Conclusion

The Australian economy grew by 4.2% last year.[1]

We have seen that this seemingly straightforward statement hides historically long and politically important debates about the definition and measurement of the economy. The definition of production which underlies this "economy" was established in national accounting at the turn of the twentieth century. That definition reflected the analysis and concerns of neoclassical economic theory. Some 50 years later Keynesian economics gave the national accounting aggregates a new importance in economic management. Indeed, I have argued that both neoclassical and Keynesian theories became reified in the official definitions and measures of the economy.

This reification of theory into "the economy" is politically important because it means that any political economic theory which does not share the neoclassical/Keynesian approach to managing the economy is forced to argue on foreign territory. This limits any alternative political economy. If radical economists use the official definitions and measures, they compromise their own theoretical and political concerns. Alternatively, if a radical political economy abandons the official definitions and measures to pursue its own theoretical/political agenda, it runs the risk of being marginalised from mainstream political economic debate. This is a central issue in the politics of national accounting. This thesis has principally been concerned to explore this political question, mainly in relation to feminist approaches to economics, but also by drawing parallels to and links with environmental and socialist political concerns.

For a feminist informed political economy, the most obvious limitation of the neoclassical/Keynesian definitions and measures is that they exclude (most) non-market production. They therefore ignore unpaid work, which is done predominantly by women, and which constitutes the majority of women's work. However, as I argued in Chapter 3, this problem can not be solved simply by extending the existing definitions and measures to non-

---

1 Based on the GDP growth figures for the December quarter, 1999. Australian Bureau of Statistics *Australian National Accounts: National Income, Expenditure and Production*, Cat No. 5206.0. Canberra: ABS.

market production. Such attempts to extend neoclassical accounting suffer from a form of market centrism and a subsequent gender blindness which creates a conflict between market economics and feminist concerns.

This is not to say that the original feminist critique of the exclusion of women's work was flawed. As I argued in Chapter 1, "the economy" is not something that exists 'out there', rather it is a construction of particular economic theories. If this is the case, then clearly from a feminist perspective the definition *should* include the work women do. Yet this creates something of an impasse. To include non-market production in the main definition and measure of the economy is to hide much of its difference from market work, but to focus on its difference is to render it again outside of the view of mainstream economics.

This is a particular version of the more general issue in the politics of national accounting. We saw similar tensions in socialist feminist and environmental debates over the definition and measurement of the economy, but the tensions were at their most acute when the issue of emotional labour was considered. The analysis of emotional labour showed that there was work which women (particularly) do, but which is excluded even in the attempts to extend existing definitions and measures to non-market production. The analysis of emotional labour also further challenged the whole exchange based paradigm by suggesting that labour is uniquely and inherently embodied. Any attempt to see labour as an alienable commodity therefore hides much of the nature, not just of emotional labour, but of labour in general.

Perhaps most importantly though, I argued that the idea of labour as an alienable commodity which can be bought, sold and measured, is a view of labour from the perspective of capital. Thus, a political economy which sought to reflect (gendered) labour, might then start from an analysis of the embodied experience of that labour, both in the market and in the household. Such an analysis would reject the idea of a separation of producer and product, and therefore challenge the whole project of measuring the economy. However, again, this refusal itself comes at a price: the marginalisation of alternative political economy, and an implicit suggestion that such an alternative analysis has nothing to say about markets, prices, wage levels and the quantum of mainstream economics.

Most importantly though, I have argued that this seeming political impasse is a product of neoclassical definitions. The neoclassical definitions create a nexus between work,

production, economy, the market and welfare. In this neoclassical nexus all labour and production (because it is defined by the market) is exchangeable and measurable. That which is not quantifiable and not exchangeable is not 'economic'. This binary logic then values that which comes within the neoclassical definition and devalues the "other", be it emotional labour, labour's embodied experience of work, or the environment.

To avoid this constant impasse facing an alternative political economy, I have suggested that a new politics of national accounting is possible once we move beyond neoclassical definitions and measures. If the neoclassical nexus tied work, production, economy, market, and welfare together, then a first step is to break that nexus and recognise the differences between those concepts. Recognition of this difference makes it possible to consider each concept more on its own terms. Freed from the sameness imposed by neoclassical economics, I argued that space could then be opened up to see other economic differences, and perhaps to develop different measures which are less compromised than the official estimates.

