Strange Times
Ken Baker
Towards a holistic, earth-centred, eco-feminist paradigm.

Debate
Should government subsidize the arts?
Mike Nahan

Around the States —
Mike Nahan
The best and worst State budgets.

Books in Review
Jan Smith on New Men and Real Men.
Frank Gardiner on the need for cultural recovery.

IPA News
A new publication on the future of the US alliance.
Protectionism

Dear Editor,


It is hard to understand, as a layman, why 'economic rationalism' and the abolition of protectionism have become the unchallengeable status quo of our day. (For a Labor Government to champion the cause of a free marketplace is remarkable indeed.) Economic rationalism, 'Rogernomics' — as implemented by the former Lange Government in New Zealand — had a devastating effect on that nation's economy. Our myopic politicians in Canberra — on both sides of the fence — are determined to implement these failed policies here. Deregulation of the banks has cost this country dearly as illustrated by the State Banks of Victoria and South Australia debacles.

High interest rates are necessary, it is argued, to slow consumer spending as people are buying too many imported goods which has greatly increased our overseas debt. Yet while interest rates remain high the government has begun to dismantle protection thus making imports cheaper and more attractive to consumers!

The lowering of tariff protection has had a catastrophic effect on local industry. Since April, over 5,000 jobs in manufacturing were lost in Geelong alone. Is it any wonder unemployment levels are so high when the government makes Australian industry very vulnerable to overseas trade in order to meet the demands of the level playing field theory? In my view it is better to have a job which is protected and so be able to afford slightly higher prices for commodities, than to be unemployed but not able to afford cheaper goods (because of the abolition of tariffs).

The government is also talking of making superannuation funds invest large portions of their vast funds to assist Australian industry (which it refuses to protect), thus exposing countless thousands of Australians to the possibility of poor returns on their retirement funds.

No, economic recovery will not come through economic rationalism. The recovery should be funded from savings deposited in Australian banks and, to a lesser extent, superannuation funds, rather than borrowing heavily from overseas. The economic miracles of Japan and Germany are good examples of economic recovery based on capital raised within their own borders.

Surely this is the way to go?

A. Barron,
Grovedale, Vic.

Dear Editor,

I read with interest Mr Stone's account (IPA Review, Vol.44/4) of the background to the introduction of tariffs and fixed wages in 1907. How sad to think that we have been clipping our own wings for 80 years. Clearly we need to reverse this process. However, what would I like to ask Mr Stone is whether it is appropriate to remove tariffs, without addressing other issues first.

To clarify my point, perhaps one could consider what would have happened if all tariffs had been removed in 1908. Either the manufacturers would have had the power to reduce workers' salaries back to a level commensurate with their output, in which case the manufacturers could compete against imports and manufacturing would prosper, or, they would be forced to continue to pay inappropriately high wages and would fade into obscurity.

Unfortunately, I feel the second lot of circumstances apply today. There are many costs that Australian manufacturers face that are inappropriately high, but which they simply do not have the power to reduce themselves. To name a few: wages, which are set quite independently of productivity; real interest rates, which are among the highest in the industrial world; the exchange rate, which is being held unrealistically high by the high interest; and transportation costs, which remain high in the face of painfully slow attempts at microeconomic reform.

Unless these barriers to competition are tackled first, or at least concomitantly with reductions in tariffs, then many industries which deserve to survive will not do so. I strongly believe that tariffs should be reduced and that the rest of us should not have to pay for the manufacturers to have protection. But unless these other issues are addressed first, I fear that not only will we not fly, but also be unable to walk.

Nicholas Ingram,
Armadale, Vic.

Gerrymanders

Dear Editor,

The electoral discrepancies that concern Allan Pidgeon in 'Electoral Unfairness' (IPA Review, Vol.44/4) are a common occurrence in the votes for seats preferential and first-past-the-post electoral systems. Though the Coalition acquired a majority of votes after preferences in the 1990 federal election, it failed to win enough seats to form a government. Without in-depth research it appears that the Coalition built up comfortable majorities in the seats it won, unlike Labor which retained and won seats by slim majorities. Thus, although more people voted for the Coalition than for Labor, Labor's vote was spread thin enough to win more seats.

The election results in South Africa, which uses a first-past-the-post voting system, clearly illustrate this anomaly. The National Party came to power in 1948 by winning only 36.37 per cent of the vote. The ruling United Party polled 50.38 per cent of the vote. The Nationals, however, won seats by the narrowest of margins while the United Party stacked up large majorities in the seats that they won. It wasn't until 1961, three elections later, that the Nationals finally polled over 50 per cent of the vote.

The pre-Fitzgerald Queensland electoral system produced some of the strangest results in electoral history. The 38.5 per cent of the vote gained by Labor in 1974 gave them a pathetic 11 seats. In contrast, the Nationals polled 39.6 per cent in the 1986 election giving them 49 seats (government with a majority of nine).

Other strange figures emerge from
the 1986 poll. In the Western and Far Northern Zone, the Liberal Party polled a humble five per cent of first preferences enabling it to win one seat (Mt Isa). In the same zone, Labor polled 40.9 per cent of the vote enabling it to win one seat (Cook). The last example clearly illustrates the oddity of the vote-for-seats system Queensland-style.

Man has yet to devise the perfect electoral system that translates votes into political reality. Until he does, vote to seat discrepancies will continue to appear. If there is a golden rule it is this: make sure you win the marginals and don't waste votes in building up large majorities. If the Coalition had realized this, perhaps it would not have put itself in its present position on the Treasury bench.

Ken Cotterill, Mareeba, Qld.

Rock Music

Dear Editor,

Chris James has contributed a stimulating item on rock music (IPA Review, Vol. 44/4). He concludes that for all its pervasive presence one should not exaggerate its influence, since it is largely a 'disposable' form of entertainment. There is a good deal of truth in that.

On the other hand, there is a stream of rock music which has exerted a considerable influence. Many of the 'ideologically correct' people in politics, the ABC and so on acquired their mindset in the late 1960s and early 1970s, and the rock music of the day was a major factor in that mindset. One reason for its impact was that the technical quality of rock improved dramatically in this period — instrumental prowess, lyrical sophistication and diversity of styles all made their presence felt. Innovators like the Byrds from 1965 to 1968 blended rock with folk, jazz, classical, eastern and electronic elements. It was heady, adventurous, innovative stuff even for listeners like myself who did not share the values it espoused. Much of it stands the test of time.

Most of the values of this renaissance marked a sharp break with traditional views on society, morality and religion. Spiritual aspirations were channelled into eastern mysticism and environmental idealism. There was the occasional nod in the direction of the old-time religion, Eric Clapton's stunning 'Presence of the Lord' (from Blind Earth, 1969) and Jan Hammer's beautiful The First Seven Days (1975) being memorable examples. But such contacts were rare and usually fleeting in any case. It was the values of the adversarial culture that rode on the crest of this wave into the hearts of my generation.

Even today we still see groups like Midnight Oil and (in some respects) U2 that plough a similar furrow, and doubtless make an impact on the thinking young listener. I think it is important that people like Chris James should develop a solid critique of this strand of rock music, giving credit where it is due while spelling out the relevant shortcomings. It would also be a good thing if thoughts like his could somehow be brought more to the attention of those thinking young listeners. I suspect that most of them unfortunately do not read the IPA Review!

David Elder
Grange, SA.

Fundamentalism

Dear Editor,

It is a pity that IPA Review saw fit to take such a negative attitude with John Spong's book Rescuing the Bible from Fundamentalism (Strange Times, Vol. 44/4). Having read the book, I was most impressed by the Reverend Spong's great love for God and the Bible.

It is simply impossible to believe in the literal truth of the Bible without either total ignorance of what the Bible actually says or an incredible ability to double-think. Matthew and Luke contradict each other about the birth narrative. Luke says that Mary and Joseph lived in Nazareth before fleeing for Bethlehem, after which they peacefully return to Nazareth; Matthew says they lived in Bethlehem before fleeing for their lives to Egypt. All four Gospel writers disagree about the resurrection and Ascension to Heaven.

I share Reverend Spong's concern that the Fundamentalists' claim of the literal and unerring truth of each and every word in the Bible is not only wrong, but will simply convince the world that Christianity is outdated and irrelevant to the modern world.

Steven D'Aprano,
Plenty, Vic.

Coronation Hill

Dear Editor,

It is a shame that the Green Lobby sometimes makes over-blown claims and uses extravagant language. The proponents of resource exploitation do the same. In the last IPA Review (Vol. 44/4), there are two pieces on the proposed Coronation Hill mine. Both are by advocates of mining.

The article by Hugh Morgan, who is Managing Director of Western Mining Corporation, says the decision by the Government not to allow mining will "undermine the moral basis of our legitimacy as a nation, and lead to such divisiveness as to bring about political paralysis." Later in this article Mr Morgan says about the proposed mine that "we will never know unless the decision (to prohibit mining) is reversed, just how big or small a mine Coronation Hill might turn out to be." Yet the miners had commissioned an environmental impact analysis which is described in the next article in the Review as being "arguably the best example of such a study yet produced in Australia." The article about the impact study was written by Professor Burton who was a consultant on its preparation. It is disturbing that even in the light of the highly praised impact assessment the extent of the mining was apparently not able to be forecast.

Taken together, the articles create the impression that the Government's decision to prohibit mining was probably correct.

H.C. Griffin,
Sherwood, Qld.

The Editor welcomes letters for publication. They should be addressed to The Editor, IPA Review, 6th Floor, 83 William Street, Melbourne, 3000 and normally kept to no more than 300 words.
The Spread of ‘Victimitis’

When two years ago Mayor Marion Barry of Washington was recorded by the FBI in the act of taking crack, he was reported to have explained “That was the disease talking...I was a victim.” Mayor Barry had in mind drug addiction when he referred to “the disease”; but he also displayed the symptoms of an equally serious condition: ‘victimitis’, the attribution of blame for one’s own actions to others.

Victimitis has spread to Australia. Its symptoms are evident in some sections of the churches. Prison: the Last Resort, jointly authored by the Social Justice and Social Responsibility Commissions of the Anglican, Catholic and Uniting Churches, and the Australian Council of Churches, makes the claim: “Our community frequently makes scapegoats of those in gaol, placing the guilt of society on them rather than confronting the fact that we are all caught up in the predicament of society.” Translation: criminals are the victims of society.

A community project worker with the Uniting Church took the message to heart. Expressing concern about the increasing number of women jailed for property offences, she declared: “These women are being forced into committing crimes. They are victims, not criminals.”

Claiming victim status (on behalf of oneself or others) is becoming an industry. Alcoholics who blame the breweries for causing their condition; businessmen who borrow until they are up to their ears in debt and then blame the banks for lending them the money; ex-Catholics who attribute their personal inadequacies to the nuns who ‘indoctrinated’ them as children (not very effectively indoctrinated, or they would still be Catholics); feminists who claim that a low representation of women in any field of employment is the result of discrimination; activists who claim that all the problems currently experienced by Aborigines are the fault of the ‘institutionalised racism’ of white society; all display the symptoms of victimitis.

Victimitis has spawned a plethora of tribunals, commissions, agencies, and lobby groups, whose raison d’etre depends on defining their client groups as victims. A barrage of affirmative action demands, social justice strategies, industry subsidies and consumer protection regulations has been the result.

Proposed reforms to product liability, which the Federal Government backed away from under pressure only in November last year, would have placed the onus of proof on manufacturers to demonstrate that the malfunction of a product was not their fault. In the proposed legislation the users of the product were assumed to be blameless; manufacturers the culprits.

Of course there are genuine victims in Australia, in need of protection or support. The vast majority of the unemployed are not to blame for their predicament. Nor are the disabled. The victims of crime are real, and there are many others deserving of our concern. But the victim wagon is becoming so crowded with psychosomatic sufferers that the genuine victims are at risk of being pushed aside. We cannot treat the thief or the vandal as a victim without detracting attention from the person whose property was stolen or vandalized. Moreover an outbreak of victimitis is typically accompanied by costly demands for government compensation which the community cannot afford.

Individual Responsibility

Our society is built on a moral foundation of personal responsibility. Victimitis is the antithesis of this. Its tendency is to collectivise rights and corporatize guilt. Individuals matter less than classes, groups, genders, and races. The Victorian Education Ministry’s Social Justice Framework states: “Social justice in education is concerned with groups.” It lists seven groups who qualify as victims of social injustice: female, Aboriginal, poor, low status background, rural, immigrant, disabled. Ignored is the great diversity — the individual differences — within all of the groups listed (in fact, recent research indicates that, by most measures, girls and immigrants display no evidence of educational disadvantage — see Education Monitor, Winter 1991). Although our legal system is based on the concept of individual responsibility, anti-discrimination legislation in Australia is framed in such a way that proceedings can be undertaken only on the basis of a complainant’s membership of a group (women, homosexuals, etc.) — and it is only selected groups which qualify.

An editorial in ACTOSS News, the journal of the ACT Council of Social Services, states: “The most significant factors determining your chances of imprisonment are the colour of your skin, the state or territory in
which you live, and the circumstances into which you were born.” In fact the most significant factor determining your chances of imprisonment is whether or not you have committed a crime. It is the individual moral choice which distinguishes the criminal from the many others born into similar circumstances who do not resort to crime. The fact that our system of justice is based on this and not on a person’s race or circumstances of birth distinguishes us from illiberal societies. ACTOSS ignores the distinction.

Dehumanizing

Victimitis is often perpetrated in the guise of compassion; but in fact it dehumanizes its subjects. The individual is viewed as a passive object acted upon by impersonal forces before which he is powerless: an automaton. His status as a moral agent capable of choice is denied. Some historians write Australian history in this way: Aborigines or women or workers are treated as mere passive objects to whom (bad) things happen. A view of the media common among those whom Keith Windschuttle in his book, The Media, describes as “Left idealists,” holds that “there is one dominant ideology of capitalism and that the main role of the media is to impose this upon a passive, uncomprehending working class.”

Victimitis harms its subjects in other ways as well. It fosters welfare dependence with consequent demoralizing effects. It excuses self-destructive behaviour. An example of this is related in the Report of the Royal Commission into Aboriginal Deaths in Custody. Merv Gibson, an Aboriginal man from Hope Vale in Queensland, “forcefully argued that some Aboriginal drinkers now use the socio-cultural line of thinking — developed by anthropologists — to absolve themselves of responsibility for their destructive (and self-destructive) drinking behaviour. Some drinkers now argue, for example, that giving all of one’s money to a kinsperson to spend on alcoholic beverages, rather than spending it on the family’s food or housing needs, is part of the Aboriginal way of doing things. He deplores such an interpretation as being a travesty of the true Aboriginal concept of social responsibility.”

Sociology, radicalized during the 1970s, has provided an intellectual rationale for the growth of victimitis. Warning against the injustice of “blaming the victim” (the title of a popular sociological text) sociologists often merely substituted “blaming the system.” Sometimes, of course, the system is to blame, but the shift appealed to a generation uncomfortable with the traditional notion of individual responsibility. Psychology also contributed to the rise of victimitis. Explanations of human behaviour couched in terms of conditioned reflexes or unconscious drives minimized the role of conscious choice, and therefore of personal responsibility. The dilemma was raised by Dostoevsky 100 years ago: if all human action is reducible to psychological compulsions or chemical reactions, then no one can be held accountable for his behaviour; all actions are ultimately excusable.

Overcoming Hardship

Part of the lure of victimitis is that, if we think about it hard enough, we are all victims, one sense or another. None of us chooses the circumstances into which we are born, or our genetic inheritance, or the good or bad fortune which befalls us. Nevertheless, what is often crucial is the way we play the hand which fate has dealt us.

Australia, transformed in the space of a hundred years from a poor convict settlement into a free prosperous society, was developed by people who triumphed over hardship and disadvantage. The severity of deprivation described in Bert Facey’s autobiography, an Australian classic set early this century, would be experienced by virtually no Australians today. According to the views of some social analysts, it should have led to a life of crime. But, as the title of his inspiring autobiography indicates, Facey was not embittered by his hardships; indeed, he counted his formative years as ‘A Fortunate Life’. The Chairman of Australia’s largest company, Sir Arvi Parbo, is only one of the best-known of the many immigrants who have arrived in Australia with few assets, only to rise in the space of a generation to relative affluence. Where others see obstacles, and excuses for failure, our pioneers and our most successful immigrants have seen opportunities.

Victimitis is the obverse of the cargo cult mentality, the belief that material bounty magically arrives from afar; that wealth is not created, it just appears. Both attitudes discourage effort, initiative and self-reliance; both foster passive dependence. Victimitis, like the cargo cult, has inhibited the development of those Third World countries which blame the affluent West, and a colonial past, for their current poverty. Blaming others avoids the need for them to tackle their own internal problems. We in Australia should take this as a warning not to let victimitis sap the national psyche any further. •
A GST Miracle?

The remarkably widespread welcome given to the Coalition's proposal to introduce a 15 per cent Goods and Services Tax (GST) leads one almost to think that people believe in miracles. How is it that a proposal that includes the introduction of a new tax on a wide range of goods and services, at a high rate of 15 per cent, could actually result in the popularity of the proposer soaring? This is surely a first for Australian, if not world, politics!

There are several answers to this apparent puzzle, some obvious, some not so obvious. Some commentators have been unkind enough to suggest, for example, that the loss of credibility of the Government is such that people have been prepared to grasp almost any reasonable-looking alternative with both hands. Be that as it may, let me first make it clear that my own support for the Coalition's proposals taken as a whole does not derive from any belief that a GST will work miracles: far from it. The basic rationale for putting greater reliance on the taxation of consumption and reducing the reliance on taxation of saving (by using part of the proceeds of the GST to reduce income tax) is sound: Australians need to increase their saving efforts if we are to staunch our balance-of-payments bleeding and increase our business investment — in other words, if we are to increase living standards over the medium to longer run. However, as John Hewson has frankly acknowledged, the GST package is unlikely to make any significant net contribution to increasing private saving. This is because the politics of introducing a GST requires that lower income groups be compensated for the net increase in prices (estimated by the Coalition at 4.4 per cent) resulting from the fact that a 15 per cent GST more than offsets the elimination of wholesale sales tax, payroll tax and petroleum excise. A purely economic strategy directed at reducing consumption and increasing saving would include no such compensation.

This is not to say that the GST package of tax changes will not produce any economic benefits. The elimination of the three taxes presently hit business inputs is inevitably reflected in the prices charged by businesses (i.e. in the end, consumers pay), the main benefit will be to those exporters who cannot pass on the taxes on their inputs. This is certainly worth having. There will also be some benefit from reducing the distortions to production that occur because of the existing widespread exemptions under the wholesale sales and payroll taxes. But these things are not going to solve Australia's current account deficit problem.

Business Delusions

Not for the first time the business community is bidding fair to delude itself. Having now (belatedly) accepted that it was conned by the Government into believing that the Accord was of great benefit to it, business is now in serious danger of deluding itself that there will be enormous economic benefits from the elimination of the three taxes and their replacement with a GST. Regrettably, the Coalition has given credence to this misconception by purveying the notion that there will be a $20 billion cut in 'taxes on businesses'.

It could just as well be argued, on that basis, that the $27 billion estimated to be raised from the GST will increase 'taxes on businesses'! It is business that pays the GST in the first instance and then has to recoup it by passing it on in prices, just as it is business that will not pay the other three taxes in the first instance and can then pass on the saving to consumers through lower prices. So, the real picture so far as business is concerned is that there will be a net increase of $7 billion in the...
initial incidence of 'taxes on businesses', which will then have to recoup that increase by raising consumer prices by 4.4 per cent.

Given that the GST and associated tax and compensation measures will likely produce only marginal economic benefits overall, my concern has always been that, once this became apparent, the task of having the community accept a GST that would be opposed at the political level would divert a Coalition Government's attention away from implementing more important economic reforms. I have also been concerned that the introduction of a new tax with a very broad base, and one that is in a sense disguised in prices, would provide a powerful weapon in the hands of politicians, thereby making it more difficult to reduce the size of government, which has been — and remains — a key objective of the IPA.

**GST Package Deserves Support**

These concerns remain. However, three aspects of the Coalition's package persuaded me that it should be supported.

First, the Coalition has undertaken that it will write into the GST legislation a guarantee that a Coalition Government will not increase the rate of GST beyond 15 per cent. This helps to alleviate, although it does not remove, concerns that such a new broad-based tax would soon fall victim to politicians' proclivity to increase rather than reduce 'efficient' taxes (as has happened in a number of overseas countries with such taxes).

Second, it is important that the GST will not become operative until at least 18 months after the Coalition is elected, even assuming that the legislation is given an easy passage. This will give time to introduce other more important reforms first (see below). Moreover, the fact that the Coalition has announced the policy some 18 months before the election means that much of the debate about the pros and cons of the GST, how it would work, etc. will be over by the time of the election. If it is, it will vindicate the courageous decision by the Coalition to release its major policies well ahead of the next election, a step which constitutes a major advance in the Australian political process and in the formulation of coherent economic and social policies.

**Priorities**

Third, and most important of all, the Coalition's policy package goes far beyond the GST and the associated tax and compensation measures. The comprehensive range of policies embraced in the package, and the priority apparently being given to a number of such policies, provides re-assurance that the Coalition will not spend the major part of its first couple of years in implementing tax changes of only marginal economic benefit. Indeed, it will be absolutely vital that, when the GST is introduced, the lower inflationary environment — which we have now paid for through the recession we should not have had — still exists. Accordingly, the Coalition's listing of price stability as No.1 on its 20-point plan, and its confirmation that changes will be made to monetary policy to target an inflation rate of no more than 0-2 per cent, helps to alleviate concerns that the GST's price increases could require 'high' interest rates to prevent such increases flowing through into the traditional Australian wage-price merry-go-round. If this change in monetary policy is introduced early in the life of the new Government, it should ensure that by contrast with the New Zealand situation where monetary reform came after the introduction of the GST, inflationary expectations are at an appropriately low level when the GST is implemented.

Early implementation of monetary reforms will also be important to the successful implementation of the No.2 item in the Coalition's 20-point plan: labour market reforms to move away from the centralized wage determination system to enterprise bargaining. The fear has always been that such a move could spark an attempted wages 'break-out' by the union movement, along similar lines to the ACTU-inspired 'break-out' in 1982. While the Labor Party and the union movement will probably conduct a scare campaign along these lines in the run up to the next election, the experience of 1982 and the advance announcement of the Coalition's monetary and industrial reforms will make it very difficult to implement another across-the-board wages break-out in practice. This is significant that, at the IPA Monetary Conference on 2 December 1991, the Governor of the Reserve Bank of New Zealand indicated that Ken Douglas — Bill Kelty's NZ counterpart — has publicly conceded that NZ's 0-2 per cent inflation target has put the kibosh on large wage claims there because they will only result in higher unemployment.

Space does not permit analysis of all the other points in the 20-point plan, including the important expenditure reduction proposals. But there can be no doubt that it is the comprehensive nature of the policy package, combined with the obvious determination of John Hewson and his Shadow Ministers to get cracking with implementing reforms, which has attracted the widespread acclaim. The Government's continued claims that it has implemented a vast range of reforms, from which the country will eventually benefit, lack credibility in the middle of Australia's worst recession since the 1930s. Assuming that the election is not held until early 1993, the Government is going to come under increasing pressure to 'compete' by stealing some of the Opposition's clothes. That would be a real plus for Australia and Australian politics. ■

1. Interestingly, the Coalition is (rightly) not proposing to compensate for any increase in prices as a result of its health policy (or its raising of the excise on tobacco) because such an increase would produce the desired result of reducing consumption of health services.
2. Also, the Government has already moved to reduce significantly the effect of the wholesale sales tax on inputs of exporters.
3. Such an attempt would constitute an effective challenge to the right of a democratically elected Government to implement its pre-announced policies and would provide a strong basis for wide ranging action to counter such an attempt. By contrast, the Fraser Government had no such policies in place in 1982.
One parent families in Australia as a proportion of all families with dependent children.

In 1971: 10.1 per cent

In 1986: 16.4 per cent

Birthplace of mothers in one-parent families (as a percentage of mothers with dependent children):

<table>
<thead>
<tr>
<th>Country</th>
<th>Birthplace Percentage</th>
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<tbody>
<tr>
<td>Australia</td>
<td>19.3</td>
</tr>
<tr>
<td>Italy</td>
<td>14.1</td>
</tr>
<tr>
<td>Vietnam</td>
<td>13.3</td>
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<tr>
<td>Greece</td>
<td>5.5</td>
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</tbody>
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Increased spending needed by governments to match current per capita levels if all students attending non-government schools attended government schools: approximately $1.613 million.

APC Review, 4-1991.

Proportion of all repossessed homes in 1990-91 in Britain which belonged to doctors, architects, surveyors or accountants: 36 per cent.

The Spectator, 12 October 1991.

Defence expenditure 1991 as a percentage of GDP as a percentage of govt. spending

<table>
<thead>
<tr>
<th>Country</th>
<th>as a percentage of GDP</th>
<th>as a percentage of govt. spending</th>
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</thead>
<tbody>
<tr>
<td>USA</td>
<td>5.0</td>
<td>23.7</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1.7</td>
<td>17.8</td>
</tr>
<tr>
<td>Singapore</td>
<td>5.7</td>
<td>23.4</td>
</tr>
<tr>
<td>Thailand</td>
<td>2.6 (e)</td>
<td>16.5 (e)</td>
</tr>
<tr>
<td>India</td>
<td>2.8 (f)</td>
<td>14.6 (f)</td>
</tr>
<tr>
<td>China</td>
<td>1.6</td>
<td>9.1</td>
</tr>
<tr>
<td>Japan</td>
<td>1.0</td>
<td>6.5</td>
</tr>
<tr>
<td>Australia</td>
<td>2.4</td>
<td>9.5</td>
</tr>
</tbody>
</table>

(c) estimate  (f) forecast  
Figures for USA and China are a percentage of GNP.

Department of Defence.
Reduction in alcohol consumption per head in Australia since 1985-86: 12.1 per cent.


Years it took Britain to double output per person from 1780: 58. Years it took South Korea to double output per person from 1966: 11.


