Technology and the Australian state: the changing political discourse on technology in Australia 1975-1985

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NOTE

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3. THE STATE IN CAPITALIST SOCIETY

Preamble: "Bringing the State Back In"

A major theme in this thesis is that the state is central to technological change, and plays a key role in that process. On the other hand, technological change is important to the state, for it contributes to the policy context, firstly, by setting an agenda of problems for the state to deal with and, secondly, by providing new means for state actors to achieve their ends.

But although there have been many descriptive accounts, particularly within the field of science and technology policy studies, about the nature of state intervention in the technology area, very few have explicitly theorised this intervention. Neither have these descriptive studies related the content of technology policy to the context of capitalism within which the state is located. Yet the state in capitalist society has come to be a major theoretical focus of political analysis in recent years. This chapter seeks to draw on some of the key themes that have been developed in these analyses of the state as a first step towards an explicit theorisation of the roles states play in technological development.

This chapter is divided into three main parts. The first provides a descriptive introduction to the nature of modern nation states and a brief overview of the various theoretical perspectives on the state that have been advanced in the literature. The second part presents a conceptualisation of the state in capitalist society, developed around five main themes. Finally, drawing on these themes, some of the key features of the Australian state are discussed.
TOWARDS A THEORY OF THE STATE

1. The Nature of the State

As a starting point, a useful definition of the state is provided by Skocpol and Amenta:

"States are organisations that extract resources through taxation and attempt to extend coercive control and political authority over particular territories and the people residing in them. 'Policies' are lines of action pursued through states. Of necessity, all states have military and economic policies, for their territories must be defended and their revenues depend on the fortunes of production and trade. If social policies are defined in the broadest possible terms as 'state activities affecting the social status and life chances of groups, families, and individuals', then states have always had social policies as well."

In the vast literature on the state, four features of modern nation states are often identified. Firstly, a state is not a monolithic bloc but is an "institutional ensemble" which in a democracy consists of an elected central government, an administrative apparatus (the bureaucracy), the armed forces, security forces and police (coercive apparatus), the judiciary, representative assemblies (parliaments), and various elected local governments. Thus, the abstract concept of the state should not be confused with the concrete reality of "government", which is but one of the identifiable institutions within the nation-state.

Secondly, the state is that social institution which has a monopoly on the legitimate use of coercive force in a given territory; i.e. the agencies of the state are the only organisations which can legitimately force compliance with their requests or commands. Thirdly, states are a cohesive force in society, in that they seek to maintain cohesion in contexts marked by class and other political conflicts (although this does not imply that in so doing they are neutral arbiters of conflicts). Fourthly, states are "institutions of political domination", for social and political groups do not exist independently of the state, rather "...they are shaped in part through its forms of representation, its internal structure, and its forms of intervention." The state is not a neutral instrument, rather it has unequal and
asymmetrical effects on the ability of different social groups to realise their interests through political action.

How then should this "...historically accumulated network of legal and institutional formalisms covering and conditioning all of the processes and interactions that go on in a society" be theorised?

2. Perspectives on the State

Interest in the state as a theoretical concept has recently been revived, after it had fallen into disuse in mainstream political science. But despite this revival of interest, there remains considerable disagreement on an appropriate theoretical perspective. Underlying the plethora of approaches there have been two major competing traditions.

The first of these traditions has been that of pluralism. This became the dominant tradition in western political science from the 1950's to the 1970's and claimed to present an empirical account of liberal democratic politics. The concept of the state was downplayed in this tradition for it was argued that the complexity of the interactions between a government and its citizens was more appropriately encapsulated by such concepts as "the political system". The main features of conventional pluralist theory were: (a) society consists of a plurality of organised interest groups; (b) power is fragmented and diffused throughout society, every group has some power and none has too much; (c) because interest groups cut across economic classes and because political power is fragmented, there can be no coherent class interests or a dominant political class; (d) the "political system" is the focus for competing interest groups, and in this the "input demands" of these groups are converted into "policy outputs"; (e) the democratic political system is responsive to the demands of its constituents, due to the competitive electoral process and to the inter-election activities of citizens and interest groups.
The second tradition of state theory, which challenged the pluralist interpretation, was that of Marxism. In this the emphasis has been on the "capitalist state" which sustains the capitalist order while at the same time concealing the class-bias of that role. Although this tradition derived from Marx's analysis of capitalism, because his writings on the state left an "ambiguous heritage" there have been many variants of neo-Marxist state theory. All contemporary neo-Marxist approaches have moved beyond an interpretation of the state as an instrument of the capitalist class (e.g. as in Lenin's argument that "... the executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie"), and instead they have adopted the concept of relative autonomy. According to this concept, it is only because the capitalist state has some autonomy from a fragmented capitalist class that it can represent that class's overall interests and maintain social cohesion. While the neo-Marxist theorists agree that the capitalist state maintains class rule, they differ on why it does so and on how the interests of the capitalist class are implemented through the state.

