

Argentina and Australia: Essays in Comparative Economic Development. Edited by A.E. Dingle and D.T. Merrett for the Economic History Society of Australia and New Zealand, as Occasional Papers No. 1, Melbourne, 1985. vi, 77 pp. N.Z. price: n.a.

COMPARISONS between Australia and Argentina have attracted scholars since the late nineteenth century. Each society was formed largely by European immigration; by 1900 each economy specialized in producing rural exports to western Europe, and imported large quantities of British capital; each state attempted industrial development to supplement rural export production. What has always intrigued scholars is that these aggregate similarities of 'input' have generated very different 'outcomes'. In every social respect, the two countries have differed from each other, and even economic performance has been very different. The Argentine economy outperformed that of Australia until the 1940s; since then the reverse has been the case.

The present collection, arising out of a conference in Melbourne in 1982, allows us to see how four economic historians explain the very different performance of two economies which might have been expected to follow more parallel paths. The most arresting feature of their explanations is that none considers that the discipline of economic history can answer the central question.

Professor Kenneth Boulding begins by asserting that the development of a human individual is the best paradigm for understanding the development of a national economy. Most of his paper restates his 1950 'Boulding formula' for measuring per capita real income. That formulation of economic indicators leads to a general discussion of ways in which income may be increased. When Boulding attempts to identify the influences which explain the contrast between Argentine and Australian economic performance, the argument takes a quite new and startling tack. 'It is easy to say, of course, that the explanation lies in the difference between a culture of Spanish origin and one of Anglo-Saxon origin, but this does not tell us very much unless we can specify what particular elements in the culture are responsible' (p.17). He broaches the idea that 'the Iberian peninsula did not really participate in the scientific revolution', and appeals for detailed research into 'the essential variables of culture and culture change underlying the rather crude and somewhat more accessible data on economic development' (p.18).

John Fogarty, the organizer of the conference, the real editor of this collection, and a tireless advocate of these comparative studies, has the second paper. He addresses 'the essential relationship between the export sector and the industrialisation process'. During the 1950s and 1960s, each country increased its manufacturing output, and the Argentine increase exceeded the Australian. In this decisive era, it was the rural sector which languished in Argentina, with serious structural consequences arising from the pivotal role of agriculture in generating export income (p.27). That leads Fogarty to ask why Australian governments have been so much more supportive of rural producers (through subsidies, and investment in science and technology) than Argentine governments. The short answer suggested is the Australian two-party system, because 'the broad-based political groupings characteristic of Australia serve to reduce inter-sectoral tensions' (p.34). To summarize the direction of a more complex argument, it is political institutions which are seen to be the creators of economic policies, and these policies largely influence economic performance. This is, quite consciously, the reverse of economic determinism or of any materialist explanation.

Tim Duncan's paper traverses the widest time-span, in search of the general role of politics in explaining economic performance. He points to the traumatic experience of Argentine governments in the nineteenth century, when the survival and integrity of the state were at risk, by contrast with the more tranquil experience of Australians. A powerful nationalist sentiment surfaced in Argentina, but Australian nationalism is harder to discover. These surveys support cogent conclusions: 'The Argentine case contains the broad lesson that ethnically insecure nationalism, unhindered by institutional political checks, can prove to be spectacularly creative or tragically destructive for a major trading economy'. On the other hand, 'The Australian case contains the broad lesson that a sectionally-based political culture, unchallenged by either creative or destructive nationalism, produces steady but mildly disappointing economic performance' (p.56).

Professor Schedvin concludes the collection by contrasting Argentine and Australian responses to the Depression and to the Second World War. He discounts differences in resource base, and argues that Depression and War ought not to have traumatized Argentine policy-makers as much as they did. The Peron government embarked on a strategy of greater 'interior development' than did Chifley in the 1940s. So far, Schedvin's description has been conventional; but now he veers sharply away from economic history. 'Nor do I think that differences in policy, although real enough, *explains* [sic] the behavioural contrast. Policy is largely a manifestation of cultural norms, and only to a limited degree an independent force' (p.75). From economic performance, we are led gently through policy history to social psychology of an adventurous kind. 'Use of cultural stereotypes can at least open the subject for further research. Anglo-Saxon individualism . . . supplied the raw materials for the building of a market society. The emotional currents valued independence, pragmatism and, eventually, rationalism . . .' in Australia. Migrants to Argentina, however, 'were the products of a more traditional social system . . . [and] the authority-dependence structure of small, pre-industrial, agricultural communities appears to have been re-created in Argentina' (p.75). Although the Depression was relatively mild, 'the ancient structures of authority were re-imposed' in the form of the father-figure Peron, whereas rational, pragmatic Australians made do with the Labor Party and Ben Chifley (p.76).