Attitudes to Government

☐ Proportion of the general public in six countries who think that the organization of a nationwide strike against the government ought to be allowed (%)

☐ Proportion who believe it should be the responsibility of government to provide a job for everyone who wants one:

☐ Proportion who believe it is the responsibility of government to reduce the difference in income between people with high incomes and those with low incomes:

☐ Proportion who believe that one thing the government might do for the economy is to cut government spending:

How to Save Our Native Birds

Wildlife policy in Australia is failing the animals, society and the economy. Conserving Australia's unique and valuable native birdlife will require rethinking the relationship between the environment and the market place.

MIKE NAHAN

Native bird populations and habitats have been and continue to be excessively diminished and abused. Many native bird populations have been severely depleted and up to 50 bird and other animal species threatened to the point of extinction. At the same time, thousands of native birds of many varieties, including sulphur-crested cockatoos, galahs, corellas, various varieties of rosellas and emus are regularly culled as pests. And hundreds of rare and abundant birds are either killed or otherwise abused by the efforts of smugglers to escape detection.

The economic and social costs of the existing wildlife policy are both perverse and high. Government spending on wildlife protection continues to escalate with little real effect on either the number of illegally-traded birds or smugglers. The damage from, and the cost of controlling, pest populations is increasing — particularly in areas with high-value crops, such as lychees and apples. Little research is undertaken by either the private or public sector on native birds, except on areas germane to their eradication as pests. As a result, not enough is known about native birds, except perhaps by smugglers, or about the factors vital for their cohabitation with humans. The irony is that native birds which are considered pests in Australia fetch huge prices in illegal markets in Europe and the United States. In 1990, sulphur-crested cockatoos fetched $5,000 a breeding pair, whilst the common galah sold for $8,000 a pair. Naturally, the more scarce the species, the higher the price. For example, less common but not endangered varieties such as the Major Mitchell cockatoo sold for $20,000 per pair and the White-Tailed Black cockatoo for $30,000.

Wildlife policy has failed because it is based on faulty principles. There is a prevailing orthodoxy in conservation circles that wildlife protection depends on maintaining the troika of common property ownership, prohibition of markets, and government planning and control. Although some conservationists admit to the unfortunate consequences of this orthodoxy, few question its validity. Few ask, “Is there a better way?” Luckily for the birds, the ranks of this inquisitive few are growing.

Dr Mike Nahan is Director of the States' Policy Unit of the IPA, based in Perth.
The Tragedy of the Commons

Wildlife in Australia is by law vested in the Crown, and as such is owned by all, and hence by none, as common property. Although individuals are allowed under certain conditions to keep some wildlife species in captivity, ownership remains vested in the Crown.

The perverse consequence of common property ownership was recognized centuries back. Aristotle observed over 2,000 years ago that “what is common to many is taken least care of, for all men have greater regard for what is their own than for what they possess in common with others.” Since Aristotle’s time, the annals of history are replete with evidence of the tragedy of the commons, that destruction occurs primarily because no-one owns the wildlife. The most dramatic case of this was the complete extinction of what is believed to have been the most plentiful bird species in history — the passenger pigeon of North America. In the early 19th century passenger pigeons were so numerous that they would blacken the skies of mid-western America for days at a time and migrated in individual flocks of 40 miles by seven miles in size (containing well over a billion birds). By the late 1870s the passenger pigeon was extinct, not because of the infinite greed of modern man or the power of technology, but because no-one owned the birds. Without ownership, it was to the advantage of Indians and white men to kill whatever birds they could. Without ownership, no individual could benefit by saving more pigeons — someone else could easily pursue any bird spared. The depletion of wildlife arising from common ownership is not unknown in the antipodes and not unique to modern man. Most of the mega-fauna of Australia and New Zealand were exploited to extinction by their native peoples prior to European colonization.

Private property assures accountability and thereby provides an incentive to individuals to husband and otherwise protect wildlife, preserve habitat, understand the ecology and biology of species, thwart poachers and other cheaters, and in general act in the long-term interest of wildlife as well as oneself. A person who owns property will reap the rewards of good stewardship and bear the consequences of poor stewardship. The owner who kills his birds or bees pays the price.

Private property rights do not provide a cure-all for wildlife problems. There are cases where private property rights are either impossible or too costly to define, allocate and/or enforce. A classic case is that of oceanic dolphins, which are highly migratory on an international scale, have a relatively low market value, and are difficult to identify and treat separately from other animals. On the other hand, there are numerous situations in which private property rights are feasible. Native birds — the animals themselves as well as vital aspects of their habitat, such as nesting areas — generally fall into this category. Moreover, there is every reason to believe that institutional and technical innovations as well as the increased value placed on wildlife preservation will continue to expand the scope for private property rights.

Prohibition of Markets

In Australia trade in native wildlife and birds is prohibited. All exports of native wildlife are prohibited by the Commonwealth Government’s Wildlife Protection Act of 1982, with the only exemption, albeit limited and heavily regulated, being registered zoos. States and Territories allow a very limited degree of domestic trade, but only under tight restrictions governing all aspects of the transaction and subsequent possession. Furthermore, there is general agreement amongst the State conservation bureaucracies, which are responsible for the relevant regulations, that domestic trade should be further restricted to ‘scientific purposes’.

The prohibition of trade in wildlife is based on a number of flawed beliefs, including the notion that trade results in abuse of animals, and that legal supply will stimulate uncontrolled exploitation of wild stocks.

The prevailing notion, enshrined in the wildlife regulations, is that native birds are better off in the wild state than confined to a domestic setting. While this may be true in some cases, it is faulty reasoning when applied across the board. Birds properly cared for in a domestic setting are arguably healthier and live longer than birds in the wild. Furthermore, there is little reason or evidence to suggest that domesticated native birds are improperly treated. The simple fact is that people are very unlikely to abuse an animal worth many thousands of dollars. Indeed they are more likely to develop an understanding of the animal’s needs and behaviour patterns and provide a domestic environment that involves minimal stress.

In reality, however, native birds are not just confined to a wild setting. They are being smuggled, hunted, and killed as vermin: fates which are unambiguously worse for birds, as well as mankind, than domestication.

A common argument used to support the prohibition of trade in wildlife is that legal trade would stimulate demand resulting in even greater pressure on wild populations and concomitantly higher policing costs. Clearly, legalization of trade will stimulate the demand for and supply of birdlife. People will become aware of its availability and the cost and risks associated with possession will fall. However, the additional demand does not necessarily have to be met from existing wild stock levels (although in the case of populations subject to culling as vermin this is likely to be a desirable outcome). Native birds, like fish, deer, goats, bees and innumerable other animals can be farmed in a sustainable manner, whether by augmenting wild habitats, decreasing predators or breeding in captivity.

The most effective way known to society of achieving this sustainable production is through the market process: that is, by allowing private property rights over wildlife and the trade in these rights. As the internationally prominent Swiss wildlife expert, Dr Peter Dollinger, commented: “There must be economic incentives for species survival ... so harvesting a certain amount of animals is necessary to that species preservation.” Without trading, property rights will be of limited value, thereby diminishing the capacity and willingness of individuals to husband the animals. For example, farmers
currently put little effort into maintaining breeding grounds for birds even though they own the habitat, simply because it does not pay them to do so — indeed it may cost them if habitats become inhabited by vermin. If, however, farmers are allowed ownership and selling rights over the birdlife, they will undoubtedly begin to husband the birds. Under such conditions one can envisage many farmers working at weekends and evenings collecting and erecting hollow logs in the hope that a pair of Major Mitchell cockatoos will grace their properties. Some farmers will undoubtedly go further and apply their skills in animal husbandry to the breeding and domestication of native birds. Someone may then discover how to breed the Major Mitchell in captivity, thereby reducing even further the pressure on wild stocks. The failure to allow the use of Australia's undeniable strengths and expertise in animal husbandry for the betterment of wildlife and society is not just illogical but a disgraceful waste.

Markets and property rights also have the ability to help protect species less valued commercially. The preservation and enhancement of habitat for economically valuable species, such as the Major Mitchell cockatoo will, as a result of intentional and unintentional actions, improve the ecosystem for the myriads of commercially insignificant species. Moreover, for those people who may not want to physically possess wild birds, such as the palm cockatoo, but are deeply concerned about their preservation, the market process will stimulate the supply of private wildlife sanctuaries, as it has done in many parts of the world, as witness the private game parks in South Africa, and the private nature reserves owned by conservation groups in North America.

Allowing privately owned wildlife parks will not just help animals, but will separate the genuine conservationists from the socialist ideologues in the conservation movement. Reducing government intervention and allowing markets to flourish would provide true conservationists with a means of escaping from the clutches of the political activist, as well as ensuring that their objectives are achieved in a practical, voluntary and direct manner.

Governments Fail Too

The prevailing orthodoxy assumes that, though governments may not be perfect, they are invariably superior to the market place in respect of stewardship of the environment and wildlife. What this overlooks is the unequivocal evidence of pervasive and severe government failure. That governments make mistakes, are biased in favour of the politically powerful rather than the productive, have short time horizons and exhibit a fickleness of purpose, particularly in respect of the environment, is a fact. Indeed, many of the world's and Australia's most pressing environmental problems have been caused by government failure. The pollution of oceans and rivers by the dumping of raw sewage, the pollution of wetlands by dumping of municipal waste, excessive air pollution resulting from the use of low quality but high cost coal in government-owned power stations, the introduction of exotic pests and the destruction of wild life habitats through the subsidization of agriculture, logging or urban development, must all in large part be sheeted home to government failure.

What is the Alternative?

The solution lies with rejecting the orthodoxy and allowing the commercialization and farming of native birds, as well as many other types of wildlife. Individuals should be allowed, under specific conditions, to obtain rights to harvest wild species and to raise native birds in captivity, and importantly they should be allowed to sell legal birds. Governments would retain their essential role of defining and enforcing private property rights.

Commercialization of wildlife is already happening overseas. Frogs, crayfish and alligators, and over 10 other species of wildlife, are harvested from the swamps or bayous of Louisiana. This has led to an expansion in the size and productivity of the habitat. In Zimbabwe, all wildlife is treated commercially. As a result its population of elephants has doubled in 10 years with similar increases in its stock of Nile crocodiles. In contrast Kenya, which is a strong adherent to the orthodox approach, has seen its elephant populations decline by 50 per cent in the same period. Papua New Guinea has promoted the commercialization of both fresh and salt water crocodiles, as well as wild butterflies. Butterfly farms are also developing in other places, including Malaysia, and South and Central America. Malaysia has allowed the commercialization of sea turtle eggs, with a commensurate decrease in the total mortality of *hatchlings. The mountain forests of western North America are being restocked with commercially-raised golden eagles.

Even in Australia, long a stalwart defender of the orthodox view, commercialization of wildlife has been gaining a tentative foothold. In an attempt to provide employment opportunities for rural Aboriginal communities, governments allowed the commercial harvesting and farming for export of salt water crocodiles and emus. These activities have subsequently been taken on by non-Aborigines with significant success. Lord McAlpine, partly in exchange for investing in a multi-million resort complex, received a licence to operate a private zoo — the only such licence in Australia. This zoo, the Pearl Coast Zoological Gardens at Broome, has an active and successful program of breeding and exporting a wide range of scarce animals from Australia and other continents to other zoos. Wisely, Lord McAlpine employed two of Queensland's best-known bird 'traders' to operate his successful native bird-breeding and bird-trading program.

The transition to commercialization will not be easy. Many in the conservation movement will resist the change. There will be a large number of technical issues to settle, such as which birds to commercialize and how to differentiate efficiently and effectively between legal and illegal birds. Nonetheless, it is abundantly clear that commercialization offers a viable and often superior means of conserving native birds and other wildlife.

1. Fred Smith, 'Environmental Protection: is there a better way?', *AIPP Economic Witness*, No. 46, 1990.
Thinking Strategically about Reform

KENNETH MINOGUE

THE overriding problem governments have in the 1990s is how to escape from socialism. The dramatic version of the problem faces the inheritors of power in the Soviet Empire, but Sweden also has it in an interesting form, and a milder version is to be found in the United States, Britain, New Zealand — and Australia.

That the problem is complex becomes obvious once we realize that forms of people-management, such as corporatism, are just as much in vogue as they ever were, and that the removal of one form of socialist restrictiveness is currently paralleled by the rise of new forms of regulation. The conduct of the European Community shows that the bureaucratic interest is as vital — and as dangerous — as it ever was.

There is little theory to guide governments in diminishing the inflated range of their own activity, but the experience of the 1980s is suggestive. The fundamental ground for such a policy is nothing less than reality itself — more specifically in the first instance the reality of economic cost. The Santa Claus state wastes resources and in the long term cripples the economy: the increasing demands of government press upon a diminishing quantity of production.

Two things stand in the way of reform: first, the interest of those who profit from the corporatist giveaway. Protected industries, welfare beneficiaries, agricultural interests, universities, public service employees, etc. often take a short-term view of where their interest lies. There was panic among liberals in Britain in the late-1970s that a shadow line would soon be crossed in which an actual majority of the electorate might have its vote determined, as it were, by one special interest involvement or another: public employees made up a very large slice of the voting public.

Secondly, the wide diffusion of socialist principles and sentiments in the population, and their focus in the main socialist party, is a firmly established feature of modern life. For the most part, it can only be contested ad hoc, by appeal to particular abuses and circumstances. After a decade of energetic Thatcherism, 75 per cent of Britons still support increased government spending on health, education and welfare, even if it means increased taxes. To abandon the

POLICIES ARE NOT ENOUGH

Twenty years ago in Australia, Labor was the party of new ideas; the Liberals the party of pragmatism. Now the situation is the reverse. Judged by the intellectual and technical sophistication of the Fightback package, the Liberals have come a long way in policy development. But policies are one thing; implementing them against resistance from the public service, outcries from interest groups, media antagonism, and intransigent institutions is quite another. The resistance to the educational reforms implemented by Terry Metherell in New South Wales shows that more is needed than the right policies. Few Federal Liberal front-benchers have any experience in government. Will their policy goals be foiled by strategic ineptitude?

In Britain, the Conservatives led by Mrs Thatcher entered government with a similar challenge: how to implement successfully a radical agenda of liberal-conservative reforms. Kenneth Minogue, Professor of Political Science at the London School of Economics, examines the strategic lessons of the Thatcher years.
THINKING STRATEGICALLY ABOUT REFORM

principles of a lifetime is a painful business, and seldom happens quickly. In Britain, the Labour Party has spent the 1980s being dragged kicking and screaming into the 1990s.

The Reality Principle

But here, an important caveat may be entered. The return to fiscal responsibility is unmistakeably based on pretty inexorable realities, and reality is the most powerful card in the hands of any rational agent. Liberal reforming parties may thus count on a considerable degree of covert co-operation, or at least absence of dedicated obstruction, in the task of returning a country to the rational recognition of what collective projects cost. This has certainly happened in Britain, even if only in the recognition that Conservatives are, at a very minimum, merely getting the economy back into the state where it might be able to sustain new versions of the unsinkable socialist projects of our time. It is even more true of New Zealand, where much of the spadework was actually done by a Labour Government inspired by Roger Douglas.

The basic appeal in reforming the ravages of socialism must thus be the reality itself. Politicians, like other human beings according to the poet T.S. Eliot, “cannot bear very much reality.” In any case, there is very little agreement as to where reality lies, but the bottom line of a column of figures and the recognition of a falling standard of living will do well enough in this area. As a political move, however, it must be used with discretion. The fate of Mrs Thatcher showed that parties cannot make a career out of appealing to the sense of reality in the electorate, but against a background of hollow political promising, it can be devastatingly effective.

In politics, any appeal requires the man, or — remembering Margaret Thatcher, Ruth Richardson and others — the person.

Reality must be incarnated in some single-minded figure who can communicate an absolute determination to do the right thing whatever the consequences. This need not be the leader of the party, and in some cases it may turn out to be a self-sacrificial role, but it is hard to see a party succeeding in the enterprise without such a figure emerging to block the temptation of the U-turn. Mistakes will undoubtedly be made in economic management and it is easy for a government to lose its nerve. In fact, however, the very ferocity of a party’s dedication to unmistakably sound principles of reform becomes, in spite of defects in the detail, a necessary expression of political will. Nothing so much contributed to Mrs Thatcher’s success in this area as the fact that from soon after her accession to power, no-one doubted that they were in the path of a steamroller.

A reforming party coming to power must also have what I suppose must be modishly called a ‘strategy’. This metaphor is unfortunate because it suggests that the government faces enemies. It doesn’t. It must govern partly by using its constitutional authority, but partly by argument directed at rational creatures. But exerting its will in this way requires thorough preparation of policies in advance.

What is more commonly called a ‘strategy’, however, is some kind of covert plan to manage the political responses of the population as it goes about the business of reform. All governments, and especially those with at best only a three-year lease on power, recognize that necessary pain should be inflicted early in the hope that the consequent happiness will turn up before the next election. This is even true of reforming parties returned to power for a second term, since most will have gone in for a bit of fiscal debauchery in an attempt to win the elections, and this damage at least must be repaired as part of the price of democracy. A good example of this problem was Mrs Thatcher’s 1979 decision to commit her government to the recommendations of the Clegg Commission on public sector salaries. Clegg was a professor of industrial relations from the University of Warwick who had been appointed by the Callaghan Government to get it off an incomes policy hook, and to have rejected its findings in advance was judged to be a major roadblock on the road to victory. As Hugo Young puts it: “The dreaded ‘Clegg’ award, so rashly endorsed as an electoral necessity, meant that public sector wages alone, in the current year, would rise by £1,500 million...”

Part of Mrs Thatcher’s success can be explained by the fact that she thoroughly moralized economic issues.
Another strategic point to be derived from the Thatcher experience is that it is unwise to take on all special interests in one grand swoop — a principle which sometimes contradicts the "pain first, pleasure later" principle just mentioned. The Thatcher Government's treatment of the unions is a model of such policy: union privileges were dealt with in stages, and the grand fixed battle with the coal miners — the Praetorian Guard of trade union privilege — was avoided for nearly five years. The battle with Arthur Scargill which followed was then a set-piece affair and took a fearful toll on both sides, but it was almost certainly necessary. In this as in many other of her battles, Mrs Thatcher had immense luck with her foes. She could easily have had a seriously bad time.

Ambiguous Legacy

The problem with reforming strategies, however, is that (as Michael Oakeshott once remarked of Hayek) a plan to end planning may be better than its opposite, but it is still a plan. The basic approach to this entire problem was summed up in April 1979 by Lionel Robbins at a meeting of the Institute of Economic Affairs:

"'Taming' government implies confining it to the functions only it can perform, notably devising the requisite framework of law...Government has, in practice, far exceeded those functions and must now be restricted to functions which permit rather than impede the creative activities of the citizen."3

A government with a strategy of this kind may well increase the power and range of government, even contrary to what it actually intends, and the Thatcher Government did not avoid this paradox. Its record in some areas reminds us of the Communist thesis that a dictatorship of the proletariat must precede the withering away of the state. Its legislative program was extremely heavy. The problem may be illustrated from the field of education, where the attempt to remedy the damage done by educational theorists and local authorities led to an immense increase in central direction. Britain has ended up with what socialists always dreamed of, but which the British had largely managed to avoid: a system of education, with all the future possibilities of bureaucratisation and standardization which that implies. In this, as in some other areas, some Thatcherite reforms have been of immense benefit to future socialist projects.

The Thatcher Government thus had 10 years in which to reform the country, and left an ambiguous legacy. There is no doubt that the pain of destroying thousands of Mickey Mouse jobs led directly to a much more robust economy than before. On the other hand, for all the reductions of taxation, the government 'take' from the economy has only been reduced by a couple of percentage points. Mrs Thatcher's appeal to some parts of the electorate (most notably skilled workers) provoked loyalties as fierce as the hatred she engendered in the conventionally minded élite. It was this appeal which led to her being interpreted as a kind of radical rather than conservative, and thus to be claimed as an inspiration by the most powerful current replacement for socialist managerialism in Britain.

This replacement takes the view that Britain remains an ancien régime in need of the revolutions which have taken place in other countries. A menu of à la carte reforms has attracted support from a miscellaneous collection of people looking for some new big idea to guide the activism endemic in modern societies: abolish the House of Lords, remove the monarch from the constitution, disestablish the church, bring the fee-paying schools into the public sector, diminish the role of Shakespeare in the British identity, and so on. These reforms, leading to a new constitution and a Bill of Rights, are typical of much modern political thought in that they advance a kind of servile managerialism under the pretense of expanding freedom and individuality.

And that point leads us to a crucial conclusion. Reforming socialism in the 1980s was generally presented as an economic project. It was all to be done in the name of prosperity. Part of Mrs Thatcher's success can be explained by the fact that she thoroughly moralized economic issues. She was despised both by professional economists (no fewer than 364 of them signed a letter to The Times pronouncing her economic incompetence) and by other political leaders — former French Prime Minister Michel Rocard sneered that she espoused the economics of a housewife. But the reduction of Britain's absurdly over-sized contribution to the absurd Common Agricultural Policy was the result of moral passion, not of any expert advice. The real problem with socialism is the way in which it debilitates populations. That temptation today comes in a great variety of shapes and forms. It cannot be removed in one or several parliamentary sessions, and it demands of us a continuous moral dialogue with the public opinion of the country.


WE ARE MOVING!

As of 16 March 1992, the IPA's Melbourne office will be located at:

Ground Floor
128-136 Jolimont Road
JOLIMONT VIC 3002
"An increasing number of scientists believe that the earth is heading rapidly into another ice age — and that this is helping to upset weather patterns. They note that the earth's mean temperature has dropped by 0.3 degrees Celsius since 1940. While a drop of one-third of a degree seems little enough by day-to-day standards, it is quite a momentous change in the long-term time scale. Europe's foremost climate authority, Professor Hubert Lamb, of the University of East Anglia in England, declared recently the world is in an inter-glacial period — and on the downhill slope to a new ice age."


"A cooling of the world's average temperature will lead to a greater reliance on Australia, Canada and the US as the world's grain suppliers. Mr Ronald Anderson, Victorian president of the Australian Agricultural Economics Society says this in a recent National Bank Monthly Summary. Grain exporting countries today could feed the world for only 29 days, compared with 95 days in 1961, he says. This is due largely to the world's changing climate, he says. Mr Anderson says that Professor Kenneth Hare [Director of the Institute of Environmental Studies at the University of Toronto], who was a visiting professor at Adelaide University, believes that most people do not yet appreciate the degree to which 1972 was a landmark in economic climatology. Changes in the climate in 1972 caused crop failures in 38 of the world's 53 food producing areas."


Catastrophic Implications

"The cooling has already killed hundreds of thousands of people in poor nations. It has already made food and fuel more precious, thus increasing the price of everything we buy. If it continues, and no strong measures are taken to deal with it, the cooling will cause world famine, world chaos, and probably world war, and this could all come by the year 2000."


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“Mr Ponte’s warning is not as far-fetched as it may seem... If Mr Ponte’s worst fears come to pass, The Cooling could prove to be the most important and prophetic popular science book of the 1970s.”

— United States Senator Claiborne Pell, foreword to The Cooling, 1976.

“The facts have emerged, in recent years and months, from research into past ice ages. They imply that the threat of a new ice age must now stand alongside nuclear war as a likely source of wholesale death and misery for mankind.”

— Nigel Calder, former editor of New Scientist and producer of scientific television documentaries, *In the Grip of a New Ice Age,* International Wildlife, July 1975.

“At this point, the world’s climatologists are agreed on only two things: that we do not have the comfortable distance of the 1970s.”


“There are ominous signs that the earth’s weather patterns have begun to change dramatically and that these changes may portend a drastic decline in food production — with serious political implications for just about every nation on earth. The drop in food output could begin quite soon, perhaps only 10 years from now... The evidence in support of these predictions has now begun to accumulate so massively that meteorologists are hard-pressed to keep up with it... The central fact is that the cooling trend, as well as over its specific impact on local weather conditions. But they are almost unanimous in the view that the trend will reduce agricultural productivity for the rest of the century.”

— Peter Gwynne, Newsweek, 28 April 1975.

“According to the academy [National Academy of Studies] report on climate, we may be approaching the end of a major interglacial cycle, with the approach of a full-blown 10,000-year ice age a real possibility. Again, this transition would involve only a small change of global temperature — two or three degrees — but the impact on civilization would be catastrophic. Scientists once thought the onset of an ice age would be very gradual, with glaciers slowly pushing down from the North, but recent studies... indicate the transition can be rather sudden — a matter of centuries — with ice packs building up relatively quickly from local snowfall that ceases to melt from winter to winter.”

— Science, 1 March 1975

“And if the climatologists are correct, who now think that cold conditions in the North are likely to be linked with a drier climate in the tropics, there is also a long list of countries in danger of worsening drought... The onset could still be gradual, giving plenty of time for human populations to adapt to, or combat, the changes, or it could be disastrously rapid. The evidence, though, for the episode of the sudden cooling and for the mechanism of the snowblitz favours a catastrophic view of the threat of ice.”


“With many signs today pointing to the possibility that the earth may be headed for another ice age, minor or major... there is suddenly renewed interest within the scientific community for some sort of monitoring of the sun’s input.

“I seriously doubt if we are headed toward another Wisconsin glaciation,” Eddy [Dr John A. Eddy, then of the National Center for Atmospheric Research] said, speaking of the last great Ice Age that smothered much of the Northern Hemisphere under huge sheets of ice more than 11,000 years ago. ‘But a cooling trend like this could bring on a little ice age.’”

— *New York Times,* 14 August 1975

“The cooling since 1940 has been large enough and consistent enough that it will not soon be reversed, and we are unlikely to quickly regain the ‘very extraordinary period of warmth’ that preceded it. Even this mild diagnosis can have ‘fantastic implications’ for present-day humanity, Wallen [C.C. Wallen, then of the World Meteorological Organization] says.”

— *Science,* 1 March 1975.

“The armadillo, which once ranged as far north as Nebraska, has been retreating steadily southward. A species of heat-loving snail reportedly has vanished from the forests of Central Europe. Glaciers which had been retreating until 1940 have begun to advance. The North Atlantic is cooling down about as fast as an ocean can cool. The growing seasons in England and Scandinavia are getting shorter.”


“Those who worry that we are living in an interglacial period and that the temperature could start diving at any time, may be reassured by the contingency planning of Dr J. Flohn, of the University of Bonn Meteorological Institute. A major glaciation, according to Dr Flohn, must start with the failure of the winter snows to melt in summer, in a region where snow cover is ordinarily seasonal. The area concerned would be of the order 100,000 to 1,000,000 square kilometres. This, Dr Flohn reasons, is not too large to cover with soot, raising its absorption of solar radiation and melting the snow; so an ice-age should be preventable, at least in some circumstances. Dr Flohn was addressing the Australasian Conference on Climate and Climate Change, held at Monash in December.”