More recently, new approaches within each of the two traditions have emphasised that the state is an independent or autonomous political actor. These approaches argue that the treatment of the state in the mainstream traditions had generally been socially reductionist in that they underestimated the capacity of state actors to shape public policy. Thus, the new approaches argue, in the pluralist tradition, the state tended to be reduced to an arena within the political system in which competing interest groups sought to shape public policy; while in the neo-Marxist tradition, there has been a tendency for state action to be depicted as determined only by class interests (e.g. the "needs" of capital) and/or class struggle; at best, the state could only ever be seen as relatively autonomous. Let us then examine each of the new approaches.

In the neo-pluralist tradition, Nordlinger has argued that the democratic state is autonomous and able to translate its own policy preferences into authoritative actions:
"As an independent actor, the state's agenda of preferences is very much its own. Public officials are minimally malleable - susceptible and receptive to societal preferences - in forming and altering their own. Private interests are treated as 'data' to be sifted, interpreted, and evaluated according to the officials' own lights, interests, and priorities. Socioeconomic ills are diagnosed similarly. As an independent variable, it is the state's boundedness, cohesiveness, and differentiation that minimizes its malleability." (16)

To develop this argument, Nordlinger identifies five strategies through which the state translates its own policy preferences (which may or may not diverge from societal preferences) into policy. However, Nordlinger's definition of the state reduces that institution to an aggregate of public officials, i.e. "the definition of the state must refer to individuals...". It is therefore a simple behaviourist account, and provides an understanding of policy only in terms of the motives and actions of the individuals who occupy key positions within the state. As I have argued previously, such an account is unacceptable in that the social dimension of political behaviour remains untheorised.

The concept of state autonomy has also been recently developed in neo-Marxist theory. This has been most fruitful, for it combines the explanatory power of a Marxist analysis of social relations under capitalism with a perspective which treats nation states as political actors and society-shaping institutional structures. Crouch, for example, disputes that the capitalist state is a "condensation of class relations" and instead argues that it is an "independent web of institutions" with its own power base. Offe similarly argues that state action cannot be reduced to a mere reflection of the matrix of class power. But perhaps the strongest statement of state autonomy in this tradition comes from those who draw on Weberian perspectives on the state. For example, Skocpol summarises the autonomy view as follows:

"States conceived as organisations claiming control over territories and people may formulate and pursue goals that are not simply reflective of the demands or interests of social groups, classes or society. This is what is usually meant by 'state autonomy'. Unless such independent goal formulation occurs, there is little need to talk about states as important actors" (21)
In the remainder of this chapter I develop this perspective to derive a set of theses on the state in capitalist society. The central theme is that the state is an independent political institution, but its actions are constrained by its national and international economic context.

**THESSES ON THE STATE IN CAPITALIST SOCIETY**

1. **The Autonomous State**

The view advanced here is that the state is independent of economic classes and other political interest groups. It is neither an instrument of a particular class, a condensation of class forces, nor a product of class struggle. Rather its actors and agencies pursue their own self-interest, and in so doing draw on their own power base and mobilise their own administrative, coercive and ideological resources. The source of the state's power is derived from its monopoly over the legitimate use of coercion, for it is through this that it can force compliance with its policies and demands, utilising its coercive apparatus if necessary.

However, the state is located within a capitalist context, which both influences and constrains the state's capacity to act and exercise its power. State autonomy is not a fixed structural feature, and the potential for independent action changes over time. The state interacts with the capitalist context at two levels, the national and the international.

**Economic Power and the National Context**

Although state action cannot be reduced to a mere reflection of the matrix of economic class power, there is a relationship between this matrix and the state which can be analyzed in terms of interactive political arenas. The first of these is the arena of formal
politics within the state apparatus. In this arena, decisions are made by political elites who either compete for electoral victory (politicians) or for scarce resources (bureaucrats). The second arena consists of a range of social groups who shape the state actors' view of reality and hence determine the "action space" of politics, for example by setting the political agenda and prioritising the issues. It is at this level that the matrix of social power is most influential for certain social actors have a greater ability, because of their control of the means of production and communication, to influence the political agenda. The second arena thus consists of "...a process of shaping the space of political action by the exercise of veto power, blackmail, threat, mobilization, and social discourse on political issues, or merely the silent force of 'anticipated reaction'."23 This political influence is what the neo-pluralist Charles Lindblom has termed "the privileged position of business in policy making".24 But changes in the matrix of social power do occur, for there are changes in the degree of influence exerted by different social groups over time. These result from struggles in the third arena between contending classes and other political groups for a redistribution of social power. The three political arenas are of course, inter-related:

"...Although the action space of level one ('formal politics') is largely determined by the matrix of social power ('level two'), it may itself facilitate and promote a revision of the distribution of social power ('level three'). And the state of democratic politics would thus have to be looked upon as both determined by, and a potential determinant, of social power." (25)

The International Economic Order

The nation-state does not exist in isolation, rather it interacts with other international actors in a world order of states. This order is polarised into two competing systems, the capitalist and the communist, and within each of these there are relationships of dominance and subordination among the states.26 In the capitalist world system, the relationship between states is linked to the capitalist world economy (with its international markets and capital flows) which consists of economically dominant "core" and subordinate
"peripheral" states. So, not only is the state an international actor, its actions are also influenced and constrained by other actors in the international context, including other nation states, multinational enterprises and supra-national organisations such as the International Monetary Fund and the European Economic Community. The interest of state actors in the maintenance (and at times the extension) of the national order leads to a concern with the nation's standing in the world economy and state system.

