THERE ARE ALWAYS NEW REASONS TO EXPLORE.

Although Santos has come of age as Australia's most successful explorer-producer of on-shore oil and gas, our primary concern in Australia's continued capacity to meet its energy needs. We are committed, therefore, to a future of endless exploration, for without significant new discoveries, Australia's capacity to meet the requirements will diminish.

So, the hard work that put us amongst Australia's top companies will continue. And we'll continue to invest in Australia, for the future of Australians.

SANTOS, TODAY'S AUSTRALIAN EXPLORER
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School history texts neglect the heritage of free enterprise.

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R. S. Deane  
The former head of New Zealand's State Services Commission explains how his country's public service was revolutionized.

US Schools Return to Basics  
Peter Samuel  
America is coming to grips with its educational problems in a way not apparent in Australia.

The Feminist Revolution and Mother Labour  
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More institutional child care may not be in the best interests of children.

Australian Universities: More is Better  
Claudio Veliz  
Universities have grown in size and number but become more uniform. Government should permit the re-emergence of genuine diversity.

Hollywood's New McCarthyism  
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Hollywood's heroes and villains reflect its ideology more than its market.

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Mrs. Thatcher's tough stand has encouraged more co-operative industrial relations.

IPA Indicators  
How does the salary of a managing director in Australia compare with other countries?

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Key institutions in Australia are in danger of becoming instruments of government.

Public Finance Hall of Shame  
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New entrants in the gallery of waste.

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Issues in Education  
Dame Leonie Kramer  
A new report on the future of education contains a great deal of outmoded opinion.

Map: World Distribution of Freedom  
A minority of the world's population have political and civil liberties.

World Policy Review  
Common assumptions about the causes of African poverty are misconceived.

Around the States  
Les McCarrey  
A costly charade at the Premiers' Conference.

Letters  
From Rev. Dr. Charles Sherlock, G. R. Peatey, Rafe Champion

IPA News  
450 people in Melbourne and Sydney attended the IPA defence conferences.

The IPA Review was established in 1947 by Charles Kemp, founding Director of the IPA.
Unless you fly Continental, your one-stop to New York could well come to a full stop.

If you’re about to take a one-stop flight to New York, we suggest you take a closer look at the airline’s flight schedule.

Unless you’re flying Continental, you’ll be changing planes when you make your stop. And it’s on this stop that you’ll be taking a chance.
You’ll be chancing that your plane hasn’t arrived late.
You’ll be gambling that your connecting flight hasn’t already left without you. You’ll be taking the risk that your connecting flight hasn’t been delayed elsewhere. Or, worse still, that this plane hasn’t been re-routed someplace else altogether, leaving you completely stranded.

Of course you may make your connection, if all goes well, with a minimum of fuss. But as you can see, there is always the possibility that you’ll get left on the ground somewhere along the way.

Now let’s take a look at the alternative, Continental Airlines. Only Continental has a Same-Plane One-Stop service from Sydney to the Big Apple (or a Same-Plane Two-Stop service from Melbourne).

Sure, it makes a stop like every other airline, but unlike every other airline, you board the same plane again for the final leg.

This means you won’t have to take any chances. No ifs, buts, or maybes. All because when you fly Continental, we guarantee you won’t miss your connecting flight. For the simple reason that the plane you depart on, is the same plane you arrive on in New York.

CONTINENTAL AIRLINES
You don’t get big by being second best.
IPA INDICATORS

Proportion of students to fail basic literacy test at commencement of teacher training in the University of Western Australia's Education Faculty: 40 per cent.

* * *

Australians who believe cost of the Bicentennial celebrations has not been worthwhile: 48 per cent.

* * *

Total value of direct Japanese investment in Australia: $21 billion.

* * *


* * *

Cost of standard home in Sydney: $123,400. Increase in last 12 months: 62 per cent.

* * *

Number of Aboriginal land claims approved by the then NSW Minister for Lands, Mr. Hallam, in the week before the State election: approx. 100. Number of additions to National Parks signed by Mr. Carr, then Minister for Planning and the Environment, on the day before the election: 16.

* * *

Number of Victorians choosing to have the motto: "Victoria, Nuclear Free State" on their number plates since the fee was abolished in 1985: 1,910. Number choosing "Victoria Garden State": 486,706.

* * *

Number of lawyers in Japan: 12,000. Number of lawyers in the United States: 535,000.

Debts owed by USSR to Western Commercial Banks: $25.9 billion. Increase in last three years: $14.6 billion.

* * *

Total operating budget of the Voice of America in 1987: $169 million. Amount spent by USSR to jam incoming Western broadcasts: between $750 million and $1.2 billion annually.

* * *

Number of wars currently being fought: 25. Estimated number of deaths in wars since 1945: 17 million.

Largest current conflicts: Ethiopia (500,000 victims), Mozambique (400,000), Iran/Iraq (377,000), Angola (213,000)

* * *

Total Australian tax revenue from tobacco in 1986/87: $1,427.8 million.

* * *


* * *

Number of sheep the average Australian will consume over a 75-year life-span: 92. Number of chickens: 1,171. Number of eggs: 16,500.

* * *


* * *

Number of Sydney Opera Houses which could be constructed with the quantity of concrete used in the new Parliament House: 25.

That the ALP, traditionally the party of the left, is debating privatization instead of nationalization and has apparently accepted the need to restrain the growth of government are welcome developments. While done in the name of pragmatism, there is an implicit acceptance, at least by the dominant faction within the ALP, of the premises and arguments of liberal economists: chiefly, that governments are not omniscient and that economic activity independent of government is the source of a nation's economic vitality.

These are frustrating truths for politicians to accept. Power is the essence of politics and it is difficult for politicians who have devoted their careers to achieving power to accept limits on it. It is particularly frustrating for those Labor politicians who are still wedded to the belief that there is no problem in society that politics cannot solve.

Yet the maintenance of strict limits on the power of government is at the core of democracy. The extreme contrast is a totalitarian state in which every institution - school, family, trade union, media, law - is an instrument of the one-party state.

It is unfortunate, therefore, that governments around Australia have not better applied the insights beginning to dawn in the economic area to other areas. Activity independent of government is as important to the vitality of other fields of national life as it is to the economy.

Yet the independence of key institutions in Australia is being compromised by attempts to transform them into instruments of party political power. The trend towards politicization of the public service has been explored by Les McCarrey, IPA Senior Fellow and former head of the WA Treasury, in a past Review and it is examined in this Review by Professor Tony Vinson and Eileen Baldry, who discuss the practice of "jobs for the boys" in NSW.

There are reasons for politicization in this area, besides simple patronage. Alerted by the Yes Minister syndrome, political parties have come to suspect the degree of influence acquired by senior public servants. Through political appointments, political leaders are attempting to re-establish the control they believe they have lost.

But because governments are neither omniscient nor always disposed to serving the public interest over and above the interests of the party, the Westminster tradition is important to preserve. According to this tradition the public service is meant to act as an independent source of advice, representing the long-term public interest over the short-term party interest.

No solution to the problem of politicization of the public service will survive unless it is accepted by all the major parties. It is to be hoped that they can arrive at a compact which will guarantee elected governments a proper degree of control over the public service while avoiding "jobs for the boys" and preserving the benefits of an apolitical career service.

There are other institutions in Australia equally threatened by political interference. Five years ago Creighton Burns, editor of The Age, warned of this in regard to the media. The recent purchase of the WA State Insurance Commission of an indirect interest in the West Australian poses the risk of an unhealthy degree of dependence on government in regard to that newspaper.

The existence of an independent judiciary is another bulwark of democracy which is under threat. The Honourable Athol Moffitt, former Supreme Court judge in NSW and head of Australia's first Royal Commission into organized crime, exposed in his book, A Quarter to Midnight, the erosion of the independence of the institutions of law by political parties. While his book referred mainly to NSW, a recent report by the Victorian Bar Council suggests that the judiciary is not free of political pressure in Victoria.

Private schools are now expected to meet government-imposed criteria of social equity. The changes to universities mooted in Mr. Dawkins's Green Paper suggest that the higher education sector is now also envisaged as an instrument of government policy. Partly to blame here is an over-reliance by educational institutions on central funding, just as the arts and sport are now vulnerable to political manipulation because of their reliance on public money (recall Mr. Dawkins's Australia Day address two years ago to an Arts Convention which urged members to attack the New Right).

It is crucial to the future of Australian democracy that this loss of independence by institutions be checked.
EDITORIAL

To do this requires more active criticism of the trend by the Opposition, in particular the Liberal Party, which, at least in name, is meant to have a strong philosophical commitment to maintaining the autonomy of institutions.

It also requires a more vigorous defence of their independence by the institutions themselves, including relying less on government for funds. Government would not have expanded its influence at near the rate it has if it had not so often been invited to take over the burdensome responsibilities of some other institution. The increasing demand for state-run child care discussed by Rita Joseph in this Review is a telling instance of this in relation to the family. Fifteen years ago universities happily handed over full responsibility for their funding to the Commonwealth Government and are, as a consequence, now expected to be an instrument of the government’s social equity policy and economic objectives. The lesson which must be learnt is that by conceding responsibilities to government, institutions are also inviting control by government.

A Faster Pace

A good deal of the policy debate in Australia has centred on the pace at which economic adjustment should occur. The latest assessment by US credit-rating agency, Moody’s, concluded that “The pace of adjustment since 1983 has been steady but slow relative to several other OECD countries that have faced similar deficit problems.” By contrast, the Government argues that any faster pace risks “driving the economy through the floor.” Such exaggeration is an attempt to disguise the facts by a Government lacking the courage to deal with entrenched interests.

The Government’s excessive caution as to the pace of economic restructuring, which in reality places political survival before the nation’s need for firm leadership, was again apparent in Mr. Keating’s May Economic Statement.

A reduction in the burden of high government spending and taxation seems as far away as ever. The cut to 39 per cent in the corporate tax rate is apparently to result, when other adjustments are taken into account, in a net increase in taxation, which, of course, means that what the Government is giving with one hand it is more than taking back with the other.

Relief from high personal taxation must wait until the revenue base builds up from inflation and bracket creep, rather than face up to the reality that both real tax reform and demand management require that tax cuts be financed by expenditure reductions.

The effects of tariff reductions on promoting a more efficient and competitive manufacturing sector will be a long while in coming, notwithstanding the marked increase in real levels of protection flowing from the 1985 devaluation of the Australian dollar.

The reality is that nobody advocates action to cause a depression. On the other hand, the ‘gradualist’ adjustment approach threatens to condemn Australia to a considerable period of slow economic growth as too many resources remain employed in the wrong areas. Indeed, the dangerously high level of our external debt and the uncertain overseas economic outlook combine to expose Australia to recession. The ‘gradualist’ approach has failed to recognize that substantial but credible changes in economic policies allow business and individuals to quickly revise their expectations to take advantage of policy changes.

New Zealand let things run on for too long before taking firm measures. Its external debt to GDP ratio went to over 80 per cent in 1986 before coming back to around 70 per cent (Australia’s is now about 40 per cent). The article in this Review by Dr. Rod Deane, Chief Executive of the Electricity Corporation of New Zealand, shows the sort of measures that New Zealand was eventually forced to take. But it also shows that large adjustments can be made in a relatively short period - and with considerable effect.

There is a lesson here for Australia, particularly in regard to privatizing government enterprises. Let us not wait until we are forced to make large adjustments; if we make them now we can better take advantage of the opportunities that will emerge.

Paradoxically, Labour’s growing electoral problems could be the result of the Government’s fixation that gradualism is necessary to avoid alienation of its supporters. Two years ago Australians would have accepted shock treatment on spending, tariffs, work practices and wages and could be seeing the growing fruits today. As it is they have been wearing the hair shirt and the uncertainty for too long and their irritation is increasingly directed at the Government, which is being seen as better at rhetoric and the clever fiddle than at action.
Missing from History

Australia’s Forgotten Entrepreneurs

Susan Johnston

While secondary school history texts acknowledge the contribution of women, trade unions and Aborigines to Australia, the entrepreneurs - without whom the impressive achievement of Australia’s economic development would not have happened - go largely unrecognized.

The study of history provides an important means by which individuals can come to understand their society, their heritage and the achievements and struggles of the past. A frequent complaint of the contemporary feminist writer, Dale Spender, is that because the achievements of women are so seldom documented by writers of history books, each successive generation of women must therefore ‘rediscover’ the endeavours of previous generations. The same argument may well equally apply to the pivotal role played by private enterprise and individual entrepreneurs in contributing to the creation of wealth and prosperity in Australia. There is no doubt that an enormous debt is owed to the several generations of entrepreneurs who were responsible for the wealth-creating industries in the period from the 1860s to the end of the Second World War - yet their endeavours seem to have been more or less overlooked by many textbook writers. A corresponding debt is owed to the people who, often in conditions of great hardship and heart-breaking setbacks, developed the great rural industries of the Continent, which were the source of Australia’s early wealth and which account for so much of our subsequent history. Nor should we forget the countless small and medium-size enterprises, which are a vital part of the total commercial, industrial and financial fabric of this country.

It is a little like describing a railway train without mentioning the engine. Significant features of Australia’s development become virtually inexplicable if the role of entrepreneurs in a free enterprise system is ignored: the rapid and profound transformation of the technological and physical environment; the hundreds of thousands of migrants who flocked to Australia in response to the lure of economic opportunity; the affluence and high social mobility in modern Australia; and, given the link between economic and political freedom, the strength of Australian democracy.

In recent years there has been a growing debate in Australia over the current state of the nation’s education system. Scarcely a week goes by that does not see the publication of at least one press article attacking or defending a particular aspect of education. Hardly any other area of national life seems to arouse such passionate feelings.

While much of the current debate has focused on the key questions of assessment and standards, comparatively little has been said about what is being taught in the nation’s classrooms and how it is being presented to students. Indeed, it is this crucial question of what students learn that is currently under discussion in Britain where the Thatcher Government is in the process of introducing a wide range of major reforms. The Education Secretary, Kenneth Baker, wants to ensure that at the very least “children can add up, spell and know some historical dates.” However, as the Economist recently pointed out, it is the debate over the content of the curriculum that so divides the education lobby.

What then are secondary students learning in their history classes? In the middle secondary years (Years 9-10) the emphasis is largely on a study of Australia from European settlement to more recent developments in the 1970s and early 1980s. The aim is to encourage the development of a student’s analytical skills and judgment and to foster an understanding of events in Australia and the world during the last two centuries. Indeed the New South Wales Education Department believes that: “Australian and Twentieth Century World History are the two areas of history with which all Australian children should be particularly familiar, for these areas constitute a large part of the student’s cultural heritage, contributing many of the concepts and much of the information


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necessary for citizens in today's society."

In Victoria, although the Ministry of Education allows schools to determine the content of their own curricula (except at Year 12), middle school history courses tend to be somewhat similar to those in New South Wales. That is, in Year 9, a study of Australia, and in Year 10, a course which encompasses aspects of Asian history or the events of the 20th century.

Throughout the second half of the 19th century the colonies of Australia experienced rapid and sustained economic, social and political growth. By the turn of the century, and despite a severe economic depression in the 1890s, the new nation had achieved one of the world's highest standards of living. Overseas visitors frequently remarked upon the improved physical development of Australians, the abundance of new opportunities for advancement, the eight-hour day, the steps taken toward representative government and the large number of public holidays.

Frank Hurley's 1938 picture of liquid pig iron being poured into an Open Hearth Furnace at BHP's Newcastle Steelworks

During the last decades of the 19th century Australians embraced much of the new technology of the industrial revolution and successfully applied it to the development of primary, secondary and tertiary industry. However, while this overall development has been a part of most history courses, the contribution of what must have been a small army of entrepreneurs who worked to create the wealth upon which it was based, has been largely overlooked by many authors of history textbooks.

In general, trade unions have received more attention from authors of textbooks than businesses and the free enterprise system. Unions are generally seen as championing the 'rights' of the working man who slaved in 'sweated' industries and as resisting the employment of 'strike breakers' and 'scabs'. Improvements in working conditions tend to be attributed almost entirely to the activities of trade unions - rather than placed in a general context of technological development, changing ideas, increasing business activity and the work of unions.

In discussing Australia's response to the Great War, one writer remarks that: "Leaders of trade unions were angry about the war. They believed that factory owners were making big profits while workers were asked to work longer hours for less money." While there is no doubt that the living standards of some Australians were adversely affected by the events of 1914-18, it should be recognized that many members of the AIF were themselves unionists. For example, in the first contingent of 20,000 were 12,000 members of the Australian Workers' Union. The opposition of many workers (and other citizens) to military conscription should not be confused with opposition to the war effort. The implication that trade unions have somehow distanced themselves from the rest of society and pursued more worthwhile goals is very misleading.

Pioneers Ignored

Two widely used history textbooks are Their Ghosts May Be Heard and Was It Only Yesterday? by Sheena Coupe and Mary Andrews. The former is subtitled 'Australia to 1900' but in 15 chapters contains no reference whatsoever to any of the 19th century founders of business and industry (Sidney Kidman, Thomas Elder, Thomas Mort, H. V. McKay and so on) or to the enterprises they created.

The chapter on the years 1860-1890 entitled 'Sydney and the Bush' hardly acknowledges that it was an era of very rapid economic growth - other than briefly to discuss late 19th century larrikins, 'working children', 'servant girls and factory girls', 'city slums' and the problems of public health. Students reading this chapter would have little idea that this was the period often described by historians as 'the long boom' - the years during which Melbourne grew from a settlement of tents and makeshift buildings to one of the great cities of the British Empire. In New South Wales a rapidly expanding manufacturing sector was boosted by the establishment of an iron foundry at Lithgow in 1875. By the 1890s Australian factories produced farm machinery, windmills, railway rolling stock, building materials, and provided employment for about 200,000 workers.

A contrasting view of the Australia of the second half of the 19th century is presented by J. Grigsby and T. Gurry in their book The Turbulent Years. In a chapter entitled 'Town and Country after 1860' considerable attention has been given to the growth and development of manufacturing, the wool industry, banking, service
G. J. Coles: joined his father's business in Geelong in 1901. By 1921 he had three stores and a warehouse in Melbourne. In 1927 the company went public with a capital value of £1 million.

Sidney Myer: Russian-born merchant and philanthropist who, with great acumen and creative energy, founded a merchandising empire beginning with a single store in Bendigo at the turn of the century.

Henry Holden: began as a saddler, taking over his father's leather firm in 1893. Extended the business to include car bodies and by 1923 employed over 1,000 men and produced 240 car-bodies per week.

W. A. Flick: an immigrant who built a company which, since the 1920s, has grown to become the world's fourth largest pesticide firm with a presence in 17 other countries.

Staniforth Ricketson: From 1919, a driving force behind stockbrokers, J. B. Were and Son. A strong influence on Australian investment and finance thinking until the 1940s.

Essington Lewis: head of BHP through the 1920s and 1930s, responsible for expanding the company into coal mining and shipping.
industries, mining, agricultural improvements and the work of McKay and Farrer.

Although there is little discussion of other individual entrepreneurs, Grigsby and Gurry do point out that: "By the late nineteenth century most large towns had their own flour mills, gas works, breweries, butter factories, furniture and clothing factories and small workshops for repairs of various kinds of household items. Many of these were run as individual or family concerns and all provided employment opportunities and the chance for a younger generation to learn skills and gain practical experience." Grigsby and Gurry go on to discuss the process of urbanization and the development of great colonial cities such as Melbourne and Sydney as "centres of religion, culture, medicine and education."

_Australians in the Landscape_ by Don and Glen Garden is described as "a major new history course book for active learning at the middle secondary school level." A lengthy chapter on the years 1876-1900 notes that this was an era of 'great expansion' during which the colonies prospered. Immigrants flocked to the Antipodes "because they offered the chance of a good way of life."

Against this background of growing colonial prosperity the authors discuss themes such as urbanization, agriculture, mining, transport, education, manufacturing, and living standards - making the point that "the colonists were able to enjoy recreational activities more than did their relations back in Britain because they often had more leisure time." Basically they paint a picture of high living standards, rapid economic development, advanced transport and communications, and shorter working hours than people in Britain and Europe. Nevertheless, there is little mention of the individual entrepreneurs whose energy and foresight had made much of this possible. There are several references to Mort's experiments (but no mention of the 12 years and £100,000 spent in developing refrigerated ships, trains and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimwades, and depots) yet the authors seem to have overlooked the endeavours of Kidman, McKay, Elder, the Grimm
by Patsy Adam-Smith in *Hear the Train Blow*, Hudson Fysh in *Qantas Rising*, Geoffrey Serle in *John Monash*, Graham McInnes in *The Road to Gundagai*, Hal Porter in *The Watcher on the Cast Iron Balcony* or Donovan Joynt VC in *Breaking the Road for the Rest*.

The themes of economic growth and wealth creation have, however, been given some attention by Mark Howard in *Shaping a New Nation*. His chapter on industrial development between 1860 and 1914 contains a succinct account of developments in mining, transport, agriculture and manufacturing and notes the achievements of McKay, Lawrence Hargrave, the Hoskins brothers and the establishment of BHP.

Towards the end of *Shaping a New Nation* the author states that by 1914 "Australians had attained one of the highest standards of living in the world." Yet this great achievement and the energy and drive contributing to it tends to pass largely unacknowledged in many textbooks.

For instance, the development of the Broken Hill mines, in the earlier years of the century under the leadership of men such as W. L. Baillieu, Sir Herbert Gepp, Sir Walter Massy-Greene, W. S. Robinson and Sir Colin Fraser, was the catalyst of the great subsequent industrial development of Australia. In 1941, a well-known American writer, Hartley Grattan said: "From isolated Broken Hill, the trail leads all over Australia, into all the significant activities of the nation. After all, its silver and lead deposits are the richest yet discovered in the world and the Broken Hill mines have been the source of Australian industrial capital." "The Hill that Changed a Nation" as someone perceptibly said.

Many latter-day business leaders, such as Sir Maurice Mawby, Sir George Fisher, Sir Frank Espie were the products of Broken Hill which was really the genesis of what could be called the Australian 'industrial revolution'. All this as well as making a romantic, fascinating and inspiring story for young people, is absolutely essential to an understanding of the historical development of the Australian nation.

Teachers who wish to tell the real story of Australia's economic development have, as things stand, little alternative but to go to sources other than most of the standard school history texts, sources such as the *Australian Dictionary of Biography*, *Big Businessmen* by C. D. Kemp, *Mines in the Spinifex* by Geoffrey Blainey and the specialized histories of banking, pastoralism, commerce and industry.

Such books, however, while of great value, tend to be too specialized and demanding for all but the most talented students. There is an urgent need for the gap in school history texts to be filled.

If the struggles and sacrifices of the past are ignored or belittled Australians will ultimately be the poorer. This nation has a rich and fascinating history which abounds with examples of the triumph of the entrepreneurial spirit. The story of Australia's development as a wealthy and free nation is one that school students are entitled to know - just as much as they are entitled to learn about women, trade unions and Aboriginal culture.
US Foreign Policy in the Post-Reagan Era

Zbigniew Brzezinski

American foreign policy is facing its most significant re-orientation in 40 years.

