enterprise (ˈentəprərz) n. 1. a project or undertaking, esp. one that requires boldness of effort. 2. participation in such projects; boldness and energy. 4. a company or firm.
Politicians Inc: On public funding of themselves, political parties are of one voice .......... Ian Farow

Femostats: Doing violence to statistics .... John Coochey

More at Stake than Woodchips: Policy unpredictability sends out bad signals .... Jeffry Babb

Rethinking Family Change: Why the probability of marital success has declined .... Norval D. Glenn

Breaking Out of the Award System: Contracting provides a release from workplace restrictions .... Ken Phillips

Out of Court: Is the independence of the judiciary under threat in Victoria? .... Colin Howard

Universities in Uniform: Government controls are undermining diversity and excellence .... Wendy Brazil

Why Australia Needs Research: Do gains in efficiency cost jobs? .... Chris Fountain

Estranged Relations: The Australia-Britain relationship is in disrepair .... Michael Munford

Science and Superstition: Irrationalism is on the rise .... Roger Sandall

Narrow Horizons: Conflicting visions of Australia, a generation apart .... Gregory Melleuish

Columns

Letters

From the Editor: Relativism is having a corrosive effect.

Indicators: South-East Australians are heading north and west.

Further Afield: Cause for optimism about the Asia-Pacific region.

Moore Economics: Recent claims by Mr Keating should not have gone unchallenged.

Around the States: Federalism is burgeoning overseas, but not in Australia.

Strange Times: Name? School? Year? Gender-preferred identity?

Book Reviews:

Russia 2010, reviewed by Derek Parker
The Book of Virtues, reviewed by Susan Moore
The Death of Economics, reviewed by Tony Rutherford

Arts Policy

I note the article by Colebatch on the desecration of the Arts in Australia in the latest IPA Review (Vol. 47/3). It is a subject that concerns me deeply as a creative writer working within this domain. It is time we lambasted both Government and Opposition for the shallowness of their views. No-one in their right mind could assume that art is ‘better’ or more ‘original’ since the advent of funding. We may have more of it, but the quality, I’m afraid, verges upon a Pavarotti extravaganza, not an Eliot poem.

I enclose a poem that you may like to publish which addresses these issues at a different level. I wrote it out of sheer frustration at the Creative Nation statement. It seemed that we were all want to quit this boring, stage-managed cultural porridge before we drowned in it.

Keep up the good work.

Still Life

Lonely city, bound by wall and moat, your streets are empty, no dogs sniffing scent-trails on your cobbles. Windows overlooking a square, empty now of the wistful gaze of nobles.

Stone eagles perched on lintels, dry fountains yearning water.

It is a time of absence when a community abandons what it has created. Knight and merchant have departed, leaving only a festival of ghosts. Each step you take along those curving avenues is towards all the passivity of corners. There is nowhere else to hide.

It appears the inhabitants quit this place in search of a real edge to existence. They were tired of circuses, the round of self-congratulation, the medals, orders and sashes. They wanted more, blood in the streets perhaps, a sense of fervour.

The Regime, however, had ordered them to esteem comfort, and to enjoy themselves.

James Cowan
Sydney, NSW

CSIRO and Management

I am pleased to note that several of the sentiments in my article “Troubled Waters at CSIRO” (IPA Review, Vol. 47/3), written in October 1994, are consistent with the recommendations contained in the report of the Senate Economics References Committee CSIRO: The Case for Revitalisation (December 1994). Perhaps the main indictments against the upper echelons of the Organisation in that report were: “the Board of CSIRO must take a stronger role in the leadership of CSIRO”, the need to “restructure the CSIRO to reduce the layers of management, including the need to modify or eliminate the Institute structure” and to “report on how excessive accountability can be reduced”.

It is perhaps not surprising that these were their conclusions in view of the strong condemnatory undercurrent of opinion at divisional levels, the backbone of the CSIRO. These opinions were enhanced by the poor performance, almost amounting to arrogance, of some of the top people who appeared at the hearings — judging from the record in the Official Hansard Report.

That the Senators didn’t think much of the Board is indicated by the damming recommendation: “If the CSIRO Board is unable to address the foregoing reforms in its report, the Minister for Industry, Science and Technology should consider establishing an independent assessment of the above proposals”.

If indeed the Board is as unresponsive to CSIRO’s problems as some of the replies to the Senators’ questions indicated, some consideration may need to be given to the type of people invited to serve on the Board, particularly the amount of time and attention they can give to their role alongside the other major commitments many have.

Finally, it is as well to note that in an enterprise where the money is critical and objective examination, performance assessments are made upwards as well as downwards. The judgment has been made that some of those who hold positions on the Board and in upper level management are not of the quality required for an institution with the profile of CSIRO. They do not match the high quality of the science being undertaken in the Organisation, or the focused sedulity of those responsible for directing divisional efforts.

This did not escape the Senators.

Brian Tucker
Melbourne

CSIRO and Greenhouse

Brian Tucker’s summary of “the farrago that is CSIRO” (IPA Review, Vol. 47/3) concentrates on administrative and political influences of the 1980s. He does not deal with the pivotal role of the individual scientist in modern society. Yet solutions will not be found to CSIRO’s problems until this fundamental issue is addressed.

When a scientist puts his name to a scientific paper, he is, or should be, the loneliest person on earth. He makes a statement believing it to be objectively true. Reconciling objective truth with the desires of a patron or a parent organization can pose a dilemma. The problem is not new. But with Australian science dominated by government funds, science can become as politically correct but scientifically false as in a totalitarian regime.

The problem seems particularly acute regarding environmental matters. CSIRO’s role in greenhouse provides a case study.

The work of CSIRO scientists in
I certainly part company with him on his assertion that it would be inefficient to privatize reticulated services such as gas, electricity, telephones and public transport. In making that claim he states that these services are a necessary monopoly and therefore a function of government.

Recent events will show that such a claim is rubbish. The introduction of competition into the previously protected world of Telecom demonstrated with breathtaking speed what benefits can accrue to the community by such a decision.

Mr Hart would do well to make a quick trip across the Nullabor to discover in Victoria that the privatization of public transport in our State, albeit in its infancy, is already delivering improved services to the community. A visit to the eastern suburbs of Melbourne, serviced so well by the National Bus Company, will support that claim, as will a journey on the privately-run Melbourne-to-Warrnambool rail service.

While privatization of the electricity supply in Victoria is still a decision to be reached, the claim by Mr Hart that such a move is nothing more than a shift from a public monopoly to a private monopoly at the public expense is simply ignorant and ignores not only the ready availability of modern technology, but also the benefits of the set of strict principles which underpin every such decision by the Victorian Government.

In the case of the electricity-supply industry in Victoria there is simply no prospect of any future privatization creating a monopoly, duopoly or any other kind of 'opoly'. Dictating every decision by the Government is the overriding imperative of the best interests of the community in both the short and long term.

Pointing to alleged privatization sins in the United Kingdom and elsewhere is no way to argue against privatization. What a pity that Mr Hart had so little in his intellectual armoury that he was compelled to use such threadbare statements. Doesn't he believe that if such errors did occur they can be used to avoid similar mistakes by future decision-makers?

If Mr Hart actually believes in the words he quoted of Henry George, "Where the freedom of competition ends, the sphere of the State begins”, he will re-examine every aspect of government services today in the light of what is in the best interests of the community, having regard to the availability of modern technology. If he does that with an open mind his list of ‘necessary monopolies’ will be considerably shortened.

Robin Cooper MP, Melbourne, Vic.

Pressure Groups

I enjoyed Graham Lederman’s article, ‘Consultation and the Capture of Government’ (IPA Review, Vol. 47/3). Most of the people I meet these days seem to be consultants; when I ring an office in Adelaide it is usually a consultant who answers. Lederman says, “Governments are expected to take notice of every imaginable natural and self-styled interest group, but also to act upon the views expressed by their representatives. Consultation, as the word is currently used, no longer refers to the right to be heard but instead the right to be heeded.”

When I left my farm to be a Member of Parliament, I soon learnt how consultation operated in politics. There was a big meeting in my rural electorate where the leader of the wheat growers, Tommy Stott, made a powerful speech demanding that the Government should immediately increase the price of wheat. Then he added, “We are getting support from almost everyone for this just demand, but I have heard rumours that there is one MP who is not supporting us. If I find out who he is, I will have his guts for garters.” Everyone clapped enthusiastically at this and I felt awful when I muttered something about hiding
market signals. As I left the hall a friend took me aside and told me that I was an MP now and must learn to do what my pressure groups wanted.

When I got into the tariff war, I quickly learnt that pressure groups can make an MP's road really rocky. For instance, the car makers were getting a subsidy of about $4,000 per car from car consumers, so they were activated by very strong self-interest. And they had the advantage of being very close together while the poor consumers were spread thinly all over the place. So the pleas of the car makers were loud in the land and were eagerly taken up by the media who love loud voices.

When we were in government our Minister for Primary Industry always used to be a farmer, so he listened very respectfully to the farm lobbies with whom he had often worked closely before he was in politics. When the Labor Party were in government they had to make do with Primary Industry Ministers who were not susceptible to farm lobby pressure, people like Senator Ken Wreidt and John Kerin who had minds of their own. At present the Labor Minister for Industrial Relations is clay in the hands of the ACTU and look at the mess he has made of things!

Politicians should learn to have minds of their own and use them.

Bert Kelly
Burnside, SA

Gay Parents

Given the stranglehold of political correctness, it was heartening to see IPA Review tackle an issue which many would not have the nerve to touch. I refer to the excellent article by Dr Brian Trainor on children and homosexual couples (Vol. 47/3).

Dr Trainor was quite right to point out that the rights and needs of children are being completely overlooked in the debate about homosexual rights. Indeed, modern society can be characterized by an obsessive demand for rights of every sort, with a wholesale abdication of responsibility and duty. Homosexuals are not alone in this imbalance; they are simply the most recent manifestation of it.

The truth is, the full effects of children being raised by same-sex couples are not fully known yet. Therefore, until the results are in, let's not treat children like guinea pigs. Children should not be allowed to be used like a political football in order to satisfy the ever-expanding list of homosexual demands. Children have the right to be raised by their own parents — a mother and a father.

In anticipation of the critics, I fully concede that some heterosexual couples offer less than the ideal for their children. But exceptions do not make the rule. On the whole, a mother and a father, preferably married, offer the best environment for raising children. To argue otherwise is to put ideology ahead of common sense and a growing amount of empirical evidence.

Bill Muehlenberg
Australian Family Association, Melbourne

The Editor welcomes letters for publication. Letters may be edited for reasons of space and clarity. They should be addressed to: The Editor, IPA Review, Ground Floor, 128-136 Jolimont Road, Jolimont, Vic. 3002

IPA's Regulation Review Unit and the Centre for Applied Economics, ANU, will present a conference on Risk and Regulation addressed by Professor W. Kip Viscusi of Duke University. Author of 16 books and more than 150 articles on risk assessment and management, Professor Viscusi has been consultant to the US Office of Management and Budget, the Environmental Protection Agency, the Occupational Safety and Health Administration and the Federal Aviation Administration. His book Fatal Tradeoffs received the 1994 book of the year award from the American Risk and Insurance Association.

The objective of the conference is to promote a more reasoned approach to regulating the affairs of businesses and citizens. An outstanding panel of speakers from industry, scientific research organizations, regulatory agencies and regulation review organizations will focus on issues relating to the reform of workplace safety regulation, product safety regulation and environmental regulation.
CONFIDENCE IN OURSELVES

IN his large and impressive A History of the Modern World, Paul Johnson identifies the unfolding logic of relativism as the most corrosive influence on Western civilization this century. It began with Einstein’s theory of the relativity of time and space; and with Freud’s unsettling reinterpretation of character and culture. Freud called his tract on religion The Future of an Illusion and from a psychoanalytic perspective the saint and the sinner, the poet and the pervert converge. Freud was much less antinomian than many of his followers and Einstein never stopped arguing for the existence of an objective world about which certainty was possible. But, as Johnson writes, in the public mind Relativity was indistinguishable from Relativism. Pandora’s Box was open and a revolution against the absolutes of time and space, good and evil, was underway.

Relativism, as Professor Glenn Loury put it to an IPA conference in March, is the enemy within. It leaves us immobilized, uncertain, without firm ground underfoot. Its pervasiveness has made us unwilling to confront the fundamental moral questions which underpin the laws which governments inevitably impose on us — whether concerning abortion, property rights, man’s relationship to the environment or what our children are taught in schools. Relativism has sapped our confidence to defend the superiority of Western civilization and its moral basis against its challengers.

In saying that we ought to defend Western civilization’s achievements and moral basis, Loury is not recommending chauvinism. As a black American whose ancestors were abducted from Africa and enslaved in America, he is only too well aware that in its long journey from its Graeco-Roman, Judeo-Christian origins, the West has descended into quagmires of inhumanity as well as risen to peaks of enlightenment and benevolence. The gap between Western ideals and reality has sometimes been vast; but this does not discredit the ideals themselves. And, in its favour, the Western heritage contains a critical spirit which, although sometimes dormant and at other times destructive, has fuelled the engine of progress.

EDUCATION: The confidence or lack of confidence which we have in our civilization is tested most keenly in our education of the young. The education debate should be more than a dispute about methods; it should be a debate about what we consider worth handing on to the next generation. If I come to believe, as the relativist does, that any other individual’s or society’s notions of right and wrong, true and false are just as valid as mine, then what business have I imposing my notions on young people? If good and evil, knowledge and illusion are merely matters of opinion which, like hairstyles, change from one season to the next, with no style ever suiting everyone, then they should be matters on which educational curricula are agnostic.

Although things have not progressed quite this far in Australian education, as Roger Sandall argues in this IPA Review and Education Monitor has documented (for example in Lucy Sullivan’s article on sex education, ‘Choosing Blind’, Autumn 1994) the trend is well and truly in place. Allan Bloom noted a decade ago, in The Closing of the American Mind, that ethical relativism was part of the cultural baggage that most American students brought to higher education, and Australian university teachers have since observed the same.

