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September 28 — October 1, 1990
University of Technology, Sydney
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MANAGING EDITOR: David Burchell. PRODUCTION EDITOR: Kitty Eggerking
ADVERTISING: Mike Ticher. ACCOUNTS: Hilda Andrews (Sydney); Olga Silver (Melbourne).
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CORRESPONDENCE: ALR, PO Box A247, Sydney South 2000. PHONE: (02) 281 7668; (02) 281 2899. FAX: (02) 281 2897.

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Oil Spills

Events are moving fast in the Middle East.
Prediction of the course of events is even more perilous than usual. However, unlike the unexpected political upheaval in Eastern Europe which saw the political and economic order of the socialist bloc overturned, the outcome of the crisis in the Middle East brought about by the Iraqi invasion of Kuwait will confirm the hegemony of Western interests and power in the region and probably leave the Arab states more embittered and divided than ever.

By inviting United States military forces onto Saudi territory, the Saudi ruling family has confirmed the underlying reality of economic dependence and political alliance in the Arabian peninsula and the divide between the rich and poor in the Arab world.

Saddam Hussein appears to have miscalculated gravely the capacity of Iraq to redraw the political map of the Middle East in his Baathist image of the 'single Arab nation' presently divided into 22 Arab states. The rapidity with which international economic sanctions have been introduced and US forces sent to Saudi Arabia is quickly revealing the vulnerability of Iraq.

Many Western analysts have emphasised the threat of Iraq's large battle-hardened military forces, yet the course of the Iran-Iraq war suggests a different picture. Iraq, for most of the eight years of war against Iran, fought a defensive action against Iranian forces. Moreover, Iraq's military defence was only achieved with huge payments from the Gulf states and Saudi Arabia and ready access to Western arms supplies. Even with this finance and arms Iraq was unable to force a cease-fire. Its military weakness saw it resort to using internationally banned chemical weapons to blunt the Iranian offensive and eliminate internal Kurdish opposition, allow Turkish troops to pursue troublesome Kurdish fighters into northern Iraq and escalate the shipping war in the Gulf.

It was an Iraqi air attack on the USS Stark which was the catalyst to bring international naval forces into the Gulf to protect oil tankers. At the time the action was seen as a desperate Iraqi bid to stop Iranian oil exports by internationalising the conflict. Saddam claimed as a victory a military stalemate achieved by economic ruin and war weariness of both belligerents.

In the present situation where a heavily indebted Iraq cannot export its oil, has no financial backers and will find it very difficult to obtain armaments, the Iraqi army looks a much less formidable force. The Iraqi invasion of Kuwait was not achieved by armed might but by surprise. The crisis Iraq has precipitated has challenged the system of US client states in the region and revealed the essential dependence of the oil-rich Gulf states on external Western military backing. This is the drama now being played out.

It looks increasingly likely that Saddam's military designs will be restricted to Kuwait and not precipitate a military confrontation with US forces on the Saudi border. As indicated by his announcement of the annexation of Kuwait, Saddam's strategy will be to sit tight and try to limit the impact of international sanctions and blockades by seeking Arab support through popularising his actions among the Arab people.

Statements coming out of Baghdad about US and Israel military collusion against Iraq and the call for a popular Arab force to fight alongside the Iraqi army are designed to invoke popular support for the historic anti-imperialist causes of Arab unity - the defeat of US imperialism and its regional allies. The 'righteousness' of the Iraqi cause will be expressed in its implacable opposition to Israel and the oil-rich sheikdoms, the longstanding symbols of Western imperialist presence in the region.

No doubt Saddam Hussein will hope that his appeal to the Arab people would topple Arab regimes presently opposed to his mission, much in the same way that the Iranian clerics hoped the Iranian Islamic revolution would take root in a popular Islamic uprising against regimes in the Gulf states and Saudi Arabia. He is likely to achieve the less ambitious objective of paralysing Arab states' efforts to achieve a unity of action against him and ensure that a total blockade of Iraq will not be possible.

Saddam will also take comfort from the lack of staying power demonstrated in previous US interventions in the region. Lebanon and Iran were notable failures in US interventionist policy.

Other elements in Saddam's strategy of sitting tight in Kuwait are the implied threats to make hostages of thousands of Westerners on Iraqi and Kuwaiti territory and to use chemical weapons against any military forces used against Iraq. The former may have already been a major factor in restraining military action against Iraq immediately after its invasion. Hostages and chemical weapons make Western military action to remove Iraqi troops from Kuwait extremely hazardous and emphasise the importance of economic sanctions in international action against Iraq.

The US brinkmanship of placing US forces on the Saudi border with Iraq is designed to force Saddam back down and bring about his downfall by precipitating a crisis within Iraq itself. This cannot be relied upon. Saddam's years in power have been secured through personal ruthlessness against any opponents including members of the Revolutionary Command Council.
and his closest colleagues. Moreover, the idea of an Arab leader who can stand up militarily to the West is a seductive image for a region which blames its problems on the penetration of imperialism. Saddam's invasion of Kuwait might be universally abhorred in the West, but in the Arab world it can easily be turned into an expression of personal power and hope for a better Arab future. It has a millenarian quality about it.

It is the possibility of military escalation and greater regional conflict which is most worrying to the West. The invasion highlights the economic fragility rather than the military weakness of the international economy. At present it is a conflict between Arab states but there is always the potential of another Israeli-Arab confrontation emerging.

This could be the result of a deliberate strategy by Saddam Hussein to turn attention away from Kuwait to Israel 'the old common Arab enemy', or the result of the destabilisation of Jordan, the state that provided the vital land access to Iraq during the long Iran-Iraq war. In either case, another Arab-Israeli war and Arab defeat would deepen the conflict in the Arab world and in the worst scenario see the 'Jordan is Palestine' doctrine imposed through the annexation of the Occupied Territories by Israel.

The Iraq invasion and annexation of Kuwait is a disastrous development for the Arab states. It sets back the potential for negotiated settlements of the longstanding regional conflicts, undermines processes towards democratisation in the Arab states and increases the likelihood of Western interventions in the region in any future crises.

MICHAEL HUMPHREY teaches in Middle East studies at the University of Western Sydney, Macarthur.
Nowhere has the ecological movement collapsed so completely as in Hungary. In the wake of multi-party elections, the first pro-environment voice in the East finds itself more powerless and splintered than ever before. Given Eastern Europe’s shattered economies and populations still burdened with the legacy of Stalinism, the paralysis of Hungary’s green movement could well foreshadow the fate of its counterparts throughout the region.

Following Solidarity’s lead in Poland, the Blue Danube movement here appeared in the mid-80s to contest single-party state’s monopoly on power and information. While centred around opposition to the Gabčíkovo-Nagymaros dam project, the popular initiative set precedence as a broad-based political movement. The space that it opened within civil society paved the way for a myriad of other then-illegal groups to surface. Once unleashed, the protest forces sent the ruling party into steady retreat, culminating in its defeat at the polls this spring.

The “Blues” innovative and feisty spirit raised since-unfulfilled hopes for protest politics in Hungary. In 1984, the Danube Circle group, a mix of professionals, intellectuals and concerned citizens formed to oppose the joint Hungarian-Austrian-Czech hydroelectric power plant to be constructed on the Danube Bend north of Budapest. During the four-year campaign, hundreds of thousands signed petitions, samizdat publications sprang up and, for the first time since 1956, Hungarians took to the streets.

A model of Stalinist thinking, the dam project underlined the regime’s flagrant disregard for the environment. The collaborators’ rape of the eco-system followed logically four decades of production at all costs. Justified with pseudo-scientific research and shrouded in secrecy, the project characterised the security state’s approach to decision-making.

The state’s track record weighs heavily on activists today. “We have next to no data on the real extent of environmental destruction,” explains Judith Vaszaryhelyi, a founding member of the Danube Circle and now executive director of the Independent Ecological Centre (IEC) in Budapest. Information on nuclear energy, toxic waste and ecologically hazardous investment projects is still inaccessible to the public. “We face a legacy of information that was banned, falsified and misused, if it was available at all,” she says. Not until 1985 was an environmental ministry established, then only to be filled with party technocrats.

In Budapest and other cities, the acrid blue-grey haze that hovers in the city streets speaks for itself. Aged two-stroke automobiles spew appalling levels of lead, carbon monoxide and carcinogenic hydrocarbons into the air - sometimes as much as 100 times above normative specifications. At 25,000 forints a shot ($400), catalytic converters would cost car owners three times the average monthly salary. The energy inefficient factories that burn brown coal account for excessive instances of respiratory disease and infant mortality. So polluted are the water resources with industrial waste and pesticides that 800 towns have drinking water imported in tanks.

From the Technical University Green Circle to the Association of Hungarian Ornithologists, a plethora of like-minded organisations have formed to confront the catastrophe at hand. The fragmented groups, however, have been unable to reach the bulk of the population. “The dam was a symbol for the communist party,” admits Vaszaryhelyi. “There wasn’t really an environmental consciousness beneath the movement. And we failed to broaden it beyond the one issue.” The goal of the newly-formed IEC is to create a basic awareness of the problems that Hungary faces.

With extensive green posturing, the political parties have done their share to channel ecological angst away from a grassroots movement. The parties’ domination of the political sphere in a country raised on party rule has stunted the development of an alternative to parliamentary politics. Every party professes a staunch commitment to the environment. Yet they offer neither concrete policies nor a plan to integrate that pledge into the transition to a market economy.

Green issues have yet to make their debut on the floor of parliament. The country’s $20 billion debt has the government and opposition alike scrambling to meet ruthless IMF and World Bank repayment schedules. With the lords of international capital dictating policy, even the best-intentioned office holders would be hard-pressed to implement costly new regulations or tighten the lax penalties against polluters. The government is equally anxious not to scare off foreign investment. The circumven-
tion of home standards is an attractive feature for Western big business.

The country finds itself in no less of a predicament on the question of nuclear power. The dam scrapped and the days of Soviet oil numbered, environmentalists, themselves have grudgingly come to endorse the nuclear option in order to cut back on brown coal. After only a month in office, the ruling coalition started negotiations with French multinationals about financing additional atomic power plants here. The initiative reverses the former government's moratorium on new reactors that was laid down in the aftermath of the Chernobyl disaster.

The water-cooled Paks reactor south of Budapest generates 40% of the country's electricity. The out-dated Soviet model is the same as those shut down on several East German sites following the disclosure of near-meltdown crises. After a battle with ethnic German residents living near the reactor's proposed waste dump, the plant's buried uranium rods are now sent back to the Soviet Union. But the deal is temporary and could well change with the two countries' evolving relationship.

The patterns of Third World underdevelopment and exploitation are becoming increasingly evident in Eastern Europe. "The government uses the same justifications for the nuke plants that the communists did for the dam," argues Zsusza Beres of the Green Alternative Group. "They say it will be good for Hungary because then we can pay off our creditors in energy. They say that we don't have a choice."

Chances for an anti-nuke movement are slim. "No one will question the new stations," fears Beres. "In school we learned that nuclear energy was the cheapest, cleanest and safest form of energy. People just aren't conscious of the risks."

The Green Party itself stands irrevocably split after a sound drubbing in the election. Unable to field candidates in most constituencies, Eastern Europe's second oldest ecological party wound up with less than 0.5% of the national vote. The Greens' inter-necine factionalism is an eastern version of the familiar western phenomenon. Formed in October 1988, hostility broke out immediately between a party-oriented wing and proponents of a looser, movement concept for the group. The former dissidents and activists, many coming from the Danube Circle, pushed for a grassroots alliance of green groups, focusing on disarmament and social issues as well. The victorious wing, however, mostly fresh converts from the communist party, insisted on a more narrowly defined electoral strategy.

The former oppositionists felt ill at ease with the standard party structures and hierarchy, explains Gabor Hraski, director of the East European Environmental Network. "It seemed that the present leadership just wanted a new bureaucracy which they could fit into again. The Greens now are more like a traditional conservation party than the broad political forum some of us had hoped for," says the former member.

PAUL HOCKENOS writes for ALR on central and eastern Europe from his base in Budapest.
Bob Hawke suggesting improvements to the federal parliamentary question time has about as much credibility as the Emperor Nero proposing fire prevention services for ancient Rome. No one in living memory has done more to destroy the dubious usefulness of that three-quarters of an hour after the Speaker asks, rhetorically: “Questions without notice. Are there any questions?”

Blood oath there are. The problem, since at least the mid 1970s, is that there are no answers - or at least, none that haven’t been nutted out at tiresome length in the Pritikin-diet filled rooms of the ministers and their myriad advisers.

To be fair to Hawke, he didn’t begin the process of turning what was always a dubious political institution into a total laughing stock. Governments have always abused question time to a greater or lesser extent, the greater bit coming when they find themselves in trouble.

In 1975 Gough Whitlam, aided and abetted (for at least some of the time), by parliamentary performers of the calibre of Clyde Cameron and Fred Daly indulged in masterpieces of obfuscatory filibustering whenever the loans affair, or associated disasters, were mentioned. From the other side of the chamber, Malcolm Fraser and his colleagues watched and learned. During their seven years in the drivers’ seats they gave little away.

It was really during this period that the so-called Dorothy Dix question was refined to an art form. A Dorothy Dixer is a question asked by a government backbencher to a minister who is aware of its basic content. In the distant past it was a genuine request for information from the backbencher who, if on the same side as the minister, gave the minister forewarning of it as a matter of courtesy. Alas, in the last generation the Dorothy Dixer has changed from a ritual whereby the door is opened for a visitor to a studied method of emptying the jerry can on the head of a passer by.

These days, most backbenchers’ questions on both sides are written, not by the members themselves, but by the party tacticians. Opposition questions tend to be along the lines of “When did you stop beating your wife?” Government questions tend to be along the lines of “Why are you the greatest minister it is ever likely to be my privilege to meet and, incidentally, what do you think about those opposition scumbags?” The result has been that question time has developed into little more than a slanging match, and, given that the only real control the speaker (a member of the governing party) has is to demand that answers be relevant, the ministerial executive holds all the cards.

It was during the Fraser years that a member of the parliamentary library produced a critique titled “Questions without Answers”, pointing out that the process had become almost entirely meaningless except as political theatre - even political soap opera. David Solomon, journalist and political scientist, has written optimistically about the possibility of reform. But nobody (least of all those who believe that our parliamentary system has anything to do with the British model from which it is derived) would argue sensibly that question time is a deep and meaningful experience for anyone other than the participants.

The record of the Hawke government has been particularly woeful. Opposition leader John Hewson claims that the average number of questions asked on any given day has shrunk from 16 in the Fraser years to 10 these days. Even allowing for exaggeration, the record is pitiful: the British parliament would manage twice the number in the same time.

So, says our Prime Minister in one of his more sanctimonious moods, let’s do something about it. Let’s move to a system like the Poms, where ministers know that they are going to be questioned on a particular day, and then cross-examined on their answers. It is not entirely clear how this would eliminate the filibuster, at which Hawke himself is a somewhat convoluted expert. It is, however, clear that it would shield ministers from parliament for much of the year.

As a former speaker, Gordon Scholes, has mentioned, there are a lot more sitting days at Westminster than there are in Canberra, which means that, on the roster system, more ministers get put on the grillier more often. Admittedly, the opposition in parliament is not the only inquisition ministers face; but it is the least legally trammelled and most public one. Hewson argues that televising the proceedings would force question time back into its original form.

He may be right, but it will take a while. As long as Hawke treats the chair next to the despatch box in the same way he treated the platform at a strike meeting, questions without notice will remain bile without alka seltzer.

MUNGO MACCALLUM long watched over the parliamentary bear pit from the press gallery.
National broadcasters all around the world have at least one thing in common, according to David Hill, managing director of the Australian Broadcasting Corporation. They are all in considerable trouble.

Of course he’s absolutely right, as far as the ABC is concerned, but for some of the wrong reasons. Hill was speaking at “Australia’s National Broadcasters in the Nineties”, a conference organised by the public sector friends of the ABC at Sydney’s Powerhouse Museum.

He’s absolutely right when he talks about the impact of continuing funding cuts. The relentless erosion of budgets over many years has been the single most damaging factor at work in the ABC. The three year funding agreement with the federal Labor government, which was supposed to protect the national broadcaster, has resulted in a shortfall of about $80 million. In real terms, this means fewer jobs, lower real wages and outdated equipment. It’s tough trying to reason with a Labor government ready to deny its own history and indeed its recent experience, as it rushes to apply Thatcherite fairy tales about the benefits of privatisation.

You see, according to the Minister for Transport and Communications, Kim Beazley, “public funding creates both opportunities and responsibilities”. “With the security of public funding the SBS and ABC can afford to be at the cutting edge of broadcasting providing innovative programs,” Beazley said.

