

**Creating Unequal Futures:  
Rethinking Poverty,  
Inequality and  
Disadvantage**

Edited by Ruth Fincher  
and Peter Saunders  
Allen & Unwin, 2001, 251pp,  
\$35 paperback,  
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One Saturday in May I found myself nodding in agreement as I read Adele Horin's *Sydney Morning Herald* column. I don't normally do this. Horin is the *SMH's* resident 1970s leftist. That week, however, Horin's complaint was about how badly Australian academics write, and for once I could agree.

Parts of *Creating Unequal Futures?*, an edited collection, are a case in point. While I've read worse—we are spared French theorists' jargon—some of the authors make their readers work too hard. Take this sentence, on a randomly selected page: 'Since private rental is associated with high rates of residential turnover, this has led to the examination of the impact of private renting on low-income families.' Or in other words: 'Since low-income families renting privately move often, researchers examine how moving affects them.' The new version is no work of art either, but clearly says who is doing what in half the number of words.

Since the overall writing quality is not high enough, I can't recommend this book for lay readers. Welfare specialists, however, may get something from it. Two chapters, of seven in the book, are particularly worth noting.

Peter Travers' chapter on child poverty reports that with real incomes rising among the poor, child poverty fell between the early 1980s and mid-1990s in absolute terms, though it remains higher than many other countries.

While day to day needs are being met more effectively, the greater concern is about long-term social mobility. Historically, Australia has enjoyed high rates of social mobility. People moved up (and down) the occupational and income ladder through their working lives, and between generations. Where you started did not predetermine where you would finish.

For many, this mobility will continue. The proportion of young people from low-income backgrounds going to university increased significantly over the last two decades (the data Travers presents in this area is out-of-date and misleading). Strong growth in jobs requiring university degrees creates a path from education to affluence.

These young people will do well. Those without post-secondary skills are not nearly as well-positioned. Travers' statistics show that by the mid-1990s significant numbers of young with low academic abilities were engaged in what he calls 'marginalising activity', but which might better be called 'marginalising inactivity', since it means consistent absence from either education or the labour force. For those with high maths ability at age 14, only 2.3% were consistently in marginal activity by age 19. For those with very low maths ability the number was 21%.

This is not the only problem hitting some academically underachieving young people. Family structures are also under strain. Even in the short comparative period Travers uses, 1992-1996, the proportion of 10-14 year olds living with one parent went from 15.9% to 18.2%. The combination of family breakdown and fewer job opportunities for the unskilled meant that the proportion of children under 15 living without a working parent in the home increased between 1979 and 1997 from around 11% to nearly 18%. With disadvantages accumulating prospects diminish.

Of the problems, education is most easily open to public policy. The figures Travers cites on maths, and others available elsewhere on maths and literacy ability, show the strong connection between low ability and unemployment. If the Howard government's insistence on testing and improving maths and literacy levels among young people enjoys long-term success it will be a very important welfare reform.

The consequences of inadequate education are even more starkly presented in Boyd Hunter's chapter on poverty among indigenous people. Among the poorest 60% of indigenous people, 89% have no qualification, not even a Year 10 leaving certificate. Even in the mid-range quintile, in 1994 only 16% of indigenous people had a real job, with

another 9% in the Community Development Employment Projects, politely described by Hunter as 'driven primarily by policy decisions rather than labour market conditions'. Unsurprisingly, the incidence of serious poverty among indigenous Australians is much higher than it is among Australians generally.

Indigenous people are arrested at a staggering rate. Among the poorest indigenous people, 18.4% reported being arrested in the last five years. In the poorest areas elsewhere the figure is 1.7%. Even among the wealthiest indigenous people, 10.9% reported being arrested. In the wealthiest areas elsewhere the figure is 0.5%.

Indigenous health is also poor across all income groups, with around a third saying they have long-term health problems. In the rest of the population low income people have a similar health record, but the rest of the population is much less likely to have serious long-term illness.

As Hunter says, 'it is hard to talk about an entrenched problem such as indigenous poverty without getting depressed.' While acknowledging that even with bipartisan support it could take a hundred years to fix all the problems he suggests education as important to financial independence, and reconciliation so indigenous people feel they have an important place in Australian society.

The plight of indigenous people puts the rest of *Creating Unequal Futures?* in perspective. Improving schools and lowering unemployment are not necessarily easy tasks, but they are achievable. No non-indigenous family is likely to spend the next hundred years in poverty.