— ‘How to stop an Ice-age’, *Search,* March 1976.
Pollutants Cause Cooling

"For aerosols...the net effect of increase in density is to reduce the surface temperature of earth. Because of the exponential dependence of the backscattering, the rate of temperature decrease is augmented with increasing aerosol content. An increase by only a factor of four in global aerosol background concentration may be sufficient to reduce the surface temperature by as much as 3.5 degrees Kelvin. If sustained over a period of several years, such a temperature decrease over the whole globe is believed to be sufficient to trigger an ice age."

— Dr S.I. Rasool and Dr S.H. Schneider, 'Atmospheric Carbon Dioxide and Aerosols: Effects of Large Increases on Global Climate,' Science, 9 July 1971.

"The continued rapid cooling of the earth since World War II is also in accord with the increased global air pollution associated with industrialization, mechanization, urbanization, and an exploding population, added to a renewal of volcanic activity...I believe that increasing global air pollution, through its effect on the reflectivity of the earth, is currently dominant and is responsible for the temperature decline of the past decade or two."


"A model of future climate based on the observed orbital-climate relationships...predicts that the long-term trend over the next several thousand years is toward extensive Northern Hemisphere glaciation."


"We know that we are in the middle of an ice age, and we know that we are living in an interglacial interlude...Only 13,000 years ago the vast ice sheets of Scandinavia and North America were still with us, and now that they have gone we know it is only a matter of time before they come again."


"...Studies of both short-term climate patterns (the past 300 years or so) and of long-term cycles (thousands of years) point to the same tentative but harsh conclusion: We've been living in warmer than normal times — and we may have to face an increasingly cold future."

— George Alexander, 'Will This Winter Be Like Last Year's?', Popular Science, October 1977.

"The sensitivity of climate was pointed up independently by a Soviet and an American scientist, who concluded that a permanent drop of only 1.6-2 per cent in energy reaching the earth 'would lead to an unstable condition in which continental snow cover would advance to the Equator ...[and] the oceans would eventually freeze,' according to a recent US scientific advisory report."

— Samuel W. Matthews, 'What's Happening to Our Climate?' National Geographic, November 1976.

But some things have not changed

"You shouldn't take all those predictions of an imminent ice age too seriously. By playing to mankind's current obsession with doom and disaster, climate scientists have averted what, to them, would have been an equally serious freeze: on the flow of money for meteorological research."

'Before you worry about the coming ice age, consider the doomsayers' motives,' Tony Maiden, The National Times, 31 March-5 April 1975.
The need for a strong, independent welfare sector

Strengthening the non-government welfare sector will raise, and not lower, standards in the services from which Australians benefit. Without such a sector, we would, as a nation, be less free than we are.

MARGARET ROBERTS

BIG GOVERNMENT with correspondingly big inefficient services, or small government with minimal government-run services? We have a choice as a society as to what our 'style' should be. As a taxpayer I will opt for the latter, with the qualification that our State and Federal bureaucracies have to be of sufficient size to carry out their regulatory, administrative, and policing roles effectively, in a manner which broadly protects those who are vulnerable, and at the same time ensures that our captains of industry do not run riot.

Why should the broad non-government sector be the major service deliverer for the community? Opting for less government need not mean reducing the quality of services available to people. Indeed, it should mean improving them. Generally speaking, the non-government sector is more efficient and cost-effective; more flexible and innovative; and more accessible and in tune with local communities and consumers' needs. But above all, it is different! The non-government sector provides the necessary alternative to government itself; it is the community. This is why it must also be independent: not beholden to government; working in partnership with government, but not so close that its inherent 'differentness' is diminished in any way.

There are, however, certain functions of society that are the responsibility of government. These include: defence, law enforcement, social security, customs and quarantine, and some aspects of communication and transport. These are important areas that either would not be performed by the private sector if government opted out or where the public interest could be compromised by the interests of private corporations. It is also crucial, through impartial laws and enforcement mechanisms, to protect the rights of individuals against potential violation by both government and non-government bodies. Not all societal tasks can be appropriately carried out by the non-government sector: most can, but not all. This is a major qualification and one that I cannot stress strongly enough. As a citizen, I am happy to have the private non-government sector (both for-profit and not-for-profit) go about its business providing goods and services, being innovative and competitive, and providing choices and options for consumers — but always with the proviso that appropriate government regulatory and administrative controls are in place; effectively carried out; and known to all.

Adequate revenue collection, sufficient to carry out the support and funding allocation functions of government is the important first step which precedes the foregoing. Without effective and adequate revenue collection by government we simply would grind to a halt as a nation.

Government-run services have the potential to be monopolistic, inefficient, targeted at only a narrow range of clients, and stodgy.

In my parlous home State of Victoria, economic

Margaret Roberts is Executive Director of the Children's Welfare Association of Victoria Incorporated, the peak coordinating body for the network of non-government child, youth and family welfare services throughout Victoria.
circumstances are forcing a reduction of public sector administrators' numbers. We simply haven't got the money! However, a corresponding reduction of the bureaucratic control of welfare services is not happening. This is despite the fact that we have a newly operative Children and Young Persons Act, which should result in a transfer of services for children and families currently run by government to the non-government not-for-profit sector. The Act will mean that fewer statutory services for the care of children and young people will be required. There will be a corresponding need for services of a voluntary or preventative nature. Government, it seems, speaks with a forked tongue. It says it is happy to have the private sector carry out appropriate service delivery functions — but at the same time it demonstrates a lack of willingness to transfer resources. Thus governments continue to deny the community what it desperately needs: a cohesive, well resourced child youth and family network of non-government welfare services, especially of the preventative kind.

So what does the community get from the non-government sector? My experience is with the not-for-profit, sometimes called ‘voluntary’, welfare sector. Some of the positive features that distinguish this sector from government-run services are:

- Diversity, resulting in a wide choice of services to suit the particular needs of a wide variety of consumers.
- Location within the community (often with management by and accountability to the community). This means that services are readily accessible to consumers; they are more sensitive, more stable, more approachable and more responsive to local needs.
- Models of service delivery that are readily adaptable, open to change, and more likely to have innovative/‘cutting edge’ service options for customers. For example, preventative services for families that aim to avoid placement of children outside the home, and treatment of perpetrators through anger management, etc.
- More efficient dealings with consumers, with fewer bureaucratic hurdles for them to jump.
- Smaller management infrastructures and therefore less costly to run. (This also can have a negative aspect.)
- The use of referral networks within the non-government sector to ensure that consumers have access to as wide a range of services as necessary to their needs. One of the functions of the Children’s Welfare Association of Victoria is to ensure that member agencies are kept up to date with the services and activities offered by other agencies and with innovations in the field.
- Consumers are treated as individuals — not merely “one of the mob.”
- Less drain on the taxpayer. The non-government welfare sector relies on help from the philanthropic sector and to a lesser degree the commercial sector.
- Acts as an independent consultant/commentator for government on the impact of government policies and funded programs.

- Has a capacity to use volunteer labour where appropriate tasks are identified.

There are negatives:

- Small infrastructures can mean under-management in agencies and insufficient support structures for workers.
- “Smell of an oily rag” funding for agencies can mean insufficient on-the-job or follow-up training — among other things.
- Research and evaluation are, generally speaking, swamped by the urgency of direct service delivery and so are rarely carried out at an appropriate level.
- Lack of sufficient co-ordination and contact between agencies means that opportunities to exchange information (about innovations, for example) can be lost. Peak bodies are relatively under-developed.
- There is a potential for service users to be ‘selected’ — not necessarily in an overt way — to suit the perspective of the auspice body or service delivery agency.
- Unfettered competition between agencies can result not only in confusion for consumers, but also lack of good planning and cohesion because there will be agencies that ‘win’ and agencies that ‘lose’ in the funding battle with the bureaucracy. Government services tend not to be of the preventative kind, and trying to please the bureaucracy to achieve funding may lead to services that are of a residual ‘last resort’ kind.

The negatives relate very much to the level of funds available for not-for-profit agencies, and also to the degree of co-ordination between agencies that occurs through, for example, peak body activities carried out in the sector itself. Other qualifications also need to be made about who should do what. In the field of child and family welfare there are some tasks that should not be the domain of the non-government sector. Interventive work in child protection (investigation and application through the court system); guardianship (major life) decisions when the state takes over the role of parent; state-to-state matters in inter-country adoption, among others.

Also important to mention is the need for adequate government financial support for not-for-profit non-government agencies. They need special resource consideration because their private fund-raising capacities are very limited and because they carry out an important role in supporting consumers who are unable to participate in user-pays or commercial service delivery. These agencies do the hard work, if you like; the work that often no-one else will do; and they have long histories and highly developed skills to carry out this vital work.

Notwithstanding the vital role that these agencies carry out, the not-for-profit non-government sector has not been assertive enough in ensuring that the full cost of services run on behalf of government are paid for by government. For some

(Continued on page 59)
Internationalism or Nationalism?

Two broad views exist as to how Australia should meet its current challenge of avoiding Third World decline. But only one view is being heard among, or propagated by, most of our political and journalistic power élites.

GRAEME CAMPBELL

Australia is faced with its fourth great challenge since Federation. The first was World War I when Australia had to cope with severe military losses, bitter divisions on the home front over the issue of conscription and social dislocation. The second was the Depression when up to one-third of the work-force was unemployed. The third was World War II and, in particular, the threat of invasion from Japan, when a limited form of conscription was introduced, but not without rancour.

These three great periods of stress and the responses to them have had an enormous influence on today's Australia. All three were clear-cut and part of an international experience. Australia on the world stage was one of the smaller players, but it was not helpless in the face of international forces and pressure. It could and did make decisions to influence its own destiny, and it can do so in the challenge it faces today.

The fourth challenge is also part of an international experience, which is far more difficult to recognize, let alone define. But its outcome has the potential to shape the country far more completely than any of the preceding three. Australia is faced with an inexorable economic and social decline to the status of a Third World colony unless it rises to this challenge.

In spite of the fact that this entails coming to terms with powerful international forces, the country's biggest battle will be won and lost at home. It will be fought between groups with two broadly conflicting views of how Australia should respond to these forces to secure its future and the skirmishes have already begun. One view can be described as basically nationalist and the other as broadly internationalist.

Naturally both sides will attract extremists, but it is the moderates with coherent visions and a commitment to democracy who will determine the outcome. There will be no shortage of attempts, however, given the examples of the recent past, to link the moderates, particularly the moderate nationalists, with the extremists.

Of course, there are differences in emphasis — some of them considerable — between groups and individuals on one side or the other. Some on the nationalist side would be embarrassed by the label and have only gradually aligned themselves to others who are more overtly nationalist. Some on the internationalist side consider themselves as strongly Australian, but also as pragmatists facing up to international realities.

Those sympathetic to the nationalist approach have the numbers, because they include the great bulk of the general public, but lack organization. The internationalists, though, have gained the ascendancy in the power élites which control and influence both Government and Opposition. So they are both organized and well-funded — to a large degree by public money. Crucially, the internationalist viewpoint is promoted and espoused by the bulk of the media, but there have been signs of a more sceptical approach on the part of some journalists, particularly recently.

Nationalists Gradually Gaining Ground

During the last decade the internationalists have been in the ascendancy to such an extent that the nationalists have had extreme difficulty in having their view accepted as a legitimate alternative. The nationalists have found themselves attacked and shouted down, no doubt by many who were driven by good intentions and feared the resurgence of an insular, counter-productive brand of nationalism. Yet with the post-mortems over the financial excesses of the 1980s, with the failure of a

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number of internationalist schemes such as the Darwin Free Trade Zone and with the growing maturity of the immigration debate, the nationalist viewpoint is gradually gaining legitimacy.

The nationalist viewpoint can be broadly described as putting the interests of Australia's own residents first and developing a more united independent outlook. Its proponents emphasize the capabilities and achievements of Australians and the necessity to invest in our own residents and resources. They say one of Australia's basic problems is that it allows its ideas to be developed overseas, rather than ensuring that we develop them. They oppose high immigration on economic, environmental and social grounds and criticize Australia's colonial-cringe and cargo-cult approaches. They say that our immigration program does nothing for the underlying problems of emigrant countries, and that our skilled immigrant program is not only a form of intellectual piracy, but one which denies our own residents training opportunities. Australia could far more effectively assist foreign countries by using much of the money squandered on immigration to increase foreign aid programs.

The internationalists tend not to rate local abilities or adaptability to changing international circumstances highly. They stress the need for high levels of immigration to invigorate the country, both economically and socially. They believe generally in multiculturalism, but specifically in integration with Asia. They look at the economic groupings of nations such as the European Community and the North American Free Trade agreement, and fear that Australia will be left behind if it does not make a similar arrangement. Australia being a basically European nation in an Asian region which promises (particularly in the North-East) to be the world's economic powerhouse, the internationalists see it as being in Australia's interest to integrate with the region. There are differences in emphasis of course about how this should be done, but a blueprint which has been very enthusiastically greeted by academics, bureaucrats and in the media is Professor Ross Garnaut's *Australia and the North-East Asian Ascendancy*.

This approach stresses, among other things, the need to take more immigrants from North-East Asian countries, so as to link with the region; it also stresses the need for an educational emphasis on the region, particularly the study of its languages. Others on the internationalist side stress the significance of other countries, particularly in immigration, while not publicly opposing the Garnaut view. Garnaut also proposes abolishing all tariffs by the year 2000, as part of a commitment to a 'level playing field', and already the government has significantly reduced tariffs.

On the other hand, most of the nationalists call for government intervention to assist local industry and deny that there is any such thing as a level playing field. They say the economies which have prospered — particularly Japan and Germany — are interventionist, and for Australia to advocate a level playing field when no other successful economy really believes in it is folly. Intelligent nationalism stresses the importance of maintaining good relations with Asian countries (particularly with Japan, our major trading partner) and does not oppose the desirability of becoming better informed about our neighbours. It stresses, though, that all these things can be done without sacrificing our own traditions or — in current glibly fashionable language — becoming an 'Asian nation'. Indeed, the Asian nations will respect us for approaching them as equal, but different, and they will secretly — and not so secretly — hold us in contempt if we attempt to submerge our traditions in an attempt to 'fit in'. The nationalists say that if Australia 'integrates' with Asia, we will lose everything we value as well as, ultimately, the respect of the Asian nations themselves. Australia must have the courage to accept its uniqueness rather than attempt to extinguish it. It must also look to trade with the world and not become locked into putting all of its trading effort into Asia. Given the rapidly changing political and economic circumstances in the world, Australia not only has to have the ability to adapt quickly, but cannot afford to put all its eggs in the one basket — in trade or any other area.

**Building on the Past, Looking to the Future**

However, if those in the nationalist camp who advocate widespread protection and the use of tariff walls gain the ascendancy, then the nationalists will fail. Government assistance to industry will have to be very selective and the nationalists will have to stress the development of our own abundant natural resources. On a social level they will have to stress the things which unite, not those which divide the nation.

The tendency among some who align themselves with this movement to hanker for past solutions and the re-creation of an Australia which no longer exists except in their memories, will have to be resisted. An intelligent outward-looking nationalism, which values and builds on the strengths of the past, while looking to the future and developing the flexibility to respond to rapidly changing international circumstances, is the only type which has a prospect of success. Isolationist nationalism will fail completely.

It is my contention that this intelligent outward-looking nationalism, which builds upon our traditions and strengths, is the correct choice for Australia. It is also a vision which the general Australian population will readily embrace and work towards. On the other hand there is likely to be widespread grassroots resistance to the internationalist approach, an approach which denigrates Australian traditions and which is basically being imposed by the power élites from above.

A country can only continue to prosper if it builds upon the best of what already exists and has the support of the bulk
INTERNATIONALISM OR NATIONALISM?

of its population. The people without leadership is helpless, but leadership without the active support of the people will ultimately fail.

The present leadership in Australia on the one hand works against the grain of its country's most valued traditions, and on the other promotes its worst — namely the cargo cult and the colonial cringe (with a strong dose of middle-class guilt to boot). All it has done is to direct these two old vices towards Asia.

The Cost of Scorning Moderate Nationalism

In maintaining the illusion that there is no alternative and in denigrating the moderate voice of nationalism, the internationalist approach not only asks for ultimate failure, it undermines the faith of the public in the political process. If moderates are to be denied political legitimacy because of internationalist repression, then nationalist extremism will gain ground and basically good people will embrace it out of sheer desperation. As stated earlier, extremism is not likely to succeed in Australia, but it could deeply divide and damage the nation. Those who denigrated the moderates, such as the present leadership, will bear a large part of the responsibility.

It must be remembered that unlike some expressions of European nationalism, Australian nationalism is not expansionist or imperial. Australian nationalists don't want to invade or bully other countries, just to secure the future of their own, so they can pass it on to their descendants. Australian nationalism is strongly democratic.

Having said that, Australia has yet to reach its potential as a fully fledged nation. It is still an adolescent and to realize its potentials that adolescent must be given the opportunity to throw off its colonial cringe and develop to adulthood. The alternative is to remain a stunted country and — out of fear of being left alone in the big wide world — attempt to engineer an artificial conformity with one part of it. That is the cowardly way to eternal colonization. Our future must be based on the courage to build on our strengths, and not to be dominated by our fears. ■
Exhibitionism  Maria Kozic’s exhibition in Melbourne, ‘This is the Show’, displayed 127 breasts — nothing but breasts — in 63 paintings (one painting contained three breasts, accounting for the odd-numbered total). She sold the paintings by weight. This “is to do with the absurdity of how tits are portrayed in the media, but also the female nude in art,” she told the Herald-Sun. “To walk into a room and to be confronted with wall-to-floor breasts, almost as if they are skinned and collected on stretchers, and have them looking at you like eyes ... I show the absurdity of it.” Indeed she does.

In Woodstock, New York, artist Kathy Grove takes a different approach. She uses air brush techniques to alter copies of famous works of art, such as Manet’s ‘Breakfast on the Grass’. Specifically, she removes the female figures, in order to make images “portraying women as they have been throughout history: invisible.” Grove says that her versions give women “the chance to symbolically take control of the decision to participate.” It seems more likely that Grove herself is taking control of their decision to participate. The real masters of the technique of “now you see them, now you don’t”, of course, were those artists who applied themselves, under instruction, to official Soviet portraits after a purge. Trotsky was the best-known of the former party men to become ‘invisible’.

The Yuletide was out  Asked by Ansett Australia’s inflight magazine, Panorama, to recall his best Christmas, Tim Finn of Split Enz-Crowded House fame, nominated a Christmas in Rio de Janeiro. “…a lot of the voodoo rituals were happening on the beach. They were putting charms down into the sand and sending them out into the water in little rafts. There were witch doctors everywhere in black top hats and flowing robes, smoking big cigars. People would start to get possessed, they’d be shrieking and flailing around. It was very strange and moody, evocative stuff.” One thing it doesn’t evoke, Tim, is the spirit of Christmas.

Flipping Paradigms!  The title of the ANU’s Centre for Resource and Environmental Studies sounds sensible enough. Not so some of its seminars. “Holism, Harmonism and Chaos Theory: Is the Eco-political Paradigm about to Flip?” was the bewildering title of one towards the end of last year. The speaker was Norm Sanders who, as a former Democrat Senator, ought to understand something of Chaos Theory. Dr Sanders is now a Senior Lecturer in the ANU’s Human Sciences Program. Here is a sample from the circular advertising the seminar:

“Patriarchal deification of the blade displaced a holistic, earth-centred female/male partnership society some three thousand years ago. Now, the male dominated, expert worshipping, reductionist economic growth paradigm is coming under increasing scrutiny and criticism. The once devalued feminine trait of recognizing the interrelationship between earth and humanity is re-emerging...

“We need to take stock of our position in the light of current events and utilize Chaos Theory to create new strategies to attain our goal of flipping the eco-political paradigm. That the time is right for a flip can be seen in a number of widely diverse areas. The exploding interest in spirituality and self-transformation in the materialistic, resource squandering West can be taken as [an] indication of the impending change.

“Unity of purpose is essential to the task of flipping the Eco-political paradigm. We should consider uniting the basic tenets of Deep Ecology, Social Ecology, Eco-feminism, Environmentalism and Classical Conservation under the holistic banner of Harmonism.”

Future Studies  Corinella’s children’s page in the Melbourne Herald-Sun recently awarded its ‘Beamer of the Week’ to the writer of this brief letter, published with an accompanying photograph:

“Dear Corinella,

At school we are doing work on the future.
Here I am dressed as an alien.”

Deregulated Imaginations  “Much nonsense has been written about the crisis in the leadership of the Australian Democrats and the overthrow of Senator Janet Powell,” wrote Alex Mitchell last October in his regular column in the Sydney Sun-Herald. He may be right, but that’s no excuse for adding to it. Indeed, it is hard to think of any nonsense in the media on the Powell overthrow which comes close to Mitchell’s:

“The source of the party’s problems are [sic] blindingly obvious. Unlike the ALP, the Liberals and the Nationals, Powell made the courageous decision not to run up the Stars and Stripes and support the war in the Gulf. This caused huge concern in the intelligence services and among spooks at ‘friendly’ embassies in Canberra. Powell has paid the price for her political principles by losing her job and having her private life made public.”

If this sounds far-fetched, Mitchell’s comments on economic rationalism are even more so. In January he wrote:

“The Australian economy is only about one-third of its way into the great deregulated, unregulated, privatised and unprotected experiment and look what we have: record bankruptcies, the highest unemployment for 60 years and thousands of kids and elderly people forced to live rough or in poverty.

“But just a minute, say the deregulators, inflation has
been squeezed to 4 per cent. Yes, we reply, and inflation was zero in Hitler’s labour camps. In Cambodia, the Khmer Rouge demonstrated what happens when European political and economic concepts are borrowed from developed industrialized nations and inflicted on a Third World country. Welcome to Year Zero and the Killing Fields.”

Economic freedom today, genocide tomorrow: remember those champions of small government, Pol Pot and Adolf-‘Laissez Faire’-Hitler?

Alex Mitchell is not the only commentator to hear the march of jackboots behind calls for economic reform. On 11 December 1991, Senator Siegfried (Sid) Spindler asked that the Senate note “the lemming-like rush to the GST mirage...that, in times of economic and social stress, people will gravitate to authoritarian leaders offering glittering promises, regardless of the merits of such promises; that, prior to 1933, more than a third of Germany’s young people were unemployed; and that this is a percentage which now applies to many regions in Australia.”

The GST may not solve our economic problems, but will it actually inaugurate our own Third Reich?

No Credit for this Scheme In December the Victorian Government launched Foxlotto in an attempt to curb the State’s fox plague. “Shooters handing in a fox scalpel to wildlife officers and selected skingbuying companies will receive lottery tickets for monthly prizes such as holidays to Victorian resorts, dinners and sports goods,” reported Greenweek. Perhaps the Victorian Government could try persuading its creditors to accept payment in lottery tickets — but I don’t like its chances.

Not Their Concern Queensland’s Criminal Justice Commission on prostitution received numerous submissions, most supporting decriminalization. One organization that did not make a submission, according to The Weekend Australian, was the Catholic Church, because prostitution “is a quality of life and public conscience issue”. Presumably, if the issue had concerned, say, the distribution of wealth in Australia (on which the Catholic Bishops have produced a substantial report), Church comment would have flowed like the Franklin. But a ‘matter of public conscience’; well, that’s not really the modern church’s concern, is it?

Smell a Rat? A new element has entered the dispute over the proposed Yakabindi nickel mine in Western Australia: a rare rodent called the stick-nest rat. According to a report in the West Australian, the Ngalia Heritage Research Council claims that mining would destroy the habitat of the rodent. Officers from the Department of Conservation and Land Management claim that the rat is extinct on mainland Australia. But a Ngalia spokesman says that the rats are still there in the hills “and a living part of the Aboriginal culture in the area.”

If this sounds like the ‘mouse that roared’, then consider the US army’s retreat in North Carolina, in the face of a colony of tiny woodpeckers. Fort Bragg in North Carolina is one of America’s most important military bases, but it is threatened with closure because the US Fish and Wildlife Service has decreed that the red-cockaded woodpeckers shall be preserved at all costs.

New Scientist reports: “Tanks still roar around Fort Bragg’s 60,000 hectares of woodlands, and troops still parachute into the forest. But when they run into lines of red tape or distinctive signs on trees, they must stop. These signs mark areas where traffic is forbidden, because they lie within 60 metres of the hollowed-out trees where woodpeckers live.

“There are more than 400 such areas on the base, creating a checkerboard training area that mocks the army’s attempts to practise realistic combat. The base is supposed to be a battlefield, and you don’t have a battlefield anymore,” grumbled one military specialist. ‘It’s against all kinds of military doctrine.’”

Already, Fort Bragg has been forced to close its main firing range, which cost $20 million, because hollowed-out trees had been accidentally destroyed.

Sounds of Silence Mary Cassini is a weaver from Oakbank in South Australia. But she is not just that. According to the ABC, she also initiated “the concept of 3 Minutes’ World Silence, a period in which people all over the world would come together in thought to remember...the future [sic] and to wish for peace.” Since the concept began, it has “received considerable press attention, particularly in the Middle East...” — three minutes of peace being a familiar concept in that region.

Since initiating the concept, Ms Cassini has received a grant from the Performing Arts Board of the Australia Council, enabling her to commission Melbourne composer Ros Bandi “to create a soundscape for radio that would complement and highlight the concept.” On 1 January 1992, at 10:45am, ABC-FM radio broadcast the soundscape, followed by Three Minutes of World Silence accompanied by “sounds to act as a catalyst for this activity.”

And then, as if by way of comment, there followed a program of Messiaen, featuring a performance by Edgar Krapp.
Lack of Private Patronage

The time when patrons like the Medicis or Fuggers or Estershazys could afford to keep artists is long finished. Besides, nowadays the artist would himself probably oppose constraints put on him by the whim of a private individual.