Who is he kidding? But then this is the man who is taking the ‘moderate’ line in Cabinet by only wanting to privatise part of the public-owned telecommunications system. Keating would flog off much more, and whispers darkly that if we don’t something truly awful will happen.

Under these circumstances, you can understand why David Hill gets on the piss. Mind you, ABC management isn’t really celebrated for innovation.

Just look at management’s list of “priorities and changes” for radio. Specific initiatives include “more rigorous auditioning of new on-air staff”, “a program evaluation system” and, most exciting of all, “better responsiveness to scheduling changes”.

Television boasts of a “user pays” costing system, which will make program makers fully accountable for all the resources they use.

More controls and more restrictions from the folks who fell over themselves to scab during the recent strike by unionised ABC staff.

If you only had the chaos and cynicism of Australia’s commercial media to judge the ABC by, you just might accept this sterile formula for glacial change as adequate for “Broadcasters in the Nineties”.

But then look at what’s happening overseas.

Liz Forgan is Director of Programs for Britain’s Channel 4, a station with all the benefits of a government charter and of advertising. “Our brief said innovative, so we turned everything on its head,” she said.

“We would make programs differently. We would approach the audience differently, we would value different things from every other channel. We would steer right away from the mass in the middle and rollick about on the margins of everything,” Liz Forgan said.

That is a fair walk from David Hill’s drive towards the centre to slug it out with the commercials in the ratings. Even more revolutionary is Channel 4’s aim to turn over its entire commissioning staff every ten years.

“We told our program suppliers that even if they did a brilliant job for us, the time would come when we would say thanks very much, the last series was wonderful, but now it’s someone else’s turn to start all over again and so goodbye.”

Sadly, there are those in ABC management who would see such an approach as an opportunity to get rid of trouble-making programmers. One only has to witness the number of mates recycled from failed commercial programs to work under quadrupele award contract at ABC television to see how ABC management would interpret Ms Forgan’s idea of permanent revolution in broadcasting.

“We must stick to the work, to the writing, the truth telling - to the range, freshness and quality of the programs themselves and the rest will follow,” she said.

“Good broadcasting is free broadcasting. Free to think and argue and even to offend, in the interests of serious journalism and artistic integrity,” Liz Forgan said.

ALAN KNIGHT teaches journalism at the University of Technology, Sydney.
Few of us ever actually see real changes in public life. Sure, politics change but we often don’t notice until the change has already happened. When Joan Kirner became Victoria’s premier in early August, you could see the change, feel it, almost taste it - instantly.

Until Kirner got the nod from her caucus colleagues, Victorian Labor was not just in a slump, or in trouble. It was in the toilet. A Saulwick poll, conducted for The Age only a week before John Cain decided to resign, showed Labor’s primary vote at 22%, its vote after preferences about 35%.

Clearly, under Cain, Victoria was on the verge of becoming ungovernable. The rhetoric of sound management and due determination that was Cain’s stock-in-trade had degenerated into a shabby joke as Victoria’s economy slowed and the state debt rose to $25 billion. In many respects, however, what did Cain in was the fact that the rhetoric of the Cain era had been discredited. The economic reality is not as bad as many Victorians, eager to feel depressed, believe.

Significantly, Kirner attempted within moments of taking over from Cain to call a new rhetorical war, one in which she is playing the offensive role. Kirner named the following as her three goals: greater community involvement in government decision-making (what she calls ‘community ownership’); the achievement of sustainable development while improving the environment (she was Conservation Minister in 1985-88); and social justice.

In case you haven’t worked it out already, Kirner is from the Left of Victorian Labor. Her stated goals are tinged with the aura of 60s-70s tree-hugging: but really, from a political point of view, what choice does she have? For the sake of the politics - no other Labor premier can claim never to have sat on the Opposition benches.

Kirner won preselection for her upper house seat in 1982 with the support of the rightwing Labor Unity faction but soon after recanted and joined the Socialist Left. In 1988, the Left engineered her move to the lower house; the plan was always for her to rise only as far as the deputy premiership, first to Cain and then to an independent, Jim Kennan. But Kennan’s leadership chances were blown by the costly transport dispute last January. Ironically, because the Right would not enter into a joint ticket with the Left in the wake of Cain’s resignation, Kennan has ended up being Kirner’s deputy.

However, ironies and anti-90s politicalspeak notwithstanding, Kirner faces enormous difficulties. It is one thing to convince ministers and union officials of the need for drastic expenditure cuts - Victoria faced a $1 billion revenue shortfall at the end of the 1989-90 financial year - and to push them through the state budget. It is another to convince Victorians that they will just have to live with reduced services and higher prices for transport, cigarettes, beer, power.

In the final weeks of the Cain government, the unions loomed as the biggest threat. Under the guidance of the Trades Hall Council, they were organising mass resistance to proposed government job losses. But with Kirner’s elevation, THC secretary John Halfpenny and the majority Left unions affiliated to the council now have a more direct stake in the government’s fate. Kirner’s most daunting task is to convince her union comrades that her special style of tree-hugging can be good for them.

SHAUN CARNEY is a senior political writer for The Age.
Lech Walesa is still Poland's best hope, argues John Lloyd.

It is easy to see Lech Walesa as a bull in a china shop; easy to shake the head and say, well, a great man no doubt, place in history secure, well deserved the Nobel, but fading now (hasn't he got stout?), resents being given a back seat by the people he thinks he created, trying to secure a comeback by demagogic methods.

You would have much cause for so saying. He is a vain, explosive and frequently incoherent public figure. He sits up in Gdansk, on the Baltic, and expects important people to come there to pay him court - including foreign presidents, like Vaclav Havel.

In early July, he commanded the presence of Solidarity MPs at the Gdansk Lenin shipyard to meet the workers, telling them that "this is what made you". Himself burdened or blessed with relative wealth, huge influence and world superstar status, he blasts the harassed government ministers for losing touch with the masses.

A clear case, it seems, of an inability to cope with the new rules of the democratic game. But wait a moment: take a closer view.

Walesa has formed a grouping, a kind of proto-party, called Centre Alliance. It is itself rather incoherent, but it seems to be largely dedicated to pressing for a more rapid pace of economic reform, especially privatisation, for national elections to be held soon - perhaps the spring of next year - and for the remaining communists in high government posts to be sacked. In the politics of personality which inevitably prevail when there is a movement and no parties, it is being seen as simply Walesa's election vehicle. And, of course, it is that too.

But it is forcing an examination of the crazy structure which Poland's historic compromise of a year ago has bequeathed to the country. After the roundtable talks between Solidarity and the communist government last spring, elections were allowed for only one third of the seats in the Sejm, the lower parliamentary house; the senate had free elections. Result: all the open seats bar one went to Solidarity; the agreement which was designed to keep the communists in power collapsed for lack of any sort of legitimacy; the formula, 'Their president, our prime minister', thought up by Michnik, was adopted and Tadeusz Mazowiecki, a long-time ally and adviser of Walesa, was created premier while General Jaruzelski, the suppressor of Solidarity, remained president, more or less explicitly to reassure the Soviets.

It is quite clear, of course, that the government is Solidarity-led, but the governing structure is opaque, it lacks, still, a clear mandate. Only full elections could provide such an underpinning to democracy; solving nothing in themselves (as they have not anywhere in Eastern Europe these past months) they could provide the bedrock on which a solution could be found.

In particular, Solidarity itself has outgrown its great mission. Its trade union wing, now probably smaller than the once-official communist union confederation OPZZ, is hamstrung trying to defend a government which has dramatically lowered living standards. Its neoliberal wing is increasingly at war with its social-democratic wing, much of which has now left it. Legislation is bogged down interminably, as various factions and interests seek to dilute and compromise.

The 'Polish shock therapy' associated with Dr Leszek Balcerowicz, the deputy prime minister and finance minister, has had some real successes - in bringing down inflation, in stabilising and hardening the currency, even in stimulating an unexpected export boom.

What is urgently needed, increasingly so as other Comecon economies like East Germany and Hungary gallop down the restructuring road, are micro-level improvements in the enterprises. But the stasis on the political level shields managers from the consequences of the macro-level reforms.

This china shop needs a bull, and the only available one is Walesa. He is rude, rough and changeable. But that he is - almost self-consciously - a man of the people is unquestioned. He is not, to be sure, an intellectual, but his instincts appear liberal and he knows that any attempt to re-establish the pre-war autocracy would lose him and his country the support of the all-important West.

Much of the anguish surrounding his actions has been that of old friends, comrades in struggle, in imprisonment and in triumph, falling out in power. There is a whiff of the tragic about that, but it is not full-blown tragedy - Henry IV, after all, does not rank with Lear or Hamlet: Falstaff was a necessary sacrifice for the emergence of Henry V, hammer of the French. So may it be with the emergence of Lech Walesa, president of democratic Poland. We must hope so.

In the heady events of 1990, the ANC's cessation of the guerilla war in August passed almost without comment. Apartheid now seems on its last legs. Norman Etherington traces the rapid fall of yet another one-party state.

When a single party state approaches its death throes, conventional political analysis offers few clues to the eventual outcome. Last year's convulsions in Eastern Europe provide one demonstration of that axiom. This year's upheavals in South Africa provide another.

Anyone who tried to read the auguries by looking to South African laws and the manifestos of the formal and informal political groupings can as easily go astray as those who confidently predicted in 1989 that East Germany and Czechoslovakia would stand fast as Poland and Hungary transformed themselves. Last year's leadership, last year's parties, last year's legal and constitutional verities have disappeared in a puff of smoke. Wise heads misread Eastern Europe by paying too much attention to formal politics and too little to external pressures and economic imperatives.

Any analysis of the current political situation in South Africa must avoid that mistake. As President de Klerk and citizen Mandela edge towards concocting an agreed agenda for change, they are driven less by ancient credos than by crises in the material bases of the movements they lead.

Both the enemies and the friends of the National Party dictatorship are prone to accept unquestionably the premise that South Africa is the economic powerhouse of Africa, an engine that will chug smoothly ahead once again when the current troubles have been surmounted - either by the emergence of an ANC government, or the recasting of apartheid into a kinder and gentler mode. Those who have watched the economy more closely have been saying for years that it is very sick and its recovery is by no means certain. The sickness is traceable to the same viruses that have affected all formerly closed economies in the modern era of rapid international capital movements. Viewed from a southern Pacific perspective, South Africa faces the crisis experienced by Australia and New Zealand, but in a much more critical form. Viewed from a northern Atlantic perspective, South Africa's troubles bear many similarities to those of Eastern Europe.

To be brief, the South African economy is reeling under irresistible external pressures which forced the transition from a state-driven economy to an open one. The
economic downturn of the later 70s caught the republic off guard, geared as it has been to steady, even spectacular, growth since the early 60s. Suddenly there was inflation, rising interest rates, a sharp drop in the profitability of manufacturing industry, and an upward bending curve of foreign debt which compared unfavourably even with embattled countries such as Zaire and Chile. To meet the threat the state turned to fashionable monetarist remedies prescribed by the Chicago school - tightening credit, cutting government
spending, and taking measures to stem the outflow of capital - which inadvertently plunged the economy sharply into recession in 1981. Companies began to go bankrupt. Others retrenched workers on a massive scale. The resulting unemployment in a country which had long maintained a reserve army of the unemployed, raised joblessness to critical levels. According to economist Fuad Cassim, it was not well-intentioned political reform but monetarist economic reform that ignited the explosion of discontent in the townships.

Against this background of deflationary policies, it becomes easier to understand why the Vaal Triangle erupted in September 1984 and unrest spread throughout the country. Political 'ungovernability' was, in fact, preceded by economic mismanagement or, rather, a lack of management and guidance. On 20 July 1985 the government declared a state of emergency and, as investors began switching funds out of South Africa, imposed a debt freeze and a two-tier exchange rate. At the same time, resistance in the country reached a new stage.

Why did measures which produced the desired results in other countries wreak havoc in South Africa? Monetarist theory said that balance of payments and trade problems could be counteracted by devaluing the currency (thus boosting exports and curbing imports) and reducing the cost content of exports by cutting real wages. Inflation was supposed to be kept in check by curbing the money supply and raising interest rates. The economy was then supposed to be restructured to produce the exports which would enable economic growth to generate the new jobs required by an expanding population. The historic legacy of apartheid, however, led to quite different results. A slump in the value of the currency in a country heavily dependent on imports enhanced rather than inhibited inflation. It was one thing for Reagan and Thatcher to double unemployment figures from 5% to 10%. It was quite a different thing to double unemployment in a country which normally had twice that proportion of people out of work. Real wages could not be cut effectively in an economy where remuneration hovered near subsistence levels for most workers. And workers who managed to maintain their wage levels were squeezed by dramatic increases in the cost of living.

Worse still, when unemployed youth took to the streets and people boycotted rent payments, international financiers - who generally smile when austere economic regimes tighten the belts of the workers - took fright and the credit-worthiness of the state collapsed. Although the manufacturing industry had come to play a much larger part in the economy during the previous 30 years, it produced mainly for the limited internal market. Its goods could not and did not compete on the international scene. The impoverished masses could not generate enough local demand to stimulate increases in output, and the import capacity of neighbouring countries had been deliberately undermined by South Africa's notoriously effective campaigns of 'destabilisation'. As Cassim puts it, "the costs of maintaining the racial order have come home to roost". The 80s, which have not been easy for other traditional commodity exporters such as New Zealand, Argentina and Australia, have been disastrous for South Africa. As long as the state of emergency lasts there is no hope of the country paying for the importation of the new technology needed by any country hoping to join the winners' circle of countries which export finished goods to the world. Enough whites fear for the future of their capital and their lifestyles to cause them to follow de Klerk into unknown territory. While the bottom layer of white rural and urban workers see the abyss opening beneath their feet and are consequently tempted by rightwing movements, the more comfortable white suburbanites maintain sufficient faith in the National Party to steady the president's nerve.

An additional factor hurrying de Klerk towards real change is the removal of external support following the withdrawal of the superpowers from African affairs. During the Nixon years Henry Kissinger backed South Africa against Soviet surrogates. South Africa's campaigns of destabilisation against the 'front-line states' were reinforced by covert and overt US aid to America's favourite terrorist movements from Angola to Ethiopia. Now the Bush presidency is pulling the plug on those movements as quickly as the diehard congressional reactionaries will allow. Of all the former American darlings, only Joseph Savimbi's UNITA movement in Angola soldiers on with adequate backing.

The threat of the superpowers is not just bad news for white supremacy. All the key black political movements have previously relied heavily on external backing, which is now being progressively withdrawn.

This is often not sufficiently appreciated by external observers who tend to take at face value the ideological programs proclaimed by those movements. For example, the manoeuvres of the Pan African Congress (PAC) are better understood in relation to the needs of its overseas backers (the governments of Nigeria, Zimbabwe, Britain and the USA) than by reference to quarrels of the early 60s when the PAC could pose with some credibility as a leftwing alternative to the more moderate ANC. During the violent confrontations of the past nine months, the PAC has been either invisible in the townships or acting in cahoots with corrupt local authorities and vigilante gangs. Britain, America and Zimbabwe are said to have been pressuring the ANC to reach an accord with the PAC but, under the circumstances, the ANC has no reason to make any overtures towards what appears to be a dying political movement.

That is not to say that the ANC does not have to worry about its material base. It, too, faces a looming crisis of
external funding that makes Mandela as anxious as de Klerk to win through to a negotiated settlement.

As befits a broad-based movement, the ANC has enjoyed a very wide range of outside aid. While the armed struggle has depended vitally on Soviet hardware, the Scandinavian countries and philanthropic organisations such as the World Council of Churches have propped up ANC offices around the world.

It now seems likely that all military aid from Eastern sources will cease in the very near future. This gives the ANC a powerful incentive to wind up its guerilla wing. Umkhonto we Sizwe. However, the lesson of Zimbabwe is that mass support flows to the leaders who are seen to be fighting. In the last days of the Smith regime, every politician from Sithole to Muzorewa who gained white support by renouncing violence, lost a commensurate amount of black support. Many commentators were puzzled when Mandela failed to take the bait of several million dollars offered by the US Congress during his visit in July. To take the money he had to renounce the armed struggle. But by renouncing force he would have alienated the townships. Although the ANC could not hope to overthrow the regime with military force - even if supplies continued - its fighters in the bush have a vital symbolic importance.