Some educators believe that the issue of teaching sound values can be—and, in the name of diversity or multiculturalism, ought to be evaded. But the fact is, as Loury points out, that even if we wish our schools to abdicate the role of moral instructor, values in education are inescapable: if, as a parent, your moral beliefs don’t prevail, someone else’s will. The same is true in public policy: legislation will inevitably arise which is based on moral assumptions; if not your assumptions then someone else’s. We know the importance of business confidence to an economy. It’s time we reminded ourselves of the importance of moral confidence to a culture.

TOLERANCE: Within a liberal society such as ours, there will of course be legitimate diversity in the answers people arrive at to many moral questions. It is sometimes argued that relativism is the most appropriate public philosophy for a liberal, pluralistic society, because it accepts all moral positions. But this confuses relativism with tolerance. Tolerance says: “I think you’re wrong, but I respect you’re right to believe what you do.” Relativism says: “What you believe is just as true as what I believe.” Tolerance, as long as it is not tolerance of evil or of things that threaten the foundations of our society, is a strength; relativism is a weakness which in the end betrays the very values which must prevail — and tolerance is one such value — if an open society is to be maintained.

The end point of relativism is nihilism: close on the heels of the claim that all values are equally true is the conclusion that all values are valueless.

— Ken Baker
Proportion of Internet users who are male: 95%. Proportion who are aged 36 or over: 21%.

Change in number of full-time students attending government schools between 1993 and 1994: 0.6% (13,118 pupils) decrease.
Change in number attending non-government schools: 1.6% (14,123 pupils) increase.

NSW applicants for public housing

<table>
<thead>
<tr>
<th>Country of birth (most frequent)</th>
<th>1987</th>
<th>1994</th>
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<tbody>
<tr>
<td>Australia</td>
<td>18,833</td>
<td>49,643</td>
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<tr>
<td>Lebanon</td>
<td>1,842</td>
<td>5,561</td>
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<tr>
<td>Vietnam</td>
<td>2,240</td>
<td>6,499</td>
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<tr>
<td>Britain</td>
<td>2,729</td>
<td>4,947</td>
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<tr>
<td>New Zealand</td>
<td>720</td>
<td>2,167</td>
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Major recipients of Australian Government Aid 1993-94

<table>
<thead>
<tr>
<th>Country</th>
<th>$Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Papua New Guinea</td>
<td>338.0</td>
</tr>
<tr>
<td>Indonesia</td>
<td>134.1</td>
</tr>
<tr>
<td>China</td>
<td>85.6</td>
</tr>
<tr>
<td>Vietnam</td>
<td>51.3</td>
</tr>
<tr>
<td>Philippines</td>
<td>48.6</td>
</tr>
<tr>
<td>Thailand</td>
<td>37.3</td>
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</table>

Source: Yearbook Australia 1995

Net interstate migration 1993-94

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<tr>
<th>State</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td>NSW</td>
<td>-13,541</td>
</tr>
<tr>
<td>VIC</td>
<td>-31,895</td>
</tr>
<tr>
<td>SA</td>
<td>-3,466</td>
</tr>
<tr>
<td>TAS</td>
<td>-2,162</td>
</tr>
<tr>
<td>NT</td>
<td>-1,515</td>
</tr>
<tr>
<td>ACT</td>
<td>-151</td>
</tr>
<tr>
<td>WA</td>
<td>+3,664</td>
</tr>
<tr>
<td>QLD</td>
<td>+49,066</td>
</tr>
</tbody>
</table>

Source: Australian Bureau of Statistics.

Proportion of exploration budget of Australian mining companies spent overseas

In 1990-91: 26%
In 1993-94: 36%

Source: Australian Mining Industry Council, Minerals Industry Survey '94.
further afield

LOOKING UP

DEEP uncertainty surrounds developments in the Asia-Pacific region, and prognoses concerning the region's political future range from the bleakly pessimistic to the robustly optimistic. While economists tend to be optimistic, believing that the economic dynamism of East Asia will bring democracy and peace in its train, pessimists point out that economic development in the region is very uneven and that interdependence masks relationships of dominance and dependence. Moreover, if it is democracy which renders war unlikely, then the persistence of Asia's authoritarian political cultures renders conflict more likely.

James L. Richardson opts for cautious optimism. The region is clearly benefiting from the present competitive global economy and the Asian states know that internecine conflict would be a severe set-back (particular local tensions, such as between North and South Korea, notwithstanding). In general, the Asians do not have a tradition of fighting hegemonic wars, as did the Europeans over five centuries.

Although arms expenditure in the region is increasing (contrary to developments in the rest of the world since the end of the Cold War), this does not constitute an arms race.

China presents the most complex set of uncertainties. What will follow the death of Deng Xiaoping? Can one-party rule be maintained? How serious are the centrifugal forces which have eroded central control over the provinces? Will the ecosystem, under considerable pressure, break down?


A WINNING CONTRACT

LAST November, the US Republicans, led by Newt Gingrich, sailed to a spectacular election victory, giving them majorities in the House of Representatives and the Senate. The Contract with America, which was their guiding manifesto, consisted of a promise to reform Congress and 10 broad conservative themes from term limits and tax cuts to a balanced-budget amendment and welfare reform, all tied to a strict timetable.

The Contract enabled the Republicans to be united into a team and it nationalized a race that otherwise would have been fought over local issues and the merits of individual candidates.

In formulating the Contract, Gingrich canvassed Republican incumbents and candidates. There was disagreement over what to include, the fiercest over social and cultural issues. Gingrich wanted such issues excluded, insisting that they divided rather than united Republicans. He encountered little dissent on excluding abortion, but much on school prayer.

The strongest argument against the Contract was that it was unnecessary. Clinton's popularity was plummeting, his health-care plan was collapsing. Why give the Democrat's a target?

But the Contract, despite the hostile media coverage it received, won votes. It made the Republicans sound positive and the Democrats who campaigned against it carping. The Democrats chose to make it the focus of their campaign. They should have ignored it. By making the Contract the issue they gave the Republicans a mandate to enact it.

Fred Barnes, 'Contract Hit', The American Spectator, January 1995

FAMILY STRAIN

THE economic viability of the two-parent family is being undermined by changes in fiscal policy, according to this survey of the plight of the family in Britain and the USA. In 1950 in Britain, a married father of two children had to earn 101 per cent of the average wage for manual workers before he had to pay tax; today he starts paying tax when he earns 35 per cent of the average manual wage. At any given level of earnings, a sole parent will derive a higher income than a married man with the same number of children.

Yet the best interests of children lie in the maintenance of stable, two-parent families. As a number of studies now show, the incidence of delinquency, poor health and low educational attainment is greater among children of broken and sole-parent families than among children who live with their natural parents. Data from the National Child Development Study, the main longitudinal study of child development in Britain, show that whereas eight per cent of boys with both natural parents had been charged with a crime, the figure was 16 per cent for boys with lone mothers and 19 per cent for boys with step fathers.

Patricia Morgan, Farewell to the Family: Family Policy and Family Breakdown in Britain and the USA, IEA Health and Welfare Unit, London, 1995
Legislation is foreshadowed to double the public funding of political parties and, suddenly, the parties, normally deeply divided, are as one.

Ian Farrow

If you listen very carefully, you might soon hear one vested interest group quietly celebrating a 100 per cent pay rise, courtesy of Australian taxpayers. But the Australian taxpayers are unlikely to hear of this increase being attacked in Parliament or relinquished in the interests of deficit reduction in the May Budget. Like the Mafia code of silence — *omertà* — it seems that the less attention this particular pay rise receives the better. ‘Politicians Inc.’ — all of Australia’s political parties — are set to have the public funding of their campaigns doubled for the next Federal Election.

ENTRENCHMENT: Changes to the Constitution and the Commonwealth Electoral Act since the late 1970s have contributed to the entrenchment of political parties. In 1977, bipartisan changes determining how Senate casual vacancies would be filled introduced the term ‘political party’ into the Constitution for the first time. Then, following the election of the Hawke Labor Government in 1983, a number of significant changes were made to the way Federal Parliament was elected.

These changes enabled political parties to register with the Australian Electoral Commission and thereby have their party name printed adjacent to their candidates on ballot papers. Registered political parties were given access to the electoral roll in computer format to facilitate direct mail operations — a privilege which is not available to other organizations or individuals. The voting system for the Senate was modified, enabling the party machines to control more tightly than before the flow of preferences through an ‘above the line’ group-ticket voting system. Political parties were required to disclose campaign donations above a certain level and, last but not least, the public funding of election campaigns was introduced.

The first public funding scales were set at 66 cents (then equivalent to two postage stamps) for each House of Representatives vote and 33 cents for each Senate vote. The political parties were required to account for their expenditure and could not receive more public funding than they had actually spent on the election campaign — although this provision had little practical relevance because all of the major political parties easily outspent whatever they later received in public funding. Combined with a system of compulsory voting, this provided Australia’s political parties with a virtually guaranteed income.

The first Federal Election with public funding was in 1984, which resulted in payments to the political parties of $7.5 million. Public funding scales were linked to the Con-
sumer Price Index, so that following the 1993 Federal Election political parties received nearly $15 million in public funding, based on a rate of one dollar for each House of Representatives first-preference vote and 50 cents for each Senate first-preference vote.

CAMPAIGN ALLOWANCES: In the early 1990s the campaigning position of incumbent politicians was enhanced by a threefold increase in postal allowances and the provision of computer listings of enrolments. Thus serving Federal MPs were provided with the means to blanket their electorates with direct mail prior to elections.

The political parties even purchased computer software which enabled them to target individual voters with special direct-mail letters. Legislation was passed allowing donations to political parties of up to $100 per year to be tax deductible. To ensure that voters followed instructions, it was made an offence (punishable by up six months' imprisonment) to publicize during an election period the fact that, by marking a first preference vote and numbers other than '1' in every other square (1, 2, 2, 2 etc.), voters can cast formal votes which do not distribute preferences.

In late 1994, the Administrative Services Minister, Frank Walker, foreshadowed further financial assistance to the political parties through a massive increase in public funding. The proposed public funding scale, to be legislated soon, will provide $1.50 for first-preference votes in both the House of Representatives and the Senate. These proposed changes will mean that not only the big players, but also the Senate-based minor parties (even those who claim to be "keeping the bastards honest") will receive a bigger piece of the public-funding action. The anticipated cost to the taxpayer at the next Federal Election will be $30 million — double what the political parties received in 1993. As an added bonus, political parties will now be able to receive more in public funding than they spend on election campaigns — that is, to make a profit from public funding.

Spend some more: Do the political parties need the money? Political parties are about as prudent at spending their own money as they are at spending taxpayers' money. The fact is that under the intense pressure of an election campaign they spend every dollar they can get their hands on, as well as what they hope to get their hands on after the election. One more television advertisement or direct-mail package might just make the difference between victory and defeat.

Add to this the fact that all political parties are experiencing a long-term membership decline, occasionally punctuated by surges of frantic recruitment ("branch-stacking") prior to pre-selection ballots; and that the rules covering disclosure have curtailed major campaign contributions.

The Federal Liberal Party reportedly has accumulated debts approaching $7 million and the State Divisions of the Liberal Party (with the exception of the asset-sales rich Victorian Division) are in a parlous financial position, struggling to operate on shoestring budgets. The Labor Party is suffering from a steadily declining trade-union power base. Its NSW Branch is experiencing multi-million-dollar financial difficulties following failed property deals and the Victorian Branch is battling with a sizeable bank overdraft.

Yes, they need the money. But is it in the public interest to give it to them? Will the increased public funding better enable the political parties to inform the electorate of their respective policy proposals? Experience of recent election campaigns strongly suggests otherwise. Significantly, the Dissenting Report of the Joint Standing Committee on Electoral Matters by the Opposition parties, following the 1993 Federal Election, called for 'truth in advertising' during Federal Elections. It recommended that the recently repealed subsection 329(2) of the Commonwealth Electoral Act, which prohibited misleading political advertising, be reinstated. The Dissenting Report noted that:

"... if some of the misrepresentations which occur during election campaigns were to happen in the private sector, the perpetrators would find themselves liable to prosecution under the Trade Practices Act."

Although the publicly-funded election campaign advertising budgets are set to double at the next Federal Election there are no moves to reinstate subsection 329(2). The Opposition parties in the Senate appear to be missing an opportunity to demand the subsection's reinstatement as a precondition of accepting the other changes to the Commonwealth Electoral Act.

ACCOUNTABILITY: The adage that used to apply to political donations was: 'he who pays the piper calls the tune'. Now that taxpayers are forced to fund political parties (which are private organizations) perhaps they should be granted some control over how their taxes are spent. A case might be made for legislative intervention into political parties...
to ensure that they operate in a fair, open and democratic manner. The taxpayers might, for example, demand that political parties meet minimum standards for internal elections and procedures as a prerequisite for receiving public funding.

Perhaps political parties should be required to conduct primary elections in a similar manner to those conducted in the United States, thus allowing citizens who registered as supporters to choose candidates in open preselection ballots, rather than having such decisions made by less representative party machines.

Despite the proposed increases in public funding, the political parties will still be seeking voluntary financial and physical assistance during the next Federal Election. But party members and supporters may become even less relevant than they are now, since the political parties will have sufficient funds to employ people to fulfill the campaign tasks that the ‘true believers’ have traditionally performed. Individuals who are asked to assist might even start demanding payment for their services, since every vote they gain will boost the party’s public funding. Supporters who distribute the ubiquitous how-to-vote cards outside busy polling booths might even feel that they are entitled to a percentage of the takings.

**OPPORTUNITIES:** Allowing political parties to profit from election campaigns through public funding, also opens up interesting opportunities. There will be nothing to prevent a charitable group establishing a Charity Party with the sole aim of skimming public funding through the electoral process and distributing the proceeds to the needy. Once registered with the Electoral Commission, the Charity Party would gain privileges which would assist it in seeking donations, including access to the electoral roll for direct mail and a limited tax-deductible status. The Charity Party could run a low-budget campaign, aiming not to get candidates elected, but rather to attract donations and siphon the public funding (awarded on the basis of first-preference votes) away from the established political parties, with a commitment to distribute the proceeds to charity. It could tell voters that its aim was not to win and suggest that they use the preferential system to elect the major party candidate of their choice.

