

# WORKING COMPARISONS

Reviewed by  
James Levy

**AUSTRALIA AND ARGENTINA: On Parallel Paths, by Tim Duncan and John Fogarty. Melbourne University Press, 1985. \$22.50, 203 pages.**

**A**ustralia and Argentina. On *Parallel Paths*, by Tim Duncan and John Fogarty, deserves a very careful read. If what follows here does not agree with all the authors say in their book, it should not deflect us from an open and direct confrontation with the major issue and the many subsidiary and provocative points they raise. Is Australia presently on an economic course which will some day yield economic stagnation like that in Argentina? Some would argue that the question itself is invalid. The problem of establishing what should and what should not be compared makes comparative history a difficult exercise. Duncan and Fogarty believe, however, that it is a rewarding approach, and that careful scholarship and commonsense can avoid serious errors. "When they work, comparisons can provide not only imaginative breakthroughs that pose new historical questions, but also a framework for the empirical investigation of those questions." (p. xii). I agree.

Fogarty and Duncan begin their comparison with an analysis of the development of very similar export economies during the latter half of the nineteenth century. In no uncertain terms, the authors point out how rapidly the Argentine economy grew, how "successful" it was in generating wealth and how, by comparison, Australians had nothing to brag about. By adopting a

fundamentally laissez-faire policy, the Argentine government allowed an efficient and rational use of resources which, in turn, yielded an impressive economic achievement superior to that of Australia by 1914. Things began to deteriorate in the 1920s and 1930s although Argentina weathered the depression (1929-39) with far less suffering than did Australia. The causes of Argentine difficulties are not to be found in economic policies but, instead, in the political culture which failed to reconcile conflicts over income distribution and which developed a strong case of nationalism bordering upon xenophobia.

The crisis of contemporary Argentina deepened with the simultaneous attempt to industrialise and to redistribute income under President Juan Peron (1946-1955). Whereas Australia's industry benefited tremendously from World War II, Argentina, which remained neutral until very near the end of the war, actually suffered for lack of spare parts, capital equipment and adequate investment. When after the war, Peron embarked on a program of developing heavy industry, he followed a policy of autarchy, severely restricting foreign investment, establishing high tariffs, diverting capital from the rural sector to the industrial sector, increasing the real wage of urban workers and nationalising many enterprises. In effect, Argentine industries grew behind a wall of nationalism, their efficiency and competitiveness in a post-war world of increasing international trade being of little issue. It was the wrong way. And in the process, Peron nearly destroyed the export sector on which he depended for foreign exchange to pay for necessary imports of industrial raw materials and capital

goods.

Peronist strategy had failed several years before the military, in coalition with many other Argentines, overthrew him in 1955. But the post-Peronist regimes continued with the nationalist economic policies he had begun. The conflict over income shares, at the centre of Argentina's difficulties since the 1940s (if not before), deepened over the next two decades to the point where, by 1975, Argentina faced civil war. In the meantime, the Argentines lost opportunities to take advantage of the international economic boom of the 1960s because of the irreconcilable conflicts. The second Peron administration (1973-75) attempted to put Humpty Dumpty back together again and, like Whitlam in Australia, concentrated on internal reform while ignoring the international environment. Both countries found themselves on a "slippery slide".

Obviously, Australia did not land in the same bucket that Argentina did. The latter, in its economic stagnation, became more inward looking while failing to resolve the basic struggle over who got what. Argentina simply did not develop political institutions capable of settling internal conflicts, like, for example, the Arbitration and Conciliation Commission. Nevertheless, Australia cannot rest easily because its own economic future is threatened by stagnation. Australian industries are also over-protected, inefficient and unable to compete in the international markets.

