
BOOK REVIEWS

Cameron K. Murray

**The Great Housing Hijack: The Hoaxes and Myths
Keeping Prices High for Renters and Buyers in Australia**

Allen and Unwin, Crows Nest, 2024, 324pp., \$35, paperback.

Reviewed by Riki Scanlon

Everybody is selling you a story about housing, but you shouldn't believe them. That's what Cameron Murray wants to say in *The Great Housing Hijack* – that the debate over housing has been hijacked by property owners to serve their interests. The developers claim that less regulation and more supply would achieve affordable housing, despite the fact that the returns on their investments require high prices and high rents.

A Marxist might call this the contradiction between the class interests of landowners and renters. Murray calls it the unavoidable 'symmetry of property markets': every shift in market prices or state policy produces winners and losers. If rents go up, landlords win; and renters lose. Yet this symmetry of housing markets is concealed by an asymmetry of power and politics: academics, politicians, policy wonks, and the media are part of a chorus singing that everyone can win, despite proposing policies that benefit property owners only.

Surveying both economic theory and an expansive range of housing policies, the book provides a clear-sighted analysis of the Australian housing market, suitable whether you are familiar with the economics of housing or not. It is divided into five main sections. The first deals with the economics of the housing market, forming the conceptual basis for the book's subsequent analyses. By deploying a more-or-less orthodox economic toolkit of 'five housing market equilibria', Murray sets out to explain the determination of housing asset prices and rents, as well as where housing gets built and how dense it is built. For an urban economist, some of these equilibria are well-trodden ground, but Murray introduces them plainly and simply, with minimal reliance on algebra or graphs.

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Crucial to his story of housing is the concept of ‘absorption rate equilibrium’, which is the optimal amount of housing that can be added to the housing market without suppressing developer profits. Developers possess large stores of land available for development and they can select a range of different rates of building (and selling) houses. Given a certain number of buyers per period – investors or otherwise – a developer can identify how many houses to release on the market to maximise their returns. This works because landed property, at its heart, is a monopoly over fixed locations on the planet, where capital investments on the land are relatively large-scale and relatively fixed. From the perspective of developers, housing construction is a one-off investment: you’ve got one shot to build and sell on each lot, at least until land values increase enough in the future to warrant re-development. As a result, developers face the choice of whether to build now or in the future, when they may accrue additional capital gains from increasing land values. The overall effect, Murray argues, is that developers are better off drip-feeding houses into the market rather than dropping them all in at once.

Next, Murray turns to the ‘housing hijackers’ who he eviscerates for muddling the housing debate: politicians, academics and policy wonks, journalists, and YIMBYs (Yes In My Back Yard). He pulls no punches here. Politicians have vested interests in sustaining high land prices; academics and think tanks generate research funding from an ongoing housing crisis; the media is funded by real estate advertisements; and YIMBYs are hypocritical culture warriors. There are some astute comments here, but the overall political analysis falls short, at least for my tastes, because it ignores the key structural links between the class of landed property, the making of housing-as-assets, and Australian capitalism. Murray’s focus on particular and personal failings – notably, the book spends seven pages diagnosing a single *Four Corners* episode – is less compelling and suggests fewer pathways for political change.

The book’s third section addresses ‘distractions and distortions’ in thinking through housing markets. Here, Murray criticises some of the common reference points for understanding housing markets and policies. For instance, he argues that ‘price to income ratios’ make no sense as a measure of affordability, because housing affordability depends on the annual costs of housing (whether as rents or mortgage repayments) rather than the ratio of asset prices to incomes. While this may be true, price to income ratios do capture a distinctive shift in the re-organisation of housing-as-assets.

Amongst these distractions, Murray argues against YIMBYs and property lobbyists who support looser planning rules to unlock additional housing supply. Based on the absorption rate equilibrium, he reasons that relaxing planning rules – also known as ‘upzoning’ – won’t incentivise developers to build more houses: after all, developers get plenty of planning approvals through the system, but many approved developments just gather dust on the shelves. Instead, developers wait for the best development opportunity. Looser planning rules might change the optimal sites for development but won’t radically alter the optimal amount to build and sell.

This builds into the critique – developed in the book’s fourth part – of ‘hoax housing policies’. If the officially stated policy objective is to secure cheaper housing, some scepticism is warranted for policy-pushers who benefit from expensive housing. The property lobby is a champion of enhancing supply through ‘cutting red tape’; but Murray sees limited evidence to support such claims. Meanwhile, abolishing negative gearing or cutting the capital gains discount is presented as primarily a distributional issue: whether the gains from the housing market accrue to (some) private purses or to the public purse.

Ultimately, Murray regards government policies that seek to tinker with the housing system as either non-starters (planning reform) or re-arranging deck chairs (tax reform). In the fifth section of his book, he canvasses alternative public housing systems and proposes his preferred policy, dubbed HouseMate, which calls for the government to act as a national public developer. In his words, ‘HouseMate gives every non-property owner Australian citizen the option to buy a home from a public provider at a cheap price’ (p. 277). He argues that a parallel housing market, run by government, would create competitive pressure on private developers. The model he proposes is broadly similar to other Australian private/public market mixes: Murray points to the parallels with public and private education, health, and transport.

