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**AUSTRALIAN LEFT REVIEW** : 136 FEBRUARY 1992

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MARGINS

What Do I Do Now?

Paul Keating suggested he was humbled the night he was elected leader of the Labor Party and Prime Minister. But I bet when he said it his mind was less on homage to Party and Country than on the question which confronts us all in hard times: what should I do now?

It seems ironic that Keating should become PM now; after all, isn't he the man who 'caused the recession'? But the Australian economy would have been hit by the world economic slowdown sooner or later. What Keating should take responsibility for is his inability to address the structural imbalances that typify our type of economy—imbalances which in turn set very definite limits on the scope for policy to 'kick-start' the economy.

In the last issue of ALR I argued that active government policies are required to activate the structural change needed for sustainable growth. I don't expect those longer term issues to be addressed in the government's do-or-die Economic Statement due later this month: the electorate wants immediate results. So here I'll rather look at what could practically be done in the February Statement.

What can be done in the trade sphere? It may be that the chagrin displayed by Australian farmers to President Bush has softened up the country for a change in our trade policies. Even though tariffs and quotas threaten the machismo of free traders, similar effects can be achieved pragmatically with export enhancement schemes.

Export facilitation is gaining some respectability. One method is to allow credits to manufacturers for exports which allow reductions on imported goods used in the industry. Another method is to refund the indirect taxes paid on goods for export. The idea is that wholesale and payroll taxes add to the cost of exports and hinder their competitiveness. The Opposition's GST package will effectively exempt exports after this fashion. Under the existing tax regime such a 'refund' might be more difficult, but stronger action might be taken in the form of outright subsidies or creative tax advantages for exporters.

If the government feels bound to tariff reductions, an old idea might resurface—a whispered heresy in the corridors of treasury in the late 1970s. The idea is that as tariffs are reduced they are replaced by a tax of the same amount so consumers initially derive no benefit. The revenue from the tax is then used to relocate workers laid off by the tariff reductions, and the tax is scaled down as employment in new industries picks up.

Heads of corporations have had the ear of the PM over recent days. Their push for accelerated depreciation allowances will probably be rewarded. They are a cost to revenue, but one not apparent to the electorate. If they are adopted they should be targeted to investment in the tradable good sector. However, the past record of these schemes is not encouraging.

Treasurer Dawkins is flirting with the idea of a direct fiscal stimulus to reflate demand: but what form will it take? Infrastructure investment can offer a 'big bang for the buck' in the short term. Alternatively, community employment programmes have some appeal—particularly in areas like Wollongong, Geelong and Newcastle. Targeting employment creation at youth and those without formal qualifications addresses a pressing equity issue, and recognises that these people are likely to be the last hired after the economy picks up.

Might the time at last be right for some attention to be paid to the distribution of income? Here Hewson's GST has opened the door a little for a Government traditionally timid in this area. ACOS has complemented Hewson for attacking the superannuation rorts which favour those on high incomes. Labor should knock them off now and use the increased revenue for jobs. Take it further: why not a wealth tax? Too much private wealth has been accumulating under superannuation tax shelters and the negative gearing of real estate. Knock off negative gearing, and use the tax savings for low cost public housing in the inner cities, where rents are stable.

What can be done about super funds? They are flush with funds, and it is quite possible they could trigger a new asset boom and then be caught in the bust. The compulsory wage component should not be entrusted to an unsupervised private market. If more certain but lower rates of return were agreed to, the funds could be used for urban consolidation and inner-city housing. Buyers could use their super contributions as surety; it seems to work in Singapore and Germany.

Very little of the above, however, offers a foundation for sustainable growth. The heart of the matter is that 18 months is not enough time to get results from the substantial industry policies that are required to build up the country's productive base enough to remove the external constraint to growth. The fundamental problem Keating faces in his Statement is this: policies that offer immediate results won't produce sustainable gains; and policies that may offer such gains in the future will not only take time to work, but in the short run will make indicators like the trade balance worse.

GREG MAHONY teaches in economics at the University of NSW. He is currently a consultant for the Australian International Development Assistance Bureau.

ALR: FEBRUARY 1992
Dr Boutros Ghali

Fact is always stranger than fiction. If Jeffrey Archer wrote a novel about a Christian Egyptian, married to a Jew, becoming UN Secretary General at the age of 69 years, no one would believe him.

Dr Boutros Ghali, who took up his position on 1 January, is a First World diplomat from a Third World nation. He is a Coptic Christian (the Coptic Church was established around AD60 by St Mark in Alexandria, Egypt). His grandfather was prime minister from 1908 to 1910, in which year he was assassinated by an Egyptian nationalist who accused him of collaborating with the British. Dr Ghali has university degrees from the Sorbonne and Columbia. His Christian background and Jewish wife are regarded as the main reasons why he did not become appointed as foreign minister; he has had to be satisfied with the position of deputy prime minister for foreign relations.

A UN Secretary-General has responsibility without authority. It is one of the world's most frustrating jobs. The general public has too high an opinion of what can be achieved, while UN member-nations are suspicious of anything new being attempted.

The UN is not a world government. It is a club of nations (with a membership now of 166) which can only move as fast as its slowest members. Governments talk about the need for international co-operation, but rarely do actions match words. Few elections have been won by appealing for national self-sacrifice in the interests of helping the rest of humankind. Foreigners don't get a vote.

UN finances are a good illustration of the difference between rhetoric and reality. The total UN central budget is less than that of the New York City fire brigade. But about 20% of the UN's members have been slow in paying their minute subscriptions.

The main offender has been the United States. Since the start of the Reagan Administration (in 1981), Washington has been far more anti-UN than at any time in the past. It has been slow to pay its subscriptions and resigned from UNESCO (the UN Educational, Scientific and Cultural Organisation).

The USSR used to be the main offender on that score and, at one point, came closer to leaving the UN entirely over the non-payment of subscriptions. Mr Gorbachev reversed that policy and paid all the back debts. The states which used to be the USSR now occupy the moral high ground in being critical of the United States' record.

Governments have no agreed vision for the UN. At the end of World War I, the victors agreed to experiment with the League of Nations as a way of maintaining international peace and security. The two superpowers of the day, Britain and France, did not make good use of it. Winston Churchill (a belated supporter of the League) later called World War II "the unnecessary war", since it could have been avoided if the mechanisms of the League had been used fully. The US never joined; the USSR joined in the 1920s and was expelled for its invasion of Finland. Germany, Italy and Japan all joined but later resigned.

In World War II, the US, USSR and UK all agreed on the need to replace the League with a continuation of their own Grand Alliance. It was also agreed that the new organisation should address the underlying causes of war: the need for economic and social co-operation.

The Cold War curtailed the UN's role in the peaceful settlement of international disputes. The UN became a location where the Cold War was fought rather than resolved. Additionally, governments are still reluctant to use the UN fully in international economic and social cooperation. For example, many governments talk about the need to protect the environment—but the total budget of the UN Environment Program is less than A$50 million.

Dr Boutros Ghali has, then, acquired a very difficult job. It is important not to overestimate what one individual can achieve. His time will be taken up by the competing demands of public appearances (photograph sessions and the like), operating behind the scenes in private negotiations, and managing the UN bureaucracy. An initial task is to ensure that his organisation has enough money to pay salaries (as this is being written there is some doubt as if the UN can, in fact, do so).

In other words, it is necessary to be cautious about all the recent euphoria surrounding Dr Boutros Ghali's accession. The basic structural problems of the UN remain unresolved. The first UN Secretary-General, Trygve Lie of Norway (1946-52) said he had the "most impossible job in the world". Forty years on, it will be interesting to see if Dr Boutros Ghali endorses that assessment.

KEITH SUTER teaches in government at Sydney University.
Major Blunder

Maastricht was a highly symbolic venue for the European Community summit on economic and political union held there late last year. A town at the tip of a tongue of Dutch territory separating Belgium and Germany, it has been much fought over and was a prime target of the German invasion in 1940. But which does Maastricht symbolise today: European unity or disunity?

The consequences of the treaty on European union signed there late in 1991 are profoundly ambiguous. One alternative view is that the best possible compromise was struck. The British were prevented from vetoing the treaty and were allowed ultimately meaningless concessions to their own peculiar obsessions. They will be forced into European monetary union anyway. If they want to behave like nineteenth century mill-owners and avoid the modest provisions of the EC's Social Chapter on hours and conditions of work, so be it. They have let the Community get on with things and allowed some progress on political union. The other view is that the British have stalled European union when it was at a delicate point of balance, when it either had to progress more rapidly and radically than the treaty allows or begin to go backwards.

If the latter view is true, then British Prime Minister John Major has scored a wrecking hat-trick in a little over a year. In October 1990 he was one of the key movers in bouncing Mrs Thatcher into entering the European Monetary System (EMS) at the wrong time and at an unsustainable target exchange rate. In the summer of 1991 Mr Major was chair of the G7 summit that sent Mr Gorbachev packing without real economic aid. Had Gorbachev returned with a major package he would have had something to bargain with the republics; they would have been unwilling to leave the union if it meant losing large-scale aid. For the same reason, the coup plotters would have feared toppling him. Finally, obsessed with containing the rifts in his party, Mr Major approached the meeting that might decide the political future of a continent with the general election prospects for the Tories paramount in his own calculations. Affairs that called for a leader of world stature were addressed by a political midget.

It is perfectly possible that the British have wrecked European union. Prior to Maastricht, German Chancellor Kohl and French president Mitterrand were keen to cement the strongest possible deal in the form of a binding treaty. This was because both men fear that if Europe is not quickly given a strong political centre, the space will be created in the later 1990s for the emergence of far more nationalistic politicians. The rise of the new European radical Right—a Right not merely anti-immigrant but more generally chauvinist, like the National Front in France and the Republicans in Germany—bodes ill for the future co-operation of European states.

Europe has just lost its greatest unifier: 20,000 Soviet tanks waiting to cross the German border. It may be about to lose its other great unifier and pacifier: economic growth and prosperity. The continental EC has not suffered a serious and prolonged depression since the Treaty of Rome was signed. The entire advanced industrial world is hovering on the edge of an economic crisis to rival the 1930s. Were that to occur it would obviously do little to reduce national differences in Europe.

The EC is now at the stage of unification Germany was at in the 1850s, when it was linked politically in the German Confederation and tied together economically by a customs union, the Zollverein. As every history student knows, unification was finally achieved only by Bismarck's policy of "blood and iron". Europe now lacks a Bismarck. Germany is economically dominant, but the Germans cannot force the pace of union since it depends on the peaceful processes of negotiation. Yet the EC is now too unified economically to be left ungoverned by some sort of centre with common policies. It can only go forward or back. At the beginning of 1993 there is supposed to be a single European market for goods and services, capital and labour. The EMS already limits national monetary policies and ties all states to the conservative decisions of the Bundesbank. At the turn of the century there is supposed to be a single currency and a common central bank for 11 of the 12 member states.

How can one have a single market unless there are also common and effective mechanisms to regulate its workings? Mrs Thatcher wanted a Europe in which unregulated markets crossed borders but states remained free to distribute the costs those markets inflicted how they pleased at home. In her case that was no problem; she wanted to intervene only to pamper the rich further and hammer the poor. Anyone who wants to even things up a bit, to provide the vital services that ensure a healthy and well-trained labour force, and who recognises that uncontrolled markets are by no means the most efficient allocative mechanism, has a problem with a Community where the states have veto powers over regulatory and social policy. National policies are less
A strong European Parliament elected on a common franchise, with powers to initiate legislation, to approve decisions of the Council of Ministers and to oversee the Commission, is a precondition for the effective scrutiny of European government and for the legitimacy of European institutions. The Parliament was strengthened at Maastricht, but not nearly enough.

European institutions must be under effective political control and there is a great danger in the new central bank envisaged in the monetary union proposals that that will not be so. A Community central bank which pursued the Bundesbank’s obsession with anti-inflationary policy could do great damage to the European economy. Germany has only survived the reign of the Bundesbank since 1972 because its manufacturing sector was strongly competitive and its unions have tended to exercise wage restraint. Neither of these things is true of Europe as a whole, and the continent cannot afford to be naièd to the cross of European monetaryism.

The moderate democratic left needs European integration. Only on a European scale can major new initiatives in economic and social policy be both affordable and workable. Only if the Community is a politically unified democracy can it hope to contain the forces of ultra-nationalism and racism in the member states. The European Left needs to come up with new policies that take account of the fact that the continental scale of the Community makes possible economic options that are not available to the member states. What is required is a Community version of post-World War Two Marshall Aid promoting full employment at home while providing both goods and effective demand for the populace of the old Soviet empire. If the east could be started on the path to economic recovery, its markets would offer the states of the west the best prospect of recreating the economic boom of the postwar years.

Europe will only progress if it thinks big and does so quickly. Only the centre-Left can accomplish this task. The European Right is either mindless or drifting toward a form of mild fascism in competition with the likes of Le Pen. Perhaps there is some chance that the Left will dictate policy: Labour may just conceivably come to power in the UK in the first half of this year, and the SPD in Germany not too long after, and this would compensate for a likely Socialist defeat in France. However, the European Left lacks leaders of the stature needed to force the pace of rapid union.

The likely European prospect for the early 21st century is a dismal one: a divided and weakened EC, with its economic affairs beyond the control of either the member states or Brussels, faced with the eastern half of the continent plunged in poverty and strife, and confronted with a tide of refugees that provokes ever more repressive policies in western states. Something like this could have happened to post-Nazi Europe had not the US taken political and economic leadership out of fear at the possibility of a Soviet take-over. There is no such single compelling threat today.

After 1945 the British could have had the leading role in shaping a new European union. But since they had primacy in Europe for the asking, they have done nothing but squander that political capital to the point where they are regarded with open contempt by most committed Community politicians. Today the political vulgarity of the British Conservatives who, a few ultras apart, hailed Maastricht as a “triumph” is matched only by their self-delusion. Tories opposed to European federation still believe that Britain is strong enough to choose to remain semi-detached from Europe. Pro-Community Conservatives believe that Major’s actions at Maastricht were a necessary ruse and that, after an election victory, he will show his true colours as a European. Some hope. John Major thinks small, and there will always be some short-term expedient he finds more compelling.

The Tories are, however, right in believing that European union is far from being a popular cause in Britain. The British continue to believe in staggering numbers that the UK is a powerful state, that Britons can choose their destiny, and that Brussels bureaucrats are incompetent centralising bullies. The British do have a unique experience of incompetent centralising bullies—but they are Tory cabinet ministers, not Commission officials.

If the Conservatives are defeated in 1991 it will be good news for the cause of European integration: but they will be beaten, despite the fact that they are bad Europeans, on narrow national economic issues. Major may lose the next British election because of his commitment to neo-monetarism; as one of the advocates of EMS entry he tied his government to an over-valued currency and high interest rates. Britain’s move into the EMS had nothing to do with any broader political vision of Europe on Major’s part. We in Britain can but hope that the fruits of this desire to be in Europe but not of it will make an end of him.

PAUL HIRST is professor of social theory at Birkbeck College, University of London.
Fightback to the Future

The release of the federal Coalition’s ‘Fightback!’ package last November constituted a political event not seen in Australia for at least a decade, perhaps ever. Its integrated program of taxation changes, government spending cuts, and broader philosophical and political concerns has only one parallel: the release of the joint ALP-ACTU ‘Statement of Accord’ prior to the election of the Hawke government in 1983. In an uncanny parallel to the Accord, ‘Fightback!’ was released at a time of 10% unemployment, a deep recession, a government which had served for a long time and appeared bereft of new ideas, and a deep-seated feeling in the community that new economic and political directions are needed.

It is there, however, that the parallels end. ‘Fightback!’ has been released 18 months before a likely election, while the details of the Accord were only unveiled a month prior to the 1983 election. The Accord was a set of loosely-framed propositions about the ‘good society’ whose cornerstone was a commitment to a prices and incomes policy and tripartite negotiations about economic policy, whereas ‘Fightback!’ is a quite tightly-costed set of policy proposals centred around fundamentally reordering not only the role of the state in the economy, but the whole structure of Australian society. Most significantly, the political program outlined by the Coalition in ‘Fightback!’ is clearly experimental, and a blueprint for conflict and division, whereas the early Hawke Labor program—as epitomised by the Accord and the National Economic Summit—was one whose rhetoric was designed to appeal to all Australians, and reached deep into populist and nationalist traditions in Australian culture.

In normal times, such a political strategy would appear a disaster. It reveals all of its cards too early, it antagonises various interest groups immediately, and it promises stormy times ahead. Indeed, all of the obvious responses to ‘Fightback!’ have already been made: a deeply divided Labor government tried in the last weeks of 1991 to prove the sums wrong, while affected interest groups (welfare, environmental and ethnic community groups) protested against the aspects of the package which hit their constituency.

Yet these are not normal times. The Liberals knew that the sums of the ‘Fightback!’ were much less significant than its capacity to present a vision of the future, as well as being, at the least, more credible than those presented by Andrew Peacock at the last federal election, or those found in the last two Labor budgets.

At the same time, ‘Fightback!’ cannot be simply dismissed as the logic of capital writ large, nor simply as the byproduct of a malevolent and misguided set of ideologies. It is, instead, a more or less coherent attempt to capture the hearts and minds (or at least the votes) of a range of political constituencies, and an appeal to particular subjectivities at the expense of other, more marginalised, dissident or collectively-oriented constituencies and subjectivities.

The proposed introduction of a 15% Goods and Services Tax (GST), the shift of the taxation burden from income to expenditure, privatisation of most public enterprises (including Telecom/OTC), dramatic changes to the provision of social security, and changes to Medicare, are the issues which will dominate public debate about ‘Fightback!’ over the next twelve to eighteen months. Also of interest, however, are some of the spending hidden in the ‘fine print’ of the package. By themselves, they don’t amount to a great deal financially, but they are perhaps most revealing of the philosophy and political analysis underpinning ‘Fightback!’ and contemporary neo-liberalism more generally.

It is proposed that, if elected, a Coalition government would abolish government agencies such as the Human Rights and Equal Opportunities Commission, the Affirmative Action Agency, the Australian Manufacturing Council, the Resource Assessment Commission, the Commission for the Future, the Office for the Status of Women, and the Office of Multicultural Affairs. Such measures are not adequately explained by the need to finance the $10 billion worth of anticipated income tax cuts. Many of these measures (such as the abolition of the AMC) do not appear to satisfy the criterion of being in the ‘interests’ of the corporate sector, nor do they seem to be in line with a consistent philosophical liberalism.

They are, however, consistent with an analysis of the inadequacies of the democratic political process drawn from the ‘public choice’ theory of the state. This theory draws inspiration from neo-classical economic theory, and has been most fully developed by the ‘Virginia School’ of political economists in the United States. According to public choice theory, the problem with such regulatory state agencies is their proneness to ‘capture’ by special interest groups to the detriment of sound public policy. (This analysis, incidentally, has some echoes in left-libertarian critiques of the contemporary capitalist state.)

