

## Conclusion

The snapshot of the pervasive exploitation provided in this book might well be confronting for the reader who finds it likely that they are indeed a purchaser and consumer of goods produced by homeworkers. The candid assessment of the many failed attempts to regulate this work may be cause for alarm, or even depression. How can we be anything but complicit when the system has been designed this way, and the problems are so deeply entrenched? Yet the book inspires a feeling of momentum for resistance and change that offers hope and a way forward.

Conclusions drawn from years of research and activism have been distilled in a clear and accessible text. Aside from the important call to action that the book sounds in relation to such a substantial group of vulnerable workers, the insights and lessons drawn here may also be useful when considering approaches to other seemingly insurmountable ethical, legal and social challenges. Without shying away from the significant barriers that stand in the way of improvements, the authors suggest innovative solutions based on their observations and practical experience. This is a book for scholars and activists both.

Elizabeth Humphrys, *How Labour Built Neoliberalism: Australia's Accord, the Labour Movement and the Neoliberal Project*, Brill: Leiden, 2018. ISBN (hbk) 978-9-004349-00-1. ISBN (ebook) 978-9-004383-46-3, EUR€135.00/USD\$163.00.

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Elizabeth Humphrys' (2018) *How Labour Built Neoliberalism* has come at an opportune moment. After Labor suffered a surprise federal election loss, many in both the party and the movement are reassessing strategy and direction. Given the turmoil of the last set of Labor Governments, many will be looking back to what is now seen as a golden age of labour governance in the 1980s and 1990s.

Humphrys wants to challenge that instinct, reigniting a long-standing critique of the left's Third Way embrace of markets, and more specifically of the union movement's efforts at corporatism, leveraging its industrial strength for political gains. Internationally, the book contributes to an emerging debate over the role of progressive actors in facilitating neoliberal restructuring, a debate that challenges dominant accounts where neoliberalism advances as social democrats 'lose'.

At the book's centre is an exploration of the state. The book's cover provocatively challenges dominant understandings of neoliberalism. Both the title and the picture of a smiling Bob Hawke (Labor Prime Minister) meeting Margaret Thatcher, point to the key claim; neoliberalism is not only a product of the market-right, nor do the left uniformly play the role of resistance. Instead, efforts by unions and left parties to work through the state often end with the state transforming these actors, rather than these actors transforming the state.

Humphrys' critique is located within a Marxist tradition, sceptical of the state's role in managing capitalist economies, ultimately, on behalf of capital. However, she steers clear of some more reductionist Marxist readings by deploying Antonio Gramsci's

concept of hegemony to explore how the state both engages and subverts efforts at social resistance. The framework provides an important antidote to the technocratic impulses that inform Third Way labourism. Still, it may leave some feeling that it retains a degree of what Block (2019) calls ‘property-based essentialism’, in which very different capitalisms merge together.

An important contribution of *How Labour Built Neoliberalism* is to remind, and perhaps introduce, readers to the debates, trade-offs and disappointments that surrounded the Accord. The Accord was a series of agreements struck between the Australian Council of Trade Unions (ACTU), the unified congress of unions in Australia, and the Australian Labor Party, that underpinned a long period of Labor governance from 1983 to 1996. At the heart of the Accord was an agreement from unions to accept wage restraint in return for broader policy influence, particularly over industry, social and macroeconomic policy. Alongside wage restraint, unions de facto accepted other neoliberal measures, such as privatisations, that were never envisaged in the written Accord.

The book is built on impressive archival research and a command of the internal debates within left unions, as well as the Labor Government. Reflecting Humphrys’ sympathies, the book is particularly concerned with left (Communist) led union engagement and strategy. It brings these internal and strategic debates together with an efficient overview of the economic outcomes of the Accord, drawing on the extensive debates that emerged during and shortly after the Accord.

Humphrys reminds us of the ambitious goals set for the Accord by its more radical proponents. It was a mechanism to socialise investment and transition the Australian economy to social democracy, if not socialism. Instead, Humphrys claims, the primary outcomes were wage stagnation and disorganisation. Corporatism saw the unions themselves discipline workers, holding down wages as profits grew and preventing industrial action.

Humphrys’ claim that the Accord integrated unions and the working class into a particular form of political society, disorganising labour in the process, is provocative. It goes beyond understanding the unions as losing out in the bargain, overwhelmed by more powerful forces, and instead frames corporatism as the method by which labour was disorganised. Thus, corporatism is problematised. The state is not understood as a neutral space in which the parties to a corporatist bargain come together to negotiate some common interest. Instead the state is ‘*always already* partisan’ (p. 12, italics in original).

Understanding the state as, essentially, capitalist reflects Humphrys’ Marxist orientation. Using Gramsci’s model of hegemony, Humphrys analyses how the Accord operated as a framework for remaking social relations in the wake of the 1970s crisis. In this sense, the Accord has the same purpose as more radical implementations of neoliberalism – to disorganise a militant union movement and thus neutralise a broader systemic threat to capitalist accumulation. The discipline required of unions was itself the internalisation of key neoliberal prescriptions; to fight inflation first and expand the scope of competition.