I propose to address three issues in my comments about American policy in the years ahead: first of all the question of strategic doctrine, secondly the question of American geopolitical priorities or imperatives and thirdly the underpinnings of American international leadership. These are the issues on which I plan to focus because, in my judgment, truly significant changes are going to take place in all of these three areas.

Over the years American strategic doctrine has largely emphasized nuclear deterrence; indeed, at times of American nuclear preponderance the posture was that of massive nuclear retaliation in the event of any kind of Soviet aggression. In more recent years the prevailing wisdom has been to emphasize the condition of mutual assured destruction (MAD) as the basis for stability, with the proposition being that the capacity of both sides to destroy each other acts as a major deterrent.

In recent years that latter proposition has been losing some of its credibility because inherent in it is the postulate that even relatively limited or partial aggression would be met with massive nuclear retaliation, initiating an apocalyptic nuclear war which would mean national suicide. Clearly, short of a massive hostile initiative, the credibility of a deterrence posture based on MAD is becoming questionable.

In terms of geopolitical priorities or imperatives, I think it is fair to say that over the last three decades the United States has emphasized primarily two sectors of the world: the western extremity of the Eurasian continent and the far eastern extremity of the Eurasian continent - in brief, Western Europe, Japan and Korea. The purpose is to contain the Soviet Union, to prevent effective Soviet domination over the Eurasian land mass with its enormous industrial and technological resources concentrated in these two extremities, the far western and the far eastern.

American global leadership has rested on a very solid foundation of economic and financial preponderance and also very close collaboration in the context of the Atlantic partnership with Western Europe.

Now, I think it is quite clear that none of these three conditions is going to endure. It is quite clear to me that in all three areas significant changes will have to take place and in fact are beginning to take place. We are entering a period of significant readjustment in the American relationship with the world, as significant as the one that took place in the late 1940s when the American commitments in these three areas were shaped and during which the American thrust towards the world was initiated.

Let me speak to each of these three now a little more fully.

Strategic Doctrine

I have already suggested the premises on which strategic doctrine has been based over the last several decades. We are now approaching a time in which a truly significant re-evaluation is beginning to take place. In the years ahead it is highly unlikely that American strategic planning will be as concerned as it has been in the past with the two extreme contingencies: a major nuclear war or a central conventional engagement in the heart of Europe. These have been the primary foci of American strategic thinking.

Of course, neither possibility can be entirely dismissed. Certainly both are important subjects, but other threats are more likely, given technological and geopolitical change. With respect to overall strategic deterrence, the change has been dictated by important technological innovations in the nature of weaponry. On my way over here I read your government statement, the government white paper on Australia's defence policy, and I was struck by what it has to say about strategic deterrence. I quote from the chapter that deals with Australia's global

Dr. Brzezinski was National Security Adviser to the US President from 1977 to 1981. He is currently Herbert Lehman Professor of Government at Columbia University and Counsellor to Georgetown University's Centre for Strategic and International Studies. This is an edited transcript of a speech delivered without a prepared text at the IPA conference, "Soviet Ambitions in the Pacific", on 21 March. A book consisting of papers from the conference is to be published later this year.
strategic position and addresses specifically its relationship with the United States, paragraph 2.6:

"United States strategy is to deter war. Australia supports the concept of deterrence. The United States considers the deterrence of the Soviet Union depends in part upon the credibility of the US capability for retaliation in the event of major Soviet attack upon the United States or its allies. In these circumstances, to be able to inflict massive retaliatory damage is necessary..."

The document goes on. More specifically it says:

"The United States must have strategic nuclear forces which would be secure from destruction in a Soviet first strike and in these circumstances be able to inflict massive retaliatory damage."

Inherent in this is a further complication, namely that because of the accuracy of systems the strategic systems of our own are becoming more vulnerable. And in my judgment the assimilation into our strategic posture of some elements of strategic defence (SDI) will become unavoidable no matter what happens either in the START negotiations or in terms of the American political process. We are in fact, in my judgment, leaving the age which has been dominated since 1917 by offensive weaponry. To the doctrinally-minded I hasten to add that when I say "1917" I am not thinking of the Bolshevik Revolution. I am thinking of the introduction of the tank and the aircraft into modern warfare which revolutionized the relationship between offence and defence and dictated for the next several decades the primacy of the offensive systems.

Today, with greater capacity for the rapid acquisition and integration of information, for the rapid guidance of systems, for rapid calculations, for rapid targeting and counter-targeting, defence is coming into its own, making some assimilation of limited strategic defences into the American strategic posture, in my judgment, essential and inevitable. How much and on what scale depends in part on technology, in part on budgets, in part on arms-control agreements.

The main portion of American conventional forces is still allocated to Western Europe: 42 per cent of American ground combat capability and 36 per cent of American tactical air capability is committed to the defence of Western Europe. This is too high a percentage. It must be scaled down in the years ahead. The United States will need to acquire greater air and sea lift capabilities with which to transport light forces to theatres in which vital American interests are threatened but where American forces, for a variety of reasons, in
most cases political, are not permanently deployed. This means a readjustment in the way we distribute our forces, a readjustment of our priorities in terms of the budget.

A special problem that we will face is the question of space control. We now live in an age in which space control is tantamount to earth control, in a way similar to the earlier situation in which maritime control was central to littoral control. We will have to ensure, either by unilateral actions or by agreements, that no hostile power to the United States is in the position to control space for military purposes. Again, perhaps arms control can do this. More likely it will require unilateral steps by the United States.

All of this will take place in the context of budgetary restraints, and the question then arises where will the money come from. Let me suggest that it will come from three areas where, as a consequence of readjusted priorities, we will be spending our money on defence differently. First of all we are going to spend less money on central strategic systems. We will have to give more emphasis placed on strategically usable but not central strategic systems as such; long range Cruise missiles, for example, with or without conventional munitions, depending on circumstances. Secondly, we will have to spend less on missions and forces dedicated specifically to the defence of Europe. About 40 per cent of our defence budget currently goes to that. That will definitely go down.

And thirdly, in all probability we will spend less money on large new platforms for the three services, and more money on force multipliers for existing platforms, making them more effective in combat. This includes also a lot of emphasis on enhanced manpower capabilities but also on technological force multipliers which would give existing platforms greater capability in the years ahead.

Geopolitical Priorities

That brings me to the second part of my agenda, namely geopolitical priorities. I have already suggested to you that for the last 30 years we have focussed on the two extremities of the Eurasian continent. These will no longer be the central geopolitical preoccupations of our security and foreign policy. In the years ahead other regions will become more important. In Europe the focus of concern is shifting from the earlier preoccupation with the economic recovery, stability and security of Western Europe, all of which are in reasonable shape, to an increasing preoccupation with instability, and indeed perhaps even a pre-revolutionary situation, in central and Eastern Europe.

The fact of the matter is that politically in Europe the Soviet Union is on the defensive. Western Europe is by and large well-off and stable, though it could do much more for its own defence, and it will have to do more as the United States begins to readjust its defence priorities. But it is in Eastern Europe that a severe political crisis and economic crisis is mushrooming and this will be a focus of greater interest on the part of the United States and of Western Europe because revolutionary outbreaks in Central and Eastern Europe would highlight the whole question of a stable East-West relationship.

Indeed, revolutionary outbreaks in Eastern Europe, if crushed by Soviet intervention, would probably set back any chances for genuine perestroika and for any serious chances of accommodation, if only temporary, with the Soviet Union. Hence there is an urgent need for NATO councils to engage in some contingency planning for such an eventuality and, more importantly perhaps still, for a more concerted Western policy which tries to promote evolutionary change in the East as a better alternative to revolutionary outbreaks which could bring in their wake serious security problems and set in motion retrogressive historical trends in the communist world.

This is a regional conflict which could have a direct impact on American self-confidence and American involvement in world affairs.

The second area of continuing American concern is going to be South-West Asia. This is now a major focus of American security concern and it will remain so. As far as one can see ahead, the region of the Persian Gulf and the Middle East will remain a central geopolitical preoccupation of the United States. We will be the party that will be responsible for mediation and protection, that will be involved militarily and politically. The United States is committed firmly to the defence of the Persian Gulf area.

The Carter doctrine, which postulated that quite explicitly, has been reiterated by President Reagan and it is now a cardinal point of American foreign policy. I personally drafted the wording of that doctrine and I deliberately used the words of the Truman doctrine, insofar as the Persian Gulf is concerned, in order to underline the historical continuity of this commitment. The Truman doctrine spelled the beginning of the American commitment to the defence of Europe. The subsequent American commitment to the defence of the Persian Gulf is just as important.
A third region that is likely to emerge as a source of considerable concern and preoccupation is Central America. This is a regional conflict which could have a direct impact on American self-confidence and American involvement in world affairs. Indeed, if events in this part of the world get out of control, it is conceivable that the United States could react by directing all its attention to that region and turning its back on the world.

The fact of the matter is that we have handled the dilemmas of that region very badly over the last quarter of a century, and I can say that in the spirit of complete non-partisanship. It was handled badly by President Kennedy, it has been handled badly by President Reagan, and both have handled it equally badly in substance for both have done exactly the same thing. President Kennedy started by proclaiming the seizure of power by Castro in Cuba and its subsequent identification with the Soviet Union to be an unacceptable threat to the security of the United States. His response to that challenge was to send 3,000 Cuban patriots to the Bay of Pigs and promptly abandon them when the going got rough.

President Reagan has proclaimed the coming to power of a communist regime in Nicaragua similarly to be an unacceptable threat to the security of the United States. He then proceeded to arm Nicaraguan resistance fighters, and send them into the jungles of Nicaragua, only to have the Congress of the United States promptly abandon them. I think neither response behoves a great power. Far more effective, in my judgment, and more in keeping with our own interests, with international standards and with political possibilities, would have been to define more limited objectives and to use our national force in order to attain them. I mean particularly the following.

In the case of Cuba, after the Cuban missile crisis, we were in the position to insist on the imposition of a neutral status for Cuba; in effect, the creation of the communist equivalent of an Austria or a Finland on the frontiers of the Soviet Union. We could have done the same thing with Nicaragua where the imposition of a neutralist regime is - well, was - possible, particularly in the wake of the Grenada crisis. It would have been backed by the American people and there would have been far less international opprobrium associated with the endeavour. It is the vagueness and generality of the goals and the inadequacy and to some extent even the cowardly nature of the means used that has created the dilemmas that we face, and I fear that these dilemmas are going to get worse.

The fact of the matter is that our preoccupation with Nicaragua has obscured recognition of the reality on the ground in El Salvador, which is far from good; it is getting worse. The situation in Panama, whatever the outcome for Mr. Noriega himself, is going to produce a far more radicalized and politicized population which will be more difficult to deal with in the years ahead. To the north of this region there looms the enormous crisis, economic and political, of Mexico. The United States is going to be preoccupied with this region for many years to come and it is likely to become a major focus of American regional anxiety.

American Global Leadership

I do not share the view that America is a declining power. In the past most great powers have declined because they were attrited by prolonged wars and their elites were biologically depleted. That has not happened in the case of the United States. Moreover, American society has an enormous capacity for self-renewal, which includes also the renewal of existing American elites.

In recent history the WASP, the White Anglo-Saxon Protestant elite, has been dominant, but that has come to an end and in its stead there have entered into leadership positions individuals from a set of new ethnic communities, notably Jewish, but others as well. In American universities, there is surfacing a new elite which is going to be very visible in the American political scene in the next 20 to 30 years and that is Asian Americans. When I left Columbia University to go into the White House, invariably my best students were American Jews. Today my best students are Korean Americans, Japanese Americans, Chinese Americans and Indian Americans. This change is extraordinarily enriching. It is going to bring to the surface a new, vital, dynamic elite.

The decline of great powers has been always associated with the rise of an alternative, an alternative that can replace a great power in its military, political, financial, economic and cultural leadership. There is simply no alternative to the United States. The Soviet Union is a one-dimensional global power, only military. In every other respect the Soviet Union is not a rival to the United States. It has lost the economic competition, it is ideologically discredited, it is entering a phase of protracted political crisis. Japan and Western Europe may be economic rivals to the United States but they are not rivals in a sense of totality of political power. Not only is there no alternative to American leadership but a lot of other powers have a stake in the continued American role. In the years ahead, in my judgment, the reinforcement of that role is going to involve closer American cooperation with the Pacific rim countries and particularly with Japan.

(Continued on page 35)
Keep Politics Out of Super

Laurie Short

Superannuation funds could be put at risk by union-directed, politically-motivated investments.

Should any hard-earned money that metal workers pay into their superannuation funds be invested in "socially useful" projects? Yes, it should, according to spokesmen for the Amalgamated Metalworkers Union (AMWU). "No way" says Mr. Bert Evans of the employer body, The Metal Trades Industry Association (MTIA).

I found Bert Evans' response to be surprising, coming as it did within a day of the Metal Unions and employers agreeing to set up the Superannuation Trust of Australia (STA). This is potentially Australia's biggest superannuation fund with 500,000 members.

The argument over ideology is likely to be repeated in other sectors of industry unless it is quickly nipped in the bud.

Bert Evans has described as "mind-boggling" the AMWU proposal about investments in projects that are "socially useful", a term that is open to many interpretations. He pointed out that fund managers had a duty to invest in safe and profitable projects and that investment on ideological grounds was prohibited by law.

The new superannuation fund, STA, will be managed by 16 trustees representing unions and employers. If it is to succeed it must have an investment policy which can attract a reasonable financial return from safe investment. Members of the superannuation funds want security and profit - not risky investment for political reasons. Until STA definitely rejects investments which have a political motivation its future is in doubt. There are plenty of non-controversial and non-political funds which workers and employers can join. They do not have to join STA.

While it may be unlikely that the Hawke Government will amend the law to oblige those who want to direct superannuation money into their pet projects, there is no guarantee of this because the AMWU exercises considerable influence on the ACTU and the ALP.

But even if Hawke does not change the law, there could be ways of investing in "socially useful" projects while keeping within the present law. Who is to say whether any particular project is within or outside the Government's investment guidelines which are cast in pretty broad terms? The question of what constitutes a "prudent" or "non-speculative" investment is very much in the eye of the trustees, who may be swayed by pressures from various quarters. The example of local councils in Britain investing up to 5 per cent of their pension funds in the failed paper, News on Sunday, is instructive (see below). This led to millions of pounds of employees' funds going down the drain in an investment undertaken on purely ideological grounds, although some councils would have rationalized the decision to invest as "prudent". Such an investment could well be within the law in Australia.

Control of capital investment has long been an objective of some unions and sections of the Labor Party. They see the billions of dollars in superannuation funds as a possible source of funding for their ideas. While the AMWU has suggested investment in the venture capital area targeted at employment creation and export growth, some on the Left of the Labor movement have other ideas as to where superannuation funds could be used. But even if superannuation trustees are motivated by genuinely idealistic intentions, workers want worthwhile benefits from superannuation funds - they are not interested in unreal projects, be they called 'socially useful' or anything else.

Gambling with People's Cash

Paul Johnson writes of the investment of pension funds by left-wing councils - often contrary to expert advice - in the now-failed News on Sunday:

"...the vast majority of the shares were bought by trade union and local government funds at the insistence of their labour controllers, prompted entirely by political as opposed to commercial considerations...the Attorney-General should seek to discover whether those in charge of pension funds complied with the law and, if so, whether there is not some way of strengthening it to prevent in future such misuse of old people's cash."

(The Spectator, 26 March 1988)

Laurie Short is the former National Secretary of the Federated Ironworkers' Association.

IPA Review, May-July 1988
The Guilt Industry

Hugh Morgan

Australia’s future as a harmonious, confident and prosperous society is threatened by the politics of guilt.

The power and influence of the guilt industry was brought into clear public view on 20 May 1988. It was then announced that, despite the sustained and energetic lobbying by Jesuit priest Father Frank Brennan, and the support of Opposition Leader John Howard and Shadow Aboriginal Affairs Minister Chris Miles, the Opposition had rejected attempts by the guilt industry to have a bipartisan resolution, proclaiming the dispossession and dispersion of the Aborigines, passed unanimously at the inaugural sitting of Parliament in the new Parliament House, in the bicentennial year 1988.

If it had not been for the patriotic good sense of the bulk of the shadow ministry this seemingly innocuous, but carefully planned and worded, resolution would have gained the support of Opposition leadership. The Opposition backbench would then have been all but locked in. A unanimous resolution of the Parliament, laying the basis for unending and unsatisfiable claims for reparation and compensation would thus have been passed.

This parliamentary resolution may still command the support of the Government, and may still pass both Houses of Parliament. But it will be a very foolhardy government that endorses what is now seen to be a highly contentious resolution; a resolution that will be recognized as the climax of a campaign conducted by the guilt industry; a campaign which has been designed above all to delegitimize the settlement of this country.

The rhetoric of guilt about the settlement of Australia is coming from church leaders, academics, journalists, and Government ministers. It is attracting considerable amounts of government money, generating quantities of literature, creating jobs, and influencing government policy— all indicating that we now have a new and lucrative industry. The effect of this industry, however, is not to contribute to Australia’s wealth, well-being or confidence as a nation but to undermine them.

Australia is a nation still unrivalled in freedom, domestic peace and political stability. As recently as 1920 Australia was unrivalled in prosperity. The things that develop or retard a nation are the attitudes and the customs of its people; more so than the physical or geographic resources of the country. The pioneers who built Australia had faith and confidence in the value of their pioneering endeavours. It was that faith and confidence, much more than the physical resources of this continent, which created the praiseworthy society which we have inherited.

Ever since Nugget Coombs persuaded Prime Ministers Gorton and McMahon that the Hasluckian policies of unforced assimilation were wrong, the guilt industry has been expanding on the alleged sufferings of the Aborigines. When the Fraser Government established the Bicentennial Authority, and plans were discussed for celebrating the 200th anniversary of settlement, the guilt industry seized the opportunity for preaching and sermonizing on one text: that Australians are irremediably tainted with guilt and the Bicentenary is an occasion for weeping rather than celebration. Australians are guilty, we have been repeatedly told, because the prosperity and freedom we enjoy are possible only because the Aborigines are poor and dispossessed.

John Stevens, writing in the Melbourne Age (12 February 1988) summarized this guilt industry text thus: "our guilt, shame, concern or whatever, is this — that the wealth now enjoyed by so many whites has been gained by dispossession of the blacks." The combination of the suffering of the exploited and the guilt of the exploiters, leads inexorably to never-ending demands for unlimited reparation and atonement.

This is the significance of the resolution so energetically promoted by Father Frank Brennan. Once a proclamation of dispossession and dispersion had been solemnly and unanimously upheld by the Parliament, the accusations of guilt and the demands for reparation would have become a ceaseless torrent. It would have required a major act of political leadership, almost unprecedented in Australian history, to turn back such a tide.

Lenin’s theory of imperialism (European prosperity of the early 20th century being possible only by exploitation of colonial empires) was devised to explain why Marx’s predictions of increasing...
impoverishment of the working classes were obviously and spectacularly wrong. Whilst Lenin's theory satisfied the political requirements of the Bolshevik propagandists we now know, beyond argument, that most colonies were a financial drain on the metropolitan powers. Those third world countries which are most advanced politically and economically are usually those countries with the longest colonial relationship with the European powers. The most backward countries are those with no history of European colonialism.

Similarly, the accusation that Australian prosperity and freedom are possible only because the Aborigines are exploited, cannot sustain even a cursory critical examination. Australians are still relatively wealthy, (although declining in international terms) not because the Aborigines were very poor in 1788, and, taken as a group, are still poor in 1988, but because Australians are heirs to a culture, a technology, and a language which enables them "to replenish the earth and subdue it: and to have dominion over the fish of the sea, and over the fowl of the air, and over every living thing that moveth upon the earth." (Gen 1:28)

Our Christian, Western inheritance does not, like the inheritance of a substantial fortune, enable us to live at ease, and enjoy the benefits of civilization without effort on our part. But it does enable us if we accept the challenges of work, risk, and enterprise, to enjoy exciting and rewarding lives, not only in the material sense of the amenities of life, but in an intellectual and cultural (including religious) sense.

Despite the fantastic nature of the arguments relating the causes of Australian prosperity to Aboriginal dispossession, they have proved to be politically effective arguments. Both sides of politics have, for some time, been competing vigorously for the "guilt vote": in Aboriginal Affairs, in conservation issues, in women's affairs. The response from those whose self-respect, and tax burden, is adversely affected by this bipartisan wooing of the guilt vote (the overwhelming majority of Australians) has been defensive, uneasy, uncertain. We are clearly looking at an important cultural phenomenon which requires all the careful attention we can bring to bear.

Some examples of guilt-speak are set out on the page opposite. Most of the comments relate to the Bicentenary which, in part because of cues given by senior Government ministers, has provided a fillip to the guilt industry.

Most disturbing, because of his position of leadership in Australia, is the fact that even the Prime Minister, Mr. Hawke, has indulged in guilt-speak. In a recent statement in the House of Representatives he said: "All of us have a guilt and a responsibility for many of the injustices that occurred in those 200 years."

This was too much for the member for Cowper who interjected "rubbish", whereupon the PM appealed to the Opposition for support: "I acknowledge that generally speaking, on the other side of the House there would be no objection to the honest proposition that I put, namely that we all collectively and across party lines, if we look back over our period of governance of this country, share a sense of guilt and responsibility in respect of the Aboriginal people."

His recent pledge to sign a treaty with the Aborigines by early 1990 is the culmination of this attitude: legitimating demands for reparation and giving fuel to the false claim that Australia is two nations. To his credit the leader of the federal Opposition is opposing the treaty.

Other guilt industry highlights include:

- John Dawkins's disparagement of the First Fleet re-enactment;
- the banning of the re-enactment of the landing by Captain Phillip at Botany Bay;
- the refusal of some State Ministers and the Federal Minister for Aboriginal Affairs to attend Bicentennial functions because of concern for Aboriginal feelings;
- the decision by the Department of Aboriginal Affairs to fly the Aboriginal land-rights flag instead of the Australian flag;
- the part funding by the ABC of the notorious Pilger program "The Last Dream";
- the reading of a proclamation to Victorian schools, on the occasion of the distribution of Bicentennial medals, demanding compensation to Aborigines for the "European invasion" of Australia;
- Michael Mansell, who is one of the strongest advocates of Aboriginal sovereignty, is an employee of the taxpayer-funded Tasmanian Aboriginal legal service.

Aborigines Have Not Benefited

The capacity to feel guilt is an essential part of being civilized. If the overwhelming majority of citizens of this country did not feel guilty when breaking the Ten Commandments - did not feel abhorrence at murder, rape, theft and so on - then our society could not exist. But the guilt which provides political capital for the guilt industry is not guilt for actions for which we ought to feel guilty. We are dealing with a neurotic condition in which people feel guilty for crimes they did not commit, which
Guilt-Speak

How can we possibly justify a society and a criminal justice system which seems to condemn a high proportion of the descendants of the original inhabitants of this continent to a life of recurring imprisonment, with all the anti-social consequences which that entails? ...Notwithstanding the current mood, the Bicentenary may yet stimulate the national conscience simply because it focuses attention upon our origins (which, from the first, amounted to a typical denial of Aboriginal Australia) and our history since (which has repeatedly reinforced that denial).