Writ large, the interaction between particular interest groups and political parties, once seen as one of the virtues of Western pluralistic political systems, is now seen as being part of the ‘crisis of democracy’ where party competition, majority voting and input politics are seen as leading to budgetary overload, irresponsible economic stewardship, and the sap-
ping of a vaguely defined 'entrepreneurial spirit'. Interestingly, this 'Hayekian nightmare' is not only to be found on the political right. Traces of it are clearly visible in Peter Walsh's 'Cassandra' column in the Australian Financial Review, or in Michael Costa and Mark Duffy's Beyond the Bonsai Economy which dismisses calls for sectorally-specific industry policies as a "Nightmare on Swanston Street" and a discredited "New Protectionism".

Three points can be made about the political currency of such an analysis. Firstly, it clearly has a populist appeal. Just as the talkback radio host speaks to the 'average' listener, so too does public choice theory seek to 'reason' with the 'average' voter not actively engaged in political lobbying, to activate notions of resentment towards those who have sought access to the state. Secondly, its charges are virtually irrefutable, as its logic is self-referential. In its bias against, for instance, the ABC and SBS (both to be subjected to a 10% funding cut), it reflects the simplistic 'private good, public bad' philosophy which has informed much of the privatisation debate in recent years. Thirdly, it uses the limitations of such state-centred reform strategies as an argument for their abolition. The limits of the Office for the Status of Women as a vehicle for gender equality, for example, would be readily admitted by most who work within it, but this hardly serves as an argument for its abolition.

An advantage of the early unveiling of 'Fightback!' is that it gives more time for some of its unintended consequences to be exposed. For example, the net effect of increasing average personal disposable incomes through tax cuts, combined with price increases arising from introduction of a GST, must be an increase in the rate of inflation. The argument used to counter this fairly obvious point is that the Reserve Bank would be committed by 'charter' to a regime of low money supply growth. The combination of these two sets of policies must, almost by definition, be an increase in money interest rates. One doesn't need to be an economic sophisticate to discern the adverse effects of such policies on investment, employment and growth, in a period of the worst recession since the early 1930s.

A second advantage is that the parts of the package which are essentially populist and irrational in policy terms can be pointed out. The most striking example is the proposal to eliminate petrol tax at a cost of $6.5 billion. This can only really be explained as a transparent move to capture the motorists' vote and perhaps to assuage the Nationals' fears about how to sell the package in rural communities. It flies in the face of about two decades of economic and environmental argument about the need to cut fossil fuel consumption and the role which the price system can play in achieving this.

The final critical point is that the set of policies, and the sort of social vision, found in 'Fightback!' has been seen in practice in a number of countries now, and the social and economic balance sheet is not good. More than a decade of Thatcherism in Britain failed to lead to sustained employment growth, has profoundly divided British society, and left British industry well behind its European competitors; its heirs in the Major government have spent much of the last year distancing themselves from the legacy. In smaller, more open economies closer to home, like New Zealand, the net effects of such a program have been even worse. In selling 'Fightback!', Dr Hewson and his colleagues could well find themselves regretting it is 1992 and not 1982, for their goods are looking more threadbare worldwide. The electoral backlash to Nick Greiner's neo-liberalism in New South Wales—a key state in the next federal election—should have sounded some alarm bells in Liberal Party circles.

Nonetheless, 'Fightback!' still constitutes an alternative economic strategy, and an alternative vision, in a time of crisis and despair, and of tiredness in the government and when the political forces most clearly at odds with such a vision are at their most vulnerable for many decades. The challenge is on for its opponents to develop a different vision of a 'provisional utopia' which can give a feasible policy content to mobilising ideals of democracy, equity and environmental sustainability, in the wake of the fracturing of the old certainties about class, history and progress.

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Dresden, the Baroque capital of southeastern Saxony, has won itself the title of the capital of rightwing radicalism in the former German Democratic Republic (GDR). In the wave of racist violence which has swept the entire united Germany this autumn, time and again the ugliest scenes have erupted in Saxony. Next to Gorbitz’s uniform-type GDR supermarket lies the standard single-storey youth club, the only such facility for the project’s 50,000 inhabitants. In Dresden it is no secret that the Espe Club is the rallying point for neo-Nazi youth gangs.

The youth centre had been the Monday meeting place of the Gorbitz Brotherhood, a loose coalition of neo-fascist groups, until the alliance splintered this autumn. The Dresden Criminal Police estimate that a hard-core of about 100-150 semi-organised, violent ultra-right youth live in Gorbitz. Roughly three times that are active in Dresden as a whole, with several thousand sympathisers of varying degrees of commitment.

"Yeah, we’re all rightwing here," says Jorg, 18, in a rough working class Saxon accent. Tall and muscular, with short-cropped brown hair and flashing dark eyes, Jorg says he’s a member of the Ku Klux Klan. Although he’s never met a Klan member, he has their literature in translation. "The Klan takes the strongest stand against the niggers and the slant-eyes, those who are taking away our jobs and flats," he hesitates for a moment: "and, of course, against the leftists too."

The crowd in Espe agrees that democracy has left them empty-handed. Jorg and his friend Ute, who will join the Aryan-supremacist Viking Youth as soon as she turns 18 next year, look back to the Third Reich as the high point of German national glory. "The Viking Youth simply wants to restore traditional German values and Germany’s real historical borders," she says, accurately repeating the group’s program. "National Socialism was good, but Hitler tried to push too far. Mostly, we just want Germany to be German again.”

For the ultra-right, the issue of foreign immigration into Germany is Theme Number 1. Unemployment has hit the Neubau ghettos like Gorbitz hard. In the East, the dozen or so fractured neo-fascist parties from former West Germany see fertile soil. Through propaganda and visits, the ultra-right has focused its energies on the eastern youth’s disillusionment, pinpointing the influx of foreigners into Germany as the source of their plight. Parties such as the German Alternative (GA), the German People’s Union (GPU), the Nationalist List, the Free German Workers’ Party (FGWP) and the Republican Party first made contact with the Gorbitz scene several years ago. In former West Germany, the xenophobic, ultra-nationalist parties occasionally score regional electoral successes, taking up to 9% of the vote. Yet, two years after the fall of the wall, the Western parties have been unable to build solid political organisations in the new federal states. Their demagoguery, however, has obviously penetrated at least a segment of the population.

The growing aggression against foreigners in Saxony reached a climax in October during a three-day pogrom in Hoyerswerda, north of Dresden, where several hundred radicals besieged the dormitories of foreign refugees and workers. The Espe crew proudly boasts the evacuation of foreign nationals from now “foreigner-free” Hoyerswerda as a milestone victory.

But the spectacle of neo-fascist mobs bombarding the refugees’ Hoyerswerda homes with Molotov cocktails sent deep shock waves through the majority of the German population. Since Hoyerswerda, debate has raged over the asylum law, over the sources of rightwing identification and over plans of action. Meanwhile, the violence continues unabated.

Black and Asian people in Dresden say that the ever more brutal aggression has created a permanent state of fear in their communities. Stefan Tranberg, from the city’s Office for Foreign Nationals, says that Third World people stay off the streets at night. “Even many average people here harbour a lot of hostility towards foreigners,” says the lawyer. “The abrupt changes in their lives have taken a heavy psychological toll, and foreign nationals are convenient scapegoats.” In a city of 500,000, the 10,000 foreigners (among them only 28 asylum applicants) constitute a drastically lower total percentage than in major West German cities. Over the next five years, the number of foreign nationals in Dresden will more than quadruple as the East takes on its share of the Federal Republic’s immigrants and refugees.

Across the Elbe, the Right’s favourite target is the turn-of-the-century working class Neustadt district, today the rundown quarters of Dresden’s alternative scene. The colourful murals and anarchist graffiti on the crumbling houses attests to a very different subculture. In the barely-heated, candlelit cafes, the Neustadt’s artists and leftist politicos complain that the police have not raised a finger against regular assaults in the area. The culprits who pushed a 28-year-old Mozambican out of a street car to his death in April, and the arsonist who burned down the Bronx Cafe on New
Although special Western-trained anti-terrorist units have been ordered into Saxony since Hoyerswerda, the Interior Ministry admits that it is unable to guarantee the public's safety. Western personnel are busy training an uncertain and ill-prepared police force. The purge of officers compromised under the communist regime has left a force at only 60% capacity. Yet even this skeletal force has shown itself to be quite proficient in cracking down on the anarchist squats in the Neustadt.

In Dresden, officials deny a pro-rightwing bias, as well as the charge that neo-Nazi activity is stronger in Saxony than elsewhere in Germany. The Interior Ministry continued to deal with the rightwing extremists in the manner of the old GDR—as a criminal rather than a political phenomenon. "Most of the criminal offenders are frustrated youth with minimal political ideology," argues the Stuttgart expert Heinrich Rosegger, the director of Saxony's new Special Commission on Rightwing Radicalism. "The real number of politically motivated, organised persons in the scene is quite small."

Bernd Wagner, director of the Domestic Security Office in Berlin responsible for ex-East Germany, says that extensive conspiratorial networks exist within the German right. This summer, the various groups came together in Dresden to ground the Saxon National List in an effort to unify the Right. Although little has been heard of the party since its inception, Wagner argues that under-ground groups are highly organised.

Hopes of uniting the unruly rightwing scene were dealt a heavy blow with the murder of Dresden's popular neo-Nazi leader Rainer Sonntag. A gunman sprang out and fired a single bullet into Sonntag's head. Sonntag's funeral attracted 2,000 neo-Nazis who marched through Dresden streets with their arms extended in the Nazi salute shouting "Sieg Heil".

Splintered and at odds with one another, the East's neo-fascists fall into several, often overlapping categories. The skinheads, for example—easily distinguished by their shaven heads, green bomber jackets and high-top army boots—constitute the most lumpen form. Normally under 23 years of age, the self-professed neo-Nazis operate more like street gangs in groups of five to 15 persons, usually with an authoritarian, charismatic leader at the fore.

Another militant strain, often associated with the FGWP or GA, claims to act as a citizens' police. Armed with a newly-available array of weaponry from baseball bats to gas pistols, the thugs take it upon themselves to cleanse German society of foreign crime, drugs trade and the sex industry. The police report that still heavier weaponry is being sold off from the back doors of the Soviet barracks as the Red Army troops make their exit.

The bigger question in Saxony is whether there exists a potential for rightwing ideology to take hold among a broader cross-section of the population. The more disturbing images from Hoyerswerda were those of the town's citizens cheering as the foreign nationals fled in guarded buses, helicopters whirring overhead. Throughout former East Germany, the Right's propaganda touched a sensitive nerve. According to New Forum's Andreas Meinel, a deputy in the Saxon parliament, the ultra-Right alone has colonised the social issues that have affected people most, such as unemployment, housing and kindergartens. "In this atmosphere, a lot of people are receptive to the charge that Germans have to look out for themselves first," says Meinel. "The real danger is that these extremist groups succeed in making contact with the average citizen."

The outburst of racist violence has rallied a diverse coalition of anti-fascist political forces across Germany. In Saxony, the Evangelical church, left political parties and extra-parliamentary groups have initiated community work projects for rightwing youth. Non-ideological, anti-racist demonstrations have united 100,000 people in Berlin and 7,000 in Dresden.

In Bonn, however, all of the major political parties have stooped to capitalise on the surge of resentment toward foreigners. The ruling Christian Democratic Union has unscrupulously turned the discussion over Germany's liberal asylum law into a dominant election issue. The tenor of debate has simply legitimised the myth that, indeed, it is the Eastern European and Third World refugees who are to blame for Germany's economic woes.

The real benefactor of the government's demagoguery could well prove to be the extremist political parties. The neo-fascist GPU captured 6.7% of the vote in autumn local elections in the north-western city of Bremen, with organisational structures no more visible than those in Saxony. Should the Right get its act together for the regional 1994 elections, the united Germany's political landscape could begin to look very different.

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We were sitting near the base of Mount Kelimutu, a volcano famous for its three coloured lakes, located on the beautiful island of Flores, north of Timor in the Indonesian archipelago. The young man’s comment was directed to what he had read of economic development in the former Portuguese colony. Little did he appreciate the reality of Jakarta’s rule in East Timor.

Shortly thereafter, traversing the hot dusty streets of East Timor’s capital Dili, I was immediately struck by the pervading atmosphere of fear and apprehension. Friends in West Timor had tacitly warned of the excessive ‘security situation’ in the neighbouring territory. It became readily apparent that, while the opening of East Timor was a ray of light for the Timorese, the dark history of Jakarta’s invasion and occupation still cast a long shadow over the lives of the indigenous population and, curiously, over many ordinary Indonesians themselves.

On 7 December 1975, when the Indonesian Armed Forces (ABRI) launched its full-scale invasion of Australia’s small neighbour, it set in train a process of violent oppression of the Timorese of which the Santa Cruz massacre late last year was but the latest example. Apologists for Jakarta’s military dictatorship claim the 12 November massacre was merely an ‘aberration’ by a section of the military, which has traditionally conducted its vendettas against the Timorese away from the international gaze. The massacre in Dili briefly focused the world’s attention on the human tragedy of East Timor. Indonesia’s military government came under unprecedented international and domestic pressure; ABRI floundered in a welter of contradictory and incriminating statements. Foreign Minister Ali Alatas, respected in some quarters, lamented loudly that some people overseas had the false impression that “the Indonesian government goes around shooting people”.

Alatas’ complaints rang hollow; soon after Armed Forces Chief Try Sutrisno publicly beat his breast in a speech to a seminar at the National Defence Institute. East Timorese pro-independence demonstrators he described as “despicable”; they had to be killed and “we (ABRI) shall shoot them”. Sutrisno’s speech, coming from one of the most powerful figures in the Indonesian state, demonstrated that the massacre was not an aberration but an act of policy. President Suharto has not sacked Sutrisno for his comments nor, indeed, publicly repudiated them. Instead, Suharto has singled out two convenient scapegoats, Major-General Panjaitan and Brigadier-General Warouw—who have been punished for at least 50 civilian deaths, by a sideways transfer. Meanwhile, a number of Timorese languish in jails in Java, Bali and East Timor (some facing the death penalty) for the ‘crime’ of resisting the illegal occupation of their homeland. At the time of writing, not one Indonesian soldier has been charged with a crime—although it is not beyond President Suharto to come up with a few low-ranking ABRI scapegoats to further placate foreign governments and aid donors.

Under pressure, Suharto has expressed ‘regret’ and called for reconciliation and progress in East Timor. He then appointed Brigadier-General Theo Syafei to replace Warouw as East Timor military commander—whereupon Syafei promptly announced a much tougher policy towards the Timorese than his predecessor.

Many observers of Indonesia’s policies towards East Timor view the Santa Cruz massacre as a turning point in the sixteen-year conflict. There are strong grounds for this view. International attention on East Timor has eroded the wall of lies and disinformation painstakingly erected by the Indonesians over many years. Jakarta can no longer confidently claim that resistance to Indonesian rule is negligible or non-existent. Even Brigadier-General Syafei, at his installation ceremony in Dili, conceded that the large independence demonstration that preceded the massacre was a reflection of the people’s aspirations—aspirations he apparently intends to suppress. If Syafei and his military superiors believe that greater force is the answer to the East Timor problem, they have learnt little from the 16-year rule. During the occupation, ABRI has used its entire military arsenal and committed tens of thousands of troops to the relentless war against independence guerrillas, the clandestine network, and the indigenous population. In 1992, the independence guerrillas continue their lonely struggle, the clandestine network is extensive and the civilian population remains as steadfastly opposed to Jakarta’s rule as ever. Even former Prime Minister Bob Hawke, after ignoring the plight of the East Timorese for years, correctly admitted to parliament recently that “the military solution is no solution”.

This is the dilemma for Jakarta, and represents the fundamental weakness of its position in East Timor. Military force has failed miserably to crush the Timorese, but should Jakarta loosen
its grip, the Timorese will take full advantage of it to further their pro-independence activities. ABRI's generals have succeeded in maintaining military control, but have been comprehensively defeated in the political battle for the hearts and minds of the people. Visitors to East Timor who speak to the people are left in no doubt as to their overwhelming desire for freedom and self-determination.

Many Indonesians who have been posted to East Timor or who have migrated there for economic reasons sense the underlying problem. A not uncommon response from Indonesians is that they are living in East Timor because of 'duty' and there is a longing to leave the place at the earliest opportunity. Timorese understand this attitude—hence the "Kapan Pulang?" campaign developed by the clandestine resistance as a form of opposition. This campaign involved Timorese constantly asking Indonesians when they were going home. It had an unsettling effect, reinforcing the sense that the Indonesians were foreigners in what is supposed to be their "27th Province".

The 12 November pro-independence demonstration was one of a series of protests organised by the new generation of educated Timorese youth since the territory was opened in 1989. Jakarta had previously placed great faith in the strategy that controlled education and the effluxion of time would create a new generation of Timorese who would be "good Indonesians". The bodies of the Timorese youth at the Santa Cruz cemetery symbolise the ineffectiveness of this strategy.

Xanana Gusmao, the leader of the East Timorese Resistance, in a lengthy interview in September 1990 at his secret mountain headquarters, succinctly put forward his view of the colonial power's dilemma:

The youngsters, both those born before the invasion and those since, are children of the people, they are not children of one people and children of another, they are not children of the transmigrants, they are children of these people who, under 400 years of Portuguese domination, always knew how to keep alive the patriotic consciousness...The schools established by the Indonesians deny them their own language, their own culture. their traditions, their way of seeing things. The Indonesians tried to impose on them a way of thinking which they know is not theirs, yet they receive a transference in terms of continuity, a transference of their Maubere identity and culture, customs and traditions. A Maubere goes to a school in the Bahasa language, where they teach another history, another way of seeing, another concept of life. Evidently, a people which knows itself cannot be reduced, cannot be subjected. They are a people which is conscious, which wants not to be alienated, and this is the case of the Timorese youth, and this is the fundamental problem of the war.

Indonesians may control most of the guns in East Timor but the vast majority of the indigenous population remains sullen and resentful towards them. Jakarta's changing of the repression levers from 'hard' to 'soft' or back to 'hard' again will not substantively alter this reality. East Timor is Jakarta's 'Palestinian problem' and the problem will continue for as long as the Indonesian government lacks the courage and will to recognise the failure of its forcible integration into the Republic of Indonesia.

International pressure is critical to this recognition which, it seems, will only occur after the key architects of the failed policy, Generals Suharto and Murdani, have departed from the political scene.

One of the greatest ironies of the Santa Cruz massacre is that ABRI has come under unprecedented scrutiny and criticism from within Indonesia itself. The Armed Forces that went into East Timor to crush the people's aspirations for freedom and democracy now finds that those very same Timorese have caused ABRI to be subjected to the winds of democracy and reform, fickle though those winds may be.

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THE ROAD
to Damascus

Paul Keating's first months in office will make or break his prime ministership. Here Rodney Cavalier looks at his extraordinary evolution from rightwing headkicker to national crisis figure. And on the following pages Alex Millmow and David Burchell assess his prospects in the struggle ahead.

Paul Keating took over the Treasury in 1983 only two months after he had started shadowing that portfolio. It was an appointment that he had resisted for much of the latter part of Bill Hayden's leadership. The reason was that Keating felt unqualified technically; he had spent a long time mastering his preferred area of minerals and energy in preparation for converting that portfolio in government into a powerhouse for creating wealth and reshaping the assumptions of the Labor movement.

Keating's reluctance to enter unknown territory reflected too his certain apprehension that Treasury, more than any other area of government, demanded a mastery of the exclusionary vernacular of its courtiers and its attendant army of finance writers. He was fearful that premature exposure of his lack of formal qualification could have been fatal to his cherished ambition to be a Labor prime minister.