2. **Imperatives of State Action**

The fundamental motivation for the actions of self-interested state actors is to maintain the social order of which the state is part. From this motivation derive three interdependent action "imperatives" (i.e. conditions which must be met for the state to survive). Firstly, the national security of the state has to be maintained against any actual or possible external and internal threats. To address this imperative, all nation states have armed forces and diplomatic corps to cope with external challenges, and various repressive apparatuses to deal with internal challenges. Secondly, there is an economic imperative in that the state requires a material base for its activities. In a capitalist economy, the material resources of the state are derived largely (but not exclusively) from privately-controlled production. Thirdly the legitimacy of the order, and of the political authority therein, has to be sustained. If the political order is not seen as legitimate by its citizens (i.e. those in authority are not considered to have the right to rule), then the state becomes open to challenge and possibly destruction through revolutionary action. Of these three imperatives, the economic is perhaps the most important, for the ability of the state to respond to the other two imperatives depends on the maintenance of adequate levels of economic activity:

"Both military defeat and declining international competitiveness raise the spectre of fewer resources available internally and effective challenges by outside or inside forces to the state manager's control over the state apparatus. These dangers can be reduced if state managers pursue actions to strengthen the accumulation process. An expanding economy provides the resources for
Let us look more closely at the implications of this claim.

The Economic Imperative

A basic condition of the state in capitalist society is that it does not directly organise or control production in the private economy. The state is institutionally separate from the economy, and its actions within that sphere are "self-limited", for by the rules of the market economy the state cannot positively command business managers to perform. But the state depends for its material resources on the performance of this private economy, e.g. the state’s revenues are derived largely from taxation on wages and profits, and to some extent the legitimacy of the order is dependent on the economy working "satisfactorily". Because of this, state personnel have an "institutional self interest" in maintaining conditions conducive to capital accumulation:

"...every interest the state (or the personnel of the state apparatus, its various branches and agencies) may have in their own stability and development can only be pursued if it is in accordance with the imperative of maintaining accumulation; this fundamental dependency upon accumulation functions as a selective principle upon state policies. The criterion of the stability of accumulation is thus incorporated in the pursuit of interests and policies that, considered by themselves, may have little or nothing to do with accumulation. Accumulation, in other words, acts as the most powerful constraint criterion, but not necessarily as the determinant of content, of the policy-making process." (30)

This structural bias in favour of capital accumulation is also reinforced by the activities of capitalists in various political arenas. Within the arena of "polyarchy" (that of democratic processes), business interests are able to mobilise their considerable resources to secure disproportionate influence through the activities of their own interest groups, through their influence on political parties and in electoral politics. Business interests also seek to mould public opinion (and utilise their control over the means of communication to
do so) and persuade citizens that the interests of capital are the interests of all members of society. These persuasive efforts tend to remove important issues from political debate:

"On fundamental issues pertaining to the structure of government and economy, a barrage of persuasion teaches citizens to accept corporate autonomy, the existing distribution of wealth, the limited authority of employees in business management, and close consultation between business and government as fundamental virtues of the established order not to be challenged. Consequently, they do not become policy issues." (32)

Business interests are also effective and privileged lobbyists of governments. Not only do governments (in their own self-interest) have a predisposition to listen, but businesses can threaten dire consequences (capital's power of veto) if governments do not attend to their demands. Finally, business interests - more so than any other social group - become directly involved in policy making, through their participation in quasi-state policy forums for example, and thereby play an important role in shaping public policy. Yet state actions favouring the interests of capital still involve conflicts between the state and capitalists. The policies implemented are based on state actors' interpretations of what is required to sustain a healthy economy, and these may conflict with the interests of particular fractions of capital (e.g. manufacturers over primary producers) or they may even involve challenges to capitalist property rights (as do taxation and regulatory policies).

The interventionist state acts to ensure that the capitalist economy operates effectively at both international and national levels. At the international level, actions may be taken by the state to extend the nation's zone of economic influence, to protect domestic producers from international competitors, to assist in the international marketing of local products and services, and to foster the international competitiveness of domestic production. At the national level, the state acts to provide the social and legal infrastructures necessary for the operation of the capitalist economy. This involves the outlay of "social capital" expenditures, which represent public subsidies of private capital accumulation.33 Such expenditures include the allocation of resources to programmes which serve capital in general (e.g. the provision of infrastructures such as road and rail services, state-funded
R&D, the provision of labour force training and retraining, etc.) and allocations to specific industries (e.g. in the form of subsidies, protective tariffs, loans, etc.). The state also acts to contain subordinate group pressures which could undermine the effective operation of the capitalist economy. By so doing, the state incurs "social expenses of production", which are "...the price the state has to pay to achieve political consensus and legitimation"^{34}, as I shall discuss below.