"A senior Federal Minister, Mr. John Dawkins, wants the already troubled First Fleet re-enactment scuttled, claiming the project has degenerated into a tasteless and insensitive farce...In a stinging letter to Mr. Jim Kirk, the head of the Australian Bicentennial Authority, Mr. Dawkins, the Minister for Employment, Education and Training, says the project is unworthy of any "additional official encouragement."


"Aborigines celebrating Australia’s Bicentenary could be compared to Jews celebrating the start of the Third Reich, a prehistorian (Dr. Peter White of the University of NSW) said in Sydney yesterday."


"I disagree with the overall concept (of the Bicentenary). It’s unfortunate the government chose 1988 because it has added a racial flavour by marking 200 years of European settlement...There are times when I have felt like boycotting the whole Bicentenary...If I hadn’t designed the logo, someone else would have done and they may have won with a design with a sense of racial prejudice about it, such as showing the arrival of the First Fleet."

Dr. Bruce Radke, designer of the official Bicentennial logo, in the *Melbourne Herald*.

"...the coming of the British was the occasion of three great evils: the violence against the original inhabitants of the country, the Aborigines; the violence against the first European labour force in Australia, the convicts; and the violence done to the land itself."

Professor Manning Clark, *Time*, 5 January

"It’s better late than never. We should put the Aboriginal people in the exalted position they deserve. I don’t think we can ever atone for what our ancestors did to Aborigines all over Australia. It was just disgraceful. But I think we’ve got to do as much as we can. I don’t know how. I think we probably owe them more than we can possibly repay."


"Until such time as this society is an absolutely whole society, I don’t think it has anything it can properly celebrate...One of the ways that might help could be a treaty. A treaty which recognized that would go a very long way towards saying to Aboriginal people at last ‘yes, not only do we recognize your rights, but we recognize that you are different from what we are, but in no way inferior’.


"We, Victoria’s Aborigines, cannot celebrate the European invasion of our lands...We hope that during the Bicentennial anniversary non-Aboriginal people will take time to reflect upon our recent history and come to acknowledge the need to compensate us for the dispossession of our land and the impact it had on our way of life."

Teachers’ Federation of Victoria and Victorian Aboriginal Education Association Incorporated, Excerpt from Proclamation read to Victorian school children at the presentation of Bicentennial medals.

"We ask the forgiveness of God, and of you our brother/sister, that we have too often exploited the natural resources of the land for commercial advantage to ourselves; that we have not shared these riches equitably with the traditional owners; and, abandoning the moral values of our Christian tradition, have become a money-loving people who live for pleasure, leaving many of our Aboriginal neighbours dispossessed and poor."

*Called to the Kulin*, Bicentennial program of the Melbourne Diocese of the Anglican Church.
often occurred many years before they were even born or which did not occur at all. They are being persuaded to feel guilty for being alive and enjoying the benefits of civilized society.

The guilt industry, moreover, is creating not conciliation but conflict; it is fostering bitterness and driving people apart. In Aboriginal Affairs, it is promoting a policy of separatism. The message of the guilt industry to Aborigines is that Australian society is too corrupt, too riddled with racism and economic exploitation, to be worth joining. Better to live apart.

The guilt industry has promoted policies which demonstrably have done nothing to improve the quality of life or availability of opportunities for Aborigines. The massive increase in expenditure on Aboriginal Affairs may have created jobs in the guilt industry but it has done little to improve the lot of Aborigines. Sometime ago I calculated current annual expenditure on Aborigines at about $750 - $800 million annually. As a result of information coming, but not solicited, from what journalists describe as "highly authoritative sources," it appears the correct figure is at least $1.2 billion. In round figures, this is approximately $10,000 per annum for every genuinely full-blooded Aboriginal man, woman and child, or $40,000 per average Aboriginal family per year. This has to be one of the most substantial transfers of income, transfers based on racial grounds, in the world. This massive funding has not caused a decline in indices of social morbidity: suicide, drug abuse, alcoholism, unemployment and criminality.

The major obstacle within Australian society to improving the quality of life of the Aborigines is not the pockets of racism that persist, but the guilt industry. Because of it Aborigines are preserved as an aggrieved and suffering minority, locked out of the job market and maintained on debilitating welfare as a permanent demonstration of the intrinsic unworthiness of Australian society.

Part of our British heritage is that we live in a democracy where political issues are determined by argument and evidence; not by fantasy and falsehood. We must now abandon fantasy, falsehood and the folly of neurosis. We must, Aboriginal, European, Asian, whatever our ancestry, uphold and defend the legality and legitimacy of our Australian civilization. If we fail, then others will occupy this continent, and the decisions concerning life here will not be made by us or by our descendants. Such decisions will be made by those who will supercede us in stewardship of this great land. We must not fail our children and grandchildren. We must now turn back on the disasters of the last two decades and pursue policies which welcome Aborigines into mainstream society as equal citizens and provide them with educational and employment opportunities. There will be no quick fix. Just steady slow progress. But we must change, and change soon.

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Two Proposals for Conservative Constitutional Reform

Michael James

Supporters of limited government should go further than simply opposing the changes mooted by the Constitutional Commission and propose their own agenda of reforms.

Whatever its faults, the Australian Constitution is in practice accepted by everyone (including its would-be radical reformers) as the legitimate source of political authority in Australia. There is, therefore, no constitutional crisis in Australia that might justify the project of the Constitutional Commission to construct a new constitution. Nor is there any real prospect of that project succeeding. We learn from history that radical constitutional change occurs only in the most extraordinary circumstances. Sometimes these circumstances are peaceful, as when the Australian colonies federated at the turn of the century. More often they are accompanied by war and revolution, as when America and France became republics. The necessary preconditions of successful constitution-making - intense intellectual concentration, widespread popular participation and a strong determination to agree - can be generated only by the prospect of imminent and unavoidable radical political change. But there is manifestly no such prospect in Australia in 1988.

Even if that were not the case - even if the Australian political system had irretrievably broken down - it would not follow either that we could agree on a replacement, or, if we could, that it would be an improvement. In 1933 the Germans got rid of the despised Weimar Constitution that had been imposed on them 15 years earlier by the Treaty of Versailles. What they got in its place was Hitler's Third Reich. This is an extreme example but it serves to establish the point.

Conservative Versus Radical Reform

As I see it, there is no issue concerning the Constitution itself, whose legitimacy is intact. This isn't to say that the Constitution should not be reformed. Unfortunately, in Australia the idea of constitutional reform is linked almost exclusively with radical reform of the kind advocated by the Constitutional Commission. The radical reformers, as we have seen, want to end federalism, emasculate the Senate, and give the Commonwealth Government a monopoly of political power. Defenders of the Constitution, on the other hand, have been inclined to oppose all reform on the ground that any change would amend the Constitution in a radical direction. But this attitude rules out the option of changing the Constitution in certain ways precisely in order to preserve its essential features and to defend it from radical reform.

This point was well made nearly two hundred years ago by Edmund Burke in Reflections on the Revolution in France. Burke said this:

"A state without the means of some change is without the means of its conservation. Without such means it might even risk the loss of that part of the constitution which it wished most religiously to preserve."

One of the causes of the French Revolution, as Burke saw it, was that the French Constitution was so rigid as to be unreformable, and therefore brought about its own destruction. The English Revolution of 1688, which established the sovereignty of Parliament, was an act of conservation rather than innovation. Burke goes on:

"they (i.e. the British) regenerated the deficient part of the old constitution through the parts that were not impaired. They kept the old parts exactly as they were, that the part recovered might be suited to them." (Kirk, 1982)

Burke is saying that there is a kind of reform that is conservative in that it repairs and maintains the Constitution by adapting it to new circumstances: and such conservative reform needs to be undertaken from time to time in order to keep the Constitution alive and...
to fend off demands for radical and destructive change. Defenders of the Australian Constitution should be prepared to countenance an agenda of conservative reform that is quite distinct in nature and intent from the radical reform agenda of the Constitutional Commission.

It is not difficult to distinguish radical from conservative reform of the Constitution. Radical reform seeks to destroy the Constitution's limits on the powers of the Commonwealth Government, and to turn it into a residual document that legalizes whatever the Commonwealth Government wants to do. Conservative reform, in contrast, seeks to restate and to revive the principles underlying the original Constitution, and to make these a more visible and influential aspect of everyday political life.

The most obvious and most important such reform is to restore the federal dimension of the Constitution by revitalizing the States and redefining the powers of the Commonwealth. The two reforms I want to canvass here do not directly relate to federalism, but they are both responses to the same development as that which has weakened federalism in Australia, namely, the great expansion of government in general and of the Commonwealth Government in particular, and the associated growth in the political influence of organized special interests. These developments have weakened the accountability of government and go a long way towards explaining the low public standing of politics and politicians. The first reform limits the Commonwealth Government's powers to tax and borrow; the second extends the referendum mechanism to enable citizens to initiate binding polls on ordinary legislation and constitutional amendments.

A Fiscal Constitution

The idea of limiting the fiscal powers of government has become increasingly popular in America in recent years as a way of controlling public spending and balancing the budget. In July 1987 President Reagan proposed what he called an 'Economic Bill of Rights' that would both balance the budget and require that increases in taxes be passed by 'more than a mere majority' of Congress: i.e. they would have to be passed by special majorities (such as two-thirds). Several American States operate their own balanced budget rules. In 1978 the citizens of California adopted the famous Proposition 13, which not only placed a constitutional ceiling on estate taxes, but also required that new taxes win the support of at least two-thirds of the State legislature.

However, the idea of a fiscal constitution faces tough opposition, even in America, from two major objections. The first is that the electoral process is a sufficient check on the growth of government; and that when public opinion wants public spending to be reduced, it will be. The weakness of this objection is that the political system is strongly biased towards ever-higher public spending since it is much more attuned to the short-term benefits of such spending than to its long-term costs. As a result, the opinions we hold as citizens on the proper size of government can be neutralized by the opportunities the political system gives us to promote our immediate interest as voters. Where budget deficits are used to finance consumption rather than investment, they are not only economically harmful; they are morally wrong because they, in effect, allow present generations of voters to exploit future ones, who are not here to express their views. It is because democracies are, in this respect, not democratic enough that constitutional limits on borrowing are necessary.

Conservative reform, in contrast, seeks to restate and to revive the principles underlying the original Constitution, and to make these a more visible and influential aspect of everyday political life.

The other objection is that politicians are, after all, capable of summoning up the determination to control the size of government. The last few years have supplied some evidence to support this claim. The Hawke government of 1984-87 locked itself pretty successfully into a so-called trilogy of quasi-constitutional constraints on its power to tax, spend and borrow. The present government has committed itself not to raise the tax burden during the present Parliament, and has informally accepted a balanced budget rule. So why is a formal fiscal constitution needed?

This objection misunderstands the rationale of contractualism. It may be fairly easy for the government to stick to its fiscal rules during times of economic difficulty. The test will come when the economy begins to recover, since then the belief will spread that more public spending can be 'afforded', and the interest groups will start clamouring for handouts. This is now happening in Britain, where almost everyone has his own private agenda for spending the emerging budget surplus. It is far from clear that governments can resist that amount of pressure unless their backs are up against a wall of constitutional constraints. So it would be easiest to propose formal fiscal limits now, when the public is most receptive to the need for them.
What exactly would a fiscal constitution include? Most supporters of the idea agree on two essential elements: a balanced budget rule and some limit on taxation, usually with an escape clause to cover emergencies such as war. A balanced budget rule would simply require governments to finance all their general expenditure from tax revenues. This would not only rule out budget deficits; it would prevent governments using non-tax revenue to subsidize extra spending. So, revenue raised from public asset sales or from the profits of the public enterprises would have to be used in other ways, such as reducing the national debt.

As for a tax limit, I refer here to the proposal by Professor Geoffrey Brennan (1987), who argues that the most effective rule would combine a limit on the tax base with limits on tax rates. If the tax base alone was limited, governments may impose on it confiscatory rates of tax; whereas if limits applied only to rates, governments could simply start widening the tax base as a way of increasing revenues. So the two kinds of limit are needed in conjunction.

It is important to note that the impact of such a fiscal constitution on the growth of government would be limited in several ways. First, it would not prevent increases in tax revenues and therefore in Commonwealth government spending. But it would ensure that such increases came from economic growth rather than from inflation or higher tax rates. Thus, the government’s share of the economy, and hence the burden it imposes on taxpayers, would not increase. Governments that wanted more revenue would therefore have to pursue enlightened, pro-growth economic policies. If they wanted revenue increases in excess of those generated by economic growth they would have to openly seek to amend the fiscal constitution accordingly.

Second, it would apply only to the Commonwealth Government and therefore not prevent increases in taxes and borrowings by State governments. On the other hand, it could have the effect of promoting a genuine fiscal federalism by restricting the funds the Commonwealth could dispense to the States. This in turn raises the prospect of the States adopting their own constitutional limitations on taxing and borrowing.

Third, governments may well evade the requirements of a fiscal constitution by increasing their ‘off-budget’ interventions. For instance, they can use regulations to require citizens to finance government objectives from their own private resources. Ultimately, there would probably need to be constitutional limits on the power to regulate as well. Meanwhile, the fact that a fiscal constitution would not be foolproof is not in itself sufficient reason to reject the idea. If one were ever to be implemented, it would signify a public acceptance of the general notion of constraining the powers of government by constitutional means.

Citizens’ Initiative and Referendum

The second conservative constitutional reform I would recommend is the extended referendum in the form of the citizens’ initiative. Professor Geoffrey de Q. Walker has recently advocated this in his book *The People’s Law* (1987), which I find wholly persuasive. The idea is to empower a prescribed minimum of voters to compel a binding referendum to be held on a proposed law of their own choosing, or on the repeal of an existing law, or on a bill that has passed through Parliament but has not yet become law; with a more indirect procedure available in the case of constitutional amendments. Unlike limits on taxes and borrowing, the idea of the citizens’ initiative has already taken off in Australia: in 1979, 10,000 voters petitioned the Senate for a constitutional amendment to allow the citizens’ initiative; and it is apparently one of the most popular submissions to the Constitutional Commission.

In 1979, 10,000 voters petitioned the Senate for a constitutional amendment to allow the citizens’ initiative; and it is apparently one the most popular submissions to the Constitutional Commission.

The major argument against the extended referendum is that political stability requires all legislative power to be in the hands of political elites, with the masses becoming politically involved only at election time. To put the same idea another way: the masses cannot be trusted with legislative power, but the politicians can. Just how self-serving and hollow this argument is, is evident from the gulf that has opened up between a citizen body becoming increasingly involved in and concerned about public life, and a political profession that is increasingly complacent, out-of-touch, and paralysed by the influence of the special interests it has itself brought into being through excessive intervention. To use elitist arguments against the extended referendum nowadays means acquiescing in rule by the various unrepresentative minorities combined in or protected by the public sector. As Professor Walker says, there is no argument against the extended referendum that is not also an argument.
against democracy itself.

Conclusions

The two reforms I have canvassed here are designed to help revive the central constitutional principle of the accountability of government to the general public. As a concluding point, I would stress the rhetorical advantages of promoting an agenda of conservative reform. The defensive strategy of merely opposing all constitutional change has probably helped the radical reformers to present themselves as apolitical modernisers, concerned only with constitutional rationality and efficiency. Canvassing counter-reforms could help bring to light the essentially political and controversial nature of proposals to increase the powers of the Commonwealth Government at the expense of the Senate and the States.

The success of such a strategy should therefore not be measured by the speed with which conservative reforms are adopted. Constitutional change is a slow business because it quite properly requires a much higher degree of popular support than does ordinary legislation. The very presence in Australian public life of a conservative reform agenda would help slow the current drift of Australia's constitutional practices towards ever greater centralization and authoritarianism, and promote public awareness of the Constitution as a guarantor of good government.

REFERENCES


The first ten members of the public finance Hall of Shame had barely been inducted (IPA Review, Feb-April 1988) when it became clear that some of the blunders may turn out to be even greater than was first thought.

For example, the "First State 88" exhibition at Darling Harbour in NSW. It was reported in the press that while the Government had expected some three million visitors to the exhibition, only 60,000 turned out in the first two months. More permanent damage to the financial viability (from the Government's point of view) of the Darling Harbour project was the recent decision of the State Government of NSW to scrap the proposed casino at the complex. By this decision - which may have some merit on other grounds - the Government has eliminated the only major source of recovery of some of its outlays on the project.

Since the first ten nominations, a large number of candidates for inclusion in the Hall of Shame have been suggested.

One is the Queen Victoria Medical Centre at Clayton which, according to the Victorian Opposition, was to cost $70 million when first announced by the Premier in June 1982. Because of an apparent attempt to by-pass Loan Council restrictions the project was financed in a manner that will cost the Victorian taxpayers some $391 million.

**Government Advertising**

Recent years have witnessed an explosion of government advertising. Last year the Federal Government alone spent $33 million on advertising. Much government advertising is political, promoting the interests of the party in power rather than meeting the needs of the taxpayers who are footing the bill.

An expensive advertising campaign was run by the Cain Government in Victoria during the Kew by-election earlier this year. It set out to convince electors that proposed high voltage power lines through their neighbourhood was in their own interests. The result of the by-election suggested that voters were unconvinced. The Government has now announced that its plans to build the power lines will be subject to a further enquiry.

Not only Labor Governments are at fault. The conservative Premiers, just prior to the May Premiers' Conference, took $60,000 worth of advertising in newspapers around Australia to explain to Treasurer Keating why he should cut Commonwealth Government spending.

Often governments advertise to give the impression of action while in fact doing very little. An example of this was the drug offensive campaign. The campaign, which consisted of televised addresses to the nation by the Prime Minister and Premiers, the delivery of 4.7 million pamphlets to households around Australia, and an advertising campaign in the media and on milk cartons and buses, cost at least $3.2 million. No convincing evidence as to any positive impact of this campaign has come to light.

The Hall of Shame Award for this Review must go, however, to the former Unsworth Government in the run-up to the April State election when it ran a series of million dollar campaigns to convince NSW voters that the public health, housing and transport systems were serving the needs of the public (even if the personal experiences of taxpayers suggested otherwise).

**Political advertising has opened the floodgates to an enormous abuse of public funds.** Parties currently in government should remember that they are setting precedents which may well be exploited even more effectively by their opponents when the political pendulum swings. It is in the public interest, as well as that of political parties that they should observe the strictest possible guidelines to prevent taxpayers' funds being used for purposes which are blatantly political.

Jacob Abrahami
Debasing the Bicentenary

As asked by the Australian Left Review how we should best celebrate the Bicentenary, Humphrey McQueen, author and member of the three-person Bicentennial Committee to review Australian Studies in tertiary education, nominated the closing of US bases at North-West Cape, Pine Gap and Nurrungar as a priority.

Time to Brush Up Your Urdu

My curiosity was aroused by a job advertisement appearing in the British magazine New Society under the heading “Ethnic Relations Technician (House Renovation Grants).” As nothing coherent came to mind from the job title (I don’t think I know any Ethnic Relations Technicians) I read on. The Environmental Services Department, it seems, requires a person with an unusual range of expertise: “a broad knowledge and experience in all aspects of building construction . . . a thorough understanding of the needs of Ethnic Minorities . . . [and] fluency in Punjabi and Urdu.”

Small but Dangerous

Supporting the call, earlier this year, by Torres Strait Islanders for their independence, the Democrat spokesman on Aboriginal and Torres Strait Islander Affairs, Senator Coulter, argued that there would be less warfare if the world were broken down into nations of no more than 50,000 people.

History shows, however, that while small may be beautiful, it is by no means peaceful. Professor Geoffrey Blainey estimates, in The Triumph of the Nomads, that prior to white settlement in Australia inter-tribal warfare accounted for a death rate among Aborigines of one for every 270 in the population. “That death rate,” he concludes, “was probably not exceeded in any nation of Europe during any of the last three centuries.”

Yet the will-to-illusion lives on, with Jim McClelland, former Minister in the Whitlam Government, joining the pilgrimage: “What I appreciate about them (the Aborigines),” he said on ABC Radio, “is their creativity and their capacity to live in peace with each other.”

Taxing Our Credibility

Australians concerned at the effect on work incentives of the crushing tax burden will not be reassured by the new motto printed on letters from the Commissioner of Taxation in Canberra, “Taxes: Building a Better Australia.”

Education for the Me Generation

The Outer Eastern College of Technical and Further Education in Melbourne is advertising a bewildering range of ‘life skills’ courses: “Success via Creative Visualisation”, an “Assertiveness Skills Workshop” (for those disillusioned with the techniques taught in “Conflict Resolution”), “Successful Solo Living/Solo Parenting” and, for the social wallflower or aspiring politician, “Develop the Gift of the Gab”.

Right to Steal?

In San Francisco, according to The Financial Times, a teenager who stole a bus has been awarded $150,000 after claiming his civil rights were violated when a policeman shot him.

Vocational Guidance

I WANT TO WORK

MICK

YOUNG

Mr Young’s wish finally came true. He has joined Qantas as a consultant. The book shown was published in 1979.

Queer Notions

Australia and England are nations of homosexuals according to Germaine Greer, in an interview in Women’s Journal: “I think English culture is basically homosexual in the sense
that men only care about other men," she says. "Australian men have inherited the homosexuality of Englishmen. They are ill at ease with women, shy with them, and comfortable with each other." Her ideal man, she confesses, is Fidel Castro. She watched him at a conference of the Legion of Cuban Women and said he brought everything alive.

Sucked In Fidel Castro is not short of admirers. The World Health Organization has presented him with an award for pledging never again to be seen smoking in public and for instituting an anti-smoking campaign in Cuba. The victims of Castro’s political prisons and collectivist economics might doubt the contribution of their self-imposed leader to their health and welfare. Adolf Hitler, I believe, also was an anti-smoker, and teetotaller to boot. Surely here is a deserving candidate for a retrospective W.H.O. medal.

Too Much of a Good Thing True to the aphorism that God punishes men by granting them their wishes, researchers in West Germany have discovered an unintended consequence of the successful push for shorter working hours—‘leisure stress’. Hamburg’s Free Time Research Institute has found that many people complain of not knowing what to do with their free time and say they cannot cope with “being alone with themselves.” An opinion poll revealed that for 73 per cent, overcrowding in leisure centres and on motorways “gets on their nerves”, according to the report in The Age.

Subsidizing a Public Service During the run-up to the NSW State Election, ladies of the night took to the streets during the day to protest against the NSW Government’s interference in the Australian Prostitutes’ Collective. According to the Sydney Morning Herald, the prostitutes claim that taxpayer funding to the tune of $90,000 has led to government control of the Collective. The protesters claim the Government insisted on appointing two public servants to the Collective’s management committee.

The Meeting of Extremes A wall mural in Belfast reads: “IRA-PLO: One Struggle, One Fight.” There is evidence that the PLO has provided training facilities for numerous terrorist groups, including the IRA.

Apparently prepared to overlook this in the common cause of a higher hatred (for Zionism) the speaker at the League of Rights’ Adelaide “Conservative Speakers’ Club” in March was advertised in the League’s newsletter, On Target, as a man who is a member of the PLO support group, PHRC. An odd notion of conservatism, this.

