MULTIFUNCTION POLIS

LOST CITY OF OPPORTUNITY

Coral Baines

July 1999

This thesis is submitted to the Department of Politics, The University of Adelaide for the degree of Doctor of Philosophy.
ABSTRACT

This thesis examines the Multifunction Polis concept, its possibilities and its failure. Of primary concern is the proposal of the concept to Australia by the Japanese in 1987. The rationale for this original concept was the promotion of twenty first century manufacturing industry as the means to revive economic growth. Part of the context of the thesis therefore is the faltering state of the Australian economy in the mid 1980s.

The Japanese context is also examined. The mid 1980s was a time of spirited debate about Japan's economic success and the possibility of a Japanese bid for global hegemony. The post-war world was based on the principles which embodied the social, economic and political structures that reflected America's internal power structures, including concessions made to labour. America's solution to stalled world growth was to remove barriers to free trade and withdraw its support for the International Labor Organisation, effectively universalising the new principles of weak state and weak labour. Since Australia had identified its own interests as coterminous with those of the United States, its shift to economic rationalism and enterprise bargaining can be explained in those terms. However, Japan had developed a unique mode of capitalist development and its challenge was to retain its own constitutive principles in the face of increasing pressures from America to align itself with the new trade order.

The argument of the thesis is that Japan, or more precisely its Ministry of International Trade and Industry (MITI), planned to universalise its own constitutive principles of strong state and weak labour through direct foreign investment. Japanese corporations abroad are effective
carriers of Japanese corporate practices embodying the virtues of weak labour, and their presence in the MFP would provide the opportunity to establish those practices in Australia. Japan's principle of strong state, characterised by a close association with business, would be encouraged by the need for the Australian state to collaborate with the private sector in the identification and establishment of long term growth industries in the MFP. The 'international' flavour of the MFP would give universal exposure to these principles.

Australia's adoption of economic rationalism circumvented the plan, and along with that went the possibility of establishing a high technology manufacturing base for this country.
<table>
<thead>
<tr>
<th>CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Abstract</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Declaration</strong></td>
</tr>
<tr>
<td><strong>Acknowledgements</strong></td>
</tr>
<tr>
<td><strong>Chapter 1</strong> Introduction</td>
</tr>
<tr>
<td>The original MFP concept</td>
</tr>
<tr>
<td><strong>Chapter 2</strong> Theoretical Framework</td>
</tr>
<tr>
<td>Introduction</td>
</tr>
<tr>
<td>Historical Materialism applied to International Relations Theory</td>
</tr>
<tr>
<td><em>Pax Americana</em></td>
</tr>
<tr>
<td>The State Derivation Debate</td>
</tr>
<tr>
<td>The Reformulation of the State Derivation Debate</td>
</tr>
<tr>
<td>Conclusion</td>
</tr>
<tr>
<td><strong>Chapter 3</strong> Japan's Search for a New Global Role</td>
</tr>
<tr>
<td>Introduction</td>
</tr>
<tr>
<td>Conclusion</td>
</tr>
<tr>
<td><strong>Chapter 4</strong> Why a Multifunction Polis?</td>
</tr>
<tr>
<td>Introduction</td>
</tr>
<tr>
<td>The Technopolis Program</td>
</tr>
<tr>
<td>Japanese Foreign Direct Investment</td>
</tr>
<tr>
<td>Japanisation of British Industry</td>
</tr>
<tr>
<td>Universalising Japanese Corporate Strategies</td>
</tr>
<tr>
<td>The Exclusion of Organised Labour in Japan</td>
</tr>
<tr>
<td>Conclusion</td>
</tr>
<tr>
<td><strong>Chapter 5</strong> Australia, The Global Economy and the MFP</td>
</tr>
<tr>
<td>Introduction</td>
</tr>
<tr>
<td>Elements of the Global Crisis</td>
</tr>
<tr>
<td>Overaccumulation and Crisis</td>
</tr>
<tr>
<td>The Limits of Keynesianism</td>
</tr>
<tr>
<td>Australia in the Postwar Period</td>
</tr>
<tr>
<td>Hawke, Restructuring and Global Capital</td>
</tr>
<tr>
<td>The Float of the Dollar</td>
</tr>
<tr>
<td>Japan – A Friend Indeed!</td>
</tr>
<tr>
<td>Conclusion</td>
</tr>
<tr>
<td>Chapter 6</td>
</tr>
<tr>
<td>---------------------------------</td>
</tr>
<tr>
<td>Introduction</td>
</tr>
<tr>
<td>Strong States</td>
</tr>
<tr>
<td>Technopolises and Technology Parks</td>
</tr>
<tr>
<td>Organising Business</td>
</tr>
<tr>
<td>Business Attitudes</td>
</tr>
<tr>
<td>Choosing the Site</td>
</tr>
<tr>
<td>Conclusion</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Chapter 7</td>
</tr>
<tr>
<td>Introduction</td>
</tr>
<tr>
<td>Computer Software Industry</td>
</tr>
<tr>
<td>Rare Metals and Rare Earths</td>
</tr>
<tr>
<td>Biotechnology</td>
</tr>
<tr>
<td>Conclusion</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Chapter 8</td>
</tr>
<tr>
<td>Introduction</td>
</tr>
<tr>
<td>Political Unionism in Australia</td>
</tr>
<tr>
<td>• Flexibility</td>
</tr>
<tr>
<td>• Skills Development</td>
</tr>
<tr>
<td>• Industrial Democracy</td>
</tr>
<tr>
<td>Business Unionism in Britain</td>
</tr>
<tr>
<td>• Caterpillar</td>
</tr>
<tr>
<td>• Ford</td>
</tr>
<tr>
<td>• Nissan</td>
</tr>
<tr>
<td>Unions and the MFP</td>
</tr>
<tr>
<td>Conclusion</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Conclusion</td>
</tr>
</tbody>
</table>

Appendix A | Chronology |
Appendix B | Interviews |
Appendix C | Community Debate |
Bibliography | 311 |