Difficulty of Artists' Lives

Except for a Tom Wolfe, Ken Done or a Pro Hart, artistic endeavour is highly precarious financially. Most artists earn (however long they have trained in their field) paltry sums. Often they don't earn even these, unless they take jobs in unrelated areas. The unemployment rate among actors is notorious: sometimes 95 per cent. Government arts subsidies — whether direct to the individual, or through

When the British Prime Minister Lord Bute offered Dr Johnson a government pension, the latter (despite his great poverty) felt most reluctant at first to accept it. Bute had to assure Johnson that his pension was "not given you for what you are to do, but for what you have done." Very different was the view of Schubert, who in Vienna over 50 years later said "The state should maintain me." Since the Welfare State came into its own, it is Schubert's rather than Johnson's attitude which has prevailed for artists around the globe. Today every country in the Western world has taxpayer-funded libraries, art galleries, orchestras, opera and ballet companies, and film production units. In 1986 there were 117,000 arts-related jobs just in Greater New York. As well as funding arts organizations, most countries fund individual artists. They do so primarily on the 'arm's-length' principle; that is, the principle that artists should be paid in advance, and that governments should not be actively involved in the artists' output.

Increasingly, however, the value of government funding for the arts is being questioned. Before the 1990 federal election, Australia's Coalition parties announced that they intended to abolish the Australia Council and decentralize arts subsidies. Yet, no Australian (or major American) political party advocates abolishing governmental arts funding outright.

Undue State Interference

With arts subsidies there is a constant tendency for artists to be preoccupied with not whether their work is any good, but whether it (and they) can please Big Brother. This concern, even when no overt censorship exists, ensures a self-censorship lethal to serious creative activity.

No Guarantee of Final Product

The arm's-length doctrine, guaranteeing the favoured artist subsidies in advance, eliminates all incentive to do fine work: or, in many cases, to do any work whatever. Too many artists view funding as a chance to "take the money and run": without even finishing the task for which they have received taxpayers' funds.

Kills Off Private Patronage

The "no private patrons" argument
an organization — can at least protect such people from the worst consequences of poverty.

Public Good The arts have an edifying value for the whole community. Most Australians recognize the contribution of the arts to general education and national pride and consequently support government assistance for the arts. Relying on the market alone will not ensure the production or maintenance of high cultural quality. As ABC TV’s increasingly desperate pursuit of ratings reminds us, art cannot always be judged on its bread-and-circuses appeal. Many of history’s greatest artists were poor, lacked all gifts for self-advertisement and stayed unfashionable. Had today’s government funding existed then, their lot would have been far easier.

Commercial Considerations Not Always Possible The production of big new works takes time. There is often a long period between the creation of a work of art and the public reception of it. Many artistic activities will always be expensive and risky: film stunts can go wrong, opera singers lose their voices without warning, orchestral instruments break. As these activities involve many different types of practitioner, they will remain labour-intensive. They are therefore not an attractive financial option for any but the richest private sponsors. Governments, which need not be constantly worrying about next year’s dividends, are a more fitting and more stable source of funds.

Right to Access No one has the right to deprive people of experiencing the arts. Governments throughout the Western world admit this, just as they admit the desirability of schooling, of street lights, and of preventing children from working in coal mines.

Confuses cause with effect. Private patronage for the arts has died out only where punitive taxation and the Welfare State have combined to kill it off. In America it still flourishes: look at the Getty, Guggenheim and Rockefeller philanthropic institutions.

Against the Political Tide Western societies’ great political achievement over the last decade has been the acceptance of smaller-government philosophies, even by parties which call themselves Socialist. When private enterprise’s superiority in areas ranging from education to health care is now admitted across the political spectrum, why must the arts remain coddled by bureaucrats?

Encourages the Talentless Government funding’s recent lavishness has been equalled only by its failure to lift artistic standards. It overpopulates the already-crowded arts world. It encourages the talentless charlatan — who could never fool private sponsors — to call himself an artist. It also results in taxpayer-funded absurdities, often in the name of “art for the people”, such as “mural artists-in-residence” for the BLF’s Victorian branch.

Struggle and Creativity Government arts subsidy robs even the talented of the sense of struggle (financial and otherwise) necessary for excellence. Abolishing such subsidy will be a reminder that art was no more meant to be easy than any other aspect of life. Gifted and conscientious arts practitioners need not fear this reminder; only frauds and shirkers should.

Tyranny by Committee With government funding, the decisions as to who gets what are taken by an impersonal committee, acting on the concept of anonymous “peer-group assessment.” How can committees, especially committees of (possibly envious) fellow-artists, adequately judge an artist’s merit?

Need to Retain Native Talent Thinly populated countries like Australia have suffered — and still suffer — from an artistic ‘brain drain’. If artists are unappreciated at home, they will simply go overseas where arts funding is taken seriously.

Need to Meet Minority Demands If we are to be the “clever country”, we must forswear the anti-elitist, lowest-common-denominator attitude which poisons Australia. Minority artistic interests (however cost-effective) will never be properly catered for by private enterprise.

After 36 years of Australian TV, commercial networks have still not acknowledged that the life of the mind consists of more than game shows and soap operas. Nor is the pop music scene an encouraging precedent for free-market ideologies in the arts.

Imposes on Reluctant Taxpayers Many people have no desire to experience opera companies, art galleries, theatres, ‘art’ films, or non-commercial literature. Why must they disgorge their taxes on activities about which they could not care less? Even those not inherently hostile towards arts funding are often (rightly) disgusted at the forms it takes: e.g. subsidies for pornographic films.

Further Reading
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C.D. Throsby and G.A. Withers, Measuring the Demand for the Arts as a Public Good, Macquarie University, 1982.
Whither America?

What should the United States’ role in the world be in the wake of the Soviet Union’s disintegration? The path America chooses — whether isolationist or crusading — will crucially affect Australia.

DAVID ANDERSON

Nearly 10 years ago, I accompanied our then Foreign Minister, Mr Tony Street, to a working breakfast with Henry Kissinger at his New York flat. Over the ham, eggs and hash browns, the great man observed that we were “witnessing a contest between two imperial systems in process of disintegration.” As regards the Soviet Union, he was of course right — and for that time remarkably prescient. He was less prescient about the United States, which has since won the contest hands down, surviving mid-1980s predictions of “imperial overstretch” and decline to emerge as the world’s single superpower. The US has of course formidable economic and social problems, and has already embarked on dramatic cuts in its forces and armaments worldwide. Its relative economic weight in the world has declined. But disintegration is not on the horizon.

The end of the Cold War has opened the floodgates to a tidal wave of American publications — essays, articles, books, symposia — aiming to foresee or prescribe the future course of American foreign policy. Many of these risk being overtaken by the bewildering rush of events and the Bush Administration’s dexterity in responding and adapting. But some of them are worth examining, because they represent significant strands in American foreign policy thinking or identify options with which the policy-makers have to deal. And for these reasons they can have important implications for Australian interests.

The sweep of opinion — ranging from traditional isolationism to calls for a Pax Americana or a democratic crusade — is well represented in America’s Purpose: New Visions of US Foreign Policy, a collection of essays edited by Owen Harries of The National Interest. Other recent publications include Joshua Muravchik’s Exporting Democracy: Fulfilling America’s Destiny and Donald E. Nuechterlein’s America Recommitted: US National Interests in a Restructured World.

Perhaps the most prominent group (‘school’ would be too restrictive a term) is the ‘neo-realist’ who, despite disclaimers, represent the isolationist tradition. With the collapse of the rival superpower, the argument usually runs, the US can declare victory, go home, cash its peace dividend and concentrate on its pressing domestic needs and problems. The traditional distrust of entangling alliances is reinforced by the conviction that affluent allies — the West Europeans, Japan and South Korea — could and should take up a larger share, if not the whole, of the defence burden.

For Patrick Buchanan, currently George Bush’s rival for Republican Presidential nomination, the time has come to begin “uprooting the global network of ‘tripwires’ planted in foreign soil to ensnare the US in the wars of other nations.” A new foreign policy is required to put “America first, and not only first, but second and third as well.” Ted Carpenter of the Cato Institute argues more coolly for a harder look at what constitute America’s vital security interests and urges America to give up the role of Atlas, drop its “obsolete security commitments” and phase out its system of alliances, including ANZUS.

Jeane Kirkpatrick takes a similar, if less sweeping line. In her view, the Cold War gave exaggerated importance to

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foreign affairs: America’s chief concern now should be “to make a good society better.” The US should not try to manage the balance of power in either Europe or Asia: most of its military commitments are now outdated and should be replaced by “alliances of equals, with equal risks, burdens and responsibilities.”

At the opposite end of the spectrum are the advocates of Pax Americana, or variants of it. For syndicated columnist, Charles Krauthammer, the continued deployment of American power is indispensable to global stability, just as the American commitment to Japan is essential to regional stability in Asia. The ultimate objective, however, should be a unipolar world based on a confederated, ‘super-sovereign’ West embracing the new Europe, North America and democratic Asia, which would be “economically, culturally and politically hegemonic in the world.”

Some of the more exuberant hegemonists display a rather distasteful triumphalism. In the words of Joseph Joffe: “There is also pleasure in being Number One. To exert power is better than suffering it ... It is the great powers that build and maintain international order, and those who shape it most also gain most.” Ben J. Wattenburg, a senior fellow at the American Enterprise Institute, advocates “neo-manifest despotism” and concludes that “a unipolar world is a good idea, if America is the uni.”

Others stop short of advocating hegemony but stress America’s vital interest in international order and stability. They argue that the future leaders of whatever replaces the Soviet Union will still dispose of formidable military power and will in the longer term resume the contest for international influence. Nor can the US opt out of other threats to international security — regional conflicts, the proliferation of nuclear, biological and chemical weapons, Islamic fundamentalism and so on. For this school, American interests are simply too intimately involved in Europe, the Middle East and Asia for the United States to be able to withdraw to Fortress America. “Simple geography,” in the words of Malcolm Wallop, “compels us to remain engaged and active outside our own borders.”

Some of the advocates of stability take a unilateralist approach, seeing this role as a function of America’s status as the sole superpower. Others place it in the context of collective security and the kind of new world order, based on the United Nations, foreshadowed by President Bush during the Gulf crisis.

A strong strain of idealism is sometimes found in all these camps, including the neo-realists. For Jeane Kirkpatrick, US foreign policy should now concentrate on supporting the American economy but also on strengthening democracy. The US should not attempt to democratize the world, but it should encourage democratic institutions whenever possible. Ted Carpenter would like “a strategy that leaves room for the promotion of values without embarking on an interventionist binge.” Irving Kristol goes further: “It is in our national interest that those nations which largely share our political principles and social values should be protected from those that do not.”

The issues are explored at length in Joshua Muravchik’s book. He argues eloquently and persuasively that the promotion of democracy around the world should be the centrepiece of American foreign policy, not just for idealistic reasons or because democracy is the best system of government so far devised, but because it is in America’s self-interest as well. A more democratic world means a more stable, peaceful and friendly environment, for democracies rarely go to war with one another. In the past, Muravchik observes, some of America’s greatest successes in exporting democracy have been brought about through military occupation — in post-war Germany and Japan — and at times by covert action: in the post-Cold War World, however, the emphasis should be on diplomatic pressure, economic aid, assistance in the ‘technology’ of democracy, and more funding for the US Information Agency, the Voice of America and the National Endowment for Democracy. The priority targets for action should be the Soviet Union and China.

American Commitment

For the immediate future, there is no prospect that the highly pragmatic Bush Administration will entertain the neo-isolationist option or take the unilateralist road. The recent force reductions and arms control initiatives are a sensible response to the opportunities presented by the end of the Cold War and Soviet collapse: they do not foreshadow a retreat to Fortress America. On the contrary, as Donald E. Nuechterlein puts it: “George Bush seems intent in the 1990’s on setting a national agenda for the United States that emphasizes a continuing world role rather than one pre-occupied with domestic issues.” Nuechterlein, in a book with that title, found “America Overcommitted” in 1985: in 1991, after analyzing US interests in the decade of the nineties, his theme is “America Recommitted.”

In his address to the UN General Assembly on 23 September, President Bush came close to defining the present direction of US foreign policy. After speaking of “our quest for a new world order” based on the United Nations, he declared that the US “has no intention of striving for a Pax Americana. However, we will remain engaged. We will not retreat and pull back into isolationism. We will offer friendship and leadership... we seek a Pax Universalis built upon shared responsibilities and aspirations.”

The explicit rejection of isolationism and hegemony can be taken at face value. Less significance may attach, however, to the references to a new world order. After the heady rhetoric of the Gulf crisis, and at the General Assembly podium, Mr Bush could hardly have ignored the theme. But these days it is invoked less often and more tentatively. While the Administration continues to attach importance to
collective security and the potential role of the UN, it is clear that the particular circumstances which favoured decisive Security Council action against Iraq are unlikely to be replicated in other regional crises. In almost any imaginable future threat to regional security, it will be much harder for the US to muster the same broad international support and secure Security Council endorsement for armed intervention by the US or a US-led coalition.

As to the export of democracy, this is clearly not a high priority for the Bush Administration. The President told the General Assembly that the UN should "encourage the values upon which this organization was founded." But he also said specifically that "the United Nations should not dictate the particular forms of government that nations should adopt."

There will be no crusade for the promotion of democracy in the former USSR or China. The importance of maintaining a comfortable relationship with Beijing has clearly prevailed over congressional attempts to use diplomatic and economic pressure in support of democracy and human rights in China. The Administration also seems to have set a high priority on the preservation of whatever can be salvaged from the former Soviet Union: it was slow to recognize the independence of the Baltic States, and Mr Bush himself went out of his way to discourage a Ukrainian nationalist movement with respectable democratic credentials. A similar circumspection has been evident in the Administration's policy, over recent months, towards Yugoslavia.

Of all the schools and trends that have emerged in the current debate among foreign policy analysts, the Bush Administration thus seems closest to the advocates of global and regional stability. Stability is the Administration's basic objective in its present determined drive for a settlement in the Middle East, where vital American interests are engaged. In the Asia-Pacific region, where the US likewise has extensive security and economic interests, Administration spokesmen continue to reaffirm commitment and to speak of the American role as that of a 'balancing wheel.' The US-Japan Security Treaty and the ANZUS alliance — at least as it applies to Australia — are not at present in question.

But after Bush? Even assuming a continuously benign international environment, mounting social and economic problems at home and further substantial cuts in its defence budget and arsenal, the US will continue to have vital interests overseas. These may not require American intervention in every regional dispute around the world. But given the close interdependence of the American economy with those of Western Europe and East Asia, and the indispensability of Middle East oil to the international economy, the US simply cannot disengage from the rest of the world. Whether a successor Administration would regard the ANZUS connexion as worth retaining into the 21st century may be another matter.

"After having doubly defeated totalitarianism, America's purpose should be to steer the world away from its coming multipolar future toward a qualitatively new outcome — a unipolar world whose centre is a confederated West.

In a sense, I am proposing the politics of the fibre optic cable. As the industrialized democracies become increasingly economically, culturally, and technologically linked, they should begin to think about laying the foundations for increasingly binding political connections. This would require the conscious depreciation not only of American sovereignty, but of the notion of sovereignty in general. Yet this is not as outrageous an idea as it sounds. In Europe today some of the greatest world powers of the last half millennium — Britain, France, Germany, Italy, Holland, Spain, and Portugal — are involved in what Robert Hormats correctly calls the single greatest voluntary transfer of sovereignty in world history."

Charles Krauthammer

"For 50 years, the United States has been drained of wealth and power by wars, cold and hot. Much of that expenditure of blood and treasure was a necessary investment. Much was not.

We cannot forever defend wealthy nations that refuse to defend themselves; we cannot permit endless transfusions of the life blood of American capitalism into the mendicant countries and economic corpses of socialism, without bleeding to death. Foreign aid is an idea whose time has passed...

Americans are the most generous people in history. But our altruism has been exploited by the guilt-and-pity crowd. At home, a monstrous welfare state of tens of thousands of drones and millions of dependants consumes huge slices of the national income. Abroad, regiments of global bureaucrats siphon off billions for themselves, their institutions, their client regimes. With the Cold War ending, we should look, too, with a cold eye on the internationalist set, never at a loss for new ideas to divert US wealth and power into crusades and causes having little or nothing to do with the true national interest of the United States...

As cultural traditions leave many countries unsuited to US-style democracy, any globalist crusade to bring its blessings to the natives everywhere must end in frustration, and will surely be marked by hypocrisy. While the National Endowment for Democracy meddles in the affairs of South Africa, the State Department props up General Mobutu. Where is the consistency?"

Patrick J. Buchanan
Greens Get the Last Word

An important new education resource kit looks attractive, but lacks balance.

RON BRUNTON

The promotional literature states that Environment In Crisis? is guided by the philosophy that environmental issues "are best addressed when people and organizations find common ground and work together." It is produced by the Open College Network of TAFE NSW and is sponsored by an impressive list of major companies, statutory authorities and industry organizations. The package has been designed as a flexible training resource for schools, tertiary institutions, community groups and industry, and its three videos and 300-page trainers' manual cover a very broad range of environmental issues. It will probably play an important role in environmental education. It all seems very promising.

At least it does until you begin to watch the videos and read the manual. Environment In Crisis? looks as though it has been produced under the influence of what might be called "the Australian Broadcasting Corporation philosophy of balanced presentation." (The ABC is one of the major sponsors.) Essentially, this philosophy seems to involve the following procedure:

- Control the presentation to make the 'correct' attitudes the most probable outcome, while including just enough contrary points of view to counter any possible charges of bias.
- Reduce the impact of these opposing views by identifying them with commercial or other vested interests wherever possible, while ensuring that at least some of the correct attitudes are presented by people who seem to be disinterested.
- Use powerful visual images and other manipulative techniques to strengthen the correct position and weaken those who dispute it.
- Do not confuse things by presenting all the opposing arguments.

The most obvious examples of this approach are the misleadingly labelled video 'debates', which play a major role in the suggested classroom/workshop programs of 22 of the 29 topics covered in the trainers' manual. These are not actual debates, but edited and juxtaposed sound-bites filmed separately in many different locations and which vary in length from a few seconds to half a minute or so. The same sound-bites may reappear in different contexts in more than one debate. The manual admits that these debates "do not seek to give a balanced, well-rounded point of view," and that their function is "to stimulate thought and discussion", although elsewhere it claims that "a broad spectrum of views is presented."

Almost every one of the 15 debates ends with a point of view that is basically conservationist, with some variant of the warning that we must radically change our ways. In many of the debates the last two, three, or even more statements are like this. A wide range of people articulate a position that can be placed within this perspective. Some of them, such as Phillip Toyne, Peter Garrett, Bill Hare, Kate Short and Paul Gilding, are named as members of conservation organizations, but most are not. Paul Ehrlich is described as a futurist; John Cameron, who has been a major consultant for the Australian Conservation Foundation, is identified as a resource economist; other identifications are farmer, CSIRO scientist, academic, student, small business, etc. But those who present opposing arguments are nearly always open to the "they would say that, wouldn't they?" treatment — officials from industry, 'environmentally irresponsible' statutory authorities, the Minister for Primary Industries and Energy. Of course, no-one in the debates or anywhere else in the package raises the question of the vested interest conservationists and scientists may have in fabricating or exaggerating environmental crises.

Alternative Views Missing

Some of the 'debates' scarcely include an alternative point of view. For instance, all those who speak in the debate

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**GREENS GET THE LAST WORD**

*Taking Responsibility* promote the idea of political and community action to achieve conservationist goals, with the exception of Dr Michael Deeley from ICI, who merely says that industrialists are not wicked and that they have children and grandchildren. In the *Population* debate — which begins with images of a rodent plague and goes on to offer increasingly hysterical pronouncements from Paul Ehrlich — the only person who questions the catastrophic scenario is John Kerin, who points out that the rate of population growth in developing countries will decline as the standard of living improves. Nevertheless, he also says that he is really worried about the pressure of people. The one-sidedness continues in the manual, which cites the Ehrlichs as its major authority on population in the ‘information’ section, and states that “nearly every country on Earth is over-populated. The USA is over-populated because it is depleting its soil and water resources and contributing in a big way to the destruction of global environmental systems...the birth of an average American baby is hundreds of times more of a disaster for Earth's life support systems than the birth of a baby in a very poor nation.” The lone sceptical piece from the Centre for Economic Education is hardly a match for all of this.

*Appropriate Attitudes* Take Precedence

The trainers’ manual states that “learning activities should encourage the development of appropriate knowledge, skills and attitudes,” adding that “knowledge alone is not enough.” Knowledge may not be enough, but it is certainly a prerequisite for sensible and effective policy related debate. In the suggested classroom programs, students are often asked to discuss issues which require a level of understanding of scientific, social and economic issues that goes well beyond anything offered in the course materials. Perhaps some of this requisite information might be obtained from the resource list of books and magazines included in the handbook. But the list is patchy: for some topics it is reasonably balanced, for others it is not.

In reality, the development of ‘appropriate attitudes’ seems to be the first priority, and this has led to a rather cavalier attitude towards facts. For example, the video on soil salinity in the science module series commences with the narrator, the ABC's Robyn Williams, saying that “660 million square kilometres of irrigated land is too salty to support plant life, and the amount is growing.” A remarkable and terrifying figure, but one which is over five times the total land area of the planet. In another example, the manual claims that “to develop the Carajas mine, which has the richest known iron ore deposits in the world, one-sixth of the forests of Brazil's Amazon basin had to be cleared.” Yet even the most pessimistic estimate of the deforestation from all sources, including ranching, in Brazil's Amazon region is 12 per cent. And the World Resources Institute handbook *World Resources: 1990-91* notes that although the Carajas project may threaten a large area of rainforest, “it has not yet made a significant impact” (page 105).

The silences of the package are most revealing. For instance, there is nothing in either the science module on *Global Warming* or the manual to indicate that the global warming theory is under attack from a wide range of scientists. As the *Encyclopaedia Britannica Yearbook of Science and the Future, 1991*, notes, “more than 3,000 scientists have published books or articles that raise questions about the design or interpretation of the warming models or about the facts concerning or the interpretation of the climate record” (page 347). One of the video debates does contain sceptical comments from industry spokesmen, but this particular debate is not part of the suggested classroom program on global warming. And nowhere is there consideration of the serious weaknesses of the general circulation models on which climate projections are made, or of the inconsistencies between temperature trends measured by different methods.

Although the manual introduces the concept of the ‘Tragedy of the Commons’ (that is, something owned by no-one is cared for by no-one), no attempt is made to relate it to the importance of private property rights in promoting sound...
DEBATE 1: CRISIS?

The names, affiliations and order of presentation are as they appear on the video.

Paul Gilding, Greenpeace
There is absolutely no doubt whatsoever that the environment world wide is in crisis. The only people who question that are those who have either a lot of money or political influence to lose.

Murray McMillan, Australian Mining Industry Council
Crisis is a very strong word. I think it is probably too strong a word.

Robin Mosman, Local Activist
I think that the environment is in crisis, yes.

John Cameron, Resource Economist
If you look at the greenhouse effect, if you look at the loss of biodiversity, clearance of tropical rainforests, the ozone layer, and then you look at the rate of desertification around the world I think that you can only reach the conclusion that the whole global ecosystem is in crisis.

Dr Alistair Christie, Electricity Commission of NSW
I get a bit worried about assertions that it is in crisis because I am not too sure that it is in that bad a shape really.

Susan Ryan, Plastics Industry Association
In terms of greenhouse and the ozone layer obviously there is a global problem of severe dimensions.

Dr Michael Desley, Managing Director, ICI
I think that the perception around that we have suddenly come to a point here in 1990 where something terrible is going to happen immediately is quite wrong.

Susannah Begg, Student
It is my future that they are wrecking for the sake of their economic gain.

Leo Farrell, Ex-logger
The whole planet is running downhill, like a truck with a broken tailshaft it is going downhill. And unless we do something to stop it we are going to destroy the whole planet.

Victoria Phillips, The Wattleseed Deli
Earth itself is a living organism and we are killing it slowly. Once it is dead so are we.

Bill Hare, Australian Conservation Foundation
I think the signs are already there that the global climate system is being changed in such a way that we could be faced with some devastating consequences in the next century.

Professor Stephen Kanef, Australian National University
What may happen, there may be a sudden collapse, and in fact life on earth may collapse as a result and we may end up in the situation that Mars is now, with no life whatsoever.

Dr Hans Drielsma, Forestry Commission of NSW
Well I think that is putting a bit too much drama into the whole thing.

Phillip Adams, Columnist
Of course it is in crisis, but I don't think it is the end of the world. I cannot accept the apocalyptic line that it is all over bar the shouting in a fortnight.

Susannah Begg
We can either push the environment over the edge or we can save it. So it is a crisis and it requires urgent action and no-one is moving fast enough. We need to keep pushing faster and faster.

Ros Kelly, Minister for the Environment
The way we live our lives has got to be changed.

Roland Brecktwold, Farmer
What are our children and their children going to say about our particular society? We seemed to have it all at our feet but squandered it.

Bill Hare
We really have to face up to that. And it becomes not a question of if, but how.

Paul Gilding
We can't have any long term goals any more, because there isn't a long term left. We can only have short and medium term goals now. Because if we haven't changed the way we do things by the end of this decade we are in serious, serious trouble.
environmental management. Indeed, in Vince Sorrenti’s No Laughing Matter — the worst component of the video material in the package — events in a village in the Indian State of Rajasthan are used to imply that common property regimes may even be preferable on environmental grounds. And despite a number of references to environmental degradation in Eastern Europe, the Soviet Union and China, there is no consideration of the role that socialist policies played in this situation. Case studies of environmental disaster in China and Ethiopia make no mention of the political and economic systems of these countries. The chapter in the manual titled

One ‘information’ section cites the claim by a scientist that the hunter-gatherer lifestyle is “the only truly sustainable one for this continent.”

‘Rich and Poor’ outlines the arguments of those who blame the poverty of the ‘South’ on the developed nations of the ‘North’. The relevant section concludes, “other schools of thought do not agree that the North is largely responsible for the economic problems of the South” — but the reasons for their disagreement are not explained. When students are asked to discuss “what causes the poverty of the South?” in the suggested classroom program, there can be little doubt about the kinds of answers they will give if they take seriously the material the package has presented.

The myth that Aborigines and other hunting and gathering people lived in “harmony with nature” or “in a special relationship with the earth” is frequently expressed. Their (idealized) practices and attitudes are contrasted with our supposed despoliation and mechanistic world view. One ‘information’ section cites, without any adverse comment, the claim by a scientist from the Australian Museum that the hunter-gatherer lifestyle is “the only truly sustainable one for this continent.” Of course there is no hint of the likely role of the Aborigines in the extinction of the Australian megafauna.