This proposed model is a structural change to housing that some on the political left would embrace, but others would recoil from it. Some would prefer universal public housing rented cheaply, not sold into private hands. Interestingly, despite Murray’s criticism of the property monopoly, he retains some support for the allocative functions of housing and rental markets (*e.g.* in distributing highly desired locations to those willing to pay for them). Yet, it leaves this reader wondering whether more radical changes are needed to the system of land, property, and housing – ones

that might have been highlighted by considering the structural links between landed property, housing-as-assets, and the organisation of Australian capitalism. The partial reallocation of land development from private to public hands is an encouraging pointer towards this possibility. Seen as a whole, *The Great Housing Hijack* is a clear and engaging book that takes no prisoners. Reading it conveys the impression that everyone else is a villain in the housing debate and that the author is a lone crusader, armed with the exactitude of a few equilibria and a commitment to point out every hypocrisy and conflict of interest. The political story implied by this approach is somewhat underwhelming, for this reviewer anyway. However, the economic theory underpinning the book's principal arguments is cogently explained and presents a serious alternative to the orthodox narratives of housing markets and the non-solutions they propose.

Gareth Bryant and Sophie Webber

Climate Finance: Taking a Position on Climate Futures

Agenda Publishing, Newcastle Upon Tyne, 2024, 200pp., \$57, paperback.

Reviewed by Stuart Rosewarne

Climate change governance, especially since the signing of the 1997 Kyoto Protocol, has been dominated by the nation-states of the Global North securing agreement to avoid adopting carbon emission targets that would frustrate the pace and scale of capital accumulation. The earlier fears of OECD states and emissions-intensive enterprises that capital accumulation might be limited by the introduction of carbon permits as the vehicle for implementing emissions reduction target have abated. Rather, it is now widely accepted that capital has seen advantage in the issue of permits that can be treated as a commodity, making decarbonisation strategies an instrument that can be traded. The metamorphosis of carbon emissions through the issue of permits as a tradeable commodity has introduced a new arena of accumulation. This is the capitalization of nature. Capital has shown its capacity to innovate in the face of what might otherwise have created a constraint on accumulation.

This opportunist entrepreneurialism has been consolidated as capital and the state have responded to the development of instruments to effect climate change governance. A critical aspect of this has been the financialization of climate change processes, whereby the pursuit of emissions management goals has engaged several measures that help to secure further capital accumulation. A burgeoning critical literature documents the adoption and effects of these various climate change management policy measures. The process builds on an economic discourse that privileges the market, ostensibly as a neutral arena in which entry is presumed to be unrestricted, outcomes are not prejudged, and which is more-or-less independent of the state. One critical corollary has been the elevation of the operation of these climate change measures as financial processes.

Climate change governance has been superseded by climate change finance. This more market-centric approach has tended to undermine concern with the urgency of halting environmentally damaging economic activities. Instead, time has become a variable to be traded against; and innovative entrepreneurialism has engaged several instruments that, in one form or another, reference time. Economists have had a longstanding concern to theorize economic exchange across time, but what is new in climate change governance is that it must engage with time because of its pervasive import. Gareth Bryant and Sophie Webber's recently published *Climate Finance* is an important intervention in exposing this.

As the book shows, climate change governance has increasingly been framed to encapsulate the process of capitalization and to privilege the market as the institutional arena, so management has become manifest in the financialisation of the governance measures. Until now, there has been no general attempt to canvas the reach of this process, let alone the physical and distributional implications of climate change governance. This is a huge, if not catastrophic, lacuna, especially because the Global South has borne the brunt of the effects of the mismanagement and, more generally, because the structurally disadvantaged social cohorts, based on gender, race, ethnicity and low socio-economic status, have had to carry much of the cost associated with climate change.

Climate Finance addresses these dilemmas arising from the different ways in which climate change governance techniques have come to dominate nation state and multilateral policy responses to the challenge of climate change. The book provides an insightful appraisal of the different policy

approaches and their general failure to make any substantial impression in reducing greenhouse gas emissions and the damaging force of climate change. The study is a reminder of the hegemonic force of neoliberalism and the different policy designs it has summoned. Moreover, it shows how these different policy designs can be neatly dissected to unveil financialisation as the common denominator that has made climate change governance into a vehicle for capital accumulation.

Climate Finance identifies five dominant policy positions that have been formed on the foundations of finance:

- *climate capital* that sees opportunities for capitalizing on climate action
- *climate risk* that entails the potential benefits of investing in carbon mitigation or adaptation in an uncertain natural world
- *precision markets*, based on modelling carbon trajectories to inform market governance or insurance
- *speculative markets*, including green bonds and other borrowing by entrepreneurs to invest in new technologies
- *big green states*, managing through monetary, fiscal and industry policies.

The deployment of these respective policy approaches varies across the global political economy. The book describes the characteristics of each position and provides brief illustrations of their relative significance when deployed by individual nation-states. The reader is presented with what amounts to an atlas detailing the adoption of the various forms of climate finance governance and showing how nation-states differ in their commitments to mitigating emissions and to dedicating resources to adapt to climate change. This, in turn, helps to highlight the varied deleterious impacts on those social cohorts that are framed by class and socio-economic status, gender, race or ethnicity. The mapping also invites consideration of the link between governance measures designed to catalyze capital accumulation and the beneficiaries of these measures.

In the book's concluding chapter on 'Climate Justice Finance', Bryant and Webber confront the challenges faced in effectively contesting the dominant forms of climate finance governance. Several alternative approaches are examined: the UNFCCC-initiated international public climate finance that includes loans; reparations to compensate for historical climate debt; the Green New Deal that seeks to link the

democratization of governance with specific policies to restructure the economy; and the Degrowth model that entails slowing and then stopping accumulation-driven economic expansion. The latter two approaches are regarded as more radical but neither has had much traction to date: as the authors say, GND and Degrowth are not ‘being adopted wholesale’. Seeking to end on a positive note, however, they argue that these dissenting positions are driving a shift and broadening debates around the range of climate finance government options. Bryant and Webber also point to some positive developments that suggest the struggles to bring an end to the destructive force of carbon capitalism may be having real traction.