The nature of state intervention changes over time in response to changes in the economy (to which the state itself contributes). Such changes include fluctuations in levels of economic activity, structural economic change (e.g. as revealed in shifts in the dominant sectors of employment) and the precipitation of economic crises. Associated with these economic changes are changes in the perspectives that are brought into the policy arena, e.g. by economists (within and outside the state) and through the lobbying of business interests. These perspectives are interpreted by state actors and may be translated into new policy approaches. Thus, the interventionism of Keynesian economic policy that had been adopted in all advanced capitalist economies after World War II was replaced by a less interventionist neo-liberal policy stance following the onset of the international economic crisis in the 1970's. Such a shift in the orientation of economic policy formed the background context to the case study presented in Chapters 5 to 9.

Legitimacy of the Order and Support for Governments

In pursuing policies which systematically favour particular social interests over others (e.g. capital over labour), states in capitalist societies are confronted with the problem of legitimacy (the state cannot be seen to be class-biased), while democratic governments in those states are confronted with problems of consensus formation and maintaining electoral support. State actors, in seeking to sustain the legitimacy of the order and of the political authority therein, draw on symbolic, material and ideological resources.
Fundamentally, the political order is legitimised through the symbolism of mass participation in democratic processes. This mode of legitimation rests on a set of formal principles which determine how the holders of political authority are to be recruited and how they are to behave in office. These principles are also binding on the governed, for citizens are bound to comply with the laws passed by government and can only participate in political activities which are allowed under these principles. The acceptance of these principles by the governed is to some extent dependent on the material outcomes of the order. That is, the economy must be seen to be "delivering the goods", and for a capitalist economy where commodity exchange is the dominant organisational principle this means "...successfully providing, restoring and maintaining commodity relationships for all citizens and for the totality of their needs." The political authority of the state in capitalist society is also legitimised ideologically through its presentation as "...an organisation of power that pursues common and general interests of society as a whole, allows equal access to power and is responsive to justified demands...".

Finally, material resources are also important in the legitimisation of the order:

"Symbols may legitimate profits or accumulation policies but material resources are needed to legitimate the accumulation process (i.e. capitalist accumulation through crisis) to class fractions which do not participate in, or suffer from, economic growth and development." (38)

Material resources, the "social expenses of production", are deployed by the state to achieve political consensus and legitimation. These expenditures include underwriting the various "external" social costs of capitalist production (e.g. unemployment, poverty and environmental degradation) and expenses incurred in stabilising the capitalist order (e.g. in containing working-class pressures). State interventions to underwrite the social costs of production result from class and other political struggles. But such reforms generally only occur at the margins of the system:

"If state managers pursue policies that large sections of the capitalist class see as posing serious challenges to their property rights, the results are likely to
be a collapse of domestic and international business confidence, leading to high levels of unemployment and an international payments crisis. Even when motivated by a desire to break with the capitalist mode of production, state managers are likely to respond to such a collapse of business confidence by retreating from their proposals for reform." (40)

Governments within the state seek general electoral support and support for specific policies. The general support for governments does not depend only on the order's legitimacy. Acceptance of the legitimacy of the order is a necessary but not sufficient condition to sustain support, because in a democracy where there is a competitive political party system electoral success depends on a "marginal differentiation" by the electorate between the competing parties. This differentiation at elections occurs in terms of performance (of incumbents and oppositions) and "policy packages" (as expressed in election platform statements). As with states generally, governments draw on symbolic, material and ideological resources. Support can be fostered through instrumental actions, that is it may be "bought with favours". But perhaps the most frequently used strategy to mobilise support and consensus is through the "management of symbols". For example, a government can bolster its general support by creating the impression among voters that it is effectively managing the economy; support for what to many citizens would be an unattractive policy can be sought by creating the impression of a state of crisis, in which the proposed intervention would prevent worse outcomes from occurring.

The significance of symbolic action and ideology in the politics of capitalist societies will be discussed in more detail below.

3. Contradiction and Crisis

The state is the focus of structural contradiction in capitalist societies. On the one hand, such states are required to balance incompatible imperatives, i.e. both to foster capital accumulation and to secure legitimacy, but to do so without infringing on the primacy of private production. The state's ability to reconcile these imperatives depends on its ability
to insulate the problems of economic malfunction from the problems of political conflict. On the other hand, the state is enmeshed with a mode of production which is contradictory, in that it is "self-paralysing" (i.e. has a tendency to expel capital and labour from exchange relationships) and tends to destroy the preconditions on which its survival depends. This self-paralysis tendency produces social conditions which threaten the reproduction of capitalism, and therefore requires the compensatory actions of institutions which are not organised on the basis of commodity exchange. However, the growth of these "decommodified" forms is also contradictory in that it diminishes the organising potential of capitalist social relations and threatens the viability of accumulation. Capitalist development is thus a contradictory and crisis-prone process in which the state is centrally involved.

The state's attempts to ensure that the capitalist economy operates successfully, by seeking to universalise the commodity form and to manage class and other political conflicts, lead to further problems and conflicts. Foremost among these has been the chronic fiscal crisis of the state.