Pursuit of Moral Neutrality The Pursuit of Happiness by Karen Throsell is, according to the enthusiastic review in the Canberra Times, a plea for Australian neutrality, for an end to “Australia’s current role in the American nuclear war-fighting machine.” Australia’s problem with the United States, the book explains (“it maintains a rational tone throughout”) is essentially similar, if less intense, to the relationship between the captive nations of Central Europe and Russia. It is hard, the review concludes, to envisage a book which could put the “pro-nuclear deterrence view” as convincingly as this book opposes it. To the reviewer, there is clearly no accounting for the view of the vast majority of Australians who persist in believing that a central element in the pursuit of happiness is security.

Sign to Nowhere My local Uniting Church has a new sign outside its hall announcing that it is now a “Multifaith Resource Centre”. What can this mean? Do members of the Church of the Multifaith believe in everything . . . or nothing?

I’m O.K. You’re O.K. The Catholic Education Commission of Victoria’s journal, Pivot, has produced a list of criteria on how we should judge assessment methods used in our schools, based on the Gospel according to Rousseau. They include: “Love: Assessment methods should make students feel wanted in themselves and give them a sense of SELF-WORTH. Reconciliation: Assessment methods should give students a chance to redeem failure and give them a sense of FORGIVENESS. Co-operation: Assessment methods should allow students to work together and give them a sense of MUTUAL HELP . . . Peace: Assessment methods should give students the chance to negotiate and, at the same time, be sensitive to their VULNERABILITY.” The list continues, but notably absent are taboo words like excellence, achievement, competition and diligence.

Ken Baker
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No Jobs for the Boys
depoliticizing the public service

Tony Vinson and Eileen Baldry

The case of NSW highlights the disturbing practice of political patronage in the appointment of public servants in Australia, producing senior bureaucrats whose primary loyalties are to their patrons rather than to the public interest.

When Greiner's Liberal-National party swept to power on 19th March, 1988, there was little joy amongst the ranks of senior NSW public servants who had been political appointees of the former Labor government. Many knew they were there by dint of political patronage and that their days in these positions were numbered.

It is important to point out that neither side of politics has an unblemished record when it comes to political patronage. As long ago as 1855, on the eve of the proclamation of responsible government, a leading article in the Sydney Morning Herald attacked the "defective administration of the details of public business" and argued that the sole qualification for official employment should be merit.

This stress on suitability for appointment received further emphasis when in 1895 a Royal Commission reported to State Parliament that "...there is abundant testimony in favour of placing the civil service on a thoroughly independent basis, and of doing away with political patronage..." The Public Service Act of 1901 resulted and it provided for the establishment of the Public Service Board with independent powers and the responsibility for making appointments and promotions throughout the New South Wales public service. Despite examples over the next 70 years of "jobs for the boys", the policy and structure preserving an independent public service were at least nominally in existence. There was a major re-assessment of the NSW public service when new legislation introduced in 1979 abolished the Public Service Board's appointment and promotion powers. The power to appoint departmental heads formally passed to cabinet and subordinate appointments and promotions became the prerogative of department heads. Unfortunately there was not enough attention given to proper procedures for doing this. There were no clear guidelines regarding independent assessment and application procedures which departmental heads needed to follow.

After that time there was obvious and rampant exercise of political patronage. Ministers no longer considered themselves bound by the recommendations of selection committees. The following is an example of such an attitude. A committee was appointed to interview applicants for the position of Chairman of a State commission. A list of suitable applicants was forwarded to the Minister. He apparently found them unacceptable and asked that a list of more suitable people be provided. He then offered the job to an officer who had not applied for the position, but who had recently joined the Labor Party.

Another example illustrates this general trend in the State's public service. In a department with a vast professional and semi-professional staff, a senior management position was awarded to an unqualified applicant with good party connections. Given that the duties of the position required the direction of the work of literally hundreds of professionals, it was perhaps a blessing that the appointee never actually occupied the post. Instead he spent his time advising those nearer the centre of State power while drawing a senior administrative salary.

The fitness of many appointees to undertake specific jobs has well and truly taken second place to the question of their political allegiance. As such appointments increased, the capacity and willingness of the public service to offer independent advice diminished beyond even previous meagre levels. These trends have

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a major bearing on the workings of democracy at the State level and on the ability of elected governments to administer this State. The reformation of the public service is a social order issue of greater importance than many that currently are being fought over by our politicians.

That the importance of merit has been brazenly downplayed is illustrated by a recent case before the Government and Related Employees' Appeals Tribunal. The Tribunal reviewed a case in which the Department of Youth and Community Services was characterized as being primarily directed to securing an appointment which would satisfy "some factional management play."

The formal judgment of the tribunal contains the following criticism: "This improper approach even lacked any professional disguise of substance. It lacked any finesse or sophistication. It was contrary to the most basic adherence to the established principles of promotional selection..." The apparent lack of response by the Department to this criticism leads one to think that such an approach was common and acceptable.

Another of the unacceptable components of the practice of political patronage is that those vested with the responsibility of looking after the public interest give their primary loyalty to their political 'mates'. While 'favouritism' is perfectly acceptable in personal interaction, it is not acceptable in public office (Clarke, p. 41). Democracy is not only about participation but also proper processes of government which are open to scrutiny. It is not about 'inside tracks' or 'favours'. Political patronage flies in the face of this and is thus profoundly anti-democratic.

One of the justifications offered for such patronage is "Don't be a mug. Everyone does it. Their boys had their snouts in the trough, now it's our turn" (Doig, p. 356). Unfortunately, such an attitude signifies an advanced stage of disregard for the idea of disinterested performance of the duties of public office. It also creates a situation in which some public servants find it necessary to have a sudden conversion to the Liberal or National Party to preserve their positions. This is beginning to happen in New South Wales.

**NSW Purge**

The weeks following the Coalition win saw what some have termed a purge, others a witch hunt, but which all recognize as a move to 'de-labor' the upper echelons of the New South Wales public service. High-ranking people have been dismissed from a number of government bodies. Many hope this foreshadows a depoliticization of the public service.

Such purging of what should be an independent public service should have been unnecessary. Parliamentary Ministers have every right to appoint politically congenial people to their personal staff, but not to appoint public servants on the basis of political affiliation or loyal service to the party.

It would be a counterproductive way of dealing with political appointees for an incoming government to sack them all and appoint their own "boys". This would merely perpetuate the practice of political patronage, create havoc and give ammunition to the next government to do precisely the same thing. The effort to depoliticize the public service should involve the cultivation of a new consciousness of the responsibility of public duty and the creation of the administrative machinery needed to ensure that the officials live up to the trust we place in them. It is the barrel not just the rotten apples which is the problem (Doig, p. 382).

**The formal judgment of the tribunal contains the following criticism: "This improper approach...was contrary to the most basic adherence to the established principles of promotional selection..."**

Naturally, Mr. Greiner and his front bench as with any new Premier or Prime Minister and Cabinet are now under severe pressure to appoint their "boys". It is pressure from those who missed out at the polls or have been faithfully waiting in the wings. Unless something is done to rectify the system which has allowed such appointments, the Premier and Ministers will have difficulty in avoiding a repetition of past practices. Indeed, failure to take decisive action now that the problem of political patronage has been so widely canvassed, would help to make its practice more entrenched and the means to combat it increasingly ineffectual (Doig, p. 386).

A public service based on allegiances and party loyalty suppresses not only the individual but also information which is negative to the dominant political party. Therefore any policy addressing the independence of the public service must also address the problem of publication of research findings which are not politically congenial. Two recent examples serve to make the point about the difficulty of publishing research matter which could be seen to be detrimental to the government.

Late last year, a research report on the needs of emotionally and psychiatrically disturbed prisoners of non-English speaking backgrounds was submitted to State authorities. An official recommended that because
the report findings were important to the community, the report should be published. Publication of another report by the Bureau of Crime Statistics and Research on criminal justice in western NSW was held up for several months causing the resignation of one of the researchers. The report’s finding of a comparatively low crime rate was a potential embarrassment to a government developing ‘back to basics’ policies on the strength of alleged widespread disrespect for the law. It was claimed that publication had been delayed so that the report could be released in the region to which it referred. Interestingly, it was published immediately following public complaints of its suppression.

The task in many ways is not one of inventing a whole new apparatus for deciding public service appointments, but is rather one of rendering effective a range of existing measures that, on paper, encourage appointments on merit. A clean statement of the technical requirements and experience needed to fill a position is fair to all concerned unless those requirements are tailored to suit a particular candidate. The presence on selection committees of ‘independents’ should also act as a check on inside appointments unless, as happened in recent years in NSW, the independent arrived with pre-race instructions or succumbed to the wishes of those in authority. The requirement that a selection committee clearly state its reasons for preferring a candidate works fine as long as it is not an exercise in dressing up a decision reached on other grounds.

The bad habits that have become entrenched in NSW in recent years will not easily be abandoned by those who deal in patronage. Exhortations will need to be backed by close and independent monitoring. It is not good enough to delegate this function to an appeals tribunal, whose proper task is to adjudicate exceptional cases rather than deal with widespread administrative problems at their source. The latter function needs to be performed by an agency of unquestionable independence, capable of quietly and continually auditing the bona fides of appointments before the passage of time obscures the processes involved. Needless to say, this reform can only be expected to work if it is not by-passed by the government itself.

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ISSUES IN EDUCATION

Leonie Kramer

Report Deserves No Future

Educationists, the Australian Teachers' Federation, and the Commission for the Future have collaborated to produce *Skilling the Australian Community: Futures for Public Education*. It's tempting to stop reading at the title, whose very words suggest narrow objectives, large ambitions and indecisiveness - a deadly potion. But then you discover that you must pay attention, for this report represents "What Users Want from Australian Schools in the 1990s". (The Commission for the Future must have reduced its sights to two-year targets.)

So who are the users? Six groups are identified - business and industry, including the unions; the public sector; higher education; adult learners; parents "strongly representative of the government school system"; and students. A search for documents was conducted by the research team, and these (surprise!) were found to be 'uneven'. Then "some thirty or forty people who were thought to be both influential in their sector and knowledgeable about what the sector wanted" were assembled for a one-day workshop. The usual workshop practices and procedures were followed (and are described) in scrupulous detail, and that, if you are still reading, is how we come to have three "scenarios" - one from business, one from higher education, and one called "parent power and the schools". Three scenarios, no firm recommendations, innumerable undocumented and sometimes false assumptions, and a great deal of outmoded educational opinion.

It would make one despair if it were not so clear a manifestation of what so often goes wrong in discussions of education. Here we have yet again the tired old clichés about making schooling "more attractive, relevant and appropriate for students" without any sense of the need to inspect these terms, or translate them into actual programs. The role of the teacher in the glorious future is "to facilitate rather than personally to direct" - a notion of the teacher's role which is 20 years old at least, and has, in fact, caused some of the problems we are now trying to solve. There is still talk of "under-represented groups" in education as though the principles of representativeness were appropriate to learning. And, of course, the oldest chestnut of all is included - namely that "the simplicities of the past" will not do, and that students should not be "force-fed an academic curriculum designed along traditional lines and created in the first place for a minority of the school's population." This piece of misinformation includes the familiar, supposedly progressive notion that only a few people can benefit from a sound and demanding education.

That some useful suggestions are made in this report (mostly by the members of the business groups) is of small consolation given the obstinate misrepresentations and woolliness of the rest of the report. It's no wonder that a press headline read, "Report says three Rs are not enough". This is not an unfair summary of the Report's non-argument against subjects, content and systematic learning, which is yet another attempt to win a debate by not engaging in it. Who ever said that "the three Rs" (symbolizing essential skills and areas of learning) are enough? Can educationists not distinguish between what is necessary, and what is sufficient? Or do they think that what is not sufficient is not necessary either?

The Report is a melancholy reminder of the influence of opinion polls, surveys and statistics on educational thinking. There are many kinds of statistical information essential to understanding the educational scene. But 40-person workshops, highly selected reference ground and summaries of students' (how many?) opinions are not among them. We're told that students "face their future with uncertainty, anxiety and pessimism, and see their lives progressively controlled by impersonal technology." A document strong on the notion of representativeness is silent about the representativeness of this statement. If it is true, why is it so? Whence are these views derived? And what do teachers do to combat them? The answers to these and other questions will be found not too far beneath the surface of

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the Report, in statements such as these:

"A large proportion of the Australian population is not Anglo-Saxon in origin, and they do not owe much allegiance to the customs and values inherited from the British Isles." [in fact about 75 per cent of Australians are of Anglo-Saxon origin]

"Many Australians...do not take for granted the Westminster form of government. They do not automatically support morality based upon European culture."

"In particular, the religious traditions and church denominations which derive from Britain - Irish Catholicism, the Anglican Church and the reformed denominations like Methodism and Presbyterianism - have no particular hold upon them."

"Increasingly, the favoured second language or their mother-tongue is Japanese, a form of Chinese, Indonesian, or a South American derivative of Spanish."

If this potent mix of untruths, inaccuracies, and shoddy thinking is "representative" of the research team's contribution, and of its individual members (from schools, the Victorian Education Ministry, and institutions of higher education), no wonder there's confusion in the system.

From the rubble only a few shards of ideas can be salvaged. This document as a whole can be read as unconscious self-parody, both in its expression and methodology. It's a good example of what happens when you decide that the past has to be abolished, by falsification if all else fails. (The "history" in Chapter One is a good example.) My favourite futuristic image shines forth in the higher education workshop scenario for 1988. All the objectives for a better educational world have been realized, and presiding over the perfect system is the ideal Federal Minister for Education, "an inspired leader with educational vision, managerial skills, and the respect of her professional as well as her political colleagues." She was previously "Associate Professor of Education in an Australian University, Headmistress in a large urban high school, member of a Commonwealth Curriculum Committee, and Chairperson of a Task Force on Future Policy Directions for Australian Education after the year 2000."

O brave new world
That has such people in't!
Opening the Dam Gates

Industrial Relations and the ILO

Peter Costello

A Commonwealth Government which wished to expand its legislative powers could, by ratifying ILO conventions, alter radically the regulations controlling industrial relations in Australia.

The International Labour Organization (ILO) is a specialized agency of the United Nations, gracefully located in Geneva, Switzerland. Historically its main interest for Australians has been to provide the opportunity for Trade Union, Employer and Government officials to travel to Europe on a regular basis to discuss various weighty labour issues in the calm, picturesque and cultured Swiss environs. It also provides a retirement interest for officials whose absence from Australia is in the national interest for one reason or another.

The ILO, over the last 70 years or so, has been adopting conventions and recommendations on labour and welfare issues. Member States are asked to ratify these conventions which, when ratified, are intended to create binding legal obligations on member States to implement their terms. A member State which ratifies such conventions binds itself to apply the provisions of the convention within its territory and accepts international supervision in relation to its efforts to do so.

The Australian Government has ratified a number of these conventions and the Minister for Industrial Relations apparently takes them seriously enough to publish reports on how they are being implemented. Australia is doing quite well in relation to most of the conventions it has ratified. Shipping is the subject that seems to have received the most frequent attention of the ILO. Where the convention requires minimum standards the Australian Government has done all that is required and much more so - not so much to appease the ILO as to appease local vested interests with much to gain from unprofitable and uncompetitive work and management practices.

Australia does not fare too well on some other ILO conventions. For example, Convention No. 87 on Freedom of Association provides that workers, without distinction whatsoever, shall have the right to establish and join organizations of their choosing. Leaving aside Australia's sorry record on protecting the freedom not to associate in the workplace, Australian workers do not have the right to establish and join trade unions of their own choosing, or at least they do not have the ability to freely establish and join organizations that can be registered to operate within the Australian Conciliation and Arbitration Commission. The Conciliation and Arbitration Act provides that new trade unions cannot be registered if there is already a registered trade union to which employees practising a particular trade can conveniently belong. This prevents employees from forming and joining enterprise or multi-skilled unions and forces them into the big trade unions already established and registered in respect of their particular trade. Mr. Willis's new Industrial Relations Bill proposes to circumscribe the freedom to establish and join a registered trade union even further.

But the significance of ILO conventions in the future may be even greater. In recent years the High Court has held that where the Commonwealth Government is a party to an international treaty, it has the legislative power to enact laws under its external affairs power to give effect to its treaty obligations. In upholding the right of the Commonwealth to close the Tasmanian dam, the High Court has opened the constitutional dam on Commonwealth powers. By ratifying international treaties, the Commonwealth can vest itself with enormous legislative powers over the States. The ILO could be a convenient mechanism for taking the legislative power of the Commonwealth into new and (hitherto) unthought-of areas. For example, a conservative government could ratify the convention on freedom of association and legislate voluntary unionism under all State awards.

One of the important brakes on Commonwealth power in the industrial sphere is that the Parliament can only make laws with respect to conciliation and arbitration. It is sometimes argued that the Commonwealth


Peter Costello is a Victorian barrister.

IPA Review, May-July 1988
could not enact legislation to allow collective or individual bargaining for wages and conditions since this legislation would relate to ‘conciliation and arbitration’. ILO Conventions 98 and 154 provide an easy answer to this problem.

These conventions require ratifying members to promote machinery for the regulation of terms and conditions of employment through collective bargaining and require members to promote collective bargaining. Through ratifying these conventions the Commonwealth Parliament could, under the external affairs power, abolish its system of conciliation and arbitration and replace it with a system of collective bargaining through workplace unions and voluntary agreements.

Through ratifying ILO conventions, the Commonwealth could also take over workers’ compensation, occupational health and safety, unfair dismissals, anti-discrimination provisions and a whole host of other areas traditionally reserved for the States. The Commonwealth could also legislate directly in respect of hours and minimum wages and even get into areas of compulsory unemployment, disability, and old-age insurance through the ILO. All of this is not to say that the Commonwealth could not exercise some of these powers without recourse to international covenants. But the way is crooked and narrow. Broad is the gate and wide is the path through Geneva and back again.

One of the persistent arguments against deregulating Australia’s labour markets is that for constitutional reasons the Commonwealth cannot do it without State legislative assistance. In the brave new world of an internationalized constitution, the argument cannot be sustained.

It is ironic that many of those who argue that constitutional principle is not wide enough to allow labour market deregulation applaud the Commonwealth’s intervention against the Tasmanian dam. (In reality they applaud Commonwealth regulation whether it be in the environmental area or the labour area.) What has apparently escaped them is that the basis on which the Commonwealth intervened in Tasmania provides the widest possible basis for the Commonwealth to deregulate (or for that matter regulate) industrial relations over the opposition of State Governments. The road that went from Canberra to Paris, UNESCO, the World Heritage List and back to the Franklin River may just as easily go via Geneva, the ILO and back to Nauru House, Melbourne.

Through ratifying these conventions the Commonwealth Parliament could, under the external affairs power, abolish its system of conciliation and arbitration and replace it with a system of collective bargaining through workplace unions and voluntary agreements.

All of this is not to argue that constitutional limitations should be circumvented by international treaties. In fact, I would argue the opposite. It is necessary to observe, however, that once the principle is established it is open to all future governments to use it as they see fit. That is one of the reasons why it is a bad principle. Another is that it has ceded the power to alter the Australian Constitution to the Commonwealth Government acting through international treaties. This was formerly the sole preserve of Australian electors.

Peter Garrett and others who have been charged with ‘reforming’ the Australian Constitution should decamp to Paris, Geneva and New York. This is where the real decisions about changes to our constitutional law are going to be made. And besides, it is much easier to do it this way than to persuade Australian citizens to change (what was) their Constitution.

US Foreign Policy in the Post-Reagan Era - Zbigniew Brzezinski
(Continued from page 15)

The conflicts between the United States and Japan in the economic sphere are not as important as the overall complementarity between Japanese and American economic and military needs. We need each other, and the leaders of both countries realize that, and I expect that the next decade or two will be dominated very much by the emergence of a closer American-Japanese partnership.

This, as an American, leaves me with a sense of optimism though I realize that the responsibility on us will be to exercise leadership through a far higher degree of consensus than was the case in the past. We will have to learn how to conduct truly mature, co-operative leadership.

My judgment is that the American people will back that. Protectionism, and political appeals based on protectionism, are not catching fire in the United States. I think the American people over the years have become more mature and, if the American people have become more mature, my hope is that our political leadership will also become more mature.
The Big Winners
Unions Under Labor

Jim Short

Trade union investments in the ALP have not been in vain.

Official Labor Party returns to the Australian Electoral Commission show that the ALP has disclosed receipts of $1,141,673 from trade unions towards its 1984 and 1987 election campaigns. The amount received by the ALP for its 1983 election campaign is not known.

The Hawke Government has given trade unions a minimum of $5.8 million of taxpayers' funds in the form of grants for a huge range of activities.

The $5.8 million worth of grants include many ridiculous grants, from $8,000 for a play titled In-security staged by the ACOA, to $25,000 to the BWIU for the production of Deep Bells Ringing - Life and Songs of Paul Robeson.

They also include more serious but no less dubious grants, such as $162,483 to the Printing and Kindred Industries Union for an Employment Practices Research Project, $108,000 to the Victorian Teachers' Union for an "Affirmative Action Handbook" and $2,660 to the Queensland Teachers' Union to produce a booklet on peace for primary and secondary schools.

These grants bear little relationship to the Hawke Government's professed goal of building a "productive culture" in Australia. Indeed, at the same time as the Combined Unions' Committee at the Williamstown Naval Dockyards were receiving grants for musicians-in-residence and a Workers Participation play, the Dockyards were being closed down because of union work practices.

The figure of $5.8 million is, in fact, extremely conservative and ignores a range of other forms of Commonwealth assistance to the trade union movement. It does not include:

- Trade Union Training Authority (TUTA) which costs about $8 million per annum;
- industrial elections which cost around $3 million per annum (in 1986/87 475 were held);
- Australian Bicentennial Authority grant of $1 million;
- the costs of implementing ACTU policy within the government sector, including industrial democracy;
- union appointments to key policy-making and advisory bodies, such as EPAC, and statutory authorities such as Qantas;
- the administrative costs involved with programs under the auspices of a range of Commonwealth Departments, from Foreign Affairs and Defence to Community Services and Health;
- public funding of elections, estimated to be over $1 million per election;
- the $2 million cost of the cosy deal between the Hawke Government and the building industry unions on the Building Unions' Superannuation Scheme (BUSS);
- the cost of the Government's contribution to the ACTU's Australia Reconstructed, from printing costs to overseas travel for unionists;
- grants received under a host of programs since June 1987;
- a wide range of other costly grants provided before June 1987 which the Government has refused to make public, for example two and a half years of the wasteful and now-dumped CEP scheme.
- In addition, trade unions are major beneficiaries under the existing tax laws which exempt them from income tax.

Taxpayers, regardless of their individual lack of support for trade unions, are being forced financially to prop up the union movement. Ordinary workers are also being forced to financially support the ALP through compulsory affiliation fees to the ACTU. In 1986 the ACTU received over $2 million in this way.

Undoubtedly, most Australians, including unionists, would be better off if, instead of having their funds dished out to union elites, they received tax cuts.

Jim Short is a Liberal Senator for Victoria and Shadow Minister for Home Affairs.
Who Benefits?