The pressures and potential rewards of political combat will almost certainly guarantee that the parties continue to overspend their campaign budgets. The public-funding component of their budgets might be about to double, but they can always find ways to spend more.

Public funding is simply a means by which political parties are able to avoid some of the hard fund-raising work that has to be undertaken by a range of other private organizations. If the public-funding increases proposed by the Federal Government were shelved or, better yet, if public funding were abolished completely, there might at least be some chance that political parties would learn to spend within their limits.
UNICEF would be more effective at tackling the abuse of women and children if it didn't abuse statistics.

John Coochey

Senator Gareth Evans recently launched a report by the United Nations Children's Fund (UNICEF), *The State of the World's Children 1995*. One of the report's 70 or so pages was headed (somewhat oddly given the main title of the report) "The Greatest Abuse — Violence against Women". The press release which accompanied the launch made much of this, devoting half its content to violence against women. A *Canberra Times* article based on the press release (and titled 'Violent assault on women now most common crime: UN') was two-thirds concerned with this topic rather than with children's issues.

What was not commonly known was that the press release was prepared neither by UNICEF nor by the Department of Foreign Affairs but by an organization called Social Change Media. Statements appeared in the press release which were not in the UNICEF report and the originators found themselves at a loss to explain from where the statements came. One passage in the Social Change Media press release (but not the UNICEF report) stated:

"The abuse against women and girls can take many forms. Neglect or deprivation is as damaging as direct violence, caring for women begins in early child care for the girl child."

**Objectivity Lacking:** Almost all of the page in the UNICEF report concerned with "Violence against Women" was taken from a report by Lori Heise and others entitled *Violence against Women: The Hidden Health Burden*. Although it was published by the World Bank, the Bank steadfastly refused to endorse it. An examination of the level of scholarship in the Heise paper may explain why.

It begins with a number of "illustrative quotes" to set the theme of the report — quotes such as:

"A wife is like a pony bought; I'll ride her and whip her as I like"; and

"What do you call the most expensive sex you'll ever have? Answer marriage."

Such an opening rather deflates any expectations one may have had that the remainder of the report would strive to achieve objectivity. How could UNICEF have relied on such a report?

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UNRELIABLE SURVEYS: The Heise paper is based on 40 surveys which it claims show the level of violence against women worldwide. Many of the surveys are not based on statistically-valid sampling techniques, but are what Heise terms “convenience samples”. Some of the surveys which she claims are based on random samples are not. Most are unpublished or are difficult to obtain (conveniently for Heise).

Five of the six surveys which relate to rape use the now discredited Sexual Experience Survey developed by Mary Koss — discredited because there was outrage amongst some of the respondents when they discovered that they had been classified as rape victims when they themselves did not consider that they had been raped at all (some had ongoing relationships with the men who were supposed to have raped them). The definition and classification of ‘rapes’ were done by the interviewer and not by the correspondent. According to Koss, up to 27 per cent of all women are victims of rape. A recent International Crime Victim Survey found that the figure for Australia was in fact 1.1 per cent.

Five of the studies on general violence against women used by Heise relate to Canada and show a 100 per cent variation in results. Figures for Chile have grown 30 per cent between the Heise paper and the UNICEF Report.

Heise claims that a study by two researchers, Strauss and Gelles, for the United States, shows that 30 per cent of those surveyed reported at least one episode of domestic violence. What she neglects to state is that half the perpetrators were women and half the victims men! (That study is one of the few which have surveyed both men and women.) Heise also neglected another finding of those authors:

“It is interesting to note that mothers are at least as likely as fathers to use even more serious forms of violence such as kicks, bites, punches and beatings. This is important because family violence is probably the only situation where women are as or more violent than men ... While fathers who beat up their children do so on an average of once a year, mothers who beat up their children do it more than once every month.”

Heise and her colleagues make the same type of omission with Korean data. Here 37.5 per cent of women claimed to have been assaulted. What is not acknowledged is that so did 23.5 per cent of men (Kim Kwang-eie et al, ‘Epidemiological Survey of Spousal Abuse in Korea’, 1992). Again, in PNG 62 per cent of women in the ‘urban elite’ claimed to have been assaulted, but then so did 50 per cent of husbands. In PNG women were shown to be far readier than men to use weapons.

For New Zealand a study by Mullen et al is stated (by Heise et al) to have found that 20.1 per cent of an unbiased sample of women claimed to have been abused by their partners (the actual claimed figure is 16.2). In fact, of 2,000 forms sent out only 74 per cent were returned, thus creating a bias, and, of these, 10 per cent refused to participate further. Only two women in total (out of an original sample of 2,000) claimed they were currently victims of physical abuse.

Both the UNICEF report and the press release state that: “In the United States, for example, domestic violence is the biggest single cause of injury to women, accounting for more hospital admissions than rape, mugging and road accidents combined.”

This appears to come from a paper by Wendy Taylor and others which forms an attachment to the Heise paper. Taylor et al stated:

“Stark and Flitcraft (1985) have found that domestic violence accounts for more injuries to women than rapes, mugging and motor vehicle accidents combined.”

The only problem is that nowhere can this statement be found in that paper (Stark E., Flitcraft A. (1985), ‘Woman-battering, child abuse and social heredity: What is the relationship?’). The authors do use some rather imaginative guesswork to speculate on the ‘true’ level of domestic violence victims who are admitted to hospital, but nowhere is anything resembling the above statement made.

This kind of distortion, if not fabrication, runs throughout both the UNICEF paper and Heise’s work on which it is based. At one point Heise states that 27 to 62 per cent of women recall at least one incident of sexual abuse that occurred before they were 18. A paper by S. D. Peters et al is given as the source. In fact in that source Peters summarized the results of existing studies and found that the range of findings was from 6 to 62 per cent for women and 3 to 30 per cent for men. He concluded:

“The situation is confusing. The reality is that there is not yet any consensus among social scientists about the national scope of sexual abuse”.

DUBIOUS DEFINITION: What is most interesting is the implicit definition of sexual abuse. The survey which gave the highest figure quoted by Heise was done in 1985. The two questions in the interview were:

“During childhood or adolescence (before the age of 18), did anyone attempt to have intercourse with you?”; and

“During childhood and adolescence, did anyone try to have you arouse them, or touch their body in a sexual way?”

Thus any teenager who had been involved in a mutually-consenting petting session is now a victim of sexual abuse.

In the UNICEF paper there is the statement to the effect that 80 per cent of Chilean women are abused in their own homes. Heise gives a study by a Soledad Larrain as the source. That study found that (allegedly) 60 per cent of women had “been abused by a male intimate” of whom 26.2 per cent had been abused physically. It would appear that in
the search for political correctness the author of the UNICEF report has added these two figures together. It is interesting that the figure put out by the Chilean state-funded organization Servicio Nacional de la Mujer (National Women's Service) claims that 25 per cent of Chilean women live in a state of violence. The basis for this figure has not yet been ascertained but it is certainly not the 80 per cent asserted in the UNICEF paper. This 25 per cent figure may be based on valid research or it may have no more substance than the 30 per cent figure put out by the Australian Office of the Status of Women. As a point of interest, between 29 August and 19 October last year there were 863 complaints to the civil courts in Santiago about domestic violence, 742 by women and 121 by men. We can speculate as to how much these figures reflect the full situation.

Another study which figured heavily in the Heise paper but did not make it to the UNICEF paper concerned Brazil. Early on, this study claims, based on an untraceable source, that “over 30 per cent” of complaints involved serious physical injury; later in the report this grows to “nearly 40 per cent”. By the time it reaches Heise’s paper it has grown to “more than 40”!

One figure for Brazil which was not quoted was from the Brazilian National Criminal Justice Census of 1988. For the period October 1987 to September 1988 1,153,300 people declared that they had been the victims of physical abuse; 60 per cent of the victims were men and 40 per cent were women. Thus even for third-world countries it seems inappropriate to term violence against women “The Greatest Abuse”.

AUSTRALIAN DATA: Heise’s report conflicts with recent Australian data. A report by the Victorian Injury Surveillance System at Monash University (VISS is directed by a woman, Dr Joan Ozanne-Smith) shows that domestic violence (against both men and women) accounts for only two per cent of hospital injury cases — hardly enough to account for “rapes, muggings and motor accidents combined”. This report specifically allowed for under-reporting. The Australian Bureau of Statistics victims survey Crime and Safety in Australia has revealed that in the 12 months to April 1993 only 0.7 per cent of adult women were victims of assault or threatened assault in their own home.

Figures are also available for child abuse in Australia. The Australian Institute of Health and Welfare’s 1994 study Child Abuse and Neglect states that slightly over one per cent of children are victims of physical abuse and that one quarter of these are victims of sexual abuse. This is somewhat at odds with the 62 per cent of children claimed by Heise and by implication UNICEF.

UNSCHOLARLY: This absence of scholarship is apparent throughout Heise’s paper and not only in areas concerned with domestic violence. For example great play is made of the fact that a 1990 study by Meera Chaterjee (‘Indian Women: Their Health and Economic Productivity’) found that girls received less food than boys in poor families in Uttar Pradesh. What Heise conveniently ignored was paragraph 3.31 of Chaterjee’s paper which states:

“Anthropometric data from the NNMB also suggest that females are not worse off than males. However, on the whole the National Nutrition Monitoring Bureau data do not show that females are worse off than males; the only exceptions are lactating women.”

It is ironic to read this comment about lactating females given the emphasis in the UNICEF report on the desirability of not using infant formulas and of encouraging mothers to breastfeed.

Much of the UNICEF report and the papers on which it is based are riddled with such omissions and distortions. Interestingly the one finding that seems relevant to a paper on children is on page 15 of Heise’s study:

“Contrary to this pattern, women constitute a significant share of those who neglect or physically abuse their children ... the victims of abuse are as likely to be boys as they are girls.”

That passage didn’t make it into the UNICEF report or the press release. I wonder why not. Perhaps because it was actually about children.
Three out of four Australians oppose export woodchipping and the Federal Environment Minister wants to phase it out completely. Is the hostility to woodchipping rational?

Jeffry Babb

Woodchipping is an emotive issue because few industries encapsulate the dilemmas confronting modern Australia so completely. Woodchipping is a complex issue and can only be understood in the context of Australia’s history, economy and ecology. It goes to the heart of the idea Australians have of themselves and their country, where we have come from and where we are going.

Changing Ethos: The woodchipping debate is part of a redefinition of Australia, its society and its economy. Fifty years ago, most men worked outside. Working the land was central to the Australian economy. It was accepted that human interaction with the environment would inevitably modify the natural order. In more recent times there has been a subtle change from seeing man transforming nature through work as creating value — the timber-cutter, the shearer, the farmer, the miner — to seeing undisturbed nature as the source of value. The axeman has been supplanted by the ecotourist. Those exploiting the forests are seen as misguided, having a vested interest or, in the eyes of extreme ecoterrorists, so evil that any form of retribution is justified.

The idea that mankind is in creative interaction with the environment has been replaced by the idea that nature should be left undisturbed. Whatever red herrings are drawn across the debate, conservationists have made it clear that they are not only against woodchipping, but against any form of logging of native forests.

There is ample evidence that this is a near-universal aim of the green movement. Fenella Barry, Wilderness Society campaign coordinator, has said: “No logging in native forests is our goal.” The Australian Conservation Foundation, originally founded as the sensible voice of conservation and until recently regarded as moderate, also has a policy of ending logging of native forests. Its policy document states: “All remaining native forest and woodland in Australia should be preserved,” adding that the ACF believes “our society is presently incapable of harvesting wood from native forests and woodlands in a way that respects and maintains ecosystem processes.” Greenpeace and Friends of the Earth agree.

Economic Value: The effects of this policy would be dramatic if implemented.

Forests have always been important to the Australian economy. Timber-getting was one of the earliest forms of economic activity and fine Australian timbers soon earned a reputation for being invaluable in certain roles. Jarrah from Western Australia’s south-west, then known as Swan River...
government-imposed restraints on the timber industry and such as subcontractors, owner-drivers and family-owned industry, the timber industry relics on many small players, intention rather than a plan set in concrete. Like the wine in favour of local processing, but this was a statement of processing of woodchips. The Federal and State Governments added to Australian raw materials by increasing local pro-

Wesley Vale in Tasmania.

The broader implications of forest policy must also be considered. Australia imports over $2 billion worth of forest products each year and exports earn about $675 million, making a deficit of about $1.5 billion a year, or about 10 per cent of our total current account deficit. Attempts to reduce this imbalance by further downstream processing have had limited success.

According to the Industry Commission, the removal of government-imposed restraints on the timber industry and the resulting expansion could potentially add $1.2 billion per year to GDP. As with other primary industries, Australia has world-class raw materials — eucalyptus has long fibres ideal for making fine paper, which is why it is in such demand overseas — but has been unable to turn the raw materials into a finished product on a large scale.

**Uncertainty:** A major pulp or paper plant requires an investment of between one and two billion dollars. North Broken Hill ultimately failed to gain sufficient confidence in the intentions of both State and Federal Governments to go ahead with an investment on this scale at Wesley Vale in Tasmania.

Australian Paper is a major local producer of fine paper, with mills in Tasmania and Victoria. It is keen to see value added to Australian raw materials by increasing local processing of woodchips. The Federal and State Governments in 1991 agreed to a policy of phasing out woodchip exports in favour of local processing, but this was a statement of intention rather than a plan set in concrete. Like the wine industry, the timber industry relies on many small players, such as subcontractors, owner-drivers and family-owned sawmills for its viability; but, unlike the wine industry, exports have remained largely in bulk form, not only because of the billions of dollars which would be required to establish local pulp mills, but also because of the uncertainty generated by pressure-group driven environmental policy. A company will not invest vast sums of money if it believes that woodchipping might be phased out or that its pulp mill could be subject to arbitrary changes in environmental regulations.

The public abhorrence of woodchipping seems to revolve around two issues: first, the fact that most woodchips are exported, particularly to Japan; and second, the disturbance of the forest environment which it causes — woodchip harvesting is part of total forest management involving clearfelling and regeneration burning. Woodchipping is the soft underbelly of the forest industry.

How justified are these concerns?