Challenging the imperative to accumulate capital and its governance through financial instruments is a daunting task. Still, there is urgency in the need to reconcile the outcomes that are generated by the several climate finance change instruments. The reality is that this reconciliation is contingent on state intervention to drive the transition, but that this is a role from which states have generally sought to disengage during the neoliberal era. *Climate Change* helps in understanding this paradox. By showing the various climate finance positions and their consequences and problems, it provides a clear analysis that should be helpful to people currently feeling overwhelmed by the enormity of the challenge of getting more progressive climate change action.

Ben Spies-Butcher

Politics, Inequality and the Australian Welfare State

Anthem Press, London, 2023, 218pp., \$217, hardback.

Reviewed by Stuart Rosewarne

In *Politics, Inequality and the Australian Welfare State After Liberalisation*, Ben Spies-Butcher injects a sense of hope that there is an alternative to the liberalisation project and the era of austerity. It dissents from the common view that neoliberalism’s hegemony, together with the declining influence of trade unions and progressive social movements, makes it almost impossible to fashion a more egalitarian future. *After Liberalisation* takes issue with this reading of the reign of neo-liberalism to contend that the conviction in the role of the state as a critically

significant institution was not crushed by the neo-liberal project. Rather, the form of the state's intervention to ameliorate the structural inequities that emerged has radically changed '[i]n the face of strong democratic demands to maintain social protection' (p. xiv).

The conceptual pivot on which Spies-Butcher's reinterpretation has been constructed is the idea that the petitioning of the welfare state has resulted in dual forms of social protection. One dimension has been the abandonment of universal rights to protections and its replacement by an emphasis on individual responsibility and selectivity, with these provisions underwritten by targeting, marketisation and financialisation. The other posited dimension is the result of progressive forces that have been securing the adoption of several new welfare provisions which has resulted in hybridity.

The duality-hybridity phenomenon is explored through a series of case studies. One focuses on a comparison of the conditionality imposed on unemployment benefits and family benefits. Another considers the privatisation of early childhood education and of health care. A third is the financialisation of the wage-earner model in superannuation. In each case, the duality-hybridity nexus is presented as the product of the neoliberal-informed – sometimes called 'economic rationalist' – rationale for delimiting benefits being contested by progressive forces, so the austerity and privatisation project is never completely fulfilled. In this way, the book seeks to illuminate hybridity as the outstanding feature of the contested character of the neoliberal project. It presents variability in welfare provision schemes as characteristic of the contemporary welfare state.

After Liberalisation highlights the evidence of contestation, the pitting of the neoliberal project against progressive forces, as critical to the formation of duality and hybridity. This prompts Spies-Butcher to introduce the analysis of policy formulation by reflecting on the state – or more accurately, the econocrats – in designing policy, before turning to examine those progressive forces that are making a difference in the focus of the welfare state, most notably feminists. This, I suggest, is not an unproblematic foundation on which to construct a narrative of hope.

In the first instance, the discussion of state policy formulation begs the question of how the econocrats came to yield so much sway over social protection policy. Was their influence pervasive and/or mediated through a hegemonic department, such as the Treasury? Or was their influence

simply reflective of the policy predilections of the party in government? Do the differences in the state's welfare policy provisions reflect variability in the influence of the neoliberal project and its advocates? Given that the state is central to this story, a richer appreciation of the structure of the state might have been attempted, looking at how it is constituted by a complex of various apparatuses, each of which may function according to a different *raison d'être* that may or may not be consonant with a dominant tendency. The issue of the exercise of *agency in and through the structures of the state* is worthy of some further reflection, especially since this is what must be confronted by people contesting how state power is used in practice.

In the second instance, Spies-Butcher sees the cause for hope resting in the successful campaigns waged by feminists who have recognised the structural transformation in the Australian political economy and women's increasing labour force participation. In giving this centrality to those feminist causes lobbying for the extension of welfare state protections that would enable participation, *After Liberalisation* surely breaks with a tradition that held out the hope that the male industrial working class and the Labor Party could be the vanguard for reform. It focuses attention on struggles to enhance the integrity of social reproduction and create more comprehensively egalitarian outcomes.

Coalitions across the spectrum of service providers can, it is argued, connect workers with community in ways that the workers producing goods do not, and increasingly have not been able to do. Coalition building could also be seen as establishing bridges between communities and state service providers, bringing humanity into the state and marginalising the place of the econocrats in the design of social protection measures. But this appeal to coalitions and connectedness as being more grounded in communities could be overly optimistic. Witness *Robodebt*, an extraordinarily punitive and humiliating experiment in accountability, whose implementation was carried out by civil servants with no resistance at the time to speak of. An extended personal engagement with civil servants in the Department of Foreign Affairs exposed surprising insight into the intense racism displayed by staff in their dealings with refugees and which fitted neatly with the Coalition government's *oeuvre*. The scale of the 'No' vote in the referendum on the Voice also highlights the extent to which progressive reform agendas can face resistance. We need to acknowledge that the provision of social protection measures may be

rejected out of hand or elicit reactions that conflict with the ambitions of progressive social movements.

None of this implies that *After Liberalisation* is not recommended reading. On the contrary, it certainly is. There is much in the book that is constructive and informative; and it warrants serious reflection and building upon. The book's strengths lie in identifying the tensions and contradictions within the neoliberal attempt to roll back the welfare state and the success of the nascent social forces challenging these processes. It deserves to be widely read and debated because it gives us tools for understanding the continually evolving character and effects of key public policies that shape Australian society.

Franklin Obeng-Odoom (ed.)

Handbook on Alternative Global Development

Edward Elgar, Cheltenham and Northampton, 2023, 374pp., \$375, hardback.