Support in the townships is more important than any amount of external aid. It is the ANC's strength in the townships, not its ideological agenda, that has forced de Klerk to front up to direct negotiations. The white minority regime would have preferred to deal with ethnic leaders such as Magosutho Buthelezi of Kwa Zulu. Events have moved so quickly, however, that Buthelezi is fighting hard to preserve a hope of playing even a minor part in the negotiations. At one time it was fashionable for the international press to portray the chief's enemies as ethnic enemies. The war in Natal has shown beyond doubt that ethnic Zulus are sharply divided, with a substantial proportion, perhaps even the majority, backing the ANC.

Buthelezi's Inkatha movement is best understood as a variety of machine politics rather than ethnic nationalism, despite its deployment of ethnic symbols. Pretoria imports Chicago economics to South Africa; Buthelezi imports Chicago politics.

An analogy with the Mayor of Chicago is not far-fetched. The National Council of the political party Inkatha so tightly intertwines with the Kwa Zulu Legislative Assembly that the latter has been fairly said to be 'the legislative arm of Inkatha'. Public service jobs are in practice reserved for party members. Anyone who seeks a service or a favour finds it advisable to deal with Inkatha functionaries - just as in the old boss systems of American cities the first resort in times of need was the neighbourhood ward heeler. With so many party members holding fulltime jobs on the public payroll it is not hard to get up a crowd for a rally or a gang of sturdy youths to break up the meetings of rival organisations.

If Buthelezi is considered a market-place politician rather than a mouth-piece for Zulu conservatism or big business, some sense can be made of the ambiguities of Inkatha. He is as aware as anyone that the South African State exhibits every sign of terminal illness. If the sick giant is granted a miraculous remission, an organisation like Inkatha, which the regime must tolerate if it is to function at all in the bantustans, ensures Buthelezi continued power on the small stage of Kwa Zulu. If outside pressure or a deepened financial crisis within the state forces a renegotiation of the constitution along federal lines, Buthelezi has, until recently, held nearly all the cards in Natal. With a black constituency organisation that has proved it can deliver votes, and a growing reputation as the last, worst hope of local whites, he or his successor could emerge as the strong man of the region.

In a general smashup other possibilities might arise. Although Buthelezi appears long ago to have abandoned hope of winning a leading role in national politics, circumstances could change. A generation ago Moise Tshombe of Zaire was written off as a regional boss who could win no support outside his home base of Katanga. A few years later his connections with mining capital made him prime minister of the country. A more likely scenario for South Africa would be the disintegration of central authority followed by a unilateral declaration of independence by a Buthelezi-led government of regional unity in Natal. In that position he would have the advantage of having already in place all the normal apparatus of a modern African government. A republic of Kwa Zulu would be more populous than 35 African countries and economically stronger than many of the others. Inkatha, whose constitution was modelled on that of the Zambian United National Independence Party, would adapt readily to its predestined role in a one-party state. The party's economic philosophy of Ubuntu-Botho which purports to mix 'African communalism with free enterprise' strongly resembles the mystifications propagated by
It’s times like these...

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dozens of African capitalist states stretching from Morocco to Zimbabwe. The in-house trade union, UWUSA, would oil the wheels of a corporatist state where it was the only legal workers' organ. Inkatha's Youth Brigades and Kwa Zulu police could become a defence force. None of President Buthelezi's many uniforms would occasion remark in any gathering of African leaders. Jomo Kenyatta, with his fly-whisk, funny hats and sundowner parties for white ranchers, perfected the use of ambiguous messages in Kenyan politics a long time ago and Buthelezi is simply one of many Africans who have profited from the study of his techniques.

However unlikely that scenario, it is useful to contemplate as a way of understanding Buthelezi's war on the ANC. If his object were simply to survive the present crisis with his entrenched privileges intact, there was no need to go into battle against the militants. He could, as he has done many times before, have provided rhetorical support while giving no practical help. There are two other reasons which do make some sense. One was to project an image to the outside world of Buthelezi as a viable anti-communist alternative to white supremacy. The other was to protect and promote Inkatha's position as the sole black contender for power in every sphere of life, at least within Natal-Kwa Zulu. To followers of the UDF, who felt in their bones that this time it was really on, Buthelezi appeared the arch-traitor when he attacked them rather than the state.

During the last few months Inkatha has suffered grievous reverses. July's ANC strike against the violence in Natal won widespread support in every part of the country, including Natal. PAC and Inkatha opposition to the strike was totally ineffective. In June, Buthelezi lost his long-time lieutenant when Oscar Dhlomo defected to the ANC, saying he could not "see the Kwa Zulu government continuing to exist as an ethnic geopolitical entity". Thus, Buthelezi's goal has shifted from separatism to survival.

Events have now reached a critical pass. The ANC's black rivals are weaker than ever, but so are its external sources of support. De Klerk has bought time for his regime by sitting down to talk, but his economy is one of the world's notorious basket cases and any false move could precipitate a flight of capital. The detention last month of the ANC communist Maharaj may have been such a false move. Foreign bankers have now been led to believe that de Klerk can negotiate a settlement with the ANC that will save their investments. That will destroy everything de Klerk has done since December to win friends in Europe and North America. Having released Mandela and unbanned the ANC he cannot turn back the clock.

The ANC's position is stronger but not invincible, as important sources of funding dry up. Some people see the ANC divided on the subject of state ownership of mining and manufacturing industry. My own view differs and is based on a talk I heard given at the Royal African Society in London last October.

The speaker was Albie Sachs. As soon as he began to speak it was evident that he was floating trial balloons for the ANC. This was not the Albie Sachs of the Jail Diaries. He arrived in a jacket and tie, plainly ready to talk business. When he approached the program of nationalisation enshrined in ANC policy since the first promulgation of the Freedom Charter, he pointedly denied any intent to impose new management on the mining industry. "We don't know how to run mines," he said, "and have no wish to do so."

A little later, a man in the audience stood up and dramatically revealed himself as an executive of the Anglo-American mining conglomerate. Expressing surprise at what he saw as an about-turn in the ANC stance, he went on to say that Anglo-American would be glad to do business with them on that basis.

Since that time the ANC has blown hot and cold on nationalisation. In January, Mandela was sticking to the Charter. In Washington a few weeks ago he had reduced nationalisation to a holding of 20% or less in key enterprises. Arguably, what we are seeing is not a debate on state ownership in the ANC - whose leadership is quite aware of what a flight of capital would mean to a post-apartheid regime - but a calculated use of nationalisation as a bargaining chip. Making concessions now would take the heat off big capital and weaken the pressure that sector has been putting on de Klerk.

Likewise the armed struggle. There is nothing to be gained by dropping it just now.

NORMAN ETHERINGTON teaches in history at the University of Western Australia.
If the old regimes supported it, it's sure to be unpopular in central and eastern Europe at the moment. And that includes the anti-apartheid cause.

Paul Hockenos and Jane Hunter examine the new unholy alliance between the Comecon countries and Pretoria.

The West’s euphoria over Eastern Europe’s metamorphosis is conspicuously absent in the Third World. Not without reason, developing countries and liberation movements - particularly those with left orientations - see themselves as victims of the political turnover and East-West rapprochement.

The erosion of Moscow’s support and the sudden loss of Eastern Europe as a political patron constitute an enormous blow to Third World anti-imperialist struggles. Moreover, the new democracies in Central Europe will not be neutral players in global politics.

To varying degrees, all seven Warsaw Pact members have distanced themselves from their former ‘socialist brothers’ in the Third World and have embraced old adversaries, South Africa foremost among them. In Eastern Europe, decades of solidarity with the African National Congress has either been hedged or reversed outright in favour of closer political and economic partnerships with Pretoria. Charges of betrayal from the ANC and other liberation movements have done nothing to slow the process which has had a resounding impact on liberation strategies.

Although not without its own share of hypocrisy, Soviet bloc foreign policy provided resistance movements with critical military, economic and political support. Under the Brezhnev Doctrine, the cold war logic of competing power blocs demanded extensive assistance programs to secure markets and establish a separate political identity outside the capitalist sphere of influence.

The aid kept many of its beleaguered recipients afloat - dictatorships and genuine revolutionary struggles alike. Eastern Europe’s backing came mostly, but by no means exclusively, in the form of non-military aid. The diverse projects, from educational exchanges to giant development efforts, often proved more effective than the bloody results of arms.

Since Soviet leader Mikhail Gorbachev’s arrival and the withdrawal of troops from Afghanistan in 1988-9, the doctrine’s reappraisal has seen assistance to the Third World slashed at every level. Soviet Third World policy has been in the main concessionary - a dignified rout as Moscow directs its resources to its own economy and seeks to cement its relations with the US and Western economic powers.

While the Soviet Union has won almost universal kudos for its willingness to wind down the cold war, in prac-
tactical terms a hard-pressed Moscow has capitulated to Washington in region after region. Using the space created by Gorbachev, the communist governments of Eastern Europe embarked on a gradual re-evaluation of their relations with the Third World as long as two years ago. This year, however, the newly-elected governments have forged a far more radical course. Their strapped economies plainly at the mercy of Western capital, the realpolitik of self-preservation has meant a near total abandonment of the Third World. At the same time, the association of solidarity programs with the orthodox regimes has won the new policies, and the politicians behind them popular approval at home.

At a time when the West is showing a renewed interest in the South African struggle, Hungary, Poland and Czechoslovakia are developing ties with South Africa. Pace-setting Hungary’s opportunistic policies have already evoked charges of breaching international sanctions. In January, two months before the free parliamentary elections, Foreign Minister Pik Botha became the first ranking South African official to visit a Warsaw Pact country. Under the then-ruling Hungarian Socialist Party (HSP), a reformed version of the hardline communist party, the two nations agreed on a gradual ‘normalisation’ of relations and the development of commercial and industrial links.

The Botha visit and earlier contacts with the white government in 1989 had the HSP nervous that the meeting would be used as political ammunition against them. But their worry proved unfounded as the fledgling opposition parties jumped at the chance to greet the South Africans. In a gaffe to Western reporters, the now Foreign Minister of the ruling Hungarian Democratic Forum (HDF), Geza Jeszensky, let slip that no debate at all occurred within his party before the decision.

Since the right-nationalist HDF’s victory, diplomatic liaisons have been made and economic contacts greatly accelerated. On the third floor of the Budapest Intercontinental, the South African mission has overlooked the Danube since April. There, its single representative, Cornelius Scholtz, meets with ‘the flood’ of South African businessmen inquiring into joint ventures, investments and potential markets. Scholtz plays down the increasing trade with Hungary, but is openly optimistic about the new relations.”The government here has been very helpful and encouraging. There is no reason that full diplomatic relations will not be a reality in the near future,” he explains, echoing statements by Hungarian politicians. On the subject of commerce, he says that there “is little that Hungary can offer us. Our business interests see the Hungarian market primarily in terms of export, mining and technology for example”.

The latest deal includes a joint bus manufacturing operation, central bank co-ordination, air traffic permits for the Hungarian and South African national airlines.
(the latter is banned from the US) and an easing of visa requirements. For at least a year South African fruit has appeared in Budapest stores and other commercial academic and tourist contacts have been stepped up in the months leading up to the diplomatic swap. The co-operation opens the way for Central Europe to serve as an entrepot for sanction-busters with an eye to the West Europe market. The scam already has precedent. ANC exiles in Budapest confirm French reports that, despite Hungary’s alleged adherence to Comecon’s total embargo against Pretoria, for the past several years it has been helping South Africa skirt Western sanctions by re-exporting South African products with fraudulent ‘Made in Hungary’ labels. At a Budapest publishing house, employees say that South African firms have used the facilities to print Afrikaans-language books that are identified as being produced in South Africa.

"By re-exporting South African products with fraudulent ‘Made in Hungary’ labels"

Budapest feebly justifies the ‘special relationship’ with the presence of a tiny 14,000-strong Hungarian community in South Africa, mostly exiles from 1956. In order to strengthen the bonds, Pretoria has begun actively recruiting Hungarians to migrate through ‘help wanted’ ads in newspapers. For skilled, white labour such as engineers, doctors, mathematicians and other professionals, the apartheid state will pay 80% of travel expenses plus other costs, and grant full citizenship. Over 23,000 Hungarians have rushed to apply for visas at the Vienna embassy and 2,000 a month are on their way to South Africa.

The HDF leadership responds testily to questions about the connection. Prime Minister Jozsef Antall neglects even to criticise the black majority’s oppression. “When did the international community ever protest at the treatment of the Hungarian minority in Transylvania?” he answers instead, reflecting the self-pity and egotism characteristic of his nationalistic party. Jeszenszky distances the new government from ‘terrorist organisations’ that Hungary backed in the past and says that foreign policy will now have ‘democratic criteria’. South Africa’s ‘promising developments’ appear to meet those criteria as the prime minister will not pledge adherence to international sanctions.

To a lesser degree Poland is also complicit. In April the South African trade minister met with Warsaw ministers and Bankers. The visit preceded an exchange of representatives and trade in the likely form of Polish shipbuilding and technical expertise in return for raw materials, tropical produce and manufactured goods. The Poles have already agreed to buy 200,000 tons of iron ore (with a promise to import an additional 600,000 tons during 1990) and set up a joint food venture. Reports from Prague claim that Czechoslovakia intends to establish diplomatic relations with Pretoria by the end of the year.

The ANC has reacted to the moves with outrage. General Secretary Alfred Nzo said the ANC “unequivocally condemns” Hungary’s action as a “cynical disregard for international agreements” and a “betrayal of the majority of the people of South Africa by forming a racist partnership with apartheid”. A UN diplomat stated that Hungary’s behaviour has “raised serious concern in UN circles about whether it ought to continue on the UN Special Committee Against Apartheid”. Since the UN has no mechanism for removing members of special committees, individual members have exerted pressure directly on the country.

South African ties with Moscow are on a somewhat different basis, but they are strengthening too. There has long been collusion between the two on international gold and diamond pricing. In the last few years the USSR has dropped its overt hostility toward Pretoria and begun tentative contacts which it explains as contributing to a negotiated end to apartheid. However, there has been considerable speculation that Moscow might cut or curtail ANC aid - speculation that has only increased since Nelson Mandela failed to include the Kremlin in his international itinerary.

Nevertheless, the ANC claims that it is not aware of any change in its relationship with Moscow or its most important East European ally, the German Democratic Republic. In light of the impending German reunification, however, the GDR’s military-intelligence cooperation and heavily state-funded solidarity projects
are certain to be terminated, if they have not already. So far, the Soviet Union has not pressured the ANC to end its armed struggle, but the effect of Moscow's 'new thinking' is undeniable in the organisation's present emphasis of a negotiated settlement. For example, Namibia's independence, to date the crowning achievement of superpower co-operation on regional issues, forced the ANC to give up its front-line bases in Angola.

The ANC has received little support from its Western backers. Only Sweden is known to have complained to Hungary about its new ties. So mute has the international response been that Nigeria has taken it upon itself to remonstrate with the Central European states. The veiled dealings of the East should become a target for the Western anti-apartheid movement which could push the insecure new governments into the limelight. Indigenous solidarity movements must also come together, if Central Europe is to be prevented from sustaining the longevity of apartheid.

PAUL HOCKENOS is a Budapest-based freelance writer. JANE HUNTER is the editor of the US monthly Israeli Foreign Affairs.

**RETURNING HOME**

Czechs are fed up with dogmatic communism. But the result can be unsettling. Pavla Miller catches up for a meal with old friends.

Last month I went to visit my family and friends in Czechoslovakia. For a couple of weeks, everything went well. Prague was as beautiful as ever, my relatives cautious but chirpy about the recent political changes, the ever-present signs of political activity moving and exciting.

My first visit to old school friends was a success; catching up on who did what until well into the night. The second visit started innocuously enough, with light chatter over biscuits and wine. Before soup, unemployment, inflation, high interest rates and concentration of media ownership found their way into my description of what life was like in Australia.

After some deliberation, my friends decided that Australia was not a country to emulate, in economic matters at least. You obviously do not have a proper capitalist economy with a proper free market, they retorted, and that's what we need here. I suggested that a "proper free market", unconstrained by monopolies, restrictive trading practices and such is a bit difficult to come by, except perhaps in fresh vegetables.

The soup got burnt as the debate heated up. I took the line that rejection of a corrupt and inefficient communist regime need not imply that "proper" capitalism (whatever that meant) was full of virtue; one should not trust either lot.

My friends argued that any attack on capitalism put me in the same boat as the corrupt communists. You have listened to too much propaganda, they said. The logic of capitalism is neutral and impartial. It is efficient and logical. You need to do away with the welfare state to get the economy functioning properly. Look how well South Korea and Chile are doing. Now that the communist dictatorship has fallen in Nicaragua, even they will be able to become prosperous.