The beneficiaries of ALP largesse are not ordinary workers; they are artists-in-residence or well-positioned trade union activists. Here are a few of the winners.

Amalgamated Metals Foundary and Shipwrights Union & AMWU

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artist's fees for Union Banner</td>
<td>4,500</td>
</tr>
<tr>
<td>Banner for union</td>
<td>2,250</td>
</tr>
<tr>
<td>Regional music co-ordinator</td>
<td>15,000</td>
</tr>
<tr>
<td>Co-ordination and development of job creation projects for unemployed union members</td>
<td>44,922</td>
</tr>
<tr>
<td>General grant</td>
<td>11,814</td>
</tr>
<tr>
<td>Employee participation</td>
<td>40,000</td>
</tr>
<tr>
<td>Images of industrial work sites - design &amp; painting fees</td>
<td>6,584</td>
</tr>
<tr>
<td>Assessment of skill changing requirements &amp; appropriateness of in-house training programs</td>
<td>17,540</td>
</tr>
<tr>
<td>Banner making project</td>
<td>4,542</td>
</tr>
<tr>
<td>Research &amp; design of industrial hand tools</td>
<td>10,000</td>
</tr>
<tr>
<td>Production of banner</td>
<td>4,542</td>
</tr>
<tr>
<td>Key union leaders workshop on industrial democracy</td>
<td>6,000</td>
</tr>
<tr>
<td>Video artist in residence</td>
<td>4,280</td>
</tr>
</tbody>
</table>

Australian Telecom Employees Association

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Composer in residence</td>
<td>3,750</td>
</tr>
<tr>
<td>Graphic artists in residence</td>
<td>4,500</td>
</tr>
<tr>
<td>Fees and costs for 3 artists in residence</td>
<td>18,000</td>
</tr>
<tr>
<td>Musician in Residence</td>
<td>7,500</td>
</tr>
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</table>

Federated Miscellaneous Workers' Union of Australia

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mural artist in residence</td>
<td>7,500</td>
</tr>
<tr>
<td>Family responsibilities for part-time workers</td>
<td>15,000</td>
</tr>
<tr>
<td>Union banner for May Day</td>
<td>4,000</td>
</tr>
<tr>
<td>Muralist in residence</td>
<td>9,300</td>
</tr>
<tr>
<td>Residency in fibre</td>
<td>2,000</td>
</tr>
<tr>
<td>Textile resident</td>
<td>11,576</td>
</tr>
<tr>
<td>Migrant workers' rights</td>
<td>31,280</td>
</tr>
<tr>
<td>Sweeping Statements video</td>
<td>1,445</td>
</tr>
</tbody>
</table>

ACTU

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on industrial democracy initiatives in the Public service</td>
<td>11,830</td>
</tr>
<tr>
<td>Salary and arts program</td>
<td>11,350</td>
</tr>
<tr>
<td>Arts officer</td>
<td>13,650</td>
</tr>
<tr>
<td>Art &amp; Working life consultant</td>
<td>7,000</td>
</tr>
<tr>
<td>Arts and related activities project</td>
<td>50,000</td>
</tr>
<tr>
<td>Arts officer and program activities</td>
<td>16,500</td>
</tr>
<tr>
<td>Craft residency</td>
<td>10,000</td>
</tr>
<tr>
<td>African trade union leaders visit to Australia</td>
<td>3,552</td>
</tr>
<tr>
<td>Training for black South African trade unionists</td>
<td>30,138</td>
</tr>
<tr>
<td>Arts officer</td>
<td>13,650</td>
</tr>
<tr>
<td>Songbook research project</td>
<td>6,000</td>
</tr>
<tr>
<td>Promotion of industrial democracy</td>
<td>28,000</td>
</tr>
<tr>
<td>Working life arts festival</td>
<td>35,000</td>
</tr>
<tr>
<td>Annual community arts program</td>
<td>26,750</td>
</tr>
<tr>
<td>Migrant women's rights scheme</td>
<td>40,580</td>
</tr>
<tr>
<td>Annual arts program</td>
<td>54,238</td>
</tr>
<tr>
<td>Research project on art and working life</td>
<td>5,000</td>
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<tr>
<td>General grant</td>
<td>32,490</td>
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</table>

Resource & training | 850,000 |
Regrant for art & working life project | 115,693 |

Administrative & Clerical Officers' Association

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artist's fees for performance piece</td>
<td>10,000</td>
</tr>
<tr>
<td>Script consultant for play, In-security</td>
<td>1,000</td>
</tr>
<tr>
<td>Women's banner</td>
<td>3,600</td>
</tr>
<tr>
<td>Poster project</td>
<td>10,000</td>
</tr>
<tr>
<td>In-Security preproduction and performance</td>
<td>8,416</td>
</tr>
<tr>
<td>Artist's fees</td>
<td>5,000</td>
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Australian Teachers' Federation

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training in community - program for Indonesian women teachers</td>
<td>8,000</td>
</tr>
<tr>
<td>Teacher trade union training seminar</td>
<td>4,700</td>
</tr>
<tr>
<td>All India Secretary Teachers' Federation orientation</td>
<td>7,000</td>
</tr>
<tr>
<td>Pacific Teachers' Trade Union trainers</td>
<td>10,000</td>
</tr>
<tr>
<td>Continuing Education for Anglican teachers on the West Bank</td>
<td>5,000</td>
</tr>
<tr>
<td>ESL teacher training program Tanzania</td>
<td>12,000</td>
</tr>
<tr>
<td>Health worker training Phnom Penh, Cambodia</td>
<td>7,500</td>
</tr>
</tbody>
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South Coast Trades & Labor Council

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts officer</td>
<td>12,000</td>
</tr>
<tr>
<td>Musician in residence</td>
<td>11,250</td>
</tr>
<tr>
<td>Playground construction</td>
<td>7,385</td>
</tr>
<tr>
<td>Part-time field officer</td>
<td>11,000</td>
</tr>
<tr>
<td>Musician/songwriter</td>
<td>11,980</td>
</tr>
<tr>
<td>Migrant workers rights scheme</td>
<td>31,280</td>
</tr>
<tr>
<td>Arts officer</td>
<td>12,000</td>
</tr>
</tbody>
</table>

Williamstown Naval Dockyard - Combined Unions Committee

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Musician in residence</td>
<td>4,100</td>
</tr>
<tr>
<td>Mural project</td>
<td>2,000</td>
</tr>
<tr>
<td>Art &amp; working life project</td>
<td>4,000</td>
</tr>
<tr>
<td>Writing workshops</td>
<td>3,000</td>
</tr>
<tr>
<td>Research consultants</td>
<td>3,184</td>
</tr>
<tr>
<td>Writing workshops</td>
<td>400</td>
</tr>
<tr>
<td>Visiting teacher</td>
<td>3,000</td>
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Labor Council of NSW

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tape Recording of Interviews with Trade Union Leaders</td>
<td>5,000</td>
</tr>
<tr>
<td>Musician in residence</td>
<td>10,000</td>
</tr>
<tr>
<td>Lyracist/Musician in residence</td>
<td>3,500</td>
</tr>
<tr>
<td>Workers participation play</td>
<td>9,697</td>
</tr>
<tr>
<td>Factory Mural</td>
<td>3,820</td>
</tr>
<tr>
<td>Song writer in residence</td>
<td>3,500</td>
</tr>
<tr>
<td>Song writer</td>
<td>3,550</td>
</tr>
<tr>
<td>Composer/musician in residence</td>
<td>3,500</td>
</tr>
<tr>
<td>Taping live interviews</td>
<td>5,000</td>
</tr>
<tr>
<td>Arts activities</td>
<td>19,715</td>
</tr>
<tr>
<td>Welfare and unemployment advisor</td>
<td>10,388</td>
</tr>
</tbody>
</table>
The population of the world this year is estimated at 5,026 million residing in 167 sovereign states and 55 related territories, a total of 222 places.

**Free:** 1,924.61 million (38.3 per cent of the world's population) of whom 1,920.25 million inhabit 58 states (34.7
per cent of all the states) and 4.36 million live in 35 (63.6 per cent) of the related territories.

**Partly Free:** 1,205.35 million (24 per cent of the world's population) of whom 1,195.2 million inhabit 58 states (34.7 per cent of all the States) and 10.15 million live in 18 (32.7 per cent) of the related territories.

**Not Free:** 1,896 million (37.7 per cent of the world's population) of whom 1,895.4 million inhabit 51 states (30.6 per cent of all the states) and 0.6 million live in 2 (3.6 per cent) of the related territories.
Summaries of significant articles from policy journals around the world

New Agenda for the Left

In the US, Britain and Australia there are fears that the left has lost a governing vision that can stir the public imagination. Does the answer lie in rediscovering the sense of community? The anxieties of the age concern the erosion of those communities intermediate between the individual and the nation, from families and neighbourhoods to communities defined by religious, ethnic or cultural traditions.

For all Reagan's talk of individual liberty and market solutions the most potent part of his appeal concerned values - of family and neighbours, religion and patriotism. The left should exploit the tension between unrestrained capitalism and the maintenance of small stable communities. It should overcome the impulse to banish moral and religious discussion from public life. After all, the civil rights movement 'legislated morality' and drew on religious themes.


School Spirit: the Key to Educational Achievement

The current wave of educational reform in the United States will fail unless reformers reassess their assumptions about how schools influence learning. A large-scale research study by the authors has found that what distinguishes high-performance and low-performance schools has little to do with educational attainment of teachers, class sizes, teachers' salaries or homework requirements, but a great deal to do with, predictably, the family environment of students and, less predictably, the ethos and informal organization of the schools.

Staff in high-performance schools are more likely to perceive the school as having a mission. Leadership from the principal is stronger, more pedagogical and less managerial, although not authoritarian. A strong co-operative team spirit exists in these schools and parent involvement is high.

Schools, the study concludes, can best develop when they are free from disruptive bureaucratic intervention by governments.


Lessons of the Reagan Years

Fourteen former Reagan officials discuss their accomplishments and disappointments during their time in the US Administration. Kenneth Adelman, former Director of the Arms Control and Disarmament Agency, regrets that more was not done about Soviet cheating on arms control agreements. Linda Chavez, former Staff Director, Commission on Civil Rights, laments the unchanged state of affirmative action programs: government contractors are still required to employ on the basis of proportional representation for minorities and women. Frederick N. Khedouri, Associate Director for Natural Resources, Energy, and Science between 1981 and 1985, believes energy policy was a great success, but increased federal intervention in the farm sector (from $9 billion spent on programs in 1981 to $26 billion in 1985) was a disaster. Constantine C. Menges, Special Assistant to the President for National Security Affairs 1983-86, lists the liberation of Grenada as the biggest success and indecision on Nicaragua as the biggest disappointment. Murray Weidenbaum, Chairman of the Council of Economic Advisers 1981-82, cites the establishment of a regulation review body within the Office of the President and the increasing use of cost/benefit tests to repeal regulations as successful, while the failure to slow the growth of federal spending sufficiently to match the tax cuts of 1981 was a great disappointment.

Western Illusions About Africa

Western policies to aid Africa are frequently based on misconceptions. For example, the belief that population growth is a major obstacle to African development ignores the fact that population growth in recent years has been a consequence not of an increase in the birth rate but of a decrease in the death rate which itself is the consequence of improved health and living conditions. Another myth is that environmental problems - principally drought - are the cause of Africa's economic difficulty. Yet adjacent countries experiencing the same weather conditions - such as Malawi and Mozambique - have experienced dramatic differences in agricultural output (a rise in Malawi, a decline in Marxist Mozambique). This reflects differences in economic and political systems rather than differences in climate. There is also the belief that additional aid would encourage policy reform by African governments. In fact it would more likely defer the time when reform is forced upon such governments and discourage an attitude of commercial responsibility. Africa would benefit most from more, not less, exposure to the disciplines of the international marketplace.


Capital Punishment as a Deterrence

Since 1983 there have been decisive votes in the British House of Commons against capital punishment. One of the crucial issues concerns whether capital punishment acts as a deterrent to potential murderers. Contrary to persistent claims (by sociologists and criminologists) recent econometric research provides statistical support for the public's commonsensical view that capital punishment does reduce the incidence of murder.

One study estimated that each execution in the UK might prevent on average four additional murders. In the US it is estimated that the execution of a single condemned murderer would prevent between eight and 20 additional murders. While there will be debates about the reliability of the models used, they lend no support whatsoever to the contention of the abolitionist that punishment has no deterrent effect. Earlier studies by sociologists in the '50s which seemed to show that punishing criminals had little effect on their behaviour, were, statistically speaking, very primitive.

To reduce the rising trend of violent crime penalties should be more severe. Otherwise public alarm will eventually compel governments to enlarge powers of surveillance, search and arrest - an outcome which will unavoidably diminish our personal freedom.


Airline Deregulation is Safe

Air fatality rates in the US have continued to decline since deregulation. Fears that safety would be jeopardized, first by increased congestion at airports (resulting from more air travel) and second, by airlines reducing safety efforts, have proven unfounded.

Air travel is significantly safer than automobile travel (the death rate for passenger car travel averages 35.7 per billion passenger miles compared with 0.3 per billion passenger miles for air travel). By lowering relative costs of air travel compared with long-distance automobile travel, deregulation has reduced the growth in automobile travel and accordingly reduced highway accidents, injuries and deaths.


Welfare-Induced Unemployment

Employment in the US has risen by an average of about two per cent a year since 1970. In the UK total employment has virtually stagnated during the same period. An important reason behind the relatively poor UK record seems to be the welfare system which provides greater disincentives for the unemployed to seek work. (Benefits in the US are generally available for a shorter period and tend to be more grudgingly given.) The relative unpalatability of welfare in the US concentrates the minds of workers and makes them and wages more flexible. The welfare system which is created by government can be changed with little or no cost to the taxpayer.

New Zealand shows How to Cut the Public Service

R. S. Deane

The New Zealand Government, under its Labour Prime Minister, has dramatically reduced the number of public servants and lifted the productivity of its state-owned enterprises.

Since government expenditure comprises about 40 per cent of GDP in New Zealand, it is clear that any process of economic policy reform must incorporate the public sector as well as the private sector. The government sector has, over time, become an increasingly large influence within the economy, encompassing a widening diversity and complexity of economic activity. For many years this process seemed to have a certain inevitability about it and it is only in more recent times that the potential economic and political gains from public sector reform have become lively issues.

The scale of the changes which can be achieved within the public service, even within a relatively short time frame, is easy to underestimate. For example, during the financial year 1986/87, the process of change affected more than 25 per cent of the New Zealand public service by removing 11 per cent of the staff into a corporate commercial environment (state-owned enterprises); shifting eight per cent into new departmental organizations; and reducing total staff numbers by a further six per cent as a result of voluntary severance, early retirement and other options under a comprehensive staff deployment package. Despite widespread media assertions to the contrary, no public servant was made compulsorily redundant by this process. The voluntary options were successful in bringing about a major, albeit at times difficult, transition.

If wage workers are excluded from the preceding estimated figures because of the difficulties of computing the number in this category more recently, the total number of permanent staff and temporary staff in the public service on 31 March 1987, immediately prior to corporatization of the nine new state-owned enterprises (SOEs) on 1 April 1987, was 72,417. By 31 December 1987 this number had declined to 59,931, a fall of 17.2 per cent. This drop is essentially made up of those who went to the SOEs and those who left the public service for various reasons including severance and early retirement.

Moreover, apart from those SOEs which achieved staff reductions at the time of the switch-over from departmental to corporate status, other SOEs since their establishment on 1 April 1987 have achieved significant staff savings. For example, in its first year of operation, the Electricity Corporation which is the largest SOE in terms of asset value, reduced overall staff numbers by over 20 per cent. Some of the other corporations made staff savings of even greater magnitude: for example the Forestry Corporation which now operates with about one-third of the staff which it formerly had (as public servants) in the old departmental format, and the Coal Corporation which operates with about one-half of the staff it formerly had although, interestingly enough, its total production of coal is still much the same as before.

These figures exclude the Post Office which comprised almost 40,000 employees who were split into three new corporations in 1987: Telecom, Post Bank and New Zealand Post. Each of these companies has either achieved significant staff reductions or plans to do so in the near future.

It is clear that the corporatization process has achieved substantial labour productivity gains in a wide range of areas. This process involved some fairly straightforward and practical objectives for the exercise, a political and administrative process to ensure that the ideas were converted into practice, and an accompanying political will to follow through on other elements of the reform process such as deregulating the operating environment for public sector organizations and privatization of a number of state-owned enterprises.

Within the public sector, SOEs account for around 12 per cent of New Zealand’s gross domestic product and, by way of illustration, an increase of just one per cent in the rate of return achieved by the major non-financial

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SOEs would increase GDP by 0.6 per cent. The need for SOEs to be efficient is thus hardly a matter for debate. The real issue is about how the task should be most appropriately addressed.

For example, when firms are owned by the state, ownership rights are not transferable within the market-place and the nature of the owners who are entitled to the income from the assets is more dispersed because of the generality of the nature of government. The problem with this is that it may reduce the incentives of the owners (the government) to monitor manager performance and to ensure that the resources are being used effectively. The absence of the share-market mechanism and the threat of takeover, and probably also the moderation of the threat of insolvency, make it more difficult to obtain information about the firm's activities and inhibit the ability to resolve problems effectively. In other words, because both the owners and the managers of an SOE may face less rewarding or less specific incentives and less demanding sanctions than their private sector counterparts, economic performance of SOEs may be impaired by comparison with private sector corporations.

Other problems included uniform and inflexible conditions of employment; over-centralized management in the personnel and financial areas; dispersed accountability...excessive layers of management and undue volumes of paperwork...

This line of reasoning led to the view that it was imperative for SOEs to operate within competitively neutral market situations, under which special government subsidies or monopolistic rights, and any special government-induced disadvantages, were removed in an effort to treat the public sector corporation in a manner as close as possible to its private sector counterpart.

Once the first two stages in this process have been addressed, involving the conversion of the traditional commercial-type government department to a corporation format, and adapting the regulatory environment within which the enterprise operates to as competitively neutral a position as possible, the final stage in the process involves privatization of the corporation.

Various reasons have been adduced for privatization, including: improvements in efficiency; assistance with government debt reduction; encouraging a spread of share ownership in the economy; and moderating the influence of government generally within the economy. However, at the end of the day, the only real gains from privatization are the efficiency improvements which accrue as a result of introducing the private-sector system of incentives and sanctions, and exposing the organization to the normal disciplines of the market-place.

At first sight, it may appear that a significant gain from privatization is the revenue accruing to the government from the sale of the assets of the SOE. However, further reflection demonstrates that this gain is illusory since if the sale value of the organization to be privatized is equal to the present value of its expected public-owner-ship profit stream, then the public sector has not altered its net worth through the privatization process. In other words the real economic gains are confined to the productive efficiency improvements and do not relate to the balance sheet effects accruing from the sale of assets.

Problems with the Traditional Public Service

Apart from the commercial operations of government, departing so significantly from the private sector model, the more traditional core public service activities also suffered from an accumulating array of problems. These included the confusion which arose from the mixture of commercial, social, regulatory, and policy advisory functions borne by many government agencies as well as the lack of competitively neutral conditions mentioned above. Other problems included uniform and inflexible conditions of employment; over-centralized management in the personnel and financial areas; dispersed accountability and inadequately defined relationships between Ministers and departmental heads; administrative problems including excessive layers of management and undue volumes of paperwork; and a generally over-regulated environment.

The results of this accumulation of problems were not simply administrative and compliance costs, but also poor investment decisions, uncompetitive and non-commercial pricing, resource misallocation associated with inadequate regulatory regimes, and the crowding out of more efficient private sector activity.

Public sector reform thus inevitably became an important component in the general program of economic policy reform within New Zealand.

The Process of Change

The process of change involved a number of essential elements: identifying the nature of the problems which had arisen within the public sector; developing an analytical framework which would help address these;
setting out some clear and readily understandable objectives for the reform exercise; and developing administrative and political procedures to bring the changes to pass.

As far as the latter were concerned, the primary ingredients were a political will to achieve change and an administrative determination to carry the public service along with the process.

The political will arose from the heavy involvement in the process by a number of senior Ministers, including both the Prime Minister and Deputy Prime Minister, as well as other key Ministers such as the Minister of Finance and the Minister of State Services. A special _ad hoc_ ministerial committee was established under the chairmanship of the Deputy Prime Minister to oversee the process. During its busiest period (it met at least weekly for many months) all major policy issues relating to the process of public sector reform went before that committee. The committee handled the first major stage in the reform exercise, which involved the establishment of the new state-owned enterprises; reform of the public sector wage-determination system; extensive delegations from the central authorities within the bureaucracy; and redeployment of large numbers of staff. The legislative vehicles for this process were the State-owned Enterprises Act 1986 and the State Service Conditions of Employment Amendment Act 1987.

A further element in the success of the SOE process was the willingness and indeed the enthusiasm of a range of prominent private sector business people who were not only prepared to sit on SOE boards but who also played vital roles in instituting major organizational and managerial changes within the various enterprises.

More recently, the reform process has been rounded out to incorporate the core public service, with the major changes being introduced via the State Services Act 1988, which replaced the State Services Act 1962, the State Services Conditions of Employment Act 1977, the Health Services Personnel Act 1982, and greatly reduced the coverage of the Higher Salaries Commission Act.

The major changes introduced by this new Act relate to appointment procedures for heads of government departments; abolition of the appeal system; creation of a senior executive service; moving industrial relations arrangements closer to the private sector, and providing for negotiation of awards and agreements in a manner generally similar to that prevailing in the private sector; consequent abolition of the issuing of determinations by the State Services Commission; a reduced role for the Higher Salaries Commission; and a revised role for the State Services Commission itself.

While the scope and pace of these changes has been criticized, (and this process has certainly led to extensive disruptions within the public sector) it can be argued that stretching the process out over a longer period would simply have led to greater uncertainties and more stress for the individuals involved, while also delaying the introduction of badly needed efficiency gains. The magnitude of those gains in a wide range of areas is sufficiently substantial to provide considerable justification for the way in which the process took place.

**Conclusion**

Within the New Zealand public sector over the last two years, substantial staff reductions have occurred and these have been accompanied by large increases in productivity. The changes have been designed to clarify objectives; improve accountability; decentralize decision-making; and to match objectives and resources more efficiently than in the past. The public sector has essentially been subject to massive deregulation and public sector managers now have the right to manage and can be held accountable for their actions to a greater extent than in the past.

To date the clearest gains have occurred in the creation of a number of new state-owned enterprises, where corporatization and competitively more neutral operating environments are likely to be accompanied by a process of privatization in many instances. This is obviously a key element in completing the reform process for the old public sector commercial activities.

The extent of the gains which may accrue from applying analogous concepts to the remaining core public service has yet to emerge. Moreover, further changes are required to round off the package of reforms already undertaken, including addressing such issues as the need for further local authority reform; further deregulation of the operating environments for a number of SOEs and government departments; and the development of a more comprehensive analytical framework for any further machinery of government changes which might take place within the core public service to ensure that they are carried out in a consistent and integrated fashion. This latter point relates in particular to social policy areas, such as education, health and the provision of social welfare services. These are matters which are currently under consideration, although clear signals on the path of reform in these areas have yet to emerge.
US Schools Return to Basics

Peter Samuel

The Reagan Administration seems to have halted a 20 year long slide in American education and may have produced a modest upturn in standards of achievement.