Reviewed by Harrison Read

When you think of development, you likely think of economic growth. As an undergraduate economics student, development was presented to me in this context. Both the idea of 'catch-up growth' and 'Rostow's stages of growth,' coloured my initial understanding of development. Neoliberalism was also prescribed as the generally correct formula. While the path-dependency argued by these ideas has been disproven, economic growth is still seemingly the be-all and end-all of mainstream development thinking. It was the way that sustainable economic growth eluded many Latin American countries which led to their 'failure.' It was the ability of the Asian Tigers to capture and seduce economic growth that led to their 'success.' Even the framing of China's astronomical rise as 'socialism with Chinese characteristics' attempts to derive a repeatable formula in the hope that other developing countries may achieve a fraction of the economic growth China has experienced.

Is economic growth the panacea to all the world's development ailments? World economies continue to grow and grow, yet the environment is collapsing, an insurmountable wealth gap is forming, and other inequalities and stratification are deepening. But what is the alternative?

At the very least, this faith in growth has lifted most of the world out of poverty. So, is this ‘growthist’ mindset the best approach? This complex question has led to many landmark works utilising multidisciplinary approaches - for example, Sen’s *Development as Freedom* - to argue how we ought to see development.

Handbook on Alternative Global Development (the Handbook) also challenges this dominant conformist view, proposing its own conceptualisation of development. However, the Handbook departs from the typical alternatives in two significant ways.

First, most prevalent post-development critiques of this growthist idea of development are Northern in origin. They criticise this economic orthodoxy on the ugliness of its eventual outcome. For example, ‘late-stage capitalism’. Broadly speaking, this represents the view that the capitalist system has become unstable and will eventually deteriorate so that it serves only a few wealthy people at the expense of the majority. Notably, these Northern theories largely ignore the current struggles experienced by the Global South. This Handbook is motivated by the hardships experienced today, rather than the fear of a future outcome.

Second, alternatives for development are often reductionist as they still maintain an adherence to mainstream principles. Post-development admires ‘local needs’ as anti-development rather than representing an alternative form of development. The dichotomy of identity vs. class politics still anchors broader global political development debates. Alternatives continue to be framed within the Marxist paradigm. The Handbook attempts to go beyond these traditional confines. It applies a political economy perspective, not just engaging with the various approaches of development theory but also going beyond them to take a more considered and holistic approach to examine the question of development itself.

By taking both these points of departure from conventional development economics, this Handbook fills a large void. Understandably, no other book has tackled this almost insurmountable task – to critically engage with the political economy of development in its entirety to provide wider and deeper alternative modes of development. Within its twenty chapters the Handbook examines everything from gendered inequalities in human capital to the nature of wealth building.

This collection of arguments is structured into three parts, a structure that helps the Handbook flow relatively seamlessly and assists the reader to digest the complex and multidisciplinary nature of this topic.

Part 1, *Global Development and Underdevelopment*, establishes the motives of the Handbook – to search for alternative paradigms to the development question. Chapter 1 highlights the limitations of current thinking, stressing the fragmented approach that plagues current theorisations. This chapter argues for the need to ‘bridge these gaps’ to form a complete view and understanding of development. Chapter 2 demonstrates how these shortcomings can restrict our understanding of development. The ability of Marxism to accurately describe the postcolonial experience is critically examined to demonstrate this point.

Part 2, *Problematic Explanations*, forms the core theoretical insights of the Handbook that serve as the basis for the alternatives proposed in Part 3. The coverage ranges from traditional aspects of the development experience, such as neoliberalism, property rights, the resource curse and international trade, to more nuanced elements such as microcredit and remittance, all examined in pursuit of understanding the development paradigm. Chapter 3, for example, highlights the restrictive nature of engaging with neoliberalism solely to ‘reiterate its diabolical nature.’ Instead, it is argued that there is more value in utilising neoliberalism to form deeper questions – ‘to resist yes/no questions on state spending and intervention to ask what sort of spending and interventions and how are political decisions are being made.’

The final chapter of Part 2, Chapter 12, concludes by highlighting the deficiencies of mainstream development theories. It characterises the basis of China’s development as a Faustian Bargain – China subjected its labour to exploitation by Trans-National Corporations in order to receive greater technology needed for development. The upshot of this, and the other traits highlighted in the chapter, is that China’s development is unique. Given the current trend of Western countries to ‘re-shore’ industries, it might not even be replicable. However, the chapter extends this line of questioning, asking if China’s developmental path is even desirable. Even if one disagrees whether China is itself capitalist, it is dependent on a capitalist world system. How will China be able to sustain its development in a late-capitalist or post-capitalist world?

Part 3, *Alternatives*, builds on existing alternatives within the context of the problematic explanations outlined in Part 2. Alternatives are provided

to conventional agriculture and broader regional economic systems, incorporating marginalised groups and addressing environmental degradation. Mirroring the approach of Part 2, these alternatives are, in part, extensions of recently proposed alternatives. On one hand, Chapter 14 examines Community Wealth Building, with its origins in the Global North, to reorient development inwards to strengthen local communities. On the other hand, Chapter 18 proposes envisioning development within the notion of Burkindi, which is derived from Burkina Faso. A Burkindi-based development model, it is argued, can be used to forge ‘the promotion of good governance,’ or ‘self-centered development,’ for example. Importantly, these alternatives are not argued to be absolute. Rather, the case is made that these are ‘open concepts’ requiring further thought and re-theorising.

