

After Social Democracy

JOSEPH CAMILLERI

The contemporary crisis in human affairs has assumed global proportions not merely in the sense that it threatens directly the lives of countless millions but in the more far-reaching sense that it permeates and vitiates the whole fabric of economic and political institutions. Indeed, it calls into question the entire relationship between the human species and the natural order.

The crisis, which affects in varying degrees every society and every level of social interaction, is the by-product of several deep-seated and interacting imbalances. Advanced industrial societies in both East and West are beset by a cultural malaise which their centralized structures can neither conceal nor resolve. Despite its economic, political and cultural hegemony, the technocracy in, both capitalist and communist systems is finding it increasingly difficult to fulfil its promise of material abundance and psychic gratification for all. A *structural imbalance* is reflected in the widening gap between the promise of the modern industrial state (i.e. economic growth and military security) and its actual performance, between its creative and destructive power, between the power of the few and the impotence of the many. But the sexual, ethnic, racial and economic inequalities reflect not merely a pyramidal structure within domestic society but a *systematic imbalance* on a world scale the distinguishing characteristics of which are unequal exchange, stratification and fragmentation. The wide-spread incidence of violence and the threat of nuclear extinction are themselves manifestations of this imbalance.

The technocratic mode of production and the accompanying exponential and uncontrolled pace of technological innovation have in turn created an *ecological imbalance* for they have disturbed the delicate equilibrium which the evolutionary process has established between the human species and its biophysical environment. Given the 'colonization of the life world' by bureaucratic authority and technical rationality, there has been a natural tendency for the individual to retreat into a private and atomized world of personal gratification. We may therefore speak of a *psycho-social imbalance* characterized by the decline of normative discourse and the heightened vulnerability of the individual to political and psychological manipulation. The revival of religious fundamentalism and emergence of new cults, often dedicated to the pursuit of reactionary ends in both industrialized and Third World societies, are in part a response to this phenomenon.

The Crisis of Capitalism

Any of these imbalances, if allowed to persist, can unleash a local, regional or global catastrophe. But each trend feeds the other, each imbalance accentuates the other. The greatest risk to human existence does not stem from any one of these imbalances taken in isolation but from their constant interaction. The evolution of contemporary capitalism is no doubt central to the unfolding of these imbalances. While the establishment of communist systems and centrally planned economies may in one sense have limited the scope of capitalist expansion, the fact remains that these polities are not sufficiently dynamic or self-contained, nor their mode of industrial development sufficiently divergent, to pose a serious challenge to capitalist ascendancy in the organization of international relations. Regardless of shifts in the location of hegemonial power from one core state to another (from Holland to Britain to the United States) and of the changing technological character of leading industries (from textiles to microprocessors), the capitalist system has retained the same defining structure (the progressive integration of the world economy in the context of a fragmented system of states) and the same guiding principle (the endless accumulation of capital in the service of private profit).

This is not to say that capital and capitalist institutions are immune to the imbalances they have helped to create. The seeds of the current world crisis were in fact sown during the preceding

capitalist boom of the 1950s and 1960s. This period exhausted the system's capacity for rapid expansion, accentuated the ecological constraints on future growth and altered the balance of forces within and between states. The United States still represents the locus of a significant fraction of world economic activity and remains stronger than either of the two main economic rivals, Western Europe and Japan. But the American state has ceased to be hegemonic in the sense that it is no longer able to perform the stabilizing and co-ordinating functions which made possible capitalist expansion and interdependence in the aftermath of World War Two. The decline of the American dollar as the chief instrument for the international centralization of credit and the abandonment of fixed exchange rates, not to speak of the resurgence of protectionist tendencies in world trade, graphically illustrate the destabilizing transition from the politics of *hegemony* to the politics of *imperial rivalry*. The periodic economic summits of the leading Western industrial powers reflect rather than remedy the lack of international economic co-ordination, accentuated by fluctuating and differential growth, inflation, exchange and interest rates.

With the increasing internationalization of capital, Keynesian solutions seem no longer relevant to the twin problems of inflation and unemployment. Keynesian theory and policy were most successful when applied to national economies susceptible to regulation by the state or to a world economy in which one superstate performed an overriding regulatory function. At a time when the 'anarchy of the market' has become dominant again and national economies are subject to unpredictable and potentially uncontrollable external pressures, notions of demand management are unlikely to assist capital in re-establishing conditions for profitable accumulation.

Since the early 1970s several major Western economies have suffered from unutilized excess productive capacity in industry, especially in steel, ship-building and car manufacturing. Unemployment in the OECD countries rose from ten million in 1970 to nearly thirty million in 1985. For capitalist accumulation to resume its upward curve it becomes necessary to reorganize the social and political institutions that underpin the world economy and restructure the national boundaries within which capitalism has hitherto developed. Accordingly governments are required to give priority to combating high inflation, hence the need for reduced public spending and for wage restraint, although much of the evidence suggests that selling prices are as likely to be pushed

up to protect profits in monopolized industry as by high wage demands. The steep increase in unemployment has in any case weakened labour's bargaining power and exerted considerable downward pressure on the wage rate. It is difficult to avoid the conclusion that a decline in real wages has been the overriding aim of the strategy and that the fight against inflation has merely served to provide the necessary justification.

