

The Technology Test

Economic planning in Australia cannot remain with the captains of industry, or their peers. Max Bound argues that new technologies and new strategies are posing serious questions for the left.

The trans/multinational strategies to move manufacture out of Australia to cheap labour havens is an important aspect of job destruction in Australia. Use of technological change against workers is another.

Metal union led campaigns and actions have had some small effect in slowing down this process, despite governmental inaction.

Limited union success in having input into economic planning and decision making underlines the importance of the struggle for democratisation in industry.

Transnational corporations and governments which accept their demands undermine the national interest in favour of continued and accelerated capital accumulation. This process increases the control of a few giant corporations. These bypass national boundaries but are centred mainly in Japan and the US, and are more concerned with maintaining some sort of economic stability in those countries than in Australia.

Power to decide economic policies is a strongly guarded "right" of capitalists. Development of union and worker input to economic decision making holds the possibility for developing the social, political and national economic forces essential to save Australian industry.

Social conditioning and control of people occupies much of the efforts of a vast army of apologists for capitalism. Sexism, racism, conditioning to accept the *status quo* in terms of what constitutes "the good life", consumerism rather than quality of life, bolster the system. Occasional talk of full employment is skilfully combined with efforts to win

acceptance that there must be "the unlucky ones". Other ploys include the argument that "the market system is not perfect but it is the best offering".

The reality, that capitalism has developed to a point where it creates unemployment more than it creates new employment, is covered over. Similarly, whatever the virtues of a "free market system", no such system exists. Trans- and multinational corporations control most markets.

Most unions are poorly equipped to provide input into economic planning. With some important exceptions, union research departments confine themselves to matters concerned with award hours, wages, job conditions; i.e. with maintenance of the *status quo*. Several unions have widened their research activities and this process has been extended by the work of semi-voluntary and part-funded research groups in several cities. Much of the work of the latter groups draws heavily on neo-marxist interpretations of modern problems.

A new and different approach to economic planning is essential. The advent of mindless computer modelling based on capitalist theories of economics has become an embarrassment to some more serious upholders of the *status quo*. Writing in *The Financial Review* (9.4.84), P. P. McGuinness claims of econometricians that "... they throw out the equations which tend to invalidate the positions they argue". McGuinness, a supporter of bourgeois theories in general, says that the techniques of most econometricians are "worthless".

In some universities, large sums of

public monies are used up by economists putting what McGuinness describes as dubious figures through "their professional econometric sausage machine" (*ibid*).

Intelligent computers

The opinion of US and world leaders in computer technologies is that talk of "intelligent computers" is nonsense (*ABC Science Show*, March 1985). The increasing use of computers by the more financial unions and union-based research organisations in Australia can help some aspects of analysis. It cannot, of course, do away with the necessity for the sort of analysis only humans can perform.

In 1981 there were 11,126 jobs in forestry and logging, wood, wood products and furniture, paper, paper products, printing and publishing. This was 906 less than in 1966. (ABS figures) The quantity of native grown saw logs used increased fourfold from 1966 to 1981, from 1,083.02 m³ to 4,362.0 m³. Of this huge quantity, less than one quarter, or 992.0 m³ were used for saw milling and plywood milling. That is, the amount of resource used per job in the industry grew from 90.1 m³ in 1965-66, to 392.03 m³ in 1980-81. Some employment has been created with road transportation of logs. However, ABS figures reveal that the number of jobs in road transport fell by 361 over the 1966 to 1981 period.

(Tasmania — A Way To Go)

The report also documented a more than 20 percent fall in employment in the forest products corporation, APPM (Australian Pulp and Paper Mills) from 1971 to 1983. Since its Hill Holdings), there has been a further "rationalisation".

Another example of cuts in employment came from *The*

Tasmanian Parliamentary Report on Unemployment 1983:

In 1965-66, the Edgell Company's Devonport factory employed approximately 800 persons to process 400,000 kg of peas. In 1982-83, 300 persons are required to process 20 million kg of peas. Thus, during the period in which production increased fiftyfold, employment reduced by 62.5 percent.

A Way to Go?

The unions as such, and the research groups they sponsor, have to take into account the broad spectrum of opinion in the unions. However, progressive socialist-oriented ideas can be argued within the union research framework. In Tasmania last year, the Trade Union Community Research Centre Inc. (TUCRC), an independent body with strong trade union and Labor Party connections, released a report on "employment development criteria". This report, *Tasmania — A Way to Go*, was an attempt to place union-based research in the mainstream of economic planning. The content of the report and the Labor Party connections of the TUCRC were reported on by all main media outlets in Tasmania, in a generally favourable way. Its content and likely influence have also been the subjects of some feature articles. One paper commented, "... conclusions if implemented would mean a total change in direction for the state's economic development." This press review then went on to say, "Unfortunately the report is marred by the old socialist rhetoric of a conspiracy of big business using its powers to exploit workers." (*Sunday Examiner*, 19.8.84.)

What the report actually did, in this respect, was use statements of local managers of corporations in the context of, and as part of, explaining the political economy of job loss in conditions of capitalist control of production and technology. It also showed how, in forest-based industries, production increases and resource usage had increased substantially, while employment had dropped.