The ambitious nature of this Handbook is both its greatest strength and weakness. Although a truly comprehensive account of development theory is impossible, this 374-page Handbook comes close. Some thoughts are left incomplete, however. For example, in Chapter 14, Community Wealth Building is shown to be an effective strategy at the local level, but the key question of scalability – whether it could work in a wider regional or global context – is left unanswered. Admittedly, the intention of the book is to represent a starting point or a catalyst for further re-theorisation and refinement of its novel concepts. Nonetheless, it could have been strengthened by introducing a more tangible framework that could be repeatedly applied to the various questions of development theory. The approach of the book, questioning everything in development theory through a political economy lens, remains quite abstract. Consequently, the same limitations that have engulfed broader development theory – leading to an incomplete understanding – can persist, creating the real risk that the nuance of the arguments made in this Handbook will be lost.

The danger is greater if its only context remains within the self-contained circuit of development theory. Mainstream theorists can be expected to focus their critiques on the abstract nature of the Handbook’s ideas that diverge from the core idea of development that we know today. The upshot of this would be debates on debates and conclusions on conclusions, rather than producing any real alternatives for development theory. This is not to say that this Handbook should be exempt from being critically examined. Rather, it stresses the importance of asking the right questions. In the same manner as suggested in Chapter 3 of the Handbook, we must resist the yes/no questions and dive deeper.

To the editor's credit, a strength of this Handbook is the broad spread of its chapter authors – geographically and by gender and ethnicity – as well as drawing country-specific examples of development challenges and how they have been handled. Development is a field in political economy where the interconnection between theory and experience is of paramount importance. Ultimately, the tests are the extent to which alternative approaches to development are adopted and implemented in practice and, then, how effectively they operate to create better lives for marginalised and disadvantaged people.

As someone who is currently studying development economics, I wish the Handbook had been published earlier. It provides foundational knowledge on the current state of development theory. More importantly, it forces the reader to confront and critically reflect on their own personal views. Regardless of the conclusions one draws from this Handbook, it represents a necessary next step in development theory. The Handbook is not complacent. It does not just critique the current state of development theory. Rather, it aims to inspire a mutation within development theory - to unlock and to create a new mode of development and a new identity of development theory. *Handbook on Alternative Global Development* is highly recommended to all that are interested in any aspect of political economy and development theory.

Robert Freestone, Bill Randolph and Wendy Steele (eds)

Australian Urban Policy: Prospects and Pathways

ANU Press, Canberra, 2024, 501pp., \$79.95, paperback.

Reviewed by Franklin Obeng-Odoom

The need for research to shape public policy is widely accepted by political economists. So, a new book that examines the historical context of urban policy, why research must inform policy, and how establishing or maintaining this relationship between research and policy is often difficult, must be a welcome contribution to Australian political economy. Fundamentally, this new book suggests many ways of enhancing the policy relevance of Australian research.

The focus on urban policy is an appropriate emphasis because Australia is an ‘urban nation’ (e.g. pp. 4 and 8). The book sets out three specific questions:

First, what has been delivered in demonstrably value-adding ways to enhance the prospects for productive, sustainable, and liveable cities? Second, what aspirations have fallen short or produced counterintuitive outcomes because of governance, financial, and political reasons? And third, and arguably most importantly, what can be identified as matters of emergent concern in both challenging existing and devising new policy settings to address the quality of life of Australian city regions into the mid to late twenty-first century? (p. 6)

To address these questions, the editors invited both leading and emerging analysts of Australian urban and regional development to reflect on a wide range of concrete problems and policy issues, ranging from climate change adaptation and the UN Sustainable Development Goals to potable water, heritage policy, urban renewal, urban housing, urban infrastructure, including urban transport, urban density, ‘smart city’ development, governance, and urban inequality. Each author is tasked to examine achievements, failures, or challenges (p. 14), whether spatially or intersectionally.

The resulting 21 chapters are grouped into six main themes. The first three chapters are introductory. The next four, constituting part 2 of the book, are built around ‘sustainability, the environment, and conservation’. Part 3 is made up of five chapters addressing issues of ‘population, settlement, and urban form’, while Part 4 has two chapters on ‘productivity and infrastructure’. Part 5, ‘justice and wellbeing’, has five chapters; and Part 6, on ‘transitional needs and challenges’, is woven from three further chapters. The editors themselves end the book in Part 7 with some concluding observations.

The individual chapters make clear contributions to the overarching aim:

to challenge orthodoxy, commit to transition planning and management, and better recognise the principles of subsidiarity and equity, national leadership, and Australia’s international environmental and humanitarian obligations. Urban policy matters, but it emerges as contested and often misused and misrepresented by vested interests, although still with largely unrealised transformative potential, particularly at the research-policy nexus within the Australian context (p. 451)

The book also shows that Australian cities not only contribute some 80 per cent of Australian GDP (p. 4); they also provide the form and structure of political economic processes and experiences. Simon Pinnegar's careful study of how urban 'industrial land "grab"', under the guise of 'urban renewal', institutionalises urban inequality (Chapter 10) illustrates the point. So does Frank Stilwell's extensive urban economic analysis (Chapter 22) which includes, among other things, a perceptive historical and contextual account of how William Alonso's urban economics that emphasises 'efficiency, equity, environment, and quality of life' influenced both policy and research in Australia (pp. 433-4). Stilwell's contribution is valuable in linking the socio-spatial experiences of the city with Australian political economy, and sustainability in the past, present, and the future.

Professors Freestone, Randolph, and Steele, the book's distinguished editors, deserve commendation. Bringing together forty authors to demonstrate a common vision from a variety of specialist fields is no easy matter. It is harder still to give 'contributors [...] free rein to present their distinctive perspectives' (p. 14). The end, a detailed account of a major feature of Australian society, justifies the means. The legacy of the eminent Australian urbanist, Patrick Troy, is the inspiration for the book (pp. 17-18) and his presence as the person to whom the book is dedicated (p. v), is palpable.