There followed a tiny bowl of burnt soup and a fierce argument about US imperialism, freedom fighters and such. It was then that I brought up the matter of the World Bank and its influence on Third World countries through crippling debt repayments. Does that sound like democracy? They should not have borrowed the money if they couldn't pay it back, argued my increasingly unfriendly friends. We never finished the meal. Hostility against detractors of the World Bank and all it stands for had become too intense.

This is a true story about otherwise friendly and honest impoverished intellectuals, hard working, idealistic and long interested in politics; people in many ways similar, I would imagine, to a large proportion of ALR readership. Their views are undoubtedly representative of a large section of the Czech population. They are no simple reactionaries - they would probably let rightwing visitors finish their meal, but would disagree vehemently on many fundamental issues.

And there is no end to the story. Logically, it seems to make sense for an unrelenting diet of dogmatic communism to give way to dogmatic anti-communism. But logic notwithstanding, the experience has left me thoroughly confused.

PAVLA MILLER teaches sociology at the Phillip Institute of Technology.
After seven years in office, the Hawke government has discovered the idea of reforming Australia’s federal system of government. This agenda is dominated by talk of micro-economic reform. Just as important for the Labor movement, however, is the need to give new meaning to the role of the public sector in Australia. The arguments for the new federalism should include devolving some of the powers of government to a local level. This is an important goal: giving local people more say in the public decisions that affect their lifestyles.

The Labor movement has never been able to reconcile policies for increasing the power and control of central government with its desire for greater personal freedoms and opportunities. Too often reform programs are administered by centralised bodies, insensitive to the needs of local communities. This can negate the purpose of reform itself. Large bureaucracies tend to ignore the rights and needs of people at the local level. The best way to increase the power of ordinary citizens is to ensure that decision making is dispersed to small-scale organisations.

There is an emerging trend in local government towards forums for public participation. In Sydney, for instance, precinct committees have been established at North Sydney, Waverley, Liverpool and Manly Councils. The great virtue of the precincts and other community forums is their ability to bring government within the reach of all residents. All manner of municipal issues can be addressed at these informal meetings each month in each suburb.

Precincts are the kind of initiative that provides an equality of opportunity to participate in the decisions locally which affect the style and quality of life. Experience shows how issues at precinct meetings are usually free from party politics. Activists in the precinct system are more likely to be disillusioned with the major parties. They regard community participation as an important remedy to the weaknesses of government.

Australian federalism has been stubbornly resistant to change. The founding arguments for federalism in 1901, about regional differences and rivalries, now look absurd. By any test, Australia is a relatively uniform nation - in temperament, language, ethnic mix and other indicators. Real differences are local, not between the states.

Bob Hawke has discovered federalism, in the cause of ‘micro-economic reform’. But Mark Latham argues that we’re federal enough already. Dispersing power, not centralising it further, is the key.
It is difficult to recall in Australian public life any intelligent argument for the redeeming features of federalism. Its real impact has been to sustain public sector inefficiencies and a fiscal imbalance between all levels of government. Internationally, federalism has been driven by geographical differences and rivalries. The world's eight largest nations are organised on a federal basis. Other nations, however, have achieved better efficiency than Australia through the decentralisation of services.

No other federal system allows the national government to raise as much as 80% of public revenue. There are large costs in the duplication and administration of programs where funding comes from the Australian government yet services are provided by state and local governments. Bureaucracies are created which do nothing more than monitor the delivery of services by other bureaucracies. Unless governments are electorally responsible for funding their own services, the incentives needed for genuine efficiency will be absent. Passing the buck substitutes for public sector reform. Moreover, local autonomy will be enhanced as governments move towards self-sufficiency in their revenue base.

No other federal system has Australia's concentration of service provision among the states. In each of West Germany, Switzerland, Canada and the United States, local authorities are responsible for a range of education, family welfare, housing and health services. By comparison, Australian local government is tiny, representing 6% of all public expenditure, against 23% in Switzerland and the United States and 20% in West Germany and Canada.

Local government in Australia is captive to state legislation. Just as the fiscal dominance of the federal government provides an easy option to cut state grants, state governments are comfortable in overloading local authorities. Local government has become a safety net for the service failures of insensitive state bureaucracies. Meanwhile, state politicians have legitimised their role by building large and centralised public administrations.

The mass service areas of state education, health, housing, transport and law enforcement shelter almost 20% of Australia's workforce. These services are provided uniformly across the state with little regard for local input and needs. Sectional interests have found it easy to preserve their privileges with bureaucracies of such size and centralised control. The inefficiency of state departments has forced affluent and middle Australia into private education and health care.

The administration of state services has grown beyond its economy of scale. The decisions which influence the provision of community facilities are remote from local consumers. This has produced a crisis of confidence in the public sector. Government services will be insensi-
tive while ever they lack a sense of ownership and control.

In the private sector consumers exercise choice through purchasing power. If a private company is losing consumers it has a clear incentive to reform management and lift performance. The absence of these incentives can make private monopolies as inflexible as public monopolies. If consumers are not satisfied with government services they have few options for exercising choice. The great bulk of Australian families, if their income allowed, would seek private coverage in education and health. They already exercise that choice for transport and housing services, perhaps more than any other nation.

"The leadership of the ALP has failed to reform Australian federalism"

By the standards of consumer choice, the public sector in Australia only survives by virtue of government authority and monopoly. Before seeking its broader goals for reform, the Labor movement must first make sure the public sector is truly valued by the public. That means simulating a feeling of ownership and control by giving local people an input into the performance and provision of community services. The habit of uniform standards imposed from central offices simply aggravates discontent with the public sector. Public ownership should mean more than mandatory taxation.

Quite simply, people are dissatisfied with having to pay for things they cannot control. Taxation is resented most when government services are controlled centrally. The idea of fiscal equivalence comes from people funding services when they can see a benefit locally. The community will contribute most to those things it can control. This means offering forums for participation in the decisions of the public sector which impact on local amenities.

Federalism overseas offers alternatives for the devolution of community services. In Switzerland, for instance, it is argued that decentralisation makes government more efficient. The process of dispersing taxation powers and service functions secures a better response to local needs. The Swiss support for community involvement, which decentralisation makes possible, has tended to blur the distinction between private and public life. The product is a large amount of voluntary support for public activities. There are signs of a welfare society replacing the conventional welfare state.

The United States tradition for local self-government, dating from the democratic town meetings of colonial New England, has been achieved despite constitutional restrictions. Local government in the United States actually provides more services than state governments. The federal system is based on the decentralised provision of public goods. In Australia by contrast, state governments spend eight times the amount of local government.

The leadership of the ALP has failed to reform Australian federalism. The depressing record of federal referendums has made unattainable the goal of Hawke's 1979 Boyer Lectures to abolish the states. Before that, the efforts of the Whitlam government at regionalism were frustrated by Liberal-National state governments. In any case the last reform Australia needs is the creation of an extra tier of government.

In the 1990s, as the centenary of Federation approaches, the inequities and inefficiencies of Australian federalism will come under renewed focus. This debate, however, already runs the risk of having new federalism as the intention of all but the precise program of none. It will be another wasted opportunity in Australia if 2001 achieves no more constitutional change than the 1988 bicentenary. Nonetheless, the ALP need not wait 11 years for federal reforms. With Labor governments in Canberra and five of the states, it is possible to achieve lasting change within the existing provisions of the Constitution.

If the federal government is to govern in the interests of national economic growth, it must take responsibility for Australia's leading economic institutions and infrastructure. It already exercises power on trade and commerce, foreign investment, taxation, communications, banking and migration.

These responsibilities can be supplemented by the states using the transfer of powers provision for industrial relations, freight transport, electricity grids, non-bank financial institutions, business laws and accident insurance. This device, provided by section 51 (XXXVII) of the Constitution, has not been frequently used. An example was the transfer to the federal government of the Tasmanian and South Australian railways in 1975.

If Labor is to govern locally in the interests of the community then it must disperse the control of services...
into the community. During the 1960s and 1970s the functions of federal and state governments expanded exponentially. They took on new responsibilities, such as ethnic affairs, child care, consumer affairs and aged services. In particular, the federal government increased its involvement in community programs. This meant bypassing the states with grants for local government. Local authorities were incorporated into federal policies through grants for 'eligible organisations'.

These initiatives, with the years in which funding commenced, are listed in Fig 1. Although several programs have been discontinued, they show the immense scope by which basic services can be administered at the local level. In Australia, the decentralisation of service delivery has occurred only within the limits of federal funding and policy control.

The Local Retreat

*(Year indicates date of transfer of service to federal sphere)*

- **home nursing** 1965/66
- **aged or disabled persons homes** 1967/68
- **delivered meals** 1969/70
- **home care services** 1969/70
- **handicapped persons assistance** 1972/73
- **child care** 1973/74
- **Aboriginal advancement** 1973/74
- **community health program** 1973/74
- **community arts grants** 1973/74
- **national estate grants** 1973/74
- **area improvement (open space and natural environment)** 1973/74
- **leisure facilities program** 1973/74
- **regional employment development (RED scheme)** 1974
- **nursing home administration** 1974/75
- **homeless persons assistance** 1975/76
- **community housing program** 1984/85

It is possible for ALP state governments to transfer a range of functions to local government. Already there are signs that the debate about new federal arrangements will ignore this option. Local choice and autonomy fosters community pride and identity. It stimulates a feeling of ownership in the public sector. This is an essential part of government services responding to local needs. When the control of services is dispersed, politicians have to be more specific in their programs. In such situations there is a greater chance of the public sector meeting the wishes of the people than the case of large centralised government.

The ALP should develop a full agenda for the local provision of services. This will mean a direct role for local government in aged services, public housing, bus transport, community health, arts and local heritage, employment schemes, leisure facilities and family support services. In other areas, state governments should decentralise the control of local services. Public participation should precede the construction of new facilities and monitor the performance of existing services. There is no barrier to state bureaucracies using the precinct network to achieve these goals.

In education, for instance, local parents should have a role in the administration of schools and assessing the performance of staff. This is the basis of public sector ownership: local consumers linking the performance of public servants to financial rewards and incentives. Local communities have a range of managerial and financial skills which can assist decision making in schools and other public bodies. Global budgeting also allows the community to determine the resource mix needed to maximise local benefits. An autonomy is granted to each local authority, the size and influence of the central bureaucracy can be reduced.

These reforms will be most effective if set against greater fiscal balance within the federal system. The federal government should shed part of its funding role for basic services by encouraging the states to raise income and consumption taxes. Local government can broaden its revenue base through the introduction of betterment charges, windfall taxes and an increased and fixed share of income taxation. The federal and state governments should provide fewer services themselves and, instead, focus on their role as a clearing house for grants which target the problems of regional inequality. A balance will need to be reached between these twin goals: the need for local autonomy and the redistributive role of regional funding. The use of untied grants is a worthy starting point.

Local government can be a testing ground for ALP programs which respond to changing community needs. The search for new forms of service delivery involves not just decentralisation, but new forms of governing. Labor parliamentarians will need to adjust to the politics of giving power away. This brings new challenges at a local level. Occasionally resources will be misused locally and power abused. Local government will need to lift its standards for public participation and sound management. These obstacles aside, a system of government which is sensitive to local needs and involves local people in public decision making should be valued by the Labor movement. The imperfect wishes of the community are usually better than the imperfect decisions of government.

MARK LATHAM is a member of Liverpool City Council (NSW).
August saw the Left dig in around the ALP platform in the Telecom debate. Yet most ALP senior Left figures are at odds with their own faction. David Burchell looks at why.

he Telecom debate which raged through July and August will reach a climax at the end of this month with the ALP special conference devoted to the issues of telecommunications and the airlines funding. It is becoming clear that this has been a vital debate, possibly the vital debate, over the course of 'micro-economic reform' in the Hawke government’s fourth term.

In the process, the simple anti-competition, anti-privatisation case with which the Left entered the debate has taken a considerable beating. The official ALP Left will go into the special party conference with its no-compromise position unchanged. Yet most senior figures within the ALP Left now concede that a simple oppositional posture in the debate is not sufficient, and the tacit assumption is that a variation on the Kim Beazley’s ‘Megacom’ option may be the preferred outcome for a pragmatically-minded Left. This is a shift of considerable proportions. Obviously on one level it has been prompted by the political imperative to avoid open warfare in the ALP and the consequent downfall of the government. Nevertheless, there is a clear sense in which the Left’s theoretical position has been found wanting in the debate, and this has contributed in no mean manner to the discomfiture of senior members of the ALP Left.

To understand how this happened, it’s probably worth starting by outlining the positions. The government, of course, is torn between the options of Kim Beazley, who wanted Telecom and OTC combined into a ‘megacom’ and ranged against a foreign-dominated competitor, and Paul Keating, who wanted Telecom ranged against a consortium of which OTC was to be the majority partner. Keating’s argument was that Telecom and OTC in combination would snuff out any competitor, foreign or otherwise. The common element in the two proposals was the prima facie benefit of exposing telecommunications to private sector competition.

The Left, both inside and outside the ALP, was initially united in its opposition to both the Beazley and Keating options. There were several elements to the Left’s case. First, either of the government’s options could be interpreted as implying some degree of privatisation, and furthermore as ‘opening the door’ to further privatisation thereafter. In Beazley’s case, Aussat was to be sold off to the private competitor (assuming it could be persuaded to buy an enterprise with accumulated debts in the order of $900 million). In Keating’s case, up to 49% of OTC would be available to private investors. And of
course the very division of the market by the introduction of competition would cut the market share of Telecom, and thus its value to the public, by a very considerable amount. And since the Left is officially opposed to any form of privatisation, this alone was enough to condemn the proposals in many people’s eyes.

The second argument stemmed from a social, rather than a more narrowly ideological, concern. Cross-subsidisation of domestic and rural users by business users is an important element in affordable telephone services for households. Competition, it is argued, by cutting the market share of each competitor and by encouraging ‘cream-skimming’ of the profitable bits by competitors, would reduce the ability of Telecom (or anyone else for that matter) to keep domestic telephone charges affordable to poor and country people. Indeed, the existence of cross-subsidies is more or less what business means when it decries the inefficiency of our phones. However, it’s worthy of note that Kim Beazley has given public assurances that ‘megacom’ and its competitor would be regulated to maintain Telecom’s ‘community service obligation’.

The third element in the Left case was essentially economic, and thus the most easily defensible in the current political climate. The theoretical rationale for introducing competition into telecommunications is the orthodox neoclassical belief in the ability of competitive markets to produce optimum outcomes in economic affairs. The more competition, in other words, the more ‘efficiency’.

Yet this is clearly not an adequate account of the dynamics of the modern capitalist economy. Most markets are not ‘free’, most do not ‘clear’, and most playing fields are not — nor are ever likely to be - level. Not to mention the fact that we live in a complex mixed economy with a plurality of economic interests and pulls (the arbitration system, the Accord, tariffs and quotas and so on), none of which is reducible to a pure market logic.

In short, then, competition does not always (or even often) produce ‘free markets’, and markets often work in particular situations to clear out competition. The Financial Review remarkably conceded recently, for instance, that deregulation of the domestic airways may lead in time to a monopoly carrier replacing the regulated duopoly of yore.

Moreover, telecommunications has always been regarded in the past as an obvious ‘natural monopoly’. In other words, the structure of telecommunications (the enormous network of cables, the universality of need) is such as to suggest that competing firms with competing networks would tend to be a less efficient use of our national resources than a monopoly provider, public or private. To this way of thinking, then, the most likely outcome of competition in the longer term would be a single private utility, or a cartel of private utilities, whose regulatory regime would be totally up to the ideological predilections of the government of the day. Thus competition would not succeed in its own aims, let alone those of the Left.

Of these three arguments, the first is mostly of internal concern to Left theology, but both the second (social) and the third (economic) are serious objections to both the government’s preferred options in telecommunications policy. Why then was the Left’s case so easily marginalised in the public debate?

Cynics would reply that the simple answer is that both the government and the media are in the pockets of big business, and all viewpoints other than those of big business are never going to make it on to the agenda. A more sophisticated version of this argument might be that the government has staked its business credibility on ‘micro-economic reform’ and its associated definition of ‘efficiency’, and that this allows it no option other than the competition micro-economic reform is alleged to require. (A more succinct definition was provided by Max Walsh in the Sydney Herald recently: ‘micro-economic reform’, he opined, ‘is really about changing work practices’.)

There’s clearly a degree of truth in at least the latter version of this argument. But ultimately it’s more of an
alibi than an explanation. After all, if the Left's arguments really are commanding, and the case for competition really is irrational, surely it's not in the government's interest to pursue a policy which, even if it appeases business interests in the short run, is going to lead it into an economic cul-de-sac in the longer term?