Another important element in the strategy to cut production costs and restore profit margins has been the introduction of new technology, most strikingly evident in the electronic and computer revolution. The ensuing changes in the organization of work processes, whether on the shop floor or in the office, have involved the speed-up of work and the deskilling of a significant fraction of the workforce. Many existing jobs are destroyed in the process and such new jobs as are created by technological innovation demand education and skills that those dismissed cannot normally hope to achieve. The profitable introduction of new technology within the existing capitalist framework therefore requires a major political defeat of the labour force comparable to that of the Great Depression.

The economic and political reorganization of world capitalism has already had far-reaching implications for Australia's dependent economy. Quite apart from the application of anti-inflationary, wage-restraining policies (usually promoted in the name of greater international competitiveness) and the introduction of new technology, the Australian economy has also experienced the effects of the accelerating relocation of manufacturing industry from metropolitan to peripheral regions. The strategy of transnational capital is to take advantage of favourable local conditions in a number of Third World economies, in particular subsidized access to infrastructure, unfettered transfer of capital profits, investment incentives, tax exemptions and very low wage costs buttressed by restricted political and social rights for the labour force. A consequence of this new international division of labour is higher unemployment in traditional industrial centres.

In Australia's case a far-reaching process of de-industrialization has already begun. Australian governments have, with some qualifications, accepted a Pacific Basin strategy that requires Australia to be a major importer of manufactured goods, a major recipient of foreign capital (much of it directed to speculative gain), and, to use Desmond Ball's apt phrase, a suitable piece of real estate for

American strategic interests. Part of the right-wing solution to the capitalist crisis was to accelerate mineral resource development, thereby ensuring security of supply but also contributing to lower costs of production. To this end a revamped philosophy of state rights emerged with the intention of entrenching the power and policy initiative of states, particularly those which control most of Australia's mineral reserves. This was in part the function of the Fraser Government's 'new federalism' and the reason for its preoccupation with the mining boom that never fully materialized. It should be mentioned in passing that the heavy concentration on the export of primary commodities inevitably makes the Australian economy vulnerable to fluctuating and often declining terms of trade over which it has little or no control. The intensified rivalry between the United States and the European Community, most strikingly evident in the subsidization of their respective agricultural sectors, is likely to exacerbate the problem by making it more difficult for Australia to retain its share of world markets.

Social Democracy in Disarray

Social democracy has been an important political force in Australia as in much of Europe for the greater part of this century. Yet it appears less and less able to offer a credible response to the contemporary crisis of capitalism. Social democracy registered its most significant achievement, namely the harnessing of working-class consciousness as a basis for political organization, well before the outbreak of World War One. This may be regarded as the only radical phase of its history — a period when its strategy was still premised on the militant political intervention of the working-class. Much of this changed partly as a result of the war which punctured any lingering pretensions to an international perspective or policy. Social democracy thereafter became wedded to a national parliamentary strategy designed to extend the public sector, implement progressive social legislation and entrench the legal rights of trade unions.

Following the political defeats of the Depression years and the destruction unleashed by World War Two, it sought to project itself as the only party capable of initiating an extensive programme of reconstruction. It took advantage of the controls established during the war and the winds change subsequently sweeping across Europe to implement a social security system

creased housing allowances and old age pensions, a more vigorous wealth tax, abolition of the death penalty, reduction of the working week to thirty-nine hours, devolution of power to the regions, and a series of nationalizations. Within a year, however, the commitment to reform was abandoned as was the fight against unemployment. Restrictions on public spending and wage restraint became the order of the day. Economic policy was redefined so as to give priority to the fight against inflation. A new austerity programme was adopted with the emphasis on easing the tax burden on industry and making the economy more competitive. Bowing to right-wing pressure the Government abandoned its election pledge to turn the entire educational system, including church schools, into a major public service. On foreign policy, Mitterand adopted from the outset a Cold War perspective and a sharply hostile attitude to the Soviet Union. While expressing reservations about American policies in Latin America and the Third World generally, he regarded America as an ally and gave his full backing to the deployment of Pershing and Cruise missiles in Western Europe. After five years of Socialist government, French economic policy was firmly under the sway of OECD monetarist orthodoxy, with the Right stronger than ever and the Left divided, demoralized and directionless.

Equally instructive is the performance of the Pasok Government in Greece which was first elected in 1981. The economic programme announced in the first year, although a far cry from the radical declarations of Opposition days, consisted of a series of neo-Keynesian measures designed to stimulate the economy. In addition, price controls were to be instituted and steps taken to eliminate widespread tax evasion. The public sector was to be re-organized so as to regulate more effectively the activities of monopolistic enterprises. However, new investment failed to materialize and within a year of assuming office the Government abandoned its attempts to stimulate demand and adopted instead monetarist principles. Priority was now given to improving the country's competitiveness and strengthening its export orientation. To this end the drachma was devalued and a wage freeze introduced as a means of reducing production costs. To complement the austerity programme legislation was introduced, which effectively restricted the right of unions to strike in the public sector. Stronger discipline over the labour force, particularly in the public sector which has a strategic role in the Greek economy and contains the more militant trade union elements, was intended to produce a more favourable investment climate. Notwithstanding the radical rhetoric on a range of foreign policy issues, the Pasok

Government after five years in office gives no indication that it is about to implement any of its 1981 election promises: remove the American bases, withdraw from NATO or terminate its membership of the EEC. As in France, perhaps the biggest casualty of the Papandreou experiment has been the party itself, which has become little more than an appendage of government, with its main functionaries co-opted into the state apparatus and its organization committed principally to electoral survival.