Drawing on Gramsci, Humphrys argues the Accord reflected the logic of the ‘integral state’, where hegemony is exercised through a ‘dialectical unity’ between the state and civil society (p. 31). It is precisely through the incorporation of subaltern interests into the state that hegemony advances. Thus, rather than the Accord allowing unions access to state power, it restructured and disciplined unions into neoliberal rule.

Humphrys applies this framework to her detailed archival work to show how the hopes attached to the Accord were gradually neutralised (particularly in Chapter 8). She returns at the end of the book to draw similar lessons from other neoliberal moments in Britain (under Labour), the US (under Carter), New York state's fiscal crisis and contemporary Finland. The combination of detailed case study and broader application makes this an important addition to our understanding of neoliberalism and one already eliciting international interest.

Of course, this reading is controversial. Others frame the Accord as mediating neoliberal pressures rather than driving restructuring. Matt Cowgill (2013), among others, points out the wages share during the Accord largely returned to historic norms before the unrest of the 1970s. On this account, wage restraint under the Accord reflects a 'real wage overhang' from the 1970s and is distinct from later falls in real wages. David Peetz (2018) disputes the causal link between the Accord and declining union membership, showing the most dramatic declines took place later. And many, including myself, point to the social wage gains made as part of the Accord framework.

Humphrys' understanding of neoliberalism lies at the heart of the provocation. She argues the common understanding of neoliberalism as equivalent to neoclassical or free market doctrine is problematic. In practice, the reforms associated with neoliberalism were often implemented by 'strong' states, and often using repressive means. Humphrys follows scholars of 'actually existing neoliberalism' to understand neoliberalism as a political project to assert class power, centring labour disorganisation.

As Jeff Sparrow (2019) notes in his review of Humphrys' book, understanding neoliberalism as a political project helps to cut through the apparent hypocrisy of free market advocates and avoid potentially technocratic answers to fundamentally political challenges. However, the approach can also flatten our understanding of exactly how that political battle is being fought. After all, if neoliberalism can advance in such different ways, might it also produce quite different outcomes? And while unions are now industrially weak, the Accord did aid political organisation, which helped unions resist more aggressive neoliberal attacks under conservative rule (Buchanan et al., 2014).

Humphrys does address the social wage benefits introduced through the Accord. She acknowledges Medicare was unlikely to happen without the Accord, and superannuation was an explicit product of the agreements. However, she questions whether these gains could ever be worth the cost. Medicare is, after all, a system of subsidy, not nationalisation, and superannuation is entirely market based. She is somewhat dismissive of the other benefits, noting the 'derisory' help offered single parents (p. 146).

Having argued the alternative case, I found Humphrys' critique of the Accord's social wage benefits (helpfully) challenging, but only partly convincing. Her case for understanding the state as 'partisan', and therefore seeing the Accord as a mechanism for negotiating hegemony, rather than an 'opposition' to neoliberalism, is persuasive. Even the social policy reforms that were advanced might be understood as pro-market. Likewise, justifications of corporatism based only on the fear that things might have been worse are rightly questioned. Yet, child poverty fell faster in Australia than any other Organisation for Economic Co-operation and Development (OECD) country over the period (Whiteford et al., 2011: 91), while Medicare remains an important pillar of social protection.

There is a tension in analysing the origins of neoliberalism as diverse while implying its outcomes are uniform. There are certainly common elements: declining union membership, rising inequality, the spread of competition policy. But important differences remain across 'neoliberal' countries. As Block argues, the differences between capitalisms – or we might say 'Keynesianisms' or 'neoliberalisms' – are significant and point to strategies for change.

Humphrys ends with an important problem – how to deal with the 'profound disorganisation' of working people. Her critique offers both useful conceptual tools for understanding neoliberalism and an important caution in rushing towards the state for solutions. That is a challenge, particularly in Australia, where unions have often looked to political means to solve industrial problems. Her call also resonates with a growing number of critical voices within the union movement urging a renewed focus on industrial organising. Acknowledging the diverse origins of neoliberal reform can certainly inform us of the dangers of working through the state, but I was left wondering if taking seriously the diverse realities of neoliberalism might also reveal strategic opportunities for making a more egalitarian society.

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Tom McDonald, *DARE to DREAM: The memoirs of Tom and Audrey McDonald*, Self-published: East Gosford, NSW, Australia, 2016. ISBN (hbk) 9780994631510, \$30.00 (for availability see <http://www.daretodreammemoirs.com.au/buy.html>), pp. 426.

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*DARE to DREAM* is a clear, animated and absorbing account of two significant labour movement veterans. It recounts the trials, tribulations and successes of Tom and Audrey McDonald in their respective, yet overlapping domains of trade unionism (Tom), the