**Competition:** The attractiveness of eucalypt woodchips for fine paper-making has been touched on briefly. Softwoods such as radiata pine are generally not suitable for this purpose. Woodchips are in demand overseas precisely because they are such excellent raw materials for paper-making.

In supplying woodchips to Japanese pulp and paper makers, Australia competes against Chile, the southern United States and South Africa. Japan, in line with its common practice of diversifying international suppliers of essential raw materials, now buys proportionately fewer woodchips from Australia than it once did. Even so, prices for woodchips have risen steadily and, in most years, at a rate faster than the Australian consumer price index. Export prices have been more stable and consistent than volatile commodities such as wool, sugar or beef.

At $75 per tonne, woodchips are about three times as valuable, by weight, as iron ore, and well over the price of coal, which is worth about $57 per tonne.

Conservationists do not doubt the value of eucalypt woodchips for fine paper-making, but argue that such products should come from plantations. They say the Australian forest industry is in a desperate race against hardwood plantation suppliers in countries such as Chile, South Africa, Portugal and Spain, alleging that within 10 years these suppliers will supplant Australian woodchips in the Japanese market. In other words, they contend that the logging of native forests is part of a desperate race to destroy our native forests as quickly as the loggers can, because they will soon lose their market.

On the larger question of the ethics of exporting of woodchips, rather than local processing, the Resource Assessment Commission headed by Justice Donald Stewart reported in 1992:
"The Inquiry agrees that national economic gains would accrue if woodchips could be profitably redirected to pulp mills within Australia, but this cannot be forced by Government decree; if it occurs, it must be as a consequence of commercial opportunities and responses. To discontinue exports of woodchips for any reason, particular at short notice, would seriously disrupt industry and impose severe economic losses on industry and local communities."

Woodchips have several sources. Much is derived from sawmill wastes that would otherwise be of little economic value. Silvicultural thinnings are another source, involving the removal of trees from regrowth forests to allow other trees to develop into sawlogs. Some forests are selectively logged, but only offcuts and other relatively useless materials are turned into woodchips.

However, if there is one image that sticks in the mind of television viewers, it is of a blackened, treeless wasteland remaining after clearfelling. Scenes such as this cause general revulsion, to such an extent that ANOP reports that 75 per cent of voters oppose export woodchipping.

The forest industry argues that clearfelling can only be seen in the context of general forest management and that it is the only rational way of harvesting timber. As such, clearfelling is best seen in the context of the role of disturbance in Australia’s forests.

FOREST DISTURBANCE: Disturbance of Australia’s forests is not new. Long before European settlement, Australia’s Aboriginal inhabitants regularly set fire to the forests, a custom called ‘firestick farming’. Looking at the role of fire in one of Australia’s wilderness areas, Kakadu National Park, New Scientist (29 October 1994) reports:

“For tens of thousands of years the landscape has evolved in the company of such fires, its distinctive patterns of flora and fauna having been shaped as much by Aboriginal ‘firestick farming’ as by the pendulous wet-dry rhythm of the tropics... Without cycles of regular burning, patterns of flora and fauna that have existed for millennia are likely to change forever. Traditional forms of agriculture in the world’s rainforests have been shown to aid forest diversity. Swidden agriculture, or ‘slash and burn’ farming, has been practised in the Amazon Basin in Venezuela for over 3,000 years with no negative effect on the forest.”

Peter Attiwill, Associate Professor in the School of Botany at the University of Melbourne, has been involved in ecological research in the United States, Germany, China, France, New Zealand and Venezuela. After an extensive survey of the literature involving forest disturbance, he concluded that almost every form of man-made disturbance is replicated by natural disturbance:

“Some disturbances (especially fire) have such profound evolutionary influence on the survival and regeneration of plant communities that periodic disturbance is essential if diversity is to be maintained, and a delay in the recurrence of disturbance leads to a reduction in diversity” (Ecology and Forest Management, 1994).

It is generally agreed that Australian eucalypts have evolved in response to regular disturbance by fire and that they are uniquely adapted to regular burning, so much so that some species are unable to regenerate except after major fires.

There is also conclusive evidence that forest disturbance can be positively beneficial for wildlife. Leadbeater’s possum, for example, was declared as “probably extinct” until rediscovered in large numbers in areas that have regenerated following bushfires in central Victoria in 1939. Apparently Leadbeater’s possum, along with the sugar glider, depends on a mosaic of regrowth and older growth forest.

The common practice of clearfelling, followed by regeneration burning, is the closest controlled man-made equivalent of these practices, the timber industry argues. The conservationists dispute this, but if forests are to be functioning ecosystems, not just museums locking up pretty places, some form of disturbance is inevitable. It is the nature of that disturbance that is under challenge.

The timber industry, while not arguing that clearfelling and regeneration burning are aesthetically pleasing, does say that it is simply another form of disturbance that fits within a living forest.

If woodchipping is banned, many forest industries may become uneconomic. Managed harvesting of Australia’s native forests will cease, which is the ultimate aim of the conservation movement. If we stop seeing ourselves as managers who interact with our environment, but instead become simply passive caretakers, it will be a pointer towards where we are going as a society; and our balance of payments situation will deteriorate further. In the long term, plantations may fill some of the gap, but it is not realistic to think they will take up the slack completely.

SOVEREIGN RISK: Banning woodchipping would also add fuel to the international community’s impression that Australia is a country with an increasing level of sovereign risk: that is, risk to investment because of capricious and unpredictable acts by government, something we usually associate with the less-developed world. Coronation Hill and Mabo will not be seen as isolated incidents, but part of a pattern of behaviour.

Woodchipping is not an easy issue; how we deal with it will be a test of our national maturity.
The demographic changes in American families during the past few decades are well known. By 1965, the birth rate had dropped to the level that existed prior to the post-war 'baby boom', the divorce rate began a steep increase that was to lead to a doubling in a decade, the labour force participation of married women and mothers was climbing steadily, and the out-of-wedlock birth rate had begun a climb that continues today.

These demographic trends were accompanied by changes in values and attitudes concerning the family, including a greater acceptance of divorce, pre-marital sex and giving birth out of wedlock. There is convincing but somewhat less definitive evidence of a general increase in expressive individualism and declines in the notions that marriage should be permanent and that parents should place their children's needs before their own.

Similar trends have occurred in all Western societies, including Australia, in the past three decades, which has led some observers to believe that the changes are inevitable consequences of technological developments and a transition to a post-industrial form of economic organization. However, there have been important differences among modern societies in the degree of the changes which cannot be explained by differences in technological and economic transformations. For instance, in Australia the divorce rate and percentage of births that are to unmarried mothers lag well behind those in the United States in spite of the close similarity of the economies of the two countries. Australia is generally moving along the same road as the United States, but it has not gone as far.

Changes welcomed: Social scientists in the United States generally took a sanguine view of the

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family changes that started or accelerated in the mid-1960s. Although the label of ‘family decline’ was often attached by social scientists to the family changes that occurred early in the century, the prevailing view in the 1960s and 1970s was that the family was only adapting to new circumstances, not declining. It was acknowledged that the changes might be temporarily disruptive and might harm some people, but as most social scientists saw it, in the long run the family would survive and perhaps be stronger than ever.

The only major dissenters from this dominant view were the radicals who viewed the family as an oppressive institution. They thought that the family was in decline, but they celebrated its imminent demise and thus viewed family change even more favourably than did most other social scientists.

An example of the prevailing positive evaluation of family change was the sanguine view of the increase in divorce. This trend was viewed as largely or entirely a matter of persons becoming less willing to endure unsatisfactory marriages, and thus it was seen as a sign that marriage had become more, not less, important to people. The movement of persons from unsatisfactory marriages to better ones through divorce and remarriage was, according to this view, enhancing the average quality of intact marriages and thus helping to keep the institution of marriage viable.

Lowering the barriers to divorce was considered beneficial not only to adults but also to children, who were thought to be harmed more by living with unhappily married parents than by parental separation and divorce. The view that unhappily married parents should stay together for the sake of their children was widely replaced by a belief that they should divorce for the sake of the children. It was known that a parental separation was typically traumatic in the short run to children and adolescents, but there was little evidence of typical long-term adverse effects and even some evidence that the ‘children of divorce’ tended to become unusually self-reliant and resourceful adults.

**ADULT-CENTRED:** The research of American family social scientists during the late 1960s, 1970s and most of the 1980s was extremely ‘adult-centred’. Although child development experts, of course, continued to study children, most family social scientists focused on marriage and other adult relationships. For instance, a large body of research during this period (to which I contributed) dealt with the effects of children on marriage.

Consistent with the adult-centredness of this period was the widespread view, promulgated by popular psychology, that adults could not be good parents unless they were well-adjusted and self-actualized. The notion that parents should feel guilty if they did not sacrifice for their children tended to be replaced by a belief that parents should feel guilty for not attending to their own needs.

**IDEOLOGY’S INFLUENCE:**

The reasons for the overall positive evaluation of family change by social scientists during this period are complex and numerous, but two strike me as being especially important. Most American social scientists consider themselves to be left-liberal or radical (more than 90 per cent of the members of the American Sociological Association, according to a recent survey conducted by one of my students), and the essence of a left-liberal orientation is receptiveness to change. Thus social scientists who study change tend not only to try to explain why the change has occurred; they also tend to try to explain why it is adaptive, beneficial and perhaps inevitable. In an effort to avoid being apologists for the status quo, they often become apologists for whatever change happens to be occurring. In rejecting the conservative shibboleth from Alexander Pope that “Whatever is, is right,” they tend to replace it with the view that whatever change is occurring is for the better.

And social scientists, being human, are concerned not only with objective truth but also with gaining the approval of those whose opinions matter to them, and those persons are largely left-liberals. It is hardly surprising, then, that they were strongly inclined to express positive views of recent family changes in their publications during the 1960s and 1970s.

The second major reason for the positive evaluation of family change is that it occurred concomitantly with the modern feminist movement and the trend toward male-female equality. Many feminists viewed (and still view) family change and the trend toward gender equality as parts of the same bundle, so that to evaluate one negatively is to denigrate the other. Since even most social scientists who are not active feminists believe in the ideal of male-female equality, a reluctance to give comfort to
those who would reconstitute traditional gender roles has
inhibited expressions of concern about family change.

I do not mean to imply that most social scientists are
not committed to the ideal of objectivity and to letting the
evidence lead where it may. However, the early evidence on
the effects of the family transformations of the 1960s and
1970s was ambiguous and contradictory, and much of the
needed evidence did not exist. For
instance, there was no good evidence
on the trend in the quality of intact
marriages, as a whole; the only data
from representative national samples
were from the ‘Americans View Their
Mental Health Surveys’ conducted in
1957 and 1976, and those data indicated
a small increase in marital quality
between those two dates. Likewise
evidence on the long-term effects on
offspring of parental divorce was scant,
and several studies had shown consider-
able recovery within a year or two
from the trauma that typically follows
the parental separation. Thus, condi-
tions were conducive to conclusions
being strongly influenced by ideologi-
cal and political biases, even though it is
likely that most social scientists tried to
assess the evidence objectively.

THE EVIDENCE GROWS:

The essential integrity of at least a large proportion of
American family social scientists is indicated by the fact that
as the evidence accumulated on the effects of the family
changes, the originally sanguine views of the changes began
to alter to concern. By the mid-1980s, the few expressions
of concern heard from social scientists in the late-1970s had
multiplied. This was especially so after the publication of
Lenore Weitzman’s study which linked no-fault divorce in
California with adverse economic effects on women and
children and the publication of numerous articles by such
authors as Judith Wallerstein and Mavis Hetherington that
reported evidence that the adverse effects of parental
break-up on children were greater than earlier research had
indicated.

Data on the well-being of children and adolescents
showed several worrying changes beginning in the 1960s.
Although all of these trends could not be definitively linked
to family change, there were reasons to believe that such
changes as the increase in one-parent families contributed to
such disturbing developments as an increase in adolescent
violent crime. By the 1990s, most of the more prominent
family social-science researchers were taking a less sanguine
view of the family changes than they had previously, and
many were evaluating those changes in distinctly negative
terms.

How this re-evaluation came about is illustrated by my
own change in views. My speciality is marriage, and in the
1970s it seemed reasonable to me that lowering the barriers
to divorce would increase the quality of intact marriages and
help many people to improve the quality of their lives. Evidence from
my own and other research showed that remarriages after divorce tended
to be satisfactory, at least in their early stages, and thus I concluded in
1977 in an article co-authored with a colleague that “divorce and remar-
riage seem to have been rather effective mechanisms for replacing
poor marriages with good ones ...” I soon began to change my mind. The
National Opinion Research Centre in its almost-annual General Social Surveys
began gathering self-report data on marital quality in 1973, and by the
early 1980s it was apparent that there was no evidence for the predicted
increase in the average quality of intact marriages. Rather, the trend in
reported marital happiness was slightly downward. I at first suspected that a
real increase in marital quality was
being masked by an increased willingness of respondents to
report that their marriages were not going well. But the
usual checks for ‘external validity’ (by relating the reports of
marital happiness to other variables, such as reported over-
all happiness) revealed no change in the validity of the
measure of marital quality.

More recent data make the lack of improvement in the
average quality of marriages in the United States even
more apparent. In Figure 1, I trace the distribution of the
adult American population over a 20-year period in terms
of marital situation, the population being divided into
those not married (either never married, divorced, sepa-
rated or widowed), those married persons who reported
their marriages to be “very happy,” and those married
persons who reported their marriages to be less than very
happy. Small year-to-year fluctuations in the percentages
can be attributed to sampling variability, so the linear
trend line for each of the three series of percentages is
shown. The percentage not married went up rather
substantially, the percentage in ‘very happy’ marriages
went down by a similar amount, and those in less than
very happy marriages remained almost stable. (There is
evidence that almost all persons who fail to report that their marriages are 'very happy' have rather serious problems in their marriages.)

The trends shown in Figure 1 provide compelling evidence that the divorce rate did not increase only because people became more willing and able to leave unsatisfactory marriages; clearly, the probability that marriages would become unsatisfactory increased to an important degree. (Data not shown here indicate that the probability of being in a 'successful' — that is, intact and happy — marriage at various numbers of years after the first marriage has declined steeply in recent years.) Although most Americans still say that having a happy marriage is one of the most, if not the most, important of their life goals, a declining percentage seem to be attaining that goal.