The exposure did not occur. Malcolm Fraser plunged Australia into an early election, a decision that coincided exactly with the decision of Labor's leadership conclave to replace Hayden with Bob Hawke. In the 1983 election Keating was a minor participant: he had fired a shot at Howard for behaving as a spectator in the nation's economy; he cast doubt on the efficacy of wages and prices Accord—footnotes, really, in the wider campaign, oddities in the light of his subsequent performance. When Keating entered Treasury he was, like all his colleagues, new to his portfolio. Requiring time to master the brief was a courtesy granted to all as they took over the nation's government. No one used that interlude more studiously than Keating.
He will not receive the same period of grace as Prime Minister. Inheriting an ailing government in its ninth year is quite another matter to taking over a new portfolio in a new government. The leader of a nation does not have a special constituency; there is no special language to learn to speak. Already Keating has discovered, like every new prime minister, that no apprenticeship is ever quite adequate for the nation's leadership. At the dinner for President Bush, the self-confident Keating was absent; he stumbled over his words, embarrassing his audience in a fashion not known since the halcyon days of John Gorton. After craving the job all his political life, its dimensions are causing even Keating to pause. That is as it should be. An early humbling will serve him well. If Keating is stiff now, unconfident, obviously struggling to come to terms with his responsibilities, a better leader will emerge from the learning process.

He has, after all, done it several times before. In Treasury, and at every stage of his career, Keating has revealed a capacity to remake himself. This is not a charge of superficiality—quite the opposite. The stereotypical NSW Catholic rightwinger who entered the House in 1969 was destined for a lifetime on the backbench. He began to shed that persona when he tackled new ideas, read seriously and systematically, mixed with people outside the narrow culture of his Sydney suburban background. It was his quality of mind that began his advance in Caucus ballots, not numbers-crunching. Once he appreciated the power of ideas, he was able to augment the considerable force of his personality to become a debater of the first rank.

The position of prime minister is about more than making speeches in parliament. It is in parliament, nonetheless, that prime ministers affirm their authority. They do that by making speeches.

By the time parliament resumes in late February, an emboldened Opposition will test Keating thoroughly. The repartee, however glorious, will be mere embroidery to the task of convincing the nation that the government knows the way out of the current difficulties. The downfall of Hawke came on the last day of the 1991 sittings; its effect on the general mood of the theatre is yet to be gauged. It is as certain as anything can be in politics that the verbal demolition of the Opposition will count for nought in the post-Hawke era.

No one understands the importance of the elusive qualities of mood like Keating. Only one Labor MP has longer service in the parliament than he. That long service remains the best preparation that there is—it includes a longish apprenticeship on the backbench, the disciplines afforded by a sustained spell in Opposition, a precious opportunity in his active years to make a creative contribution to the nation’s governance.

Keating entered parliament when Gough Whitlam was Leader of the Opposition. He saw Whitlam at his best and worst for eight years. Keating’s first term, 1969-72, coincided with Whitlam’s finest as the great man hounded and destroyed two Liberal prime ministers. Whitlam had learned from the latterday Menzies, who had himself
learned from the first generation after the Federation. That every speech a person makes on the floor of parliament is important. Like the set-piece addresses of Whitlam and Menzies, Keating has invested his speeches with something distinctive, something memorable. Condolences upon the death of a former MP, for example, are an occasion when all the members of the House are present. Amid the blather of obvious sentiments a thoughtful speech will command the attention of the entire parliamentary subculture. The generous and self-revealing speech that Keating delivered in 1979 in memory of Frank Stewart, a Whitlam Minister, hinted at the sort of person that Keating himself hoped he might be.

The Hawke government built its early reputation by elaborating its difference from Whitlamism. Keating went in a different direction altogether. He was promulgating a new orthodoxy. Labor governments had stood always for the legitimate intrusion of government in the market place—as a regulator, as a competitor, as a provider of services. The first federal Labor governments were building on their colonial and British heritages when they established a Commonwealth Bank and legislated wherever possible to control commercial practices. The adolescent Keating had imbibed the villainy of the Money Power from no less an authority than Jack Lang. In his first terms in parliament, Keating had subscribed unqualifiedly to the passion of Rex Connor for Australia to become the owner of its own mineral resources. Before 1983 had ended, however, federal Labor had exposed Australia's currency to the world markets and was opening Australia to foreign banks.

Keating’s eight years as Treasurer demolished everything that his two mentors stood for. Ahead lies the greatest challenge of all. Keating must now set about demolishing central tenets of his own recent faith. The government has to cease being a spectator in the nation’s economy. From its colonial beginnings, Australian governments of all persuasions have recognised the need for the government to provide basic services, services which otherwise would not exist. In Australia, unlike the models much favoured by the graduates of the Harvard Business School, governments have provided water, power, mass transit, hospitals, universities.

Without governmental regulation, raw sewage would flow in the streets, and combating disease would be a private contract between doctor and patient. Labor governments and the occasional small-L liberal administrations used to recognise that taxation could be an instrument for amelioration and the redistribution of opportunity.

Nowadays, Keynesianism has become almost a matter of mockery. Coinciding with the collapse of communism and the USSR, attesting to a faith in public enterprise seemed more quaint than subversive. Economic management has become a substitute for politics; it has become an article of faith in its own right, echoing the marxists’ argument of last resort that the future was going to be a better place. Being economically responsible has tended to mean that low-income earners and welfare recipients would have a reduced standard of living during the transition to an enterprise culture. Those most hurt—only in the short term, of course—were the income and social groups most likely to vote Labor. The applause of the finance writers and editorialists of the metropolitan dailies did not translate into votes. Not since the emergence of the two-party system in 1910 has Labor’s primary vote sunk to present levels.

The streetscapes of our cities and suburbs are a testament to the absence of appropriate planning. Permitting prices to rise on property uses has banished human activity from the centres of our cities. Speculative capital has made possible aggregations of sites in the central business districts. At street-level, bookshops, restaurants and department stores have come to dominate the landscape, concrete concourses, driveways and wind tunnels. A tax cut means less than nothing when its price is the elimination or drastic reduction in services that came free or subsidised. Keating’s instincts on all these issues are sound. He has an appreciation of beauty, an abhorrence of the untidy. Two ministers well placed to effect reform are John Dawkins and Brian Howe. Neither have any faith in the capacity of the unfettered market to find solutions that will benefit the Australian people. Given that Keating reasserted his leadership claims by affirming his commitment to Commonwealth government supremacy, a traditional Labor view, tied grants and infrastructure spending enable a federal labor Cabinet to direct an economic recovery through funding cherished projects. They should not pause for a moment at the accusation that they are being ‘irresponsible’.

Everything about Keating’s past performance gives confidence that he will master the public aspects of the prime ministership with consummate ease. Managing the ALP and the federal Caucus will be another matter altogether. Keating will, sensibly, stand apart from the death of the ALP. Rather than resign, they failed to renew their tickets. Across Australia, the vast majority of ALP branches could not pass the breath-on-the-mirror test. Activism has come down to a dedicated few—fewer than 2000 in the whole country—who will keep the party functioning between elections. This will matter no more in the future than it has in the past; the notion of standing party organisations outside parliament is less than 150 years old. The hope of the ALP.

The downfall of Hawke has not resulted in punishment of his supporters or rewards for the key plotters against the former PM. On this question the immediate future of the Keating government depends. Keating exploited with some brilliance the disappointed and the disaffected but he understands, too, that several of his fairweather friends used to chase cheers by attacking his policies. He has been playing some of these people off the breaks for three
decades. It will be interesting to observe the manner in which he disappoints them now.

Having, for the first time in its history, brought down a Labor leader—the one who has been its most successful electorally—the ALP has sacrificed more than an individual by subscribing to the ethos of leadership pre-eminence, itself a direct consequence of the overriding importance of winning elections. The morale of the parliamentary party is going to depend absolutely on continuing evidence it is blessed with a potential election winner.

As always, the consequences of a future Coalition victory at the polls will be the single greatest reason for unity. Customary as it is to claim that the next election is critical to the future of Australia, next time it will actually be true. The policy details of the Opposition’s ‘Fightback!’ package provide Australia with perhaps the clearest ideological divide between the parties since 1949. Indeed, given the reception to that package as at least providing “an alternative vision”, one wonders how Labor might have fared if it had dared to argue for interventionist politics and the social rights of the community.

For the ALP there is the additional factor of factions with pretensions to sovereignty over their own adherents. The leadership ethos presumes that the leader must prevail; the faction system presumes that the factions decide on policy stances and anoint candidates for the ministry and other positions. Hawke encountered formidable obstacles in his efforts to place favoured sons and daughters in the ministry—and he was operating in the aftermath of election victories. Something will have to give. It will be the faction system as we know it. Individuals will realign themselves; the factions will redefine their postures. The Left will surely drop the fiction that its members possess sufficient in common to remain together. The hatred between the two tendencies of the Left will force the creation of two separate Left factions.

Defeat for Labor will empower the conservatives to strike at the capacity of the ALP to remain electorally competitive. Presuming the conservatives can get their legislation through the Senate, they can repeal prohibitions on broadcasting political advertisements at the same time as they repeal provisions for public funding of political parties and introduce mandatory plebiscites for both union affiliation to the ALP and to ban union donations to party funds. Only then will the parliamentary leaderships of the ALP appreciate the significance of the passing of the party membership.

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Labor’s Last Best Hope

David Burchell looks at the Paul Keating’s chances of turning Labor’s fortunes around.

For federal Labor these are desperate days. The Opposition has staked its claim for government with an audacious social and economic package which late last year laid embarrassingly bare the policy paralysis of the dying days of the Hawke Government. The recession is now palpably much deeper and more disastrous than anyone in Federal Cabinet had anticipated when they made the fateful decision to staunch the import haemorrhage with high interest rates. The external constraint and the fragile dollar combine to severely curtail the government’s room to move. Yet the ever-rapacious media commentators and, indeed, the public at large are expecting both a clear and coherent ‘answer’ to the recession and a bold response to ‘Fightback!’ from the economic statement scheduled for later this month. How can the government possibly deliver what is expected of it?
In the midst of all of this angst, federal Labor should at least take heart in one thing; it made the right decision on the leadership in mid-December, and it probably made it at the right time. This is worth saying not least because Paul Keating’s stewardship of the prime ministership may quite conceivably be a short and unsuccessful one. The odds are certainly stacked against him.

Why, then, was it the right decision? Because Labor needs a responsible but definite change of policy direction, and a change in the language through which it is expressed. In the latter days of the Hawke Government, it seemed almost constitutionally incapable of responding combatively or imaginatively to the unexpected challenge provided by the first really competent Opposition in nine years. Most importantly, it failed to communicate to the electorate a wider set of themes or values it felt important; its language was technocratic, its vision tired. It needs a campaigner.

Throughout the 1980s, Paul Keating was Labor’s great political campaigner. His message then was the in-evitability of the internationalisation of the Australian economy through the agency of deregulation; now he will have to shift the content and style of his message sharply, even though its evangelicism remains the same. It will not be an easy task, but it is one which was palpably beyond Bob Hawke in his latter days.

After the leadership change the parliamentary Labor Left is clearly in a mean mood. It sees the individuals who supported Paul Keating as traitors to the sacred unity of the faction; there are moves to remake the faction in order to exclude them. This mood is surely accentuated by the strange, even unsavoury character of the alliance. Keating is the man who most dented Labor ‘traditions’ in the 1980s with his market-based policies; his Left supporters are chiefly denizens of the old unreconstructed hard Left, politicians whom one might normally expect to find chas-tising the mainstream Left for its excessive pragmatism. Yet refusing to support Keating on these grounds is a poor argument, and very poor politics.

ALR argued quite some time ago that the factional system which developed over the life of the Hawke Government was a fetter upon genuine political debate within the labour movement. The animosities now brewing in the Left, whatever their bases in past political disputes, have far less to do with politics than with the prevalent tribalism of Labor’s contemporary political machinery. The mainstream Labor Left, after all, is angry with the dissi-dents not because of their political views but because they failed a group loyalty test and upset a cosy compromise whereby the mainstream Left enjoyed increased attention in return for its support of the moribund Hawke leadership. If the Left had genuine political reasons for believing that Bob Hawke could provide a more cogent sense of political direction for the government than Paul Keating, it would have been good to have heard them during the leadership struggle itself. Instead, we heard only that Bob Hawke was a very popular man, and that it’s not the done thing for Labor to drop long-term leaders. This is a decidedly apoliti-cal argument for a supposedly ideological faction to direct towards the political future of the Labor government.

Why did the Labor Left stay so loyally behind Bob Hawke for so long after it had become apparent to most attentive observers that his shelf life as an effective leader had run out? Part of the answer surely lies in the peculiar attachment of the Left to sentiment, particularly when it is directed towards a figure of past glory. In the late 1940s, Ben Chifley was reviled by many on the Left for his part in the coalfields dispute of 1949; nowadays he is a symbol of all that is to be revered about ‘traditional Labor’. Bill Hayden as once deprecated as Australia’s first monetarist Treasurer; in his last days he was defended to the death by the Left against the usurper Hawke. Now, it seems, if the emotional outpouring immediately following Bob Hawke’s defeat for the leadership is anything to go by, that some on the Left will reassure him in retrospect as the great guarantor of social justice.

Clearly the greatest single factor, though, was the Left’s collective hatred of Paul Keating. As one Left Labor MP commented bitterly afterwards, Keating had humiliated the Left too often at party conferences to be forgiven. Keating’s responsibility for many of the wilder free-market fantasies of the 1980s was also obviously important, and understandable—though it is worth remembering that the Hawke-Keating Government was at all times a Cabinet government, and that there was hardly ever any practicable alternative path expressed in Cabinet to many of those excesses.

Equally important to remember, as Rodney Cavalier notes above, is Paul Keating’s quite remarkable capacity to remould himself to suit the demands of the situation. In the mid-1980s, when the need to internationalise the Australian economy seemed paramount, he remoulded himself from old-style Keynesian reborn; with the external constraint’s winged chariot still hurrying near, the times are not calling for that. But nor is it simply Treasurer Keating with a sloppily applied new human face. His first speech after his accession stressed that his chief goal, as it had been in the early to mid-1980s, was growth and jobs—only now from a position of economic stagnation rather than expansion. This goal was to be achieved by ‘policy dexterity’. What does this quirky phrase mean? Presumably, something like this: a preparedness to consider heterodox economic solutions within the limits of the awesome constraints set by our economic plight. One might be forgiven for thinking that this is as much as could be expected from any representative government in this formidable situation. Whether he is able to deliver such a dexterous manoeuvre, only the next few months will tell.

DAVID BURCHELL is ALR’s editor.
Paul's Turn

Alex Millmow speculates on the nature of Paul Keating’s economic conversion.

I’m a Victorian economic refugee. I hail from Melbourne, but every working week I commute to and from Wagga to work at the university there. I may well be the first of a new generation of Victorians who have to regularly travel interstate to find employment; everyone now knows that Victoria, and especially Melbourne, is bearing the brunt of this recession. At the University I am charged with explaining the nuances of economics to first year students. As a model of inspiration, I always proffer Paul Keating as an example of someone who made good by his mastery of economics.

Canberra folklore has it that Keating, in his early days as Treasurer, spent many a lonely night in his parliamentary office, heroically poring over economic textbooks. They say it took Keynes, originally a mathematician-cum-philosopher, six months to master classical economics. For Mr Keating, originally a chief headkicker and numbers man, it took considerably longer. The Treasury jesuits who drew up his reading list and spent the odd hour tutoring him had to make sure he cleansed himself of his earlier exposure to the economically unorthodox views of RFX Connor and Jack Lang.

The end result was a Treasurer basing his economic stewardship of this country upon an economics that was part theory, part fashion and part myth. Mr Keating took the new-fangled concepts like the level playing-field, deregulation and the J-curve close to his heart. He showed his celtic temperament by taking as a personal affront any criticism of his economic policies. When, as so often, he was proved wrong by that great unpredictable—the Australian economy—it meant only further frustration and acrimony directed at his critics. Keating was particularly savage with those urging a different policy direction from the Treasury line, labelling them ‘snake-oil salesmen’. But now Keating seems to have recanted, converting to the expansionist cause late last year in his campaign for a second chance at the Labour leadership.

The only comparably expedient ‘conversion’ I can recall is that of Richard Nixon. In 1971, President Nixon, in a nationally televised interview, declared that “I am now a Keynesian”. If Keating might wince at this odious parallel, perhaps better company would be Keynes himself, who, when accused by critics of constantly changing his mind on economic policy retorted: “When I am proved wrong I change my mind. What do you do?” In Keating’s case, of course, an actual confession that his policies were wrong would be very hard to extract. Despite some concessions in his first press conference as prime minister, the hubris still hangs heavy.

For all that, Paul Keating is still the best hope we have. He has the intellect and capacity to craft, with Dawkins’ help, an alternative agenda, far removed from the orthodox advice of Treasury mandarins, if he can only free himself from his continued commitment to the precept of the level playing-field.

While just about everyone is now talking about fast-tracking various infrastructural projects, only a few have cottoned on to the truly fundamental problem of the Australian economy—our high level of import dependency. Sure, our annual import bill has been cut by some $5 billion, but most of that comprises imports of capital goods as business investment slumped. This, in itself, is disastrous. When domestic demand recovers, engendered by the fiscal stimulus, however modest, from Canberra, imports will soar, causing a trade deficit blowout.

There is a cheeky way out of this fearful scenario. It is well within Keating’s ambit to come up with his own version of a consumption tax of sorts. It may serve to foil John Hewson’s version and, into the bargain, address head on our love for imported finery. Mr Keating’s 15% consumption tax would fall upon imported consumer goods only, capital goods remaining exempt from the duty surcharge. When Britain, like Australia now, had a balance of payments deficit and dire unemployment during 1933, Keynes recommended fiscal stimulus and import protection as the expedients to recovery. Australia is in a sufficiently similar economic crisis to warrant similar measures. It might disrupt the internationalisation of the Australian economy, but who said being between a rock and a hard place was ever sensible policy?

ALEX MILLMOW, a former Treasury officer, teaches in economics at Charles Sturt University, Wagga.
Time for a Turnaround

Paul Keating is relearning about the economy fast. Roy Green suggests he also needs to unlearn some of the 80s orthodoxy about industry policy. A sensible industry policy for the 90s is, he argues, a vital element in the renewal of Labor’s vision.

History is against governments attempting a strategic realignment during their term of office. It is usually something undertaken in opposition, and most governments which try their hand at it are probably destined for the opposition benches anyway.

The last government to try were the Social Democrats in Sweden, who subsequently lost power to a conservative coalition. On the other side of politics, the British Tories have made an extraordinary attempt to shift ground with the replacement of Mrs Thatcher by the affable ‘Butskellite’ John Major. Whether the attempt is successful will depend on overcoming the traditional contempt of the electorate for a government which could not get it right the first time around.

This is not to say that internal renewal is impossible. After all, governments are constantly having to adapt their policies to changed circumstances—often with some success, as we have seen on a number of occasions in the life of the present Labor government in Australia. The later it is left, however, the harder it becomes to explain away past ‘mistakes’ and, even more importantly, to rekindle support for a new approach.