The German, French and Greek cases are by no means isolated examples. The Italian Socialist Party under Craxi's leadership has shed much of its socialist clothing, accepted many of the arguments of the New Right, and cultivated an outspoken Atlanticist position that includes support for the deployment of Cruise missiles in Sicily. The Spanish socialists, led by Felipe Gonzalez, have also projected an image of youth, pragmatism and modernity. They have made vague commitments to social justice but have in practice conformed to monetarist orthodoxy, integrated Spain more firmly into the Common Market and, in contradiction with earlier promises, vigorously campaigned in the 1986 referendum to retain Spain's membership of NATO. Many more instances could be cited not least the performance of British Labour governments under Wilson and Callaghan. Suffice it to say that all social democratic parties have in varying degrees failed to grapple with the challenge of contemporary capitalism. They have not sufficiently understood that Keynesian welfare state strategies are no solution to the problem of stagflation, or that the expansion of the state, far from advancing socialism, may simply increase bureaucracy, inefficiency and anonymity, and, to the extent that these features are identified with socialism in the public mind, bring the entire socialist project into disrepute. Once in government and confronted with the declining appeal and legitimacy of the public sector, social democratic parties have tended to retreat and sought to minimize any ensuing electoral damage by accepting the market ideology, if not always the language, of the New Right. They are thus reduced to demonstrating their credentials in the 'big government' versus 'small government' debate rather than addressing the possibility of a different kind of government.

To put it differently, social democracy has for a long time tended to use the state as a vehicle for the effective management of modern capitalism. Moderate social and economic reforms made possible by the expansion of the state could be pursued so long as this expansionary role coincided with the interests of capital. But with the onset of prolonged recession this coincidence

of interests has largely disappeared, leaving social democracy in the difficult position of having to choose between preserving and extending reforms or continuing to satisfy the requirements of capital. In most cases it has chosen to sacrifice reform on the altar of electoral pragmatism. Here, it is worth noting that even in the heyday of Keynesian economics social democratic parties were careful to moderate the scope and substance of reforms for fear of antagonizing capitalist forces and triggering off the conservative backlash that might jeopardize their electoral prospects.

Social democracy has traditionally tailored its proposals and policies to the next election. Such activism as has been encouraged has been essentially in support of limited parliamentary objectives and timetables. Seldom has any social democratic party sought to mobilize the popular understanding and support needed to carry through a long-term programme of structural change in the face of determined domestic and external opposition. Few social democratic parties (perhaps none at the present moment) have internalized the premise that alternative strategies and programmes depend for their success on alternative forms of political organization and decision making. Far from cultivating intra-party democracy and the involvement of a dynamic popular movement, social democracy has on the whole endeavoured to channel rank and file energies and enthusiasm into electoralist strategies and shunned mass politics. It has sought to depoliticize issues and circumvent complex ethical questions by reasserting the primacy of technical expertise. It is instructive, for example, that most social democratic parties have played a key role in the development of national nuclear power programmes. Faced with the ethical aspects of dissent, they have generally responded by establishing institutional frameworks designed to reduce controversy to a dispute between technical experts. Not surprisingly they have incurred the hostility of ecological and other protest movements. Having discarded the utopian dimension of reform, their vision of the future has ceased to mobilize.

In international relations social democracy's role has been timid; at best ambiguous. Grudgingly or otherwise most social democratic parties have contributed directly to the division of Europe and the creation of the Cold War system. With little or no hesitation they accepted the myth of Soviet expansionism and allowed their countries to become pawns in the superpower game of nuclear chess. They rightly distanced themselves from the repressiveness of communist systems and the heavy-handed imposition of Soviet rule in Eastern Europe. But in the process they

found it necessary to support American defence policies and in several instances endorsed the global counter-revolutionary strategies and military adventures initiated by the United States in the name of the 'Free World'. Only rarely have social democratic parties stood firmly in solidarity with Third World liberation struggles.

Few social democratic governments have ever shown any interest in initiating a meaningful programme of denuclearization, let alone of de-alignment. Apart from the recent New Zealand initiative, the only other exceptions are to be found in those countries (e.g. Sweden) which for reasons of history and geography have adopted a bipartisan policy of neutrality. Throughout the post-1945 period social democratic leaders have generally collaborated with their conservative counterparts in shaping and legitimating the policy of nuclear deterrence as the foundation stone of inter- and intra-alliance relationships. In the European context, initiatives for greater autonomy have usually oscillated between nuclear nationalism and the construction of Europe as a third nuclear force. The British Labour Party's present commitment to a non-nuclear defence policy represents an exception to the rule, but how or whether a British Labour government would implement such a policy is still open to question.

The militant reform associated with the early history of social democratic parties, which secured limited but important concessions from dominant classes, has gradually dissolved. The overriding objective is no longer the execution of a clearly defined programme of economic, social or political reform but the exercise of the power of patronage which the state apparatus confers on those who administer it. Social democracy no longer articulates, much less carries through, transitional strategies aimed at the transformation of society. It lacks the will, the analysis and the means needed to challenge the current direction of advanced capitalism. It has outlived its historical mission.