Why has the probability of marital success declined? Increased expectations of marriage and the breakdown in consensus over the content of spousal roles are undoubtedly involved, but I speculate that an even more important reason is the decline in the ideal of marital permanence. It is obvious that this change has contributed to divorce among unhappily married persons, but it has not been clear to most observers that this value shift has very likely increased the likelihood that marriages will become unsatisfactory. The person who enters a marriage with the notion that he or she may remain in it only for a few years will not be inclined to commit fully or to make the kinds of 'investments' that would be lost if the marriage should end. And if a person constantly compares the existing marriage with real or imagined alternatives to it, that marriage will inevitably compare unfavourably in some respects. People are hardly aware of needs currently being well served but are keenly conscious of needs not being well satisfied. Since attention tends to centre on needs not being especially well met in one's marriage (and there always are some), the grass will always tend to look greener on the other side of the marital fence.

Therefore, merely contemplating alternatives to one's marriage may engender marital discontent.

Whatever the reasons for the increase in marital failure may be, it can hardly be considered a positive trend. Among married people in the United States, quality of marriage is by far the strongest known predictor of overall happiness and life quality and is highly related to both physical and mental health. Happily married persons, as a whole, also fare better in almost all respects than do unmarried persons, and the former engage in far less anti-social and socially-disruptive behaviour. These relationships to some degree reflect the selection of well-adjusted, happy and healthy persons into successful marriages, but most researchers who have studied them believe that they also result to a large extent from the effects of marital situation on well-being and behaviour.

Furthermore, the changes in the marital situations of adults can only have had adverse effects on children. Family social scientists are virtually unanimous
in believing that the best family situation for children and adolescents is one in which there is a successful, intact marriage of the biological (or adoptive) parents. There is no agreement on the relative badness of the other kinds of family situations, but single-parent families, unhappy parental marriages and step-family situations are all widely considered to be far less than ideal.

The data in figure 2 show the trend in the United States over a 20-year period in the percentage of persons under age 18 who were in each of three different kinds of family situations. The percentage living with a happily-married parent declined, the percentage living with a less than happily-married parent remained about the same, while the percentage living with a single parent increased. The negative changes were even greater than the data indicate, since some of the pre-adults living with a happily-married parent were in step families, which is less than ideal, and the percentage in such situations is known to have increased.

CULTURAL EXPLANATION: The data presented here, along with an abundance of similar findings, make it impossible for me and many other American family social scientists to continue to take a sanguine view of recent family changes. Furthermore, the findings have led us to kinds of explanations of family change that were not popular in the 1960s and 1970s. Notice that in trying to explain the increase in marital failure I invoked a cultural explanation: I attributed the increase in part to a decline in a value or a cultural ideal.

Those authors who point to change in expectations and a breakdown of consensus about marital roles also invoke a cultural explanation. Social scientists trying to explain other family changes, such as the increase in out-of-wedlock births, have also tended to turn to values, beliefs and attitudes.

Cultural explanations for social change, of course, are not new; they existed in pre-modern social thought and among the founders of social science, as in Max Weber's The Protestant Ethic and the Spirit of Capitalism. And in the 1960s the notion of a 'culture of poverty' enjoyed brief popularity among American social scientists. However, the return to prominence of cultural explanations for family change in American family social science is an important development that is having an important influence on policy debates concerning family issues.

In spite of the re-evaluation of family change that has occurred among American social scientists, it would be incorrect to say that a new consensus has emerged. There are still some authors who regard the changes as for the better, or at least not all that bad; at least four books published in the 1990s have reasserted that view. Furthermore, those who believe that the changes have had detrimental consequences do not agree as to what, if anything, can be done to reverse the changes or offset the consequences. The more prevalent view seems to be that the family changes cannot be reversed and that the best we can do is to enact policies to ameliorate the undesirable effects of the changes.

I am among the relatively small number of American family social scientists who believe that some of the changes can be halted if not reversed. Reconstitution of the family of the 1950s — a goal of some conservatives — is indeed unrealistic and, in my view, undesirable. However, it seems to me that there is reason for hope that out-of-wedlock births can be reduced and that marriages can become more stable. It is unlikely that public policy alone could bring about such change, especially if, as I and many other social scientists now believe, the source of the undesirable trends has been to an important extent cultural.

NEW FAMILISM: However, the cultural shifts that would facilitate the needed reduction in undesirable family situations seem already to be underway. David Popenoe and Barbara Whitehead have written of a 'new familism' that has emerged in American society in recent years. This phenomenon includes a reaction against extreme individualism and a return to the belief that stable marriages, two-parent families and putting children's needs before those of adults are desirable and important. It differs from the older familism in its espousal of male-female equality and the rejection of economic dependence as a basis for marital stability.

At the elite level, the new familism is evident in the communitarian movement, the policy stances of the Clinton Administration and the formation of such 'neoliberal' organizations and groups as the Institute for American Values and the Council for Families in America. At the mass level, it is evident in a distinct, although not yet very large, return toward more traditional family values (excluding the ideal of male dominance).

I am not sure how relevant all of this is to the Australian situation. The re-evaluation of recent family trends seems not to have occurred here, or at least seems not to have gone very far. In Australia, the family changes are still widely regarded by social scientists as benign, if not distinctly beneficial. This perhaps reflects the fact that the shifts have not been as marked as in the United States and that convincing evidence of pronounced detrimental effects is still lacking. If, however, such trends as the increase in out-of-wedlock births continue, and if they have the same negative consequences they have had in the United States, Australian social scientists are likely to re-evaluate family changes in much the same way that their American counterparts have.
Lies, Damned Lies and The Media

MANY old Treasury hands (and not a few others) will recall the penchant of Sir William McMahon, Australia's Treasurer from 1966 to 1969 and Prime Minister from 1971 to 1972, for rattling off statistics about the economy's performance that bore little resemblance to the actual figures. In McMahon's case it may have been as much a matter of being unable to grasp the figures as of any deliberate attempt to deceive. But he certainly used the tactic as a ploy to divert attention from other problems and to try to impress. In the end, however, it helped undermine his credibility and confirmed him as a person of insufficient substance to retain high office.

It would be wrong to compare Paul Keating with Billy McMahon: Keating is more intelligent and has a natural capacity to grasp quickly the essentials of complex situations. Yet he has developed the McMahon penchant for trotting out figures that create an impression of someone who is on top of things — but which in fact demonstrate the opposite. The puzzling thing is that Keating's penchant for "McMahoning" has failed to raise serious questions about his substance.

Possible explanations are that the Opposition is incompetent, or that the media are incompetent or biased, or some combination thereof. Opposition spokesmen certainly appear to be arguing the politics rather than the substance of issues. Take the case of the leak of the options for cutting Commonwealth expenditure prepared by the Departments of Treasury, Finance and Prime Minister and Cabinet, which suggested that for five departments alone there is potential to reduce expenditure by about $21 billion over four years. The Opposition gained some political capital out of the leak and Opposition Leader John Howard used the opportunity to indicate that he "strongly supported" spending cuts in general. But Howard shied away from using it to press the Government on the specifics of reducing spending and quickly decided not to use the rest of the leaked document once Keating started to score some points in the media.

Howard probably did not pursue the spending cuts issue in detail because of a belief that, regardless of the merits, the Coalition would likely lose the battle in the media. In part this is a reaction to the loss over Fight-back! and a resultant determination to avoid spelling out the detail of policies. In part it reflects the fact that, in contrast with the United States, the groundwork has not yet been laid in the Australian community for the underlying justification for cutting the size of government.

The Coalition's approach may also reflect the media's soft reaction to Keating's adoption of a strategy of diverting attention away from the Government's failings on economic management and his tactic of seeking to scare the media into treading warily in its criticism of him and his Government. The background to this strategy is, of course, the battle for stakes in various parts of the media, which involves big money and where the Federal Government has a great deal of discretionary power to determine the winners and losers. In such circumstances, none of the major players can afford to risk the adverse reactions of Keating to any sort of concentrated attack on his utterances and the strategy underlying them.

SCARE CAMPAIGN: The Keating scare campaign has taken various forms. His public attack on Kerry Packer was one, after Packer endorsed Howard as having the capacity to be a good Prime Minister. This attack, and Keating's blatant kite-flying suggestion that toward has done a deal with Packer on changes to cross-media ownership rules, sends a warning to other media proprietors — briefly, Packer is dispensable, and you are too. Packer summed up the situation in his statement of 6 March when he said, "I sincerely hope that the personal attack Mr Keating has been engaging in is not an attempt to show other Australians with different views to the Prime Minister that even the mildest praise for John Howard will bring fearsome retribution".

Another part of Keating's strategy was what Alan Ramsey (Chief political correspondent for the Sydney Morning Herald) described on 18 February as "a
quite bitter slanging of selected journalists and editors” of the Fairfax and the Murdoch groups at a “private” function in his office in front of half a dozen journalists. (Ramsey described Keating’s action as “imprudent” but it may better be seen as “coldly calculated”). Yet another was the public reviling of three critics — Steve Burrell, Economics Editor of the Australian Financial Review, Alan Wood, Economics Editor of The Australian and myself.

Such naming is normally thought to be ‘bad tactics’ because it sends a message that the critic has ‘hit home’. In this instance, however, the intent may have been to try to ‘persuade’ either the individual to modify his views or the relevant newspaper editor to give that individual less coverage. Interestingly, since this naming Steve Burrell has been moved ‘upstairs’ to a Deputy Editor position. Alan Wood remains in his position and, fortunately, shows no sign of modifying his criticisms.

Let me be clear. I am not suggesting that Keating could ever succeed in silencing criticism or even that he is necessarily putting direct pressure on editors or proprietors. The tactic may be much more subtle: a warning to proprietors and journalists in the Canberra Press Gallery (who rely to a large extent on Ministers and their staffs for stories) to moderate their criticisms.

FALSE FIGURING: This might account for the lack of any concentrated analysis in the media revealing that Keating has been “McMahoning”, analysis that would reveal examples such as the following:

1. On several occasions over the past six months Keating has asserted that the profitability of business is running at record levels and that, as a result, there is no cause for concern that investment will continue at inadequate levels. Keating has also used this assertion to lend support to trade union claims for higher wages, thereby keeping in with Labor’s left faction which brought him to power.

However, assertions of record profits are based on the categorization of the proportion of GDP represented by corporate gross operating surplus (GOS) as being the corporate profit share. In fact the per cent of GOS to GDP is far from an adequate measure of profitability (it takes no account of interest or depreciation) and it leaves out of consideration the important unincorporated business sector. The profit share of all private enterprises — both unincorporated and incorporated — is still below 1983-84 to 1988-89 levels and well below what it was in the 1960s. Apart from publishing two articles by me, the media have been silent on this important question.

2. Prior to the leak of the $21 billion of options for reducing spending, on a number of occasions over the past year Keating has claimed that expenditure has been “cut to the bone” and that no substantial “further” cuts could be made. This has inspired (doubtless with help from the Government’s Media Liaison Service) many ‘think-pieces’ in the media examining the options for raising additional tax revenue, as well as repetitions of the Government line that the Coalition would be irresponsible if it opposed tax measures to reduce the deficit. Even such prominent critics of Keating as Terry McCrann (Herald-Sun) have supported resort to tax measures.

Now, it is true that Keating has not got away scot free with the no more expenditure cuts line. Australian Financial Review editorials have up to now been strongly supportive of the IPA view that there is considerable scope (and need) to cut Commonwealth spending. Editorials in other papers have also been generally supportive, along with the odd individual journalist. But there has been no in-depth analysis of what has happened to Commonwealth expenditure in recent years or what the case for cutting might be.

3. Following the election of John Howard as Opposition Leader, Keating went on a wide-ranging attack of Howard’s record. This attack included the claim that “the Australian economy today is 40 per cent more competitive than when he (John Howard) was in office”. Although the question of how we maintain our competitiveness surely goes to the heart of the competency of economic management, there has been no attempt in the media to analyse this important claim — again except for an article by me. In fact, of the 37 per cent improvement in competitiveness under the Hawke-Keating Labor Governments, more than the whole (45 per cent) is accounted for by the depreciation of the $A. Such an exchange rate induced change in competitiveness is, of course, really an indication that Australians have had to accept a relative decline in living standards: our underlying competitiveness, as reflected in relative productivity growth, has deteriorated under Labor.

The bottom line is that all this raises a serious question about Mr Keating’s capacity to perform as Prime Minister, other than in the narrow sense of manipulating the strings of political power to try to preserve such power. And there is also cause for serious concern about the independence of the media under the present system of government controls over media ownership.
A landmark High Court ruling has made freedom in the workplace possible.

breaking out of the award system

Ken Phillips

WHEN the Berlin Wall fell at the end of the Cold War, it symbolized the end of the authoritarian and centralized control of the lives of half of the peoples of Europe. The collapse of the wall was spectacular, but resulted from generations of people pushing against the structure.

In Australia, we have our own legally-constructed version of the Berlin Wall. It is the award system and it imposes centralized control over our working lives. Like the Berlin Wall, the people are pushing, but the incumbent labour establishment is proving strong in defence of its self-interest.

Many have tried to move away from the award system but few have succeeded. This article focuses on one success and how responsible, award-free work is possible in Australia.

The principle at stake for Australians is simple. Workers and businesses want the democratic right to decide what is best for them without interference from outside parties. Outdated notions of class consciousness in the workplace are being replaced by the realization of employers and employees that they either make money together or not at all.

Working Australians have realized the inappropriateness of the compulsion of awards and employers and workers are striving together to overcome the anti-democratic rigidity of the system. When they succeed in achieving workplace freedom, the results are mutually beneficial. Employees earn more, absenteeism drops and the incidence of workplace injuries plummets. Businesses are more responsive to market demands, become more profitable, and additional employment is thus created.