Organic farming seems to be another favourite of the package’s producers. One of the suggested projects for the topic on agricultural chemicals is to “negotiate with the appropriate authorities to introduce organic methods for garden maintenance in your local municipality or workplace/college/school.” Others are to “start your own organic vegetable patch” and “visit an organic farm.” No corresponding visits to ordinary farms are suggested. With all the harping on the dangers of agricultural chemicals, it goes without saying that there is no mention of the fact that carcinogenic chemicals occur in natural foods. Or that many vegetable varieties favoured by organic farmers because of their natural resistance to pests rely on chemical defences, and so contain much higher concentrations of carcinogens than varieties used by other farmers.

The number of examples of crucial omissions and other major flaws in both the underlying approach and the treatment of specific issues could be multiplied many times over. But it might be unfair to give the impression that the package is all bad. The ‘attitudinal triggers’ video component presents four dramatized situations illustrating the conflicts and hypocrisies involved in trying to be environmentally correct. They could be valuable in helping students explore some of the necessary interconnections between economic, political and environmental concerns, although I personally think that even with these there is a tendency to assume that the green position is the correct one. Some issues — plastics, for instance — have been treated in a relatively even-handed manner, at least by comparison with other issues, or with the way they are treated by other environmental authors. Where relevant companies or industry associations were sponsors (or had representatives on the advisory committee) they may have been able to convince the authors of the package of the need to modify, or remove, some of the most egregious claims made against their industry.

Environment in Crisis? costs $960 ($240 for schools and TAFE colleges, $480 for tertiary institutions, libraries and environmental organizations). It has been designed to qualify under the Training Guarantee Act, and a Training Guarantee Levy brochure accompanying the package tells employers that, amongst other things, the expected results include “improved staff morale.” If it is a simple choice between purchasing this package or paying the Training Levy, the decision should be easy: send the Taxation Office a cheque for one percent of your payroll.
Economic Rationalism
Myth and Reality

A Melbourne journalist recently likened economic rationalists to Shi’ite sectarians. But the critics misunderstand the nature of both economic rationalism and the economic changes of the last decade.

DES MOORE

THE recession has produced a spate of critics of policies that are being described as ‘economic rationalism’. These critics are attacking both the main political parties for supporting policies that are sometimes described as levelling the playing field — but leaving nobody capable of playing the game. There is a notion that exposure to market forces has resulted not in strengthened industries but in destruction and unemployment. The manufacturing industry in Australia is being seen as particularly susceptible as a result of reductions in protection.

Economic rationalists are thus being portrayed as ruthless pursuers of economic efficiency, prepared to sacrifice anything that stands in the way regardless of its effects on particular industries or individuals. According to The Age's Geoffrey Barker, “Economic rationalists are the Shi’ite sect of economic and social theory: shrill, intolerant and utterly untroubled by doubt” (The Age, 11 October 1991). Another criticism of economic rationalists is that they have no cultural or social values, always putting economic efficiency and material outcomes before such values.

Government Intervention

As a supporter of more economically rational policies, it behooves me to say something about the phenomenon. One can start, perhaps, by pointing out that, with a few exceptions, economic rationalists do not envisage leaving everything to be determined in the market place. Government intervention has a role to play and such intervention may be justified on social grounds (for example, to provide assistance to genuinely disadvantaged and needy groups), on economic grounds (for example, import parity pricing for oil) and on both economic and social grounds (for example, the subsidization of education). In such instances the intervention is justified on the basis that, in its absence, the market would not deliver an outcome judged to be in the longer run interests of society. Of course, there is a range of views about how far government intervention should go. Most economic rationalists argue that it has gone too far and that it would produce a better economy and a better society if we had less of such intervention. The IPA, for example, has argued that the size of government should be reduced to around 30 per cent of GDP from its present 40 per cent. But the argument is about the extent of the reduction in government intervention, not about moving to a situation where government disappears.

Does Australia Have Economic Rationalism?

The second point to note is that Australia is a long way from having policies that could be described as economically rational, even in the relatively modest form I have suggested. We have one of the most regulated industrial relations systems in the world and the Accord between the Government and the ACTU is a classic example of how not to leave it to the market. We also have a high degree of government intervention in the operation and financing of electricity, transport, water supply, airlines, telecommunications, shipping, and wool marketing, to name just a few areas. Some of these areas are now in the process of being given greater exposure to the operation of market forces, although in most cases government is retaining a significant role.

Now, it is true that there has been a substantial amount of deregulation in two important areas — the protection of the manufacturing industry against import competition and the protection of the banking industry against competition generally, i.e. whether from overseas or domestic sources. These two areas are considered in a bit more detail below. But I first want to make the case that the increased operation of

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market forces in each of these areas should not be blamed for the present recession.

Economic Rationalism And The Recession

In the case of financial deregulation, there can be no doubt that the introduction of a more competitive environment provided the opportunity for both increased borrowing and increased lending. Equally, it is clear that the 1980s witnessed 'excessive' borrowing and lending in the private sector — 'excessive' in the sense of being unsustainable. However, that does not mean that financial deregulation was the cause of that excessive borrowing and lending.

We should note, for one thing, that there were three periods of excessive borrowing and lending in the 30 years prior to deregulation when there were controls on both the volume and price of credit. We might also note that financial deregulation still exists — yet there is hardly excessive lending and borrowing, rather the opposite. I make this point, which might seem to be rather 'pedantic', simply to emphasize that the extent of lending and borrowing is a function of the economic environment and, as a key part of that, the settings of economic policy.

The basic cause of the over-borrowing and over-lending of the 1980s was the failure of the Government to pursue a monetary policy directed at reducing inflation. I cannot explore this point further here except to note that the Government's monetary policy, in combination with other policies such as the Accord, created an environment that was conducive to borrowing to speculate on asset prices, and to spend. I argue, therefore, that the recession has not been caused by financial deregulation but was due to the Government's failure to pursue an adequate monetary policy. Now, it is true that financial deregulation made the operation of monetary policy more difficult and enhanced the opportunities for borrowing and lending. Continuance of controls on the volume and price of lending might thus have prevented some of the excesses. But, judging by past experience, controls would not have prevented over-borrowing and over-lending, particularly in a situation where financial markets had become internationalized.

In the case of the reduction in protection, there is an even more clear-cut case to say that no connection exists between the present recessed state of the manufacturing industry and the lowering of tariffs and elimination of quotas. For one thing, there is still a relatively high average level of protection of around 16 per cent in effective terms. More importantly, however, some work we have done at the IPA shows that any reduction in protection since the early 1970s has been more than offset by the depreciation in the real exchange rate. I emphasize the word 'real' in order to make the point that this calculation of the depreciation is after allowing for the faster growth in Australian labour costs. I also emphasize that the depreciation has more than offset the effect of the lowering of protection, so that the capacity of Australian manufacturing industry to compete has actually increased since the early 1970s. The graph sums up what has happened.

Critics of economic rationalism also argue that it is unfair to expose manufacturers to further competition when industrial relations, taxation and micro-economic reforms have not been implemented. However, other industries face the same problems. Further, the history of the last 40-50 years suggests that maintenance of tariffs has hindered or prevented other reforms and that it is reductions in tariffs, and exposure of Australian industry to competition, which have driven the reform process. It seems inevitable that arresting or reversing the reduction of tariffs would substantially remove pressure for further reform.

What Has Happened to Manufacturing?

Let us consider what has happened to manufacturing over this period, and why. A few facts may help.

Firstly, we need to note that, far from declining, manufacturing output has actually increased. In 1990-91 the volume of manufacturing output was about one-third higher than it was in the mid-1970s and about one-fifth higher than it was in the previous recession year of 1982-83. Of course, output in manufacturing is now running below the peak levels reached in 1989-90. But so it is in a number of other industries, due to the recession that has resulted from the Government's poor macro-economic management.

Second, the increase in manufacturing output has been

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Source: ABS, ABARE & IC.
achieved with a smaller labour force. Between the mid 1970s and 1990-91 employment in manufacturing fell by about 120,000. Most of this fall occurred in 1982-83 following the large wages surge which the trade union movement sponsored and in which the present Secretary of the ACTU played a leading role. In other words, to the extent that manufacturing employment has been reduced, that reduction has a lot more to do with the trade union movement and the centralized wage determination system than with any reduction in protection.

Note, however, that the combination of lower employment and higher output implies that there has been a significant increase in productivity.

Third, while the volume of manufacturing output has increased until recently, there has been a decline in the relative importance of manufacturing industry. Since the mid 1970s, for example, the contribution of manufacturing industry to Australia’s GDP has dropped from 20 per cent to 16.5 per cent (in 1990-91), that is, a number of other industries have grown at a faster rate than manufacturing. There is nothing surprising about this, nor anything particularly to worry about. As incomes and standards of living increase, people tend to spend smaller proportions of their (higher) incomes on manufactured products. This is true of all ‘advanced’ countries. Thus, every OECD country except Turkey has experienced a relative decline in manufacturing since the early 1970s and the decline in Australia’s manufacturing has been only slightly more than the average for OECD countries. True, Australia’s manufacturing industry makes a relatively smaller contribution to GDP than the average for the OECD (about 22.5 per cent in 1988). However, that is to be expected, given the generally greater importance of our agriculture and mining, and the comparative advantage that we have in those industries.

Fourth, as would be expected from the foregoing, a much smaller proportion of the labour force is now employed in manufacturing today than 20 years ago. In 1990-91 manufacturing employment constituted just under 14 per cent of the labour force, compared with 24 per cent in 1970-71. At first glance, this may seem to confirm the worst fears of those who ask “where will the jobs come from?” However, the answer is straightforward, namely, as incomes rise people spend an increasing proportion on services. Accordingly, we see an enormous expansion of employment in service industries. In community services alone employment has increased by nearly 800,000 since the early 1970s and the community services ‘industries’ now employ some 250,000 more people than manufacturing. Note also that while the decline in employment in manufacturing has been occurring, not only has there been a very large increase in total numbers employed — about two million since 1970-71 — but the proportion of the population in the labour force has also increased: from 61 per cent to just under 64 per cent. This confirms that it is quite possible to have one particular industry in decline, or at least in relative decline, while the economy as a whole is growing.

**Conclusion**

What we see, therefore, is that there is little, if any, substance in the two main strands of criticism of economically rational policies: of financial deregulation and lower protection. Moreover, the critics have little to suggest as alternative policies. Some say, it is true, that if other countries are tilting the playing field by various forms of government intervention, then it is appropriate for Australia to do the same thing. However, imagine the distortions to our economy, not to mention the cost, if we tried to copy the vast range of tariffs, quotas, incentives and subsidies which other countries use. Most importantly, the case for having a level playing field inside Australia is not affected by the existence of such measures in overseas countries, except in circumstances where the overseas measures are judged to be temporary. Australia should aim to utilize its resources in the most efficient way possible — and that means avoiding the provision of government assistance so that resources are employed in those areas where we have the greatest comparative advantage.

A final word about social and ‘cultural’ values. Those criticizing economic rationalism have failed to identify their ‘cultural’ values but have implied that ‘full employment’ is one of them. If that is the case, they are at one with economic rationalists. Any difference thus boils down to how that is going to be achieved. Here we run into the problem that very few, if any, of the critics seem to have an understanding of how the economy adjusts to change. In particular, there is a failure to understand the key role of the exchange rate in adjusting to, for example, increased competition from overseas. If there is such an increase, and if Australian management and workers fail to respond, that does not mean that unemployment will increase. It simply means that the exchange rate will depreciate and Australia’s relative living standards will continue to slip.

The bottom line for the critics of economic rationalism is that they have to face the reality that the experiment with increased government intervention in the post-World War II period has established the case of the economic rationalists — that is, to keep such intervention to a minimum on both economic and social grounds.

2. Covers education, health, police, prisons, fire brigades, library, museum, scientific research, welfare and employment services.
Public Sector Blow-out

Contrary to their claims of parsimony and despite the economic needs of the nation, Australian Governments have, in their 1991-92 Budgets, failed to contain the growth in borrowing, spending or State taxes.

The Commonwealth and State Governments have budgeted for a massive increase in borrowing in 1991-92. Moreover, public sector borrowings are, on current information, likely to exceed the budget estimates because of lower-than-expected economic growth.

The total public sector net financing requirement (NFR) was budgeted to reach $12.64 billion which represents a 96 per cent increase on 1990-91. Thus, contrary to the impression given by the Commonwealth Government and some State Governments, the budgetary purse strings have already loosened.

The Commonwealth is primarily responsible for the blow-out in public sector borrowing as its NFR is budgeted to increase to $8.4 billion in 1991-92 - three times the level achieved in 1990-91 and $11 billion greater than in 1989-90.

The States in aggregate have also budgeted for a modest increase in deficit spending in 1991-92. The State sector is expected to reduce their general government sector work-force in 1991-92, resulting in a total reduction of around 11,000 full-time equivalent positions or 3.3 per cent of the work-force.

The States are finally beginning to cut back on the number of public servants, but in a less-than-cost-effective manner. All States, except Queensland, expect to reduce their general government sector work-force in 1991-92, resulting in a total reduction of around 11,000 full-time equivalent positions or 3.3 per cent of the work-force. $639 million has been allocated by the States for golden handshakes or, in public service speak, 'enhanced resignation packages'. Not surprisingly, the States have been overwhelmed by applications for golden handshakes.

The Commonwealth Government is again exhibiting less restraint over its own-purpose expenditures than it shows to State grants, or than the States have shown on their own expenditures. Commonwealth own-purpose outlays are expected to increase by 8.4 per cent in 1991-92. Moreover, cyclical factors are obviously not the sole reason for the blow-out in Commonwealth outlays, given the 6.9 per cent increase in Commonwealth final consumption expenditure, and the 4,300 additional Commonwealth public servants to be hired in 1991-92.

Total public sector revenue is expected to increase only slightly (two per cent) in 1991-92, largely thanks to lower Commonwealth tax receipts flowing from last year's wage/tax trade-off. The States, however, have planned on a return to buoyant revenue growth, with 6.6 per cent growth in own-source revenue predicted. Clearly the States cannot blame their enlarged deficits on low revenue growth. Even Commonwealth assistance grants to the States will grow by 3.8 per cent in 1991-92.

State tax receipts are expected to swell by $128 per person or by 10.4 per cent during 1991-92. This additional tax take is expected to almost neutralize the tax cuts provided by the Commonwealth, indicating a further surreptitious shift in the overall tax burden toward indirect taxes, and suppression of any stimulative benefits arising from the cut in personal income tax.

State taxes receipts are expected to grow during 1991-92 primarily because of large tax hikes announced the previous year and the forecast re-emergence of economic growth, rather than new tax rates. Nonetheless, the fact that tax receipts are expected to grow at a rate of about three times the economy as a whole signifies that the tax effort of the States is exceedingly high and is imposing a very significant restraint on private sector growth.

Field's Accolade, Bannon's Lemon

Tasmania has won the IPA's Most Responsible Budget Award for 1991-92 with Western Australia and the Northern Territory as runners-up.

Dr Mike Nahan is Director of the IPA States' Policy Unit, based in Perth.
South Australia's 1991-92 budget was unambiguously deserving of the IPA's Lemon Award. The NFR of the South Australian public sector is set to expand to $2.2 billion dollars or by 13.9 per cent in 1991-92. The central reason for the budget blow-out is the additional $1.7 billion needed to meet the State Bank of South Australia's losses. The other reason is the failure to rein in the growth of recurrent outlays, which are expected to grow by 9.5 per cent in 1991-92.

The massive public sector deficit forecast for South Australia will arise despite an enormous injection of tax money. Tax revenue is expected to grow by 13.9 per cent in 1991-92. This huge tax increase is a particularly painful sign of Mr Bannon's high-taxing propensities and will suppress the growth of the private sector — an outcome that South Australia (and indeed Australia) cannot afford.

Rhetoric aside, Victoria's 1991-92 budget failed to begin to tackle the State's very serious fiscal position. Victoria's public sector NFR is budgeted to increase by nearly 34 per cent to $1.6 billion in 1991-92, despite a 10.3 per cent increase in tax receipts. Victoria's budgetary malaise comes from its recurrent spending being around $1 billion above the level needed to provide services at the level of other States, and from the ratio of debt servicing cost to total revenue being about 50 per cent higher than the all-State average. The 1991-92 budget did not even begin to tackle these problems, as shown by the planned increase in recurrent outlays of 10.0 per cent and interest cost set to expand by 9.0 per cent. Indeed, Victoria is the only State aside from South Australia to have budgeted for interest payments to consume a larger share of total revenue.

Although the Goss Government has not squandered the sound fiscal position it inherited from its predecessor, it plans to take a step towards doing so in 1991-92. Queensland's 1991-92 budget includes a 10.3 per cent increase in recurrent expenditure. Most of the additional recurrent expenditure is to be consumed on higher wages and more staff, with 2,000 more full-time positions to be added to general government sector agencies during 1991-92. Capital outlays are expected to grow by a colossal 35 per cent.

Despite the massive increase in spending, the Goss government expects to achieve Queensland's fifth consecutive public sector surplus in 1991-92. No other State has achieved a surplus during the last decade — except New South Wales in 1989-90 and then only through asset sales.

However, Mr Goss will have to stop his big-spending ways if he is to avoid dissipating one of Queensland's greatest assets — a fiscally sound public sector.

2. The Northern Territory and the ACT are, for the sake of brevity, treated as States.
3. The net financing requirement is the national accounts equivalent to the public sector borrowing requirement.
4. The total public sector includes Commonwealth, State and Local Governments.
5. The NFR estimates for the Commonwealth and the States referred to herein exclude the debt which has been transferred from the Commonwealth books to those of the States.
6. Ibid.
The Unholy Trinity

The Committee of Experts, Compulsory Unionism, and Forced Amalgamations

STUART WOOD

In recent months there has been much talk about Australia’s supposed breach of its international obligations in not allowing a ‘right to strike’ under domestic law. The International Labour Organization (ILO) has stated that Australia may be breaching the Freedom of Association and Right to Organize Convention (No. 87, 1948). Yet, in its preoccupation with the ‘right to strike’, the ILO has ignored more fundamental breaches of freedom of association in Australia, namely compulsory unionism and the preference-for-unionists provision. John Howard’s description of the ILO as “the industrial relations club in full plenary international session” is not without justification.

But first, a brief examination of the ILO and the ‘report’ that caused all the fuss.

ILO

The International Labour Organization was established pursuant to the Treaty of Versailles (1919) and has become a specialized agency of the United Nations. Its original role was and still is the development of international labour standards. The most important standard it has promulgated is the Freedom of Association and Right to Organize Convention. This year the ILO will cost almost US$400 million to run. Freedom of Association does not come cheaply, if at all.

The ILO has a tripartite committee (of course) to oversee the implementation of its Conventions. The modestly-titled Committee of Experts on the Application of Conventions and Recommendations is responsible for ensuring that national practice conforms with the ILO standards. The Committee of Experts first asks the country involved certain questions, elicits a response and then makes a report. Last year, the Committee of Experts asked the Australian Government certain questions about the ‘right to strike’ in Australia.1 The media confused this request for information with a ‘report’ by the ILO; this is like mistaking a prosecutor’s questions for the judge’s decision. Even the Minister for Industrial Relations, Senator Cook, labelled the Committee of Experts’ request as a ‘report’.2 Yet he must have known, even if the media didn’t, that the questions did not constitute a report, since his Department was responsible for a reply. It suited Senator Cook to interpret the Committee of Experts as providing international backing for his plan to legislate for the ‘right to strike’.

Freedom of Association

The starting point of any examination of freedom of association is the United Nations’ Universal Declaration of Human Rights (1948). This guarantees many rights, including freedom of speech, freedom of assembly and freedom of association. Specifically it states: “No-one may be compelled to belong to an association.” The Universal Declaration of Human Rights inspired the ILO to draft the Freedom of Association and Right to Organize Convention.

In short, the Freedom of Association Convention guarantees two basic rights. First, the right of workers to join organizations of their own choosing. Secondly, the right of non-interference in internal organizational matters. These guarantees are worthy but incomplete, because the Universal Declaration of Human Rights was not copied exactly. The guarantee that “No-one may be compelled to belong to an association” was left out. In fact, before the Freedom of Association Convention’s enactment, an amendment incorporating the ‘right not to associate’ was considered and rejected.3 Clearly the ILO’s view of ‘freedom’ is very different from popular conception.

However, just as freedom of speech protects those who wish to be silent as well as those who wish to voice their opinion, just as freedom of assembly protects those who wish to walk away as well as those who wish to gather, so freedom of association protects those who do not wish to join as well as those who do. It is hard to argue that being forced into union membership upon threat of loss of employment (especially when the ILO’s Constitution advocates “the prevention of unemployment”) infringes freedom of association any less than being denied employment because of union membership. Yet the Committee of Experts has argued that preference for

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unionists' clauses and the closed shop are justifiable and do not breach the freedom of association principle!

Preference

The Industrial Relations Act 1988 gives the Industrial Relations Commission the power to give preference to unionists in a whole range of employment matters, including hiring, promotion, transfer, retention, the taking of annual leave and overtime. This power is anathema to the doctrine of freedom of association; yet preference clauses have been widely inserted into awards by the Federal Commission, on the dubious ground that it 'encourages unionism' and 'that without preference the union could not effectively discharge its representative functions.'

(i) Encourages Unionism Let us, for argument's sake, assume that unionism is a worthy goal. Does the end (unionism) justify the means ('encouragement' by threat of job loss)? Defence of the country and the family unit are also worthy social objects. But civilians are no longer pressed into the service of the Royal Navy in order to 'encourage' national defence. Similarly, in this country, marriages are not arranged in order to 'encourage' the family unit. Not only do the ends not justify the means, they are inimical to them. Conscripts do not make for a strong navy; men and women forced together will not develop a healthy family; and workers coerced into union membership will hardly make for effective unionism.

(ii) Representative Function Another rationale for granting preference is that without it "the union could not effectively discharge its representative functions." This is classic IR-speak. Translated, it means union membership is low, the union itself cannot convince workers to become members, so the Industrial Relations Commission will force union membership, under the guise of improving the union's 'representative function' in spite of the workers. Imagine the uproar if an agent was appointed to represent an artist without his consent, or a politician to represent shareholders without their consent.

Closed Shop

The 'closed shop' breaches the doctrine of freedom of association, in that it makes a man's very livelihood dependent upon his continuous membership of a union. Sir Edward Coke (1552-1634), the father of common law, stressed the onerous nature of a monopoly whereby persons "are sought to be restrained of any freedom or liberty that they had before, or hindred in their lawfull trade." He also stated that when "it appeareth that a man's trade is accounted his life, because it maintaineth his life; and therefore the monopolist that taketh away a man's trade, taketh away his life...."

The Committee of Experts, unlike Coke, do not look to the rights of the individual at all; they do not even refer to preference and the 'closed shop' as such. They prefer the euphemism of 'union security' clauses. These "clauses aim to strengthen the position of trade unions by ensuring they become better established among workers." This is patent nonsense. The only way for unions to "become better established" is to offer attractive benefits to their potential members. To force membership upon unwilling workers may result in a short-term boost to a union's coffers, but over the longer term it will engender only cynicism, and certainly not loyalty from its conscripted membership.

This has been graphically illustrated by the NSW Royal Commission into Productivity in the Building Industry. The building industry is a typical closed shop. The sign 'No Ticket—No Start' is commonplace. A survey conducted by the Royal Commission revealed that building workers themselves wanted their trade unions to be weaker and interfere less. They viewed the building unions as a major impediment to labour reform and the smooth running of building sites.

Conveniently Belong

A new union may not be registered, under the present industrial relations system, if there is another union to which its members may 'conveniently belong'. This effectively prevents new enterprise unions from forming, as the area in which they seek to be registered may well be covered by an older union. The logic is quite perverse. Surely workers should be free to associate with whomever they see fit, rather than the Commission deciding to which union they 'conveniently belong'.

To its credit, the ILO Committee of Experts has criticized this rule, commenting that "provisions of this kind are not compatible with the provisions of the Freedom of Association Convention" because they may be used to bring about "trade union unification and to establish or maintain a situation of trade union monopoly ... Employees may be denied the right to join the organization of their choice, contrary to the principle of freedom of association."

The ILO first brought attention to Australia's denial in this regard in 1959. Over 30 years have passed and still the 'conveniently belong' rule remains on the statute books. Both Labor and Liberal Governments have done little to alter it. Consider, for example, the comment of the Liberal Minister for Labour and National Service (Hon. L.H.E. Bury, MP) in 1969:

"There is a strong case, particularly in countries such as Australia where trade unions have long been recognized, where trade union membership covers a substantial proportion of the work force..."
and where an orderly industrial relations system is in operation [emphasis added], for measures to be taken to prevent a multiplicity of organizations for bargaining purposes.\(^9\)

In other words, the right of workers to form small responsive enterprise unions is to be sacrificed on the altar of "an orderly industrial relations system." It seems Labor governments were not the only apologists for this denial of freedom of association!

Minimum-sized Unions

To 'encourage' the amalgamation process, the Government has decided that from 1993, only unions with more than 10,000 members will be allowed to take their place in the industrial relations system. The remaining unions will have their registration 'reviewed'. One wonders how a transition to enterprise bargaining can possibly take place if smaller unions are not allowed to flourish. What is the rationale for denying workers the choice of a small, democratically controlled and responsive union as their representative vehicle?

The Confederation of Australian Industry has appealed to the ILO against this blatant breach of the Freedom of Association Convention. Yet the Government is unlikely to take any notice. Its program of promoting amalgamations requires that small unions are 'encouraged' to see the benefits of joining with larger organizations. Without the threat of loss of registration, the smaller unions may be unable to clearly understand the 'benefits' of amalgamation.

During the 1991 ACTU Congress, the topic of freedom of association arose. The Secretary of the ACTU, Mr Bill Kelty, was reported to have delivered a rousing speech "denouncing freedom of choice — and the right to associate with a union of choice — if it was not in the best interests of the trade union movement as a whole." His rationale was that "the basis of the union movement was to prevent individuals going against collective good."\(^10\) This is an unusual description of the "basis of the union movement": that the individual worker's interest was somehow opposed to the collective's! In fact, the opposite is true. The birth of the trade union movement was in response to the real hardships faced by individual workers, who joined together to gain rewards they could not hope to receive independently.