Yet, the book's explicit espousal of a primary commitment to 'a national lens' (p.7) amounts to *spatial separatism*. The idea that Australian urban policy or urban experience can be effectively analysed and understood entirely within the Australian nation state without carefully probing the world or the region of which Australia is a part is a serious methodological problem in urban research, as Charles Gore demonstrated in *Regions in Question* (1984). Spatial separatism is particularly worrying when applied to 'climate change', which is, of course, a global issue. As Patrick Troy (2011:11) pointed out in *Ethics and Economics in Urban Australia*, 'Australian cities are increasingly subjected to forces generated beyond their boundaries and, indeed, beyond those of the nation'.

Even so, *Australian Urban Policy* has many lessons for political economists. Readers of this journal will benefit from the book's detailed investigations of a wide range of questions. From 'productivity and infrastructure' (Part 4) and 'justice and wellbeing' (part 5), to 'transitional needs and challenges' (Part 6), the book offers food for thought and the

raw materials for further political economic research within and outside the policymaking process. Paying particular attention to Indigenous urban and regional development (Chapter 15), for example, can help us to further appreciate and demonstrate the centrality of *rent theft* to political-economic processes, problems, and policies.

If Australian political economy is to be more than just heterodox economics, then this book provides an excellent example of the sort of interdisciplinarity, coalitions, and alliances required. Blending careful historical and contextual analysis of experience and policy with concrete action is already a cherished tradition among political economists, of course. But this book provides a compelling indicator that the future of Australian political economy must strongly emphasise the study of cities and regions.

References

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Yanis Varoufakis

Technofeudalism: What Killed Capitalism

Penguin, London, 2024, 224pp., \$25, paperback.

Reviewed by Thomas Klikauer and Thu Nguyen

This, the latest of many books by Yanis Varoufakis – Greek-born academic, politician and former Finance Minister in Greece’s government – is an intellectual memoir, historical overview, and discussion of politics, economics and new technology. It explains why, in the author’s judgment, capitalism is now dead and how a significantly different political economic system is reshaping our world.

Contrary to Marx’s political economy, Varoufakis argues that capitalism’s demise has led to ‘technofeudalism’ rather than communism. The book’s principal strength lies in enabling readers to address key questions about this transformation, how it relates to ongoing political economic

developments in global capitalism, what struggles are likely to eventuate, and what different type of society could emerge.

The book is divided into easily digestible sections, beginning with a detailed preface, followed by seven chapters and, finally, two appendices. The first chapter pays homage to his recently deceased father, Georgis, who held radical-progressive political views and influenced his young son through the daily lessons he gave. Looking back, Yanis acknowledges this as an important basis for helping him understand how political economy and technology affect society. At an early age, he learned that technology never ‘just’ creates unfair situations: nor does it ‘just happen’ as it is inextricably linked to political economy.

Subsequent chapters apply this perspective to discussing the evolving technological and political conditions in the current era, focusing on significant features of the so-called ‘Digital Age’. Rather appealingly, the book challenges the traditional political economy view of capitalism, illustrating the complex mix of market dynamics, consumer preferences, and centralized control in large corporations. Varoufakis says that a central feature of what we can now see is the effects of privatisation of the Internet by large monopolistic corporations seeking profit while relying on the unpaid labour (provided by their *customers* whenever they use the net). The tech giants take on a rent-seeking *Gestalt* that resembles a kind of modern version of dynamic feudalism. He says that ‘capitalism exhibits dynamic evolution alongside inherent vulnerabilities, akin to an Achilles’ heel’, adding that: ‘Metamorphosis is to capitalism what camouflage is to a chameleon [...] [D]igitally networked technologies that capitalism spawned proved its comeuppance’ (p. 27).

So, what political economic developments brought us to this point? Varoufakis argues that, concurrent with the failure of central planning in the former Soviet Union in the twentieth century, the rise of a capitalist technostructure turned American capitalism into a monopolistic economy, albeit one that continued to have some market features. Within the USA – and global capitalism more generally – neoliberalism was a key element because: ‘neoliberalism delivered the necessary ideological veneer to legitimise the assault on organised labour’ (p. 49) and ‘neoliberalism [also creates], industrial scale inequality, not to mention [its impact on] democracies’ (p. 53). This historical political economic context is significant because it was a particularly aggressive form of capitalism – known as neoliberalism – which gained worldwide dominance.

Varoufakis emphasises how the resulting privatisation process has affected market dynamics, competition, and public services in the context of global economic changes. Recognising the huge power of monopolistic Internet corporations, he points to *'The Minotaur's Favourite Handmaidens: neoliberalism and the computer'* (p. 48), arguing that feudal traits become increasingly evident as the giant tech companies controlling digital platforms exploit user data like medieval barons once exploited the harvest of peasants. Using 'cloud serfs', Varoufakis argues, 'enriches a tiny band of multibillionaires residing mostly in California or Shanghai', while 'digital platforms and data-driven fiefdoms [enrich corporations] such as Amazon [and] Alibaba [while] other industrial sectors are turning into cloud fiefs too' (p. 77).

Simultaneously, traditional markets are said to be dying. The resulting shift in economic power is summarised as 'the rise of the cloudalists and the demise of profit' (p. 83). 'Cloudalists', Varoufakis says, 'have changed everything [...] the autonomous individual, the ownership of identity, the context of politics, the nature of the state, the texture of geopolitics' (pp. 86-7). He argues that this leads to inequities that are turbo-charged by the financial uber-lords, often known as 'The Big Three': 'BlackRock, Vanguard, and State Street take the money of the seriously wealthy and buy literally everything' (p. 99).