This approach of separating out the terms of the neoclassical nexus fits well with the epistemology outlined in Chapter 1, which suggested that theories construct, in part, the objects they seek to explain. I have used the metaphor of a hologram to capture this notion that what we see as "the economy" is dependent on political standpoint, and on the theoretical assumptions and questions asked. The logic of the economy as a hologram is important because it allows us to focus on each of the terms of the neoclassical nexus separately and to see different things in the economy. But it also brings to the forefront the partialness and standpoint dependence of our view.

This in turn is important because it means that not all aspects of the economy need to be incorporated in an economic measure. Unlike the neoclassical definition where measurement matches definition (or, in the radical critique where measurement is abandoned because it does not fit the definition), the logic of the hologram suggests that where economic measurement is useful and appropriate, it can be done without rendering invisible that which can not or should not be measured.

This argument, which culminates in Chapter 5, is the main theoretical conclusion of the thesis. It is an application of an overdeterminist epistemology to the definition and measure of the economy, and an attempt to pull together a range of critiques from within feminist and

green political economy. The argument I have made provides a new approach to a political impasse faced by any alternative political economy. While not resolving debates around 'revolutionary' versus reformist approaches, the hologramatic approach at least helps to find a way past the impasse around the conflicting problems of co-option and marginalisation.

By implication, such an argument also provides a critique of the neoclassical economics which created that impasse. However, given that there is already a well established critique of neoclassical and market economics, particularly within feminist and socialist political economy, the real issue is what is done with the critique. Ultimately, as well as a critique of the existing state of things, a radical political economy requires concrete alternatives. This is particularly the case in a post-Cold War world where, for most people, capitalism and the market is not just the best system, it is the only conceivable system. The alternatives traditionally posited by the political left have been largely discredited by the failure of the social democratic (Fordist/Keynesian) welfare state models in the 1970s, and the final demise of "actually existing socialism" (such as it was) in the 1980s.[2]

This political economic change rendered much of the political left devoid of any real alternative political vision - let alone a vision which encompassed feminist and environmental concerns as anything other than add-ons.[3] In contrast with this void and despair from the left, globalisation and neoliberal policies were marketed and accepted (even by social democratic/labour parties) on the grounds that there was no alternative. Yet the social and ecological costs are obvious, and an alternative vision is needed.

At one end of political activism, the development of a socialist/feminist/green informed alternative could take the form of particular policy platforms. At another end, it might require the creating of utopian blueprints to re-excite the imagination about political alternatives. The

---

2 There was a voluminous academic debate in the 1980s on these themes, and the issues were reflected in the decline, fall (and restructuring) of communist and social democratic parties the world over. See for instance the collection of essays in R Miliband, J Saville, M Liebman, and L Panitch, ed (1986) *Socialist Register, 1985/6*, London: Merlin Press, 1986. In an Australian context, see Thomas Bramble (1996) "Globalisation, Unions and the Demise of the Labourist Project" *Journal of Australian Political Economy*, No 38, December, pp 31 - 63. There is in fact considerable overlap between these debates and those around globalisation referred to in the Introduction here.

3 I saw first hand these issues playing out in the dissolution of the Communist Party of Australia and the failure of the New Left Party in the 1980s. And in editing an issue of *Australian Options* on the "Future of the Left" in 1995, I was struck again (and unfortunately not for the first or the last time), by the

approach followed in the second half of this thesis fits somewhere in between these two. While the first half of the thesis attempted to think about the underpinnings of current economic policy from the perspective of a transformative political economy, the second half begins to explore concrete ways of using the critique developed to show that there *are* other ways of doing and seeing things: that there are alternatives.

The epistemological approach suggested as the alternative to the neoclassical nexus is the starting point. However, while the metaphor of the hologram gives us a framework of inquiry, it does not tell us anything about the particular entry points and approaches which should be adopted. This is determined by the political standpoint - in this case, by the questions asked by drawing on and making links between feminist, green and socialist traditions. Given that neoclassical economics has historically been seen as being opposed to Marxian/socialist political economy,[4] and also that I have argued that feminist and green economics need to break the neoclassical nexus, the concepts tied up in that nexus seemed a logical place to start developing an alternative approach.