What then, are the chances of a Labor government led by Paul Keating renewing itself in time for the next election? Not good, say the commentators. Everyone knows that Keating was the architect of the policies from which he and his new Treasurer are now desperately trying to distance themselves. And the scope to take radical measures, as he also recognises, is severely limited by the deteriorating international situation.

Yet Keating could still square the circle provided that he resists the temptation, held out by some commentators, to move further in the direction of Dr Hewson’s economic plan, and begins instead to stake out new ground for Labor’s social democratic philosophy. The one opportunity
he has to retake the initiative is the economic statement to
be released later this month, and the ground which must
be staked out there, in clear and distinctive terms, is a new
approach to industry policy. Of course, the statement must
address the problem of short-term job creation, but it must
also, to be credible, establish a longer term vision of what
Labor stands for in the 1990s and how it is different from
the conservative Opposition.

I shall argue that industry policy is the ground on which
Labor could, at least potentially, develop a substantial
strategic advantage not only with the trade union move­
ment but also with the wider electorate. It means, however,
overturning the complacent reliance on unfettered markets
associated with Canberra’s key economic ministries and,
instead, constructing a more interventionist approach to
microeconomic reform, which has so far placed the burden
of change on wages policy. The point is not just that the
economic orthodoxy has got it theoretically wrong, but that
it is increasingly irrelevant. Like old-fashioned state plann­ing,
it has been superseded by the evolution of new
technologies and production systems in world competitive
manufacturing firms.

The trend in all successful economies is now towards
strategic industry policies combined with greater worker
involvement in economic decision-making. This is ob­
viously fertile territory for the renewal of Labor’s philos­phy since it offers a coherent social democratic
vision of the future which also happens to make good
practical sense; and it is far removed from the paternalistic
ideology of the ‘New Protection’ introduced early this
century. With a little reshaping of tripartite structures, the
institutional prerequisites are in place in Australia today
for the design of such a strategy, and the shift in wages
policy to productivity bargaining provides ordinary trade
unionists with the opportunity to play a major role in its
implementation.

So far, the basic assumptions behind the Labor
government’s microeconomic reform agenda have been
those of orthodox economics. It is important at the outset
to understand what these are, and what they imply for
current policy before considering an alternative approach.
They state that optimal efficiency is achieved only by cre­
tating perfectly competitive markets, including those for fac­
tors of production such as labour. Essentially, this means
removing ‘impediments’ to the operation of free markets
and eschewing any form of intervention which may
‘distort’ the necessary competitive signals.

The impediments these economists have in mind in the
product market are tariffs and other protectionist (and
‘new protectionist’) measures and, in the labour market,
the traditional wage-fixing role of the Industrial Relations
Commission. Ideally, they would also include in these
impediments the monopoly power of trade unions. But,
unlike the Thatcher government’s notorious 1985 Em­
ployment White Paper and its local counterpart in the
Australian Opposition’s industrial relations policy,
Labor’s Accord with the ACTU precludes any attempt to
free up the labour market in this way. Instead, market
economists here must be satisfied with the decentralisation
of wage fixing, as a means of approximating the price of
labour to its marginal productivity, rather than its
wholesale deregulation with the removal of minimum
legal rights and standards.

It is not my intention to argue here that the government’s
reforms of product and labour markets have been futile.
Far from it. What I would suggest, however, is that progress
in this area since 1983 has been achieved despite rather than
because of the assumptions which underlie the policy.
Moreover, the current policy paralysis is due in large
measure to the failure of the government either to follow
these assumptions through to their logical conclusion
which is found in the Opposition program or, on the other
hand, to jettison the assumptions explicitly in favour of a
more interventionist approach. The first approach implies
an open confrontation with the trade union movement and
would mark a further step towards a low wage, low
productivity economy in Australia; the second, as we shall
see would permit the government to chart a course for a
high wage, high productivity future.

In this country, perhaps uniquely, wages and industry
policies have had to carry the stigma of their common
origin in the nexus between industry protection and
centralised arbitration in the early part of the century. It is
at least arguable that, at the time, this pairing permitted a
higher level of output and employment in manufacturing
and a growth of real wages than would otherwise have
been possible—but circumstances in Australia and the
world economy have since changed beyond all recogni­
tion.

The main problem with the traditional protectionist
strategy was that there was no incentive in the tariff policy
arrangements, or in the associated strategies of multina­
tional firms in Australia, to develop world competitive
manufacturing technologies and work practices. The prob­
lem was accentuated in the post-war period not only by the
secular downward trend of primary commodity prices,
which contributed to macroeconomic instability as well
(the ‘stop-go’ cycle), but also by the increasing trade
dominance of high value-added—the so-called ‘elaborate­
ly transformed’—manufactured goods.

While manufactures in general were already established as
the fastest growing area of world trade at the onset of the
post-war boom, by the mid-1980s, according to recent cal­
culations, high research-intensive manufactures were the
fastest growing specialised segment of trade in manufac­
tures. This has become known as the ‘new competition’. If
the case for comprehensive tariff protection has disinteg­
rated in this environment, the question still remains
what should replace it: the free market or a new outward­
looking approach to industry policy.

The policy response in Australia to the growing sig­
nificance of high value-added manufacturing in world
trade has been of two types. The first, largely developed by
the Industry Commission and its predecessors, was based
on the classical theory of comparative advantage. By reduc­
ing, and ultimately eliminating, tariff protection, it was
argued that this approach would permit only efficient and
competitive firms to survive, thus bringing down the cost of all goods and services to Australian consumers and enhancing general economic welfare.

The approach is epitomised by the Garnaut report, *Australia and the North-East Asian Ascendancy* (1990), which recommended an ideologically pure zero tariff regime by the year 2000. Any approach of this kind has costs and drawbacks, however—drawbacks which are usually downplayed. The main defects in the Garnaut approach are, firstly, that there is no mechanism, apart from spontaneous entrepreneurial combustion, by which inefficient firms can become efficient and competitive and, second, that the closure of ‘inefficient’ manufacturing firms tends only to reinforce Australia’s dependence on primary commodity exports. Perhaps most importantly, the inconvenient fact which proponents of this approach fail to address is that world trade today is characterised not by comparative advantage but rather by ‘comparative disadvantage’ for resource-based economies.

By ‘comparative disadvantage’ I mean the tendency in resource-based economies for the exchange rate to rise above the level at which manufactured export and import substitutes can become competitive, even with significant efficiency improvements. This problem is compounded by the fact that devaluation, particularly where it occurs as a result of an unfavourable reversal in the terms of trade, can also prove counter-productive due to the combination of sudden and unpredictable cost pressures and the belief that the potential advantages offered by devaluation may only be temporary.

This was the effect that large North Sea oil and gas discoveries had on the Netherlands and UK, where the decimation of manufacturing firms (mainly in the price sensitive engineering and capital goods sectors) by policy adaptation to commodity-based exchange rate fluctuations became known as the ‘Dutch disease’.

By contrast, economies without a significant resource sector, such as Germany and Japan, have been able to adjust exchange rates to the goal of long-term competitiveness in high value-added manufacturing, thus maintaining continuity in their investment, training and research and development strategies. Ironically, instead of using agricultural or resource surpluses to subsidise employment in ‘sheltered industries’, these economies are able to subsidise their farmers and (in the case of Germany) grossly inefficient coal producers out of the surpluses generated in manufacturing.

The second type of policy response to the problems faced by resource-based economies, initiated publicly in Australia by the 1979 Crawford report on structural adjustment, has been to recognise the necessity of “gradual reductions in some Australian protection levels” but only as part of an “industrial development policy”. This approach is now identified with the Australian Manufacturing Council (AMC) report, *The Global Challenge: Australian Manufacturing in the 1990s* (1990), which, although not theoretically explicit in its assumptions, nevertheless places the emphasis on making domestic industry competitive in conjunction with reducing tariffs rather than undertaking tariff reform in isolation from other instruments of policy.

It is claimed, of course, that the ‘new’ approach to industry policy is nothing more than an attempt to resurrect the old, discredited protectionist arrangements in a different guise. The lack of evidence for this claim is matched only by the enthusiasm with which it has been embraced by newspaper editorial writers and officials in the federal bureaucracy. The new approach stems both from modern theories of how markets work (or don’t work, as the case may be) and from the recent experience of more successful industrialised nations. In particular, there are two features of this approach which distinguish it fundamentally from previous attempts at industry policy in Australia.

**Labor has shown little sign of accepting an industry policy which dares to speak its name**

The first feature is the shift in the rationale for tariff protection and industrial assistance from the retention of jobs in manufacturing industry, however uncompetitive, to the preparation of firms and sectors for carefully targeted export strategies in world markets. The second, as I noted above, is the transformation in the primary role of wages policy from centralised pay fixing, which characterised the ‘historic compromise’ between labour and capital in the early part of the century, to support and facilitation of work reorganisation, training and joint consultation at the workplace.

Since 1983, the Labor government has shown little sign of accepting the case for an outward-looking industry policy which dares to speak its name except, as we see in a moment, at the margins where it has been tolerated on the grounds of demonstrable market failure. Curiously, however, it has offered less resistance to the idea of permitting the vacuum to be filled by wages policy, particularly in its most recent incarnation as award restructuring.

The result of this accommodation between the prescriptions of economic orthodoxy and the power relationships of the Accord has been internal inconsistency at best, with the ever present danger of the whole strategy collapsing under the weight of its own contradictions. With the good fortune of the demand expansion phase of the strategy now evaporating in the recession along with Labor’s popularity, the contradictions are laid bare and require a resolution if disaster is to be avoided at the next election. To understand the steps which must now be taken, it is necessary first to retrace briefly those already taken in the two phases which characterise the government’s approach to industry policy and labour market reform so far.
In both phases of policy, the government's product market reforms were largely centred on across-the-board tariff cuts, though in the initial phase they also included a number of ad hoc industry plans to reinvigorate traditionally protected areas of manufacturing. However, these modest plans were not sustained or extended to other sectors. Nor were they matched by support from labour market policy which, at this stage, consisted mainly of employment and training measures and an abstract commitment to 'industrial democracy'. The 1986 Heavy Engineering plan, for example, had to make do with a provision making assistance to firms conditional upon jointly negotiated changes in work practices.

Crucially, apart from the handful of industry plans, there were no formal industry policy structures established to ensure that company decisions on investment were open to wider scrutiny and accountability. Nor were legal rights and opportunities provided for workers to influence those decisions. The government's approach at this time proceeded on the assumption that once the macro-economic settings were in place the market would deliver the necessary investment in new technologies and skills. But, to the government's evident surprise, the assumption was found wanting.

The terms of trade collapse of 1985/86 created the conditions for the second phase of policy which signalled the government's recognition of the limitations of macro policy by shifting the focus to microeconomic reform. The problem was that whatever intentions some may have had of using the micro reform agenda to bring back industry policy to centre stage, its dominant thrust became accelerated tariff reductions and the removal of transport bottlenecks, especially on the waterfront—with which landlocked Canberra has been obsessed for decades.

The conclusion drawn from the first phase of policy was not that the market had failed to operate in accordance with the theory, but that the impediments to its operation had not yet successfully been eliminated. The only area where outright market failure was openly acknowledged and met with intervention was training, on which expenditure by companies clearly lagged behind international best practice. However, the reason why an exception had to be made there was not that the case for industrial policy had been conceded but, rather, that training was essential to progress in award restructuring and, as a result of initiatives taken by the union movement in the context of the Accord, award restructuring had become the central mainstay of wages policy.

Indeed, it is a peculiarity of Australian economic management in recent years that wages policy and labour market reform have been made to bear the weight that in other countries would be carried, or at least shared, by industrial policy. Just as the focus of economic management shifted after the trade crisis from a macro growth strategy to micro reform, so the emphasis of wages policy changed from overall wage restraint to workplace productivity improvement through industry and enterprise bargaining.

Since wage restraint had not contributed to the investment needed to increase productivity, more direct measures were required at the workplace, where nominal wage growth was less economically significant than the growth of unit labour costs. These measures were first signalled in the 1987 two-tier wage system which opened the way for workplace negotiations on 'restructuring and efficiency', and then more comprehensively in the Industrial Relations Commission's award restructuring decisions of 1988/89, which established a framework for genuine productivity bargaining.

The measures were supplemented by the federal government's Workplace Reform Program, established by the Department of Industrial Relations (DIR), which featured a network of Workplace Resource Centres as well as more traditional assistance packages to union and employer organisations engaged in the rewriting of awards. These centres anticipated the need to translate the new awards into action at workplace level, without which award restructuring would have been futile. They were designed to provide advice and information on a commercial basis to firms in the process of restructuring, but only on condition that the process was operated through joint consultative machinery.

In addition, largely as a result of the AMC report referred to earlier, the government announced the introduction of a Best Practice Demonstration Program which would encourage selected firms to adopt international best practice approaches at the workplace. This program, to be run jointly by the AMC and DIR, is a further indication of the degree to which industrial policy may be pursued legitimately only in the guise of workplace reform.

It was with considerable unease and after some delay, however, that the Industrial Relations Commission was prepared in October 1991 to issue formal guidelines for productivity bargaining with no overall pay limit. Even so, the guidelines were well framed—and, by stipulating the need for joint consultation arrangements at the workplace, they provide workers and unions with a further opportunity to widen the bargaining agenda, possibly to encompass decisions on investment as well as training and work reorganisation.

This could, if handled correctly, become a source of strength for workplace managers, rather than simply a threat to their decision-making prerogatives (particularly in the light of evidence from the Australian Workplace Industrial Relations Survey (AWIRS) showing that the major constraint on workplace performance in Australia is not union obstruction but the policies of management beyond the workplace. Nevertheless, the problem with workplace bargaining from the viewpoint of economic strategy is its unco-ordinated character. Thus there is still an important role for wider, preferably tripartite structures to promote the development of coherent sector-based strategies.

The relevance of the sector level to industrial policy has been enhanced in recent years by the trend from traditional mass production industries, where economies of scale
were the crucial factor, to more flexible manufacturing systems whose effectiveness requires carefully managed interdependence between smaller units of production. This interdependence has given rise to the much admired ‘clusters’ of competitive industrial success in places like Emilia-Romagna in northern Italy and Baden Wurttemberg in south-west Germany.

Such clusters cannot be imposed by state planning, but nor do they emerge spontaneously from the actions of individual entrepreneurs. Their growth and development must effectively be co-ordinated within structures which guide and assist firms with production techniques, personnel practices, producer-user linkages (‘networking’) and marketing strategies. The idea that these structures would have to ‘pick winners’ is a relic of past debates about planning versus the market, where the state is assumed to do they emerge spontaneously from the actions of individual entrepreneurs. Their growth and development were the crucial factor, to more flexible manufacturing systems whose effectiveness requires carefully managed interdependence between smaller units of production. This interdependence has given rise to the much admired ‘clusters’ of competitive industrial success in places like Emilia-Romagna in northern Italy and Baden Wurttemberg in south-west Germany.

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One of the mainstays of 'progressive' education doctrines over the last twenty years has been a firm opposition to academic selection in schools. Ian Hunter argues that this stance is misconceived. He contends that there are sound social democratic reasons for selection, and for the meritocratic ethos associated with it...

The role of the education system in assessing students and selecting them for different and unequal social destinations is one that causes many teachers and administrators a good deal of worry. This worry has a weak and a strong form. The weak form is a concern that the procedures of assessment and selection are not fulfilling their technical ends; for example, because they are assessing students on the basis of inherited cultural style rather than trained scholastic abilities.

Often people who worry in this way seek simply to purge such procedures of traces of irrational social biases and values—and this seems to me an appropriate and routine professional concern. The strong form of this worry, though, is quite another matter. It is an anxiety about scholastic assessment and social selection as such, no matter how explicit or rational. This anxiety is typically expressed in the language of cultural egalitarianism and democratic rights. Here the fear is that in assessing and selecting students for their social and occupational futures, educators may be falling short of a higher goal: the complete development of students as human beings. This article is intended as a small contribution towards a therapy for this anxiety.

I want to give below some historical and theoretical reasons for thinking that this 'higher goal' is meaningless in the context of modern education systems. I will suggest that the ranking and social selection of students is a fundamental function of such systems; that this function is compatible with at least one social-democratic conception of social justice; and that the overwhelming majority of professional educators is quite properly committed to a
continual refining of this function and the meritocratic ethos associated with it.

The following remarks by Bill Hannan—taken from an essay entitled 'Universal Schooling Should Qualify Universally'—neatly encapsulate the anxiety over social selection that dominated progressive educational thinking in the 1970s and 1980s.

If schooling aims to provide an adequate preparation for professional training (I use professional to mean any productive work) and for responsible cultural participation, then democratic schooling should aim to provide this double preparation for everybody. The most obvious corollary of this is that universal schooling should provide a qualification adequate to any kind of job training.

For Hannan, writing as a leading figure in the Victorian Secondary Teachers Association and as the Executive Officer of the Victorian Curriculum Advisory Board, equality of opportunity is inseparable from equality of outcome. Any process of education that ends in the grading and selection of students has been 'trivialised', diverted from its true goal of realising the inner potential of the individual student.

By way of contrast we can look at some remarks on the same theme made by the British political sociologist T H Marshall in his celebrated essay 'Citizenship and Social Class'. In Marshall's account the function of social selection, while a relatively recent historical phenomenon, is one of the fundamental and defining features of modern education systems and—under his meritocratic interpretation—a source of legitimacy rather than anxiety.

The right of the citizen in this process of selection and mobility is the right of equality of opportunity. Its aim is to eliminate hereditary privilege. In essence it is the equal right to display and develop differences, or inequalities; the equal right to be recognised as unequal...the final outcome is a structure of unequal status fairly apportioned to unequal abilities. The process is sometimes associated with ideas of laissez faire individualism, but within the educational system it is a matter, not of laissez faire, but of planning. The process through which abilities are revealed, the influences to which they are subjected, the tests by which they are measured, and the rights given as a result of the tests are all planned.

The difference between these two conceptions of equality of opportunity—for Hannan it means equality of qualification, while for Marshall it is the 'equal right to be recognised as unequal'—is clear. The line of demarcation runs much deeper than this, though. For Hannan the education system is (or should be) a vehicle for the cultural development of humanity; for Marshall it is an instrument of social administration.

A good deal of thinking about education takes place in the space defined by the contrast between Marshall and Hannan. Perhaps its most distinctive and worrying feature is the difficult and ambiguous manner in which this sort of
thinking distinguishes between the meritocratic and the egalitarian, between the process of social selection and the goal of complete development. It is often unclear, for example, whether criticisms of assessment and selection procedures are driven by the weak or strong form of the concern noted above; that is, whether their objective is to improve these procedures in the name of the ‘equal right to be recognised as unequal’, or to abolish them in the name of a right to ‘a qualification adequate to any kind of job training’.

The same ambiguity regarding the scope and form of educational reform pervades much of the work done in the 1970s and 80s on the theme of educational inequality and the notion of ability. The value of this work is, it seems to me, unquestionable. It shows statistical correlations between the inequality of educational outcomes and inequalities in students’ social origins. Sometimes it goes further in suggesting that the responsibility for this correlation lies with schools which test students for aptitudes acquired outside the school environment, and in particular for what is sometimes called ‘cultural capital’—aptitudes derived from privileged social backgrounds.