A recent report by the US Education Secretary, William Bennett says: "The precipitous downward slide of previous decades has been arrested and we have begun the long climb back to reasonable standards. Our students have made modest gains in achievement."

In the early 1960s American secondary school students got an average of 980 points in the so-called Scholastic Aptitude Test (SAT) administered each year by a testing company in Princeton, New Jersey to virtually all final year high school students. Designed to provide tertiary colleges and employers with a stable measure of achievement, this is a test in core academic skills which has remained unchanged over the years, providing a rather good measure of changing standards. Throughout the later 1960s and 1970s in the heyday of supposedly "progressive education" the average SAT scores declined until by 1980 they were down to 890, indicating a decline of around nine per cent in the standards attained by American secondary school students. Between 1980 and 1984 the SAT scores rose to 906, an improvement of 1.8 per cent, at which level they now seem stalled.

Interestingly, the highest-level students at one end of the spectrum and minorities at the other end, have improved the most. Students in the middle remained mired in mediocrity. Another widely-used standard test called the American College Test (ACT) has shown similar trends - a long decline halted, but a very modest and uncertain recovery in the 1980s, mainly accounted for by those at the top and bottom of the scale of ability.

As Bennett puts it in his report: "These measurements show that improvement is taking place, but at a disappointingly slow pace and still at excessively low levels of achievement."

In reading, the overwhelming majority (96 per cent) have sufficient literacy skills to perform low-level comprehension, less than 40 per cent can read well enough to properly interpret a newspaper columnist. Only five per cent can read well enough to understand primary source historical materials, financial, scientific or technical reports. In writing, only 20 per cent are able to craft a clear, well-expressed request to take a particular schedule of classes and a similar fifth of the total can write a good, imaginative narrative about a hypothetical situation they find themselves in and describe their feelings.

In literature, only about half can correctly associate authors and titles or figures and events in the literary classics. In mathematics, there were improvements but American students still score well behind Japanese and Taiwanese students. In science, the recovery of standards is more complete than in other basic subjects, although the report emphasizes the improvement is from a low level. History, geography and civics knowledge is still poor.

A central problem is identified still as a "lack of rigor" of the school curricula. The original back-to-basics report, A Nation At Risk (1983), was harsh in its criticism of a "smorgasbord of incoherent classwork" that allowed students to waste away their school-time on such peripheral courses as health education, work experience, training for adulthood and sports, to the neglect of basic subjects. The new report says of this now: "We are still a long way from providing every American student with a solid academic curriculum." But it finds in a renewed emphasis on basics "grounds for hope" that schools are moving to get their priorities right.

A Nation At Risk in 1983 recommended that the "New Basics" core for secondary schooling (Years 9 through 12) include four years of English; three each of maths, science and social studies; half a year of computing and two years of foreign language. In 1987 12.7 per cent of secondary school students did this core of subjects, whereas in 1983 only two per cent of students did it. Omitting the foreign language and computing, 30 per cent do the New Basics core now compared to 13 per cent in 1983.

The report calls this a welcome break from the 15-year migration of high school students from solid academic work into vague general track courses. These
general track soft-option takers have declined from 35 per cent of the total in 1983 to 17 per cent last year. The amounts of solid maths, science and history being studied are up significantly. Remedial classes are being cut back substantially as demand drops - remedial maths for example is down a third.

The students' desire to excel has picked up. In 1987 9.7 per cent took the elite Advanced Placement exams, whereas in 1983 only 4.7 per cent took these.

Bennett cautions, however: "We still have much room for improvement, curricula foolishness has not been eliminated from American schools and not all students have shared equally in the national trend toward stronger curricula." Private and church schools, he says, still do a better job than the government schools in ensuring their students do solid subjects, and suburban schools do better than inner city or rural schools.

Asian-origin students have twice the representation in hard subjects of whites, and blacks are still under-represented in the academic basics - though that racial gap has closed considerably.

School Management

Even more important than course content, Bennett thinks, is school management. An "ethos of order and success" is the key. Students have to be attracted to school, distractions and disruptions minimized and good use made of teaching time.

School absenteeism is down slightly nationwide, homework is up slightly. A Nation At Risk recommended lengthening the school year from 180 days to about 210 and increasing the school day from six to seven hours. Nine States (out of 50) have increased their school year and only five States have increased daily hours in the five years since, but generally the federal recommendation has been ignored. Education policy for government schools in the US is set at the county, city and sometimes the state level. As for distractions from study, drug use is the most serious. It is down somewhat. In 1983, 49 per cent said they had used marijuana once or more in the previous 12 months, now the proportion is 36 per cent. Sanctions against disruptive students have been toughened. Still, the surveys report that 40 per cent of teachers say that student misbehaviour has interfered with learning to a moderate or great extent. Twenty per cent of teachers say they get threatened at some time by a student, eight per cent assaulted.

Bennett summarizes his first section, "How Far Have We Come": "Overall school performance is up a bit since 1983 but by almost any standard we are still not where we need to be."

In a second section titled, "What We Need to Do" Bennett notes that student achievement has not improved at the same pace as the schools and the curricula. The actual content and teaching of the curricula now needs to be improved, he says.

Mechanisms for instituting accountability need to be introduced.
There must be choice for parents, so they can help good schools expand and take their children from bad ones.

"Calling for more of the right courses is only a start. The next step is to improve the content of those courses - to focus more clearly on what is to be taught in the core curriculum." Bennett singles out California for praise saying it is where the most serious and systematic effort is being made to revamp and toughen up the core curriculum.

Better Textbooks Needed

Better textbooks are needed. Too many of the current crop are the progeny of committees, and end up like catalogues of factual material, lifeless in their narrative: "Trojan horses, glossily covered blocks of paper whose words emerge to deaden the minds of our nation's youth." He says there is too much political input, too many pressures and constraints on the textbook writers.

Bennett forcefully rejects suggestions that standards be kept down for fear of failing too many students at a time when an estimated third of students come with an identified handicap of some kind. American schools he observes have always taught the children of the poor, of immigrants and even once of slaves. "Apocalyptic analyses and Chicken Little stories about an onrushing wave of unteachable students should be rejected." He cites studies suggesting an undue desire on the part of the parents, teachers and school counsellors to protect students from the risk of failure may be the principal deterrent to them taking tough courses. Their failure to take the tough courses in turn is the major reason they fail to exploit their full potential in further education. A study of Japanese and Chinese origin students' families in the US as compared with others shows that they believe that hard work and application are the keys to success. Other American families, especially blacks, tend to be more fatalistic about their children's performance, thinking innate ability is the principal determinant of their success or failure. Bennett says the strikingly better performance
of the Asian-Americans is due to the family pressure to study and work hard - far more intense than among average Americans.

"Hand-in-the-air resignation about achievement," he suggests, is a principal factor undermining the drive to raise standards. An "unwarranted pessimism" about children's ability to learn is at the root of poor, dull and boring teaching, he says. A respect for hard work and achievements is an ethos that needs to be restored.

Teachers are improving, says Bennett's report. Salaries have increased 20 per cent in real terms this decade and better people are being attracted into the profession. Average salaries for teachers (elementary and secondary) are now close to US$30,000. Half the States have toughened up teacher admission requirements, 46 States (of 50) now test teachers for competence, 31 have special programs to attract talented and skilled people from other professions into teaching, 26 have or are in the process of introducing merit pay and other incentive systems.

All good schools have outstanding principals, Bennett says from personal experience, but at present "good principals are far too rare." He suggests broader recruitment of principals including recruitment from outside the teaching profession. He wants more power for principals and would hold them to greater accountability for the results of the school. "Those who fail should go," he says.

At every level, mechanisms for instituting accountability need to be introduced, Bennett says. He wants choice for parents, so they can help good schools expand and take their children from bad ones.

Australia: the Flight from Assessment

Standards in Australian education may be falling dramatically, or they may not. The trouble is that, unlike in the United States, we simply don't know.

A s a result of pressure from teachers' unions - who have had a virtual stanglehold on much of our educational policy in the last two decades - it is just not possible to know how well our students are performing. The unions argue that once tests become the norm, teachers start teaching for tests, regardless of the needs or interests of students. Others might suggest that the real reason the militants have systematically undermined the virtues of state or national testing is that they don't want in existence any means by which the community can draw conclusions about the performance of individual schools or school systems. The real fear, so this view holds, is that testing would almost certainly reveal that some teachers, schools, methods systems, or States are more effective than others.

The fact that there is such a vacuum in Australian education is a serious indictment of our attitudes towards knowing what our schools are, or are not, achieving. It is also an indictment of the quality of political and educational leadership, largely the result of one of the enduring myths of recent times: that tests can only measure the recall of facts. Yet it is possible - and relatively simple - to collect useful and meaningful data pertinent to such an important question as student performance.

In the United States and the United Kingdom, and many other countries, the measurement of educational standards, either by state or nationally, is a regular and accepted practice; and while a case can be made that Americans tend towards an over-use of tests, Australia is culpable in the other direction. We have almost nothing that can help answer the question: are standards improving or declining? Although some testing has been done, there is not enough across year levels, or across a sufficient range of subjects, to be able to make any clear statements about standards. This is a tragedy - and a triumph of ignorance.

Measurement of achievement need not be as simplistic as the major teachers' unions would have us believe. If tests are properly constructed, they can provide a valid and sophisticated measure of what students are learning at school, while avoiding all the dangers that are so evident on the American educational scene - and which the Australian teachers' unions claim to fear. For example, by measuring the performance of students at 100 randomly-selected schools each year - across a State, or across the nation - enough information could be collected to indicate trends, without frightening teachers into teaching only to a narrow range of test items.

One of the travesties of Australian education is that an entire generation of educators has been trained to be frightened of the self-knowledge that valid testing offers; knowledge that, if it was available, might lead to better teaching methods, better quality learning, and very different Australian schools.

Peter McGregor
The Feminist Revolution and Mother Labour

Rita Joseph

"To bring up one's children is perhaps the most important single one of a human being's jobs in life," said Arnold Toynbee. Increasingly, however, this traditional responsibility of parents is being given over to professionally-run child care institutions with consequences that we may come to regret.

In the history books the most outraged condemnation of the excesses of the Industrial Revolution has been directed almost invariably at the inhumane treatment of children. In particular, it was the use of child labour with its cruel denial of any special privileges pertaining to childhood, that still today draws our ire. From our pinnacle of 20th century moral astuteness, we have no hesitation in denouncing child labour as monstrous and abhorrent. It seems curious then that we appear to be having so much difficulty in recognizing the widespread, more subtle, abuse of our own children, the denial of privileges that ought to be accorded them that is occurring in our own times under our very noses.

It is time to admit that the Feminist Revolution, while it has brought some remarkable advances for women, has failed to secure comparable improvement for children. Regrettably, too, many of these advances have been made at the shocking expense of institutionalizing children. In much the same way as the Industrial Revolution was built to some extent on the physical cruelties of child labour, the success of the Feminist Revolution has come to depend on the psychological cruelties of mother labour and its corollary, the institutionalization of children from birth almost (give or take a few weeks' maternity leave) in creches, child-minding centres, kindergartens and schools.

There can be little doubt that some future generation will condemn as unbelievably crass our promotion of mother labour with its consequent demotion of children from the centre of the mother's world to peripheral depots manned by mother-surrogates. Perhaps sooner than we think, the new Age of Enlightenment will dawn. The people will be appalled at the emperor without his clothes, at what we have done to our children under the mesmerism of women's rights rhetoric.

But for the time being, mother labour continues here in Australia to be widely enforced by a combination of psychological harassment and economic necessity. It is interesting to note that this combination also operated in England at the close of the 18th century to result in the exploitation of children in mines and factories.

Though the Industrial Revolution ushered in a wave of prosperity for England, the government's endorsement of the social upheaval that was forced upon the more unfortunate families resulted in parents having to send their children to work and in parents having to recognize that the privileges of childhood were a luxury they could no longer afford to give their children. Forced from small villages in rural areas where subsistence had become impossible with the introduction of the infamous Enclosure Laws, men had to seek employment in the new industrial cities, where their wages could not support their families, but had to be supplemented by their children's wages. Curiously enough, many Australian fathers today no longer earn a 'family wage', though it is the mothers who are being forced to supplement it.

But were the Enclosure Laws of old any more immoral than our own governments' exacerbation of and connivance at the crushing housing costs that bedevil Australian families today? Local governments impose excessive land rates and other arbitrary fees for building permits, plans, inspections, etc., often to finance grandiose council chambers and uneconomic, largely unsought services that contribute more to the aggrandizement of the councillors than to the welfare of the families in their shire. State and Federal governments also add their component to housing costs, not only with their stamp duties, petrol, payroll and sales taxes but also with their sanction of grossly inefficient and unfair practices entrenched by the building unions. Then, as well, the Federal Government, apparently intent on ensuring that existing shortages of rental accommodation persist or worsen, levies a specially vindictive higher rate of tax on what it likes to call the 'unearned income' of landlords.
In short, the whole tri-governmental team effort guarantees that only exceptionally fortunate new parents are able on one income to continue with the exorbitant rent money or house payments to house their children. It is these housing costs which are, like the Enclosure Laws of another era, forcing many families from self-sufficiency into dependency.

And so we find bungling bureaucrats hell-bent now on promoting mother labour as the best cure for family poverty. To this end, our Don Quixote government has embarked on an adventurous $500 million 'Cash for Working Families' supplement "to help parents who are working make ends meet," and is contemplating expending $3.3 billion to provide institutional care for every Australian baby, toddler and pre-schooler, in order to defend every mother's 'right' to attempt to relieve family poverty by scrambling for one of the pathetically few jobs on an already besieged labour market. It becomes a tragi-comedy of exquisite absurdity when we realize that much of the family poverty is government-induced and that much of the money to be spent by the government is to be gleaned by continuing confiscatory taxes on those fathers still trying gallantly to support their families on a single income.

Psychological Pressure

The feminist invective that disparages all such fathers for being insultingly paternalistic, has been all too effective. The psychological pressure currently exerted by this dogma and others like it to manipulate mothers into the workforce have their parallel, in the tactics used by the early industrialists to encourage and justify child labour. In exploring this parallel we should not think these mine and factory owners were monsters - that would be to look back with 20th century preconceptions. They were probably, for the most part, reasonable, decent people; but like our feminists, they were betrayed by an ideological obsession into promoting indecently insensitive practices. For the industrialists, the obsession lay in that platform of early Methodism, the dangers of idleness and the value of work to ward off man's inclination to sinfulness. And for the feminists, the obsession is also with the dangers of idleness (talents lying idle at home, wasted, unpaid and unappreciated), and also with the value of work (of a paid, outside job) to ward off men's wickedness, to counter their sinful chauvinism and dominance. Indeed, this has been the most strident message in all the slogans of the Feminist Revolution: that women's self-worth can be established and maintained only in competition with men in the marketplace.

But what has this message done to mothering? It has down-graded mothering to a part-time job. After an initial perfunctorily short full-time apprenticeship with a new baby, mother must hasten back to 'real' work, lest in the highly competitive labour market, women who take more generous allotments of maternity leave find re-entry only at a level ignominiously behind male colleagues who have worked on steadily, unhindered. The current drive to entice men into taking substantial periods of paid paternity leave is no solution to a problem that has arisen only because we have refused to appraise with any degree of honesty the real value of mothering and the utter futility of crude efforts to provide substitutes.

As long as this spending can be billed in the public perception as 'child welfare', politicians remain, it seems, quite unconcerned that institutionalization may not be for the welfare of the child at all.

In vain have we all been taught by the feminists to parrot the fairly shallow spiel: "It is not quantity but quality time spent with our children that counts." There is, of course, some comfort in the cliché, providing that we can conveniently align quality time with the actual times available. (This fact, as any working mother in her more honest moments will attest, ranges from being delicately tricky to downright impossible.)

The problem is that quality time is only part of the story. As well as quality time with mother, a child needs a real home, not just an empty shell like a motel, filling up at night and emptying out in the morning. As well as quality time with mother, a child needs quality time with mother-in-the-background, comforting, securely, unobtrusively there in the background. And there is a need also for less miserly amounts of quality time, unhurried, leisurely time, where the child can be private, imagining and dreaming, playing and dawdling, and toying with all the marvels of thought and discovery that characterize the child's half-way world - half true, half fanciful, half muddled, half right.

At the same time the traditional role of mothering with its special challenges and gifts has become fused and confused with the traditional role of fathers with its different, complementary functions. Mothering and fathering are now to be reduced to the adrogy nous, weirdly amorphous 'parenting'. And because the home-making role is primarily for the children, it is, of course, the children's loss, the children who are hurt, when in the 'joint' exercise of bread-winning and home-making roles
as set down by the feminist authorities, we end up with two incomes and no home to speak of - a part-time house open for a few breathlessly busy hours in the evening for meals and baths and another frantic hour for the morning ablutions and breakfast.

Slowly, painfully, we are coming to realize that, for all the success of the Feminist Revolution, in terms of our children's welfare we have regressed. Our children have been defrauded of their right to a proper childhood. They have been defrauded by our gullibility in having fallen for some rather ingenious but confused feminist logic. Having sold us the line (a) that mothers staying at home to look after babies and toddlers are inferior beings wasted on menial, unpaid and unskilled work, it has followed up with line (b) which in direct contradiction to line (a), declared that child-rearing is too important and too difficult to be left to mothers, who had best give the job to professionals; then line (c) was propounded: that mothers in their small family and neighbourhood circles were inadequate to provide socialization for toddlers and pre-schoolers; and after that, the feminist offensive was consolidated with line (d) which amounted to a condescending concession that if some mothers should actually (inexplicably) choose to stay at home to look after their children (and 'deprive' them of a pre-school education), then they should be allowed to do so. And thus has the moral imperative to mother our children, which has operated from the very beginning of human society, been reduced to a matter of mere personal preference, the right to exercise personal choices based solely on what mothers appear to be 'happiest' doing, and not on what may be best for the children.

Child Welfare

It is understandable that politicians, thoroughly cowed by the ferocity of the feminist response to some initial doubts tentatively expressed about the wisdom of institutionalizing small children, are disinclined to pursue the truth further. Political prudence dictates that spending on institutional care should increase each year. As long as this spending can be billed in the public perception as 'child welfare', politicians remain, it seems, quite unconcerned that institutionalization may not be for the welfare of the child at all.

If it is unfortunate that a truly honest appraisal of this question of what is best for the child is so hard to come by, it is surely not just happenstance that academia and the media, our usual bastions against political self-interest and mass delusion, have failed us on this issue. Could this not be because career women who have been themselves working mothers are over-represented in the Child Psychology, Sociology and Education Departments of our universities, and among the investigative journalists responsible for 'Women's Affairs' reporting and commentary? Even when parts of the truth are uncovered, our usually intrepid exposé artists put a careful gloss on it so as not to offend sensitive colleagues. Not a hint of the judgmental, not even a smidgin of folly or neglect can be allowed to attach to the placing of children in long day-care, since it is clearly and absolutely a prerequisite for mother labour and for the ultimate success of women's thrust for equality with men.

And thus it is that even the most ludicrous theories, rationalizing institutionalization as being good for children, remain unchallenged. Only consider the theory extolling the virtues of creches and pre-schools as providing for the "socialization needs" of infants! Now while babies and toddlers undoubtedly benefit from some contact with other children (preferably with mothers around), it is taken to ludicrous lengths when we institutionalize our children for up to ten hours at a stretch. It is crazy that we, who as adults can manage only a handful of real friends each and can falter only too easily into anonymity under the press of too many people, can yet push on our children a ridiculously ambitious socialization process. We have been brain-washed, I believe, into deploring the very natural shyness of small children when they are confronted with the daunting prospect of being left with a few adult strangers and perhaps 30 or 40 smaller strangers. It is the crowning irony that, having observed their shyness, we use it as confirmation of their "need to be with other children." It seems to me that there is something seriously wrong when we congratulate ourselves on having successfully socialized our toddlers to the point where they would feel quite at home as extras in the crowd scenes of a Cecil B. de Mille production!

The natural, unforced learning environment of a good home in a friendly neighbourhood, together with the intimacy, privacy and unobtrusive security, cannot be reproduced or simulated in an institution. It is generally forgotten now that the first pre-schools, like the Headstart programs in the USA, were designed to compensate ghetto children living in appalling conditions where there was a lack of not just nutrition and hygiene but also books and music and colour and conversational speech. What started out as a service of charity, a compensatory experience for the children of the indigent and the feckless, has now been recast as a 'necessary' experience for all children. In an extraordinary turn of events, the husks offered to the under-privileged are now made standard fare for all children; and those children deprived of the husks (though still being reared in good homes on the "fatted calf" so to speak) are now perceived

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Australian Universities
More is Better

Claudio Veliz

Can Australian universities recapture the creative diversity which is part of their heritage? This is the second of two articles by Professor Veliz analyzing the problems besetting the universities; the first appeared in the February-April IPA Review.

Australian universities are paying the price for distancing themselves from their ancestry. Heirs to a vigorous and lively cultural tradition that has always thrived on diversity, their ills are mostly the consequence of unnecessary departures from the institutional arrangements and moral continuities that first breathed life into them and which now offer the best hope of overcoming their difficulties in an efficient and dignified manner.

The departures from tradition have taken five especially interesting forms; first, the imposition of a puerile egalitarianism on academic entities that, like hospitals, ships at sea, first elevens, banks, opera companies, bishoprics and railway stations are inherently and functionally hierarchical, and generally disinclined to respond encouragingly to regimes of ephemeral leadership and collective responsibility.

Second, a pervasive, but inappropriate, bureaucratic mode of control that has tended to enervate intellectual life while condoning, often by default, the pragmatic abdication of academic responsibility.

Third, the distortion of the proper role of the universities and their subsequent transformation into instruments of policy, expected to succeed where the central government and its agencies, the business sector, the landed and mining interests, and other comparable groups, have failed. This corruption of the idea of a university reflects the alarming misconception that good universities can, if properly guided, be a cause rather than a by-product of a good society; that they can be harbingers of social contentment and economic advancement instead of the consequence of such felicitous circumstances; that they can create the prosperity and civilization that are, in fact, conditions sine qua non of their existence.

Fourth, the insidious intrusion of quantification into matters that should not be and cannot properly be quantified. This departure from tradition corrupts the most, because it encourages irresponsibility by according respectability to decisions based not on intellectual or moral considerations, but on impersonal and automatic statistical triggers, arithmetical thresholds, and other such devices.

Lastly, all these departures from tradition taken together, have led to the presumably unintended establishment of what can be regarded as a single Australian university with 20 campuses, centrally nudged, coaxed and funded into a sufficiency of amiable compliance with the less or more inspired policies emanating from the bureaucratic heart of the country.