LANDMARK RULING: The freedom for workers and businesses to realize this outcome was achieved by a small labour-hire agency in a landmark 1991 High Court ruling. The decision, known as the Odco Judgment, legitimized a system of award-free work arrangements, the essence of which is that people can work as independent contractors, instead of employees, supplying their services to business. The High Court ruling rocked the labour establishment at the time and created extensive media interest. While the Odco Judgment is studied by law students as a
precedential labour law, its practical and commercial application has been little realized in comparison to its potential.

The outcome of the Odco Judgment was that it legitimized the continuing operation of the original labour-hire agency and facilitated the development of a system known as agency contracting. Agency contracting operates under the Odco Judgment precedents, supplying award-free contractors to a large variety of businesses and industries in every Australian State.

How does the agency contracting system work? Three parties exist within the arrangement — the contractor, the agency and the business. The contractor has a contract with the agency to supply work. The agency supplies the contractor and markets known to be available are left unexplored. The local TAFE college runs courses in the trade required but cannot attract sufficient students to warrant funding because potential students know that pay associated with that trade is unattractive.

Agency contracting, being an award-free arrangement, gives the company the ability to offer higher remuneration to the individual tradespeople, without flow-on, thus attracting and retaining people with the skills needed for the fluctuating demands of the business.

PERMITS FLEXIBILITY: For those worried about the legal status of casual employees, the potential application of agency contracting is significant. Only recently an industrial relations court declared that a casual employee who had worked an irregular 19 shifts over nine weeks was a “regular employee” and entitled to unfair dismissal compensation. The hotel and club industry magazine Club Life News has advised:

“Recent case law seems to suggest that an employer has no longer the right to hire casual employees at the peaks and troughs of the business demand. In a downturn he cannot shed casual labour without running the risk of unfair dismissal and large additional costs.”

Agency contracting solves this business problem. It is the only system in which the contractor’s casual status is legally indisputable.

WEAKENING RESISTANCE: Significantly, the labour establishment has largely abandoned its efforts to defeat the principles established by the Odco Judgment. Before the judgment was handed down, the original labour-hire agency fought many union battles. Today
BREAKING OUT OF THE AWARD SYSTEM

the agency has union officials who were once its sworn ideological enemies working happily as contractors and operating agencies.

Following the Odco Judgment, the Federal Labor Government established a legal taskforce charged with devising legislation to defeat the effect of the Judgment. The resultant legislation, the Independent Contractors legislation, did no more than ensure that contractors were not paid less than the award rate, which was already established by the Odco Judgment.

The Federal Government was prevented from proposing legislation to outlaw the Odco Judgment by the knowledge that it would entail outlawing all contracting. To do so would have added billions of dollars annually to the cost of new housing, let alone the other industries reliant on contracting.

Subsequent legislation and regulation have ensured that anyone working under the Odco Judgment principles is subject to normal superannuation, worker compensation and other statutory requirements. These requirements do not diminish the contractor status. In fact, the relevant State and Federal imposts reinforce the legitimacy of the system and enhance the contractor status.

The benefits that the system provides to both contractors and businesses are substantial and reflect, in practice, the previously untested theory that benefits would flow from the elimination of the compulsory award system. The most significant benefit of agency contracting is usually a sharp increase in productivity.

Contractors currently working under the system in Australia come from all walks of life and include secretaries, accountants, managers, tradespeople, printers, shearsers, truck drivers and labourers, to name but a few. Contractors usually work on a daily hire arrangement, but longer periods are frequently negotiated. They work according to their needs and negotiate payments that reflect their worth. After having worked under this system and experienced its benefits, contractors rarely decide to return to the centralized system. They see themselves as self-employed business people and have business-like attitudes to their tasks. They are motivated to perform well.

Agency contracting achieves many of the outcomes that CRA sought to introduce when staff contracts were offered to employees. CRA's much-publicized contracts made available to employees the same arrangements as were available to staff. It was accepted by more than 90 per cent of employees and had the object of eliminating outdated notions of 'them and us' in the workplace. Its plans were defeated in the Industrial Relations Commission and CRA has since mounted a High Court challenge.

The difference between the CRA scheme and agency contracting is that while CRA seeks a direct business-employee relationship, agency contracting interposes a third, servicing party.

THIRD PARTY: As a third party, the agency supplies an outsourcing of personnel administration and has been utilized by many businesses for this purpose. The agency's third-party status is exclusively that of servicing the needs and wishes of the contractors and businesses jointly. In addition, payroll administration has become such a time-consuming and complicated matter that outsourcing to a specialist provider has many advantages. The agency makes its money only when contractors are working. Therefore, the agency has a vested interest in keeping contractors and business clients happy and working.

MUTUAL SATISFACTION: The commercial application of the agency contracting system hinges on its capacity to meet the financial self-interests of all the three parties concerned. The business is motivated to pay more for productive contractors and can adjust individual payments to reflect individual productivity. The contractor views the business as his or her client and is motivated to provide quality work, knowing that remuneration is dependent on the quality of work supplied. The agency only receives its remuneration when it fulfils the needs of the business and the contractor.

Apart from its obvious applications for individual workers and businesses, Australia's various business associations and unions have the capability to provide a new and exciting member service which increases competitiveness, productivity and profitability. By operating agencies which have the potential to provide greater revenue than is possible through membership fees, business associations and unions could potentially become expanding, profitable organizations with increasing membership. Anyone can establish an agency as long as they comply with the Odco Judgment precedents. The Odco Judgment achieved a legal victory for true democracy in the workplace. The opportunity exists for more workers and businesses to avail themselves of the commercial benefits of applying the Odco Judgment principles.

If Australians don't grasp the available opportunities, the risk is that the world will pass us by. Surveys in the United States show that by the year 2000, 60 million workers representing 50 per cent of the workforce will be contracting their services through labour-hire agencies. To remain competitive, US employers are moving away from the direct engagement of labour at a significant rate. Similar trends are apparent in the United Kingdom and Europe. Competitive pressures in a deregulating world economy make it foolish for Australia to ignore the opportunities provided by competitive labour-market arrangements.
A QUESTION relating to the independence of the judiciary arose recently as a by-product of a quite different issue.

A major policy of the Kennett Government in Victoria has been to raise the State’s profile. In pursuing that aim its most spectacular commercial success so far has been persuading the Australian Grand Prix authorities to move the event from Adelaide to Melbourne. It quickly transpired that few people in Victoria seemed to object to the Grand Prix in itself but a significant number of people objected strongly to where the Government intended to put it.

The proposed site was and is Albert Park, an area close to the city which is held in much affection by the people who live nearby. Protest meetings were held and other sites suggested but the Government, apparently for commercial reasons, was adamant that Albert Park it had to be. It remained reluctant nevertheless to divulge details of the commercial reasons and exactly what effect preparing the race-track would have on the park.

It seemed likely that the dispute would end up in the Supreme Court. To prevent that, legislation was enacted to remove the Court’s jurisdiction to review Government and associated decisions in relation to the matter and also possible claims of various kinds for compensation. It was then discovered that a legislative practice of removing access to the courts on one topic or another was by no means new. A question was thereby raised about the proper relation between courts of law and the implementation of government policy.

State Supreme Courts do not enjoy the constitutional protections of the High Court. They are created by the respective State legislatures and exercise such jurisdiction as their constituent statutes confer upon them. Theoretically this leaves State Supreme Courts at the mercy of State legislatures whenever a government policy looks like being frustrated by judicial decision.

In practice parliaments have to be careful about intruding into the judicial function. This is because the British, or

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Westminster, system of government which operates in the States distinguishes three separate types, or sources, of power in the body politic: legislative, executive and judicial. Just as in the United Kingdom, this arrangement is flexible and depends more on inherited cultural attitudes than on the relatively inflexible federal scheme that operates at the Commonwealth level.

One of the strongest influences on the operation of the Westminster system is community belief that the courts are the guardians of the rule of law. It is always electorally risky for a State government to be perceived as seeking to reduce its accountability by muzzling the courts. This is not a question of legislative power but of acceptability to public opinion. This is why the Kennett Government’s move to keep the Grand Prix out of the Supreme Court of Victoria by law aroused comment. It was suggested that a principle of far more importance than a Grand Prix might be at stake.

Before considering the merits or otherwise of that argument, more needs to be said about the source of the jurisdiction of the Supreme Court of Victoria. Although the basic picture is similar in all the States, the Victorian position is in some respects unique.

**Jurisdiction:** The Supreme Court is created by s.75 of the Constitution Act 1975 (Vic). By s.85(1) it is “the superior Court of Victoria with unlimited jurisdiction”. If the matter ended there, any later Act, on any subject, that passed through normal parliamentary procedures could limit the jurisdiction of the Supreme Court simply by providing, expressly or by implication, that s.85 did not apply to it; but the situation has never been that simple. The principle that the Supreme Court should not have its function curtailed by Parliament without good reason has always received recognition in the form of entrenchment.

Entrenchment in this context means that an alteration of the Constitution Act to restrict the jurisdiction of the Court requires more than an ordinary majority vote to become law. Since 1975 this has meant that for such a measure to be effective requires an absolute majority in each House of Parliament (i.e., not merely a majority of those voting).

A defect in this safeguard, however, was that it proceeded on the assumption that Parliament would always know when such a Bill was before it. This is not necessarily the case. Jurisdictional questions are often highly technical and not apt to leap to the eye. It was therefore quite possible for an Act which did not comply with the absolute majorities requirement to be invalid or at least of uncertain validity.

In consequence, the Legal and Constitutional Committee of the Victorian Parliament was in 1990 asked the question, in substance, whether the entrenchment provision sufficiently protected the constitutional principle. Or, to put the point differently, whether the right balance had been reached between the effectuation of government policy and the preservation of the independence of the courts.

As a result of the Committee’s recommendations and pressure by the then Opposition (now the Government), amendments were made to the Constitution Act in 1991. The object was to attract parliamentary attention to, and promote debate about, proposals to exclude the jurisdiction of the Supreme Court. The requirement of absolute majorities in each House of Parliament remained but three further conditions were added which had to be satisfied if the Act were to be effective on the jurisdictional point.

The first of these was that the Act has to include a provision which refers to s.85 of the Constitution Act “and expressly, and not merely by implication, states an intention to repeal, alter or vary” that section. Secondly, the Minister who introduces the Bill for the Act, or someone acting on his or her behalf, must make a statement to the relevant House “of the reasons for” the repeal, alteration or variation. Thirdly, the statement is to be made either during the second reading speech, or on 24 hours’ notice of intention to make the statement but before the third reading, or with leave of the relevant House.

In the usual case, as one would expect, the Ministerial statement is normally made during the second reading speech. The two alternatives are to allow for the possibilities that at that stage it was not realized that the Act would impact on s.85 or, alternatively, that the Bill might be amended in some relevant way in its passage through Parliament.

**Preventing Legislative Stealth:** These changes were introduced in an effort to prevent the Supreme Court’s jurisdiction being excluded by what the present Victorian Attorney-General, Mrs Jan Wade, has
aptly called “legislative stealth”. They are buttressed by an all-party parliamentary committee established by the present Government called the Scrutiny of Acts and Regulations Committee. It is the responsibility of this committee to examine and report to the Parliament on every proposal to exclude the jurisdiction of the Supreme Court.

The task of the committee is in effect twofold. It must first confirm that the proposal alters the jurisdiction, or at least raises a jurisdictional issue, if that be the case. It must then fully consider the implications of the proposal and whether it involves an alteration of s.85 of the Constitution Act or raises a jurisdictional issue in some other way. The object of this procedure clearly is the same as the Ministerial statement: to alert the Parliament to the proposal.

It can be accepted therefore that there is a principle at stake which has both cultural and political significance and which governments are wise to handle with finesse. It tends to become newsworthy where, as in the Grand Prix case, critics of government policy can represent the removal of jurisdiction as a means of stifling opposition and an attack on the independence of the judiciary. Matters are not necessarily as simple as that.

Take, for example, the changes in Victorian parliamentary procedure designed to give greater prominence to proposals to exclude the jurisdiction of the Supreme Court. A cynic may say that where a government controls both Houses of Parliament such measures are not a safeguard at all but mere posturing. This argument is untenable. Parliamentary democracy comes in a variety of forms. As it happens, every Australian State except Queensland has two legislative Houses. It is inherent in such a system that governments from time to time will control both Houses. When that happens to be the case it is irrational to criticize a measure on the ground that it is supported by a majority in each House.

It needs little further reflection to perceive that the only difference between bicameral and unicameral legislatures in this respect is that in the latter case complete control of the Parliament by one political grouping is likely to be an almost permanent state of affairs, at all events under Australian electoral arrangements.

Another example of jurisdictional questions not usually being as simple as they may seem is the apparently widespread failure to appreciate that removal of an area of jurisdiction is not necessarily in any way a diminution of judicial independence. By s.85(1) the jurisdiction of the Supreme Court of Victoria extends to “all cases whatsoever” in Victoria and in that respect is “unlimited”. A government may wish to create a new jurisdiction, such as a Small Claims Tribunal, to make access to the legal system cheaper and easier. It is not unreasonable to see the automatic conferment of that jurisdiction on the Supreme Court as well, by the operation of s.85, as defeating the very purpose of the innovation.

Questions can arise also about the most effective distribution of the judicial workload. It does not follow that a case has to be tried in the Supreme Court simply because it can be. If it can equally well be tried in the County Court, there is no point in allowing litigants to overload the Supreme Court, perhaps because they regard it as more prestigious. There are sound reasons for protecting the State Supreme Courts from too literal an application of the unlimited jurisdiction idea. In general they can be grouped as functions the performance of which does not require that level of judicial expertise.
Bearing in mind such situations as the foregoing helps to give perspective to what is at first sight the surprisingly large number of Bills introduced into the Victorian Parliament in recent years which have included provisions affecting the jurisdiction of the Supreme Court.

It seems that during 1991-1992 under the previous (ALP) Government there were 24. In 1992-1994 (Autumn session) under the present (Coalition) Government there were just over 50. An interesting feature of these figures is that the annual number of such Bills has for practical purposes not changed notwithstanding the wide policy differences between the two Governments. The reason for that may well be that each was equally interested in jurisdictional matters but from opposed points of view.