The interesting thing about these findings, however, is that in principle they are compatible with both Marshall’s and Hannan’s positions—but only under different interpretations and oriented to different ends. From Marshall’s perspective...the link between educational outcomes and students’ social backgrounds is an indication of the distance that the education system has still to travel to reach its meritocratic objective: to detach the unequal outcomes of education from inherited inequalities of status and prestige, and to link them instead to unequal scholastic performance. For Hannan, though, the same findings have a quite different significance. The linkage of different ability levels to unequal social outcomes is unacceptable per se:

All selective devices of the HSC [the old Victorian Higher School Certificate] or aptitude test kind imply that some are more entitled to privilege than others, and they will continue to do so as long as higher education continues to admit people to privileged positions. I don’t think anyone bothers to deny this. On the contrary, it is offered as the reason for remaining exclusive—that the prospect of privilege must irresistibly attract the most talented. So, because I want to argue against education’s being thus identified with social privilege, I must argue against all selective devices based on academic merit however that may be measured.

Not all progressive educationists, however, are as uncompromising as Hannan appears to be. Typically, those who point to the links between unequal social backgrounds and unequal educational outcomes do not specify which of the two interpretations governs their analysis. Is the link an indication that any education system that selects students for unequal social destinations is intrinsically unjust—so that the very notion of different ability levels is an ideological mask for the reproduction of class differences? Or is it a sign that more needs to be done to detach the formation and assessment of scholastic aptitudes from social origins, before the unequal rewards of education become socially just?

In fact, this is something about which Hannan himself is uncertain. Indeed, his apparently uncompromising last quotation continues by hesitating between precisely these two interpretations: “I would prefer to argue that a just society would not countenance or cultivate privilege, but at the very least, I would argue that education in a just society should not be tied to the prevailing system of social privilege”.

To oscillate between the abolition and the reform of the system of social selection is no small ambivalence. This ambiguity, which has deep historical and social roots, is a source of significant instability and incoherence in public thinking about education. As Hannan comments, no-one denies that in the actually existing education system scholastic assessment functions to select students for unequal social destinations. Yet a significant number of teachers and administrators claim to reject this function in the name of universal qualification. In the case of administrators this amounts to a disavowal of the system whose conscientious supervision remains their professional responsibility.

Of course, this professional responsibility is disavowed only in the name of a higher calling. Progressive officials see their conduct as governed by the demands of cultural equality and social justice. Yet there are, I would argue, prima facie grounds for doubting the adequacy of this self-perceived role. In the first place, it ignores the fact that in speaking for ‘the equal right to be recognised as unequal’, Marshall is also speaking in the name of social privilege. Marshall is not defending scholastic ability testing in the name of ‘excellence’ or ‘cultural standards’ but as a (admittedly imperfect) means of eliminating ‘hereditary privilege’ from the legitimately unequal distribution of ‘social rights’ presided over by the school system. Second, it is not at all clear that the goal governing progressivist proposals to ‘democratise’ education—the goal of universal qualification—is practicable or indeed makes sense within the values and structures of historically existing school systems. If this is the case, then the disavowal of professional responsibility for the administration of this system—purportedly at the behest of a higher democratic calling—may very well simply mean a rejection of the very values and techniques that give legitimacy to the professional conduct of educationists.

It is not difficult to detect the point at which progressive officials disavow the system that they help administer. It occurs when an intellectual and ethical commitment is made to an educational process that is held to be more fundamental, broader, less utilitarian, or more organic than the actual methods of the historically existing school system. Since the Romantics the notion of ‘culture’ has signified the idea that human beings are formed by a wider process of ‘education’ far more profound than anything achieved by mere school systems. And insofar as they invoke this process as the basis of a fundamental critique of the school system, progressive officials are adopting the oppositionalist ethic of the ‘cultural intellectual’. It is only
against the backdrop of this commitment to culture that Hannan can denounce the artificial character of mere 'schooling'.

Education is a quality to which every person is born. From their first observable moments, people learn. In their first few years, they learn prodigiously, I believe in the unalterable right to preserve the extraordinary gifts they are born with, but I observe that our society, mainly through its schools, often deprives them of it by making them dependent on school-concocted substitutes...[and ultimately] to a certificate that is given or withheld for the sake of a single mark in several hundred.

In Hannan's case this critique has, as this quotation indicates, an individualist and humanist character. But this is not its essential feature. Hannan sees culture as residing in the untutored child. Yet others, ostensibly more sociological and historical, equally easily locate it in the working class, Third World peasants, women—in short, in any group whose moral aura makes it into a plausible bearer of that supposedly 'organic' or 'authentic' process of development which, we are told, lies beneath the planned process of development administered by the school system.

I have formulated the issue in this somewhat roundabout way in order to pre-empt a particular understanding of the situation. It is often held that this goal of complete human development represents an ideal that the actually existing school system can be condemned (or praised) for approximating to some degree. I want to suggest, on the contrary, that this image of complete human development, far from being a universal truth, is itself merely a mundane reality in a department of existence (humanist ethics) which, while connected to the ethos of the modern school system, possesses no inherent ethical superiority over it. If this is the case then the claim that 'Universal schooling should qualify universally' indicates a serious misunderstanding of the organisation, character and functions of modern school systems. Cultural intellectuals condemn such systems for their alleged 'failure' to achieve the complete development of the person. The argument I have sketched here might suggest, on the contrary, a failure on the part of the cultural intellectuals and progressive officials to understand the distinctions between the different departments of existence traversed in the course of their own personal and public lives.

Needless to say here I am only sketching the outline of an argument towards such conclusions. Nonetheless there are several key features of modern school systems that might render such an argument plausible. The following summary of these features is offered as goad to further debate.

i) The limited and particular character of human capacities and rights. This is partly a question of which end of the historical telescope one looks down. Looked at from the end of the cultural intellectual, the capacities and rights made available by modern school systems can never be anything more than fragments of the complete set promised by 'authentic' cultural development.

Seen from Marshall's perspective, however, these capacities and rights represent important instruments for making more homogeneous the previously disparate modes of existence and social strata of pre-modern societies. According to Marshall, pre-administrative societies are characterised by disparate social strata whose unconnected ways of living give them the character of 'islands' of ethical, social and political existence. It is anachronistic to call such societies unequal, for there is as yet no common standard of living against which inequalities might be registered. When such a standard does start to emerge, according to Marshall, it is not from a single general source or along a single line of historical development ('culture'). Instead it emerges in a piecemeal fashion as a result of the historical expansion of specific forms of social administration: the common law system (civil rights); the parliamentary-electoral system (political rights); the welfare system (social rights). These systems penetrate those previously discrete islands of social existence, joining their inhabitants via the device of standardised rights and capacities, and creating the possibility for new kinds of equality and inequality to emerge against the backdrop of a common standard of living.

This account doesn't conceive of these different lines of development meeting at the end of history in a form of a
complete, fulfilled humanity. On the contrary, the different rights, and their different logics, may often cross-cut and contradict each other. It is meaningless, therefore, to expect such a system to promote equal access to a complete set of human capacities or to condemn it for 'failing' to do so.

ii) The governmental function of modern school systems. Modern school systems are the instruments of a particular type of political administration. Yet, ironically, this fundamentally political character of modern education systems has been obscured by forms of thinking whose official objective has been to uncover a 'hidden' politics of education—a way of thinking common to Marxism and to the culturist approach, both of which tend to reduce the operation of school systems to the reflection of social processes operating elsewhere.

But the politically organised school systems that emerged in late eighteenth-century Germany and early nineteenth-century England were at once too historically specific and too self-contained to fit passively into this model of education in society. The idea that national populations should be educated, and that this was a task for the state, emerged not from the grand dialectic of culture and class but from the political and intellectual techniques of a new type of national government. Thinkers such as Michel Foucault have located these techniques in the systems of state policymaking, social statistics, economic management and social discipline that emerged in various eighteenth and nineteenth-century states. It was inside these new administrative environments and mentalities that education systems were conceived as instruments for the administrative creation of literate, healthy, productive, orderly and complete, fulfilled humanity. On the contrary, the different social and scholastic abilities formed by the modern school system are thus differentiated and unequal; the right they confer, in Marshall's words, is 'the equal right to be recognised as unequal'. School systems in social democratic states thus obtain their legitimacy not by promising equal outcomes but by aiming to free the distribution of social rights from earlier systems based on the transmission of inherited cultural and economic wealth.

Whether in democratic or non-democratic states, modern education systems treat national populations not as the possessors of political rights but as the objects of planned care and attention. When progressive educators propose to 'democratise' the school system they typically have one or both of two interrelated strategies in view. They may aim to bring the structure and logic of schooling within the sphere of popular control (through voting or collective decision-making) so that the population may rationally decide its own cultural formation. Alternatively, they may aim to treat the social qualifications unequally distributed by schools as democratic rights open to all, usually by abandoning ranked assessment and attempting to isolate schools from occupational and higher academic selection processes.

Two features of the technical character of educational thinking and decision-making suggest that such strategies are at least impracticable and possibly meaningless. First, when the early educational administrators took up their positions they did not do so as representatives of Locke's 'rational man'—that is to say, as people in possession of a universal faculty of reason which would enable them to share that expertise and authority with the whole population. Rather, they did so, we have already noted, as the exponents of a specialised set of political and intellectual techniques. There is no reason to think that these techniques might be appropriately vested in collective community decision-making.

Modern school systems are the political creations of the modern state

Second, the technical organisation of the school system means that the social rights and capacities it engenders belong to a different sphere of reality to the political rights engendered by the parliamentary political system. The techniques utilised by the school system are intended to enable children to internalise standards of social deportment and scholastic performance. While the national distribution of these standards creates a new uniformity for personhood, their technical effect is to create a far more sensitive and sophisticated registration of differences. The social and scholastic abilities formed by the modern school system are thus differentiated and unequal; the right they confer, in Marshall's words, is 'the equal right to be recognised as unequal'. School systems in social democratic states thus obtain their legitimacy not by promising equal outcomes but by aiming to free the distribution of social rights from earlier systems based on the transmission of inherited cultural and economic wealth.

(iv) The ambivalence of progressivist educational policy. Working with their hands on the levers of social differentiation and their eyes on the image of complete development, it is hardly surprising that progressive officials have developed policy initiatives characterised by a deep ambivalence. Indeed, this ambivalence is responsible for the most remarkable feature of public educational debate: its unstable—in some cases almost schizoid—oscillation between technical planning and cultural critique, between administrative engagement and aesthetic disavowal.

Consider some of the more notable recent policy initiatives in Australian secondary school systems. Two interrelated developments stand out in particular: the move to treat secondary education as a 'phase in its own right' by disen­

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and the credentialling requirements of occupations; and the
development of non-competitive descriptive student profiles, as a substitute for graded assessment structures. For their proponents these developments are the expression of an egalitarian humanism, and signify the opening up of culture to the people and the return of the education system to democratic control. This is the way Hannan interprets such policies—which he has helped to implement in the new Victorian VCE.

As I see it, the argument against ‘grading’ is that selective schooling, which is necessarily competitive and hierarchical (with a strong social class bias), is in contradiction to democratic schooling. Democratic schooling, by definition, opens up a certain range of cultural awareness and control to the whole people. Selective schooling reserves access to this same knowledge to certain groups. Grading comes into the argument because various techniques of grading schools or students are the institutional way of being socially and culturally selective.

It is not difficult to show that this interpretation of the new policies does not take us very far into their reality. In the first place, as technical modifications to a system of government it is clear that such policies will not and cannot be implemented by popular plebiscite. And indeed at this point the ‘progressive’ side of the progressive official abruptly drops from sight and we are confronted by an unelected functionary enforcing expert policy via administrative fiat. The change in Hannan’s political demeanour is quite startling:

What we should be working at now is outlawing graded assessments in the period of compulsory schooling. It is not enough, in my opinion, to advocate school based decision-making with the pious expectation that school communities will make selfless, democratic decisions. Some decisions must be constrained by public policy.

In fact the arguments I have assembled here go to support Hannan’s last statement. Non-elected experts and officials must indeed make decisions for populations in complex governmentally administered nation states. It is self-deluding, however, to call these ‘democratic decisions’, or to imagine that under such circumstances administrators speak for the ‘whole people’ in some higher sense. In other words, the policy of non-graded non-selective assessments is ‘democratic’ only in the imagination of the cultural critics, where it signifies equal access to complete development. As a technical modification to a technical system of cultural formation, however, it is in fact incapable of democratic decision and control.

It is not, then, the non-democratic character of this policy that is a problem. What is a problem is that the progressive official should claim a democratic mandate for his or her initiative while simultaneously insisting that, as a matter of ‘public policy’, it cannot be left to the decision of school communities.

This suggests some of the dangers inherent in the position of progressivist offici­aldom. In claiming their mandate from an inessential ‘democratic culture’, progressive officials disavow the very constraints capable of rendering the constraints of technical and ethical competence imposed by membership of a profession.

In short, the Romantic-democratic critique of the actual school system leads many educational professionals into a delusive understanding of their civic role. However, it also has a more practical effect—it leaves their public intellectual conduct lacking in restraint and consistency. The unstable compound of cultural critique and technical expertise from which educational progressives shape their social personalities often leads to moral self-aggrandisement and civic irresponsibility.

Perhaps it is unfair to recall that during the 1970s Hannan used the pages of the VSTA’s official journal to advocate replacing the Victorian Higher School Certificate with a ballot for university places. Still, this proposal cannot be treated as pure jeux d’esprit. It is after all quite consistent with a particular interpretation and use of the system of non-graded descriptive student profiles—an interpretation which treats the non-graded system as a means of evading the processes of academic selection.

The technique of descriptive student profiles is not, however, limited to this culturalist interpretation. In Queensland, for instance, this technique has been used to refine the system of graded assessment and social selection to very different ends. In this use, descriptive profiling is used to identify a distinctive capacity for a particular professional vocation. The intention here is not to disavow the ranking of abilities in the name of complete human development; rather it is to clarify the standards of ability involved in this process with a view to purging those not clearly transmitted by the school system.

This professional objective (imperfectly realised as it is) leads towards the realisation of a social right—not the right of equal access to complete human development, but the right of students to attain unequal social and occupational status on the basis of demonstrated differences in their scholastic abilities.

Few educational professionals would disagree with this description of the role of the actually existing education system. Many, however, are anxious that this role, and the rights it confers, are at best a partial realisation, and at worst a complete debasement, of the ideal of complete human development which they mostly continue to hold dear.

I’ve tried to argue here that the use of this ideal as the basis for a critique of the school system is always practically ineffective, and often self-delusive. In doing so I hope to have provided some degree of therapy for this anxiety.

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On our SELECTION

Simon Marginson responds that while the old ‘progressive’ orthodoxies in education may be threadbare, the Left’s opposition to selection is still a valid one.

Ian Hunter’s work is always valuable because it is novel, it is carefully thought through and it is generative. It makes us think. We do not have to agree with his political assumptions or conclusions in order to draw value from what he has written.

However, I disagree with his article above. I don’t think that Ian has succeeded in laying to rest the education politics of equality of the 1970s and 1980s, although he has uncovered some limitations and weaknesses. Nor has he succeeded in justifying what he sees as the alternative: the meritocratic practices of grading, sorting and selecting in education, which were the unquestioned orthodoxy of the 1950s and most of the 1960s, and still dominate the education system.

Hunter sees the demand for equality in education in narrow terms, as the demand for “equality of qualification”, a refusal by teachers to engage in these practices of grading and selecting to the extent that limits are placed on what students can do after they leave education. This has been an important form of educational equality, but it is not the only form.

Equality in education can also be understood in terms of equality of respect; the refusal to work within the framework of hierarchies and domination/subordination (or in its softer version, the modification of traditional educational authority). It can also be understood in more conventional political terms as equal rights of citizenship. Hunter’s article largely neglects these aspects of equality.

Hunter discerns a “structural ambivalence” in progressivist education policy. He says that there has been a vacillation between two contradictory goals: the complete
development of each student, and the improvement of the techniques of educational selection to make selection more fair and accurate.

Some reformers have wanted to get rid of the selective functions of education altogether, because selection prevents at least some students—and arguably, all students—from achieving “complete development”. Hunter mentions the claim that educational selection is implicated in the creation of social privileges. Another and related claim is that it always tends to discriminate against the socially ‘disadvantaged’.

In the politics of upper secondary education those voices demanding abolition of selection have been joined to a larger group who share Hunter’s own goal (as expressed here by T H Marshall) of wanting to “purge” educational selection of all “inexplicit social residues” in order to “free the distribution of social rights from earlier systems based on the transmission of inherited cultural and economic wealth”—in other words, to refine educational selection so as to establish a ‘fair’ system.

I think he is right about the existence of this ambivalence between abolition of selection and reform of selection, although, as I shall argue, he has defined the case for abolition too narrowly. The Victorian Certificate of Education (VCE) embodies this ambivalence. It wants to treat every student in much the same way and on equal terms, and it would like students from all social groups to succeed equally well, but it also provides a raft of detailed information about each student, enabling employers and universities to differentiate and discriminate more precisely than under the old HSC.

I would argue that, while the ambiguity of the radical position helped to provide a wide political base for the egalitarians, it was to catch them out in the end. It robbed the pressure for the abolition of selection of any coherence and consistency, and it also confused the moderates. There was never an agreed benchmark or measure with which to demonstrate with precision the distance between the status quo, and a ‘fair and neutral’ system, that remained to be travelled. And the ‘fair and neutral’ system was never clearly defined.

Hunter associates the demand for the abolition of selection with a rhetoric of “the cultural development of humanity” in which the role of education is to release the true nature of the individual (in Hannan’s words, “to preserve the extraordinary gifts they are born with”) in a process of total and integrated development. In relation to this idea, any selection, by definition, can only be stultifying.

Hunter is right to link this vision to the ideal of universal humanity, to the desire of humanist intellectuals to project their “caste practice” as the essence of education. Where I think that Hunter is seriously wrong is in his belief that this argument in itself constitutes a sufficient dismissal of the opposition to educational selection.

This point is vital. Hunter’s renunciation of reform, his slide back to the status quo (“the right of students to enter unequal social and occupational statuses on the basis of demonstrated differences in their scholastic abilities”) depends on the assumption that there are only two possible positions: an opposition to educational selection that derives from ideas about human essences and total development, or the willing acceptance of selection modified only by some fine-tuning of the techniques.

Hunter strengthens the case in favour of selection by drawing the opposition to selection in narrow terms. This is a ‘straw man’ argument. He implies that all of the criticisms of educational selection are contained within the humanist rhetoric about total development. But I don’t think that rhetoric is sufficient to contain all even of Hannan’s argument, let alone all possible arguments.

There are also positions in this debate other than the ones cited in Hunter’s quotes from Hannan. The opposition to educational selection of the terminating kind—in other words, selection that cuts off the future options of some students—has often sprung from ideas about universal participation in education, and empowerment through education. For example, at least three further reasons to oppose this form of educational selection can be advanced.
First, it can be argued that the social and cultural biases in the techniques of educational selection are not technical blips capable of being removed by a more 'scientific', vigilant or honest approach. Rather, these biases are fundamental to any processes of this type and, as such, cannot be eradicated.