State expenditures are used to create the pre-conditions for capitalist production, compensate for the external social costs of capitalist production, and absorb surplus capital and organise surplus labour through various transfer payments. But although these expenditures create the conditions necessary to sustain accumulation, they are drawn from revenues, obtained through borrowing and taxation, which impinge on the profitability of capitalist production. The costs of intervention rise, as capitalist pressures on the state result in ever-larger commitments to sustain the viability of the economy and as subordinate group struggles result in policies which increase the social overhead expenditures, and this leads to fiscal deficits. Financing the deficit through increasing taxation becomes risky in the face of a "tax revolt" and the associated risk of an "investment strike" by capital. The state can only attempt to resolve this fiscal crisis by
cutting expenditure (but only in those areas that do not threaten accumulation), by subsidising deficits through borrowing, or by a combination of the two.

The fiscal crisis of the state is related to the general economic crisis of capitalism, for the growth in state expenditure contributes to structural crisis tendencies in the economy.\(^{49}\) For example, state intervention through subsidies and tariffs maintains "inefficient" and non-competitive enterprises. The decommodified means used to universalise commodity relationships open up political struggles about the nature of capitalist production and the role the state plays in this, thereby strengthening subordinate group resistance to capital's initiatives. The state's policies elicit resistance and political opposition from capitalist interests, for the state's expenditures deprive capitalists of both capital (lost through taxation) and labour power (lost to the growing "unproductive" sectors of the economy):

"...the very state policies which are designed to maintain and expand exchange relationships often have the effect of threatening the continuity of those relationships... reformist policies of the capitalist state by no means unequivocally 'serve' the collective interests of the capitalist class: very often they are met by the most vigorous resistance and political opposition of this class." (50)

Economic crises are therefore translated into political crises. Furthermore, increasing state intervention subverts an important ideological condition for the dominance of commodity exchange. Exchange relationships are seen less as "naturally given" and more the outcome of visible state strategies. But more recently, recognition of these capital-undermining aspects of state intervention by state and corporate actors has led to a restructuring of the political-economic order so as to re-establish conditions more conducive to capital accumulation.

State actors do not rely solely on instrumental actions to deal with political and economic problems in their environment. Firstly, in seeking to deal with increasing societal conflicts and to ensure support for their policies among strategic interest groups, many states in the mid to late twentieth century have established neo-corporatist methods of
interest mediation. Secondly, in seeking to deal with the contradictions of the capitalist context, to foster consensus and promote acceptance for state actions, state actors employ various non-material political resources, including ideology, political language and symbolic action. I consider both of these aspects of state action below.

4. Corporatist Tendencies in the State

The institutions of democratic politics are supposed to perform the dual functions of articulating and resolving political conflict. That is, democratic political institutions act as mediating links between social groups and the state, and should make possible the coexistence of conflict (i.e. between competing interest groups) and harmony (i.e. through the political resolution of interest group conflicts). However, in the 1960's and 1970's, there was an upsurge of political conflict in all capitalist societies and this stimulated some analysts to make claims about the "ungovernability" of the liberal democratic order. In other words, the ability of the political institutions to articulate and resolve conflict was believed to have become considerably reduced. As a result:

"...both the location of major political conflicts and struggles and the institutional location at which state policies are formed shift away from those institutions which democratic theory assigns to these functions. As a consequence, the mediation that democratic theory postulates between the state and the individual breaks down as an operative mechanism, without, however, being formally abolished. At the same time, alternative political forms of both the articulation of conflict and the resolution of policy issues appear...." (53)

One response to this problem has been the establishment of "neo-corporatist methods of interest mediation", in which policies are formulated through informal processes of negotiation between representatives of the state and various "strategic" interest groups. The strategic interest groups involved are usually chosen for their potential to obstruct policy, and therefore include representatives of powerful financial interests, vital industries and key trade unions. The groups so selected are given formal political status which licences them to participate directly in policy making. These processes lack democratic legitimation, for as Offe points out any consensus which emerges to form the
basis of state policy "...does not result from a democratic process as formally provided for by democratic institutions, but a consensus resulting from informal, highly inaccessible negotiations among poorly legitimised representatives of functional groups."56

The advantage of this form of policy-making to governments within the state is its ability to minimise conflict in important policy areas, thereby "depoliticising" those areas. Neocorporatism therefore represents a strategy whereby class conflict (and in some cases other political conflicts) can be managed, the social order can be stabilised, and state policies (particularly those aimed at sustaining capital accumulation) can be implemented with fewer hindrances. Corporatist decision-making structures are important in the management of conflict over potentially contentious policy:

"...(the state's) interest must first of all be to keep class conflicts manageable, i.e. within the limits of overall social order. If the state cannot do this, the state's existence and reproduction as an organisation is threatened. This means that the state cannot refuse to negotiate the terms of its legal and regulation system ... if the price for this is social unrest that threatens the long-term possibilities for stable capital accumulation, including, among other things, the flow of resources to the state." (57)

5. Political Language. Ideology and Symbolic Action

States and governments are enmeshed in a contemporary order, and so their actions in maintaining this order involve contradictions. In order to address these, to sustain the legitimacy of the order and to maintain electoral support for governments and their actions, state actors deploy various political resources. In doing so, they utilise political language in ideological discourses and manipulate political symbols.
Political Language and Ideology

"All stories and accounts, no matter how much their style might protest innocence, contain a mythic level - that is they have a job to do, a perspective to promote, a kind of world to affirm or deny. Seemingly neutral accounts of activities deliver, by dint of their grammatical and rhetorical structures, implicit political arguments, either legitimations for entrenched authority or polemic critiques which seek to demystify or disestablish existing structures of power and domination" (58)