Each of these departures is important, but the last one encapsulates the rest very fittingly, helping to turn on its head Kingsley Amis's celebrated dictum that, in academic matters, 'more is worse'. The number of

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Diversification is additionally favoured by the fact that the alternative courses of action are unusually implausible. For example, it is evidently illusory to think that pious pronouncements, threats and cajoling will succeed in breaking the bureaucratic stranglehold; even more difficult would be to change the hearts, habits and minds of the tenured apostles of academic democracy. In other quarters much has been made of the reforming possibilities of an adequate provision of funds by the private sector. This, it is suggested, will induce universities mysteriously to transform themselves from within in exchange for preferential attention with respect to specific research and training needs.

Although experience has a muted voice in human affairs, this kind of suggestion offers a rare instance of a reliably repetitive record indicating that what is desired is the reformation of the recipient, the granting of monetary assistance seldom brings about the desired result. Every dollar granted to the troubled institution will allow it to continue conducting its affairs in the same way by one dollar, perhaps with some cosmetic alterations designed to appease the donor more than to transform the recipient. Every dollar granted means that the necessity for reform recedes by one dollar. A few academics and administrators will no doubt respond loyally and honestly to the confidence shown in their capacity to rise above their difficulties, but most of those in positions of authority will misinterpret the largesse as a public vote of confidence and a mandate to leave things as they are, possibly with provisions made for more moneys to be channelled into public relations and fund-raising schemes.

Even if the present undesirable departures could be simultaneously and effortlessly reversed in the 20 campuses of the Australian university, this would not help to solve the greater problem, for diversities are not generated by subtraction, but by addition. What is required today is not the substitution of a 'friendly' monopoly for a hostile one, but the transformation of a contrived uniformity into a living diversity.

This is not the first time that a policy of diversification offers the most prudent course of action in an academic and moral crisis, nor the only occasion when a surfeit of homogeneity has afflicted the institutes of higher learning of an English-speaking society. From one vantage point at least, during the aftermath of the Napoleonic Wars, England had one university with two campuses, one in Cambridge, the other in Oxford. The twin-bodied university was accessible only to professing members of the Established Church. All others, Catholics, Jews, Non-conformists and non-believers, were excluded. Such a potentially awkward anomaly for the champion of freedom against Napoleonic despotism, could perhaps have been remedied from within by a mighty reforming effort borne by those who, at the time, appeared most interested in leaving things precisely as they were. This did not occur. The anomaly was corrected not by reforming Oxford and Cambridge from within or from without, but simply by taking a first sane step towards the restoration of diversity to a cultural ambit that was latitudinarian at heart and disinclined to negate its better self for the sake of an untenable definition of orthodoxy; the solution was not to expel obdurate clerics or retire blinkered academics, but to found University College and Kings, and subsequently to establish the University of London.

A less onerous problem affected the higher education system of the United States on the eve of the Civil War. It is conceivable that what, at that time, the Federal Government believed was an inadequately satisfied demand for more and better teaching "...of such branches of learning as are related to agriculture and the mechanic (sic) arts, in order to promote the liberal and practical education of the industrial classes..." could have been corrected by forcing, or inducing, the existing universities to promote these disciplines and accept a large number of students, perhaps with less impressive qualifications than would normally have been the case. This, however, did not happen. What the Government of the United States chose to do was to open the door to diversification by encouraging the States to establish new institutions. Through the first Morrill Act of 1862 the Federal Government granted tracts of land to help finance these initiatives. The consequence of this decision is known abundantly; the land-grant colleges of the United States constitute an impressive system of higher education that has effectively complemented other endeavours in this vast and demanding field.

Diversification need not always have such rewarding results, nor are the problems confronting us in Australia precisely similar to those that affected England and the United States in the past. Their experiences suggest, however, that to attempt to bring about a restoration of diversity to Australian academic arrangements cannot be dismissed immediately as an
imprudent policy; they also provide a helpful reminder that the genius of the English-speaking peoples is essentially enabling, rather than normative; permissive, rather than restrictive. There are definitive pluralities, heterogeneities and asymmetries at the very heart of the prowess of Australians, Canadians, Englishmen, New Zealanders, and all other English-speaking peoples who abhor the artifice of contrived regularities, especially when these are decreed from above. This is now a commonplace. It is equally important to understand that this rich and complex cultural tradition finds much comfort away from the deceptive precision of centrally defined Cartesian clarities. Using Sir Isaiah Berlin’s justly memorable dichotomy, it can be said that Australians find themselves decidedly ill-at-case, or ludicrously unsuited, when cast in the role of hedgehogs to Archilochus’s foxes; they most certainly feel greater affinity with ‘foxes’ such as Erasmus, Goethe, Joyce and Shakespeare, than with ‘hedgehogs’ like Plato, Descartes, Comte, Marx or Proust.

A creature of England’s aristocratic, industrial and utilitarian moment, Australia can claim with justice to have one of the most latitudinarian and diverse social ambitions on earth. Her apparently incompatible cultural antecedents have shaped a society particularly unresponsive to the imposition of predictable uniformities, while the last two centuries have shown how convincingly she can succeed when enabled freely to develop in the challenging circumstances of the southern homeland. This is tellingly illustrated by the manner in which Australian society modified and adapted the religious arrangements transplanted from England.

At the time of the early settlements, the Church of England was formally and most visibly established as the creed of the realm, and in the absence of a well-supported reformist movement, it was reasonable to expect that the same system would be painlessly adopted in Australia. Measures were gradually implemented consistent with these expectations, but the transplant did not prosper. Without violence, though with much public discussion, Australians declined to accept an Established Church. In 1836, the Legislative Council of New South Wales gave its assent to an act initiated by Governor Bourke that effectively turned the page on the attempt by arranging for the distribution of government grants to several religious denominations in accordance with the size of their respective flocks.

Not by Decree

Academic diversification, like conjugal bliss, social harmony, artistic creativity and victory at Wimbledon, cannot be secured by fiat. The diversities required to nourish worthwhile intellectual activity, including that at universities, can perhaps best be compared with those that keep alive the common law tradition that has spanned the centuries, drawing sustenance from a multiplicity of sources that are beyond the reach of programming, planning, policy or prediction.

What is required today is not the substitution of a ‘friendly’ monopoly for a hostile one, but the transformation of a contrived uniformity into a living diversity.

Political power and determination, even when very great, is pitifully insufficient to engender creative academic diversity, as the sobering example of the latter-day leviathans of Marxism-Leninism so richly demonstrates. Other countries, Australia among them, less obviously well-ordered, have succeeded nonetheless in harnessing science and technique to the prevailing understanding of what constitutes the national interest and their polytechnics have multiplied, merged, coalesced, amalgamated, waxed impressively and changed their names. These countries have also succeeded in depositing things on the surface of the moon, extending satellite communications, designing better jogging shoes and predicting the weather, but important though these accomplishments are, they do not, and cannot, address the matter at hand, which is not about means, but about ends. To paraphrase, with immense respect, the Socratic observation, the problem is not to live, but to live a good life; not only to be efficient, but to be just; not simply to have bigger and better retrieval systems, but to think thoughts worth retrieving; not to perfect acquiescence, but to discover and help to cultivate intelligent imaginations.

We know how to generate parentless human beings in glass receptacles, but we are uncertain whether such a thing should be done at all; we are as able to produce vast quantities of wheat, steel, beer, macaroons and peanuts as we are unable to refrain from hurting each other, keep our cities clean, maintain the rule of law, respect our marriage vows, honour our elders and protect them from the ravages of solitude. Our difficulties are not with the plumbing, which we have mastered, but with the architecture, which we have not. It is precisely in this respect that the countries of the English-speaking tradition, and particularly Australia, enjoy a decisive comparative advantage. Elsewhere it has proved virtually impossible to elicit creative diversity from dormant academic systems.
Universities there find themselves as nonplussed when invited to diversify and excel, as individuals would if peremptorily required to be happy. No doubt in this country a ministerial instruction to be diverse, creative and original would be greeted with innocent mirth, but then, this is unlikely ever to occur.

What is needed in Australia is not an executive order, nor even a hint of official pressure, no matter how well intended, but simply the enabling decision to permit the emergence of a multiplicity of alternative channels for the legitimate academic activities that this country deserves and requires. Australian universities should be enabled to regain the diversity of which they have been deprived for no good reason and with indifferent results. This is not a veiled prescription solely for the addition of privately-funded universities to those already in existence, nor is it a call for the introduction of direct financial incentives into academic matters. It will be a melancholy day when greed, under any of its euphemistic guises, remains the only reason that can be enlisted to explain and justify the encouragement of scholarship and creativity; as for private universities, it will not be the source of their funds that will make them better or worse than those totally sponsored by the central government.

There is no guarantee that a private university will not turn out to be like Evelyn Waugh's Llanabba Castle, but writ large. What is important is that together with many other academic entities, be these specialized research institutes and centres, colleges or universities, some supported by churches, others by service organizations, regional groups, corporations, municipalities, or groups of individuals, they will help to constitute the life-giving diversity that alone can generate the appropriate questions as well as the intellectual curiosity to resolve them.

Once the crucial enabling and 'architectural' decision has been adopted, the good 'plumbing' will follow. Those problems of fees, funding, access, and student numbers, for example, that have so unproductively monopolized thought about academic matters in recent times could well be solved in a manner consistent with the folkloric wisdom of 'God helps those who help themselves', with the central government matching, from a certain level and at a reasonable ratio, the funds obtained independently by the institutions of higher learning through grants, student fees, special contracts and endowments.

As for the current obsession with numbers, economies of scale, bureaucratic expansion and critical mass, perhaps we need to be reminded that the Academy, august ancestor of all universities, lived for a millennium from its Platonic origin to its closure by Justinian, and its teachers and students were never so numerous that they could not have been comfortably accommodated inside a couple of Melbourne trams. It is true that many scientific and technical disciplines require expensive equipment and laboratories that it would be unrealistic to expect any except the larger institutions to have the means of acquiring and using efficiently. This is understandable, perhaps it is also unavoidable, but it applies only to science and technology, while the academic shortcomings mentioned here affect predominantly the disciplines that enquire into the human condition and the architecture of society, normally grouped under the liberal arts and the human studies, and these can be taught and studied with distinction in very small colleges, institutes and universities. Oberlin College, in the Ohio hinterland, has only a few thousand students and staff with which it maintains a well-earned reputation as one of the world's best academic centres for the study of art history and music; the London School of Economics and Political Science, with less staff and students than all but one Australian university, has for many decades been justly classed among the finest academic centres for the human studies.

A policy of academic diversification need not be restricted to the sponsorship of new institutions. There is no good reason why the colleges of existing universities, for example, cannot also be encouraged to embark vigorously on the development of autonomous teaching and research projects, and to seek independent funding for such initiatives. It should not be forgotten that many of the great and venerable universities of the English-speaking world are the result of quasi-federal associations of older colleges. From a legal vantage point, those ancient foundations were, almost without exception, eleemosynary corporations created to administer funds and property in the pious manner intended by the original donors. With the passage of time, however, the larger 'federal' entities assumed an increasing proportion of the responsibilities originally discharged by the colleges, confirming in part at least the tendency of ageing bureaucracies to cast a lengthening shadow as the sun sets over the original justification for their existence. A reversal of this trend through the progressive devolution of academic and administrative responsibility to the colleges could open the door to a promising means of helping to restore diversity to Australian higher education.

Like the giant Antaeus, invincible when touching Mother Earth, his progenitress, but vulnerable when separated from her, our universities become enfeebled when hoisted in the air by misguided reformers and over-solicitous bureaucratic benefactors. To remedy their ills they must be brought down to earth, so that they can draw inspiration and sustenance from their own robust and generous ancestry.
Hollywood's New McCarthyism

Hal Colebatch

While boundaries for the acceptable treatment of sex and violence on the screen have broadened vastly since the 1950s, new taboos have been erected against the expression of certain political values.

The following story, by Jenny Cullen, was published in The West Australian on 8 October 1987:

"(In) June 1986 Stallone announces that Rambo 3 will be made, this time with Rambo going to Afghanistan and winning the war against the Russians for the rebel Mujahadeen. He is accused of Soviet-bashing...(In) October 1986 Stallone announces that Rambo 3 will start filming ... and denies that having Rambo fight the Russians is "red-bashing". Critics disagree. In the light of Gorbachev's glasnost (openness) critics believe the new Rambo is dated and explosive ... Marlon Brando (says) the anti-Soviet premise is irresponsible and could interfere with planned peace talks and arms agreements ... In Rambo: First Blood and Rambo II, America still needed to believe that Vietnam could have been won and that the shame left by that bitter war could be turned around. But since that time the US has come to terms with Vietnam and the war and given accolades and Oscars to Platoon, a realistic, chilling look at war, to Stanley Kubrick's Full Metal Jacket..."

The significant point here is not the troubles of Mr. Stallone's enterprise or the wisdom of Mr. Brando. It is the strong suggestion that a new McCarthyism is at work.

The fact that Hollywood has not made a film about Afghanistan, despite all its dramatic and film possibilities, is noticeable, but this story's indications (vague and unsubstantiated as they are) that pressure has been brought to bear to prevent such a film being made, give a new dimension to the matter.

Is a silly, unbelievable, comic-book character like Rambo a threat to glasnost? Is glasnost so fragile and could interfere with planned peace talks and arms agreements ... In Rambo: First Blood and Rambo II, America still needed to believe that Vietnam could have been won and that the shame left by that bitter war could be turned around. But since that time the US has come to terms with Vietnam and the war and given accolades and Oscars to Platoon, a realistic, chilling look at war, to Stanley Kubrick's Full Metal Jacket..."

Let us, however, set aside Rambo in particular and consider the possibility of mature, artistically-effective films being made that explicitly support Western political values or express opposition to Soviet values.

There is a famous scene in Casablanca where Humphrey Bogart, asked the time, answers to the effect that "They're asleep in America". The wider implications are left hanging in the air: America is asleep to the evil of Nazism. One can easily imagine a Mujahadeen or pro-Contra film. It might, if done well, have some political effect: politics are greatly influenced by symbols and images. There might be letters to Congressmen, and a few crucial votes on the floor of the House might change.

Western values are not afflicted at the box-office with a money-losing pox. Some films, like Star Wars, which endorsed fundamental Western values in an allegorical way have been very successful because they have been artistically good films, with pace, a good storyline and actors and intelligent use of the medium. The abuse showered on the Star Wars films by left journals like The New Statesman in Britain, The Nation in America, "New

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HOLLYWOOD'S NEW McCARTHYISM

Wave" (i.e. leftist) science-fiction writers like Michael Moorcock and even a clever and insightful dissection of the first Star Wars film in our own Australian Left Review did not affect their box-office success (a film like The Green Berets, on the other hand, failed because it was, artistically speaking, rubbish).

The list of possible themes untouched, like the dog that did not bark, is striking. No major Hollywood feature films, as far as I know, have been made about the Gulag (a film of One Day in the Life of Ivan Denisovich was made in Europe several years ago and seems to have disappeared).

Dr. Savimbi's incredible and heroic struggle in Angola, Castro's prisons, oppression in Vietnam and the flight of the boat refugees also all seem to be on the long index of somewhat-unnaturally proscribed subjects. There has been no sympathetic depiction of the Contras, but several films lauding the Sandinistas and attacking America and the CIA. There has been one film, The Killing Fields, about the Pol Pot holocaust, told from the American left-liberal viewpoint, and blaming the Cambodian genocide on America for being involved in the first place. The list of filmable but unfilmed subjects could be extended without difficulty (SBS, of course, presents us with State-controlled films from Poland, Hungary, Czechoslovakia, etc., with certain events dwelt upon and others excluded).

In America a film about the heroism and suffering of American prisoners of war in North Vietnam, The Hanoi Hilton, which closely follows fact and which had former POW's as technical advisors, has, according to the conservative Roman Catholic American newsletter The Mindszenty Report, been attacked as "Filth" (The New Republic), "Politically on the wrong side" (ABC's Good Morning America), "Propaganda pure and simple" (Variety), "Racist" (The New York Times), "Sour right-wing sophisticies" (New York Magazine) and "Anti-red cheerleading" (LA Weekly). 1

On the other hand, Platoon and Full Metal Jacket, both much lauded by critics, show Americans in Vietnam as murdering psychopaths. Another (unsuccessful) film by Oliver Stone, director of Platoon, is Salvador, released in 1986. An attack on the moderate and democratic Duarte Government in El Salvador, its final fade-out shows the hero denouncing America and promising victory in front of a portrait of Marx and Lenin as a rebel army sings The Future Will Be Ours.

Given other films released recently, including Australian David Bradbury's Nicaragua No Pasaran, which the Australian Broadcasting Corporation is believed to have bought on behalf of the Australian taxpayer for $35,000, the selective political agenda at work seems too clear to be accidental.

There is circumstantial evidence that when an occasional film with anti-Soviet implications appears it comes under sustained attack. Furthermore, looking back, a remarkable number of films with 'incorrect' ideology (dealing with the Cold War, the Korean War, etc.) have simply disappeared. They never seem to occur on late-night television or specialist cinemas, or be available in video, unlike other, older, films of World War II and many pre-war films. Even Alfred Hitchcock's Cold-War style Tom Curtain (perhaps too big to suppress completely because of Hitchcock's reputation) has been attacked ostensibly on artistic grounds.

Whether this is a result of the left-liberal state of mind consciously or sub-consciously at work or something else I do not know. But it seems a battle is going on and only one side is fighting. If we believe either that artistic and other freedoms are important or that ideas have consequences we should take note of the fact.


Charleton Heston on Hollywood's Demonology

Veteran actor Charleton Heston was asked by America's Reason magazine about the power and politics of movies.

Heston: Lenin in 1921 observed very presciently that motion pictures were the most powerful tool ever invented to shape the way we thought. He was right. Political films can be successful. They're very hard to do because they tend to turn into sermons, which can be very boring. But Soylent Green is not boring. The China Syndrome, with which I disagree most violently as an undertaking, is not boring.


Heston: There are now only a few categories of totally acceptable villains. They include Protestant ministers, businessmen, small-town politicians, and military men above the rank of major. That's really about all the villains you can have - except aliens and drug pushers. But I did a mini-series a couple of years ago in which I played a man who was a businessman and a small-town politician and a banker to boot.

Reason: The incarnation of pure evil.

Heston: Yes, and yet he was a thoroughly admirable figure. This was surely a network prime-time first.
Around the States

Les McCarrey

Costly Duplication of State Responsibilities

A funny thing happened at the May Premiers' Conference.

It was not that most Premiers were stuck with general purpose funding at the same nominal amounts as last year, the reduction in real terms ranging from three per cent to six per cent. Some cuts were to be expected and if carried through to State budget outlays and applied with equal resolve by Mr. Keating to Commonwealth spending, it will do much to reduce the now-worrying growth of domestic demand and of imports.

The (on the face of it) remarkable event was that the Commonwealth announced a redistribution of grants paid to the States for hospitals under the Medicare arrangements which involved dramatic changes in the share paid to each State. Queensland (up $269 million) and Victoria (up $65 million) gained handsomely from the change, whereas the other States lost substantial amounts ranging from a drop of $75 million for South Australia to a $30 million cut in payment to Tasmania.

Yet these apparently traumatic changes drew no fire from the Premiers and were largely unreported by the media. And the reason for that equanimity in the face of apparent disaster for some States was that compensating adjustments were made to the General Revenue Grants, such that the States' shares of the combined grants were about the same as before.

Now this is the stuff of which yawns are made but stay with me, there is a surprising and important point to all of this.

The previous distribution of health grants for hospitals was in part a hangover from the 1975 hospital cost-sharing arrangements following the introduction of Medibank. Additional grants were paid to the States from 1984 to compensate them for the loss of revenue from hospital fees and for additional public hospital expenditure consequent on the complete nationalization of public hospitals under Medicare. The distribution of those payments not unreasonably reflected the different levels of hospital charges and total collections in the several States.

This was all very irrational and unsatisfactory to Dr. Blewett and his army of Canberra health bureaucrats and the whole thing needed to be put on a more scientific basis. The amount of research, debate and preparation of papers that went into determining a new basis of distribution can be imagined. But no matter, the issue was of national importance and, after all, the whole reason for the existence of the Canberra health, education and other bureaucracies guiding State functions is to resolve national policy issues of that kind.

A new distribution formula based on State populations weighted by age and sex factors was put to State Health Ministers early in May but did not meet with general acceptance, in part because of the major changes to State shares that would have resulted.

In the end the new formula was built into the total funding package put to the Premiers' Conference and Dr. Blewett had his way. But all the time, resources and argument that went into developing the new health funding package and imposing it on the States achieved nothing but a warm glow of satisfaction in the corridors of the Commonwealth Health Department. It made no difference to the resources available to the States to meet their budget outlays on hospitals because, as a result of the compensating adjustments to the Financial Assistance Grants, the total general purpose payments to each State remained unchanged.

But no doubt Dr. Blewett and his officials feel they have achieved something.

There was nothing new or surprising about this compensating adjustment process. In taking that course the Commonwealth was simply following the method used by the Commonwealth Grants Commission when periodically reviewing the percentage of the Financial Assistance Grants going to each State. To the Commission the Financial Assistance Grants paid to each State are effectively the balancing items in the process of achieving ‘fiscal equalization’ between the States after taking into account a wide range of other financial transfers from the Commonwealth to the States and, of course, the States’ own revenues and expenditures.

Thus the fiscal equalization pot includes not only some $12 billion of Financial Assistance Grants, but also $5.3 billion of specific purpose grants determined under more than 20 different programs.

Apart from $3 billion in grants for hospitals already

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mentioned, there are five other programs in the health area distributing over $60 million to the States for such purposes as nurse education, blood transfusion services, drug education and pathology services.

Some $1.6 billion is divided among the States for schools and for technical and further education and nearly $350 million under eight different welfare programs.

The method of distribution of those specific purpose grants to State Governments differs widely and no doubt each of them has been the subject of papers, correspondence and argument within the Canberra bureaucracy and between Governments.

But the Grants Commission effectively overrides the distribution of those grants, however determined, by adjusting the States' shares of the Financial Assistance to achieve overall equalization according to the Commission's assessment of needs. Therefore by whatever formula this host of specific purpose grants is distributed, it can make no difference to the total resources available to each State's budget from Commonwealth grants of this kind. All of which makes the new health grants distribution formula, taking account of population parameters, such as age and sex, quite pointless if such variables do not enter into the Commission's overall assessment of needs.

Nevertheless we persist with the solemn farce of large Commonwealth bureaucracies labouring to form judgments about the allocation of funds in their special roles, the affirmative action initiatives, the re-education of life cannot change it. All the restructuring of women's programs, are futile in the face of this one immutable paradox: self-fulfilment comes only through freely serving others. And all the feminist railing against this fact perhaps the ultimate irony that the more single-mindedly we pursue self-fulfilment the further it recedes from us.

The delivery of education, health and welfare services (as distinct from welfare payments to individuals) is the constitutional responsibility of the States. For better or for worse (against the wider canvas of standards throughout the world the judgment would perhaps be that it has been for the better) they have provided those services to Australians for the past 200 years. The costly overlay of Commonwealth administration of these functions has developed to satisfy the ambitions and egos of the Canberra bureaucracy. We may well ask - is their journey really necessary?

The Feminist Revolution and Mother Labour - Rita Joseph

(Continued from page 50)

as the under-privileged. (A recent ABC radio news item quoted the ACT Education Authorities warning parents not to deprive (sic) their children of a pre-school education.)