Nevertheless, quantity, whether great or small, is not quality. There remains for consideration the most important category of exclusionary proposals: the cases where there is no reason for excluding the jurisdiction other than determination to implement a contentious policy by means that might otherwise be open to review in the courts.

OTHER EXAMPLES: This article started with the example of the Grand Prix. Another recent instance was the Public Sector Management Act 1992 (Vic). That Act radically changed the industrial framework of Victorian public-sector employment and was accordingly contentious. Section 105 of the Act did not in literal terms totally exclude the jurisdiction of the Supreme Court but came close to it.

The question is whether either of these understandable exclusions, taken as examples of a wider phenomenon, can be reasonably regarded as an attack on the independence of the judiciary, as opposed, let us say, to other issues which may arise, such as the wisdom, justice or legality of the policy in the first place.

The subject is one which it has become popular in some quarters to raise particularly in relation to Victoria under the Kennett Government. According to press reports (e.g. The Age, 29 November 1994, p.3) no less an authority than the distinguished President of the New South Wales Court of Appeal, the Honourable Michael Kirby, has on a number of occasions publicly criticized decisions of that Government which have appeared to him to undermine the legal system, and particularly the independence of the judiciary.

An instance which has notably engaged his attention turns on the abolition of the Accident Compensation Tribunal of Victoria in 1992. The members of the Tribunal wore the appearance of judicial status but did not perform a strictly judicial function. Their responsibilities were quasi-judicial at best. Nevertheless Mr Justice Kirby regards the abolition of the Tribunal, and therefore the accompanying dismissal of its members, as a threat to judicial independence in general. He has taken the same position in relation to the abolition, also in 1992, of the Industrial Relations Commission of Victoria.

His Honour has gone further, seeing a comparable trend in the replacement of Victoria’s Equal Opportunity Commissioner, Mrs Moira Rayner, by a Commission of five. No-one maintains that Mrs Rayner had even the trappings of judicial status. Neither was her Commission abolished. Even the abolition of the Law Reform Commission of Victoria, which was not even quasi-judicial, and its replacement by a differently constituted body is seen by his Honour as a cause for concern.

He is concerned also about the resignation of the former Director of Public Prosecutions of Victoria, Mr Bernard Bongiorno. Mr Bongiorno appears to have resigned because he disagreed with certain modifications the Government made in the structure of his office and the scope of his powers. If he thought it was in the public interest that he should resign from a public office, so be it, but it is surely a long step from there to a perceived threat to the independence of the judiciary.

EXAGGERATED FEARS: I venture the comment with no disrespect that the fears expressed by Mr Justice Kirby, and indeed others, about excluding the jurisdiction of Supreme Courts strike me as exaggerated. The events to which His Honour refers can be seen at least as cogently as corrections of imbalance in the legal system which were overdue for attention. My own view is that respect for the judiciary is far more effectively undermined by dressing up Commissioners as judges than by abolishing
Commissions whose function is at odds with government policy.

Similarly, in my view, and without disrespect, it borders on the fanciful to discern a threat to judicial independence in the restructuring of bodies concerned with law reform, equal opportunity or public prosecution. If the fault with such bodies is that they are perceived as having become unduly politicized, it is not necessarily political tit-for-tat to get rid of them. Equally, it is not necessarily party political bias to regard a public office as being in need of restructuring to make it more accountable, ultimately, to the taxpayer.

Comparable considerations apply to exclusions of the jurisdiction. People who object to that device for heading off opposition are likely for the most part to be not so much concerned with the measure in itself as with the policy it is protecting. If they can force a change of policy they are not likely to worry any more about jurisdiction. It is for this reason that in most cases an exclusionary provision cannot sensibly be seen as undermining the independence of the judiciary.

This in turn is why, under the new Victorian provisions for improved all-party parliamentary scrutiny of such measures, almost none of them have been seen as open to legitimate objection on grounds of constitutional principle. If the particular policy lying behind an exclusion of the jurisdiction proves to be a political mistake, the electorate will take care of that. If, regardless of Parliament and policy, the exclusion itself proves to have been a political mistake, the electorate will take care of that too.

In principle the power of parliaments to modify the jurisdiction of courts raises profound constitutional issues. The fact that in practice it rarely does is a testament to the good sense with which governments usually restrain themselves. One major context in which the issue arises in political debate but is not usually discussed in jurisdictional terms is the extent to which, if at all, trade unions and their officers and members should be exempted from ordinary legal remedies for strike and boycott action and the like.

The reason why that issue is not normally perceived as, among other things, an exclusion of jurisdiction is that, for historical reasons, such exemptions are traditionally regarded as industrial law, not jurisdictional law. Nevertheless, they clearly are exclusions of jurisdiction enacted pursuant to government policy decisions the acceptability of which is ultimately a matter for the electorate.

Another example is statutes of limitation, which in this country routinely bar actions in tort or contract after a period of six years from the date when the cause of action arose. In exclusionary terms what that means is that after six years the jurisdiction of the courts to hear such actions is removed pursuant to a policy decision not to allow rights to litigate to hang around indefinitely.
"Equality, Liberty, Fraternity" was the cry of the French revolutionaries. "Equity, Quality, Competency" is the slogan of the Dawkins/Baldwin/Croat Revolution: Diversity, Excellence and Knowledge are its victims.

"The French Revolution caused great loss of life, liberty, fraternity, etc., and was, of course, a Good Thing, since the French were rather degenerate at the time...
The French Revolution is very interesting and romantic; quite near the beginning of it Dante and Robespier, the revolutionary leaders, met in the beautiful and historic Chamber of Horrors at Versailles and decided to massacre everyone in September.
This was done in accordance with a new National Convention."
Sellar and Yeatman: — 1066 and all that

HISTORY may also regard the Dawkins Revolution as a "Good Thing" since the universities were either rather "degenerate at the time" or, at best, "elitist" and therefore in need of "political correction". Whether the Dawkins Revolution is also "interesting and romantic" and whether it will end in the "regenerating" of universities is a matter for rigorous conjecture and intellectually courageous speculation.

Since we cannot wait for history to resolve the issue, universities are faced with a dilemma: Do they keep faith with their 800-year-old mission of excellence, diversity, the cultivation of the intellect and the pursuit of knowledge, truth and enlightenment, which is a good thing, but not politically correct? Or do they bow to the will of the Government and the threat of the funding guillotine and pursue the goals of productivity, equality of opportunity and outcomes, relevance and the quick return, which is a bad thing, but definitely politically correct?

The dilemma becomes even more complicated when university authorities start to play a double game of gammon. The players advance their white pieces with pious statements about the university as a community of scholars seeking truth through knowledge; but they ensure that black wins by writing a report to Government admitting that quality reviews, after all, are "a good thing", that equity will not diminish excellence, and that competency-based training in the form
of “observable, work-based skills” may well have to replace in-depth knowledge and the intellectual skills of analysis and problem solving. The question is: Can you gammon and win?

Indeed, university authorities might well believe that their institutions have always been bastions of Equity, Quality and Competence, and that these concepts were already firmly in their agenda; they may rightly feel puzzled by the imposition of these as directives as though they were new inventions of the Government rather than creeds which universities had always avowed.

But then academics probably believed with the *Oxford English Dictionary* that Equity means “fairness, impartiality, that which is fair and right”, that Quality means “peculiar excellence or superiority” and that Competence means “the ability to compete, a sufficiency of qualification”. Given these orthodox definitions universities might welcome the Government’s discovery of these important concepts, were it not that the Government’s interpretation of Equity, Quality and Competency is more abstruse and a thorough search of Ministerial press releases, speeches and DEET documents is required to uncover the hidden agenda.

**EQUITY:** What means this word ‘Equity’? Every university has had to submit an Equity Plan as an integral part of the University Educational Profile, since 1992, and it has become mandatory for universities to develop and refine their Equity Plan if they want any funding under the Higher Education Funding Act.

According to the Government, i.e. the Minister for Education, funding for Equity is based on “progress towards equity objective and targets for each priority disadvantaged group, and the strategies that have been adopted”. More questions? Which disadvantaged groups are the “priority” disadvantaged groups? Who sets the priorities? Does the university have any opportunity to advance its own views on these matters?

A frisson of fear should trickle down every Vice-Chancellor’s spine as he awaits judgment from the examination of future Equity Plans for “clear evidence of improvements in outcomes for disadvantaged students in terms of completion, graduation and labour market participation”. What does the fiat, “improvements in outcomes in terms of completion [and] graduation”, mean? Does it mean that funding for Equity will rely on the number of disadvantaged students who have completed their courses and are eligible for a degree? If so, will the result be a lowering of standards for disadvantaged students in order to ensure that they complete their courses and graduate?

There is a classic assumption in the equity debate that all people are equal in terms of innate ability and differences in outcomes are the result of social conditions and environment. Will universities be held responsible for the differences in outcomes? The response may well be a firm denial, but if part of a university’s funding is to depend on equity outcomes, i.e. the number of course completions and graduations by disadvantaged students, then it will be another “interesting and romantic” test for universities and their standards.

An even more fascinating test for universities will be the provision of evidence of improvements in outcomes for disadvantaged students in terms of “labour market participation”. Will universities be held accountable in funding terms if disadvantaged students are not able to find jobs at the end of their courses? Will the Government take into account the state of the labour market at the time, or will it be entirely the responsibility of the university to ensure that students are both employable and employed when they graduate?

Yet Equity, as interpreted by the Government, will be difficult to ignore. It is to be a contributing issue in the future operating grants for each university in Australia: “The Commonwealth is committed to full mainstreaming of Equity ... [but] mainstreaming will not occur until there is a strong indication that Equity is firmly entrenched in institutional planning and effective monitoring mechanisms are in place.” *(Higher Education Funding for the 1993-95 Triennium, p. 29)*. The warning is clear to universities: give up elitism or prepare for financial emasculation.

**QUALITY:** Quality is an optional agenda. But, if “you aren’t in it, you can’t win” any share in the $80 million lottery. And lo! it came to pass in 1993 that all 36 universities completed a time- and resource-consuming quality review, and some universities won a share in the First Division, some in the Second Division, down to the small winners in the Sixth Division. The first round ended in bitterness and the ranking of the 36 universities into six bands according to their perceived performance in research, teaching, community service, planning and international links. The results of the second round were announced in March.

Many university authorities indicated that they did not agree with the establishment of a Committee for Quality Assurance of Higher Education because it was unnecessary and irrelevant to the university system: “There is no need for a national structure for quality assurance and it will be costly in both finance and time and, in any case, is unlikely to enhance quality.” Others argued that the Government set up such a Committee only for the reason that it wished to exercise more supervision and control over universities. Quality assessments were criticized by Dr Lucy Sullivan, University of Sydney, because they failed to recognize that “the university is already, and always has been, structured around quality assessment. Entrance requirements, exami-
nation marks, graduation requirements, academic staff promotions procedures, all are founded on judgments of quality.” If there had been any erosion of quality, it was due to external pressures “deriving from ideas about elitism in education and from statistical approaches to assessing competence”.

How does the Government define Quality? In 1993 the Government’s national priority areas for Quality were:

“improving information systems for resource planning and management; improving information systems used in monitoring and evaluating performance; improving strategies and/or mechanisms for assuring teaching Quality and performance; and assessing the needs and expectations of the key stakeholders within the community in respect of provision of higher education; and communicating to them information about institutional goals and performance.”

Also specified as part of the Quality agenda were Asian Studies and Languages, Adult Literacy, Australian Studies and the links between higher education and industry. The latter was quite carefully spelled out as “enhancing the relevance of higher education to industry’s requirement”.

Why is the emphasis of the Government’s Quality agenda on performance and information systems, rather than on curriculum? Why is Quality not defined in terms of knowledge and intensive and extensive content of courses? Why should university courses, apart from technical courses such as Medicine and Engineering, necessarily be relevant to industry’s requirement? Why does the Government define Quality? In 1993 the Government’s national priority areas for Quality were:

“A FRISON OF FEAR SHOULD TRICKLE DOWN EVERY VICE-CHANCELLOR’S BACK AS HE AWAIT S JUDGMENT FROM THE EXAMINATION OF FUTURE EQUITY PLANS FOR “CLEAR EVIDENCE OF IMPROVEMENTS IN OUTCOMES FOR DISADVANTAGED GROUPS IN TERMS OF COMPLETION, GRADUATION AND LABOUR MARKET PARTICIPATION.”

Competency-based approaches to university entry selection and credit transfer.

Meanwhile many academics are questioning the relevance and value of the Government’s Competency agenda to universities. Competence as a concept has always been deemed to be essential to most, if not all, university courses. Without Competence it would surely be impossible to achieve the mission of university to facilitate the acquisition of knowledge. But this is not what the Government has in mind.

Reading between the lines in the bureaucratic statements, the real reason for the Competency agenda is to ensure cross-sector recognition of qualifications between the university and the TAFE systems. Competencies are the means for an integrated scheme of credit transfer between the two systems. University academics are opposed to the significance of equation between the two systems: it is not that one system is better than another, it is simply that the systems are different and the difference is important to the high attainments of each.

COMPETENCY: Since I had always thought that a “competency” was a sum of money which enabled a person to live in reasonably comfortable circumstances, I find that the Oxford English Dictionary says I am right, but that the word has also come to be used for “competence”. I prefer to keep the two words distinct, but in scouring DEET documents, I find that officialdom has interpreted “competency” as the abstract noun form of “competent”.

WHITHER?: And now abideth Equity, Quality and Competency; these three; but the cost is blood from the funding cuts, the sweat of extra labour and diversion from the academic tasks of teaching and research, and tears shed over the diminution of Diversity, Excellence and Knowledge. While the blood is still fresh on the blade of the funding guillotine, what further apothegms will be invented in 1995 to trim 36 universities to a standardized model?
Federalism Burgeons Overseas

IN the US, strengthening the Federal system is on the agenda of both the Republicans — who now control both houses of Congress for the first time in 40 years — and even so-called 'New Democrats', of whom President Clinton claims to be one.

One of the first pieces of legislation passed by the new Congress, and by a huge majority, halted the use of unfunded mandates — laws passed by the US Government which require State and local governments to incur costs for specified purposes, but which do not provide the funds needed to meet these costs. Unfunded mandates have grown rapidly over the last decade. Their cessation is a necessary prerequisite for reform. The Republicans have also promised to reinforce this ban by embedding it in their proposed balanced budget amendment (which although narrowly defeated in the Senate is still very much alive).