Reviewed by Andrew Norton

**In Defence of Globalisation**

by Keith Suter  
UNSW Press, 2000, 60pp.  
\$12.95, ISBN 0868404756

The 'Frontlines' series of books from UNSW Press attempt to explain significant topical issues that have captured media attention. Another prerequisite for representation in the

'Frontlines' series is constant media misrepresentation of the issue. On this basis, *In Defence of Globalisation* would have been a welcome addition. Keith Suter's contribution to the series, however, provides a backhanded defence of globalisation, if a defence at all. For those unfamiliar with globalisation, the book contains useful details of its historical development.

The book attempts to provide the reader with an understanding of globalisation, commencing with an agreeable thesis that globalisation is unstoppable but, as the author puts it, we can 'find ways of making lemonade out of this lemon'. The book also adopts a popular sub-thesis, that we face a challenge to make sure that globalisation works for the benefit of all people, not just the wealthy few.

The book introduces a problematic definitional divide between different aspects of globalisation, these are *economic*, *public order* and *popular* globalisation. The book's line is that *popular* and *public order* globalisation are helping to create a 'better world', notably implying that *economic* globalisation does not. Interestingly, after drawing these distinctions, the book makes surprisingly infrequent reference back to them, undermining their significance.

The cursory introduction fails to paint a clear picture of the route that the book proposes to take to highlight the concept of globalisation. The ambiguous chapter titles do not assist to remedy this flaw. The book uses six short chapters to cover the historical evolution of globalisation, the impact of transnational business, the new role of supranational governance, the enhanced power of NGO's and how one best ought to react to this new paradigm.

In the first chapter, the author introduces the reader to how and why the new global environment has changed due to globalisation. Interestingly, he sets the scene for the birth of globalisation by contrasting the fall of the USSR with the rise of globalisation. He then undertakes a theoretical historical evolution of the establishment of the nation state, placing the inevitable erosion of the nation states' sovereignty upon the forces of globalisation.

The second chapter seeks to shed light on the activities of business in the context of an eroded nation state. The author uses examples to illustrate how, due to globalisation, consumer purchases are more often global in nature. It is also reiterated that, due to the increased level of transnational business, national governments no longer have control over their own economies. This chapter uses slanted examples and a rally against consumerism to highlight problems associated with economic globalisation.

The author's ability as a concise historian is highlighted in the third chapter through a chronicle of the development of supranational governance. The author undertakes a similar approach in the fourth chapter by detailing a historical evolution of the impact of globalisation upon NGOs and highlighting the benefits of *popular* globalisation. Rather than a defence of globalisation, these chapters substitute analysis with historical description.

The fifth chapter fleshes out the key trends existing in the wake of globalisation. The examples and case studies are not as sharp as one finds in Thomas Friedman's bible on globalisation, *The Lexus and the Olive Tree*, but he does provide some sharp insights and finally provides an even-handed defence of globalisation.

The fifth chapter provides a good analytical snapshot of the political impact of globalisation. It includes a good explanation of the rationale behind the political backlash associated with globalisation, with particular reference to 'Hansonism'. It also interestingly explains the backlash as arising through public misunderstanding of the issue. The author buttresses this explanation of the backlash by keenly tracing the public misunderstanding of globalisation back to the media and he details why the media failed to apply the requisite intellectual rigour to the issue.

The book's evenhandedness makes it a stretch to call it a *defence* of globalisation, furthermore on some occasions the book seems positively anti-globalisation. For example, the author refers to 3.6 billion people of the 'Global South' who are now in the invidious

position of being 'window shoppers', since they are well aware of what they are missing out on due to the more pervasive radio and television broadcasting. However he fails to make the implicit logical step, to accept that the fact that these people of the 'Global South' now have access to radio and television indicates in itself a large increase in their standard of living. Their access to television and radio highlights, at least, lower production costs and increased access to communication technology.

The final chapter reads more like an amateur economic terrorist handbook rather than a defence or even an explanation of globalisation. It revisits the three pronged definition posited in the introduction by highlighting how *popular* globalisation can overcome the detriments associated with *economic* globalisation.

The author refers to transnational corporations as the personification of the evil *economic* globalisation. He importantly fails to illustrate the advantages these corporations seek to achieve such as reducing transaction costs and producing superior products at lower cost. The final chapter details techniques to increase consumers' power through their consumption patterns. In an environment where transnational corporations are above national law, the author proposes counter-methods of enforcing social responsibility such as boycotts, girlcotts and socially responsible investment.

The author is straightjacketed by the nature of the publication, but his 'defence' of globalisation skimps on the essential economic background fuelling globalisation. Explanations and examples of concepts such as specialisation efficiencies and transaction cost efficiencies are noticeably absent, particularly in light of the success of Thomas Friedman's treatise, which was packed full of mind altering examples of these trends. The book has merit in detailing the historical trend of globalisation, but misses the mark as a defence of globalisation.

Reviewed by Ben Ross