Much of the preceding survey of social democracy bears direct relevance to the recent history of the Australian Labor Party. The conservative shift in Labor politics, reflected in the preferred politics and style of Labor's parliamentary leadership became especially noticeable in the latter part of the Whitlam Government's term of office, continued to gain momentum during the Hayden interregnum, and eventually gave rise to a new form of populist corporatism under Hawke's prime ministership. It can be argued that the revival of the ALP's electoral fortunes since the late

1970s is closely linked to the role state and federal Labor governments have promised to perform. That is to say, their primary task has been to oversee and legitimize Australia's integration into the international division of labour, particularly in the emerging Pacific Basin sub-system. Such integration has assumed considerable importance at a time when the world market economy is experiencing its most acute crisis since World War Two, and when, in the wake of a resurgent militarism, the superpower competition in armaments has reached a degree of instability un-matched since the Cuban missile crisis — two trends that are far from unconnected.

At the federal level, Fraser's economic policies, though sensitive to the interests of capital, nevertheless carried an element of risk for they entailed a confrontational approach to industrial relations and an increasing polarization of Australian politics which might in due course erode the legitimacy of the dominant ideology. As a consequence big capital became more favourably disposed to a social contract whereby trade unions and business organizations would be integrated in national economic planning and incomes policy programmes and institutions. The Hawke Government was widely perceived as the most promising vehicle for establishing this corporatist alternative and extracting from the ACTU, in return for wage indexation and a degree of consultation, an agreement that would restrict the freedom of member unions and their rank and file to pursue pay claims and industrial action.

The Accord between the Labor Party and the trade union movement was specifically conceived as a form of crisis management. It imposed the politics of consensus on industrial relations, and thereby severely curtailed the ability of unions and the Left of the ALP to question the direction of the Government's economic policy. More than that, the tripartite arrangement which underpinned the Accord sidestepped and disenfranchised the weak and the poor. Having muzzled potentially the most powerful op-positional force, the Hawke Government was able to pursue relatively unimpeded its programme of industrial restructuring and financial deregulation.

The one positive feature of the Accord, the preservation of union clout and the living standards of most Australian workers, would soon be nullified by the rapidly changing economic environment to which the Hawke-Keating policies had significantly contributed. For the net effect of the Government economic strategy was to accentuate Australia's dependence on overseas financial markets and give foreign capital much greater incentive

to engage in speculative investment. Those measures taken in conjunction with the lowering of protective barriers in several industries exacerbated the economy's vulnerability to external influences. They also weakened the position of the trade union movement which had, by virtue of the Accord, accepted the inevitability of structural unemployment and in the process abandoned those made socially redundant by the revolution in productive technique. In the wake of Australia's deteriorating balance of payments it was only a matter of time before domestic and foreign capital would press home their advantage and call for steps to strengthen the international competitiveness of Australian industry. In response to this pressure Labor accepted the argument for a reduction in real wages, thereby signalling the end of wage indexation and with it the only concrete benefit the trade union movement had derived from the Accord.

The conservatism of the Hawke Government (and to a greater or lesser extent that of state labor governments), most strikingly evident in the economic arena, has spilt over to most other areas of policy. The floating of the dollar, the decision to deregulate the financial system and allow the entry of foreign banks, the reintroduction of tertiary education fees, the generous funding of the private school system at a time when many parts of the public system are in dire need, the refusal to tackle poverty in Australia, the failure to implement a national and uniform system of land rights, the low priority given to environmental protection, the readiness to expand the uranium industry and cement closer nuclear ties with the United States notwithstanding the rhetoric about a more self-reliant defence policy, are all part of the same political orientation. They point to the same corporatist strategy which vociferously attacks the New Right while stealing much of its language and implementing many of its policies.

Regardless of conference resolutions and rank and file protests Labor governments have in practice accepted much of the neoliberal critique of the welfare state and the related assertion that the state can no longer satisfy the multiplicity of demands emanating from civil society. Accordingly, they have set out to lower expectations, adapt the Australian economy to the new technology, and make the oligopolistic world market the central mechanism in the allocation of resources.

The New Right, for its part, has little emotional attachment to social democracy. It is more than willing to take advantage of compliant social democratic leaders to tighten social discipline.

But such compliance has merely encouraged it to take the ideological offensive and to press for the dismantling of the welfare state. At the same time the New Right has been clever enough to keep the notions of state and nation separate. While the former is mercilessly condemned for excessive and costly regulation, bureaucratic intrusion into the private domain and the stifling of individual initiative, the nation is eulogized as the repository of all that is good and worth defending. The nation (as distinct from the state) will, it is claimed, benefit from the abolition of trade restrictions, from unimpeded currency flows, from the deregulation of industrial relations, in short from the elimination of all obstacles to the growth of big capital. The nation, on the other hand, needs to strengthen its military alliances and defence preparedness. It must contribute to the world-wide framework needed to protect the interests of transnational capital which are taken to be synonymous with the interests of the 'Free World'.

It would not be an exaggeration to say that the Right, in Australia as in many other parts of the Western world, has gained the political initiative. It is selling the message of an unfettered capitalist world market with crusading enthusiasm and is aggressively exploiting the very alienation from the capitalist state that its policies have helped to create. The Left, for its part, has been forced into a series of fragmented and defensive reactions, and its praxis is as yet far from providing a coherent or credible alternative. Paradoxically, the most important lesson to be drawn from the monetarist assault on the state is that the longstanding reliance on welfare state reforms, demand management techniques and the nationalization of a few industries is not the key to the political and economic transformation of society. The critical factor is not the defence and expansion of the existing state apparatus but the construction of a new relationship between state and civil society which ensures that sustainable human communities are empowered to share in the decisions that vitally affect them.