Here it makes sense to look a little more closely at some of the key terms in the debate mentioned earlier: privatisation, deregulation and competition. Privatisation is easily the biggest bogey in the current lexicon of the hard Left. The Telecom unions in particular have staked a lot on the defence of the public ownership of Aussat: indeed, they threatened that if Aussat were privatised, they would recommend to their members disaffiliation from the ALP. The first question here is why on earth a large part of the Left has allowed itself to get so hung up on Aussat. As Kitty Eggerting argues below, Aussat is not only a lemon now, it has always been a lemon: and furthermore it only owes existence to the commercial imperatives of certain players in the telecommunications industry (notably Kerry Packer) rather than the national interest or economic strategy. Moreover, it is surely stretching the logic of anti-privatisation to argue that ridding the public of a debried and loss-making enterprise is actually weakening the public sector. Surely, on the contrary, its consequence would be to strengthen the public sector by freeing more assets from the unproductive task of debt-servicing to productive use by the sector as a whole?

The wider problem here is the trench-warfare posture of the Left on privatisation. The pervasive Left imagery is of two sides - 'privatisers and deregulators' on the one hand, and their opponents on the other - arrayed on the battlefield, fighting over the terrain of the public sector. Trench raids are followed by counter-attacks; preparatory ideological gunfire is aimed across the 'no-man's-land'; the defenders prepare constantly for the final assault. On the face of it, this frame of mind is perfectly understandable. After all, there are strong social forces with a powerful interest in divesting the public sector of enterprises which do, or could plausibly have, some useful role in government social and economic policy. Even the airlines, which on the face of it have no 'marketing correcting' or social equity function whatever, do bring resources into government coffers which would otherwise have to be raised by taxation.

Nevertheless, understandable though it may be, the trench-warfare approach costs the Left dearly in the public debate. Not least in the case of Telecom because it obscures the real issues. As I suggested above, privatisation (or simple dumping) of Aussat by the public would not necessarily weaken the public sector one iota. On the other hand, the public stake in telecommunications could be significantly weakened without so much as a whiff of privatisation. In Beazley's option, for instance, the existence of a private competitor, to the extent that it succeeds, would weaken the market share and thus the value to the public of Telecom and OTC - without any public enterprise actually being sold.

Nor does privatisation as a concept have much to say about social equity questions such as cross-subsidies. After all, a properly regulated private monopoly or duopoly could just as easily be required to cross-subsidise as a public monopoly: all that is required is the political will on the part of government. This suggests that, public or private, monopoly or duopoly, what should concern the Left most from a social justice standpoint is the regulatory regime of telecommunications, and the political decisions associated with it. By the same token, deregulation and privatisation don't necessarily run on parallel tracks: indeed, the British experience suggests that a private duopoly might require more, not less, regulation than a public monopoly.

More broadly, as Peter Baldwin argued recently (ALR 120, August), the fundamental questions with public sector enterprises are: what function they perform and what structures and institutional environment are appropriate to that function. For 'market conforming' enterprises competition may be a perfectly appropriate means of enhancing efficiency, just as it can be in the private sector. 'Market diverging' enterprises, however, need to carry out a social function and thus may need protection from the harsh logic of the price mechanism. Seen in this light, the debate over Telecom is partly a debate over whether it should be viewed chiefly as a 'market conforming' or a 'market diverging' enterprise. Mr Beazley's position appears to be a compromise between the two conceptions. And his public assurances that cross-subsidies would be protected by regulation under the proposed duopoly would seem to suggest that he is aware of the tension between the two roles.

This brings us to the question of competition. And here we encounter a paradox. The Left's criticisms of the applicability of the neoclassical ideal of competitive markets to the telecommunications industry are quite impressive, and have rarely been satisfactorily answered by their protagonists. Yet there is a much broader sense in which an inflexible hostility to competition has been the Achilles heel of the Left in the Telecom debate. The distinction worth making here is between competition as an ideological dogma and as a fact of economic and social life.

There is something rather odd about the analysis of competition in Left debates around the public sector at present. After all, it has been a virtual consensus on the Left in recent years that the command system is no longer a tenable model for socialist economies or economists, and that markets are a necessary and permanent fact of economic life. Markets, in turn, tend to require competitive tensions. Yet in debate around the public sector the logic of this is rarely thought through. It is perfectly true that there is little reason to expect that
a ‘competitive market’ of the neoclassical ideal will ever be established in telecommunications, or that it would necessarily be commandingly ‘efficient’ if it were. But this is not to disprove the useful role which competitive behaviour can play in economic life in the rough practical world. Rather, it is an argument for the ‘imperfection’ of competition in the theoretical sense, and for a practical case by case assessment of its appropriate role within particular public enterprises. There is a strong case for the belief that unregulated open competition over the basic phone network would actually create inefficiency by removing economies of scale and leading to unnecessary duplication. But that is not sufficient argument against competitive forces themselves.

There is another sense in which competition has been the undoing of the Left in the Telecom debate. And that is that in its inflexible opposition to competition as a general principle the Left fails to engage with the very powerful force of commonsense behind the idea of competition, and by corollary its own perceived support for government monopoly, bureaucracy, and the status quo.

An extremely small number of Australians have any real conception of the byzantine complexity of the telecommunications debate. At the policy level it’s purely a debate among the mandarins and a small group of policy analysts and union research officers. But everyone understands concepts like governmental bureaucracy, the tyranny of monopoly, and the frustrations of dealing with public utilities which can frequently appear to have little or no regard for their customers. And most people also, in their private lives, think of competition (at the supermarket, the shopping centre, the petrol station) as providing them not only with ‘freedom of choice’, but also means of combattng the tyranny of petty officialdom and bureaucracy. If they’re rude to you at one shop, you can always go to another. Public opinion polls consistently show that the services people are most satisfied with tend also to be those where there are a multiplicity of options of service providers.

Of course, in itself this perception might seem to have little to offer in the telecommunications debate. Unregulated competition there could easily lead to higher rather than lower prices, and in any case such ‘competition’ would be in the order of a cosy duopoly where the players could quite happily appoint themselves a comfortable market share, and then sit back and protect it. A private sector competitor to Telecom, were it actually to devote itself to customer service, would undoubtedly focus its attentions on business rather than private customers. It’s hardly the image of competition the average consumer carries with them from the experience of the shopping centre.

Nevertheless, the image remains a potent one. And more potent still, especially in the era AB (After the Berlin Wall) is the image of the Left as standing for monopoly, bureaucracy and the ‘dead hand’ of central planning. So when the Left appears to come out in opposition to competition, and in tacit support of a bureaucratic status quo, alarm bells start ringing in people’s heads.

This isn’t entirely fair to Telecom, of course. Whoever provides telecommunications services in Australia, they will probably always be somewhat lumbering and unwieldy, if only because of the nature of the industry. And Telecom, as the Evatt Foundation recently argued quite strongly, does as good a job as most. Yet, at the same time, is the popular commonsense entirely misplaced? Public or private, large unaccountable bureaucracies are a problem, and competition can be a useful way of providing additional checks and balances against misuse of monopoly powers to those of regulatory authorities, given the latter’s proneness to ‘capture’ by the regulatees.

Some economists have argued, for instance, that a healthy model for a more responsive public sector would be to have public enterprises competing against one another - on artificially levelled playing fields, as it were - to provide specific services. Another option might be to have smaller autonomous public corporations competing over different areas of the same industry - like OTC competing for telephone installation, for instance. One British author, discussing the future of the privatised British Telecom (BT) under a future Labour government, has proposed an even more daring model. BT would be broken up into a series of regional or district companies, which would be superimposed on the publicly-owned network. The network, or an industry authority, would set standards of service and price, while the local companies would be accountable to local communities and be subject to five-yearly reviews of their franchises.

Probably criticisms could be made of all of these models on the grounds either of duplication or ‘inefficiency’ (though it would be nice to see them discussed). In any case, the choice of model is not important for our purposes here. Ultimately what is important is for the Left to have something to say to the concerns which lead ordinary people - not just conservative ideologues - to view competition as inherently liberatory, much in the same way as eastern and central European citizens tend
at the moment to see markets purely and simply as tools of liberation. And in the final analysis that goes further than the idea of competition itself. As Mark Latham argues elsewhere in this issue, the public sector would have a better reputation and a stronger support base if it were actually just a little more public. Too often the public sector and its Left supporters are perceived as a producers’ monopoly against consumers, and this weakens the social legitimacy of both. For instance, the close identification of the anti-competition case with the Telecom unions in the present controversy probably didn’t help the former in the public mind.

The most probable outcome of the Telecom debate now may well be a modified version of the Beazley proposal, with appropriate guarantees of protection for Telecom’s ‘community service obligation’ (CSO). This is a far from perfect outcome for the Left, not least because Telecom itself now appears to see the CSO as an irksome constraint on its competitiveness. Nevertheless, it leaves open to the Left the task of defining just how it is to cope with the genie of competition in the following instalments of the debate over ‘micro-economic reform’.

Notes:

DAVID BURCHELL is ALR’s Managing Editor.

Lost in SPACE

In the furore over the future of Australia’s telecommunications the Left seems set to fend off privatisation at any cost. That may include being forced into defending Aussat, whose establishment it bitterly opposed from the start. Kitty Eggerking traces Aussat’s history and some of the options for its disposal.

The idea of an Australian satellite in the 1970s meant different things to different people. For the boffins the satellite was state-of-the-art technology; for political boffins it was not only a gee-whizz space toy but it also held out the promise of a new structure for Australia’s concentrated media; for media owners it presented an alternative to the then two-television-station rule and an alternate carrier to Telecom. Some groups believed that a satellite would break Telecom’s monopoly on Australian communications; others predicted miracles for remote education; still others simply wanted to restrain the power of the Australian Telecommunications Employees Association (ATEA), while others saw a satellite as a boon for Australian business.

By 1990 very few of the promises have been delivered, and very few of the players have become winners. One exception is Kerry Packer, who persuaded Prime Minister Malcolm Fraser in 1976 of the need for an Australian satellite and who is one of the few to have profited indirectly from Aussat.

(The satellite did lead to the undermining of the legislation controlling the ownership of television stations, which was eventually replaced by the ponderous ‘audience reach’ rules for media ownership, and, in the sellers market at the start of the new rules, Packer and Rupert Murdoch made $1.8 billion between them on a total of four TV stations, valued at a maximum of $800m.)

Although Fraser envisaged 49% private ownership for Aussat, under Labor Aussat is entirely publicly-owned. Telecom, which consistently advised against a satellite, was forced to take a 25% stake in Aussat, even though it saw the future of Australian communications in fibre optics. In all the policy documents floated between government departments over almost ten years before the first of Aussat’s three satellites was launched in 1985, the financial viability of the satellite was never seriously assessed. Some guesstimates were produced, but after the first three years of operation Aussat’s income was $100m below the estimated $289.4m.

The satellite has proved prohibitively expensive for distance education; for broadcasters its costs outweigh its benefits; it has proved extremely costly for the commercial networks; and has led to no discernible stimulus for Australian industry.

The working life of two of the satellites will expire in 1993, and these are due to be replaced by two second generation satellites in the early 1990s. While the existing satellites have transponders of 12 and 30 watts, the second generation satellites will have 50 and 150 watt transponders, and current users believe the new transponders are too powerful for their needs.

The total cost for purchasing and launching three first generation satellites was $283m; the second generation satellites are expected to cost $480m.
While the federal government has many options from which to choose (see box), the most likely outcome is that Aussat will be sold off to a powerful private interest seeking to extend its reach in international communications. The purchase of the unviable Aussat, with debts of $900m, would be seen as the entry price for this potentially lucrative market. Kerry Packer's Consolidated Press, TNT, Pacific Dunlop, AMP, Excom, the British Racal Telecom and some of the US "baby Bells" have all been mentioned as likely contenders.

It is fitting that private interests bury Aussat, an organisation conceived for private interests and sustained by the public sector.

These pieces are based on two papers by Sam Paltridge of the Centre for International Research on Communication and Information Technologies (CIRCIT): Australian Satellites: Policy Options for the Future. Supplementary information comes from Paul Chadwick's Media Mates: Carving up Australia's Media. KITTY EGGERKING is ALR's Production Editor.

THE OPTIONS

a) Privatisation

Debts of $900m or so make an unattractive selling point for Aussat. Only with extensive government guarantees is Aussat likely to have any market appeal, and the government would have to inject significant additional equity or write off a major portion of Aussat's debt to make the investment attractive. If the government, at enormous expense, paid off a major portion of Aussat's debt, Aussat would be more competitive, but this would hardly reflect relative efficiency.

Of course, public sector users, like the ABC and SBS, could be directed to continue to use Aussat, thus guaranteeing it a market, but such a measure would not enhance efficiency. Alternatively, Aussat could be given access to wider markets, but such a decision would have to be based on public interest rather than on the narrower consideration of making Aussat saleable.

At present the only potential buyers are the large national and international players, like one of the US "baby Bells", seeking a strategic position in the Australian and international markets.

b) Mergers

Mergers with either Telecom or OTC have been repeatedly suggested as an alternative to a sell off. This would not really reduce the losses of Aussat, and would necessitate its debts being absorbed by the merging body, thus affecting the latter's profitability. A merger would do little to increase the traffic on Aussat, though a merger with OTC could lead to OTC shifting its international traffic away from Intelsat to Aussat, thereby bringing Aussat into competition with Intelsat. Telecom is in the strongest position to absorb Aussat's losses and to provide the large amount of capital needed for future investment.

c) Changing the second generation plan

It can be argued that since Australian satellites have so far failed to deliver the promised benefits, future satellites are also unlikely to live up to expectations. Thus, one option would be to cancel the second generation satellites and shift Australia's satellite requirements to Intelsat.

It is also possible at this stage to redesign the second generation satellites to offer international services to, say, the Pacific, though such a scheme would bring Aussat into increased competition with OTC and/or Intelsat.

Existing Aussat users have criticised the second generation satellites as being unnecessarily powerful. Thus, another option would be to scale back the capacity of the second generation satellites.

Finally, it may be possible to delay the launching of the second generation satellites until almost the expiry of the first generation satellites.
The Liberal face of Feminism

The Liberal Party is in a state of flux. After almost a decade of Labor rule, it’s struggling to come to terms with the mood of the 90s. A vigorous opponent of the attempt to find that in the ‘traditional family’ is Amanda Vanstone. Here she speaks to Karen Coleman.

Amanda Vanstone, at 37, belongs to the new breed of Liberals. She joined the party at 26, became branch vice president within a year, and seven years later found herself elected to the Senate. She held a couple of portfolios in the shadow ministry under John Howard, but at present has none. She is outspoken on issues like abortion and women’s re-entry into the workforce. She lives with her husband, two dogs and a cockie. Her first job on leaving school was with Myers department store.

I started tertiary study with Myers, then I went to another retailer, and then I set up my own small business, retailing modern art graphics — etchings, silk screens, reproductions, that sort of thing. And I hated it! I hated the loneliness, hated being on my own. I realised I had to get out of that. Around that time I was just about to finish law and an opportunity came up for wholesaling cheese. I took that up, but I got rid of it as soon as I was elected.

You practised law in 1984 — one year before you went into parliament?

Yes.

You did your law degree part-time?

Yes, an arts/law degree.

Was that hard work?

Well, it doesn’t make me very sympathetic to full-time students who expect to get it all on a plate.

I’m not very sympathetic to them either — I teach them all the time.

I’m patron of the University Liberal Club in South Australia and of the Young Liberals, and I sometimes wonder if they have made the right choice. I see a lot of full-time students from some, not all, wealthy families, and I think you just don’t understand how lucky you are. Or how unlucky. If you said to me now: “look, you are a fool - when your mother offered to keep you at home so you could go to university, you turned it
down.” For the life of me I can’t figure out why I did that now. I’m not sure if I had my life over again I’d do it differently, but I do know that a good deal of what I’ve learned, I’ve learned through those work experiences.

You’ve been outspoken in the past in your criticisms of Liberal policies on women and the family. How important do you think your contribution has been in changing Liberal Party policy on these issues?

It doesn’t matter what anyone says about your contribution, you have to have faith that somewhere it will make a difference, and you can’t expect you have no right to expect that you will be told where it has.

So I’ve argued with lots of people about the perceptions they have of how Australian families are, and I think a lot of people on both sides of the House have some very outdated perceptions of the make-up of Australian families. They also have some outdated perceptions about the motives of sole parent beneficiaries. But I don’t know whether my talking has been the final
catalyst in the change, but I've certainly been pushing for the direction that our last policy came to. Now there is a recognition that the majority of married women are working and that they deserve the rewards they get for the extra effort they put in.

