

Poor Little Rich Country

Tony Corrighan

(A review of Maximilian Walsh, *Poor Little Rich Country: the Path to the Eighties*, Penguin, Ringwood, 1979, \$3.95.)

When the Managing Editor of the *Financial Review* releases a book chronicling the political and economic history of the 1970s, radical political economists should not anticipate startling insights into the workings of Australian capitalism. In his *Poor Little Rich Country*, Maximilian Walsh constructs an amazingly naive, or deliberately misleading, view of an almost utopian Australian society, which only the complacency of its citizenry and shortsightedness of its rulers threatens to disrupt. The reader is left to lament the passing of the sixties, a time when Australia enjoyed social unity, egalitarianism, and an absence of class, ethnic and racial divisions (p. 17), only to discover that despite the calamitous experiences of the seventies Australia remains 'an undivided country in a way that is rare in the world. It is affluent and comparatively egalitarian. There are no entrenched divisions of class and little friction from economic divisions' (p. 89).

Walsh's otherwise unexceptional resumé of the seventies is nevertheless interesting as a popularised contribution to the growing ideological offensive being waged by, and on behalf of, sections of the ruling class favourable to a dismantling of Australia's existing tariff-protected industrial structure. In addition to the inability of unions to accept the myth of unemployment induced by wage rises, Walsh sees the failure of moves to restructure the Australian economy along the lines of efficient export orientation (based on an internationally competitive manufacturing remnant, plus the tertiary, mining and rural industries, integrated with the burgeoning industrial enclaves of Southeast Asia) as the primary constraint on economic development in the 1980s.

In this, Walsh joins his colleagues from the Fairfax Press, notably P.P. McGuinness, Peter Robinson and Bert Kelly (the Modest Farmer), and bureaucratic and academic authors of state-sponsored inquiries (Sir John Crawford, Professor Owen Harries), plus much of the economics profession and the I.A.C., in berating those capitalists unwilling to recognise the long-term interests of their class, and determined, unsurprisingly, to cling to a protected manufacturing structure of which they are the main beneficiaries.

This descent into sordid ruling class infighting, essentially concerned with the division of the rewards of exploitation, is usually presented in terms of economic 'rationality', accelerated growth rates, and concern for the poor of Asia. This obscures, deliberately or otherwise, the central point that the beneficiaries of such an industrial re-organisation are those sectors of capital best placed to participate in the new world economic order, while the losers will be the structurally unemployed Australian workers and their grossly exploited counterparts in Southeast Asia.

Perhaps a path to the eighties, but hardly a desirable one.

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