An Appropriate Response

If the objective is to bring about a decisive shift in the distribution of power, status and wealth in Australian society, then drastic changes will have to be made to the political and economic environment within which decisions are made. In this context the highest priority may have to be given to reversing Australia's integration in the international corporate and strategic systems, for such integration denies the possibility of institutional change

consistent with the principles of equity, democracy and ecological balance. Here, the need for the long-term perspective cannot be overstated. For even within the Left there is often a tendency to prescribe simple short-term remedies because the more appropriate treatment is too long and painful to contemplate. The only appropriate response to this dilemma is to construct a transitional strategy that marries the long-term vision with more immediate and achievable goals. But what is to be the vehicle for the formulation and execution of such a strategy?

Enough will have been said to indicate that social democracy in general and the ALP in particular cannot perform this role. They lack the theoretical base, the incentive, structure and policies to act as a catalyst for change. Far from contributing to the solution, the ALP is likely to remain an integral part of the problem, at least for the foreseeable future. Nor can one pin much faith on the Left of the ALP, for the main function of intra-party factionalization has been to provide a mechanism for sharing the spoils of government and the power of patronage that comes with it. Not only is the Left ideologically and organizationally fragmented within and between states, but it has to operate within clearly defined principles and procedures which it does not control and is subject to a system of parliamentary discipline which works to its disadvantage. In short its freedom of manoeuvre is greatly restricted by its own commitment to electoralist politics. Moreover, the Left's policy preferences at times amount to little more than simplistic sloganeering and are seldom integrated into a coherent programme of independent research and political education. Taken as a collective entity the ALP Left seldom initiates and often does not fully participate in the campaigns of the major social movements, since much of its time and energy is devoted to internal power play and cross-factional rivalry. There is nothing surprising, then, in the Left's failure to produce a carefully thought out alter-native to the existing consensus on economic, social, foreign and defence policy. While it generally identifies with the demands of progressive movements, the relative ease with which it is ignored or bypassed by Labor governments reflects in part its organizational impotence and intellectual inadequacy.

The other parties of the Left, including the largest of them, the Communist Party of Australia, are numerically too small, their credibility too tarnished and their capacity to communicate with the rest of society too limited for them to have much impact on Australian political life. No revamping or renaming of any one of these groupings, or some combination of them, is likely to over-

come the problem of marginalization. While not disputing the fact that these small parties have often produced a number of very committed and skilled organizers who have contributed to the development of mass movements, their role has been less than decisive. Furthermore, it is not clear that all the fragments that make up the Left are sufficiently independent and critical of the ALP to entertain a comprehensive challenge to, *Labor theory* and practice. For example, the CPA and some of its offshoots played an important part in the framing of the Accord and cannot therefore be expected to endorse, let alone mount, a thoroughgoing critique of existing and proposed agreements between the ACTU and the Hawke Government. As for the smaller sects, their tendency to look for legitimation and practical guidance in the classical marxist texts calls into question the contemporary relevance, of their political style and language.

What of the trade union movement? Organized labour must of necessity play a leading part in any radical alternative. But unions in Australia, as in much of the capitalist world, are experiencing the pains of recomposition and restructuring that have affected the entire working class. Far-reaching changes in the way labour is organized, in the types of activity that constitute work, in the forms of exploitation and in the social divisions that flow from it have weakened the relationship between union leaders and the rank and file and created ideological and institutional barriers between and within unions. These factors have combined with the drastic rise in unemployment to curb the militancy of organized labour. As a consequence the ability of unions to be agents of radical social change has become more problematic. This is not to say that individual unions or particular elements within unions have not retained a capacity for critical analysis. Some are helping to shape a new understanding of the nature of technology and the rapidly changing culture of work and are fast losing faith in the validity of social democratic practice. This sector of organized labour may well have a leading role to play in any project for radical reform. The argument here is simply that in the present conjuncture the trade union movement as a whole is unlikely to be in the vanguard of change and that the contribution to the reshaping of the socialist agenda will vary markedly within and between unions.

If parties and unions that have traditionally constituted the Left of Australian politics are not the prime vehicle for political and economic transformation, can the gap be filled by the many social movements that have mushroomed over the last twenty

years? That they have influenced the evolution of Australian political culture is not in doubt. The resistance to capitalist rationalization and reorganization arising from the peace/anti-nuclear, ecological, communalist, consumer, feminist, gay liberation, human-potential/self-awareness and other rejectionist movements cannot be underestimated. But personal and cultural liberation which is the distinguishing characteristic of these movements has had only limited impact on policy-making institutions. It has had only the most marginal effect on the decision to invest. The fact is that no individual single issue movement is sufficiently large,, or intellectually and organizationally equipped to mount a comprehensive challenge to the *status quo*. Nor do these movements collectively offer an attractive ideological alternative, much less a coherent political strategy. Yet there are important signs that this process may already be under way. The increasing co-operation between movements over specific issues (most dramatically reflected in the peace/disarmament issue and the emergence of the NDP at the last federal election) has paved the way in the last two years for a substantial dialogue focused not only on *ad hoc* collaboration but on a genuine search for common ground. This process mirrors and reinforces the widespread alienation (not least within the ALP) from social democracy and a much deeper appreciation of the dangers and paralysing limitations of the existing political process. The meteoric rise of the New Right's public profile has helped to sow in the minds of thinking Australians a sense of foreboding and expectancy unmatched in modern times. The collapse of the Keynesian edifice has left a yawning gap in the political landscape which none of the established parties is able to fill. It has produced a mass basis for a 'new politics' beyond social democracy, embodying the cultural dissent of the 1960s and the ecological and economic critique of the 1970s and 1980s. What is needed is the creation of a new political formation that captures the mood of this unique moment in history, that questions the logic of the existing system, that sustains dreams and visions of the long-term future yet provides an effective mechanism for immediate action. Such a formation will be concerned. to define priorities, make concrete demands, mount winnable short-term campaigns; all these as part of a transitional strategy the ultimate aim of which is to dismantle the existing structures of power and exploitation and replace them with a radically different social order.