Something has happened since the formation of the union movement, if the Secretary of the ACTU can talk of the basis of the union movement in this fashion. One hundred years ago freedom of association was a precious commodity, not granted without a fight. The ACTU and the ILO have perverted this doctrine, in order to foster their own agendas. Nowadays, union members are simply pawns to be divided up and parcelled out by the ACTU to one of twenty mega-unions. The criticism of Jim Macken is apt:

"I ask: do all our unions and their leadership really see the men and women who make up the membership in other than corporate terms? Do they see the men and women who are unionists in terms of flesh and blood, in terms of family, of children, in terms of their social aspirations and their dignity as people? I suspect some see them as a group upon whose numbers and strength capitation fees to the ALP and the Labor Council mean political or industrial strength."\(^11\)

Conclusion

The International Labour Organization, the self-appointed protector of the principle of freedom of association operates, as we have seen, with a highly selective notion of freedom of association.

A system based on genuine freedom of association would see unions become more democratic, responsive and representative and the emergence of enterprise-based unions.

There are some hopeful developments. Recent NSW reforms have outlawed 'preference' and the 'closed shop', and the Federal Liberal Party has promised to implement a system based on freedom of association if it wins the next election.\(^12\) It would need to give more weight to freedom of association than the ILO, the Federal Labor Government and even previous governments sharing the Liberal name.

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2. In Parliament, Senator Cook referred to the Committee of Experts' request for information in these terms: "There has been much debate of late about the finding (sic) by a key United Nations body — the International Labour Organisation." Hansard (Senate), 17 October 1991, p. 2283.
5. Ibid, p. 112.
6. Ibid, p. 112.
11. Macken, J., 'New South Wales — Ready for Change?' in Easson, M., and Shaw QC J., Transforming Industrial Relations, 1990, p. 105. Mr Macken is no friend of the Right. He was a member of the NSW Industrial Relations Commission for many years, and is scathing of the Greiner Government's recent industrial relations reforms.
When is the Personal Political?

Where does the public’s right to know about the conduct and character of their elected representatives end and violation of politicians’ privacy begin? Drawing the line is not always easy.

MICHELE FONSECA

Australia has not experienced the media tradition of reporting on politicians’ private lives to the same extent as the United States and Britain. In the past decade only a handful of ‘private’ issues have been published and at least three of these cases were first raised outside the media: Dallas Hayden’s conduct prior to the appointment of her husband as Governor-General, and the Paul Keating and Christine affair, both raised first by parliamentarians; and former Prime Minister Bob Hawke’s past womanizing, first revealed in Blanche D’Alpuget’s biography. Compare this to Britain, where politicians’ private escapades feature regularly in the tabloids — or to the United States, where by virtue of the First Amendment, the Fourth Estate has carte blanche to report on what takes its fancy. However, the much publicized Australian Women’s Weekly and 60 Minutes interviews with Margaret Hewson, the ex-wife of Federal Opposition Leader John Hewson, may indicate that the line of demarcation between public and private in Australia is shifting.

The temptation for journalists to transgress the boundary between public and private is always strong. The general public may pretend to disapprove of revelations regarding politicians’ private affairs, but secretly it relishes them. Scandals sell newspapers and boost television ratings. Politicians, too, are not blameless. When it suits them, many are only too happy to invite the media into their homes for a sympathetic family profile. If politicians are prepared to use their private lives to enhance their image, can they really complain about invasion of privacy when the media uncover a less wholesome side to their private lives?

American journalists have not always been as intrusive as they are today. They did not report President Kennedy’s extra-marital affairs, despite these being common knowledge among the Washington media. The incident that more than any other broke the privacy barrier in America was that involving Democrat nominee for the 1988 Presidential elections, Gary Hart. After The Miami Herald published an article alleging that Hart had spent a weekend in his home alone with a 29 year-old model, Donna Rice, Hart’s ‘character’ was debated throughout the country and, eventually, he dropped out of the race. The issue superseded all other election issues. A question being asked all over the nation was: “Is this man, a womanizer and presumably a liar, capable of holding the highest job in the land?”

When the story first broke, Hart was defiant. The New York Times (3 May 1988) quoted him as challenging “If anyone wants to put a tail on me, go ahead. They’d be very bored.” His ‘trial by media’ brought the ‘character issue’ to light, and caused debate over whether his actions were relevant to his political career. Though many argued from a moral point of view that he was not fit for office, others more relevantly criticized him for poor judgment. The reports had an immediate effect on Hart’s political career. An NBC News/Wall Street Journal poll of 6 May found the number of voters who saw Hart as ‘unfavourable’ had risen since the previous month from 22 per cent to 40 per cent.

Hart eventually delivered a statement in Denver, withdrawing his candidacy for the Democratic Presidential nomination. In part, he said:

“I’ve made some mistakes; I’ve said so. I said I would, because I’m human. And I did. Maybe big mistakes, but not bad mistakes... We’re all going to have to seriously question the system for selecting our national leaders, for it reduces the press of this nation to hunters and presidential candidates to being hunted.”

He went on to criticize the media, saying in the preceding week he had been subject to “reporters in bushes; false and

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WHEN IS THE PERSONAL POLITICAL?

Gary Hart before relations with the media soured

inaccurate stories printed; photographers peeping in our windows; swarms of helicopters hovering over our roof, and my very strong wife close to tears because she can’t even get into her own house at night without being harassed.”

The Hart incident raises the issue of divisions between the private and the political persona. Did Hart’s conduct throughout the affair also provide an indication of his political character? In the Spring 1988 edition of Policy Review, Gary L. Bauer wrote:

“...I cannot agree with those who maintain that private morals are largely irrelevant to public life. Gary Hart’s infidelity certainly told me something about how I could treat his political promises: if he couldn’t keep faith after a solemn pledge to a loved partner, what confidence can I as a total stranger have that he would honour his commitments — to me or to his country? Often private actions are the best evidence that citizens and voters have of what a public figure is really like...They tell people what their leaders are, not just what they pledge to be.”

Sally White, journalism lecturer at the Royal Melbourne Institute of Technology (RMIT), however, disagrees with this contention:

“It’s totally unrealistic to expect politicians never to tell a lie...I don’t think that lying to your wife necessarily means that you’re going to lie and cheat in politics. It might be marginally more likely but I don’t think it necessarily follows.”

When are journalists justified in reporting on the private lives of politicians? In the contentious area of journalism and ethics, issues are seldom black and white. There are no rules chiselled in stone, no reference books for consultation. Each situation, it seems, must be decided according to the particular circumstances surrounding it, but even then, the task is not straightforward.

According to Sally White, the freedom enjoyed by the American media may blur the distinction journalists should make between the political and the personal.

“The American press can argue that ‘all’s fair in love and war’ if you’re a public figure, not just a politician. And immediately you allow journalists to report on private lives, they then stop thinking about the fine line. They just do it, whereas we’ve always been forced to think about the fine line, partly because of legal constraints. The stories about Billy Snedden, for instance, were only run after he was dead, and you can’t libel the dead.”

There seems to be a consensus among journalists that the media do have a right to report on the private lives of politicians. Where the dissent becomes apparent is on the question of when they are allowed to.

According to a senior writer for Time Australia, Mathew Ricketson, “the criterion is where what is happening in their private lives is going to have some impact on what they’re doing in their public life.”

White shares a similar viewpoint.

“In the normal course of events I do not think it is relevant what a politician’s friendships or love affairs or marital status or sexual preference is. However, if there is an indication that that particular friendship, love affair or sexual preference lays that person open to undue influence in the performance of [his or her] public duty, then it is legitimate to report it.”

She cites the Jim Cairns-Juni Morosi affair as one that journalists were justified in reporting, because Morosi was not an Australian citizen and her husband’s business dealings could have influenced Cairns (although there is no evidence that they did). But she says the more recent Australian Democrats incident — in which former Democrats leader Janet Powell allegedly asked fellow Democrat Sid Spindler to resign because a personal relationship between them had ended — was a different case.

“The relationship between them was irrelevant, except if indeed it was the situation that Powell asked Spindler to resign because their relationship had broken down. No politician has the right to interfere with the democratic process of somebody being elected. If one of them had been a Labor cabinet minister and the other one had been the Opposition spokesperson, then perhaps the relationship would not have been irrelevant, because there would have been such a conflict between the political persona and the political philosophy and the private lives. Whereas if they’re both Democrats, it doesn’t matter.”
Journalist Tim Duncan was Principal Press Secretary to former Victorian Opposition Leader Alan Brown for nearly two years. Having worked in the journalistic and political arenas, he admits the issue is a difficult one because there are no hard and fast rules.

"The trouble is that it depends very much on context and also on the behaviour and personality of the politician. First and foremost politicians should be judged on their public actions; to the extent to which their private actions may or may not influence their public actions, their actions are relevant. The extent of that relevance is also ultimately up to journalistic judgment. An example would be if a politician is acting privately in a way that wholly contradicts that politician's public stance, and the politician has put a fair amount of political capital into that public stance, then it strikes me that that politician has put himself or herself at risk."

Testing the Public Image

Because the nature of Australian politics and, in particular, political advertising has changed so much in the past decade alone, today's media have more reason than ever before to scrutinize a politician's private life. In this age of consumerism, Australians have witnessed a marked increase in the trend of 'political packaging', especially around election time. Because politicians indulge in image-making, they invite scrutiny from reporters keen to discover just how well the image accords with the reality.

As Sally White notes, "Fifteen years ago, you said 'did it affect their ability to do their public duty properly' and if it did, you could intrude. If it was irrelevant to their ability to do their public duty properly, then you should not intrude. But now, you have the third factor, that is, the political package. Some of those things in their private life may not have anything to do with them being good politicians, but what they are, is evidence that the public image is false. Fifteen years ago, what you saw was what you got, now what you see is not necessarily what you get, and I think it is a journalist's role to keep saying, 'hold on, that person isn't what they say they are'."

Take the scenario of a male politician having an extra-marital affair. If his campaign projects him as the wholesome family man, there is reason enough for journalists to expose the discrepancy between the image and reality. As Sally White says:

"If a politician is pushing the image that he is a sweet country man who only has the interests of the little Aussie battler at heart, and you discover that actually he's never been out of the city and was born with a silver spoon in his mouth, then I think that journalists have a duty to say 'hold on, you're being sold a pup'."

Tim Duncan agrees that politicians who constantly pontificate are deserving of media scrutiny.

"If they're constantly preaching to the population about how it should behave privately, and that tends to be happening a lot more these days because governments and politicians finance very strong advertising campaigns that essentially exhort people to behave in certain ways...to the extent that government and politicians condone these campaigns or authorize them, they put themselves at risk, in a collective fashion, as role models.

"If you've got a politician who sees it as [his or her] job to either change peoples' personal behaviour or attitudes or opinions, then you as a politician have got a greater problem with being consistent with your behaviour. These days politicians tend not to think about their own actions in relation to how far governments should dictate what people do, then often they only have themselves to blame when they feel as though they are being subjected to relatively greater scrutiny. Once again, that has to be placed in the context of the relationship between the alleged acts and the politicians' public behaviour."

Understandably, voters want to see the person behind the image. Australians vote not just on policies, but according to their perceptions of the personal qualities — the character — of a leader. This being the case, isn't it the media's responsibility to disclose all aspects of a leader's character to the people? Don't voters have a right to know whether the candidate before them imploring them to "trust me" is trustworthy in his or her personal dealings?

Up to a point, but a line has to be drawn somewhere. The intrusion into Dr Hewson's private affairs involved in the media interviews with his former wife, Margaret, seems to have little justification in terms of Dr Hewson's capacity to occupy high public office. Does a bad marriage make a bad politician? If consistent success in marriage were a criterion for public office, how many other politicians, or journalists for that matter, would qualify? The 6 October Sunday Age editorial said in part:

"In these days of presidential politics and all the slick packaging that goes with it, there is an ever-present danger that the politician we are asked to vote for, is not really the man inside...this has been a tough week for John Hewson. Because of these events some voters will have already decided that
he is no longer deserving of their support...that is a decision best reached on policies, not narrow-minded morality...John Hewson has a failed marriage behind him... But that doesn't make Dr Hewson an unacceptable leader. It just makes him human."

There is consensus among journalists that in certain circumstances, where private behaviour could clearly affect the execution of public duty, a politician's private conduct should be reported. If a hypothetical State Police Minister is caught drink-driving, clearly, it would be justified for a journalist to report it. The Minister committed an illegal act, and moreover, broke a law to which he or she had been exhorting the community to adhere. In Duncan's words:

"If a politician makes a mistake and gets into trouble breaching the very things that he's preaching about, then that's legitimate news."

But the issue is easily complicated. What if a journalist discovered a politician was convicted on a drink-driving charge 20 years ago, long before he or she entered politics? Should the journalist report it? How relevant is the incident to the politician's life 20 years down the track?

On the one hand, it could convincingly be argued that what occurs in politicians' lives before they enter politics is irrelevant. Politicians are human and prone to error, as they would no doubt be the first to admit. If they committed 'pre-politics' indiscretions, the argument goes, it has no bearing on their political life. Everyone makes mistakes. As Sally White says:

"You should never report that, because that was before they made a decision to go into public life. You can't say that you're stuck forever with your past because people change. They might find God and decide that they've led a wicked life and that now they should return something to society and become a politician. And if they genuinely do that and modify their behaviour then that's fine. They shouldn't be hanged for sins they committed a long time before their conversion."

But does this argument still hold in the case of, for instance, former Ku Klux Klan Wizard-turned-politician, David Duke? Throughout his recent campaign for election, his past was widely publicized. But was the reporting justified? Is it still the case that "what's past is past," or were his prior associations more significant? Duke himself publicly stated he had seen the error of his ways. But in this situation, a strong case could be made for reporting. Though Duke claimed to have renounced public office with the Klan, a legitimate personal question remained: had he shed his racist beliefs, with their disturbing implications for public policy in multi-racial America? Voters were entitled to know the answer and to refuse to accept Duke's disclaimers at face value.

According to Mathew Ricketson, the Duke case was "a perfect example of where it's justified [to report on past life]. He was a member of the Ku Klux Klan which is a blot on the American landscape."

Focusing on the personal goings-on of politicians can, if taken too far, simply reduce news to gossip. In the drive to sell more newspapers by publishing scandals and secrets, ethics are often neglected. Though more common in Britain, chequebook journalism may be the result.

In 1963 the British Secretary of State for War, John Profumo, resigned after admitting to the House of Commons that he had been involved with call girl Christine Keeler (who had been associated with an assistant naval attache at the Russian Embassy). After the Profumo affair, Lord Denning conducted a far-reaching inquiry. In his conclusion he criticized the chequebook journalism methods employed by the British tabloids. (Christine Keeler, it was discovered, had sold her story to News of the World for £23,000.)

"Scandalous information about well-known people has become a marketable commodity. True or false, actual or invented, it can be sold. The greater the scandal, the higher the price it commands. If supported by photographs or letters, real or imaginary, all the better."

Reporting on a politician's private life involves other hazards. Gary Hart put it succinctly in his Denver statement:

"...ponderous pundits wonder in mock seriousness why some of the best people in the country choose not to run for high office...I want those talented people who supported me to insist that this system be changed. Too much of it is just a mockery, and if it continues to destroy people's integrity and honour, then that system will eventually destroy itself."

It is possible perhaps that if the Australian media do follow American trends and become more intrusive of politicians' private lives, talented prospective politicians may be deterred because of the perceived need to perform both in the public and private spheres.

One other possible wider implication is the effect on the political culture. If journalists fail to respect privacy, governments may follow suit. Once something is dragged out by journalists as legitimately open to public scrutiny, governments may feel entitled to legislate on it.

Even the experts on the privacy issue have difficulty in determining guidelines. As privacy commissioner Kevin O'Connor said in June 1989:

"While freedom of speech and its corollary, freedom of the press, is a fundamental civil liberties principle, there exists no satisfactory legal mechanism for balancing the principle against an individual's right to privacy."

Clearly the issue is a complex one, dependent largely on the collective integrity of the media, and the acceptance that those who lead public lives are still entitled to some degree of privacy. However, freedom of the press is just as significant a principle, and in reporting on personal indiscretions that may unduly affect a politician's public duty, the media are simply doing their job.
The Australian Inquisition

Periodically, the Arts faculties in universities come under siege from Inquisitors in search of heretics. Today's heretics are scholars who believe in objectivity and the transmission of Western culture.

AUSTIN GOUGH

Humanities and social science departments shouldn't allow themselves to be distracted by material difficulties or government policies, because the real threats to their integrity and even to their survival always come on the intellectual side. We might imagine the Arts faculties as Benedictine monasteries of the Middle Ages, run by genial and tolerant abbots and dedicated to scholarship, to transmitting the culture of the past, and to sustaining and enriching the life of the societies which support them. About every 25 or 30 years, however, these centres of learning are invaded by freelance Inquisitors, who are suspicious of the transmission of culture and believe that the past should be studied only so as to convict past generations of heresy and sin; they are accompanied by troops of Ignorantine Friars, who know nothing about culture but have great enthusiasm for burning books and shouting in unison.

Inquisitors and Ignorantine Friars

Just before World War I the European universities were swept by a wave of reaction against the empiricism and scientific positivism which had been the prevailing flavours of university life in the late nineteenth century. Radical staff and students called for the universities to abandon the outmoded ideals of rational argument and reliance on scientific experiment and documentary evidence, in favour of a doctrine of instinct, action, violence, "thinking with the blood", "the union of the brain and the fist." The War in 1914 put an end to much of this ferment; but its influence came to the surface again in the violent movements of the 1930s, when the universities had to deal with demands from radicals to dismiss the older generation of liberal professors, to abandon the idea of impartial scholarship as decadent Jewish rubbish, to burn textbooks and to dedicate the universities to the creation of "new men for a new age."

The Inquisitors appeared again in 1968-72, this time denouncing all aspects of bourgeois culture and calling for the universities to play a heroic part in the vanguard of world revolution; their shock troops of Ignorantine Friars preached rejection of the difficult world of adult thought, and a retreat into an anti-intellectual youth culture which had very striking affinities with the other youth movements of 30 and 60 years earlier. Its leading activists urged one another to "do your own thing," and then they all did the same thing. At Monash University in 1969 it was possible to get a spontaneous round of applause by reading from a document that poured scorn on the wimpish bourgeois concepts of rationality and fairness, and that called for the burning of libraries, the disbanding of orchestras and the total destruction of the clapped-out mandarin culture of the Western world; the document was in fact one of the Futurist manifestos of 1909 which had exercised such a great fascination on the intellectuals of that period, including the young Mussolini.

Since the mid-1980s the Inquisitors who have been plaguing the literature departments have begun to turn their attention to history. It appears that like the literary people we have fallen into the seductive mediaeval heresy of nominalism: we behave as if historical evidence and historical documents have some objective meaning, and as if by studying them we can go some way towards understanding the past — whereas, as any deconstructionist knows, all the documents and literature of the past are simply a word-game without any inherent meaning, into which almost anything can be read. And of course all of us have compounded our error by spending too much time studying the activities and the writings of dead white males.

The scholarly monks in our monastery are not really equipped to deal with Inquisitors. Their whole training predisposes them to be reasonable and conciliatory, to see all sides of a question, to detect subtle nuances and redeeming features. They are trained never to take up a clear and definite position in case someone at some time in the future might think of a possible objection to it. And the most fundamental principle of their religion is expressed in the device carved above the main gateway of the monastery, the letters "NWTA": they stand for a phrase, or mantra, "Not Wishing To Appear" — that is, not wishing to appear obstructive.

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reactionary, ill-informed, old-fashioned, or just old. As individuals the monks have high principles; collectively they are inclined to fatalism. They sit in their stalls in the chapel, and when messengers come in to announce that the Inquisitors are in the library tearing up the volumes of Gibbon and Braudel, the senior monks look thoughtful and say: “Well, you have to see their point of view. If we protest, might we not appear to be just a tiny bit reactionary?”

Writing Australian History

There are two particular areas where I think that the scholar-monks ought to stir themselves to some determined opposition. One of these is Australian history, which in some universities — not, happily, at Adelaide — is showing signs of declining into a search for evidences of sin; we are told in a lot of recent books that the historical development of Australian society should be seen as a dismal record of oppression, ignorance and genocide. Although I don’t work in Australian history myself I feel both irritation and sadness about this tendency.

My children are eighth-generation descendants of four convicts who arrived in New South Wales in 1791. Other branches of my family came as settlers in the 1840s and ’50s. They have been peaceful and useful. My grand-uncle James Alston, indeed, altered the landscape: where would Russell Drysdale and Pro Hart be without the Alston windmill? Others were farmers, bridge-building contractors, engineers, school teachers, clergy and especially musicians — some notable pianists, singers and conductors. They oppressed nobody, and I think they contributed something to the fabric of a parallel or alternative Australian history which needs to be written.

Women in Universities

The other sphere where Inquisitors are especially active is the intellectual life of women students. After a century of liberal feminism women in universities have established the right to do and to be anything they wish. Women are outstandingly successful in every university discipline from classics to chemical engineering. My own subject on the Second World War is an example, with women students consistently taking the top distinctions. But women in universities are now confronted by a positive torrent of books written from the separatist perspective, and carrying a strong flavour of Parisian Left-Bank absolutism, urging women to turn their backs on all aspects of male thought. Philosophy, history and science are said to be constructed from male paradigms and confined in the straitjacket of male language. They have nothing to say to women; the female mind is fundamentally different and will express itself in new disciplines taught by women, and a new language which will “write the female experience.” Women students will decide for themselves what to do about this self-defeating mysticism which could easily deprive us all, men and women, of some of our liveliest intellectual experiences, and put university women back where they were in 1880.

The New McCarthyism

In a clear case of life imitating art, America is growing to resemble more and more The Bonfire of the Vanities. Over and above the natural American tendency toward voyeurism, sensationalism and public neurosis, the confusion over cultural heritage and social mores which has affected America since the 1960s seems to be reaching a new peak. A number of recent events bear this out:

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minority activists see as representing the actions of the genocidal, Eurocentric, sexist, racist, imperialist white male; ¹

- In what seemed a straightforward case of public indecency (gay men soliciting each other in a public park), a number of the convicted and their families appeared on the television talk show, Donahue, indignantly and unashamedly claiming discrimination and infringement of their (gay) 'rights'. Those who criticized their actions (or homosexual activity in general) were shouted down as 'bigoted' or 'homophobic'.

If one adds the chaotic state of the American economy to such moral and cultural confusion, one can only conclude that America is a deeply troubled nation. Dinesh D'Souza's Illiberal Education, a masterly study of the modern American university, does nothing to disabuse one of this impression. If anything, things are much worse at the American university, the place where, after all, much of this ideological neurosis² began. And neurosis it is — at the University of Connecticut, 'harassment' includes "the use of derogatory names", "inconsiderate jokes", "misdirected laughter" and "conspicuous exclusion from conversation." (The idea of "Political Correctness" as some sort of disease is confirmed by Paul Johnson, who prefers to use the term "Academic Aids" "because it more accurately describes the nature of the toxin and its origins in the university."³)

"Intellectual" Trends

The product of a phenomenal amount of research, including countless interviews with students, academics and administrators, Illiberal Education details major happenings and 'intellectual' trends on a number of major American campuses over the past few years. Rather than boring us with garbled political philosophizing à la Allan Bloom, D'Souza takes a more methodical and practical approach. He divides his analysis into three sections: admissions policy; curriculum; and life on campus (most significantly, the relationships between various ethnic groups).

He identifies change in the modern university as nothing short of a 'revolution' against liberal education and Western society in general. According to the "Politically Correct", Western 'liberal' education, Western society and the Western cultural tradition which spawned them are institutionally sexist, racist, militarist, homophobic, elitist, etc. Judged by the public controversies over Clarence Thomas and Columbus, this revolution is spreading outwards into the wider American society.

D'Souza is especially brilliant in outlining how the radical egalitarian agenda of the Left is defeating its own stated aims, both theoretically and in practice. Pointing out that the insistence by the Left on quotas based on race is in fact racist, he outlines the resulting resentment against minorities. He reveals that the more 'liberal' Northern campuses, where the ideology of 'diversity' and 'multiculturalism' are strongest, tend to experience the largest number of racially motivated incidents.

Illiberal Education has been designed to appeal beyond D'Souza's conservative and intellectual constituency. Its language is not the strident kind employed by Bloom or the Dartmouth Review (of which D'Souza was once editor). Although the phrase 'liberal education' is constantly evoked, and we all know roughly what it means, there are very few attempts to construct and promulgate a detailed version of it. When there are appeals to particular values, it is to those such as 'tolerance' and 'freedom' which appeal to both liberals and conservatives. More markedly conservative themes, such as the importance of the Western cultural tradition, are viewed through the prism of such values.

Wide US Readership

Strategically, this approach seems to have worked. It has won him a wide readership, as well as audiences on speaking tours and on television. Even before the arrival of Illiberal Education, concern about "Political Correctness" (PC) had begun to manifest itself among non-conservatives. Since 1990, liberals have come increasingly on side, with publications such as The New Republic, Newsweek, The Atlantic Monthly and The New York Times giving the issue increasing critical attention. Widely covered in most of these publications (most notably The Atlantic Monthly, which published a long excerpt), Illiberal Education has added fuel to this fire. However, while some conservatives see works such as Illiberal Education and the attention they receive as evidence of a turning tide, D'Souza
envisages an inexorable and complete academic revolution, made inevitable by the retirement of older liberal faculty members and their replacement with young radicals. The PC uproar has, of course, been written off by many on the Left as either an over-reaction or a conservative conspiracy to take over the American university.4

Australian Parallels

When reading a work such as Illiberal Education it is always tempting to wonder whether any parallels can be drawn or lessons applied locally. A cursory glance at events on Australian campuses reveals a catalogue of appalling incidents similar to those chronicled by D'Souza. For example, the academic at La Trobe University who was victimized by the extremist students for writing a letter to a Melbourne newspaper critical of Aboriginal claims to Land Rights; the 'peace' demonstrators at Monash who attempted to evict the 'militarist' Army Reserve from campus during the 1991 Orientation Week; the heckling of Sydney University lecturers who refuse to comply with that institution's guidelines on 'non-sexist' language.