Second, it can be argued that power exercised by educators—the power to terminate a student's progress towards a wide range of occupations, and the income and status benefits that follow—is an illegitimate one.

Third, managed competition in education draws much of its rationale and its form from nineteenth century social Darwinism which was influential at the time that the universal systems of elementary public education were being established. This educational competition specifically links educational performance to high levels of individual student anxiety. This is barbaric, and it has not been satisfactorily demonstrated that it improves performance, scholastic or otherwise.

Now some brief comments on the first two of these points. Hunter talks about the concern that "the procedures of assessment and selection are not fulfilling their technical ends; for example because they are assessing students on the basis of inherited cultural style rather than trained scholastic abilities". He says that the unequal outcomes of education should be based on "unequal scholastic performance"—"purged" of those measures of ability "not explicitly transmitted by the school system". Once this process of "purging" is complete we will then have genuine equality of opportunity, the career open to the (trained) talents.

If only it were so easy. Hunter has skipped over the sorry history of all of the efforts to construct such a fair educational competition. It has proved not only difficult, but impossible.

Despite successive waves of education reform in the 1950s and 1960s, the Whitlam tertiary education reforms in the 1970s, and the increase in tertiary education participation in the 1980s and 1990s, obvious inequalities of outcome by social group remain. Students from more affluent homes continue to display the most "ability". In national-cultural terms, anglo-celtic students continue to perform best in school subjects heavily reliant on the use of language. Of course, inequalities have not stayed the same. For example, to the extent that they were influenced by socio-economic factors, the social group inequalities in education were reduced by the abolition of fees and the introduction of student allowances. But the problem of unfair selection remained.

The clear conclusion from this experience is that social biases in academic achievement can be modified, but they cannot be eradicated. Even the abolition of the schools set up to concentrate educational privileges—the elite private schools—could not do that (although it would help). Bias in selection would remain because the educational competition is conducted in terms of a "common culture" which is native to some social groups but not others. Students learn and are examined in the terms of a common middle class anglo-Australian culture. It is inevitable that a common culture will begin from particular groups. It does not come out of the blue. (This is one of the problems facing egalitarian reformers who argue for such a common culture.)

Thus, while educational success itself comes normally to the anglo-celtic child from the affluent private school, for others even success may be bought at a high price. Because they set out to create standards, schools can fragment identities and marginalise whole cultures. In the form of multiple curricula, multiculturalism is one way through, but it makes 'objective' educational selection more difficult because the different groups of students are being examined with differing criteria. Hunter's article does not have a sense of these problems.

The strength of Hunter's portrait of the education profession is that he emphasises that its role cannot be reduced to 'broader forces', whether economic or cultural. Education is one of the institutions that makes culture and society. What is surprising is his complacency about the exercise of this power.
Hunter describes the history and development of the educational professions in terms of "the technical character of educational thinking and organisation". The role of teachers has been to manage the population and to allocate it to different social destinations. The implication is that it is 'unrealistic' to consider removing the function of selection.

I have little quarrel with the history as Hunter has outlined it. But it is possible to ask whether the fates of the population should be assigned in this way. Is it enough simply to say 'that is the way things are' as Hunter seems to do? This method of argument is, to say the least, politically disabling. It does not at all follow that because particular forms of educational selection have been used in the past that they will continue to be used in the future.

Further, it can be argued that, ethically, the power of educational professionals over the social futures of 'their' students is repugnant. Like some other powers which have now passed away, it would be better if it was not exercised, and education was organised in a different way, with objectives other than selection made more prominent in its business.

For example, selection into work could be carried out by employers and perhaps also at the point of entry into post-graduate vocational training. The functions of social selection would no longer be masked by liberal educational discourse. Their specific mechanics would be more clearly revealed. Employers would be forced to take responsibility for selection decisions.

As Hunter notes, egalitarian reformers have sought to modify the professional power of educators by the democratisation of schooling, the introduction of mechanisms of decision-making "to bring the formative structure and logic of schooling within the sphere of popular control". He does not encourage such efforts. His argument is that the "specific set of political and intellectual technologies" in education, and the "technical organisation of the school system", may not be compatible with democratic procedures or democratic assumptions about equal rights. Differentiation between people is compatible with inequality, but not with equality.

Of course, an education system dominated by administrative techniques is not conducive to democratic procedures. The point of democratisation is to modify substantially the role of the traditional school and system administration, and classroom management. Hunter's description of the profession shows why it is difficult to bring about democratic reforms in education. He does not show that they are impossible.

As Hunter's account shows, the limited outlook of the egalitarian reformers may be one of the obstacles. He cites Hannan's statement that egalitarian reforms "cannot be left to the decision of school communities". As Hunter says, this is scarcely compatible with an argument for democratisation. In that respect, the old progressivism (like leninism) has been contradictory, forced to rely on the insupportable claim that it knows the 'real' popular interests better than the people in whose name it acts. This may help to explain the political isolation in which the VCE-driving Victorian government now finds itself.

However, there is no necessary contradiction between educational egalitarianism and democracy. The recent history of school reform illustrates that parents who become closely involved in the running of local schools are often inclined to support egalitarian changes to grading and selection.

The role of the educational profession as outlined by Hunter is now being modified by two radically different and often opposing forms of 'user' or 'consumer' power. There is the politics of local involvement in decision-making (especially in Victoria, SA and the ACT). There is also the market economics of Friedman and Hewson. Payment of fees would enable the would-be university student to circumvent the rigours of academic selection. In their different ways both the market and democratic politics are implicated in the question of equality, even though they tend to produce very different notions of 'fairness' and 'equal chances' from those produced by the techniques of educational selection.

Hunter's article is characteristically incisive. It is unfortunate that he has been so selective. He has concentrated on taking apart the radical egalitarian position. Rather than developing another left position, one more suited to the times perhaps, he has given us the old 1950s goals of equality of opportunity and a fair selection system. Yet I believe that the idea of an objective or neutral educational selection is no longer convincing. It is now widely understood that, with the best will in the world, educational ability and educational selection are subjective, arbitrary and even corruptible.

The selection of students for occupational and social destinations is neither inevitable in its present form, nor is it, as he implies, something that is relatively unproblematic. It contains political and ethical problems that need to be faced. There is never any shortage of reasons for turning away from egalitarian goals and winding back to the status quo. But a return to the status quo solves nothing except, sometimes, our own personal and individual dilemmas about survival.

This does not mean that we must implement our own individual 'liberated zones' in education, free of the baleful influence of selection and competition, etc. Another lesson of the 1970s is that this approach is not effective. The problems raised by the question of educational selection cannot be dealt with through the decisions of single individuals working in the professional sphere, and need once again to be made the object of a collective and political practice. There is little to be gained from individual bad conscience, except therapy.

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The conventional political picture has a spectrum Left to Right, 'collectivism' to 'individualism'. Carol Bacchi claims the picture is of little use for feminists. Both 'collectivism' and 'individualism' have their problems and their possibilities.

The major organising principles for political analysis, both in Australia and overseas, are based on economic categories. Our 'ideologies' (used descriptively here to refer to packages of political beliefs usually portrayed as fixed and consistent), revolve around disputes about whether 'society' is better served by allowing 'individuals' to compete, or whether some form of collective provision is desirable. In one or other countries at different times, the pendulum is said to have swung towards the 'individualist' or 'collectivist' end of the spectrum. And we all know that 'collectivism' is on the wane worldwide right now.

The major political actors in this drama (and I am using 'acting' metaphors deliberately, knowing Shakespeare would understand) have historically been 'classes', though everyone admits these are becoming harder and harder to identify. More commonly, there is reference to 'employers',

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unions', and the 'state'. In 'liberal' countries the 'free market' reigns and in socialist ones we used to have 'administered economies'.

I am not disputing some correspondence between these terms and the economic systems described; I am emphasising how this way of describing social and political life has formed the background of political analysis to date. The dominant ideological categories have been liberalism or socialism or something in between. The ends of the ideological spectrum have been labelled individualism and collectivism, and regimes are characterised along this continuum.

Women's needs then have been interpreted within this ideological spectrum. And, in certain cases at certain times, women have made some gains. It is clear, for example, that middle-class women at the end of the nineteenth century in countries which espoused a commitment to 'individual rights' (i.e. most Western democracies) were able to claim access to these 'rights' as 'individuals'. It took time and the battle was necessary and worthwhile.

There were sticking points, however, which indicated the kinds of problems which came up when women demanded access to existing categories. Some could see that single women certainly had a claim to political representation. But married women? Were they not already represented through their husbands? Since representation had been tied to property and since married women's property became their husbands' on marriage, on what grounds could they be enfranchised? We now know that the resolution was to extend individual property ownership to married women and so the vote was won.

Women now possessed individual 'rights' identical to men. The fact that most women continued to fill the role of wife and mother and that this meant less time to exercise these 'rights' was not addressed. Nor was the fact that the threat of physical violence within and outside the home imposed constraints on any meaningful exercise of 'rights'.

On the other side, in regimes where the state assumed greater responsibility for the economic welfare of its citizens, women had other successes. The most obvious here have been social supports for maternity, in particular paid maternity leave of some variety. Women gained these benefits as a by-product of an approach to community welfare which emphasised national health and efficiency. Here they were not 'individuals' but 'reproducers' of 'manpower'. Where this has been the case, the claim by women to some form of independent existence has been difficult to make. Women are either 'individuals' and their maternity is ignored, or they are mothers and their 'individuality' is downplayed.

The next point, and it is a key one, is that these ideologies are more ambiguous in their implications for women than the theory contends. It is a too easy assumption that a country with a more progressive political ideology, committed to a greater social equality, will necessarily deal successfully with gender inequality. In fact, the commitment to the former can undermine the latter. The conviction that the only important social groups are classes and that social equality means only a redistribution of wealth among them leaves women and some of their problems, in particular their stigmatisation and terrorisation, invisible.

None of this is meant to imply that countries which hesitantly grant women group status and admit through legislative recognition that violence impedes their individual
growth offer an ideal world. As stated at the outset, the problem is the way in which women are offered either/or choices where neither on its own is adequate.

Moreover, these contrasting ideologies are themselves tools in political debate and as such actively construct the conceptual terrain within which political battles take place. The conceptual territory has been occupied and women are forced to wage ideological skirmishes on that terrain (the military metaphors are here intended). When 'sexual equality' comes onto the political agenda, therefore, it is always already delimited in particular ways.

This proposition needs to be pursued by identifying the approaches taken to sexual equality in different political regimes and circumstances, teasing out the meanings behind these approaches and the way in which they are actively pursued in policy. Why did sexual equality come onto the political agenda, what explanations were offered to explain the problem and what were the repercussions of adopting each particular explanation? A few examples of the kind of analysis I am suggesting will be offered here.

The most common and widespread explanation of women's disadvantage to emerge in the 1960s with the resurgence of Western feminism was sex role theory. In brief this was an adaptation of socialisation theory which said that people behaved in particular ways because they were brought up to behave in those ways. The education system, representation in the media, and the attitudes of parents combined to encourage boys to pursue careers and girls to plan on motherhood. People were more or less 'trapped' within these roles and the way to offer women more opportunities was to challenge them through non-sexist literature and a more open education.

Now this explanation of affairs was eagerly accepted by many feminists of most ideological persuasions. The reason was obvious. Until that time women had had to contend with the proposition that their destiny was biologically determined. Sex role theory at least opened up the chance for change!

What is interesting here is to see how this theory came to be understood in contrasting political regimes—regimes, that is to say, at very different points of the 'spectrum' between collectivism and individualism. Here my examples are America and Sweden. What is most significant, perhaps—and will hopefully become apparent as my analysis proceeds—is the way in which many of the same problems occur in the sex equality and other professedly pro-women's legislation and institutions in the two countries, regardless of their different ideological underpinnings. At the same time, while the 'more individualistic' approach has severe drawbacks in terms of social provision and welfare for women, the 'more collectivist' approach, with its emphasis on social solidarity and cooperation, tends to blur over the real sites of conflict between men and women as individuals. Neither ideology, in other words, is unambiguously 'good' or 'bad' for women.

In America, sex roles were described as unnatural constraints on 'individual' behaviour. This, it was explained, could not be a good thing since each woman should have the 'opportunity' to explore her 'individual' potential. It was assumed that most men already had this 'opportunity'. The understanding then was that no evil was involved in women's inequality and there was no real need to address women's problems as a group. All that was required was to loosen up the ideological constraints to allow women to follow their individual paths to 'success'.

Sex role theory was and continues to be even more popular in Sweden, a country which until recently has been dominated by social democratic governments. Social democracy, many would agree, is a little difficult to place on the individualism-collectivism continuum. It is certainly clear, for example, that alongside the willingness to use the state to provide an extensive system of welfare, social democracy makes a strong rhetorical commitment to individual development. Sex role theory was popular therefore for reasons similar to those in America since it promised to free people to explore that potential.

There was an added twist to the way in which sex role theory came to be discussed there, however. The Swedish model has been described as one based upon consensus, not conflict, co-operation, not confrontation. Here, appropriately, it was emphasised that men as well as women were trapped in constricting roles—that men should be freer to choose to spend more time with their children, for example. The broadening of sex roles, it was explained, would benefit everyone.

The tone in the explanation is conciliatory. There is no suggestion that men would have any reason to oppose the eradication of sexual equality since there would be no losers. The message was nicely captured in the title of a government publication endorsing sexual equality—Side by Side (1985).

In America, sex role theory was interpreted as a means of releasing individual creativity; in Sweden it was seen as contributing to solidarity. In neither place were the specific problems faced by women and the complex reasons for these given adequate attention.

The logical flow-on from sex role analysis was gender-neutral language, and this appeared both in America and in Sweden. In America the promises of formal, procedural equality were extended to women as well as men, through the introduction of civil rights legislation which meant that the law would now be race and sex 'blind'. In Sweden, equality legislation was pushed through by the bourgeois parties, stipulating that "...the aim of this Act is to promote the equality between men and women in respect of employment, conditions of employment and opportunities for development in employment (equality at work') (1980). Attempts by feminists to have some verbal acknowledgment in the legislation that women were the ones facing discrimination failed.
Sex role theory and gender-neutral language allowed women’s issues to be seen to be dealt with, while severely limiting the kinds of reforms which were proposed. In America, individualistic rhetoric left women as ‘individuals’; in Sweden, the rhetoric of consensus and solidarity left them ‘side by side’ with men.

In America, women as a category were tackled onto civil rights legislation designed originally to placate civil rights activists campaigning on behalf of blacks as a category. The amendment to the 1964 Civil Rights Bill extending its provisions to women was proposed by a southerner who felt that the addition of gender would lead to the bill’s defeat. The defence of legislation targeting groups, which became grounds for the introduction of affirmative action, was mounted within the constraints of an ‘individualistic’ commitment to equal opportunity. The argument was that the offer of equal opportunity was meaningless if a group is stigmatised and that group identity clouds their individual chances of success. More recently, the political climate, determined by particular political actors, has swung against that interpretation.

In Sweden, demands for positive action for women are vigorously resisted, despite the theoretical presumption that a more interventionist/collectivist regime would be more willing to institute reforms aimed at ‘equality of result’. The strength of the corporatist model there, with employers and unions the primary social actors, meant that, when equality legislation was introduced, it specified that requirements for positive action for equality only be monitored and evaluated by the government if no collective agreement on the matter existed. Positive action is also described as confrontationist, undermining the consensus model. And these arguments are often supplemented by a claim, familiar to those of us in less ‘collectivist’ regimes, that merit is what counts and that merit is easily, objectively ascertainable. Arguments are hauled out from different and seemingly opposed ideologies to protect the social sexual status quo.

‘Sexual liberation’ was another catch-phrase popular in the 60s. In both America and Sweden there was a diminishing of the taboo against sexuality, though Sweden was reputed to be making the running in this domain. In both places the notion was tied to the idea of individual development which ideally would now be available to both women and men. The double moral standard was declared obsolete and women granted the ‘freedom’ to explore their sexual natures.

Women were able, as in previous periods, to use this political opening to make some gains. So, in America, the ‘right’ to abortion was won in Roe v. Wade as part of a woman’s ‘individual’ ‘right’ to ‘privacy’. Swedish women had an even easier time securing access to abortion as a necessary corollary to their new sexual ‘freedom’. Contraceptive ‘rights’ were also expanded in both countries.

Particular cultural and political factors, however, affected and continue to affect the meaning of sexual liberation for women. In America the influence of the Evangelical Right means that some issues, such as abortion, continually recur on the political agenda. In Sweden, the move to reduce criminal penalties and the belief that men and women share the responsibility for sexual acts resulted in a reform commission recommendation in 1976 that the woman’s actions ought to be taken into account when considering the seriousness of the offence of rape. For example, if a woman followed a man home, she would, under the proposal, be held partially responsible for the assault.

The new ‘relaxed’ attitude to sexuality compounded the problem of pornography and made it difficult for women to challenge it without appearing to be ‘prudes’. This is true both in Sweden and in America. And in both countries the issue is debated in terms of ‘freedom’ of the press, rather than the effects upon women. In America the problem is exacerbated by having this freedom enshrined in the Constitution in a culture where constitutionality is next to godliness.

It has been easier to raise issues of violence against women in America, partly because it is possible to argue that violence constrains women’s access to freedom and individual development. In Sweden, by contrast, the emphasis on consensus and co-operation has created an environment where it is difficult to broach the subjects of sexual harassment and domestic violence. These issues have also been given a low priority because sexual equality is seen primarily as a labour market issue, given the need for an increased birth rate and increased female labour force participation.

On one side of the ocean ‘classical liberalism’ is used to curtail a whole range of reforms which women need; on the other side ‘social democracy’ throws up a different array of obstacles. In each case ideological principles become tools to shape the discourse in ways which put out of bounds issues which have to be addressed.

What does this mean insofar as strategy is concerned? Clearly, women need to take their chances where they find them, exploiting the cracks and fissures in the respective political settings. And, as in the past, this will include the tactic of demanding reforms which fit within the declared ideological commitment, be it to individual rights or community welfare.

There is also a conceptual battle to be waged, however. Feminists need to point out how women’s demands illustrate the inadequacy of available analytic precepts. They also need to recognise and remember that, when feminists appear to be in dispute or in disagreement, or when they find themselves puzzling over why it seems impossible to decide between the pursuit of ‘rights’ or recognition of maternal needs, it is not feminists or women who are at fault. As long as women remain an afterthought in political theory and in the political arena, these sorts of dilemmas will arise. The chief demand therefore is for a reworking of the conceptual landscape to include women as social actors.

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How long have you been writing about HIV and AIDS?

Let me go back to the beginning. I spent about 20 years as a journalist and documentary maker, mainly at the ABC. In 1987-88 I made a series of short films for the ABC which went under the title of "celebrations"; one of those was on the 1988 Mardi Gras—one of whom was Dr Ralph Deacon, an AIDS doctor with AIDS who died about 18 months ago. After over 20 years of making pretty little films about things that didn't really concern me or the people I was to some degree expert in, it was a very great release. About a year after that, in early 1989, I left the ABC to become editor of the gay community newspaper the Sydney Star Observer; it was then I found out I was HIV positive myself. From then on of course I have been writing about AIDS and have been fairly heavily involved in the gay and AIDS communities.

You've become quite a specialist in it.