In these ways, Varoufakis uses his critical analysis of 'technofeudalism, hyper-capitalism, or platform capitalism' (p. 105) to explain the transformation of the political economy from a profit-based system to a system dominated by rent extracted through cloud capital. However, rather than focusing on the rise of 'rentier capitalism', as Christophers (2018) does, Varoufakis emphasises that it is the rise of techno-feudalism that has caused capitalism's death. He says that: 'Rent flows from privileged access to things in fixed supply [...] however much money invested in them. Profit, in contrast, flows into the pockets of entrepreneurial people' (p. 108) such as Amazon, eBay, Alibaba, Jeff Bezos Expedition, and Elon Musk. Is this now 'capitalism on steroids?', he asks (p. 114). He interprets 'the Great Inflation and cost-of-living crisis' in this context, saying that 'Inflation is [...] symptom of a flare-up of the ongoing class war [...] by politics and power [...] enhancing the scope of cloud capital. The Great Inflation [...] [is] bad for labour's political power, as it turns more of us into cloud proles' (p. 124).

Global conflicts between superpowers are a further feature of the contemporary world ‘order’ that Varoufakis analyses, such as the war in Ukraine and the role of Putin. He argues that the global political economy is dominated by a division of the world into two distinct and competing super-cloud fiefdoms and a trajectory towards technofeudalism. For Varoufakis, the world knows that a ‘New Cold War’ is happening but the key question is, ‘who wins and who loses’ (p. 148). He argues that old-style capitalist firms may lose ground, while cloudalists could gain power through technology-driven capital.

Yet, if this is not capitalism anymore, could it be something even worse? And what if the world we are living in comes to resemble a dystopia rather than the rosy visions of tech utopias from Silicon Valley (Wark 2021)? On this, Varoufakis argues that the traditional aspects of capitalism – labour, markets, and profit – will continue to exist, but no longer defining the political economy of capitalism as they once did. The rise of platform capitalism suggests, in the eyes of Varoufakis, that we have truly entered the ‘age of technofeudalism’.

The resulting politics is distinctive. Modifying the famous exhortation by Marx and Engels, Varoufakis calls for: ‘cloud serfs, cloud proles and cloud vassals of the world, unite! We have nothing to lose but our mind-chains’ (p. 185). Because individuals – as cloud serfs – are becoming increasingly vulnerable to manipulation and exploitation by powerful online forces, they are losing control of their minds. These dehumanising effects of technofeudalism create the need for resistance and struggles for emancipation. Varoufakis suggests that it is only through unity and collective action that society can break free from the constraints of technofeudalism.

By pointing out the potential dangers of relying on computerised financial systems, Varoufakis also underscores the need for greater oversight, and regulation in the financial sector and addresses the systemic flaws and inequalities perpetuated by neoliberalism and technological advancements in finance. This is a reminder of the unpredictable character of technological innovation and the need for thoughtful reflection on its implications.

In these ways, Varoufakis – rather skilfully and compellingly – offers a narrative that encourages readers to recognise how capitalism has devoured itself. He refrains from unveiling high-tech and expert-style insights. Instead, he simply posits the rise of technofeudalism and probes

what it means for the political economy, while engaging with readers through critical discussion of contemporary power dynamics. The resulting book is an exquisite contribution, despite its lack of empirical evidence throughout. It is a book of thoughts and arguments, not a book of empirical detail. Does it ‘work’? Each reader will make their own judgement, and some are likely to be unconvinced that the tech giants’ spectacular profits and their power to manipulate consumers through the widespread use of algorithms denotes the demise of capitalism. However, as reviewers of this book, we were impressed by the book’s challenging new political economic perspective on capitalism and technofeudalism and think it deserves to be widely read and discussed.

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Michael Rawling and Joellen Riley Munton

Regulating Gig Work: Decent Labour Standards in a World of On-Demand Work

Routledge, London, 2024, 134pp., \$213, hardcover.

Reviewed by Brett Heino

A confession to start – I hate ‘gig work.’ I have always regarded it as the realisation of capital’s deepest desire – a recasting of working-class jobs into the ideological and juridical forms of the petty bourgeoisie, forms in which profound exploitation is congenital. In my heart of hearts, I wish we could simply crush the gig economy and so sweep away the issues it seems to unavoidably bring in its wake. Anyone holding dogmatically to this view would probably find Michael Rawling and Joellen Riley Munton’s *Regulating Gig Work: Decent Labour Standards in a World of On-Demand Work* disappointing. However, desire or not, it doesn’t appear that the gig economy is going anywhere (particularly in the face of generally high level of public support), so the immediate task is to devise means by which the rampant exploitation of gig workers can be curbed. Seen through

that prism, *Regulating Gig Work* is a valuable contribution at a critical juncture.

Rawling and Riley Munton set out in Chapter 1 by exploring the context and history of gig work. In a useful reminder to those who would paint this on-demand work as some historically unprecedented novelty, they point out that forms of such work have been around for centuries, if not millenia. The actual qualitative innovation of modern gig work is ‘the technology that connects the master and servant (now more often termed the ‘client’ and ‘service provider’), and permits invisible, cashless payment for their transactions’ (p. 1). Although there are a myriad of platforms enabling gig work, they revolve around a core of common features, namely digitally-mediated payment by task (that is, a piece rate); a requirement of workers to provide their own equipment; and, perhaps most importantly for the purposes of the book, a particular form of contract that explicitly disavows any relationship of employment between the platform and the worker. The latter sets in motion a legal game whereby platforms, denying an employer/employee relationship, attempt to escape the basket of rights and protections that crystallised around the notion of ‘employment’ in developed nations in the twentieth century. Given this strategy, and the rampant exploitation that accompanies it, Rawling and Riley Munton ask the question that serves as the golden thread that runs throughout the whole book: ‘how might contemporary western societies develop appropriate forms of regulation for the on-demand economy facilitated by new digital technology?’ (p. 12).