Are you referring to the child care rebate?

Yes, and even to the extensions to the Dependent Spouse Debate. I've got other long-term views about what ought to happen to that, which many of my colleagues wouldn't endorse.

And what do you think should happen with that rebate?

Our policy is good because without actually increasing the rebate itself, we increased the amount you could earn before you lost the rebate, and we decreased the rate at which it's to be taken away. That means that with the rebate, which so many people have argued works as a disincentive for women to return to work, that disincentive has been very substantially reduced because you could earn more before you started to lose anything, and even then you lost it at a slower rate. So even on something as conservatively framed as the Dependent Spouse Rebate I think we have made some good changes. I'm not saying that the DSR is a good thing - I'm saying the changes we have made to it have made it a much better rebate.

So what do you think of the Dependent Spouse Rebate in the long term?

I'd rather see the money that now goes into the Dependent Spouse Rebate go straight to families with children, irrespective of the structure of the family.

Would you income-test that money?

That depends on the sort of benefit you turn it into. My preference is for putting that money into families with children without discriminating about the family structure. I firmly believe that money should be given to families as a consequence of children and it should vary according to the number of children you have.

What about people who are on single parents' pensions?

They have been fairly viciously treated by this government. I think the changes in 1987 looked okay on paper, but had catastrophic effects on people.

To a large extent you're talking about people who haven't worked for 20-odd years and their chances of getting back into the workforce at that age, without skills or confidence, are pretty much zero for most of them. I think that [1987] treatment was vicious. It was done with no forewarning - people didn't know about it until a couple of weeks before it happened. But, by the same token, at that same stage, the Liberal Party's papers actually advocated that they lose it when the youngest child turned 12.

I sometimes think that many people believe in immaculate conceptions because they're so willing to blame the sole parent, the mother, as though a man was never involved. The father is perhaps not taking the appropriate monetary responsibility for that child. On that question, I must say I was very pleased to see both sides supporting changes to the maintenance arrangements. But I have a real feeling that we cannot continue to believe that, because a couple want to split up, society will foot the bill for them. That doesn't mean that I would ever advocate a reduction in the level of the sole parent benefit.

I would like to see a better sharing of the assets when they do split up and a realisation on the part of both parties that they cannot expect, when they split up, to maintain the same standard of living. I'll be damned if the split up of a middle-class couple should mean that someone on a lower income has a portion of their tax spent on maintaining that lifestyle. It just ain't fair.

Do you know that I've had a number of constituents who look me straight in the eye and say they expect their children still to go to private schools after they have broken up. It is not fair enough if they expect other taxpayers to pay for it.

What do you think of this proposition: as soon as people divorce, women should get back into the workforce as soon as possible and that government should provide adequate and real programs to assist that transition, which, of course, means proper child care.

I'd agree. Some of these issues have been addressed by changes in the maintenance system. But it's interesting that the average duration on that benefit is not as long as a lot of people imagine it to be. Government should facilitate child care not only for those women but for all women who want to work.

Most people's stereotype of single parents is fairly unrealistic: for instance, only about 13% or 17% are teenage unmarried mothers, and yet the stereotype is that most of them are.

Many of those perceptions and assumptions are held across the political spectrum by most politicians. It's not confined to the Liberal and National Parties, it's across the board in the community.

I think you actually had a go at people in the Liberal Party who were talking about women as economic conscripts - the notion that they are forced into the workforce.

That's right. Someone asked once at a Women's Services Club: "if you could say one thing to young girls leaving school now, what would it be?" I had to
respond: "never, ever, imagine you won't have to support yourself". If we could have every young girl leaving school, thinking "I'm going to have to make a break for myself in this world", then we'd be a lot better off.

A lot of your thinking is at odds with Liberal-National Party policy.

I don't know about the National Party, but my thinking is not at odds in any way at all with Liberal Party philosophy or, by and large, with the majority of my colleagues. You'll find there are a lot more men in the Liberal Party who understand these issues than you might imagine.

What about the National Party? They seem to have very reactionary notions about the family and women.

I don't have much to do with them. I had a run-in once with Ian Cameron from Queensland. Around the time of the affirmative action legislation he was saying something to the effect that we should have policies to encourage women to stay at home and be in the kitchen. I said something to the effect that Mr Cameron's remarks made me regret that his mother had obviously gone from the kitchen into that other room where women are frequently useful. I was quite amused because it took some of the Nats a long time to cotton on that it was a joke.

Speaking of the Affirmative Action Bill, seven people from your party crossed the floor on that. Were you one of them?

No. For two reasons. The first was that we supported the Public Service Reform Bill [with its EEO provisions for the public sector] and the Affirmative Action legislation which was the EEO stuff for the private sector. We were, after all, the ones who asked for a bill for the Commonwealth Statutory Authorities. In that Bill the government changed some of the wording. While you could argue that the changes weren't substantial, it nonetheless upset some of my colleagues. The changes didn't seem necessary and the government didn't explain them. If you're serious about EEO, you adopt wording that everyone is happy with. The government was just playing politics.

The second reason was that the bill had two separate powers for a minister. Now, lots of bills give a minister general power — it's just a normal administrative function — but this had an additional one relating to the powers a minister had to demand changes in the corporate plan. I didn't see that it was appropriate because a statutory authority is presumably out of the department and separate for a particular reason, and so it seemed stupid to give the minister control over the personnel function. My colleagues who crossed the floor didn't think that was really relevant.

What's your view on affirmative action legislation?

I don't think you should call it affirmative action legislation because it doesn't set targets to be achieved under pain of a penalty. I'd never agree to that; it's very bad for women. The legislation simply requires you to address your mind to women's employment. It's far softer than people imagine. I think there might be some administrative problems but I would expect that, given that the Act affects such a broad section of the business community. Valerie Pratt is taking a commonsense approach in the implementation. I worry whether it will achieve its desired aim but that's another matter.

You gave a speech recently on abortion. What's your position on that?

In the end, a woman's view has to be the one which rules the day.

A coalition of certain politicians against abortion was formed in Canberra a while ago. Will they attempt some action?

I wouldn't be surprised.

You were shadow spokesperson on Women's Affairs. Now it's Jocelyn Newman. Were you replaced when Howard lost the leadership?

No, a bit before that, when we had a reshuffle. It was Robert Hill for a while and then Jocelyn Newman.

How did you feel about being dropped?

Oh, that's politics - in and out.

Would you like to be in that position again?

I'd like to have an influence on the way people think about those matters but I'm not really fussy about how that's done.

Are women's affairs quite important to you?

When I entered parliament I didn't really want a lot to do with women's affairs, but I saw on my side of politics there was not a lot of interest shown and because of that void I've gravitated towards women's issues. I'm interested in other things as well.

What are they?

My big interest at the moment is in licit drugs, pharmaceuticals, poor prescribing habits and what we do about that. That comes down to what we should do about the pharmaceutical benefits. We've got huge health problems related to licit drugs. There are other interests as well.

KAREN COLEMAN teaches in sociology at the University of Technology, Sydney, Kur-ing-Gai campus.
Crime Busters

The movie Dick Tracy is a fastidious recreation of the cartoon world of the 30s. Batman, though, was 80s bleakness. Rodney Cavalier looks behind the recent vogue in comics-turned-movies.

"The 'Bat-Man', a mysterious and adventurous figure fighting for righteousness and apprehending the wrongdoer, in his line battle against the evil forces of society...his identity remains unknown." - Episode one of Batman, Detective Comics, May 1939.

"What was taking place then was the last stage, you might say, of big-time gangsterism in Chicago...It suddenly dawned on me that perhaps we ought to have a detective in this country who would hunt these fellows up and shoot 'em down." - Chester Gould, the creator of Dick Tracy.

The use of special effects in the movie productions of Batman and Dick Tracy has enabled the Golden Age of comics to be captured on film, magic unimpaired. The brilliance of that technical achievement comes some two decades after the publishers of comics, then a medium in decline, discovered the simplification of good and evil had lost its market.

When it comes to depicting mayhem, the two media have moved in opposite directions: the adventure comics have adapted the realism of the modern cinema while the comics has brought to the screen the black-and-white values of the comics of the 30s and 40s. For both it is a lucrative market.

The movie Batman is the comics original, a Caped Crusader unblemished by moral doubt. Just like his progenitors, the Scarlet Pimpernel and Zorro, Batman is a rich idler until he dons his secret identity to serve humanity. The movie of 1989, like the comics world of 1939, is a time of absolutes.

Wallowing in Batman at the cinema was like chancing upon a long-forgotten cache of comic books from the Golden Age. Hollywood well knows the value of familiarity, of plots tried and true, the signs of an audience at the arrival of the retribution that was never in doubt. Westerns were where it created its own mythology, the genre where nothing extraordinary should ever happen. The tale in the eight hours mini-series, Lonesome Dove was one of beguiling familiarity. Spinning the myth becomes a satisfaction in itself, a matter of the writers assiduously reworking all the symbols, a matter of the aging audience ticking off the themes from 300 Saturday afternoons at "the pictures".

The western classic is a man or men against the odds, fortified only by a sense of justice and a Colt .45, pursuing outlaws, driving cattle. Lonesomeness is its own fulfillment when a man knows he has right on his side. The comics' own distinctive creation, the super hero, is equally certain that right is on his side. That is why he (or she) can be an avenger greater than the law itself. Unrestricted by bureaucracy or the petty concerns of making a living, he perceives the wider good of all men, distracted by the love of just one special woman. These productions succeed across the generations because they evoke this in one age group and spin the myth anew with others.

The movie Dick Tracy is the culmination of all these trends and has established some rules of its own. More obviously than anything before, it is a comic book without animation. Instead of expending a fortune on sets that recreate the departed world of 1930s Chicago, you draw panels that fill the screen and have the actors operate inside them. Faithfulness to the original is the guiding principle for the production. Taking care with the period wardrobe is an old staple but it is doubtful that anyone has been so meticulous in realising the reach of a creator's grotesque imagination. Chester Gould caricatured his criminals with names and features of unremitting evil - Flat Top, Prune Face, Mumbles. Makeup and plastic moulds create literal representations of the crude line drawings of the comic strip originals. This is fidelity to the point of obsession.

It is interesting that two media, so interdependent, have moved poles apart. The movies in this genre are unreconstructed dream factory while the comics have become a dose of relevance. Batman of the comic book has come to face the bleakness of official corruption. He has taken on a boy-partner - once considered compulsory for the purposes of male reader identification and let him go. He has avoided marriage and long-term emotional entanglements. He has known official police disapproval, the wrath of civil libertarians, the paralysis of moral dilemma.

The comic book Batman changed because the publishers, Detective Comics (DC), knew that they had to. They were losing their readers to a new publisher, Marvel Comics, where writers and artists had injected their characters with social relevance and a human dimension, however super those characters might be. Dick Tracy had faltered badly by the 60s, his advanced technology by then no more than cute, his murderous approach to the capture of criminals the opposite of cute. Marvel had characters who could no less withstand a nuclear explosion or fly faster than the speed of light, it had sluggers and masters of acrobatics but Marvel possessed characters whose consciences bled along with their skin, enveloped in doubts about personal worth, the relevance of their super powers in a corrupt and unequal world. Drugs, sex, relationships and careers became intrusions from the world of ordinary people.

The contemporary US Supreme Court appeared in the panels, secure in its liberal majority. Marvel had its characters concerned about the rights of the accused; if not they were in serious trouble with the authorities. This was
a radical departure for a readership long accustomed to omniscience, unfussed by the uncertainties of a trial jury or due process. Super-heroes were henceforth to be limited in their assumption of the sentencing role of the judiciary. (A consideration breached often by the defence of self, or a clear and present danger presenting itself to America and the Free World.)

Invulnerable and infallible were the proven formula of the 1930s comic book hero. DC's Batman and Superman were the market leaders, Dick Tracy was read by millions in newspapers across the English-speaking world.

In a world more questioning of authority, such heroes had fatal limitations for the development of character, the variation of plot. DC responded by taking Batman back to basics. Abandoned in quick order were Batman's high-camp image, technical gimmickry like the Bat-mobile, "Kapow", "Yow" and other sound effects screaming from the panels.

The Batman recovered his old name with his persona of mystery as he patrolled a crime-infested city by night. Dick Tracy rolled on and became simply ridiculous.

The two movies have adapted many of the elements of the first comic book appearances. They are brilliant workings of the absolutes of the 30s. Batman went one step further by coupling the morality with the mood and location of 1989 - free market forces have made public safety subordinate to private vigilance, central planning is the province of crime. Dick Tracy is unapologetically the morality of the expectations imposed upon the scriptwriters of 1935.

Technology is what has made these movies possible: without the sophistication of modern special effects and animation, true-to-the-original comics on screen would have been a commercial disaster. These are movies that belong to no period, fantasies of a million childhoods that were awaiting the means for realisation.

RODNEY CAVALIER writes for the Financial Review.
No Babarian

The next Hollywood cartoon revival is Babar the Elephant. But is he a victim of colonialism? David Nichols reports.

One summer evening in 1930, Mama invented a story of an intrepid elephant for five-year-old Laurent and four-year-old Mathieu. Mathieu had a stomach ache that night, and now, in his 60th year, looks healthier than ever.

Perhaps you’ve seen his ABC-TV series, or the bizarre plush toys that are currently available (I say ‘bizarre’ because the idea of a furry elephant in a furry green suit somehow just seems wrong). Babar is ‘in’ and he’s going to get ‘inner’. Now there are two more Babar products for his admirers young and old.

The first is a book, The Art of Babar by Nicholas Fox Weber. No, the crafty old thing hasn’t started painting late in life like a big grey Grandma Moses. This book is about the kind of art that is normally dismissed as rather quaint - the pictures in children’s books, in this case the de Brunhoffs’. Snobs are quickly catered for here with the revelation that both the de Brunhoffs dabbled in art as well - in fact, Jean probably never considered himself primarily an author. He was a Dufy enthusiast - that probably shows in his books - and a number of his pleasant paintings are reproduced in the first few pages of The Art of Babar.

However, it is Babar, his creation and his implications that are dwelt upon in greater detail. Weber is intrigued by Babar’s mother’s death scene, and I must say it always bothered me as a child (we had the record of Peter Us­tinov telling the story: Ustinov probably made the while thing much worse!). She is shot on the savannah by a cruel, faceless hunter; instantly, a surrogate steps in, in the form of an Old Lady who lives in a beautiful house in Paris. She dresses Babar, has him walking on two feet in no time and basically gets some culture into him.

Weber is quick to point out not only the civilising effect of clothes on Babar but the simple joy which he finds in the buying and the wearing of them. “What interested Babar most of all,” says Jean de Brunhoff, “was two gentlemen he met in the street. He thought to himself: ‘What lovely clothes they have got! I wish I could have some too! But how can I get them?’” “After Babar is dressed, he has his photo taken. When his cousins Arthur and Celeste come to find him, Babar quickly has them dressed too (but not their big, naked mothers, who come in turn to find the cousins; possibly the older elephants are beyond civilising!)

Babar arrives back among the elephants at an opportune moment: the King of the Elephants has just died and a new king is being chosen. Cornelius, the oldest of the elephants, quickly sees the advantage of this self-made or maybe man-made jumbo. “My dear friends,” he says, “we must have a new king. Why not choose Babar? He has come back from the town where he has lived among men and learnt much.”

However, the ‘colonial’ aspect of The Story of Babar can be overestimated. Though the French in the 1930s had many of the same unpleasant white supremacist notions as the English at the time and de Brunhoff Sr’s work wasn’t entirely free from (human) racial stereotypes, I find it hard to see Babar as a symbol for blacks in Africa, or even the African continent as a whole.

I believe Babar’s elephantness is much more aesthetic than symbolic. He is, after all, extraordinarily handsome. De Brunhoff was called upon to make up a book about an elephant. Elephants come from Africa - he couldn’t very well place them on a Pacific Island or on the Moon, could he? He is anthropomorphic, of course; and like all young creatures, he enjoys greatly buying things and dressing up. But even if Babar is Africa in transition, he is far too smart to be tainted by the wickedness of the West; he takes the bits he likes, but remains utterly unaffected by between-the-wars depression-era Europe. He’s too smart.

The Art of Babar reveals many sides to the de Brunhoffs which have previously been obscure. Jean was a socialist (“though less political than most of his leftist family”), a fact which gives new meaning to his drawings of the wonderful city of Celesteville in 1933’s Babar The King. “Happy workers in identical houses thrive under the strong leadership of a single benevolent leader: Babar.” To reward the other elephants for building Celesteville, Babar has brought to Africa a huge amount of delightful gifts, clothes and trinkets...no wonder he’s king!