Political language (i.e. "the mode of discourse adopted for use in the process of politics"59) is not merely referential, but is also constitutive of political reality.60 As Connolly points out "...the language of politics is not a neutral medium that conveys ideas independently formed...", rather it is "...an institutionalised structure of meanings that channels political thought and action in certain directions."61 It is through language that ideology operates and specific ideological concepts (such as nationalism, progress and individualism) are articulated. Ideology refers to the systems of belief that underlie political action, and in capitalist societies is essentially linked to the process of maintaining relationships of domination and subordination.62 Ideology is creative and constitutive of reality, for it contributes to the subjective experience of individuals. It is through the mobilisation of meaning in language that relationships of dominance are sustained:

"...the meaning of what is said - what is asserted in spoken or written discourse as well as that about which one speaks or writes - is infused with forms of power; different individuals or groups have a differential capacity to make a meaning stick. It is the infusion of meaning with power that lends language so freely to the operations of ideology." (63)

Language is thus a strategic resource for political actors, and it is through this medium that political reality is structured, for "it is the language about political events rather than the events themselves that everyone experiences."64 As the state is an institution of political domination, it is state actors that play a central role in this structuring. The state can therefore be seen as the dominant political "interpretive community" which attempts to structure other communities' perceptions of political reality.65 It is through their language that state actors seek to structure public discourses on an issue, for example by shaping
beliefs in the community about the nature of social problems, their causes and their resolution. In this way particular interpretations of events are promoted by state actors, and alternatives discounted. Further, this linguistic structuring can be employed to ensure that control over the discourse is maintained, for example by controlling entry into the debate and by limiting the scope of the debate.

Symbolism in Politics

Symbols pervade all cultures. A symbol is something, an object, a behaviour, an utterance, that can be interpreted as representing something else. The meaning of all social constructs is mediated through cultural categories, and hence different levels of meaning can be attributed to them. While at one level a particular act may be seen as instrumental, as a means to achieve an end, at another level it may be interpreted as symbolising something else:

"...to see what is happening as symbolic is to distinguish that experience as other than a more common meaning - usually one of means and ends; of reason rather than emotion; of universal terms rather than particular images...The nub of the distinction then, is between manifest meanings that are immediately apparent and latent meanings, not immediately apparent but perceptible." (68)

Anthropologists have long studied the symbolic elements of cultures, as typified by myths, rituals and ceremonies. To them, myths and rituals are important social entities that express and mould cultures. These symbolic elements play important roles within cultures in that they convey political and moral values, promote social cohesion, legitimate the existing order and provide systems of interpretation for individuals within it. The analysis of the symbolic has been extended to contemporary industrialised societies and the political action therein.
Symbolism is central to politics, as many political theorists have recognised. Political institutions and acts are not only instrumental, they are also expressive, evoking and reinforcing particular beliefs and responses among citizens:

"The point is that every political institution and act evokes and reinforces a particular response in its audiences. Permanent institutions like elections, legislative debate and enactment of laws, and courtroom rituals bring out very nearly the same response among the entire population of spectators. In democratic countries these institutions reinforce beliefs in the reality of citizen participation in government and in the rational basis of government decisions..." (70)

The central role of this political symbolism, which is mediated through all political institutions, is to foster mass acquiescence towards decisions made by political elites while at the same time creating the impression of popular involvement and control. It is central to the legitimating process of "civic privatism" which elicits "diffuse mass loyalty" towards the order while avoiding direct participation. Important here is the symbolic reassurance that political institutions, actions and rhetoric provide, for it is through this that attempts are made to gain widespread acceptance of inequalities and deprivations without substantial political resistance. The effect of political symbolism, to the extent that it is successful, is therefore to sustain the existing political order:

"These symbolic processes more easily maintain confidence in the status quo than they promote disaffection and change, for the most powerful cues come from established authorities. Though public officials and policies often become targets of criticism, the existing social structure and existing patterns of authority and status relationships typically benefit from political symbolism in advanced industrial societies." (71)

Political action also includes rituals and ceremonies. Rituals play an important cohesive role in society, and Edelman has likened many enduring political institutions (most particularly the electoral system in representative democracies) to the rituals of other cultures, such as rain dances and victory dances, for they perform similar social functions:

"To quiet resentments and doubts about particular political acts, reaffirm belief in the fundamental rationality and democratic character of the system, and thus fix conforming habits of future behaviour is demonstrably a key
function of our persisting political institutions...Each of them involves motor activity (in which the mass public participates or which it observes from a distance) that reinforces the impression of a political system designed to translate individual wants into public policy." (72)

Others have also pointed to the socially integrative aspect of political rituals which "...help to define as authoritative certain ways of seeing society...". But rituals which serve political functions are also performed in settings that are not generally perceived as political. The rituals of courts and public inquiries are examples of these. Such institutions are often more symbolic than utilitarian, for they provide ritualised reassurance about the legal and social order (e.g. by creating the impression that judicial or official decisions are made rationally and fairly) and hence play an important legitimating role in that order.

Having developed key theoretical themes about the state in capitalist society at a general level, I now turn to a consideration of the specific features of the Australian state.