History is full of bizarre mistakes - aberrations which are permitted to flourish until enough harm is done to shock public opinion into calling a halt. Mother labour and the almost compulsory institutionalization of children is just such an aberration. Reform must come, but it will not come easily. For it will mean substantially dismantling almost a whole industry - a powerful, over-professionalized, multi-million dollar industry. We shall face a veritable army of childcare professionals, kindergarten directors, program co-ordinators, child welfare officers, mothercraft nurses, etc., many of whom will fight reform desperately because their very livelihoods are in jeopardy. But we should take heart in the historical fact that the child labour reforms triumphed eventually against similar odds over England's mighty textile and mining industries.

In seeking reform we shall also face, no doubt, the anger of démodé feminists who will continue to denounce the altruism of the home-making role as being self-defeating, detrimental to a mother's happiness. Yet it is perhaps the ultimate irony that the more single-mindedly we pursue self-fulfilment the further it recedes from us. The accumulated wisdom of generations attests to this paradox: self-fulfilment comes only through freely serving others. And all the feminist railing against this fact of life cannot change it. All the restructuring of women's roles, the affirmative action initiatives, the re-education programs, are futile in the face of this one immutable truth. The frustration, the anger, the bitterness of the Women's Movement come sadly from the battering of our heads against this brick wall. We all may need to re-learn that it could be in the free, glad, extravagantly generous spending of ourselves on others, on husband, extended family, friends, neighbours and especially on our children, that we will not likely find, as women through the ages have almost invariably found, true satisfaction. And then will "our winter of discontent" be over, homes and hearts at ease once more, savouring afresh that fine age-old mothering tradition of putting the children first.

AROUND THE STATES

The Feminist Revolution and Mother Labour - Rita Joseph

(Continued from page 50)
Britain’s ‘New Unionism’

Martin Holmes

Since Mrs. Thatcher came to power in Britain in May 1979 the trade unions, which so dominated economic and political life after 1945, have been tamed and their influence vastly reduced.

The corporate state approach of wage and price controls, which brought the unions directly into the economic policy-making process as part of Keynesian demand management, has been jettisoned by Mrs. Thatcher. Instead she has promoted a market economy where maintaining a stable currency has become the primary economic duty of the Government.

Trade union legal immunities also have been swept away reversing the trend which gave unions increasingly strong legal privileges to avoid injunctions. In the 1980, 1982 and 1984 trade union reform legislation, secondary picketing and political sympathy strikes have been outlawed, closed-shop victims compensated and union immunity to prosecution removed if ballots are not conducted before a strike. These popular and democratic reforms were expressly aimed at giving the unions back to their members so that unrepresentative left-wing union leaders could not call out on strike an unwilling workforce.

Moreover Mrs. Thatcher has tackled trade union power at its ultimate source by seeking industrial victories when unions in the public sector have gone on strike. Contrary to the practice before 1979 when governments would regularly surrender to avoid a large bitter strike, Mrs. Thatcher has refused to compromise - i.e. surrender - with the result that the number of strikes has fallen as unions comprehend the message that strike action will not succeed. The defeat of Arthur Scargill’s National Union of Mineworkers at the end of the 359 day long 1984-85 strike is the classic case of Mrs. Thatcher’s refusal to be blackmailed by trade union abuse of power. Subsequently the number of strikes in British industry has fallen by 1987 to their lowest level since 1936.

Mrs. Thatcher’s political and electoral success is clear. But how have British trade unions themselves responded? How has the industrial relations scene changed as a result? One answer lies in a split trade union movement. On the left, led by Arthur Scargill of the NUM and Rodney Bickerstaffe of the National Union of Public Employees, is a total rejection of everything Mrs. Thatcher has achieved - a market oriented economy, privatization, and trade union legislation. But on the right of the union movement, the ‘new unionism’ has emerged. Led vigorously by Eric Hammond of the Electricians’ Union (EETPU) and supported by Gavin Laird’s Engineering Union (AUEW) and John Lyons’ power workers (EMA), the ‘new unionism’ has embraced the free enterprise, entrepreneurial economy, backed privatization and increased corporate profitability and consequently shared in the mini-economic miracle of the Thatcher years. (The AUEW and EETPU are the second and fourth largest unions in the UK respectively.)

The ‘new unionism’ is, however, much more than just a political change of attitudes, important though that has been. It has sought to gradually improve industrial relations with private-sector employers by concluding no-strike agreements, moving towards single industry unionism and promoting democratic internal union reforms based on regular balloting of membership by the leaders.

No-strike agreements, for example, have revolutionized the industrial relations climate in a number of industries and are in marked contrast to the ‘British disease’ of the 1960s and 1970s, when strike action was almost a first resort. Eric Hammond’s EETPU pioneered the no-strike agreement with conspicuous mutual advantages to both unions and management. The first arrangement was made in 1981 with Japanese-owned television manufacturers, Toshiba, at their Plymouth factory. Six of the seven unions at the plant have disappeared; new ways of working were introduced and demarcation disputes were eliminated. Additional achievements include full employee consultation in decision-making; disputes resolved by binding arbitration; and no strikes. Six years on and Toshiba workers are more than satisfied with the outcome with wages rising steadily and an employee dividend scheme introduced in 1983 whereby if bottom-line profits rise above a certain agreed level, 75 per cent of the extra profit goes into the dividend. Thus in its first years of operation all employees benefited by receiving an extra £200 in this way.

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IPA Review, May-July 1988
In other firms strike-free agreements have also succeeded. At Sanyo (UK) employees are expected to work in any job which they are capable of doing. In-plant training is provided and job rotation is practised throughout the company. There are no job descriptions and all production, inspection and most clerical staff are paid on the same salary. Not only Japanese-owned companies such as Sanyo, Toshiba, and most recently Nissan in North-East England have embraced the no-strike arrangements. At Inmos, dealing in micro-electronics, unions and management agree to "respond flexibly and quickly to changes in the pattern of demand for the company's products and to technological innovation." Similarly at AB Electronics both sides have agreed to "the maximum co-operation and support from all employees in achieving a completely flexible, well-motivated workforce, capable of transferring on a temporary or permanent basis to work of any nature that is within the capabilities of such employees, having regard to the provisions of adequate training and safety arrangements."

Left-wing trade union leaders have bitterly criticized such agreements pioneered by EETPU. Tom Sawyer, NUPE's deputy general secretary, has commented that "if no-strike deals continue then trade unions become part of the management." Ken Gill, Britain's most senior Communist union leader, thinks that "the difference between a slave and a worker is the right to withdraw his labour. [The new unionism] denies workers the ultimate expression of rejection." Such views, while often vociferously expressed, have made no headway in restricting the growth of no-strike agreements.

Equally as important has been the growth of single industry unionism which has replaced the chaotic craft union system where up to 20 or so different unions could be represented in one industry - each competing against the other in demarcation disputes and by 'leapfrogging' wage claims. The 'new unionism' has swept away such backwardness. All the EETPU's and many other unions' new arrangements are single-union. Fewer and fewer employers are now prepared to sign deals with more than one union thus removing duplication, hassle and the potential for inter-union strife. James MacFarlane of the Engineering Employers' Federation has agreed that "the single union agreement must surely become the logical norm and not just where they are set up by foreign owners or away from traditional industrial centres."

Finally the centrality of ballots and consultation is a marked feature of the 'new unionism'. Workers who own shares in industry now outnumber trade unionists for the first time; many unionists own shares in privatized industries; 67 per cent of households are owner-occupiers; and credit cards and consumer borrowing are not just for the salaried professional classes. All these factors make it less likely that workers regularly balloted by their unions will wish to resort to damaging strike action. The 'new unionism' is rooted in the democratic support of individuals who are unlikely to be impressed either by the Labour Party's hostility to Mrs. Thatcher's reforms or Arthur Scargill's calls for increased revolutionary consciousness to overthrow capitalism.

In Mrs. Thatcher's privatized, entrepreneurial, brave new world the 'new unionism' has a bright future.

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**'User-friendly' Unions**

People who join firms under no-strike deals expect their working lives to be strike-free...Everyone knows that, in extremis, nobody can prevent a group of workers from downing tools and walking out. But we move into a new world when the strike ceases to be a weapon of normal resort and becomes not so much illegal as eccentric.

This is a fundamental change to British trade unionism. The Scargills ... are entirely right to regard it as threatening their traditions and values. It is not a natural evolution of long-standing principles and practice. It is a sharp break. 'Union is strength' means and has always meant 'strength to defeat the employer by collective action'; it does not mean strength to negotiate car insurance on cheaper terms.

Mr. Hammond's 'user-friendly' unionism is not just a trendy gloss to arrest falling membership. It represents a turning away from the preoccupation with force and political power which has prevented British trade unions from noticing the multiplicity of consumer services which they could offer their members. The new unionism has nothing at all to do with any supposed historic mission of the working class, or indeed with party politics.

*(The Spectator, 12 September 1987)*
Bicentennial Guilt

Dear Editor,

Your article "The Archbishop's Bicentennial Guilt" (IPA Review, Feb-April) is welcome for drawing public attention to the Anglican Diocese of Melbourne's Bicentennial Program, 'Called to the Kulin'. I am writing as one of the team responsible for its production.

You give a reasonable summary of the 'negative' aspects - the need for Anglicans to use Advent and Lent 1988 as times of particular repentance. But the 'positive' aspects are almost wholly ignored. The program is not based on some 'guilt industry' approach, but built upon the Church's traditional liturgical year, with its balance of repentance, thanksgiving, resolve and hope. Readers of your article would gain a very one-sided picture of 'Called to the Kulin'. This is even seen in your chosen title - I did a quick check, and can find 'guilt' only mentioned once, and that as a bad thing!

Your statement that the 'Act of Penitence' is the core of the program is inaccurate. The Program contains much more than this Act - services and prayers for each major season of 1988, resources, and answers to questions commonly asked by non-Aboriginal Australians about Aboriginals. The Act of Penitence certainly represents the climax of the program, for those congregations which elect to use it. You do not mention that considerable stress is placed upon the need for adequate preparation, contact with Aboriginal people, and determination upon a positive act of resolve. You say that 'a member of the congregation must recite,' as if this act were somehow compulsory for Melbourne Anglicans. This is false, and contrary to explicit statements of the program. No must 'must' do anything in it. And it certainly does not 'place the Aborigine in the role of martyr/healer.' That role can only be given to God. The words spoken by Aboriginal representatives were very carefully chosen, to avoid precisely what you suggest.

Likewise, you do not seem to understand the Christian Faith's teaching about responsibility. It does teach that we are each responsible to God as individuals. But it also complements this by the realistic belief that human behaviour and responsibility has a corporate side. (This is enshrined even in the Ten Commandments.) 'Respect for the individual conscience' is certainly a significant application of Christian principles: but it is scarcely 'a central tenet'. Christian responsibility includes facing the evils of both our present and our heritage, not trying to brush their pernicious influence aside.

Aboriginals have good things to be thankful for, but there is also a long catalogue of national wrongs which we must face if we are to build a better future. For Christians not to attempt to expose these would be a failure of nerve. Our heritage has both good and bad sides: it is not, however, sacrosanct. Christian Australians are intent on banding on the Faith in Australian dress, yet without defining it in terms of being Australian. We are Christians first, Australians second. We owe allegiance to God above all; to the household of faith above nationality. (It should perhaps be pointed out that he 'mother' Church of England has had to face this question in the last decade with new force, over issues such as the Falklands war and recent British Government economic policy.)

You say that we 'show disregard for the cultural roots of the Anglican Church and its members'. It was Archbishop Penman who was the first Australian Anglican leader to give detailed attention to multiculturalism (see The Garden of Many Colours, AIO, 1984). We have learnt that many Australians (and not only those with English roots) are racist, even in the churches. Melbourne Anglicans worship in a number of languages besides English, and have learnt that unless other cultures are affirmed, people's identity is undermined. So it is with Aboriginal Australians: recognizing cultural identity is a different matter to 'separatism'. To illustrate: preserving Shakespeare in a TV age is surely not advocating 'separatism' in the English language, but maintaining the cultural identity of traditional Anglophiles. 'Integration' is a thinly-veiled cultural 'imperialism'.

At a number of points it is implied that the program was put together by people with no more than a recently-acquired guilt complex. For example, you print the full program symbol, but imply that it represents merely a simplistic use of Aboriginal spirituality. Yet there is no hint given that the full symbol printed is a cumulative combination of a number of motifs, each related to part of the Church year! It is carefully explained in the program, but your readers would not know this. They are left with the impression of a hastily-organized cultural takeover. The liturgical materials were fully approved by the Diocesan Liturgical Committee, and with consultation with the national body. Funds for the program come not only from sales of the kits, but the Australian Board of Missions, who have worked with Aboriginal people for decades.

You cite the Bicentennial Prayer composed by Rabbi Porush - but ignore the remarkably similar one on the first page of 'Called to the Kulin.' I conclude by citing it here, not only that you may print it, but as a genuine prayer for this country.

God over all, heaven and earth declare your glory. This is your land, its people are yours. Open our eyes to the truth of our heritage, that we may confess the sins of these two hundred years past, and rejoice in your gifts to us as a nation. Equip and guide us for a just future in which all may share.

Through Jesus Christ our Lord, who with you and the Spirit lives and reigns, now and for ever. Amen.

The Rev. Dr. Charles Sherlock
Ridley College, Parkville
Ken Baker replies

The word "guilt" may appear only once in Called to the Kulin but the concept of guilt underlies the whole program. Even the Act of Resolve by stressing the need to compensate Aboriginals is predicated on guilt. Rev. Dr. Sherlock denies that the Act of Penitence is the core of the program, but admits that it "certainly represents the climax of the program". If there is a significant difference here, it eludes me.

On the question of collective guilt: there are societies which allow retribution against a man's whole clan or tribe for crimes of which only he personally is culpable. Traditional Aboriginal society was such a society. Ours, fortunately, is not. It is in my view part of the achievement of Christianity to have liberated us from this notion of collective guilt. It is thus ironical that a church program should attempt to reinstate it by attributing guilt to people for crimes of which they had no part on the sole basis of their membership of a "white tribe".

Rev. Dr. Sherlock acknowledges that our heritage has "good and bad sides". I am not in favour of covering up the bad side. But where does the Melbourne Diocese's Bicentennial Program celebrate the good side, which, to my mind, far outweighs the bad?

On multiculturalism: in its program, the church is pursuing a romanticized notion of Aboriginal culture, reminiscent of the pilgrimages of 1960's hippies to the Far East in search of the fount of spirituality. But, traditional Aboriginal culture cannot revive the church any more than the church can revive traditional Aboriginal culture. The church would do better to look to its own traditions rather than those of others.

Finally, I cannot accept that the prayer published at the conclusion of Rev. Dr. Sherlock's letter is similar to that by Rabbi Porush. I invite readers to make their own comparisons.

Parliament House

Dear Editor

I was alarmed by the inaccuracies, lack of balance and use of throw-away lines to create a calculated (and misleading) impact in the article headed "The Public Finance Hall of Shame" (IPA Review, February-April 1988).

Your writer disregards even the most basic principles of fairness in his reporting. He seeks no comment from those criticized, nor does he acknowledge that there are two sides to every story. He conveniently ignores the Parliament House Construction Authority's detailed response to all of the points raised by the Auditor-General.

There is a need to recognize the value, rather than just the cost, of such a major national achievement as the new Parliament House. It is generally regarded as the finest building constructed in Australia. The standards it has set have made a significant contribution to raising national levels of excellence within the construction and allied industries.

The question of cost, which has often been the subject of misunderstandings, was examined in detail in a report to the Parliament on the progress of the project by the Minister for Administrative Services in October 1987. He said that "claims of `massive cost overruns' are, in fact, a misunderstanding of the true nature of the disaggregation of the costs."

The Minister pointed out that:

- the non-building items budget ($82 m) and the contingency allowance ($87 m) ought to have been included in the original budget;
- it was not possible to escape the effects of inflation ($463 m);
- it was not possible to escape the costs of industrial disputation, insolvencies and exchange rate variations ($66 m) which on a pro rata basis are probably less than would be experienced on most major construction projects anywhere in Australia;
- that the only other additional factors are the $104 m for approved extensions such as when the size of the Parliament was increased in 1984 and the $5 m for landscaping.

I am attaching a copy of the Minister's report which deals in more detail with some of the misapprehensions that have arisen.

Your assertion that the cost will be "more than twice the original cost estimate" is wide of the mark. To set the record straight, the inflationary component is currently $471 million - about 45 per cent of the total - or twice the original unrealistic estimate.

The building is not, as you infer, "the politicians' expensive monument to themselves," but a public investment in the future of the nation; an expression of confidence and optimism; a meeting place for all Australians.

I would be delighted to show you over it at your convenience to let you see for yourself this remarkable achievement.

G. R. Peatey
Chief Executive
Parliament House Construction Authority
Canberra

Second Thoughts

Dear Editor

Gerard Henderson deplored the failure of any significant figure in the Australian anti-war movement to have second thoughts about their position on Vietnam (IPA Review, February-April 1988). However, it might be a good thing for some of the people who supported the war effort to reconsider their stance on conscription and conscientious objection.

I have suggested (in Quadrant, May 1988) that uncritical support for the Government line on these issues destroyed the moral credibility of the case for involvement in Vietnam because the kind of society which is worthy of defence is a society where people have the right to decide whether a particular war is justified or not.

The rigid, authoritarian and non-liberal stance adopted by many Government supporters precipitated a flight to the left which has done huge damage to the moral fabric of the country. Can we please have some second thoughts on the other side as well?

Rafe Champion
Cremorne

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Increased Pacific Role for Japan, Called for

Japan should undertake a major expansion of "strategic aid" to Pacific countries that are particularly vulnerable to communist influence according to Dr. Zbigniew Brzezinski.

Dr. Brzezinski, a former National Security Advisor to President Carter, was speaking at a major foreign affairs and defence conference held by the IPA. The conference "Soviet Ambitions in the Pacific" was held at the Regent Hotel in Melbourne on 21 March. A follow-up seminar was held in Sydney on 22 March at the Menzies Hotel.

Over 250 people attended the Melbourne function and some 200 attended the Sydney seminar.

The attendance at the conference of James Webb, the former US Secretary of the Navy, attracted particular interest as he had resigned just three weeks prior to the conference from his post in the Reagan administration.

Admiral Pierre Thireaut, Commander-in-Chief of the French Forces in the Pacific, strongly criticized the concept of nuclear free zones. Another main speaker, Sir Julius Chan, Deputy Prime Minister of Papua New Guinea, called for the creation of a multinational peacekeeping force in the South-Pacific.

Other speakers included: Professor Owen Harries, formerly Australia's Ambassador to UNESCO and currently Editor of The National Interest, Masashi Nishihara, Professor of International Relations at the Japanese Defence Academy, Sir Ewan Jamieson, former Chief of the Defence Staff, New Zealand, and John Spender, Shadow Minister for Foreign Affairs.

These papers are to be published as a book later in the year.

New IPA Councillors

The President of the IPA, Charles Goode, has announced that a number of Australian business leaders have joined the IPA Council.

The new IPA Councillors are: Messrs Ross Adler, Will Bailey, Peter Bradfield, John Gough, Robin Gourlay, Colin Harper, Bill Lee, Brian Loton, Eric Mayer, Ian McLachlan, Mark Rayner, Ian Roach, Brian Quinn, Peter Wade and Professor Bob Officer.

There are four new members of the IPA Executive Committee, they are Messrs John Clark, John Dahlsen, John Fairfield and Michael Robinson.

IPA Canberra Lunch

Sir William Cole, former head of the Department of Defence and now an IPA Councillor, hosted a lunch for Mr. James Webb, former US Secretary of the Navy on March 22.

In his speech, Mr. James Webb emphasised the crucial difference between defence and security, the latter being a broader concept involving the whole range of a country's interests - economic, political and social - and requiring both military preparedness and other policies including alliances.

Invitations were sent to IPA subscribers in Canberra and the function was well attended.
Jacob Abrahami to Leave

The IPA's Senior Economist for the last 12 years, Jacob Abrahami, is leaving to join the small business sector as a partner in a glazing firm. Jake is the Editor of the popular Facts publication and a regular contributor of research articles to IPA Review.

The Chairman of the IPA, Charles Goode, said that the respect with which IPA's economic analysis was held in the community reflected the rigour with which Jake approached his work.

"He has the capacity - rare in an economist - to present complex material in a straightforward manner. His depth of experience in researching and interpreting statistical material has been invaluable to the Institute."

His article in the November-January IPA Review on work practices in the electricity generating industry attracted nation-wide attention, making front-page headlines in The Australian.

"The IPA," said Charles Goode, "is indebted to Jake Abrahami for his dedication and loyalty to the IPA."

All the staff at the IPA join in wishing Jake well with his new business.

New "Squeamishness" in Sex Education

Major texts for schools on AIDS suggest that a "new squeamishness" is emerging in sex education, according to a study published by the new IPA Education Policy Unit.

The study states that Australian sex education guides, which claim to be morally "neutral" are not "value free" but squeamish--about fidelity, marriage, sexual restraint and responsibility.

The paper entitled "Sex Education As A Health Hazard" was prepared by Dr. Susan Moore, a fellow of the Institute of Public Affairs.

A shorter version of this paper appeared in the last IPA Review.

The paper reviews two sex education guides: Sexually Transmitted Diseases: Prevention Education, released by the Victorian Government, and AIDS and other STDs, issued by the NSW Government.

The study indicates that both texts have serious shortcomings.

The paper written by Dr. Moore contains guidelines for parents about what sex education guides should include.

It is available from the IPA at $8 a copy (contact Tracy Seto on (03) 614 2029).

Increase Exports, says ICI Chairman

The manufacturing sector must dramatically increase exports to help resolve Australia's balance of payments crisis, according to Milton Bridgland, Chairman of ICI Australia.

Mr. Bridgland said that excessive union power and the high level of taxes and charges were acting as impediments to Australia's economic recovery by hampering new exports opportunities.

He was speaking at a luncheon meeting organized by the IPA to bring young business and professional people into contact with community leaders.

Cliff Smith, as convener, said he planned to organize regular IPA meetings along these lines.
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Group and Associated Company assets now exceed $20 billion.
To celebrate Australia's Bicentenary in 1988
The National Trust and AMATIL Limited are presenting
a Gift to the Nation.
This community-based heritage program represents
the largest of its kind ever undertaken in Australia and consists
of thirteen individual projects.

Each project in the Gift to the Nation will
present a different aspect of our heritage.
Historic buildings of national significance will be restored
and important museum and educational facilities
will be developed to assist and encourage all Australians to
better understand and enjoy the architecture,
history and culture of our young nation.

Juniper Hall, Oxford Street, Paddington, Sydney
built in 1824 is one of Australia's most important historic houses.
It will be fully restored and opened to the public in 1988.

AMATIL recognises that as a large and successful enterprise
it has a responsibility to make a contribution to community
life. This takes the form of sponsorship of community activities
and donations to voluntary groups. AMATIL is proud to be
the sponsors of such an important heritage program
as a Gift to the Nation.