One can also identify other familiar ingredients: the cowardice of 'liberal' academics in the face of Left bullying; the preoccupation of radicals with -isms (sexism, racism, imperialism, classism, speciesism, etc.); language guidelines; official and unofficial affirmative-action hiring policies in academia; the prevalence (as Allan Bloom observed with the American campus) of indignation as an emotion, and the problems posed by this in an institution which relies on reasoned, dispassionate discussion; and so on.

However, in Australia, the abusers of freedom are considerably less potent and the abuses less frequent and less systematic. For example, as Michael Barnard has pointed out in The Age, while there are language guidelines from the advisory (e.g. the Melbourne University booklet Watch Your Language) to the compulsory (e.g. student newspapers like Monash University's Lot's Wife, which refuses to print "sexist, racist or militarist" material), there are no speech codes like those in existence at the University of Missouri, where the words 'matronly,' 'buxom' and 'burly' ("too often associated with large black men, implying ignorance") are forbidden.

There are a number of reasons for this. First of all, Australia does not have racial tensions of the magnitude of the United States. Despite our official policy of 'multiculturalism', Australia is a far more racially integrated society. Secondly, fewer people live on Australian campuses than on American ones, offering fewer opportunities for racial and sexual tensions to arise. Thirdly, Australian students are, if anything, becoming less radicalized and less political generally. Campus life today is very much unlike the violent 1970s when the Maoists and the Trotskyites competed for power with moderates and each other. Finally, it would be fair to say that Australians have a generally more relaxed way of doing things than the competitive and contentious Americans, the obverse side of this being, of course, apathy and mediocrity.

Paul Johnson in fact insists that the PC epidemic is the continuation of a strain in American public life he describes as "the fanatic." Originating with the Puritan New Englanders, whose 17th century witch-hunts were the earliest form of Political Correctness, this strain has reappeared down the years in the form of witch-hunts surrounding Senator McCarthy, Watergate, Iran-Contra, Judge Bork and, now, Judge Clarence Thomas. According to Johnson American history has been marked by a struggle between this strain and the "educated, enlightened, practical man-of-the-world strain" as represented by "men steeped in the English Common Law and parliamentary tradition, with its notions of balance, compromise, empiricism and common sense" — including Franklin, Jefferson, Adams and Hamilton.5

Despite the relative outward benignity of the Australian brand of authoritarianism, there are lessons to be learnt from Illiberal Education. Weakness in the face of "Academic Aids" is to be avoided at all costs. The most pathetic characters in Illiberal Education are not the purveyors of PC but the administrators who either cannot or will not use their power and authority to protect academic freedom and promote justice. Eugene Genovese, a distinguished Marxist historian and opponent of 'Political Correctness', actually goes so far as to suggest the tactics of 'counter-terrorism'. Every administrator who gives in to terrorist demands "should face demonstrators of another kind: those who, closer to the truth, trash them as front-men for a new McCarthyism, as hypocrites who preach a new diversity and practice totalitarianism, as cowards, whores and rogues...administrators who deftly avoid calls for their ouster from one side will face such calls from the other side..."6

Illiberal Education also highlights the dilemma of the moderate academic or administrator who believes in liberal education but, to protect it, may have to use methods contrary to it — for example, thinking and acting strategically and politically — when the business of disseminating ideas is not proving effective on its own.

Above all, however, Illiberal Education portrays the American university as a kind of worst-case scenario for affirmative action, anti-elitism and a particularly anti-Western brand of multiculturalism — a scenario Australian universities must do their best to avoid.
Credibility at Stake

During the Resource Assessment Commission's Kakadu Inquiry last year, Dr Michael Wood, a senior anthropologist with the Northern Land Council (NLC), told the commissioners that the fundamental obligation of anthropologists "is to represent the people that they work with." The RAC's Chairman, Mr Justice Stewart, immediately asked whether this meant that anthropologists were advocates for the people and causes that they represented? Would they use their professional position to put forward views that they knew to be false?

After an equivocal exchange during which Dr Wood said that he would probably be sacked if he publicly stated that the NLC's views on a given issue were wrong, the commissioners appeared satisfied that anthropologists would not knowingly make false statements on behalf of 'their people'. Even if we accept the assurance that anthropologists as advocates wouldn't tell lies, this does not necessarily mean that they knew to be false?

Dr Wood's statement was in keeping with the Principles of Professional Responsibility of the American Anthropological Association, which were circulated to Australian anthropologists in mid-1990. (The Australian professional body has yet to formally adopt its own code of ethics.) This document states that "Anthropologists' first responsibility is to those whose lives and cultures they study. Should conflicts of interest arise, the interests of these people take precedence over other considerations." It also warns that "in expressing professional opinions publicly, anthropologists are not only responsible for the factual content of their statements but also must consider carefully the social and political implications of the information they disseminate."

What this really means is that anthropologists' interpretations of their people's social and political interests must override their commitment to objective research. In a book which has just been published titled Ethics and the Profession of Anthropology, an American professor comments that the political attitudes of sectors of the profession are such that "it has been relatively easy for some of them to justify misleading and even lying to government agencies and corporate clients."

Indeed, many anthropologists, in common with other social scientists, would scoff at any commitment to truth in the first place. For these people truth and objectivity have become snigger words, to be used only if placed between quotation marks. Amongst themselves, in their technical publications, they question the whole status of their research enterprise, and deride the possibility of producing objective accounts of other cultures. In the words of one eminent anthropologist, the discipline's texts are "persuasive fictions."

Control of Research

There are a number of anthropologists who strongly resist these notions, and who argue that traditional standards of scholarship must remain inviolate. But in Australia, additional hurdles are being placed in the path of disinterested and candid inquiry. A growing number of calls are being made for research and information about Aborigines to be controlled in some way. For instance, the journal published by the Australian Institute of Aboriginal and Torres Strait Islander Studies recently included an article by three geographers from Sydney University stating that "the right of Aboriginal groups to decide for themselves what constitutes appropriate research, and to control information about themselves and their communities are fundamental to self-determination." Last August the head of the Aboriginal Studies and Teacher Education Centre at the University of South Australia told social scientists that they "owe Aborigines a positive image." The University of Western Sydney and Flinders University are now including "acceptability to the Aboriginal community" (whatever this may mean) as an essential criterion for certain academic appointments involving work with Aborigines. And one of the mischievous recommendations of the Royal Commission into Aboriginal Deaths in Custody was that the principal criteria for research funding on Aboriginal issues should include "the extent to which..."
Aboriginal people from the relevant community or group have substantial control over the conduct of the research.”

Such calls are pernicious. In so far as they are followed, research that jeopardizes the interests of particular Aboriginal activists or influential groups will not be carried out. Alternatively, the results will be distorted or sanitized to make them more politically acceptable. During a recent conversation Les Hiatt, one of Australia’s most distinguished anthropologists, said that “it is becoming increasingly difficult to write or speak honestly about Aboriginal issues in public in this country.” He went on to add “I feel sorry for my younger colleagues.”

The Aboriginal Deaths in Custody report includes an observation from an Aboriginal anthropologist, Marcia Langton, which complements Hiatt’s view. Ms Langton is angered by a widespread refusal of non-Aborigines to criticize or contradict Aborigines in discussion. She see this, quite justifiably, as a prime example of racism, “treat- ing Aboriginal people like children on the assumption that they cannot take criticism.” Sadly, her complaint seems applicable to the report itself. For example, in the section on Aboriginal society prior to the British arrival, Aboriginal life is portrayed as an Arcadian fantasy, with no mention of the violence and warfare that took place. And any unavoidable criticisms of contemporary Aboriginal ways elsewhere in the report are presented apologetically, carefully hedged, and to be blamed on white society wherever possible. Even while acknowledging objections from Aborigines that explanations of alcoholism and violence by social scientists serve to undermine a sense of individual responsibility, the report busily extends alibis for Aboriginal failures, thus helping to perpetuate the very situation it decries.

The recently completed site survey of Marandoo sponsored by the Western Australian Government illustrates another aspect of the problem of the credibility and political agenda of current research. A number of independent anthropological surveys carried out in the 1970s did not identify any significant sites that would be affected by the proposed iron ore mine. But last year the Karijini Aboriginal Corporation, representing people who claim traditional ownership of the area, said that these surveys were invalid. The Karijini Corporation says there were a number of supposed deficiencies of the previous research, including the “lack of Aboriginal control over surveys and anthropologists” and the “expropriation of cultural information.” The latter phrase seems to mean making information available for scientific and public examination and debate.

Certainly, the new report has not done this. The two anthropologists who prepared it merely state that four areas within the mining tenement “are not clear of cultural heritage concerns.” Under the research model used in the survey — the “work area clearance model” — no further information is required. This model is supposed to be more “acceptable to Aboriginal people.” Its appropriateness in disputes over resource development and other policy issues is another matter entirely. The supporting evidence detailing genealogical connections, historical associations, cultural knowledge, etc. is not disclosed, and therefore cannot be scrutinized by independent researchers. Although the Marandoo survey was publicly funded, all the relevant data collected by the anthropologists remains the property of the Karijini Corporation. Moreover, the people who have provided the information now live on the coast 300 kilometres away, and have not lived in the Marandoo region for over 40 years.

Two of the areas deemed “not clear of cultural heritage concerns” are crucial to the viability of the Marandoo mine. These areas do not seem to have any connection with religious or ritual activities. Rather, they contain evidence of previous occupation or movement through the country by Aborigines. On this basis virtually any large development, anywhere in Australia, could be blocked. What is happening at Marandoo and at other proposed mining operations is that heritage concerns are being used in an attempt to obtain political and economic benefits that otherwise might not be available. As Peter Veth, a Western Australian archaeologist, writes in the latest issue of Australian Aboriginal Studies, sites “are increasingly being perceived and used for political leverage. They may be used for leverage to maintain access to land and to potentially receive compensation.” And Aboriginal activists and anthropologists are collaborating in promoting research methods and practices which help to ensure that such misuse of heritage legislation can continue.

There has probably never been a greater urgency for honest and open inquiry on Aboriginal issues than at present. A growing sense that current Aboriginal policies are misguided, and widespread scepticism about the genuine significance of Aboriginal objections to resource developments, make it imperative for the public to have full confidence that the researchers involved have an unshakeable commitment to truth and objectivity. Unfortunately, all too often such confidence is not justified. In the long run the biggest losers will be anthropologists and the Aborigines they think they are helping, because nothing that they say will be believed.
Something There Is That Doesn’t Love a Wall...

MICHAEL McLEAN

Before I built a wall I’d ask to know
What I was walling in or walling out,
And to whom I was like to give offence.
Something there is that doesn’t love a wall,
That wants it down...

Robert Frost (1874-1963)

In West Berlin Zoo only the big cats, it seems, are eager to break out. Most of their fellow prisoners have resigned themselves to their captivity and make the most of it. I stood there one day contemplating the uneasy padding of a tiger as he rambled back and forth within his prison; his eyes locked upon the world he could just glimpse beyond. How he yearned to be free, to escape and experience the trials of life beyond the regulated safety of his enclosure, despite all the uncertainty and misfortune that might unfold. At times he paused; but soon he resumed his relentless pattern in slow, rhythmic action, ever hopeful that one day his jailers would break down the walls.

Two years have now passed since that other more infamously called Wall came crashing down, and brought an entire nation down with it. But for many easterners, the mental barriers — nurtured for so long under a system that did not tolerate change or initiative — are proving harder to cope with. Adapting to the new reality has become the greatest challenge for a society that was brought up with the certainty of a static, permanent, grey existence, but was suddenly thrust into an alien world where the rules no longer applied.

On a cold winter’s day in January 1991 I passed through Modlareuth, the sleepy little German village that once formed part of this century’s most infamous frontier. I was drawn to it from 15,000 kilometres away, by the opportunity to see the passing of an era and a way of life that had once held so firm a grip upon an entire generation of people and the imagination of the world.

Thirty-one years ago, soon after the world’s attention had been focused on events in Berlin, the engineers and the bulldozers came to Modlareuth. They appeared one day from across the fields: an irresistible juggernaut following an imaginary line. What had once been the boundary between the old kingdom of Bavaria and the principality of Reuss, in turn became the border between the American and Soviet occupation zones. And here, under the bemused gaze of the villagers, the engineers began to carve a barren strip across the placid fields and between the houses. It lay across the main intersection, skirted a pond, twisted around a farmhouse and led out the far side. From the highest field it could then be seen disappearing off into the distance.

Then came the guard towers, grim and foreboding, possessing a personality all of their own, thrown up like huge shafts that loomed above the ancient and unchanging buildings. They were joined by the grey soldiers and their searchlights. The engineers laid out their landmines and strung out their steel-mesh fencing. They built their concrete wall and then they went away. And suddenly a remote little village that had survived unyielding as centuries of turmoil and conflict raged about it, was torn asunder. It had become as divided as the homeland that had nurtured it. And for thirty years the gentle folk of Modlareuth gazed across those few metres to a different world on either side, to their family and friends, and wondered why.

Like a scar that refused to heal, the frontier stamped its authority upon the landscape. Over the years it came to symbolize the gulf between East and West. Steadfast, permanent, irresistible. But as we were reminded in 1989, nothing endures against the relentless pressure of an idea whose time has come. Today the steel-mesh makes good stock fencing in Modlareuth. The concrete and the watch towers stand decaying and neglected. Over time, the scars that were carved upon the landscape will vanish beneath the ploughshares as the farming community methodically reclaim what was theirs. But as Germans everywhere are now realizing, treating the human scars will prove a more demanding task: and one which harbours special dangers for the future of the nation.

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From Euphoria to Resentment

After the revolution in 1989, the optimists expected that the decaying East — with its obsolete and uncompetitive industrial base — would soon go the way of the West which had recovered so rapidly after World War II. The extraordinary scenes of euphoria with which Germans greeted the collapse of East Germany appeared to many of us in the West to be proof of a new renaissance. The emergence of a brave new world in the East would just be a matter of time. After all, weren’t they Germans too?

For a visitor from the West, how easy it is to underestimate the fundamental value that people place in personal freedom.

But the West German experience of the 1950s could not be grafted so readily onto a nation which bore very little resemblance to the phoenix that arose from the ashes of the Third Reich. In 1945 there still existed in the East an entrepreneurial class of merchants and capitalists, a class that had managed to survive relatively intact despite 12 years of the Nazi régime. But after 40 years of socialism the entire culture must be reinvented. By 1945 Germany had grown accustomed to chaos and instability after the devastation of war. Upheavals caused by reconstruction were nothing out of the ordinary for them. By 1989, however, East Germans had grown accustomed to their cocooned, stale existence. As one American commentator put it, someone had suddenly pushed the fast-forward button on history, and it has left the bulk of the population shell-shocked and confused. In 1945 all Europe was devastated. There was no feeling of being absorbed by a powerful neighbour. There was time to evolve and mature together as a community of nations. The East today has no such time. Whilst others might speak of reunification, people in the East talk resentfully of the takeover of their country by the West: and not everyone is happy to see it go.

The Wall did offer genuine protection from the bitter pills of capitalism. It offered the promise of stability, grim though that might be. A thorough social security net from the cradle to the grave, job security and a subsidized economy made the GDR an attractive prospect for a passive society. The Wall became, for many, a precondition to protect and foster the development of genuine socialism as a shining alternative to the Nazi past. That it failed so comprehensively is one fact to which many of the true believers may never be able to reconcile themselves.

For a while, after World War II, time slowed to a crawl in East Germany; it accelerated in the West. Austerity there was swept aside by the new icons of a gilded age: Sanyo, Pierre Cardin, Coca-Cola and Mercedes-Benz, to name just a few. It became an age when a generation devoted its faith to the glossy images concocted by the ascendant corporate empire. And then with the new technology of television, the images seeped right through the curtain of iron, seducing the hearts and minds of a population betrayed by the socialist dream. Lenin was discarded for Levis, and in 1989, East Germany’s became the first revolution to be won by a clothing label.

Ironic, then, to remember that it was Germany which first gave the world the theoretical principles of socialism. The German Communist Party that attempted the unsuccessful transformation to a Soviet Republic in 1919 was absolutely dedicated: following a tradition of German anti-capitalism that extended back to the 19th century. Devotees to the cause later suffered for their beliefs under Hitler, and became determined to use that same power just as ruthlessly, should their dream ever become a reality. The abuse of that power once it was acquired became justified by past experience; but in abusing it, the leaders sowed the seeds of disenchantment which led to the uprising that toppled them in 1989. Now as capitalism embraces both East and West, the old dogmas and theories are being rapidly discarded, and a few dozen feeble old men and women bereft of power are left to dwell upon the failures of their experiment and the lives that were squandered. And the nation is left to bear the burden as it slowly adjusts to life in the West.

This year unemployment is expected to reach 30 per cent in the East, as uncompetitive factories close down or are rationalized in the absence of heavy government subsidies. I spoke to one young man from Jena. We met one evening in Weimar in a spartan railway cafeteria. He was clutching a battered suitcase and was returning home for the weekend to his wife and young family. He worked as a cook five days a week, three hundred kilometres away across the old frontier near Frankfurt. Typical of so many other cities in the former GDR, Jena can no longer provide enough work for its people. A thriving optics industry had supported the town since 1846. But after a generation of nationalized planning, the factory — like so much else of the old system — has been swept away before the surging tide of Western competition. Along with most of his fellow-countrymen, he was ecstatic when the Wall fell, but no longer. He could see no future for his family in the East, and with a mocking smile he then told me that there were no flats in Frankfurt.

Closer to the border in Neustadt, shopkeepers are confronting another symptom of the malaise facing workers in the East. With the floodgates open to Western goods, people have lost faith in their own producers, especially when it is possible to buy the more attractively packaged (though often more expensive) Western substitute. Meat in the town is now processed in Neustadt but sent across the old border for packaging before returning to Neustadt for sale. This in a town of 40 per cent unemployment.

Economists in 1989 confidently predicted a surge of Western investment into the East. Yet despite some well-publicized examples, the anticipated transfer of Western industry, management and capital to the deprived East simply has not happened. Even the promise of lower taxes for corporations who transfer plant and equipment East has not provided the necessary pull. On the whole, companies were not prepared to undertake the investment required to update an infrastructure that is the responsibility of
government, but which the government cannot afford.

Dr Gernot Schneider, an economist and analyst of the East German state, sees few prospects for improvement in the future. "The East is a country of people waiting to be told what to do. They want to be part of the economic miracle but are like children looking for guidance. They have to learn that it is up to them. But how can they, when they were never taught to show any initiative? Even if an economic infrastructure existed, and it doesn't, the people themselves would still have to change." As one West German law student I spoke to commented: "People in the East once wanted all our Western goods but they never had a chance to buy them. Now that the Wall is gone they have that chance, but now they can't afford them."

In the wake of the euphoria created by reunification, the sudden descent into despair has left a sense of frustration: especially for those who are most impressionable, the young. When the disciplined authoritarian system was blown away by the winds of change, many youngsters took advantage of their new-found freedoms. Pent-up emotions — repressed for years by a system intolerant of dissent, and now betrayed by the glib promises of Western politicians — were unleashed. Now East German youths, looking for something to replace the old certainties of life, are finding the answer in direct action movements. They have embraced the very elements of Western decadence that the old system, with all its corruption and brutality, had sought to protect them from.

This is most evident in the industrial heartland of the East. Cities like Leipzig and Halle have experienced an upsurge of radical violence, if you believe the impressions of those who deal with it daily. Olaf, a young man in his twenties, cannot remember life before the Wall. In Halle, a city of obsolete factories that belch their acrid fumes into a grey atmosphere, he told me of his fears in the new Germany and why he misses the Wall. He identifies strongly with the environmental, anti-development movement Alternative Liste, and is fearful of the unemployed gangs that roam the streets at night and who regard people like him as the new enemy. He referred to them simply as "the Nazis." If they catch him it is all quite simple, he told me. They would kill him. "After all, who is there to stop them? There is no-one. The Stasi are gone. There is no-one left for them to fear."

Five Million Files Kept on Citizens

The now defunct Staatssicherheitsdienst, better known as the Stasi or secret police, once employed over 100,000 people. It kept over five million files on its fellow citizens. Professional recruitment for operatives often came by virtue of parents who were themselves a part of the agency. Thus the integrity of the agents was maintained. Children were literally born to the cause, knowing no other life. Now, as men and women still in the prime of their working lives, they too must confront their own past as they step into an uncertain future. The Office for the Protection of the Constitution (OPC) is the department that was established by West Germany to monitor subversive behaviour, in particular that emanating from the East. According to Dr Nuske, a spokesman for the Office, all professional agents of the former GDR are now known to the federal government in Bonn. "There is of course the possibility of amnesty for them. But even then, what can they truly hope for, now that their system is destroyed?"

For those whose job it was to defend the old system from the very thing that is now destroying it, coping with the new world has proven traumatic. Throughout the universities, academics are finding that there is no longer a demand for the courses they once offered. Already implicated as part of the old system, some have opted for drastic alternatives, not the least of which is suicide.

And yet, resourceful people will always find alternatives. This is especially the case for those whose access to information makes them highly prized by the Western corporate and intelligence communities. Perhaps the most infamous candidate is Alexander Schalk-Golodkowsky. A former Deputy Minister for Foreign Trade, a colonel within the Stasi and recognized as one of the most conservative of the party hierarchy, Schalk-Golodkowsky held the unofficial function of foreign currency provider to the leadership of the GDR. He travelled the world on a diplomatic passport, immune from the clutches of Western governments, while the money he raised funded such diverse pleasures as Western luxuries for the party elite and the financing of international terrorism. The Red Army Faction in particular was indebted to his carefully orchestrated network of contacts.

When the system collapsed, unlike several of his superiors, Schalk-Golodkowsky presented himself for arrest at a West German police station. He was subsequently accessed by several Western intelligence agencies and in 1991 was living peacefully and in complete freedom in Bavaria. Although immediate access was requested by Dr Nuske and his colleagues at the OPC, this was categorically refused by the federal government.

In the meantime the re-privatization of the former East Germany and its 8,000 industrial units has begun. The Treuhandanstalt is the government agency charged with this function. On the eight-member board of control sit two former members of the GDR government. Both men were party functionaries. Both had dedicated their lives to the socialization of industry. They did not then, and certainly do not now, have any love for Western-style market capitalism. But they do know the ins and outs of the GDR: and from the point of view of managing its transition, this knowledge makes them a valuable commodity for the Treuhandanstalt.

In this context, any sense of unease felt by Western companies choosing to employ communists with specialist information is lessened, just as it was in 1945 when the same special consideration was shown to many Nazis. Still, to the growing and resentful army of Easterners condemned to long-term unemployment, favours such as these for their former rulers serve as another bitter source of the dismay with which they are now greeting the reconstruction of their homeland.

One is left with a deep sense of melancholy in the east. People who cling to a dream, only to see that dream shattered, have little cause to be grateful to their liberators. And yet, for a visitor from the West, how easy it is to underestimate the
fundamental value that people place in personal freedom. I was reminded of this, during my last week of touring the East, when I met Annemarie Schick.

Annemarie is a schoolteacher. She lives with her husband and family in the little village of Haar, a short drive east of the River Elbe and the grim remnants of the frontier. Until 1989 she had never visited the river. It was forbidden under the old system. And because of the village’s location, it received special attention by the security forces.

All villages in the East within five kilometres of the border lay inside a special “no man’s land.” This meant that every day when she drove to work in the nearby town, Annemarie had to show her passport and the special stamp inside it to the policeman who worked at the checkpoint along the road. And every evening when she returned home, she had to do the same thing, or else the policeman would not let her into the village. Those were his orders. Her friends from town were not allowed to visit her. In fact, no-one from outside the village could enter the ‘zone’ except the police and the soldiers who worked along the frontier.

Apart from the inconveniences, the 300 villagers tried to lead as normal a life as possible. But always at the back of their minds was the knowledge that amongst them dwelt a neighbour, as genial and friendly as any other, whose only purpose in life was to observe and then report any breaches of security to the feared Stasi. And no-one ever knew exactly who it was.

In the early days of the Wall, families had to be extra careful, because they could tune in to Western television programs that were forbidden from public viewing in the East. Here was a country where Disneyland was considered subversive.

“It was so difficult for the children,” Annemarie said. “We would let them see something from the West, but then we had to tell them that they couldn’t mention this to anyone. They might be so excited by something they saw, but they weren’t allowed to tell their friends about it. It made things very hard. You know what children are like.” As times grow harder in the new Germany, Annemarie has no regrets about the 1989 revolution. She remains optimistic for her children’s future and scornful of the past.

By mid-afternoon the sun was already low on the Berlin horizon as people began to drift slowly out through the zoo gates into the bustling Budapesterstrasse. When I turned to look for him, I saw my tiger slumped lazily on his side, as if he had at last conceded the inevitability of his situation. He would forever remain a prisoner. While next morning he might resume his restless pattern, for the present he would remain entrapped but content. A few kilometres away across a decaying frontier in the cauldron that was East Germany, I wondered how many recently freed citizens would envy his position.
Sir Leslie McConnan and the battle for the banks

Sir Leslie McConnan is not mentioned in most Australian history books. Yet his role in defending freedom in Australia against the threat of nationalization was pivotal. As the IPA approaches its 50th anniversary it is also appropriate to celebrate one of its founders.

C. D. KEMP

Sir Leslie McConnan has a special place in the annals of the Institute of Public Affairs. He has a special place also in the much greater annals of our political history.

But for McConnan there might have been no Institute of Public Affairs — at least in Victoria. Although it may not be true to say that without McConnan’s intervention Ben Chifley’s bold bid to nationalize the private banks would have succeeded, it was McConnan who made absolutely certain it would fail. And it was McConnan, more than any other single person, more even perhaps than Menzies himself, who made sure that the Labor Government would be unseated in the climactic election of December 1949.

McConnan was one of a small number of business leaders, embracing a broad spectrum of industry and finance, who realized that when the war ended the world was going to be a very different place: there could be no going back to the state of things that existed pre-1939. The universal public demand for full employment and economic security, for a fairer distribution of the national cake, for better education and for a wider spread of opportunity had to be answered. The Labor answer was the planned socialist state. This had the support of the overwhelming body of academic and expert opinion, including, notably, that of Dr H. C. Coombs, the Director-General of Post-War Reconstruction.