I was able to break the nexus between income and work, which enabled me to do things without getting paid a living wage for them. For eighteen months after I left the Star in early 1990 I was freelancing. That involved a lot of stories for the Sydney Morning Herald and for the ABC. Freelancing doesn't pay a living wage, but my lover had a job which kept us, and the house and car were paid for, so I was able to afford the luxury of doing what I wanted to do and what I felt I was best at—and what you're best at isn't necessarily what you're going to be paid for.

I was writing about the gay community, and the two things I found myself writing about were violence and AIDS. They were the two really strong ongoing issues. As time went on, more and more I was writing about AIDS. Violence against gays has been around for a long long while, and even though there were five gay murders in Sydney in 1990, that is a very small number of deaths compared to the numbers of deaths there were from AIDS in that time. So clearly AIDS was the issue. I felt when I got involved in the Star that the gay community needed good journalism, probably more than any other community in the country, and if I've got any ability to help provide that, then I should.

Why did you feel journalism was so important?

Because I believe that journalism is useful. Without information one is powerless. Also, I believe that information is good as a builder of communities. When a community gets too big you can't simply exchange all the information you need over the back fence, as the gay community traditionally has—you need journalism to find out what's going on. If there's a cure to this damned virus it's not going to be found by a journalist, but I think journalism can help us through this crisis. It's one of the things that we need.

And did you perceive a gap there when you started writing for the Star?

I've always seen a gap there. Trained, professional journalists who are gay or lesbian very seldom work for gay and lesbian publications. It's not somewhere that we take our careers. I think that's a pity.

How much has mainstream media coverage of HIV and AIDS changed over the years?

It's changed immensely. If you look back at the homophobia and panic displayed in newspaper headlines between 1981-1985, such as the one which claimed mosquitos could spread AIDS, and compare that with the headlines you see now, the difference is striking. That's not to say there's not still a problem. We've got a very different group of journalists writing on AIDS now—inasmuch as it's written about at all. One of the problems in 1983-84 was that too much was written about AIDS; the temperature was too high. Now we've got to the point where I think we need to raise the temperature a bit. If we don't continue to get stuff into the mainstream press we will lose our political will. And the AIDS education message is to a large degree dependent on AIDS remaining an issue right in front of people's eyes all the time, so that it's a bit harder to deny and ignore.

Of course, there are real problems with the mainstream press, even the quality press. I've found the editors and executives at the Sydney Morning Herald—and the journalists—to be very good in terms of AIDS; everything I wrote for them was run. But they haven't got a medical reporter at the moment. When they did have a medical reporter, that person tended not to write very much about AIDS. So that newspaper tends not to write very much about AIDS, because they haven't got any specialists.

Every time you see an article in the Herald about AIDS it seems to be by a different person.

Yes, and that's a huge problem. This is an immensely complex subject. It's complex medically, socially, scientifi-
ally, legally. Both in order to get the stories in the first place, and in order to get things right when you do, you’ve got to have somebody there with their ears to the ground—and the Sydney Morning Herald hasn’t. The Age, on the other hand, is the best. It has a medical reporter who, like many women in their late twenties and early thirties, is very good on the subject, cares a lot about it, recognises that there are a lot of very significant stories in AIDS, and goes out and gets them. The turnover of medical reporters elsewhere, though, is quite rapid.

Late last year ABC radio JJJ broadcast your pathbreaking documentary on AIDS, ‘Centre of the Storm’. Could you tell me a bit about how that program came to be?

I’d thought for a long while about going up to see the AIDS ward at Sydney’s St Vincents Hospital, both as a journalist and as a visitor, and meeting some of the people up there. It seemed to me that was the central story in AIDS; that it was the centre of what was going on, and had been since the beginning. I had a lot of time for the people I knew there. The doctors and nurses are pretty good, and I noticed that there were a lot of people who chose to go to St Vincents, even though they were well aware of the physical difficulties of being there—the overcrowding and so on.

I thought it would be a terrific television documentary. But I also thought it would be impossible to shoot for television, not least because of the intrusiveness of having a television crew in a physically fairly small area. The problem of identification and confidentiality was a big one. I was thinking aloud to the news editor for JJJ about this, and she said, if you can get it up, I’ll commission it. I ended up recording at St Vincents for about a month. I spent a week without a recorder, hanging around, and then I spent three weeks with a recorder in the ward and in the outpatients areas and sat in on the clinic.

How did you feel, as an HIV positive person, working on that program, and writing on AIDS in general?

I think being HIV positive has helped me, in fact. I am acutely aware of the exploitative nature of journalism, and particularly of documentary making. There is an element of voyeurism involved: the ‘look at what I’ve found here, look at all the suffering I’ve found’ approach. And I’ve always been unhappy about that. I’d find it much harder to create a documentary about AIDS if I wasn’t HIV positive myself. Being HIV positive helps reassure me about my own motives. And of course you know something about what people are feeling, when you’ve gone through part of that process yourself.

At the same time, my immune system has not declined. The most likely outcome for me, taking only a moderately optimistic view of treatment development, is that I’m going to survive. A lot of the people I know, and whom I write about and interview, are not going to survive, and don’t have that expectation. So I’m not immune from feelings of survivor guilt that people who are HIV negative often feel in this field. In fact, it’s quite strong sometimes.

What is the impact on the gay community of having to deal with death all the time—something which is not a normal thing for most people in this country at this point in history?

I don’t have any great insights on that. I’m not sure there are too many. I made a list the other day of the number of people I’ve known who’ve died—and there were 26. Let me tell you that the twenty-sixth death is not as shocking as the first. You do get used to losing people. The human organism gets used to things, it adapts to any way of life. The people who were in the Nazi
concentration camps adapted to some degree to what they were going through. They didn’t, by and large, go crazy. And that’s what we’re all doing.

The first death of a friend—a guy called David, who was 25, in 1988—was profoundly shocking for me. That was a major motivation for me to start doing something that mattered, and I think that’s why I’m doing what I’m doing, because I need to do something that matters. I’m at that time of my life where I need to be of use, I think. But the second, third, fourth, fifth, twentieth deaths—unless you’re very closely involved with somebody—are not the same as that. They’re just not.

The question of survivor guilt is something we all have to deal with, whether we’re HIV positive or negative: why is that person dying and not me? Why is that person sicker than I am, when that person is just as good a person as me, maybe better—or is younger, or whatever. You can’t rationalise yourself away from those feelings very much. I think everybody feels them.

I worry about the ability of the gay community to continue to cope with this epidemic when key people in our community get sick and die. Not only do I not want to lose those people because I like them, it worries me that I don’t think those people are going to be very easily replaced. It also concerns me that the epidemic is no longer an emergency for most people. It is if you’re sick; it’s a personal emergency then. But in terms of the broad social community, it’s not an emergency. It’s something we’re living with. We had to get to that stage, certainly, but it means that perhaps some of our motivation’s gone, and our sense of urgency, of doing things now, because otherwise people are going to die.

When you have to go through the bureaucracy and get the right sorts of research done, it sometimes takes two or three years before you can respond to immediate problems. In the meantime, people are still getting infected and dying. In the early days we had a great sense of urgency; now we’ve lost it. But nothing else has much changed, except that we’ve got more people around with the virus. We’re still a long way from making this a chronic but manageable disease. I don’t think we’re close to it. Sometime this decade, certainly; maybe in five years’ time; but I don’t think it’s going to be within five years. We really do need a sense of urgency.

How can you recreate that?

I don’t think you can. I think all you can do is identify what you’ve lost. Inevitably, a phenomenon like this becomes bureaucratised. If it takes you two or three years to get something important done, then you know that process is wrong.

If we know that St Vincent’s Hospital is going to have the bulk of the pressure of AIDS patients in this country, why do the patients still have to spend days in hospital lying on trolleys? It’s a scandal. The people who plan these things have not accepted that at some point the people who sero-converted between 1983 and 1985 are going to get sick. It’s going to take them on average ten or twelve years to get sick, and unless there’s more advance in anti-viral therapy than anybody thinks there’s going to be, those people are going to start getting sick between 1993 and 1996. I just don’t see where the planning is to handle it. I don’t see where the money’s being put aside, or the training of people—and this needs to start happening now.

Already, there’s good evidence to show that AIDS-related illnesses are under-resourced compared to other diseases. If you’re an AIDS patient going to St Vincent’s, you’ll be sitting there in casualty, unless you’re very lucky, watching all kinds of people, with all sorts of other things wrong with them, come in, and go out, and come in, and go out again. Space is found for them. But you’ll outstay them, because you’ve got AIDS. I’m not accusing St Vincent’s of doing that deliberately to people with AIDS; it’s just what’s happening. To have 37 beds in inner Sydney, and 18 at St Vincent’s, to deal with more than two-thirds of the Australians with AIDS, is ludicrous. It just isn’t enough.

JILL SERGEANT is the co-ordinator of Talkabout, the newsletter for People Living With AIDS.
Arnold Schwarzenegger's power over the media is immense and seemingly all-embracing. A journalist from a major Pulitzer prize-winning American newspaper was told, 'If you mention the book, you will never get an interview with Arnold again.' The journalist subsequently did mention the book in a column item. When the paper applied to interview Arnold for Total Recall a few months later, they were informed, 'Arnold will not give you an interview because you wrote about the book.'

'The book' in question is Arnold: The Unauthorised Biography of Arnold Schwarzenegger by Arnold admirer/fearer Wendy Leigh; it's just come out in Sphere paperback.

Leigh's task was daunting, yet she comes out of it well: without passing any final judgment on Arnold (apart from the judgments inherent in noting that he refuses to discuss—or even admit to—his use of steroids early in his career and his father's Nazi past) she paints a picture of a complex man who, with nothing but determination, built himself up to become his own dream image. And they said his name was too long to fit on a cinema hoarding!

Arnold Schwarzenegger is so easy to ridicule—especially if you're not an adolescent male with the normal adolescent quota of power/domina­tion fantasies to get out of your system—that it's almost as easy to forget how powerful and, in a sense, dangerous, he is. Total control is the Schwarzenegger credo: and after learning to control himself (totally: to 'perfection', almost to self-imposed freakdom), the highest-paid actor in showbusiness, a man who modelled his movie career on Elvis Presley's, can now do all the controlling he likes.

And that, presumably, is why Arnold's career rarely gets examined from the point of his obvious insecurities. His father, a bully at home and a Nazi during World War II, inadvertently forced Arnold to better himself: the domineering Gustav had a complete lack of faith in his less-favoured younger son. (Ironically Meinhard, the favoured elder brother, never really amounted to much and died drink-driving in 1971.)

As Arnold bettered himself physically—working his way through gyms and competitions, from Austria to Britain to the US—he learned the cruel tricks of the bodybuilding set. Psychological games and bravado helped him outfox competitors and win the Mr Olympia title umpteen times, finally quitting after a 1980 comeback win at the Sydney Opera House (a good place for devotion to perfection) where he was booed and derided by an unincrved audience.

Of course, for Arnie bodybuilding was only a means to an end—and you can't keep it up forever. Film was the medium on which Arnold planned to make his mark. And it is his movie persona which endures: one cannot help putting him 'up there' with Michael Jackson as one of the two weirdest cultural icons of the 80s and 90s. For though we constantly deride the mass media for the way it appears to embrace whitebread, bland non-talents, Michael and Arnold are almost too weird to exist in the real world, and not just because they're obliteratingly famous. Both have recreated themselves as monsters, albeit friendly ones. Arnold is to many people an ideal concept. And, of course, it might seem just like sour grapes when a nine stone weakling like myself derides Arnold's glorious physique, but what else can you say? The guy has loser written all over him. He's terrified.

That's not all he is. He's charming to a fault, funny and gracious (unless he has to be gracious about losing something; that he will not allow himself to be). He's also a stern Republican and a chum of George Bush. Imagine! The humble Austrian and the President of the USA, each feeding off the other's power aura. It's a humbling battle of the vibes.

The movies, however, are where Arnold truly shines. As it happens, he really does appear to be getting better at acting (though one might wonder how he possibly couldn't, after over 20 years in the business). Most recently, Kindergarten Cop, Total Recall and Terminator 2 have emerged as complete and utter Arnie 'vehicles', made with Schwarzenegger and his regular audience in mind.

It's all honest and above board: Arnold is happy to tell us what he's up to next and his audience seems to like the way he'll never spring any surprises on them. Twins was a calculated ploy to get Arnie out of monosyl­labic action characters and into (maudlin) comedy. After Twins, Arnold consolidated his position with the sci-fi, ultra-SFX Total Recall. Then it was back to comedy with Kindergarten Cop, which got a mixed reaction despite the rather delightful idea of huge Schwarzenegger trampling all over pre-schoolers like a sensitive elephant in a butterfly house. Terminator 2 followed: one of the biggest-grossing movies of all time—and don't you forget it. Arnold proved himself ever-adaptable, ever-eager to
The tragic, labyrinthine rise and fall of the Builders Labourers Federation in the 1970s and 1980s has never been properly chronicled. Yet it is a tale full of drama, irony, human foibles and worse which had a substantial impact upon Australian industrial and political life of the era.

This book has been produced by a former full-time official of the BLF who has become a strong critic of the role of the federation's general secretary, Norm Gallagher, in leading the union to virtual destruction.

Brian Boyd argues that the 1986 deregistration of the BLF—facilitated by unique, radical legislation of the federal Labor government—was both avoidable and unnecessary. He maintains that the 'united front' forged by Gallagher with the Master Builders Association in the mid-1970s to remove Jack Mundey's leadership of the NSW BLF—and to eliminate its trail-blazing environmental campaigns—was the genesis of the eventual lethal coalition against the national leadership, leading to the recruitment of the BLF membership by other unions in NSW, Victoria and the ACT in the late 1980s.

As Boyd shows, Gallagher's misuse of militant industrial tactics was a wholly misguided attempt to thwart criminal proceedings brought against him alleging corruption. This self-interest displayed itself in the otherwise inexplicable somersaults between calls for industrial peace, and declarations of guerrilla warfare.

Gallagher's strategy may have stemmed from some form of primitive maoism: a view that militant workers could, by their pressure on employers, sway the Crown (the capitalist state) to drop criminal charges against a union leader. This was naive and futile. The Victorian government of John Cain had established an independent prosecuting authority, the DPP. It took the view that it would have been absolutely wrong for politicians to intervene in an 'arms-length' process. In any event, it would have been politically suicidal for the Labor government to have done so. The charges—based upon Gallagher's construction of a beach house using employers' resources, allegedly extracted by threat—had a momentum which was unstoppable. For the BLF leadership to jeopardise the union's existence in some quixotic endeavour to keep Norm out of jail was both unfair to the membership and folly for the organisation.

In other ways, too, the BLF leadership emerges discredited from this account: the naked alliance with employers to destroy Mundey's position and to keep him unemployed for years; the disastrous theory of glorious defeat (in 1986, Gallagher was arguing that "if they hang us" it would serve a historical purpose in 'educating' the progressive union movement); the bizarre sectarianism of seeing John Halfpenny's defeat for the Senate in 1987 as a victory, marred only (in Gallagher's worldview) by the return of the Hawke government.

Yet, while it serves a useful purpose, I regret to say that this is not a very good book. It is basically a patchy diary of events which are mostly on the public record. In fairness, it is worth noting that it does incorporate some BLF minutes and internal memoranda of interest. But it provides no real insight into the psychology of Gallagher and his supporters. To what extent was some genuine ideology important? What was the role of the maoists—and, in particular, Melbourne barrister Ted Hill—in determining tactics? What were the internal conflicts in strategic decision-making? How did the BLF secretary's supporters view his undoubtedly receipt of significant employer largesse? These questions are not satisfactorily dealt with. Indeed, in relation to some of them, greater insight is obtainable from Mundey's 1981 book, Green Bans and Beyond.

The full story is yet to be told. Perhaps one close observer, Dr Meredith Burgmann, who has forsaken the tranquility of academic life for Labor politics, may yet find the time to produce a deeper analysis.

JEFF SHAW is a NSW shadow minister, and editor of the journal Labor Forum.
No, Minister


Kicking the Canberra can is obviously alive and well. Evidence for this is to be found in Michael Pusey’s Economic Rationalism in Canberra, an ambivalent sociological account of the federal bureaucratic power elite. Rarely do academic books strike a nerve quite as forcibly as Pusey’s critique of the power of economics over the decisions made by these Canberra mandarins. In only a few months since its release the book has gained enormous recognition and widespread critical acclaim, much of which is surely deserved.

Pusey’s analysis and empirical findings tackle important questions and issues about public policy which deserve to be raised and which are perhaps long overdue in Australia’s case. And this is an important book in its own right because it exposes some attitudes of senior policy makers to both a wider audience and practitioners of a host of related disciplines who would otherwise not normally dip into a text on public administration.

The range of interest generated by this book in part stems from the way Pusey has written about public administration, and in part from the funding vicissitudes of academic areas now interested in policy-related studies. The book’s main argument about the centrality of economics as a public sector discourse is apparently eminently saleable across the range of academic niche markets. It has come to fill something of a gaping void and has already been eagerly seized upon by many who wish to believe that Canberra is dominated by uncaring economic technocrats.

But in the rush to welcome the message of the book we should not overlook the shortcomings of the study. Indeed, we should particularly scrutinise the coherence of its substantive analysis and reflect on the nature of the arguments and evidence used by Pusey. Thus far, many of the book’s claims seem to have been accepted without much scrutiny.

Pusey charts the supposed recent percolation of neo-classical economics into the senior echelons of the Commonwealth public service over the first half of the 1980s. His survey focuses on the years 1985-86, immediately following the 1982-83 recession, at a time when state fiscal constraints were pronounced, the economy was the ‘main game’, and a new reform-minded Labor government was concerned to restructure the public sector. His data is also limited to the federal government, a level of government with the main responsibility for macroeconomic and budgetary management.

One of the more challenging and interesting aspects of Pusey’s book is the attempt to weld findings about the attitudes of senior bureaucrats to both the processes of power within the state and state/society relations over time. As a result, Economic Rationalism is essentially two books in one, with part one based on empirical surveys and interviews; and part two introducing a social democratic and Habermas-inspired critique of how rationality and modernity undermine the integrity of the nation state and its capacities for decision-making and co-ordination. Much of this latter analysis is overloaded with quaint, largely nineteenth century representations of the nation state (and the roles ascribed to it) which do not seem to fit the distended and virtually uncontrollable nature of the present Australian federal state.

Pusey has provocatively subtitiled his study ‘a Nation-Building State Changes its Mind’, and within the book uses evocative phrases to capture his message. For instance, Canberra was “swept by a locust strike of economic rationalism”; the central agencies are trying for a “new minimalist laissez faire state”; and “a passage through an economics curriculum...is the single factor that most strongly sets these young 40 plus-year-old captains of a nation-building state against its historical mission”. But was the federal bureaucracy ever a nation-building state? Can it change its mind? And, if so, has it actually changed as the subtitle suggests? These are the areas of greatest controversy, and opinions about Pusey’s methods and arguments will be divided.

The basis of Pusey’s argument is that there was once a traditional and socially-acceptable balance between economics, politics and society, one which involved a high level of acceptance of state and trade union action. The postwar reconstruction guided by Keynesian economists is supposed to have maintained this balance and preserved state integrity. But, according to Pusey, the balance has gone since the Labor government dismantled the traditional forms of public administration, and replaced them with (among others) an elite ‘senior executive service’ (SES) of policy managers who espouse ‘anti-social’ economic dogma and worship market systems. This new elite is presented as young and aggressive, dominated by economic training and holding right-of-centre political views.