THE AUSTRALIAN STATE

1. The Australian State as an Institutional Ensemble

The Australian state is that set of institutions which, within the territory defined as Australia and its dependencies, has a monopoly on the legitimate use of coercive force. Its complex federal structure was established in 1901 when the six colonial administrations became States in the Commonwealth of Australia and a national government was created. The state apparatus therefore has three levels of political authority, i.e. the national, State and local levels. At both the national and State levels, the apparatus consists of an executive and its administration, a legislature and a judiciary. The division of executive powers between the national and State levels is determined, in the first instance, by the Constitution which granted the national government exclusive powers with respect to
defence, external affairs and a number of other inter-State issues. Under the Constitution, all other executive powers were to be retained by the States. However, the national government has both extended its powers since Federation, for example, to gain control over income tax, social security, public sector borrowing and civil aviation, and its influence through the provision of grants to the States in such areas as tertiary education, health services, roads and public housing.

The Australian state is therefore not a monolithic bloc, but is an institutional ensemble within which there are many conflicts and struggles. Conflicts occur: (a) within levels, e.g. between States over the allocation of grants and revenues; (b) between levels, e.g. between the national and State governments over the division of executive powers; (c) within each of the administrations, e.g. between agencies over the allocation of resources; and (d) within state agencies, e.g. between units competing for resources.75

2. The Australian State in Capitalist Society

The Australian state is located within a capitalist economy, and operates within an international order comprising a political network of nation states and an economic order of international trade and investment.

Since the 1830's, the economy and the state have been institutionally separate in Australia, and the state's role in the former has been self-limited (e.g. it cannot compel private investment). The economy and the state are not separate or autonomous spheres, for state managers actively intervene in the economy and business interests are an important influence on state policy making. Historically, the state has always played an important role in the Australian economy, but the nature of this intervention has changed over time according to economic and political circumstances.76 In the nineteenth century, the colonial administrations provided the infrastructures necessary for economic development. They also established subsidies and forms of protection for commerce and industry,
regulated the workforce, encouraged foreign investment and immigration, and established systems of public education and vocational training. This active role has been continued during the twentieth century. From the late-1930's to the mid-1970's, the state pursued Keynesian economic policies to "manage" the economy and its fluctuations. Despite the economic policy shift that has occurred since the late-1970's, with its rhetoric of less state involvement in the economy, the Australian state remains considerably interventionist.

The Australian state is also an international economic actor, for example through its involvement in the marketing of export produce. However, the sovereignty of the Australian state is constrained by the actions of other international actors. Examples of such international constraints include the following. Multi-national corporations make investment decisions which are impossible for state managers to control and difficult for them to influence.77 Various trade agreements, such as the General Agreement on Tariffs and Trade (GATT) and the actions of international economic agencies, such as the International Monetary Fund, influence the patterns of international trade and the availability of loan capital. The economic actions of other nation states, including trade embargoes, protectionist tariffs and import restrictions, constrain the ability of the Australian state to foster national capital accumulation through competitive exports.

Australia, with its reliance on rural exports and mineral production to generate overseas earnings, and its dependence on overseas technology and capital inflows, is particularly vulnerable to fluctuations in the world economy. The status of Australia in the world economic order has been described as a form of "dominion capitalism"78:

"...a variant of 'semi-industrial' capitalism on the periphery of the world economy...most of (its) exports are generated in the primary sector, albeit using advanced technology; industrialization has been largely confined to processing of primary products and/or import substitution sheltered by protective measures, catering mainly for the domestic market. Transnational firms based in the United States, Japan, and Western Europe dominate mineral and manufacturing industries; British economic and political domination was displaced eventually by the United States, and at a secondary level by trade and investment links with Japan and the European Economic Community." (79)
3. Political Conflict and the Australian State

The state as a "system of political domination" is an important influence on political conflict in Australia because of its control over the forms of political activity (i.e. in terms of who can legitimately engage in such activity and under what conditions). On the other hand, political struggles - and the changing balance of the social forces involved therein - are a major influence on state policy. The most influential of these influences on policy have emanated from business interests. But the relationship between business interests and the state are complex. This is due to the diversity of interests and organisations among the sectors of business (e.g. agriculturalists and manufacturers; sectors within manufacturing industry; locally-owned companies and foreign subsidiaries; etc), the political struggles of labour (in both industrial and political arenas) and other interest groups, the vast array of agencies within the state apparatus (each with its own particular interests), and the international dimensions of policy formation. The Australian state has been responsive to the demands of various capitalist interests (e.g. to provide subsidies and protection for local industries), but it is not an instrument of those interests.

Although capitalist societies are characterised by class conflict, the expression of this has been moderated by two major political developments. The first, which developed in the late-nineteenth and early-twentieth centuries in Australia, was the institution of competitive party politics. Through this institution, the participation of the mass electorate in politics is organised through the large-scale bureaucratic organisations of political parties. In Australia the main political parties are the Labour Party (ALP), the Country Party, the National Party and the Liberal Party. The second development was the establishment during the twentieth century of the Keynesian welfare state, which incorporated a historical accumulation of social welfare policies and, following World War II, Keynesian economic interventions to sustain full employment. This was a political class compromise which provided the basis for a period of relatively conflict-free economic growth from the
end of the war to the early 1970's. The state has also intervened in the industrial relations arena, through the conciliation and arbitration system. This system determines who can participate in bargaining, on what terms, and the forms of the outcomes. It is through this intervention that the state is able to regulate industrial conflict by channelling it into forms more amenable to accommodation and, hence, resolution.

