



THE POLITICS OF AUSTRALIAN TRADE POLICY:
POLITICAL REPRESENTATION AND THE INTERESTS OF CAPITAL

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PREFACE

This dissertation is an analysis of political aspects of Australian trade policy from the beginnings of protectionism after Federation to the present. The thesis breaks with the traditions of political analysis exemplified by pluralism and elitism, which view state policies as the result of either a Panylossian political market of perfect competition, or the interplay of competing elites which shape state policies to their interests. Rather, an explanation of the changes wrought in trade policy over the past eighty years must be sought in analysis of the struggles of classes and class fractions for the representation of their interests at the political and ideological levels of the social formation. The changing characteristics of Australian trade policy are inseparable from the conflict between different fractions of capital, and the particular forms of political and ideological hegemony exercised by capital over labour and other subordinate groups within the economy and society of Australia. The particular forms assumed by Australian trade policy, then, in large measure reflect variations in the balance of forces or the equilibrium of compromise between the interests of class fractions of capital, and between the general class interests of capital and those of labour.

This thesis is in three parts. Part I (consisting of Chapter One) argues that the political institutions in societies such as Australia are crucial in securing the long-term and general interests of the capitalist class. It also examines the issue of conflict between fractions of capital, which has been the central determinant of trade policy in Australia, and the relationship of such conflict with the state's principal role in promoting the rule of capital over labour and other subordinate classes and groups. Part II (consisting of Chapters Two and

Three) examines trade policy from Federation to World War II, but with special emphasis on the inter-war period. A distinction is advanced, crucial for the entire thesis, between the interests of capital oriented towards international markets (principally at this time, the rural and mineral export industries), and capital oriented toward the national market (principally, manufacturing industry). This Part traces the rise to dominance of national manufacturing capital within the ruling bloc, examining the changing ways in which its interests were represented, and the response of international capital to this process. Here as subsequently in the thesis, the positions of the Labor and conservative parties with regard to industrialisation are contrasted. Part III (consisting of Chapters Four, Five and Six) examines the post-war period with particular reference to the time after 1960. This period contains many paradoxes in the field of political representation for manufacturing capital. Later in this period, changes occur in the orientation and interests of certain parts of manufacturing capital with respect to the international market. Consequently, the interests of manufacturing capital become more differentiated and less uniform. The concept of international capital is extended to cover an international decentralisation of production processes, to assist in describing these changes. This factor, alongside the struggles of the rural export industries and the minerals sector, and the distinctive policy approaches of different governments, bring about changes in trade policy and the interests which trade policy mainly serves. A Conclusion resumes the trade policies of the Hawke Labor government after its first year. Arguing that these policies, like those of its predecessor, are extremely unfavourable to labour and small capital, immediate directions are suggested for action on trade policy by labour and other subordinate groups.

DECLARATION

I hereby certify that this thesis contains no material which has been accepted for the award of any other degree or diploma in any University and that, to the best of my knowledge and belief, it contains no material previously published or written by another person, except where due reference is made in the text of the thesis. I consent to the thesis being made available for loan and photo-copying.

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