

Book Review

Harcourt, Tim (2005) *Beyond Our Shores: Essays on Australia and the Global Economy*, Austrade, Australian Government, 143 pages.

Reviewed by John Lodewijks*

This is an attractively presented coffee-table book, with large colour photos, extolling the virtues of successful Australian exporters in various international markets. It contains a compilation of 70 or so press articles relating to Australian exporters in different geographic regions.

These short vignettes are written in an accessible and entertaining way and given that they are intended for a general audience one risks the charge of churlishness by being too critical. Nonetheless, there is a lot of repetition throughout. Moreover, the treatment does border on export cheer-leading. Opposite a glossy photo of Kathy Freeman with her Olympic gold medal we read that “Australian exporters are like our Olympic athletes in one respect: every day they are competing against the world’s best and where only the most dedicated and fittest survive” (Harcourt 2005:139). This glorification of our exporters is to be expected given the Austrade imprimatur but perhaps we should not be extolling the merits of selling Australian wine to Russians given the history of alcoholic abuse in that country. Comments about rampant consumerism in Krakow and Prague, and how “Moscow is a real boomtown full of luxury cars, entrepreneurs on the make and large doses of conspicuous consumption” (Harcourt 2005: 94), sound somewhat crass in the context of the problems confronting these countries.

That aside, we are presented with voluminous case studies related to particular successful Australian companies and products. Australia has around 31,000 exporters but this only represents four to five percent of Australian businesses. Austrade’s agenda is to increase the number of Australian exporters and to specifically promote female entrepreneurs in this area. They believe that the key to entry into international markets is through social networks. Personal contacts are so important in building networks and this explains the important links between immigration and

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exports. There are high fixed costs to establishing a brand presence and reputation. Utilizing our migrant communities, and those overseas who were educated in this country, reduces trade transaction costs (through the tacit knowledge held by migrant workers). Austrade then plays a vital role in facilitating networking opportunities, stressing the importance of relationships, knowledge sharing and networks.

This collection also provides us with information about the characteristics of the export sector. One in four jobs in regional Australia can be sourced to exports (compared to one in five for Australia overall) and wages on average are 60 percent higher in the export sector relative to the domestic sector. Exporters provide a higher proportion of full-time and permanent jobs than do non-exporters and have a greater commitment to the education and training of their workforce. Austrade research also finds that exporters are more innovative and adopt technology – especially e-commerce – faster than non-exporters.

Not all readers will be comfortable with the vigorous support and alleged ‘success’ attributed to Australia’s existing or proposed free trade agreements with Singapore, Thailand, U.S. and China (Harcourt 2005: 89). Although to be fair, there is a good coverage of the various points of view regarding the AUSFTA on pp. 110-111 and an important point is made regarding the Chinese negotiations in that China largely re-exports manufacturing inputs from the rest of Asia so that the amount of Chinese value-added can be quite small consisting primarily of only processing and assembly operations.

Overall, this is an attractive and very upbeat and positive account of the various successful Australian exporters even though the academic reader may wince at statements regaling the ‘Megan Gale-led export boom in Italy’.