Can any overseas initiative serve as a model for this type of project? The German Greens perhaps come closest but nowhere

near close enough. Although they are a by-product of the broad movement of anti-nuclear and environmentally conscious citizen action groups that has mushroomed throughout Germany in cities and towns, in schools and at the workplace, it is not clear that they have successfully married their grass-roots origins and emphasis on extra-parliamentary action with a collective electoral strategy. The attempt to co-ordinate and integrate the citizen action movement under an umbrella organization has been largely abortive. In policy terms most citizen action groups were formed around either a single demand (e.g. opposition to a nuclear power plant) or at best a relatively narrow range of concerns (e.g. commitment to a safe local environment). In structural terms they are jealous of their autonomy and suspicious of any structure which might prejudice the freedom and initiative of the individual. They are not therefore disposed to forming part of a larger whole which would have a readily identifiable state or national profile and clearly delineated policies and procedures.

Since coming to national prominence by securing 5.6 per cent of the federal vote, the Greens have struggled to develop a cohesive team capable of handling the complex parliamentary agenda and yet accountable to the mass movement they are supposed to represent. Moreover, the entry into the electoral arena has raised several divisive issues on matters of policy (e.g. attitude to the Soviet bloc), strategy (e.g. relations with the SPD) and intraparty organization (e.g. relationship between the parliamentary wing and the rest of the party). The resulting process of fragmentation does not call into question the value or legitimacy of these debates but rather the appropriateness of the philosophical and organizational framework within which they have been conducted.

In the long-run perhaps the greatest weakness of the Greens' praxis is its failure to develop a critique of the state which, though recognizing the state's tendency to destroy the associative character of society and the moral autonomy of the individual, nevertheless takes full account of the internal contradictions of the state and turns them to advantage as part of a transitional strategy of radical reform. In defence of the Greens it may be argued that their electoral intervention is evidence of their desire to use the state for precisely this purpose. The problem here is that the electoral objective has not been clearly defined, nor has the relationship between the parliamentary and extra-parliamentary functions of the enterprise, hence the very real though unintended risk that electoralism and the divisiveness which it engenders may soon

engulf and distort the entire project.

This raises the question of the Green programme. The commitment to decentralization and democratization is unexceptionable as is the preoccupation with peace and environmental concerns. Even the critique of the growth economy has much to commend it. But it is one thing to formulate a list of long-term goals and quite another to flesh out the detailed policies required to make them credible or practicable. And even then there remains the question of the economic and political instruments needed to give effect to these policies. It would not be too harsh to say that the Greens have yet to do much of their policy homework. Nowhere is this gap more evident than in the area of economic policy. What, for example, is the Green attitude to the Common Market? To the export orientation of German industry? To the existing social security and taxation systems? To the relative role of planning and market mechanisms in moving towards an egalitarian and sustainable economy? To the operation of domestic and overseas financial markets? The answers to these and many other questions are not convincing and far from comprehensive. And what is to be the role of the working class and organized labour in this predominantly middle-class anti-capitalist coalition? These are questions to which any worthwhile Australian initiative would need to give serious and urgent consideration.

One final observation about the German Green model. There is reason to think that side by side with the Greens' professed but inadequately developed internationalism lies an ambiguous understanding of the theory and practice of national identity and national sovereignty and of the implications of these powerful symbols and institutions for the creation of a new world order. The recognizably German, European and cosmopolitan dimensions of Green thinking have yet to be integrated into a coherent analysis of existing reality and future trends. A new Australian political formation could not afford to overlook or gloss over these complex issues for they are central to any proposed alter-native. Given its political heritage, geographical location and racial and ethnic composition, Australia may be better placed than most to offer a new and imaginative synthesis of these diverse cultural influences.

What then are to be the distinguishing principles of this new political formation? The answer to this question must be unashamedly value-centred. What passes for economic debate in Australia is mostly about technical questions like the balance of payments deficit, interest rates, the budget deficit, or the fringe benefits tax.

These are certainly issues that must be addressed. But the technical answers to these questions must rest on an agreed set of values and assumptions about the nature of economic and political life. What is the purpose of economic activity? What is the role that workers, consumers, local communities and governments must play in it? What is the identity and function of the individual citizen and what is the nature of the covenant that holds society together? What is the relationship between local and regional community on the one hand and national and international society on the other? Viewed from this perspective, economic questions are also political, moral, some would say, spiritual questions.

Most contemporary industrial societies place economic activity at the centre of their definition of human identity. One is a producer, consumer, owner or administrator. But while the mode of producing and distributing goods and services is central to the social order, no economic system is absolute. Human need, or to be more precise the need for human self-realization, is the ultimate standard by which to judge all economic arrangements. It follows that justice for the poor and the victims of all forms of exploitation must be made the starting point of a transitional economic strategy. So must the right of every citizen to share directly in economic decision making, not least at the point of production. But economic policy cannot confine its attention to national society, to human beings in isolation from their biophysical environment, or to the short term. The eradication of poverty and dehumanizing social and economic inequalities must be considered in a global context. Moreover, economic activity has to be organized in a way that respects and sustains the entire ecological system, including all forms of animal life, thereby ensuring that the richness and diversity of the natural heritage can be transmitted to future generations.