However, the revelations The Art of Babar brings to our understanding of Babar are not political or psychological ones. If anything, the book’s most important aspect is the way it traces Babar’s development under Laurent de Brunhoff, whose work is generally considered inferior to his father’s. While I still enjoy de Brunhoff Senior’s books more than Junior’s for their period look and attention to detail.
Laurent's work in the second half of *The Art of Babar* is often stunning.

He frankly admits that he doesn't enjoy labouring over the kind of intricacies his father put into the early Babar books; however, his Babar work has often been excellent. (His other books might well be even better. I was surprised to read a late '70s book of Laurent's called *The One Pig With Horns*, a surreal story in which an egotistical pig pulls his own head off, cries like a baby, and goes through many other startling transformations. This is the only non-Babar book of Laurent's I've seen - the others, described by Weber, sound just as good.)

Unfortunately, Laurent de Brunhoff, in his old age, has made one mistake that he might already be regretting. That's *Babar The Movie* which opens in Australia this month for the school holidays. Laurent sold the film rights to a Canadian company, Nelvana, because "they understood the importance of maintaining the spirit of the books" - but the result is largely disappointing.

This is not a de Brunhoff Babar story. It is the tale (told as a bedtime story) of a young King Babar (the problem of his mother's death doesn't enter into this version because here he apparently has no parents - like a Disney character). Babar and Celeste - child elephants - travel through the jungle to fight some wicked rhinoceroses who are threatening the peaceful elephant kingdom and who have kidnapped Celeste's mother.

It seems churlish to object to the American accents given to these beasts (would English or French accents have seemed any more sensible?) but there is something slightly nauseating about the way Celeste says Babar (Babbarrrh) and, as for Zephir...his name rhymes with the way Americans would say 'deaf ear'. Just to add to the nuisance factors in this film, the two elephants and their monkey friend meet a crocodile who, I finally figured out, is supposed to be Australian - a reference to Crocodile Dundee, presumably.

According to the production notes for *Babar The Movie*, director Alan Bunce "found that one of the main problems in bringing Babar to the screen was that his eyes had always been drawn just as dots, and so could not be used as a way of helping to show his emotions...One of the animators' solutions to this problem was to make the elephants use their trunks a lot, in ways expressive of their feelings." Great concept, guys. The young Babar was waving his trunk with glee just before his mother died in 1931.

Read the book, don't see the film.


DAVID NICHOLS is ALR's fads consultant.

The difficulty with Clyde Cameron's diaries is deciding how much of them to believe. This is not because Cameron indulges in fantasies or memory lapses, as might have been the case had Sir William McMahon ever found a publisher for his memoirs; it is because a large part of Cameron's reminiscence consists of gloating accounts of how he was able to deceive and mislead his colleagues. It is the old logical paradox of the man who comes up to you and says: "I am a liar." In this instance, is he just for once telling the truth?

But let's be charitable - a concession Cameron himself seldom makes. Let's assume that the man once described by W C Wentworth, a politician with whom he had a love-hate relationship, as "a predatory owl" is being strictly honest in recounting his actions and feelings in 1976 and 1977. If this is the case, the Labor Party was in an even worse mess than it appeared at the time.

Not only had it to face the trauma following the devastation of the 1975 dismissal and the subsequent election; it had to contend with an extraordinary amount of internal conspiring, backstabbing and recrimination which at times went very close to outright treachery. And, again, if we are to believe him, the Hon. Clyde Robert Cameron, MHR, was the unquestioned ringleader.

It is quite extraordinary that Cameron should regard this as a matter for self-congratulation, as he does for nearly 900 closely written pages. To most normal supporters of the Labor movement, the events of 1975 were a catastrophe forced upon it by external enemies. Labor's own inexperience in government and economic management did not help - nor did Gough Whitlam's insistence on standards far more rigorous than those adopted by any national government before or since - but, after all, it was not the government which perverted the composition of the Senate, or which blocked Supply, or dismissed itself.

Cameron claims that his aim in constantly undermining Whitlam's leadership - sometimes openly, often not - was based on a genuine conviction that Whitlam had become an irrevocable liability for the party. Political rehabilitation was impossible and therefore amputation was the only option. He glosses over the fact that, at the start of 1976, no one else - not his favoured candidate Lionel Bowen, not Bill Hayden, not even Bob Hawke if a seat could have been found for him - wanted to take over the leadership. There was simply no alternative to Whitlam.

Cameron, however, refused to accept the inevitable, and spent the next two years working against Whitlam. In this way his "genuine conviction" became a self-fulfilling prophecy. Clearly, if it was obvious to any outsider that Whitlam's own party was conspiring against him, the general public would never accept him as leader. It is impossible to quantify just how much this constant destabilising operation affected the 1977 election result, but Cameron is totally disingenuous in not even considering it as a factor.

It is also very difficult to accept that Cameron acted as he did for altruistic, rather than vindictive, motives. There are simply too many giveaways in his own words.

All the other characters who appear in his diaries are fairly consistently referred to either by given names (for friends and allies) or by surnames (for rivals and enemies). With Whitlam, there is a constant ambivalence: "Gough" on one page and "Whitlam" on the next. Cameron also describes Whitlam and his supporters as "the enemy", despite the fact that, whether he liked it or not, they remained the majority of the caucus and the overwhelming majority of the Labor rank and file for the whole period of which he writes.

But most revealing is Cameron's obsession with his removal from the Labour and Immigration portfolio in 1975. He keeps returning to it like a dog to an old bone, worrying away at it long after it is obvious that there is...
no more meat to be extracted. He insists on referring to it as a "sacking" (it wasn't; Jim Cairns and Rex Connor were sacked, Cameron was moved as part of a fairly extensive reshuffle) and professes a total inability to understand why it happened. Indeed, he seems to have asked almost everyone he met for a theory, and comes up with some truly bizarre ones.

The more obvious explanation - that Cameron was identified with the old guard of big spenders, and had therefore himself become an electoral liability in a high profile economic portfolio - just does not seem to have occurred to him. Cameron's work in the early days of the government and his use of the Commonwealth public service as a crucible to test such things as maternity leave, anti-discrimination and equal rights, were of enormous social benefit; they will rightly be seen as his great political monument.

But they did not come cheap. By 1975 the public was no longer in a lavish mood. Just how far Cameron was from realising this can be seen in his condemnation of Hayden's 1975 budget, which he described as a Liberal document, a betrayal of Labor principles and a sell-out to conservative economics.

The irony of this summation can best be appreciated from the fact that he spent most of the next two years running Hayden to take over from Whitlam, whom even Cameron admits from time to time, in a rather sheepish fashion, was a major Labor figure. When Hayden eventually became leader after the 1977 debacle, Cameron backed him without much enthusiasm until Hawke entered parliament, when he immediately switched his allegiance. In the last few years he has spent some time writing increasingly critical and abrasive letters to Hawke.

At least there is some consistency here; the last Labor leader with whom he felt any real affinity (according to his own account) was Ben Chifley, and that was back in the days when Cameron was a fresh-faced parliamentary tenderfoot. Curiously, he still writes about Chifley almost as though they were contemporaries. It is hard not to conclude that he would much rather have had his time in the limelight in the 1940s than in the 1970s.

Apart from the ground-breaking industrial legislation he introduced, there is another, more physical, monument to Cameron's time in government: the Clyde Cameron Trade Union Training College at Albury-Wodonga, a regional centre which almost, but not quite, worked in the pioneering days of the Whitlam government.

From his days in the Australian Workers Union, Cameron had seen the imperative need to produce union officials with the skills to take the employers and their lawyers on at their own game; hence the project. It is a strange piece of modernist architecture, full of winding corridors that pop out in unexpected places or finish as dead ends; a little, an unkind critic might say, like Cameron's politics. But this would hardly be fair. Twenty-three continuous years in opposition for a keen young reformist with a zealous sense of social justice had to be frustrating to the point of paranoia.

For many of those 23 years, and not only during the DLP split, Labor's members became progressively more introspective; their main preoccupation was internal. Cameron was very much part of this process and, while he was able to break the habit of a lifetime for at least part of his brief period as a minister, it was all too easy to revert when things returned to what most Australians (and most politicians, including Labor politicians) considered normal.

The Cameron Diaries are a valuable addition to the political library, but they need to be placed in context the writings of an unusual man, about unusual events, in unusual times. Cameron's place in history as a social reformer is more solid, and more deserved, than that of an embittered diarist.

MUNGO MACCALLUM was traipsing the parliamentary corridors as a journalist at the same time, and after, Clyde Cameron.

That "the South Pacific is no longer pacific", as Pluto Press exclaims in its breathless blurb for Blood on Their Banner, a new book by New Zealander David Robie, is not merely the ultimate truism; it was never in human history "pacific", save for a brief repressed colonial interlude - itself punctuated in the western islands by the devastating Pacific War.

Conflict, fear, treachery and inter-tribal colonisation were the currency of these islands as far back as oral history can reconstruct it, and as a visit to any of the museums of the region will testify.

Robie focuses on the stories of political development from about 1968-88 in - primarily - New Caledonia, and also French Polynesia, Fiji, Vanuatu, and though not technically in the South Pacific - Belau, Irian Jaya and East Timor.

Marie-Therese and Bengt Danielson, brave voices in the wealthy Tahitian wilderness, claim in their introduction that Robie has produced "a series of well-documented analyses and overviews in which he clearly shows how the ultimate cause of the conflicts and revolts in the Pacific is everywhere the same, and has to do with the maintenance and strengthening of the colonial system".

Unfortunately, they are doubly wrong. First, the book's strength - indeed, almost its entire content - is its recounting of the narratives of struggle within the scenarios Robie has selected, with a valuable index to boot. Its analyses and overviews are few and thin. Second, and especially if the present tense is applied, the "ultimate cause of conflicts" might be viewed as much to do with the emergence of traditional enmities and aspirations due to the stretching of ill-suited constitutions, post-independence, past their cohesive limits, as with the strengthening of colonialism - however deep the continuing anguish within the few remaining colonies, such as Tahiti.

Further, Robie himself goes on to claim that "nationalist aspirations now define the politics of the South Pacific", whereas again a stronger case might be made for the major impetus to be coming from economic aspirations in the 1990s. This factor of the creation and distribution of wealth, central in any social struggle, is only considered - and then in passing - in his treatment of Fiji.

Robie concludes with perceptive questions with which the book might more aptly have begun, questions such as: "Is the solution to colonial racism the substitution of indigenous chauvinist supremacy?" In the event, the question remains rhetorical. For a portion of Robie's own sympathies appear to be enlisted by a number of leaders whose main principle is remarkably akin to "indigenous chauvinism".

The labelling of island leaders - such as Kanak Elori Machoro as the Che Guevara or Robespierre of the Pacific, Dr Timoci Bavadra as the "new messiah" of rural western Fijians, or of Timorese Rosa Muki Bonaparte as her country's Rosa Luxemburg (all three now dead) - presents the socially concerned Australian with an impression of the conscious participation by charismatic Pacific leaders in a global political struggle with which they only peremptorily identified.

Indeed, this in itself raises more unanswered questions. Why was there such little collaboration between independence movements in the region, barring sporadic conferences that chiefly focused on anti-nuclear themes? Why, 19 years after its first meeting, is it only the cause of New Caledonia which the South Pacific Forum has taken up with any seriousness in terms of decolonisation? Part of the answer lies in the very lack of seriousness with which the metropolitan powers, perhaps baring France, went about colonising 'their' islands in the first place. This was then reflected in the desultory manner in which colonies were largely managed and finally shed, if with onerous conditions on the part of the USA.

The roles of Australia and New Zealand, of the churches (especially through the Pacific Conference of Churches) and of the Forum which have all voiced criticism during the period Robie is writing about, and are not always inimical to popular movements - only receive cursory examination.

The social context, too, is largely missing: how significant, numerically, are the movements under discussion? What social conditions drove them? How did daily life differ between the islands under investigation?

And what of the ironies that arrive with power - or with its frustration? Barak Sope is quoted, from his time as secretary general of Vanuatu's governing Vanuaaku Pati, as saying four years ago: "The trident submarine may be a far cry from a black..."
REVIEWS

brandling vessel, but to us they are both ships from the same fleet. That is why Vanuatu is opposing nuclear colonialism in the Pacific. Earlier this year, however, the same ambitious politician - now in opposition, with his own party - was in Washington courting official support, pledging the reopening of Vanuatu ports to nuclear vessels; just as Bernard Narokobi, civil rights champion of Papua New Guinea turned Justice Minister, last July referred to an Amnesty Interna­tional report damning PNG's human rights abuses on Bougainville, as "criminal, illegal and immoral". Pacific rhetoric is notoriously misleading at times.

But Blood on Their Banner is useful both as a primer for those who have not followed events in the French Pacific, in particular - including in the bizarre French-British condominium (or as Robie aptly quotes popular usage, "pandemonium") of New Hebrides/Vanuatu - during the 1970s and 1980s, and as a reference work for those more familiar with events, here conveniently chronicled between two covers.

Robie's book must be welcomed, for all its shortcomings (chiefly, its failure to pull off the claimed trick of drawing disparate threads together, and its selective focus which overlooks major players, including PNG). For it adds weight - and conscientious, committed weight - to a very thin list of resources available to those both within and without the South Pacific who wish to comprehend something of this complex, fractured region of extraordinary cultures and peoples, with its poverty of isolation which is both a defence and a handicap. It is a region of considerably more significance to Australians than, say, Central America; one in which Australia, by dint of its very geography and economy, let alone its military strategy, is inextricably involved. Yet how many leftwing Australians know as much about Fiji, say, as they do about Nicaragua?

David Robie, to his credit, has stuck to his focus of the South Pacific, all but uniquely among Australasian journalists. His sympathies may occasionally go awry, his heroes chase money or worse, but his heart is in the right place. In Australia, in comparison, it is too often by default the self-consciously 'pragmatic' Right that monopolises commentary on the region.

ROWAN CALLICK, for 11 years based in Papua New Guinea, is a staff writer for Time Australia, and a columnist for the Australian Financial Review.

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Peter Wright of Spycatcher fame was not the first to tell of the plots that MI5 had hatched to remove British Labour Prime Minister Harold Wilson from office on suspicion that he was a Soviet mole.

Paul Foot, a well-known British investigative journalist with the Daily Mirror, and whose leftwing sympathies are never hidden, met Wallace in April 1987, several months after the former army officer was released from prison having served some five years of a sentence for manslaughter.

Foot took up his case, completing this book in 1989. It can be divided roughly into two sections: the first, an account of Wallace’s activities with a special and secret British army disinformation unit in Belfast, and the second, an account of the events that led to his imprisonment.

The first part is undoubtedly the most revealing although the second has all the makings of a good murder mystery. Wallace’s ‘black propaganda’ and manipulation of a British media only too willing to believe what was told is a signal lesson for any journalist - and anyone reading daily or watching TV.

Most of his activities were well within the framework of what various governments wanted produced - a certain view of the ‘troubles’ in Northern Ireland. And although the provocations and disinformation he manufactured were mainly aimed at the IRA, the ‘Ultras’ among the Protestants, such as the Rev Ian Paisley, also received attention, to the extent of attempting to set up false bank accounts to discredit them.

But it was after Harold Wilson met IRA leaders in Dublin in 1972 while Opposition Leader, and when even the Heath government began to consider negotiating with them, that Wallace and his fellow thinkers saw a Russian plot. When Wilson came to power in 1974, Operation ‘Clockwork Orange’ began to move to destabilise the Labour government and any chance of a peaceful settlement in Northern Ireland.

Then Wallace stumbled upon a scandal at a Belfast boys’ home involving the rape of inmates by the school's head, William McGrath, who was also a leading Protestant paramilitary extremist. Wallace was outraged but found that every attempt he made to bring McGrath to justice was frustrated, including by his own superiors. McGrath was an informer for the British and protected for that reason until the scandal finally broke years later.

Even worse, Wallace found himself subject to disinformation and soon after was moved out of Northern Ireland. When he refused to accept this quietly and began to tell what he knew through the ‘proper channels’ such as his MP, he was thrown out of the army.

Wallace finally moved to the town of Arundel to a PR job with the local council but began to talk to some journalists about the ‘dirty tricks’ in which he had participated in Belfast. In July 1980 he helped organise a Europe-wide TV-style games competition in Arundel and after that job finished, the husband of the woman co-worker on the project was murdered.

There is no space here to go into the complex details of the murder case set out in the book. Foot is convinced that Wallace was framed by persons unknown, most likely by his former intelligence employers.