What are the lessons to be drawn by the comparison? Duncan and Fogarty argue that to allow nationalism to isolate one's country from the international economy is to chart an extremely perilous course leading towards the rocks of stagnation. Trading nations must not



neglect their export industries; as for manufacturing, both countries have neglected possible "comparative or even commercial advantages" while focusing upon other reasons for developing and maintaining their relatively weak but protected manufacturing sectors. These must be forced to make their way. How is this to be done? Obviously, Argentine politics is not the way. Indeed, "Political tolerance, benign nationalism, a distrust of unfamiliarly grand principles, a remarkable talent for imposing formidable sectional checks ... have been as influential as Australia's fantastic resource endowment in sustaining the population" (p. 170).

**S**hould this summary of the argument not stimulate thoughts, then I urge you immediately to read the book. The thoughts it stimulated in me are those of a student of Argentine history who claims no knowledge of the Australian past (much less "expertise"). The book has forced me to sharpen many ideas about the Argentine past, however, and, in the process, deepened my fascination with Australia.

As noted above, one of the difficulties with comparisons is that of establishing the parameters of comparability. Human behaviour, alas, puts great constraints on comparisons — and no, history does not repeat itself. Here is one of the problems: Argentina's European past begins more than 200 years before Australia's and a lot of institutional structures — social, economic and political — were already established when the ships landed at Sydney Cove. Precisely how those extra years determined different structures in Argentina is very difficult to measure and not the point here. But I think I would have begun my story somewhat earlier than did Duncan and Fogarty. By the 1850s, in Argentina, a small and powerful group of landholders had firmly established themselves as a ruling class in alliance with wealthy merchants and a few lawyers, intellectuals and generals. The hegemony established by the landowners — their control of the state, their dominance of the working class, their possession of fantastic stretches of fertile land — was not **effectively** challenged until Peron came to power in 1945.

It is true that this landholding class



divided, with important political consequences, in the 1850s, in the 1890s, and in the 1930s, but the class never forgot that it held land, and a lot of it. Moreover, although the landed oligarchy proved adaptable to the various commercial opportunities presented to it, and admitted new wealth from time to time, it never shed its seigniorial attitudes and made only minimal concessions to social equality, a reasonable distribution of wealth and broad political participation.

Thus, in the nineteenth century, the independent, small agriculturalist in possession of his own land lost out on a fairly grand scale to the huge *estancias* (stations). No land grant universities were established in Argentina, no proliferation of the 160 square acre farm. The most common form of exploitation of the land was either tenant farming, sharecropping or wage labour. This is not the stuff of social equality. Nor did the various factions of the ruling class who controlled the government devote much of their effort or state revenues to the issue.

A long and sad tale can be told of the sins of omission and commission: the sanitary and housing conditions of the Buenos Aires working class were atrocious; welfare was limited to charity; when a labour movement organised to protect and advance the workers' interests, it was met with savage repression; decent educational and other government

services reached the rural areas only haphazardly; even a moderately broad franchise was not achieved until 1912. Argentine history is littered with moments when these sins might have been atoned — in the 1860s, 1890s, and 1916 to name but three. Perhaps the most tragic was that of 1916 when a government assumed power with an overwhelming mandate to reform.

It soon lapsed into the distribution of patronage sustained by the rhetoric of reform until 1919 when it helped to precipitate a week of slaughter of the Buenos Aires working class. "The Tragic Week", as it became known, consumed perhaps 8,000 Argentines and proved what was already fairly obvious — there would be very few concessions to demands for an equitable distribution of income.

**W**hat then, did the ruling class do with its accumulated capital? This is the crucial question in any further comparison between Australia and Argentina. As Duncan and Fogarty point out, Australian history contains none of the violence and political instability that is so evident in the Argentine past. Why? While they explore the differences in political culture, I would concentrate on the formation of class, a process which goes deep into the histories of both communities. Such a study would yield, I suspect, a portrait of an upper class in Argentina which not only conceded nothing (or very little) to reform and equity, but also withdrew much of its profits and refused to reinvest them.