But if economic activity is to accord with chosen values, if it is to perform a number of overarching functions, it follows that major decisions — those, for example, that govern the industries to be developed, the national resources to be used, the overall level of jobs to be achieved — must form part of a plan. They must be grounded in institutions that can administer and co-ordinate policy at the macro-economic level. Such centralized planning, however, can and must be made consistent with industrial democracy and economic decentralization. The need for popular control over corporate power — based on the assumption that a mixed economy will operate at least for the duration of the transitional strategy — must be placed high on the political agenda. Such

controls may be exercised partly through democratic forms of central planning, but also and perhaps more effectively through smaller semi-autonomous units of decision making empowered to make important economic decisions.

These units may be geographically based, perhaps larger than most existing municipalities but sufficiently smaller than existing states to permit a sense of community to flourish. The numerous local battles that have raged in recent years over issues like plant closures and environmental hazards, and the hundreds of neighbourhood, tenant and other community organizations that have taken root have already prepared the ground for this initiative. Other units may be functional in character and involve a variety of worker, consumer or community-owned and controlled enterprises which could be encouraged to invest in innovative projects through the establishment of credit facilities backed by government deposits and a range of superannuation and other funds.

Other measures might include the democratization of public and private sector enterprises with management accountable to worker and consumer representatives; the establishment of public hearings with access to all available public and commercial information to advise on investment plans; a far more comprehensive and generously funded system of freedom of information; major public investment in new communications technologies specifically designed to facilitate, public information, discussion and decision. Accessible and accountable planning institutions operating largely at the macro-economic level could thus be complemented by a market mechanism which is allowed to determine detailed output structure and relative prices but with the proviso that the entities operating in the marketplace are co-operative or community-based enterprises, or alternatively private and public firms that are subject to increasing levels of worker and consumer democracy.

However, for economic activity to be truly democratic it must operate in the context of national — and where possible local — self-reliance. It cannot flourish in conditions where investment and other relevant decisions are made by external agents, that is by transnational corporations and financial institutions over which the body politic has little or no control. Hence the need to develop, and where necessary protect, Australian-owned and controlled industries that are socially useful, job-creating and environmentally sustainable. Self-reliance should not be confused with self-sufficiency. It does not preclude, trade or other international transactions. It precludes only those transactions which

quantitatively or qualitatively are likely to make the national economy vulnerable to the vagaries of the world market. It does require the institution of controls over international transactions so as to ensure that they comply at all times with national objectives and democratic procedures. A policy of economic self-reliance would, of course, need to be pursued with sensitivity to the legitimate needs of other nations, in particular of Third World countries. Here, Australia would need to develop trade, aid and investment policies which, while maintaining its own self-reliance, would also promote the self-reliant development of its neighbours.

The values and policy objectives that a new political formation will need to embody require comprehensive and systematic exposition which is beyond the scope of this essay. What has been said here is only tentative and illustrative. Two, other areas nevertheless deserve attention: the domestic political process and external relations. Any project of the kind proposed here must place high on its agenda the institutional changes and constitutional reforms needed to ensure public participation in decision making and enhancement of the rights and civil liberties of workers, Aboriginal people, ethnic communities, women and other disadvantaged sections of the community. A multi-racial Australia cannot come to fruition without national implementation of Aboriginal land rights, and acceptance of the related principle of Aboriginal self-determination, and this would necessitate a rethinking of conventional notions of sovereignty and national identity. Indeed, multi-racialism is likely to remain a euphemism so long as Australia's predominantly white society does not recognize the rich and unique contribution that Aboriginal culture can make to a more symbiotic and convivial social order. Equally important to the reshaping of Australian political culture is the integration of feminist values and insights. It is not merely a question of accepting the feminist demand for economic and political equality but of opening up the definition of everyday life. It is ultimately impossible to transform the political order while leaving intact familial, sexual and other social relationships in which the reality of oppression and compulsion is made to coexist with the illusion of freedom.

At the other end of the continuum, an alternative Australia must rest on a commitment to a revised world order, which calls into question existing structures of power and authority. In practice this will require the elaboration of an internationalist, non-aligned foreign policy supported by a non-nuclear, non-

provocative self-reliant defence policy. Here concepts of national independence and national defence will have to be married to notions of international interdependence and regional and global security. Needless to say all these concepts and the interconnections between them will require rigorous elaboration. In all of this, the purpose of policy development, whether in the domestic or international context, should not be forgotten. It is not simply to advance this or that preferred policy position but to bring about a renewal in the meaning, content, perspective and language of Australian politics.

To establish the desired list of values is one thing, to mould them into a viable political project quite another. One may well ask: What is to be the nature of this political formation? Is it, for example, to function as a political party? The answer here is both yes and no. To the extent that it seeks to bring about a re-alignment of political forces it will undoubtedly wish to enter the electoral arena (about which much later), and to that extent at least it may qualify as a political party. On the other hand, precisely because of its all-embracing agenda, it will wish to differentiate itself from other parties in terms of both policy and process. Indeed, it is questionable whether in the age of electoralist politics the party label may not obscure more than it clarifies. It may for this reason be preferable to refer to this project as a political movement in order to emphasize the grass-roots approach to mass politics. Ideally, what one is looking for is a term that captures the sense of both party and movement.