A reading of public sector history, though, would cast doubt on this explanation on at least two grounds: on whether a golden age of state integrity ever existed in Australia; and on whether Canberra (and Melbourne before it) was ever not run by an elite. If both these grounds for doubt are valid, then the state apparatus may have changed ‘its mind’ very little. And the SES elite may now be merely reflecting the oscillating vogues for credibility in a profession “so obviously socially constructed through symbolic interaction, action and
negotiation" (compare, for instance, the new vogue for 'human resource management' which is increasingly emerging as the next influential discipline).

Moreover, if Pusey is unable to show that a new elite has changed its mind, his arguments about the domination of economic rationalism in the SES are equally questionable. In his survey Pusey finds that some 44% of his SES sample possess economics training of some type (and a further 10% had business administration qualifications). However, two-thirds of the departments selected by Pusey in his sample are economics-related or use economic analysis extensively. This is rather like surveying ICI and being surprised to find a multitude of chemists in the laboratories. When figures for the total SES are considered (including many of the service departments and agencies) the percentage with economics qualifications drops to 25%. An economist seeing these figures from another side could justifiably be surprised that such a small proportion of economists appear in economic departments, and so many managers with other types of qualifications are retained.

There is a further contradiction in the argument here about the sort of economic training public servants have received. At one point Pusey makes the point that these economic rationalists in the SES are now in their mid-40s, having picked up and retained a "conservative, neo-classical 'dry' and technical econometric orientation" from their university days. The dates, however, do not add up. Anyone now in their 40s (or older) would have undertaken a Keynesian economics training at university. Indeed, universities in Australia did not really start to go over to monetarist doctrines until the mid-1970s, which puts the oldest graduates with this training at only 34 or 35 years of age in 1992 (and under 30 at the time Pusey conducted his interviews).

This, and the conflation of various types of economics training into one 'rationalist' brand, undermines the coherency of the argument that early training in 'anti-social' economics resurfaces as managers reach the top, and enables them collectively to reorganise the 'deliberative capacity' of the state. If a top bureaucrat's initial university training is the single most important formative experience in their career, as Pusey maintains, then we would expect the present crop of managers to be avowed Keynesians pump-priming and regulating to their heart's content. Moreover, these kinds of arguments about the importance of formative training and formal curriculum influences deprecate the intense amount of retraining and on-the-job experiences of bureaucrats. Such in-service training occurs according to institutional needs and takes place irrespective of degree specialisation.

When we come to the views of these so-called 'economic rationalists', we find that economically trained SES members are far from being in agreement about a range of significant issues. Economics-trained managers display a range of responses to questions about the economy: labour market deregulation, the distribution of resources, the power of trade unions, and the relationship between capital and labour. Economically literate managers were not inevitably rightwing, anti-state or anti-social on a range of measures presented in chapters 2 and 3. Given that Pusey's data acknowledge this fact, it is a disservice to senior public servants (including those in economically oriented central agencies) to classify them generically in such ways.

Pusey tends toward a monolithic view of the state and its value 'system'. In his analysis the location of a manager (in central agencies, market departments or service departments) is seen to be less important than a supposed shared rationality which informs the decision-making capacity of the state as a whole. A previous 'modernist' preoccupation with the 'social system' and with state intervention of a social democratic character is supposed to have been displaced by a 'postmodern' preference for serving the god of the economy.

The second part of Pusey's study represents two lengthy essays about the impact of 'economic rationalism' on the state's 'reflective' potential (its ability to solve problems and do socially good things). Pusey sees the Commonwealth state apparatus on the one hand as an amalgamation of budgets, and on the other as an economically driven mind-set now intent on dissipating the state and absorbing it from its previous 'modernistic' role. Yet, while some program devolution has occurred within the Commonwealth public sector, there is little sustained evidence of a mass dissipation of the powers of the central state—if anything, the reverse (as state premiers have been saying for decades and again recently as part of their attempt to wrest policy areas from the feds). Moreover, even with the rise of privatisation and commercialisation it is clear that debureaucratisation does not inherently lead to a dissipation of the powers of the state or a negation of 'reflective' capacity by state managers.

One of the underlying functionalist themes of this part is the repeated assertion that the state's prime role is one of co-ordination; the questions Pusey addresses here are what form of co-ordination will dominate and what effects will occur. Yet the centrality of the role of co-ordination to the state is asserted theoretically, rather than sustained by evidence of state action. In this way, the rhetorical baggage of what state managers say rather than what they do is accepted as most significant. Such arguments represent a peculiar form of sociological myopia.

Perhaps the main criticism of the study is that the way it is written up is not a fair or accurate assessment of the Canberra-based SES, let alone the non-Canberra-based managers and those often in crucial discretionary positions below the SES. As an argument about the changing mind-set of the nation-building state it is entirely silent on the role of state public services, the service-oriented local administrations, and the myriad of federal and state authorities charged with specific state responsibilities. In short, there is a surprising lack of evidence to support the picture of a nation-building-state changing its mind.

JOHN WANNA teaches in politics and public policy at Griffith University.
Dear Employer,

I am exceptionally, almost to the point of wetting myself, interested in applying for the position you have so graciously decided to offer. I have always thought of myself as the type of person who could throw themselves into anything, and when I spotted your electric advertisement, I just had to apply.

I am no stranger to responsibility. My mother died when I was three, and my father a week later; since then I’ve always been there to look after the rest of the family. I once ran all the way home from the bus stop two kilometres away to check if I’d turned the oven off.

Confidence is also one of my strong points, though it is only a coincidence that this is also one of your stipulations in the advertisement. I know how to stand up for myself and never hold anything back. If I feel like breaking wind on a crowded train, for example, I do so.

I think I first realised I was a motivated self-starter when, at age ten, I set up and co-ordinated a black market alcohol and drug distribution network at my primary school. Since then I have initiated many projects, all of which have contributed to my incredible and passionate ambition—but of course I’ll tell you more at the interview, won’t I?

I have a minimum of three years experience. When I began I was but a thin blade of grass amidst a field of wild roses, but as I have gained more and more experience I now feel like an out-sized Canadian Redwood and honestly believe I could serve you in a way which would not only impress but probably astound you. Throughout my short but mind-bogglingly interesting life I have gained a thorough understanding of all the techniques you list and could almost perform them with both eyeballs tied behind my back. Only joking: I know I’ve still got things to learn—but learning is yet another of my strong points. My willingness to learn and adapt to any situation has endeared me to many, but until now the feelings have never been mutual. I now feel as though I’m ready to give and take as much as I possibly can.

I possess all the relevant qualifications you require. In fact, I am now at the point of being just short of over-qualified, if you know what I mean! My results speak for themselves, and I have included with this application a photocopy of them for your perusal. My student days were some of the most stimulating of my life, but as I am now amazingly mature for my age bracket I wish to put all that stimulation to work. Needless to say I am willing to serve any employer to the point of personal slavery.

Although your advertisement only mentions the use of one car, I have access to seven and would be more than happy for the company to use any or all of them, such as my enthusiasm and dedication.

I am no stranger to unrewarded hard work, and have met with deadlines all my life, so that should not be a problem. In terms of reliability, I once waited for three days on a train platform for my best friend, finally going home only when frostbite developed at my extremities.

Willing to travel? Just say the word and I’ll be off. I speak twenty languages fluently, suffer no altitude sickness and am prepared to work around the clock without sleep for one or more years if needs be. Pressure situations are what I live for, and liaising with the general public is one of the most fascinating things I have done in my life.

I am a rare breed indeed. I am aged between 25 and 30 with no ties and no friends. I am attractive to the point of being irresistible, as well-spoken as a thesaurus, as well-groomed as Phar Lap and as fun-loving as a naked baby in a plastic pool with a water pistol. I am prepared to work with or without supervision, with or without the prospect of rapid promotion, and with or without an attractive incentive-filled salary package.

I am, yours faithfully,

The Ideal Applicant.
McKenzie Wark responds to Peter Christoff's criticism of 'Postmodern Greens'.

I'm delighted with Peter Christoff's spirited response to my article on the green movement and postmodern culture.

His response raises two interesting issues. The first concerns the nature of contemporary culture and the way ideas, stories and images move around in it. The second question flows from any provisional answer to the first: how does this affect political activism? What specific organisations and cultural forms work best in the particular cultural matrix of the times?

I am using 'culture' in a wide sense here to mean the form taken by any and every social relationship. This question of definitions is important because it is really the source of Christoff's disagreement with my article. My argument is basically that everyday experience is saturated with media images and forms. Christoff thinks I am saying "that everyday experience is supplanted by mediated forms", and here he is wrong.

Hairsplitting? Maybe. But these terms and metaphors affect our whole perception of the way society fits together and how we can act in it. Christoff's image of the relationship of "mediated culture" to "lived experience" is a top-bottom one. Lived experience has "deep psychological undertows and cross currents" not to mention "foundations". Lived experience, moreover, is the "basis" of environmental awareness. These are his metaphors—and that's all they are, metaphors.

Where I argue that awareness of green issues is heavily influenced by mediated forms of culture, Christoff thinks that underneath the layer of media hype which floats on the surface of society is a layer of real experience. Hence "daily confrontation with shabby transport systems, grotesquely designed city buildings" and so on "along with the myth of the Bush, fuel concern for unseen, diminishing values such as wilderness, native forests and rare species".

Now, my model of where green consciousness comes from was meant to be speculative and provocative. But, frankly, I find Christoff's version of the 'green effect' even less plausible. I worked in one of the worst designed buildings in Sydney (the University of Technology's Broadway bunker block) for years and never once did it make me think about rare species. What did was TV specials, magazine features. I saw those baby seals being dubbed to death on TV and I reached for my cheque book—simple as that.

Where Christoff still thinks of society as having a sort of media dross floating on top and a layer of real experience at the base, I think it is more useful to think of the whole social fabric as now being entirely shot through with media images, forms and stories. Very, very few communities produce their own culture any more in our society, practically nobody. Every cultural resource is mediated. Where does this "myth of the Bush" come from? From school, from books, from TV. Sometimes these things are transmitted via family and community, it's true. But even then these cultural relations are very often mediated. My parents read me 'Snugglepot' bedtime stories too—out of books borrowed from the local library.

It is important to think of the whole range of mediated cultural relations when we think of 'media'. It's always difficult to describe to people their own surroundings. This is the point—we are so heavily the product of a mediated culture that we don't even know it any more. It is our 'third nature'—beyond even the second nature of these ugly cities we build.

The problem with green politics for me is that it thinks it escapes from this mediated attenuated form of culture when it organises and when it communicates. It doesn't and it can't. Christoff thinks that the green movement has influences from "premodern communalism". Sure, but where do these influences come from? How are they transmitted? Through very postmodern, mediated forms of cultural relation. On the other hand, the green movement does indeed "integrate the latest revolutions in industrial and communications technology" into its organisational form. This is one of its finest achievements. My point is that it would be more useful to see even the anti-modern impulses in the green movement for what they are—highly mediated attempts to resist a mediated culture from within. There is no 'outside' to the postmodern, mediated world. There is no place to run.

Christoff concludes: "The organisational forms of the green movement are more important to achieving its gains than Wark believes: media games are only one relatively small part of these larger manoeuvres, and not to be over-emphasised". If one shifts perspective a bit and grasps the fact that 'media' as we usually understand it, Packer, Murdoch and Fairfax, is not the same as 'mediated culture'—a far more pervasive term and issue—then a lot of what Christoff calls 'organisation' is actually mediated organisation.

Now, trade unions, the ALP and other traditional progressive organisations are still trying to come to grips with mediated culture.
These organisations have discovered that traditional organisational forms don't work any more. The branch structure of the ALP, for example, is completely moribund. What is interesting about green organisations is that they are mostly contemporary with the enormous growth of the culture industries and the saturation of old social relations in mediated cultural forms. In short, they are political phenomena which historically coincide with 'postmodern culture' as I understand it.

Incidentally, the appearance of green politics in 'the media' in the narrow sense is hardly unimportant. Business interests have clearly woken up to the fact that TV has a huge influence on people's ethical perceptions of the world, and editorial hostility to green positions is presenting a fact of media life in some quarters. Current affairs information reaches most people in this country from *A Country Practice*, a fact which means that social movements ought to take 'the media' very seriously indeed.

Nevertheless, the phenomenon of mediated culture runs a lot deeper than that, right down to the 'basis' of everyday life Christoff seems to think is so pristine. Postmodernism is not an option, it's the cultural form of contemporary capitalism and therefore not something that you can simply make disappear with an argument. Call it something else if you like, but we all have to deal with it. So perhaps we need some more voices in this debate. Let's have a—thoroughly mediated—discussion on what is to be done.

McKenzie Wark
Macquarie University
Sydney, NSW.

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Crucial Question

I am writing to express disagreement with aspects of Jock Collins' article "Turning off the Tap" (ALR 134)—particularly his criticism of the Ehrlichs' "living in a Zero Population Growth Nirvana". The Ehrlichs, both in *The Population Bomb* and in *The Population Explosion*, 20 years later, went to pains to express a view that population, the level of affluence, and the choice of technology had to be taken as an integral whole.

Regardless of the level of migration intake, and the myriad problems associated with the environment, I know of no serious argument that doesn't place the over-population of the planet as the most crucial question confronting us.

Jack Mundey
Croydon Park, NSW.

Angry and Pleased

I'm both angry and pleased that ALR published "Turning off the Tap" (ALR 134). Angry because the article misrepresents the views of most environmentalists, many on the Left and the Australian Democrats. Pleased because serious debate is long overdue on population issues generally and on immigration in particular.

Jock Collins attempts to isolate the arguments for limiting population growth from those for limits to growth generally. When Jock states that "environmental destruction is not something imported or exotic", he ignores the global dimension of the problems that all humanity (and all life as we know it) face. If there is one thing that has become obvious at the end of this century, it is that the earth, and everything on it, including the land, water and air, are finite.

In November 1990 the climate scientists were virtually unanimous when they told the politicians and diplomats at the United Nations Climate Conference that increased global warming was inevitable as a result of human activity. I'm sure I don't have to remind Jock that the prevailing economic systems of capitalism and communism are predicated on exponential economic growth. Today it is a matter of serious debate whether our children or grandchildren will live in a tolerable world unless we start dealing today with the problem of our human numbers as well as our use of not only finite resources, but also the finite sinks (the atmosphere) which accommodate our waste. Jock may not be concerned about this problem, but I share the scientists' view.

I am especially offended by Jock's association of the environment movement with racism. David Suzuki, as a Canadian of Japanese origin, movingly describes how he suffered racism. Jock admits that John Coulter favours maintaining refugee intakes and supports limited family reunion. I've no doubt that Jock's right in his contention that racism increases during recession times and that many blame immigrants for their unemployment. But instead of attacking the greens, Jock ought to be getting stuck into the economic system that is predicated on greed and growth. "Turning off the Tap" would give great heart to Alan Griffths (Federal Resources Minister), the Tasmanian Lab-Lib government and some ACTU officials who blame the 'green and black' obstacles to the further desecration of the very fragile soil of this arid country in the name of growth and progress.

Vince Englart
Red Hill, Qld.

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Coming up in ALR

- Anna Booth, Peter Baldwin and Peter Robson discuss Labor's economic statement
- Citizenship: just for the boys?
- Video Culture
- Can Yeltsin last?
of the Pleasure Party. Which is to say that if they find the idea of people mixing cocktails offensive, they can stop reading now.

I found a very useful text the other day, nestled in Smith’s Alternative Bookshop here in Canberra. The title How to Make Over 200 Cocktails: An A-Z Guide wrenched me away from my recent diet of political theory books, for which I will be internally grateful. The book, written by Margaret Barca, and published by Penguin, retails for a mere $5.95, which is five cents less than I paid for a martini on my last fact-finding tour.

Now, cocktails are expensive to buy or make, and I can remember poor and innocent student days (days of simple beliefs and pursuits, such as communism, an eventual end to patriarchy and the achievement of the perfect hair colour) when spending $6 on a drink rather than buying an entire cask of tin cardboard would have shocked me. This was before I discovered Stolichnaya, the best thing to come out of what we used to call the Soviet Union. And those few extra-sound readers who have any doubts about buying relatively expensive drinks should regard it as a form of community aid abroad. After all, the Russians need our foreign exchange rather more than any objecting Australian tomato needs his or her brain cells (please excuse the oxymoron).

This cocktails book is written “in association” with Silver Shaker Cocktail Bar, which is described as a “programme that was established by liquor distributor Swift and Moore Pty Ltd...incorporating their range of premium alcohol brands”. Stolichnaya is not the preferred vodka option. This is, on a taste and not distribution basis, quite wrong, and I would no more buy non-Russian vodka than I would read Tolstoy in the Reader’s Digest version. Nevertheless, this cocktails book covers the basics and has a good selection of the fatuous names often bestowed upon cocktails. Examples include a Bunny Mother, a Pussyfoot and a Zombie. Drinks with the words “pussy”, “bunny” or “sheets” in the title are usually bought by male lawyers for secretaries at end of year drinks when their minds and mouths temporarily leave the car phone, and are not for the vanguard.

Martinis are the best mixed drink (vodka or gin with a few drops of vermouth; try rinsing the glass with vermouth and tipping it out.) You will soon be having profound discussions after one or two of these, and find the way forward in politics into the twenty-first century. Either that or you’ll start believing you are Graham Greene, who occasionally mentioned his preference for Dutch gin in his writings. While in a literary vein, the Cocktail Guide lists a Hemingway-invented drink appropriately called Death in the Afternoon, which will appeal to Pernod lovers. “Pour 45 mls of Pernod into a chilled champagne flute, then slowly add champagne” is the simple instruction. I have never really liked Pernod, despite the fact that it appears in some nice old films. It reminds me too much of the Choo-choo bars of childhood and blackened teeth.

Finally, something truly revolting which I recommend that you make for the abovementioned male lawyers, and dissolve their car phones in it. The name has a history. It refers to the protest of ideologically ‘sound’ young men to the renascent feminist movement of the late 1960s. Some of these charming boys used the words I give to the next brew as a supposed insult to ridicule meetings of women, without realising that they would be wiped away by the great wetex of history. (And history has absorbed them.)

Pussypower

Blend 50 kiwifruit, lots of Kiwi vodka, buckets of cream, some Kahlua, some green jelly crystals, some green frogs from the local milk bar, some unmentionable excretions, news’ eyes, turtles, a tin of pineapple, some Midori and decorate with whipped cream and washing powder. I guarantee that he’ll be shaken and stirred.

Penelope Cottier.
"As a professional journalist, I read everything I can to be as well informed as I can; as wide a spectrum of newspapers and magazines as I can lay my hands on. “Consistently during a year of enormous and fundamental change in Australia and around the world, ALR has been in the forefront of accurate and informed comment. ALR is essential reading to know what is going on in the Left but also to get a reliable and informed view of the nation and the world. I can’t recommend it too highly.”

Paul Murphy
Presenter, “PM”, ABC Radio
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Noel Counihan's design for the Melbourne University Labor Club magazine 1932, Printed in blue & red on white.

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