To answer this question requires, first, understanding the various scales of regulation active in this space, a task Rawling and Riley Munton tackle in Chapter 2. Beginning at the global level, they note that the key institution, the International Labour Organization, does not currently have any ‘instrument particularly focused on platform work’ (p. 17). True, it has produced a 2021 flagship report on platform work; and a number of extant ILO conventions may apply to gig workers. However, due to the ILO’s tripartite nature, its standards are often extremely broad, and, in any event, depend upon domestic ratification by member states in order to have legal effect. As such, Rawling and Riley Munton look more to the nation state as the principal pivot point of gig work regulation (particularly since much gig work is performed within national boundaries). The recent record on this front is variegated and piecemeal. Perhaps the predominant approach has been misclassification litigation, whereby gig workers are, despite the efforts of platforms to portray them as contractors, instead classified as

employees for the purpose of labour law regulation. More thoroughgoing policies are in the works, however, of which the European Union's Directive on Platform Work is the most ambitious example. Of particular significance for Rawling and Riley Munton is the case of Uber drivers in the United Kingdom, who, though denied the status of employees proper, are nevertheless regarded as dependent 'workers' (a broader category) and thus entitled to a range of protections around minimum wages, holiday pay, regulation of work hours and protection against unlawful discrimination.

Chapters 3, 4 and 5 provide the nuts and bolts of Rawling and Riley Munton's substantive regulatory scheme. Chapter 3 considers a variety of means by which regulation can be extended to workers outside the employment relationship as strictly construed. Following this fairly technical discussion, they move in Chapter 4 to consider in greater detail the substantive standards which all gig workers are entitled to enjoy, regardless of their work status. The central standards explored relate to 'rates of remuneration that sustains a decent living, as well as safe working conditions, and insurance against the risk of workplace injury' (p. 53). This is crucial, given the evidence they marshal to demonstrate the structural vulnerability of gig workers to low pay and poor workplace safety. After discussing the current piecemeal and inadequate regulatory standards, they look hopefully toward the then-planned Albanese Labor government's reforms of the *Fair Work Act* to allow the Fair Work Commission to regulate 'employee-like' forms of work. As it pans out, the government did deliver the *Fair Work (Closing Loopholes) Bill*, which provides the Commission with the powers to make 'minimum standards orders' that can include terms relating to payment, working time, record-keeping and insurance. Chapter 5 rounds out the substantive analysis by discussing procedural rights to which gig workers should be entitled, namely rights around freedom of association, job security and dispute resolution.

Chapters 6 and 7 are, on my reading, the book's most interesting sections, as the authors turn their attention to some of the broader issues pressing on the viability of the reforms they suggest. Chapter 6 is a fascinating exploration of the utility of excluding digital labour platforms from jurisdiction (with the focus being almost exclusively on Uber). They show the crux of the issue when they state that: '[u]ltimately the use of bans is illustrative of, and instructive about, relations between the state and capital, largely indicating the continued supremacy of capital in many jurisdictions' (p. 79). Whilst they give many reasons as to why bans, as a

form of impediment on the free flow of capital, are viable and more a matter of political will than capacity, the chapter generally provides a picture that is more-or-less consistent with the classic base/superstructure model. In the face of regulatory exclusion, platforms like Uber have employed a variety of methods, up to and including outright illegality, to circumvent the bans. Indeed, using the literature around ‘regulatory entrepreneurship’, they demonstrate how, for digital labour platforms, ‘changing the law is not a side project but a significant part of the business plan because changed laws are necessary for the business’s growth or even its legality’ (p. 91). Calculated illegality, the mobilisation of consumer goodwill (often through discounting of services) and, above all, huge sums of money dedicated to politically lobbying have generally resulted in the sought-after legal changes.

Because of this, Rawling and Riley Munton’s Chapter 7, the last substantive chapter, explores other organisational forms that could enhance worker control and ownership of digital labour platforms. This chapter goes beyond the calls for reform within a framework dominated by privately-owned platforms to consider ways of changing the underlying political economy of the sector. Using various contemporaneous examples, the chapter discusses the opportunities and challenges posed by traditional worker cooperatives, before considering an innovative alternative model known as a ‘worker ownership trust’. This latter functions as a form of worker ownership whereby shares in a business are held by a trustee whose beneficiaries are current employees of the business. This allows them to participate in the ownership (and hence profit-sharing) of the firm whilst still permitting expert management of the company.

Regulating Gig Work is an important text that is best appreciated as what it is – a timely, concise and accessible intervention into the possibilities of gig work reform at a time when the political conditions for such reform are propitious. With my Marxist state theory hat on, I sometimes found myself questioning the lack of a conceptual approach to the state, wondering how the state will be forced into regulating the digital labour platforms that have seemingly been so successful at corrupting it to their goals. However, this is to expect from the authors a task they have not set themselves. This is a policy-oriented book that, in my view, would be a valuable resource to any reformer (governmental or otherwise) looking to identify the broad trends of legal efforts to regulate the sector and the most promising tools to that end. The receptivity of the Albanese government

to more robustly regulate the sector, together with the authors' high standing in the policy community, enhance the prospects of the book contributing to this legislative reform. Given the ever-increasing importance of digital labour platforms to the structure of modern capitalism and the modern working class, *Regulating Gig Work* is crucial reading.

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