This climate of opinion, along with the announced intentions of the Labor Government, was naturally giving rise to consternation and alarm in the ranks of private enterprise. Their leaders began to seek an effective alternative, one which would command public support. These leaders — probably there were no more than a dozen or so — had one important distinguishing mark in common. They had what could fairly be described as ‘gravitas’. They were men of weight, sober, responsible, not attracted to money for its own sake, certainly not to opulent living, concerned to do their best for their country, and prepared, if it came to the point, to put the national interest ahead of their private concerns. It was in this attitude of mind that the IPA could be said to have its genesis.

At the suggestion of Sir Herbert Gepp (a great industrialist and public servant, then Managing Director of

Sir Leslie McConnan: Chief Manager of the National Bank of Australia from 1935 to 1952.
Australian Paper Manufacturers), the Victorian Chamber of Manufacturers invited me to prepare a report setting out the objectives and structure of a new organization, financed by business, to oppose the socialist plans for the post-war Australia which then had a monopoly of the field. On the completion of the report it was expected that the Chamber would take steps at least to investigate the feasibility of an organization along the lines proposed. But for some months nothing eventuated — possibly because some manufacturers were sceptical of what such a body could achieve and were

Had Chifley's nationalization grab succeeded the whole course of Australian history would have been altered.

also concerned that it might divert attention, and possibly financial support, from the established representative business organizations. There was, too, at that time a great deal of pessimism in some business quarters: they seemed to feel that some form of socialist planning was eventually inevitable and that the best which could be done was to delay the evil day.

I have never been clear how McConnan came to be involved. But apparently the report to the manufacturers came to his attention. From that time things started to move rapidly. McConnan formed a committee of prominent youngish businessmen, among whom were Cecil McKay (a leading manufacturer), Geoffrey Grimwade (a scion of the noted family), and Ian Potter (at that time a rising young financier). A series of meetings, chaired by McConnan, were held at the National Bank Head Office to frame a set of objectives for the proposed body and a brief statement of what amounted to an economic and political creed. I was invited to participate in these meetings. One was attended by Robert Menzies. I have very clear recollections of this particular meeting because I came away greatly impressed with the quiet, reassuring strength of McConnan's personality and with the fact that, despite the presence of Menzies, he was very much the captain of the ship.

These meetings represented the first decisive steps towards the formation of the Institute of Public Affairs. A controlling Council was assembled, a Chairman (G. J. Coles) appointed, and a considerable sum of money raised to provide initial finance. All this, I have no doubt, was primarily attributable to the efforts of McConnan.

There was a catch about the finance. At that time there was a sharp difference of opinion among the people interested over whether the fledgling IPA should be primarily political or altogether non-political. Just around the corner loomed an election, the outcome of which could decide Australia's future. Many of the subscriptions to the IPA carried a stipulation that a substantial proportion should be devoted to helping to finance the anti-Labor coalition in the 1943 election. McConnan, I believe, wanted the IPA to be a non-political educational body and he aimed at salvaging as much as he could from the funds he had collected for this purpose. As it turned out, the election was a calamity of such proportions for the UAP that it led directly to the formation of a new party — the Liberal Party.

Once the IPA had been safely launched, McConnan seemed content to play a behind-the-scenes, although far from unimportant, role. He was no seeker after personal kudos or publicity. I remember he was firmly opposed to any merger with business interests in New South Wales (who had also formed an Institute of Public Affairs), which then appeared to be a logical step favoured by many. McConnan's attitude was that this would introduce an unnecessary complication into the affairs of the Victorian Institute and that we should concentrate on running our own ship. In this he prevailed — and he was undoubtedly right.

It would be difficult to imagine a man of McConnan's stamp in the deregulated financial environment of the 1980s. He was not only very much a product of his times when financial moderation and responsibility were taken for granted in high banking circles, he had an ingrained Scottish caution and caniness which made him suspicious of sweeping changes. He was an evolutionist — not averse, it is true, to the modernization of existing structures where improvement could be clearly demonstrated; but he was opposed to the total demolition of what had evolved from decades of experience. That was why he hated the phrase "the new order" which, around the closing years of World War II, was on everyone's lips. If McConnan could have returned to Earth in the 1980s and have seen the walls of what in his time were solid sedate banking chambers splattered about with placards enticing people to borrow large sums of money, he would not have believed his eyes. This, and much of what happened in the 1980s, would have been entirely repugnant to him. What would he have thought, for instance, of the banks lending monstrous sums of money to questionable, get-rich-quick characters, often without proper security? What would a man of his rocklike integrity, with his deep concern for the welfare of the clients of his bank, have thought of the highly risky, indeed scandalous, 'foreign loans', which the banks were recommending to their customers and which brought financial disaster to hundreds, even thousands, of borrowers? What would he have thought of senior bank officials, infected by the lure of overnight riches, awarding themselves huge salaries often in excess of half a million dollars a year? All this was a world away from his world and his sense of what was decent and honourable.

The greatest achievement of McConnan's life was the pivotal role he played in the defeat of Chifley's nationalization grab in 1947. Had this succeeded the whole course
of Australian history would have been altered. The nationalization of banking was the crucial plank in Labor's post-war objectives; it was the obvious route to the realization of its goals, the key to the socialist kingdom.

McConnan became the unquestioned champion of the cause of the private trading banks, the knight in armour to do battle with the socialist dragon. (I deliberately avoid saying "with Ben Chifley" because one of the strangest features of this historic episode was the high regard in which the two protagonists held each other; each thought his opponent to be an essentially decent man).

In the years prior to Chifley's impulsive decision to nationalize the banks, the banks led by McConnan had been contesting the Government's intention to continue into peace the financial controls introduced during the war. This meant that the powers of the Central Bank, the Commonwealth Bank, to determine interest rates and the advance policies of the banks through the Special Accounts procedure, would be maintained. In addition, the Board of the Central Bank was to be abolished and the Governor was to be required to carry out the policies of the Government. This meant that the independent status of the Central Bank would disappear and control of monetary policy would pass from the Bank to the Government.

McConnan strongly opposed the Bill, but in August 1945, the new Banking Act was proclaimed: Section 38 of the Act, which required the banks to transfer their government and semi-government accounts to the Commonwealth Bank, was the match that set the political and financial world aflame.

The Melbourne City Council, a customer of the National Bank, decided to test the constitutional validity of this section before the High Court. In August 1947 the Court ruled that governmental authorities could bank wherever they wished. Infuriated by this ruling, Chifley made his momentous decision to nationalize the banks. McConnan immediately issued a statement that the banks "would contest the legality of the scheme to the last ditch." Twelve months later the High Court declared that vital sections of the Act were ultra vires the Constitution. It was a high moment for McConnan. Geoffrey Blainey in his history of the National Bank writes, "On the following morning when he entered the banking chamber, on his way to the office, he was spontaneously cheered by hundreds of officers as if the judgment of the High Court was his personal triumph."

It was now clear that the final decision would rest with the people, in the election to be held late in 1949. As we know, the Labor Party was overwhelmingly defeated, and did not regain office for nearly a quarter of a century.

McConnan was the chief architect of the victory. He had complete faith in the loyalty of the staffs of the banks to their institutions; and he enlisted their support in his efforts to bring the Government's plans undone. His strategy was summed up in a speech he made at this time. "Remember the enormous weight of 20,000 bank officers spread throughout Australia but bonded together in a just cause. If each plays his or her part we are the most powerful single political unit Australia has ever known. The daily story of such an army will have a tremendous impact on the public mind."

Here, then, was a man who could not have succeeded in a political career — he was too reserved, too shy, too distrustful of his own views, with an ingrained dislike of immoderation and histrionics — who came to play a decisive role in perhaps the most vital political issue since Federation. If he was not the father of the IPA, he presided at the birth. As a banker he seems aetons away from the philosophies which took hold in the 1980s. In an article for the Melbourne Herald he wrote, "As a career the mere pursuit of money is the most soul-destroying and miserable I know. Success in such a career almost invariably lowers one's self-respect."

Perhaps these sentiments have a lesson for us all in the grievous circumstances in which our country now finds itself.

Margaret Roberts — The need for a strong, independent welfare sector

(Continued from p.20)

The big issue is at what level of freedom to operate and at what level of coverage should non-government services be acceptable to society. As I have already stated, the performance of some important societal functions requires government intervention and there will always be healthy debate about where that should begin and end. For me, the measure of a policy will turn on the twin considerations of civil and individual rights and security of the country in which we live. Some statutory obligations are the job of the state entirely. However, the need for service innovation, for consumer choice and for ready availability of goods and services to meet the needs of Mr & Mrs Australia demands a strong, well-regulated non-government sector. Without the choices and opportunities this sector creates, we would not enjoy a truly democratic society.

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M YTHIC heroes are not the only people who must venture into dark, mysterious forests.

One of these wilder shores is the Adyar Bookshop in Sydney, tranquil havens strong on crystals and other paraphernalia anathemic to the rugged hearts of the Right.

Nonetheless, it is here that they will find a subtler understanding of 'gender politics', including the hysteria now raging in American colleges about date rape and curricula focused on the works of dead white males.

A notable treasure is Robert Bly’s Iron John: A Book About Men, about as comforting a broadside as you are likely to find against the idea that men must be reconstructed, and that a father’s true role is to pitch in postnatally with nappy changing and formula fixing.

Like the relatively few conservatives who grapple with socio-sexual issues, Bly is a 1960s rebel grown wiser. For the last 20-odd years, he has been living in Minnesota, brooding about the male role, being a Jungian analyst and producing the odd slim volume, mostly of poetry, while American publishers otherwise turned up their noses just as they did with that other heretic, Camille (Sexual Personae) Paglia.

Throughout the 1980s, Bly conducted workshops for fraught American males, exposing them to large therapeutic doses of myth and fairytale. Notably the Brothers Grimm, from whom he takes his exemplary story - Iron John, or Eisenhans.

Iron John is a passionate, forceful, yet sensitive creature rather on the lines of Zorba the Greek (far removed from Sylvester Stallone), whose qualities are totally missing in the modern Soft Male, those “lovely, valuable people ... not interested in harming the earth or starting wars.” The trouble is, though, that the Soft Male is incapable of starting much at all, so terrified of being labelled a sexist pig that he has fallen into an impotent puppyhood, trotting at the heels of a radiantly energetic woman.

Well, so she seems. Jungian psychiatrists are not the only ones who have noticed that life with a Soft Male, eternally asking “what would you like me to do now, dear”, both in bed and behind the vacuum cleaner, can set women yearning for dark decisive truckies — a phenomenon the French seem to have noticed as early as 1968, going on Louis Malle’s film of the period, Milou in May.

Bly’s diagnosis is that his unhappy audiences lack a necessary fierceness and resolve — not to go gunning for Commies or beating up poofers, nor looking under beds for Soft Women and Hard Men to savage on their mistresses’ behalf. Instead, they must learn “joyful decisiveness.”

Far from exerting a malevolent patriarchy, Bly says men, especially fathers, have been going downhill ever since the Industrial Revolution when they were no longer able to take adolescent boys aside to discover various male competencies in workshops, fields and forests. Instead of developing esteem and a sense of what masculinity is all about, boys were increasingly reared indoors by mothers, imbuing the idea that what fathers did was grubby and inferior compared with the more spiritual and cultured yearnings of women.

These cravings for gentility and the sanitization of life, so marked in today’s baby boomers, are nothing new. They are the dark flipside of education and upward mobility, and not surprisingly, D. H. Lawrence, reared in industrial England by a dominant mother, emerges as an early example of Soft Malehood, albeit one who by mid-life was working overtime on the problem.

Such a boy, Bly maintains, can take one of two routes — he identifies with women, shares their confidences and feels ashamed of his imputed crimes, or he determines to acquire what he imagines, erroneously, are proper manly attributes. Both courses are equally disastrous.

In metaphysical terms, the absent father causes a vacuum to appear in the boy’s psyche, which rapidly fills with demons. Never trust anyone over 30,

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especially old men wanting to send you to Vietnam, and otherwise confirm your worst suspicions that age and treachery will beat youth and talent every time.

Hence the anguish over President Kennedy's death, the boos for Darth Vader in Star Wars, and the popularity of Dead Poets' Society or anything else starring Robin Williams.

Bly draws widely on coming to manhood in other societies — American, African, Aboriginal, Viking — with special emphasis on the role of older males generally, and the often highly feminine values which underlie their apparent 'patriarchy'. He makes nice observations, too, about television and comic strips, where the male has declined into an ineffectual dolt who spends his evenings slumped on the sofa while his wife and children merrily outwit him.

Iron John, which offers a solution to this malaise, is the usual story about a king's son. When the neighbouring forest becomes a sort of Bermuda Triangle in which hunters and hounds disappear, the king's men drag a pool and discover the culprit, a wild shaggy man whom they promptly lock in a cage in the palace courtyard.

In fairytales, anything found near water or in a forest is trying to tell us something — Lawrence's Mellors in the woods, Thomas Mann's lissom Taddeuz on the beach. And in this case it is that to release Iron John, who has very decently handed back the lad's golden ball, the boy must steal the key from under the Queen's pillow.

Most of the young men in Bly's workshops are horrified by this. Why can't the boy just ask his mother nicely? Create some kind of consensus or win:win situation?

Sorry, says Bly. To start on the path to manhood, a boy must be much tougher. Decisive. Even devious. He cites Hamlet, who despite some ravings and trickery turns wimpish whenever he comes near his mother, and eventually drives Ophelia crazy. Soft males are out of touch with their bodies until 30-something, seem slow to make the connection. (Why else all those books about indecisive, non-committing men?)

The king's son, however, is bold enough to steal the key and scarper with Iron John, who sets him to guard a sacred pool. Inevitably, he fails, and is sent to work as a scullion at another royal household. But should he need help, all he has to do is call, and Iron John, who has abundant treasure, will come to his rescue.

There now begins what Bly calls the "ashes period", something primitive cultures understand well, allowing young males a time of hibernation — Vikings called it "cinder biting" — which encourages introspection and self-discovery before springing forth with new vigour. Contrast western society, where a boy who heeds this instinct and drops out of university is considered doomed and disturbed.

Iron John is a passionate, forceful, yet sensitive creature whose qualities are totally missing in the modern Soft Male.

By the end of the story, the king's son has come to the attention of the king's daughter, and has single-handedly overcome the king's enemies in the forest on three occasions with the aid of a horse and armour magically provided by Iron John.

The message is that to become a man, a boy needs to get in touch with a wilder, gutsier, more intuitive side of himself, which can not be found sitting at the feet of women. It can only be learnt from close encounters with older men, and breaking free into an ecstasy of discovery. Some, though, seem to attempt it on their own, like the boy in Peter Schaffer's Equus, whose rituals by night with the horses brings home to the psychiatrist the aridity of his own soul.

Like the similar transcendent moments experienced by male shamans, and by initiates through history, this is a world away from adopting the feminine values of women, the only alternative we can now imagine to becoming a hard, dry economic rationalist or an entrepreneurial Rambo.

But how it is to be achieved in a society where myths exist only to be exploded, and where fathers and other older men spend their days in high-rise offices, allegedly inflicting misery on other people though probably just being miserable themselves, is the big question.

Bly admits he was lucky — his father was a farmer who provided many hours of warm male communication. But he worries that with even mothers now being absent, a similar demon-filled vacuum may soon appear in young girls, causing them to suspect and vilify older women. (Soon? Educated virgins have been rubbing traditional women for years, and can even find reasons to attack non-traditional ones, especially if successful.)

Perhaps it will change as the information society begins to put more fathers, not to say mothers, back in the home, albeit beside a modem and a bleeper, where children can see what they do all day.

When Iron John appeared in the UK in January last year, it coincided with some public outrage about Prince Charles teaching Prince Harry to drive a Landrover around Sandringham — exactly the sort of thing Bly would class as meaningful, necessary male bonding. Yet no connection was made, and today, most of Australia remains in its own enchanted forest where boys never grow past needing Daddies to give bottles and take them to kindergarten, and where initiation rites are something civilized societies need to outgrow.

No wonder we are haunted by dreams of damp, shaggy men rattling the bars of their cages, demanding that attention be paid to them.
Guideposts for the Nation

FRANK GARDINER

Dr Hewson's Mother of All Recovery Plans would, if implemented, come to nought unless, nationally, we get (as they say) the fundamentals right. And that, essentially, is what this collection of essays sets out to achieve: the collective wisdom of some prominent Australians successfully focuses on issues which, if not resolved, will leave this country in a hole which no Hewson or like plan can fill.

Historically, in this lucky country, we have not been that good at objective self-assessment. Other than on the sporting field, we too readily accept mediocrity. Mr Hawke's mission to establish Australia as the Clever Country, while an admirable goal, is pretty much "pie in the sky" talk. All the more reason for informed, public-minded people to speak out on things as they are, rather than painting idyllic but unreal scenes.

The contributors to Our Heritage and Australia's Future were asked, during 1988, to deliver papers at a series of seminars organized by the 1988 Heritage Association — a loose coalition of, principally, conservative-minded groups — to restore balance to the 'official' Australian Bicentennial Authority's guilt-laden program. Many of the papers were revised and updated for this book.

In the foreword, Sir Paul Hasluck welcomes "discussion that raises awkward questions about what sort of nation we are, how we came that way and where we are going next." But contrary to the claim by the Editor, Jim Ramsay, the collective result is, arguably, too predominantly a conservative view of the state of the nation. Despite the eminence of the contributors, the cultural conservatism of their message will be unlikely to attract a warm reception among our public opinion-makers. That, I expect, is quibbling, for doubtless, the intention was to avoid a mere debate about where we have gone wrong and about how we might rediscover our legal, political, cultural and religious roots.

In order of their appearance (and topic) the 1991 revised contributions are from Sir Charles Court (British heritage); Dr David Kemp MP (Political/civil liberties); Dame Leonie Kramer (our children's education); Professor Geoffrey Blainey (one nation or a cluster or tribes?); Senator Robert Hill (Asia-Pacific Security); Michael O'Connor (Defence); B.A. Santamaria (the crisis of Christianity); Rev Dr John Williams and Babette Francis (family); Professor Mark Cooray (the rule of law); Assistant Police Commissioner Bill Robertson (police and the law); Dr Michael James (constitutional reform); Hugh Morgan (private enterprise) and, finally, John Stone (economic freedom). Quite clearly the book gathers together theoreticians who, above all, are also doers — rarely the situation in what passes for serious discussion in academia of Australia's future. That future is not too bright, on the evidence presented in this tightly-structured book. Perhaps, and this is grossly unfair to the other participants in the forum, three of the writers — Court, Santamaria and Blainey — explore best, and most fluently, the dilemma which is at the heart of our national malaise: sabotage of our past; the false god of perverted multiculturalism; and the virtual abandonment of religious values — even by the churches.

The insights and concerns of Our Heritage and Australia's Future are an apt starting point. Positively, the authors jointly provide guideposts to bring us back to reality. As I read these writers, it became clear that many of our problems and community inadequacies are man- (or is it person-) made; yet, if we have the collective will, they can be turned around. In this direction, the Hewson recovery package could be a start. Unfortunately, we are an ill-disciplined, spoilt society — living these past decades beyond our means, economically and spiritually.

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The insights and concerns of Our Heritage and Australia's Future are an apt starting point. But it is only us, collectively, who can turn our nation around. Whether it is with Hewson, Keating, whomever, I do not particularly care. These 14 prominent Australians have put in frightening, demanding place a springboard for our national counter-attack. Well, that is the hope.

Frank Gardiner is a freelance journalist.
The Future of the US Alliance

Coinciding with the visit of President Bush to Australia in early January, the IPA's Pacific Security Research Institute released a collection of specially-commissioned papers on the future of Australia's alliance with America.

David Anderson, Director of the PSRI, said that while a strong relationship with the US would remain of fundamental importance to Australia, the basis of that relationship could no longer be taken for granted.

Contributors to the publication include Paddy McGuinness, a regular columnist with The Australian; Richard Snape, Professor of Economics at Monash University; W.B. Pritchett, Defence Secretary from 1979 to 1984; B.A. Santamaria, President of the National Civic Council; and Professor Harry G. Gelber, currently Visiting Professor of Government at Harvard University. The authors examine different aspects of the US-Australia relationship — bilateral trade, security ties, regional co-operation, the joint facilities — and arrive at very different points of view. The U.S. and US: the future of an alliance is available from the IPA for $7.00.

Business Opportunities in Eastern Europe

The independence of Soviet republics would open up significant opportunities for economic growth and investment, according to Professor Sergey Berezovenko of Kiev University. Professor Berezovenko addressed an evening seminar in October jointly sponsored by the IPA and La Trobe University School of Economics and Commerce. The Ukraine is providing incentives to stimulate foreign investment, said Professor Berezovenko, who has been a successful consultant advising Western businesses on setting up operations in the USSR. He founded and was director of the first private business school in the USSR.

A panel consisting of Dr Robin Stewardson, Chief Economist of BHP; Bede Byrnes, Company Secretary of Telecom Australia International; and Susan March, Senior Marketing Analyst at the Australian Wheat Board, commented on Professor Berezovenko's paper.
Monetary Policy

The IPA’s Economic Policy Unit, hosted a successful conference, Can Monetary Policy be Made to Work?, in December. It was attended by 35 senior economists, journalists and representatives of business groups.

Speakers at the conference included Sir Alan Walters, former economic advisor to Mrs Thatcher and currently Senior Fellow at the American Enterprise Institute; and Dr Don Brash, Governor of the Reserve Bank of New Zealand.

One problem on which discussion focused was government interference in monetary matters for political, rather than economic, ends. The proceedings of the conference, which were reported in The Australian, will be published in the near future.

Sir Alan Walters also spoke to an IPA luncheon in Perth on the Thatcher years in Britain.

Selecting the Right Teachers

IPA Research Fellow, Dr Susan Moore, travelled to the US to learn how to interview and select teachers for teacher training programs using the technique described by Professor Martin Haberman at the IPA’s education conference last June. Dr Moore, along with two schools heads and a teacher, talked to teachers, policy-makers and administrators about the Alternative Teacher Certification Program (ACP). Dr Moore visited schools and saw ACP graduates teaching and visited classes in which ACP students preparing to be teachers were being instructed.

Unlike the usual teacher selection interviews, whose answers reveal nothing about the probable teaching success of the persons being interviewed, the Haberman method, which has been developed and fine-tuned over a 28-year period, has a very high predictive success rate for teachers employed by inner-city schools in the US.

The group found the trip invaluable.

Action on Global Warming would be Premature

The prospects of global warming have been greatly exaggerated, according to Professor Fred Singer, a distinguished American atmospheric scientist who visited Australia in October under the auspices of the IPA and the Tasman Institute. “For governments...to be contemplating policies to control energy use in order to deal with an alleged global warming crisis is nothing short of irresponsible,” he said. Pressure on governments to enact such policies is increasing as we approach the so-called Earth Summit to be held in Rio de Janeiro in June this year.

Late last year John Stone gave a paper titled ‘What is the Development Debate Really About?’ to the Conference on Ecologically Sustainable Development organized by the Royal Australian Institute of Public Administration in Canberra. He reiterated a view argued in the IPA Current Issues publication The Environment in Perspective: “so far from opposing economic growth, those with a true concern for the environment should be supporting policies for maximizing it and, in particular, policies for enhancing the role of private property rights in its protection.”

John Stone has recently been appointed as a Senior Fellow with the IPA.

State Finances

Since 1982-83, the Commonwealth Government has given the States a raw deal. It has used its monopoly of tax powers to increase its own share of national resources while cutting back on grants to the States. IPA Senior Fellow, Des Moore, said this while addressing the 20th Conference of Economists at the University of Tasmania in October.

Two key Backgrounders, released by the IPA States’ Policy Unit, examine differences in the economic performances of Australia’s State Governments. The Australian States: How Different? and IPA Budget Summary and Awards: 1991-92 are available from the IPA for $5.00. See also Mike Nahan’s column in this Review.

IPA Speakers’ Group

Don Argus, Managing Director of the National Australia Bank gave an interesting talk on bank deregulation to the IPA Speakers’ Group. Forthcoming speakers include IPA Senior Fellow, John Stone, in February; and Howard Bellin, Executive Chairman of I.F. Consulting, in March.

For further information about the Speakers’ group, contact Mrs Helen Hyde on (03) 614 2029.
PROJECT VICTORIA is a research program aimed at radical reform of the Victorian economy. Supported by eleven business associations and eleven public companies, banks and major accounting firms, the PROJECT is providing the means to concentrate the best skills available on solving some of the State's most critical financial problems.

Principal consultants to PROJECT VICTORIA are the Tasman Institute and the Institute of Public Affairs. They are being assisted by experienced and very able people drawn from each of the industry sectors that the PROJECT is examining.

Over the next year we will be offering detailed proposals for cutting costs and improving efficiency in ten key areas of government activity.

The first to be addressed has been the electricity supply industry in Victoria. As a result of our work in this area we are having continuing discussions with the SECV, ELCOM, the Victorian Government and the State Opposition and the authors of our report into the industry have been called to give evidence to the Victorian Public Bodies Review Committee.

Work is proceeding now on Health, Workcare, Ports, Education and Fiscal Equalization and we anticipate a similar impact in each of these areas.

Transport, Water, Local Government and Industrial Relations are yet to be funded.

Involvement as a supporter of the PROJECT offers:

- an opportunity to help to lift the Victorian economy out of its present depressed state;
- direct access to first-class information on the kinds of changes that are inevitable in this State;
- the chance to build links with many of the people and organizations that will be part of these changes.

We are keen to ensure that the PROJECT represents the widest possible cross-section of business interests.

We also need additional funding if we are to complete the full program of work that is needed.

KEN CROMPTON
State Director-Victoria, Australian Chamber of Manufactures and Chairman, Project Victoria
The first frontier for Santos was the desert regions of Central Australia. In 1954, Santos took its initial steps towards exploring this frontier for oil and gas. After 9 years, the gas was found. The first oil discovery came 7 years later. Other exploration successes followed but only after some careful planning and a lot of disappointments. The growth these discoveries brought enabled the company to expand its horizons.

Santos is now involved in an exploration programme covering onshore and offshore Australia, the USA, UK, Papua New Guinea and Malaysia. This year it is expected the company will invest more than $100 million in this exploration effort. Santos is now Australia's largest, independent oil and gas company. But there are always new frontiers and Santos is committed to further growth in the 1990's.

Further information about Santos can be obtained from: Santos Ltd, Government & Corporate Affairs, Santos House, 39 Grenfell Street, Adelaide SA 5000.