Since the mid-1970's, with the onset of economic crisis, the Australian state has been unable to insulate the problems of economic malfunction from those of political conflict. Keynesian economic policies could not resolve the economic problem of "stagflation" in the 1970's, political conflict increased, and the state was beset by chronic fiscal crisis. The nature of this changing economic context will be discussed in Chapter 5. By the mid-1970's, the effectiveness of the Keynesian welfare state as a class compromise was breaking down, and consensus on policy became much more difficult to engineer. In response, Australian governments experimented with a variety of policy instruments and modes of policy making, but more recently state actors have turned to neo-corporatist forms of policy formation.

4. Neo-Corporatism in the Australian State

Although various tripartite advisory forums had been established from time to time by governments in the Australian state (e.g. the commonwealth National Labour Consultative Council), neo-corporatism was not a significant feature of policy-making until the election in 1983 of the national Hawke Labor Government. The possibility of a compact between the Australian Council of Trade Unions (ACTU) and the Federal Labour Party was first discussed in 1980. Agreement was reached that wage restraint for the unions would be exchanged for tax relief and a more expansionary economic policy if Labor regained office. A more formal "Accord" was negotiated between the ALP and the ACTU in 1983 as a response to "the destructive nature of the current economic crisis." It was to become "...a crucial cornerstone of the Government's efforts to achieve economic recovery." The original bipartite compact was broadened into a tripartite Prices and
The Accord was that the unions agreed to wage restraint in return for a positive tax policy, various social benefits (such as the maintenance of a social wage), and involvement in consultative economic planning via the tripartite Economic Policy Advisory Council (EPAC) and associated industry councils. Wage restraint was agreed to be necessary for economic recovery, for this was seen to provide a stimulus for increased investment which would thereby create employment. An expansionary strategy of stimulating economic growth was adopted under the auspices of the Accord, and this was presented to be in the interest of all groups:

"Trade unions and employers share a common objective of maintaining and increasing through time their living standards. Faster economic growth is a necessary condition for that improvement. So a firm basis exists for a social partnership." (86)

The Accord, with its tripartite consultative structures, has been presented as a bridgehead for economic policy development. Its framework has been used by the Labor Government, firstly, as a basis to mobilise consensus on appropriate economic policy and, secondly, to secure consent among key strategic groups (i.e. trade unions and business interests) to that policy. The importance of this form of neo-corporatism to the changing discourse on technology will be discussed in Chapter 9.

Incomes Accord, by extracting the consent of business interests to the arrangement, at a National Economic Summit in April 1983. 85
NOTES AND REFERENCES

7. See, for example, Jessop (1982), Carnoy (1984), McLennan et al. (1984), Clark and Dear (1984), de Jasay (1985), and Evans et al. (1985).
10. See Watkins (1968).
11. For example, Miliband (1969) pp. 4-6.
20. See, for example, Block (1977 and 1980), Skocpol (1979 and 1980) and Evans et al. (1985).
23. ibid. p. 160.
31. For discussions of these activities, see Lindblom (1977), Crouch (1979) pp. 36-45, and Lindblom (1980) pp. 71-82.
34. O'Connor (1981) p. 44.
41. Mayntz (1975).
42. ibid. pp. 271-273.
43. For a development of this argument, see Giddens (1984) pp. 193-199.
45. ibid. pp. 130-146.
47. One strategy to achieve this has been "administrative recommodification", whereby the conditions conducive to commodity exchange are politically created; see Offe (1984) pp. 123-126.
51. ibid. pp. 163-164.
52. See, for example, Huntington (1975 and 1981).
54. For discussions of the phenomenon of neo-corporatism in advanced capitalist
democracies see, Winkler (1977), Schmitter (1977), Panitch (1980), Berger
(1981), and Lembruch and Schmitter (1982).


62. This is the argument developed by Thompson (1984) pp. 3-6 to counter what he
calls the "neutral" definitions of ideology.

63. ibid. p. 132.

64. Edelman (1977) p. 142.

65. See Fish (1980).

66. For example, see Edelman (1977).


69. See Doty (1986) for an overview of mythography, the study of myths and rituals.


73. Lukes (1975).

74. See Wynne (1982).

75. For a more detailed exposition of the nature of the Australian state, see Head (1983).

76. For example, see Wheelwright and Buckley (1978), Catley and McFarlane (1981),
and Butlin et al. (1982).

77. For a perspective on this, see Crough et al. (1980) and Crough and Wheelwright
(1982).


80. According to Macpherson (1977) pp. 64-69, the institution of competitive party politics obscures class conflicts and so helps to maintain a compatibility between capitalism and democracy.


82. For an overview and a discussion of the influence of the conciliation and arbitration system on Australian industrial relations, see Ford and Plowman (1983) and Davis and Lansbury (1984).