Overall, I have argued that, when taken out of the neoclassical equation and considered on their own terms, the separate definitions (and sometimes measures) of work, production and welfare tell us something specific and important about "the economy". When we do not require the category of work to mean production or be synonymous with the market, the economy, or with welfare, we open up a view not just of an economy outside of the market (which the measures discussed in Chapter 2 did), but also a view that work might be more than simply the production of goods and services (as in the analysis of emotional labour in Chapters 4 and 5). Far from being simply about goods and services, we saw that work is about social relations, and that analysing work on its own terms gives an insight into those social relations. This insight is, almost by definition, precluded in a neoclassical framework peopled by decontextualised, autonomous individuals.

---

absence of inspiration and new vision among much of the organised left, and by the unpreparedness to make feminist and environmental issues central to a class politics.

4 See the history section of Chapter 1, although again, Resnick and Wolff see Marxian and neoclassical economics not as being opposed (as in antagonistic), but simply different within a pluralist environment. Stephen Resnick and Richard Wolff (1987) *Economics: Marxian Versus Neoclassical*, Baltimore: John Hopkins University Press.

Similarly, as I argued in Chapter 6, when we see that not all work is "production", and we do not require production to mean all economic activity, or assume that production necessarily adds to welfare, then a more consistent view of the relative quantum of market and non-market production is made possible. And as we saw, when production is measured by this restricted definition, proportionately less goods and services are produced in the market that outside it, and this proportion is less than is recorded in the neoclassical based accounts.

Finally, when we look at "the economy" without assuming that all work, production, or market activity adds to welfare, it is possible to see the very different views of economic growth and development opened up by the measures of economic welfare discussed in Chapter 7. And while these measures themselves needed some revision, the estimates made in Chapter 7a enriched the political insights of the original GPI.

Of course, the approaches considered here do not exhaust the question that greens, feminists or socialists have or might ask about "the economy". Nor do the approaches all break completely with market economics. Two of the three approaches I have considered still use market based, dollar value measurements, and as such, still retain some of the flaws of the mainstream measures identified in Chapter 3. For instance, the restricted production and economic welfare measures still incorporate the market's undervaluation of women's work and the neoclassical view of economic rationality. Similarly, in giving money values to things outside the money economy (household labour and the environment), the measures tend to hide the importance of money as a particular (and gendered) form of exchange (and power).

However, despite these limitations, the measurements of production and economic welfare that I have proposed remain important. As I argued particularly in Chapter 7, the use of market measures provides a bridge to mainstream economics and an ability to engage in political economic debate - to question the direction of economic policy and the sustainability of economic growth. In this sense, the problem is less being on the terrain of the enemy, than being trapped in that territory by neoclassical economic discourses. The estimates of production (narrowly defined) in Chapter 6a, and the revisions to the GPI suggested in Chapter 7a, provide a bridge not just *into* mainstream debate, but also a way *out* - a way to shift the debates from the terrain of individualist assumptions of market behaviours and imperatives to a more structural analysis of political economic power.

Taken together, the three approaches, focusing on emotional and embodied labour, production, and economic welfare, provide politically important understandings of the "economy". They suggest that a political economy informed by a mix of feminist, green and socialist political economy has something unique to offer by questioning, not just undesirable economic outcomes, but also the nature of the political economic system. And in the metaphor of the hologram, I have suggested how such diverse approaches might sit together, without creating a hierarchy of concerns, interests or oppressions.

Further research in these areas is necessary, as I suggested in Chapters 6a and 7a, to produce better statistics for the measures of production and welfare. But future research might also further develop the possibilities for public policy suggested by the analysis underlying the new figures. Research is also necessary to extend the scope of the analysis beyond my focus on national accounting and the definition of the economy: to consider other links between feminist, green and socialist political economies, and to better integrate the national accounting questions into these broader political perspectives.

Nonetheless, as I argued in Chapter 1, an interrogation of what we mean by "the economy" is an important step in the development of an alternative political economy. Equally important though, is a recognition of the differences between all the versions of "the economy", precisely because the economy is more like a hologram than the 'solid object' created by national accounts.

Officially, the economy grew at 4.2% last year.

After 5 years of research I know something of what that means, but more importantly, I know that this 'fact' will not advance a political project of transformative change informed by feminist, green and socialist concerns.

"The economy" did lots of things last year.

Or more accurately:
a lot of things happened in the economy last year.