He certainly provides proof of many inconsistencies in the evidence produced - and not produced - during the trial. Yet Wallace had a motive (he had designs on the murdered man’s wife) and his whereabouts at the time of the murder remain doubtful. Moreover, given his past mastery of deception and mayhem in Ireland, it is certainly not excluded in my mind that he was guilty.

And if the murder was committed by intelligence services, it must have been very much a last-minute decision on their part although there is strong circumstantial evidence that they sought to undermine Wallace’s defence in every way possible. His former employers were certainly not unhappy to see him punished for the ‘crime’ of becoming a whistle-blower. But the five years in prison did not stop him in that regard.

Readers will no doubt draw their own conclusions. But the value of Foot’s book doesn’t rest on it proving that Wallace was framed or who framed him. It lies elsewhere, in the testimony it provides of the doings of intelligence operators out of any control.

DENIS FRENEY writes for Tribune newspaper.
Big Spender


Dickens' Mr Micawber memorably summed up the underlying economic structure of human happiness: "Annual income twenty pounds, annual expenditure nineteen pounds nineteen and six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds nought and six, result misery." In German director Percy Adlon's latest film, his heroine Rosalie Greenspace manages to turn this supply-side realism on its head. "If you're $100,000 in debt, it's your problem; if you're a million in debt it's the bank's!" she explains at the conclusion of her passage into plastic card credit and debit.

Rosalie (Marianne Sagebrecht) describes herself as a peacetime German war bride. She and her crop duster husband Ray (Brad Davis) live in a migrant community of wheat farmers in Arkansas, called Stuttgart. Germany is a remembered peasant economy light years away from the modern social pressures in which the Greenspaces now survive. Each Wednesday Rosalie collects Ray's pay cheque with a brief kiss and an expert snatch at the money.

She provides for her large family in spectacular style. Her son, Schnucki, a trainee chef at nearby Little Rock, proudly announces the delicacies he has prepared as though the family dines at an exclusive restaurant. Daughter Barbara has a bad attack of the sulks until Rosalie provides the credit to buy her an expensive computer. The personalised number plates of Rosalie's combi read 'Charge It'. Even in bed the Greenspaces discuss mortgaging a relative's home before making love. The cash nexus is at the basis of every relationship in the film.

"I'm running a family business here," Rosalie declares bluntly when her husband complains that she no longer wishes to video his air acrobatics. Indeed, she is the only member of the family who appears to have grasped the pervasive effect of economic realities on human relations. The quality of the family's lifestyle is paid for by an intense amount of financial game playing on the mother's part. As each final notice from her various banks arrives in the post she shifts limited cash reserves, pays one credit card debt with another and adds thousands to the weekly pay cheque which she draws on a trusting company boss's authority.

If there is tension and stress in this precipitous lifestyle Adlon has provided what becomes an increasingly cute and repetitive device. For Rosalie, a practising Catholic, ducks into the local parish church each afternoon to confess her monetary pecadilloes. Exploitation and its concomitant guilt is thus erased in...
preparation for the next day's housekeeping.

Adlon's previous films have been entertaining exercises into what has been described elsewhere as 'magic realism'. The magic in his two earlier films, Sugarbaby and Baghdad Cafe, has been provided by his polymorphously perverse star, Marianne Sagebrecht, who comes on like a female impersonation of Oliver Hardy. This film has clearly been crafted as a vehicle for her lightweight talents and it is her presence, attractive as it is as the classic fat lady, which destroys any sharp social insight the film might have had.

The script's original idea is not only charming. In a broad satirical way it drives right at the heart of America's debt-ridden middle-class affluence. The comedy is at its most pungent when the family sits around the television after dinner for its favourite viewing - those channels which showcase endless ads for the consumer goods the family longs for. "That's what I'm going to be!" a son recently returned from military service in Germany - another price to be paid for ongoing affluence - shouts when the ads push an expensive motor bike. Reification of an individual's identity couldn't be more explicit.

The problem is that once you've grasped the family's obsession, Adlon has nowhere to go with it. He heaps on a number of potential crises - a burdensome mortgage, a plethora of unpaid domestic bills, the arrival of Rosalie's parents from Germany, Ray's approaching blindness - but nothing has any impact on Rosalie's relentless surge to corporate ownership, bank overdrafts and million dollar debts. Greed is not only good; it is all consuming. None of the crimes detracts for a moment from the folksy charm of the eccentric family nor the ruthless exploitation of the economic system which underlies their wellbeing.

More seriously, the film makes no attempt to show us the realities of the cash nexus as nasty, competitive, divisive, or alienating within the terms of human relationships. Instead, it settles for a Walt Disney kind of unreality in which everyone lives happily ever after, and the horrendous void in which such lives are lived is papered over with Rosalie's unbelievable genius for wallowing in filthy lucre.

The film, in fact, falls for the seductiveness of its own product and so it emulates the obsession it is parodying.

JOHN SLAVIN - no relation to Roy - contributes on a regular basis to ABC Radio National's Arts programs.
I take issue with Janet Wright's "Wombs for Rent" (ALR No. 116). It is a marvellous favour for one woman to be prepared to carry a baby for another. Surrogate motherhood is not universally rejected. A Saulwick/Sydney Morning Herald opinion poll recently conducted (SMH 9/7/90) revealed that Australian voters are almost evenly divided on the issue.

The points raised by Janet are all in line with bourgeois morality. She raises economic and moralistic objections but does not discuss the matter of invitro fertilisation and its relationship with surrogacy, nor the advantages or otherwise of the practice for some people. There is not an objective glance at the issue.

The anathema connected with the sale of children stems from the genuine revulsion against slavery. When Janet and others use these terms, it is intended to arouse these feelings. There is no suggestion that any child being fostered (which surrogacy is) is being sold, let alone sold into slavery. On the contrary, the child is much desired and welcomed.

The moral criticisms are not relevant. If Janet considers that surrogacy is renting a womb, then marriage is selling a womb. The objections she feels are characteristics of the capitalist system, not peculiar to surrogacy. It is capitalism we need to oppose, the political structure based entirely on the exploitation of labour, the vagaries of the market and the profit motive.

The exchange of money for a baby, to quote Janet again, is not a sale any more than money for intercourse is the sale of a body. It is the price for a service rendered. The exchange of money for the surrogate's service is no criterion for opposing it. She is just as much entitled to payment as the priest or parson, prostitute, midwife, doctor or funeral director for their respective services.

The act of giving birth is only as significant as one makes it, or as society makes it, or circumstances make it. Birth out of wedlock was an anathema in the past. We no longer allow ourselves to be deluded by Christian bourgeois morality.

The child was once rejected by society because of the person to whom she/he was born. Now we seek to have the child, the natural parent and the fostering parent(s) rejected because of the manner in which the birth occurs. The simple fact is that a child is born, not by accident, as was more usually the case in the past, but by design and preparation. The birthing mother has agreed to do a favour for two aspiring parents.

A generation ago it was considered a Christian duty to take their children away from single mothers, Aborigines and prisoners (convicts). The Christians seem to have changed their minds. Now they are more likely to insist that the bond between birth mother and child should not be severed. Shouldn't this be the mother's decision? So long as the welfare of the child is not placed at risk, why should we object?

The nuclear family has been found to be unsatisfactory, not to say dangerous for some women and children. The incidence of domestic violence and child abuse have forced other lifestyles upon us. We need to use other models for rearing and caring.

Some women believe they will never be as free as men until they cease to incubate; on the contrary, some women approve highly of pregnancy and giving birth. It is possible that in the future there will be more children with a birth mother and foster mother. It is beyond the realm of science fiction to consider the possibility of men's bodies carrying a foetus - there are men who have expressed such a desire. For my part, they are welcome to try.

Edna Ryan,
Glebe, NSW.

David Burchell (ALR No. 118) states that I have praised, in May, Ralph Willis and John Dawkins: "both, like Walsh, are members of the Centre Left".

I have publicly drawn attention to Willis' intellectual capacity and fundamental decency. This could legitimately be described as praise. But Willis is not a member of the Centre Left. He belongs to the Victorian Labor Unity, more commonly described as the Victorian Right.

I have advocated reintroduction of some form of inheritance tax and extension of the capital gains tax to the principal residence. The official 'Left' has done the same, but with an exempt threshold so high, the measures would be meaningless. This has the advantage of facilitating the warm inner glow without actually achieving anything significant.

Senator Peter Walsh,
Parliament House, Canberra.
Journalists claim that even delegates to Congress in July it looks more secure than it was. Since the historic Party and political practice accordingly - which may be precisely what his post-stalinism consists of. Glasnost is a Stalinist theory about the means and ends of a free media.

It's hard to know what's really stable and secure is Gorbachev's position? Just how going on in the Soviet Union is certainly not the 'first draft of history' as journalists are sometimes fond of calling it. More like a surreal movie script written against an eternally impending deadline. An 'vie-script', moreover, which sometimes ends up being cast, shot and edited right back again - but more about that in a moment.

Getting back to Gorbachev; it sometimes seems like he might at any moment be airbrushed out of history, black fedora hat and all. At other moments he seems like he will be the first marxist-leninist to have his Collected Works issued by Foreign Languages Publishing House, Moscow as a compilation video tape.

The electronic news media mediate seemingly everything these days, including stalinist and post-stalinist political practice. Gorbachev seems to have been the first Stalinist to realise this and change his political practice accordingly - which may be precisely what his post-stalinism consists of. Glasnost is a Stalinist theory about the means and ends of a free media.

As Patrick Cockburn points out in his fascinating book Getting Russia Wrong, the Soviet Union has changed in many ways since Stalin's time. Urban population has risen from 56 million before the war to 180 million, and 97% of them own a TV. Many Russians no longer have rural roots, they have urban aerials. Things have also changed since Khrushchev's time.

Hans Erzenberger wrote a moving tribute to Khrushchev and Gorbachev in the 'New Europe' issue of Granta, where he spoke of both as master improvisers of tactical withdrawal. All the same, Gorbachev's glasnost is a little different from Khrushchev's thaw. The benefits of the thaw were high culture figures such as the poet Yevtushenko. The heroes of glasnost are pop media figures for a mass audience: filmmakers, editors, TV hosts.

Both Khrushchev and Gorbachev are examples of media-literate stalinists, going way beyond Lenin's What is to be Done? When the missile 'gap' ran heavily against him, by the order of 200 to 4, Khrushchev covered the gap with his mouth, not least in his famous "we will bury you" remark. He said that from some farm in Arkansas on an American tour, and probably meant it as a double message to play both sides of the iron curtain. Khrushchev played up to the image of the bad and dangerous 'other' in the American media; Gorbachev uses the media to dispel it. Politic interviews in Time magazine, not thumping his shoe on the UN table.

Last June, at a time when his position and policies at home seemed very much under threat, Gorbachev managed to use his US tour as a double-sided advertising campaign, aimed at selling perestroika (and Gorbachev) to the Americans through the American TV coverage and simultaneously selling American market-driven consumerism (and Gorbachev) to the Soviet Union live via satellite.

The ideological vector in both directions appeared to be mediated by the image of Gorbachev, alternately a stern firm statesman and a backslapping flesh-pressing media celebrity. Gorbachev is playing 'our' media as skilfully as his own. A performance which appears not so much stage-managed as choreographed.

One of the most trenchant marxist critics of the mediated society, Guy Debord, summed it all up in a title: The Society of the Spectacle. Whereas for Hegel, 'that which is rational is real and that which is real is rational', for Debord the real fate of the enlightenment turned mediated media spectacle is: 'that which appears is good and that which is good appears'.

Ironically, Gorbachev seems to have taken this to heart, not as a criticism of the media but as a tactic for using it in political struggle. Which is why his Collected Works will be a set of gold-embossed, maroon vinyl hard-bound video tapes, complete with his picture in the frontispiece, smiling and waving that black fedora - and that's no joke.

McKenzie Wark.
Hello patients,

Dr Hartman here again with another foray into the matrix of psycho-sexual verities in the 90s. To begin this month I'd like to thank all the AIDS educators who've written to me in recent weeks.

My surgery has been awash with piles of your tear-stained letters. It seems that my descriptions of the difficulties you face, as you try to spread the Condom Gospel to the heathen and hostile Australian public, have really uncovered a deep pool of unmet psycho-sexual need.

One particular letter has haunted me for days. It was written by an agitated educator who insisted that running AIDS workshops for punch drunk prison officers or sexually challenged CWA ladies is an absolute breeze, compared to a section of the community that has become her professional nightmare.

According to this lass, the most difficult training session to handle is a group of experienced nurses who consider themselves to be down-to-earth, open minded and tolerant. "Now that's when you've got real problems!" my educator wrote. "Sure," the nurses say, "homosexuality is okay. If men have anal sex, it's their own business."

But, according to my educator, what these nurses are really thinking is this: "Homosexuality and anal sex are okay - so long as I don't have to think about it, teach about it, or seriously discuss it in any way at all.

This is what is really going on in the minds of many liberal sounding professionals, and it translates into a difficult job when you've been asked to bring about 'attitudinal change', or so my AIDS educator correspondent claims.

But I don't want to end this series of consultations about the dilemmas of AIDS educators on such a dismal note. I want to leave you with a positive vision of a Golden Future. A future when an educator can go into a country men's prison for a workshop with a group of cynical and hostile prison officers and, at the end of a two-hour session, one officer will turn to the others and say, "Mates, there's something I have to tell you: I'm gay and I'm HIV positive, and we've been sharing everything in the tea room for three years."

And the officers will look at him and say, "That's okay. We understand. So long as we use condoms and stop sharing needles, everything should be all right. Thanks for sharing that with us."

In this beautiful Vision for the Future, my AIDS educator patient will be sent into an outer suburban high school to work with a mixed group of 14 and 15 year olds from what is euphemistically referred to as 'disadvantaged backgrounds'. And after 55 minutes of 'enlightened action learning exercises designed to promote the open negotiation of power in a sexual context', the boys will suddenly turn to the girls and say, "Gee, I never really understood how girls felt before! I'll never call a girl a slut again. In fact, I'll admire girls who carry condoms and want me to use them as part of our gentle and loving foreplay."

And another boy will say, "I'd be delighted now if I discovered that my best friend is gay. And I wouldn't be frightened if I found out he fancied me. In fact, I'd be flattered, and I might even give it a go, with a condom and water-based lubricant, of course!" But patients, before I go, I'd just like to mention a fascinating little social occasion I attended recently. It was a party to mark the second anniversary of that quaint propaganda publishing venture, the Left Book Club. (I attended in my professional capacity as Psychosexual Therapist to the Left.)

The Club was also celebrating the publication of their fourth book, Technocratic Dreaming of Very Fast Trains and Japanese Designer Cities. What a catchy title! Soon every member of the Aussie working class will have just three books on their shelves - the street directory, the Bible and Technocratic Dreaming of Very Fast Trains and Japanese Designer Cities.

As I looked around the room that night I was amazed to see just how many of my patients were there, most of them aging ex-commies from my New Left Party Clinic. Quite frankly, the group in the room that night gave the term Grey Power a whole new meaning.

And then it hit me, what Father Laurie Aarons is running there is not a Left Book Club at all, it's really one of the most innovative job creation schemes for retirees and pensioners that this country has ever seen! It's actually the Laurie Aarons Day Care Centre, a place where you can meet people, make friends and then, of course, try to sell books - an activity which gives you a sense of purpose every little minute of the day.

I understand there are people who work for the Left Book Club who never go anywhere without a bundle of books and leaflets tucked in their handbag or briefcase. One of these Club supporters recently got a parking ticket outside the Trades Hall in Sydney while she was dropping in to pick up another box of books. But she didn't get angry. She just sold the parking officer a copy of The Third Wave: Australian and Asian Capitalism. (By the way, when I refer to people who 'work' for the new Left Book Club, I should make it clear that, in the true spirit of the Left in this country, most of those 'workers' are unpaid.)

Actually, while we're on the subject of the Laurie Aarons Day Care Centre, I should point out that Father Laurie has now stepped down as director of the Left Book Club. His son Mark has accepted the job, after an election. And, of course, son Brian is pretty busy over in the New Left Party, and I understand Brother Eric is a bit of an activist as well. Let's face it, the Aarons clan has shown the Left in Australia that the word Dynasty means a whole lot more than just a television program.

See you in my clinics.

Send your problems to Dr Hartman's secretary, Julie McCrossin, care of ALR.
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Frederick Pfeil is the author of Goodman 2020, a science fiction novel, and Shine On, a collection of short stories. He is fiction editor of the left-feminist literary magazine the minnesota review, and Associate Professor in the English Department of Trinity College in Connecticut.

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Carol Bacchi teaches politics at the University of Adelaide.

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