Leaving aside the question of designation, it may be useful to define the project in terms of its principal functions. The first function is *education*. The objective here is to develop the awareness of the movement and of the wider community, to articulate and disseminate a coherent analysis of the present national/ international situation and to offer a compelling vision of the future, at all times highlighting the connection between issues and between values and institutions. This is a dynamic process that must be grounded in an ongoing programme of study, action and reflection involving groups organized on the basis of neighbour--hood, workplace and a variety of social settings.

The second function is *policy development*. It is not enough to sketch policy directions in broad outline. A process of research and consultation is needed to arrive at a set of policies and transitional strategies which are understandable, yet comprehensive and internally coherent. This process is never-ending for it is

always capable of refinement and must in any case respond to rapidly changing domestic and external circumstances.

The third function is *community building*. Put quite simply it involves the fostering of communal ties at the local, regional and national levels. This may be done by supporting, and where necessary initiating, local citizen actions, co-operative ventures or mass campaigns whose defining characteristic is resistance of a kind that instils hope and a sense of empowerment. However small or large, the purpose of each initiative is to establish networks of people, skills and ideas which alone can reinvigorate the ties that bind civil society and neutralize the atomizing impact of technocratic rule.

The fourth function is *celebration of life*. This refers to the cultural dimension which must be integral to the entire project. Through painting, literature, music, drama, dance and other forms of artistic activity this dimension expresses the value and beauty of life and therefore calls into question all life-threatening institutions, conventions and technologies.

The fifth function is *political intervention*. In a sense all the preceding functions involve a measure of political intervention. But here the reference is to formal political institutions (e.g. parliaments, municipal councils, courts, government departments, police and military forces). While there can be no illusions as to the capacity of the state to support, let alone initiate, the pro-gramme of radical change advocated here, use must be made of all the opportunities provided by the state apparatus (e.g. elections, inquiries, court cases, consultative mechanisms) to expose the vulnerability and irrationality of the status quo and to present a coherent but attractive alternative.

What, then, of electoral strategies? Clearly, they have a part to play, although it should not be automatically assumed that they necessarily involve the fielding of one's own candidates. That is certainly an option. But electoral intervention may simply involve support, or opposition to, any number of candidates who may be running as independents or representatives of other political parties. Whatever the particular form of intervention, the fact is that elections, especially at federal level, are occasions which concentrate the public mind. For many they are the only occasions which elicit a conscious political response. They are therefore a unique opportunity to present the contrast between what is and what might be. Election campaigns can be used to delineate the clash of opposing interests and values, to shape the terms of political

debate. The intention here must be to break down the facade of consensus and stability, to delegitimize the technocratic/corporatist management of economic and political life, to create a new stream of political consciousness.

Participation in federal elections, however, may carry an element of risk. National parties presenting national programmes and contesting the right to form, national government may convey the impression that the state and its institutions, notably Parliament and Cabinet, are in effective control of the nation's affairs. It is necessary therefore when appearing on the federal electoral stage to expose the realities of power, but also to integrate electoral campaigns into a much more encompassing and ongoing political strategy that takes full account of the potentiality of local, regional and international arenas of struggle.

Quite apart from their educative value, election campaigns can be used as levers for the redirection of public resources. They need not be confined to the national arena; indeed they might be most profitably conducted at the local level. Much can be learnt in this regard from the approach of the Greater London Council in the period immediately preceding its abolition in March 1986. Here was a local authority able to make imaginative use of public funds to redress imbalances in the availability of services and amenities between rich and poor areas. Even more significant was the financial assistance extended to the voluntary sector, that vast network of community organizations that service children, the elderly, the disabled, single parents, the homeless, blacks, ethnic communities and a host of other organizations including artists, entertainers, peace organizations and Third World solidarity groups. Here was an innovative strategy whereby the state — in this case the local state — was made to resource groups and individuals seeking to satisfy basic needs, to give expression to a new sense of identity, to create a new culture.

Such a strategy, by placing the state at the service of civil society, can seize the political initiative from the Right. It can take the high moral ground on issues of individual freedom and democracy and at the same time recapture something of the original emancipatory socialist impulse. In the process it can begin to reach and identify a great many constituencies — not only the socially and economically deprived but the many groups of people whose skills, cultural traditions and creative energies have long been stifled and ignored. To the extent that it is integrated into the totality of the movement's educational, cultural and political

activities, electoral intervention can become a useful instrument for defining a new agenda and constructing a new and diverse political coalition. The diversity may be a source of periodic tensions and divisions. It will be the function of the project to probe these differences and encourage a process of dialogue that respects the legitimate interests of each group. It will not be a question of imposing a compromise from above but of creatively using tensions to facilitate a process of critical discovery whereby the victims of repression begin to participate in the pedagogy of their collective emancipation.

The political realignment envisaged here cannot be defined exclusively in organizational terms. It is both an objective and a process which must be subject to periodic review and negotiation. The obstacles to its realization cannot be underestimated nor can the ferocity of the reaction that will inevitably follow the first signs of expanding and successful activism. The rebuilding of a political culture has to be measured in decades, not months or even years. The project is certainly not for those who are after instant victories. Yet for all the imponderables, we may be on the verge of a new consciousness, we may be living in an age when old ideas are collapsing but new ones have barely taken shape. That is why we need a new praxis that transcends old political categories, that releases new energies and enthusiasm, that begins, however dimly, to experience in the present the joy of the future.