Without adequate data, one can only guess where the profits went: into conspicuous consumption, speculative ventures, or perhaps overseas banks. But, obviously, they did not end up as state revenues to be used to redress the economic inequalities not only between workers and employers, but also between regions.

Consequently, it was left to Peron between 1945 and 1955 to organise the labour movement (and to capture it); to tell the workers for the first time in Argentine history that the state had responsibilities for them; to redistribute wealth; and to attempt

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accompanying constructions of masculinity and femininity are deeply embedded in the process of capital accumulation, but also in the legitimization of capitalism as an economic and social form."

The family, domestic labour, psychoanalysis, education and the functions of the state are discussed in order to broaden the framework for looking at subordination.



Burton suggests that we must move beyond the feminist theory that has been uncritical in assuming "that the male necessarily benefits from the family institution".

"The link between family and work must be explored," she states, "using research methods which **assume** a complex, even contradictory and ambivalent response to the social world." Some of this, at least, has been done since *Subordination* was conceived in the debate in the United States around "Bringing it all back home" (See *ALR*, No. 80, 1982) and in Barrett and McIntosh's *The Anti-Social Family*.

In discussing the state, Burton suggests that we must look beyond policies and strategies that are directly related to women because women's interests are often bound up with more general policies

and legal processes. The state is seen as a social process which is, to some extent, shaped by struggle and demands which require a broader feminist input.

The undoubted additional power enjoyed by some middle class women is referred to, and feminist struggles, it is suggested, do not necessarily represent the interests of working class women.

This is, in my view, a controversial way of attempting to discuss the class differences among women (even to attempt to establish what *is* middle class and what working class is not easy). But to pose the problem in the way suggested above may obscure rather than clarify.

It is difficult to know which of the feminist struggles did/do not necessarily represent the interests of working class women — opposition to rape, for women's refuges and health centres, for fertility control and abortion, the development of public awareness of incest, for child care or equal pay, improvements in the legal and social rights of lesbians, for the right to work and in all occupations?

It could well be argued that some of these, or others, did not represent the immediate priorities of working class women and that women benefited from achievements in an unequal way.

For example, there are some (probably a small minority of) tertiary-educated women who have accrued additional advantages from the feminist movement — jobs in high places, relatively well-paid positions in and out of the bureaucracy, greater access to the results of affirmative action programs, etc. For women who are black or migrant, the gaps are even wider.

But feminism has also had some awareness of those differences which arise from that amalgam of sex, class and race, the exact nature of which keeps eluding us. There have also been occasions on which the interests of middle class women have been rejected by feminist campaigns, for example, when the child care movement opted for a demand for greater federal finance and more complex forms of child care rather than for tax deductions which benefit the more advantaged women.

The final sections of Burton's book take up a range of necessary priorities for feminists to pursue, including the importance of various forms of social legislation and the need to attack the sexual division of labour through the involvement of men in childbearing.

"It is not childbearing," Burton concludes, "physical weakness, or any other presumed biologically determined differences that are the basis of women's subordination within capitalist societies. It is the social allocation to women of responsibilities for children. The obstacles to changing this connection lie within the capitalist system of production, the vicious circle of sex-segregated work and the division of labour within the household."

*Subordination* is a useful addition to the debates engaging socialist feminists. The complexity of the issues confronting us are duly acknowledged and it will help to fuel, in a constructive way, the ongoing debate.

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**Joyce Stevens is an activist and writer in the women's movement and is a member of the CPA national executive.**

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community development in rural areas. Peron, then, must be understood as a response to the social conflict in Argentina and not exclusively as the outcome of a nationalistic desire for economic independence.

One of the lessons I learned from reading this book is that Australians must continue to confront and manage the problems of equity and distribution with as much ingenuity as they have those of production. Failure to do so will render even stronger economic growth useless to prevent social conflict.

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**James Levy teaches Latin American history, with a specialisation in Argentina, in the School of Spanish & Latin American Studies at UNSW.**

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