionary sentiment among the exploited masses against capitalism is the will to be free. Freedom is the banner of socialism, of the working class, of the Communist Party.

As a result of a complex range of factors (in which are blended objective causes, and a series of grave mistakes and deformations, usually grouped under the name of stalinism) this intrinsic quality of socialism as higher freedom has not had its translation into practice, into history, especially in the fields of the political system and political and cultural freedoms.

For the Communist Parties of the industrially developed countries, faced with State monopoly capitalism, the struggle for liberty, for an effective democracy, moves to the front rank. In Spain, after 33 years of fascist tyranny this is one of the dominant motivating factors among the working masses and the widest sections of society. To respond to this political reality we must not only delve anew into Marx, Engels and Lenin to enrich our theoretical positions on the problem of freedom. We must analyse certain new dimensions in contemporary conditions, which require an open and future-oriented marxist response.

In conclusion, we cannot help feeling that the authors of Australian Capitalism like all men who make the error of thinking that everything is everything else (note how McQueen again misunderstands, through extra contextual reading, the relation between party and society in Gramsci), or that all phenomena (politics/society) can be reduced to an essence, (economics) they think like neo-Hegelian idealists, and as Marx went to considerable lengths to show the result of such undialectical and unrealistic thinking, their end position must be one of hostility towards the "stupid populace." Australian Capitalism becomes a book by elitists, for elitists. We can only hope that in the new venture with which some are associated, Intervention, there will be some recognition of their theoretical backwardness as it manifested itself in what is not our starting point, the Capital which every generation must write, but hopefully the last in a tradition of pseudo-marxist works.

The marxist critique of "formal freedoms" is that they are inadequate, restricted and, fundamentally, freedom "for the rich". But if we take, for example, the problem of freedom of the press, we see that the present historical level requires us to pose the question on new grounds. Freedom of the press requires (if it is not to be emptied of a good part of its content) that we consider the problem of all information sources, especially of radio and television. At this level "formal freedom" becomes technically almost impossible. The question arises: either it is a State of the monopolies which controls and directs these instruments in its own service; or it is another State, a democratic State, which will put these instruments into the service of the masses. The struggle for freedom thus becomes each time more plainly a struggle for the radical democratisation of the State and society; a struggle for a State where the masses are effectively masters of their destinies. Hence there is an objective rapprochement between the struggle for genuine freedom, at the contemporary level, and the struggle for socialism.

The qualitatively superior freedom which socialism must represent for the people supposes the end of exploitation; and it also supposes a radically democratic State in which the working class - the workers, manual and intellectual - are truly the master; that it is they who decide on the great issues. And it is within this framework that the vanguard role of the marxist-leninist party is to be found.

Socialism is superior to bourgeois democracy, not only because it frees man from capitalist exploitation, but also because it must guarantee political democracy as such, and political and human rights, which are much superior to those prevailing under capitalism. Clearly, socialist society, faced with attacks of enemies who seek to destroy socialism (Continued on Pages 38 and 39)