Not rhetoric, simply facts about how capitalism functions.



Will the Left pass the Technology Test?

The report concluded "that democratisation in industry and employment planning is the key element to resolving economic problems". It proposed that "this could only be achieved in the context of working for a **positive plan** to generate economic and social well being for all".

Three essential target areas were identified. These were:

1. *High Capital Industries which provide substantial but falling employment levels. Under the present system, for the most part, profits from these industries leak out of the state to interstate and overseas shareholders (e.g. paper, mining, mineral treatment).*

2. *Medium Technology Industries which are more labor intensive and are more often locally owned. Expansion of both productive and service industries in this area, using local resources and labour skills could (in the model we propose) be financed with profits from area 1., providing certain mechanisms were put in place.*

These included democratisation and mechanisms for increased public equity to help ensure returns to Tasmania.

The report had earlier examined Tasmania's position as a "periphery state of a periphery nation". Manufacture is narrowly specialised around its food, basic metals and timber resources and has declined. Most consumer goods are manufactured interstate or overseas. Further, "interdependent relationships between manufacturing services" works against employment possibilities in Tasmania.

The other main target area was:

3. *Redefinition of Work and the promotion of social harmony ... this area involves more than just a guaranteed income — it considers the whole quality of life and the preservation of human dignity*

The report presented a number of goals and outlined methods to achieve these goals. In its later chapters, it examined some specific problems in Tasmania against the background of the overall analysis developed in the first half of the report.

As stated earlier, the report was an attempt to have union-based research move into the mainstream of economic planning in Tasmania. Nationally, the few existing union research departments play a particular role in industry research. There is also need for overview development research by the labour movement. The resources and connections needed to make this research relevant to our economic, political and social future require a broad approach. Within that broad approach, the work of marxists who can project a relevant marxist analysis is necessary.

It is essential to bring together plans for job provision with resource protection, protection of the working and living environment, a democratic society and the democratisation of industry.

For a variety of reasons, social and political retention of the manufacturing industry is critical. At the same time, if all we do is maintain

a manufacturing industry which is competitive in world market terms, then employment will continue to decline as further labour saving technologies are introduced. The mere shortening of hours, while essential, is not a sufficient answer to this problem. It has to be tackled in terms of the whole issue of distribution of wealth and the critical issue of **what is production for**. For workers, being competitive means competing with labour which is controlled by army and police guns and denied union rights. The nature of production, of transport and of control by trans- and multinational corporations results in this issue becoming increasingly central. Queensland's ultra-right has launched a frontal attack on unions and democracy of any kind. The danger to even traditional union rights is real.

Consensus capitalists

Australia's "consensus" capitalists want destruction of unions. John Elliot of Elders IXL, in a statement published 21 September, 1984, calls for reduction of union power. He also quotes Sir Roderick Carnegie of CRA to the effect that Australia could become "the white trash of Asia" and sees Australia's living standards as falling below those of Singapore by 1990 (*The Mercury*). If these people have their way, clearly what they forecast will happen. Both these men were main actors in Hawke's consensus ploy.

Democratic control of industry not only has to be won, it has to be capable of moving away from that highly destructive and corrupt guideline "being more competitive". Measures which protect resources and provide jobs now and in the future are possible, given democratic controls in and of industry. For example, an industry of considerable importance in Tasmania, namely forestry, requires proper forest practices if it is to have a long term future. Proper forest practices would make us, or the corporation NBHH, less competitive, but they would protect the resource and provide more jobs and a better quality of life now and in the future. The problems of industry efficiency should not be ignored, but should be tackled in a

way which benefits people, rather than safeguarding short term profits for a tiny few.

Australian marxists have not done enough in working through these questions. The TUCRC research project makes a start. My observation is that all too few of our scarce resources are employed in tackling this aspect of the struggle. In this respect, "the Accord, despite its weaknesses, represented a step of historic importance".

One very simple but far-reaching point that needs to be spelled out is that the real problem is not our capacity to produce; it is that growing numbers are being increasingly denied access to the wealth that is produced. Inequalities are increasing both between and within countries. Competition in the form of the nuclear arms race is the biggest single potential destroyer of people and cities, but it is not the only one. Most aspects of so-called peaceful competitive drives are also, in their final results, wantonly destructive of both people and the resources so necessary to enable people to live at decent standards.

Socialists, with other concerned people, have to develop viable alternatives to that destructive approach, if socialism is to come into its own. The many truly wonderful advances in knowledge and

technology can only really serve people in a democratic, non-sexist, non-racist and socialist society. It must also be a society capable of discriminating as to which technologies are to be developed and how those technologies are to be used.

Other societies in other countries also have a right to live decently, and that means replacing capitalist irresponsibility with a responsible attitude to the use of resources.

Real achievements have been recorded, particularly, but not only, by the metal workers' union, in placing union input into economic planning on the political agenda. These achievements pose the tasks and issues discussed above with the urgency of immediate practical questions. Our limited resources could be better directed.

Socialists have a responsibility, not only to their own political interests, but also to the broader labour and progressive movements. Political, economic and social theory has not been a strong point in the history of the labour movement in Australia. Our future depends to an important degree on developing our capacities for analysis and forward thinking in terms of alternative economic and social strategies and policies.

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