This reviewer is surprised to be told (though very willing to believe) that economic history only describes but cannot explain economic performance. What are we offered instead? We are despatched to culture and culture change (by Boulding), political institutions (by Fogarty), political culture (by Duncan), or to the social psychology of national stereotypes (by Schedvin). But will these disciplines prove more fruitful? On the face of it, we are being invited to return to the social science perspectives which dominated the 1950s. These essays treat a nation as if it were an overgrown individual. A national economy is then analysed (or more precisely, anatomized), as a coherent series of 'economic sectors', analogues to the limbs of a body. Other disciplines (Development Studies, Social History, some kinds of Sociology) which enquire into social classes, and conflict between them, are mentioned only to be dismissed.

We might also ask whether comparative studies must take the form of detailed accounts of only two entities. Schedvin points out that the habit of comparing Australia with North Atlantic economies leads to pessimism; and that the comparison with Argentina permits some Australian self-satisfaction (p.57). However, a sample of two is too narrow to support the confident generalizations which have been built upon them. The inclusion of New Zealand (making the comparative study

broader, if not deeper) would surely add ballast to assertions about Anglo-Saxon and Iberian psyches, and might test hypotheses about the economic consequences of particular political institutions.

These are exploratory essays, raising questions and proposing lines of enquiry. It would therefore be unfair to make too much of their unfinished quality. However, while we welcome this break-out from some of the restrictive mental habits of the 1950s, we should be cautious about the insistence upon idealist (as opposed to materialist) lines of enquiry, and sceptical about general statements which rest unsteadily upon a sample of two cases.

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Such was Life: Select Documents in Australian Social History. Vol. 3 1914-1983. Edited by Russel Ward and John Robertson. Alternative Publishing Co-operative Limited, Chippendale, N.S.W., 1986. 458 pp. Australian price: \$16.95 paperback.

THIS IS the third and last book of documents in a series covering Australian history from 1788 to the present. Like the first two it is presumably aimed at the school and undergraduate market, and should be assessed accordingly. Reading the documents one by one there is much to interest and occasionally something to delight. Here is a cornucopia of Australian types, circumstances, and experiences: premier Robert Askin, inconvenienced by Vietnam protesters lying in front of his vehicle, gives instructions to 'drive over the bastards'; Mrs Monica Sheehan, well-bred resident of Hunters Hill, and Mr Jack Munday, Communist secretary of the New South Wales branch of the Builders' and Labourers' Federation, work together to save Kelly's Bush from the developers; Eddy, an old Aboriginal man, teaches Robyn Davidson 'something about flow, about enjoying the present' as that young lady travels by camel from Alice Springs to the Indian Ocean; 61-year-old Cliff Young wins the Sydney-to-Melbourne marathon by starving himself of sleep. If the editors' sole aim was to place before students episodes of the near past and to enliven and illustrate what is to be found in the textbooks, then they have succeeded.

For the reader in search of what has been important for the Australian people since 1914, this book, however, is unlikely to satisfy. It has the advantage over Professor Frank Crowley's rival collections of documents of being arranged in topics, rather than on purely chronological lines. The proclaimed intention of Ward and Robertson was a selection in 'social history'. Nevertheless, the total effect is close to that of a rag-bag. The nebulous concept of social history has lost all meaning when, as here, whole sections are given over to economic and political history and there are documents dealing with foreign relations.

To a large extent the editors are not to blame; they are only reflecting something general in the profession — a loss of a coherent picture of what Australian history is about. The book in its topics reflects the many sub-histories that now flourish and which have fragmented the once single genre of Australian history. But even in the present uncertainties the editors might have managed a better-proportioned selection. Surely post-war immigration from Europe is of such importance that it merited more than a couple of documents? Television, that innovation of awesome if controversial social impact, gets the most fleeting glance. Secondary and tertiary educa-