The Congress, and to a lesser extent the New Democrats, are seriously considering devolving powers and responsibilities to the States, and cutting overlap and duplication between the various levels of government. Under one proposal, supported by most congressional Republicans, the States will take over responsibility for all welfare services, while the Federal Government will exit the welfare field altogether and transfer the funds it would have spent on welfare to the States in the form of a block grant (a grant with no strings attached except that it be spent on welfare). Another proposal — supported by some Republicans, New Democrats and many Governors — is for the States to pick up responsibility for all welfare programs, while the Federal Government takes over responsibility and funding for all health programs. Given the size, complexity and extent of overlap in the welfare and health programs, either proposal would constitute the biggest reorganization of Federal-State responsibilities since the New Deal of the 1930s, and, unlike the changes during the New Deal, these proposals will strengthen rather than undermine the federal system.

STATE LEADERSHIP: Congress (and even the President) is looking to the States for ideas and even for leadership on policy. When President Clinton went searching for ideas for welfare reform options, most of those adopted were gleaned from the States. The Vice-President's much-heralded 're-inventing government' program is based almost exclusively on programs developed and implemented by State and local governments. As for the Republicans, they realize that their 1994 election was a victory based on ideas — ideas that would not have got a hearing outside the think-tanks and the Federalist Society colloquia if it had not been for the leadership of a handful of governors: such as Governor Enger of Michigan, who has been challenging the teachers' union, overhauling school funding, and experimenting with vouchers; and Governor Thompson of Wisconsin, who has introduced a number of measures aimed at welfare recipients — including time limits, work requirements and enforcing parental responsibility for their children's activities.

What's driving this renewed interest in federalism in the US? Simple: voters, politicians and policy watchers, from diverse perspectives, have concluded that Washington does not work; indeed, that it is part of problem. And when these same diverse groups look at State governments, they see a strong but responsive government structure, one where interstate competition encourages, indeed forces, policy innovation and controls wasteful government spending. If Washington has failed, perhaps State politics can do a better job? Many think it worth a try.

LIMITING GOVERNMENT: The Republicans' interest in the federal system does not emanate solely from a desire for better government, but also from a recognition of the potential for limiting the size and power of government. Republicans have learned that a federal system can, through the process of interstate competition, limit the growth and size of government. If taxes get too high or regulation too oppressive, then people, firms and investors can move to a more suitable State. Since it is much more difficult to subject a central government to the stimulating pressure of competition, the task, therefore, as the Republicans...
see it, is to devolve fiscal power to the States and allow the competitive process to rein in the size of government. As William Barr, former Attorney General in the Bush Administration, said, “The basic insight of federalism is that you can run away and vote with your feet from a small tyranny, but you cannot run away from a big tyranny”.

The renewed interest in federal reform is not restricted to the US.

The threat of national disintegration has led Canadians to focus as never before on their federal system. A wide range of intergovernmental discussions regarding the funding of services and infrastructure, and a realignment of governmental responsibilities, is currently taking place throughout Canada. The intent of these discussions is not just to streamline the operation of the Canadian federal system, but also to rejig the system in favour of the Provinces.

**BUDGETARY BENEFITS:** The Canadians are increasingly aware of the budgetary benefits of federalism. While Ottawa struggles even to admit to its budgetary woes, many Provinces have been tackling their spending and deficits with real gusto. A recent study by the Fraser Institute, which compared budgetary performances of all Canadian Provinces and 34 US States, ranked Alberta and Prince Edward Island first and second, and Saskatchewan equal third. The good fiscal performance of these Provinces has not gone unnoticed by voters, justifiably worried about the growth of public sector liabilities (already in excess of 100 per cent of GDP). The call — if Ottawa cannot do the job, then give it to the Provinces — is increasingly being heard, and not just in Quebec.

Federalism is also beginning to blossom in Europe. The European Union is in the process of evolving from a confederal into a federal system. The process has been severely handicapped by the lack of the necessary institutions and clear constitutional procedures for deciding which powers should be centralized and which should not. The lack of clear rules and procedures has allowed the Eurocrats’ powers in Brussels to expand. Over the last few years, however, there has been a marked swing in the European political mood against centralization and in favour of ‘subsidiarity’ (the principle, enunciated in the Maastricht treaty, which states that the powers of EU-level institutions should be limited to those functions that cannot be adequately performed by the member states). This mood change has brought more into question the objective of a united Europe. The anti-federalists — those who wish to maintain a more decentralized, confederal European Union — appear to be gaining in popularity.

Federalism is also in vogue in many individual European nations. Belgium and Spain have recently opted for considerable regional autonomy. In Italy, the possibility of instituting a historically-based federation (when the nation’s almost overwhelming financial problems have been overcome) is a more than plausible solution to the serious national tensions apparent in the rise of parties like the Northern League. Even the United Kingdom and France, the most centralist of western European nations, are seriously discussing decentralization of fiscal and political powers.

The so-called “countries in transition” in eastern Europe are busily setting up new systems of local and intergovernmental finance, decentralizing governmental functions and devolving political decision-making, as are many developing countries. Their aim is both to improve the effectiveness and efficiency of government service as well as to improve democratic processes. These counties are being spurred along this path by the World Bank and other aid agencies, who have officially discarded their centralist bias.

**AN EXCEPTION:** Australia is an exception to this trend.

Since the demise of Mr Hawke’s New Federalism, there has been a steady and significant shift in power and control to Canberra. All the major ‘reform’ initiatives of the Keating Government — including in industrial relations, training and job-creation, child care, environmental protection, regional development, arts and culture, and land management — have had the intent and effect of shifting power and control away from the States to Canberra. Commonwealth use of unfunded mandates, and other coercive powers, in such areas as environment and health, has increased. Devolution of taxing powers to the States has been ruled out, and no progress has been made in other reforms to tax-sharing arrangements. Why is Australia, which constitutionally is one of the most federal of nations, choosing the path of greater centralization?

It’s not that federalism does not work in Australia, or that the Commonwealth Government (currently being outperformed by the States) is such a sterling performer.

Of course the answer is complex, and the trend toward greater centralization in Canberra is not new; indeed, it is one of the enduring themes of Australian political history.

Nonetheless, the reason for Canberra bucking the trend and grabbing more power for itself has little to do with good government.

1. For a thorough exposition of a ‘New Democrat’ s position on federalism see Reviving the American Dream: The Economy, the States, and the Federal Government, by Alice Rivlin. Ms Rivlin is currently head of the Office of Budget Management in the Clinton Administration.


why Australia needs research

Chris Fountain

In an issue of *New Scientist* (16 January 1993), former Commissioner for the Future and current head of the Science Policy Research Centre at Griffith University, Professor Ian Lowe, made the comment: “Research aimed at putting people out of work worries me.”

It shouldn’t.

In effect, what Lowe said was: “Research aimed at increasing productivity worries me.” This was confirmed in Lowe’s *New Scientist* column the following week. In commenting on the 90 per cent increase in productivity in the Australian electricity industry that was said to have occurred since the mid-1970s, Lowe said: “But why, at a time of high unemployment, are we striving to eliminate jobs in the power industry?”

These comments attack precisely the research that has given us the high standard of living that most of us in the developed world enjoy today. That there are currently so many unemployed is not a result of a lack of work; one needs only to consider the number of potholes in local roads, the parlous state of ageing sewerage systems, and the number of people on the waiting lists of various national health systems to realize that there is plenty of work to be done.

**Productivity Matters:** The very existence of sealed roads, sewerage systems, and national health systems is due to past innovations that have increased productivity. Such systems are the result of surpluses generated in highly productive economies. According to Geoffrey Blainey (in *The Great Seesaw*), a typical family living in 18th-century France in a good year probably spent half of its income buying bread alone. Such families, struggling to make ends meet, do not have money to spare for the taxes needed to seal roads, to develop extensive sewerage systems, or to provide ‘free’ medical care for all. Indeed, as Blainey commented, a small rise in the price of grain was catastrophic; there were sixteen general famines in France between 1701 and 1800.

Today, for most citizens of the Western developed world, the price of bread is a small fraction of the family income. According to *Choice* magazine (February 1993), an Australian living in a capital city and earning the average wage had to work about 5.75 minutes to earn enough (before tax) for a loaf of bread. This reduction in cost is largely the result of improvements in the productivity of farms and farm workers. In 1988, only 5.3 per cent of the Australian labour force was employed in agriculture; in the US the figure was even lower, at 2.5 per cent.

Imagine the cost of wheat if a much larger proportion of the population of the developed world was employed in agriculture, using more labour intensive practices. Each worker would, of course, want to be paid a fair wage for his or her efforts.

One does not need to stretch one’s imagination very much. Agriculture in Nepal is labour intensive: 92 per cent of the Nepalese workforce is employed in agriculture. The value of the output of each of these agricultural workers in 1988 was $US222. The value of the production of each
American farm worker that year was SUS33,500. Nepal is one of the world's poorest countries; The Economist Book of Vital World Statistics ranked it 137th out of 146 in terms of 1988 GDP per head.

Boosting Productivity: The tremendous increase in productivity of the agricultural labour force in the developed world is the result of past research and development. The fall in the prices of agricultural products in the developed world is a consequence. Wheat prices in 1950 were equivalent to $A900 per tonne in 1991 dollars; the 1991 price was about $A165 per tonne.

I should say, at this point, that by research and development, I am not thinking solely of the work of scientists and engineers in research laboratories. I am also including the tinkering that might go on down on the farm or in a factory, to get that little bit of extra yield from the land or make that maintenance job a little bit quicker, cheaper and more effective. A lot of small improvements add up to a big result.

Research and development efforts in areas other than agriculture have led to similar declines in price, through increases in productivity. Consider the price of a pound of aluminium. In 1855, aluminium was a precious metal; a bar of it was exhibited beside the British Crown Jewels at the Paris Exposition. However, even then work was being undertaken to reduce the cost of production. The price of aluminium fell 90 per cent between 1854 and 1857. By 1900, a person earning the average American manufacturing wage had to work about 160 minutes to earn the equivalent of a pound of aluminium; today it is more like 4 or 5 minutes. The price trend since 1900 is shown in Figure 1, which shows the cost of aluminium in US$/lb, and in minutes worked by someone earning the average American manufacturing wage.

Buying aluminium in the early 1850s would have been one of the all-time worst investments. In the space of a little more than 100 years, aluminium went from being a precious metal to disposable packaging.

Copper is another modern metal that has seen its real price fall, although not quite as dramatically (see Figure 2). Copper cost about 80 minutes' labour in 1900. Today the cost is more like seven minutes. A striking feature of the fall of the price of copper is the fact that the copper content of the ores mined has also decreased over that time. The average grade of copper ores mined in the United States prior to 1907 was above 2.5 per cent copper; today the figure is nearer 0.6 per cent.

Such price falls are not restricted to commodities such as wheat, aluminium or copper. There have been substantial decreases in the real prices of many of the items used in Western societies. Consider the cost of purchasing a stereo system, a television set, a video cassette recorder, a personal computer, a wrist watch, or a refrigerator. The real prices have either dropped, or the equipment has more features, or both. For Americans, the real prices of refrigerators are now a fifth of the 1950 prices. Table I shows similar falls in the real prices of some of the goods that Australians buy. In the case of refrigerators, the cost in days of toil for an Australian on the average wage was in 1992 about an eighth of the 1962 figure.

Competition Drives Research: The fact of the matter is that much of the decrease in the real prices of these items is due to research that has increased productivity. Such productivity increases may not lead to labour shedding if there is a market for increased production, but in mature markets, such as those for commodities, there is often little room for extra production. In these cases, higher productivity inevitably leads to lower direct employment.

Companies competing with each other for market share have little choice when it comes to research to increase productivity. If a company unilaterally suspends its effort, it will eventually become unprofitable and die. Its competitors will have reduced their production costs and will be able to undercut it in the market. The plight of the US steel industry is a case in point. American companies were slow to adapt to new, high-productivity technologies that were being

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**Figure 2: Change in aluminium prices**

**Figure 2: Change in copper prices**
WliY AUSTRALIA NEEDS RESEARCH

Table 1
Time needed by an Australian on the average wage to earn enough money to buy an item.

<table>
<thead>
<tr>
<th></th>
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</tr>
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<tbody>
<tr>
<td>Local phone call</td>
<td>1.75</td>
<td>1.25</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Milk (600 mL)</td>
<td>5.0</td>
<td>3.5</td>
<td>2.75</td>
<td>2.25</td>
</tr>
<tr>
<td>Loaf of bread (white-sliced)</td>
<td>8.75</td>
<td>6.5</td>
<td>5.75</td>
<td>5.75</td>
</tr>
<tr>
<td>Roll of 35 mm colour film</td>
<td>2.5</td>
<td>1.0</td>
<td>0.5</td>
<td>0.25</td>
</tr>
<tr>
<td>Record album (1992 CD)</td>
<td>5.0</td>
<td>2.5</td>
<td>1.25</td>
<td>1.75</td>
</tr>
<tr>
<td>TV set (48-51 cm)</td>
<td>44</td>
<td>13</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>Washing machine (4.5 kg load)</td>
<td>49</td>
<td>21</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Refrigerator (350 L)</td>
<td>57</td>
<td>22</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Sydney-London return/econ air tickets</td>
<td>131</td>
<td>37</td>
<td>26</td>
<td>14</td>
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</table>

NATIONS ARE COMPETITORS: Similarily, whole nations have to keep improving their productivity to remain competitive with others. One need only compare the economic performance of Japan in the 1980s with that of Britain or Australia to see this. Australia’s lack of competitiveness in manufacturing has seen us rack up a net foreign debt of $160 billion.

Management consultant Peter Drucker makes some interesting comments about the competitiveness of nations in Harvard Business Review (November-December 1991). He points out that the US manufacturing sector throughout the 1980s increased its productivity at a rate comparable with the corresponding sectors in Japan and Germany. Where the US fell behind was the service sector. Fewer Americans are employed in making things than in Japan and Germany. According to Drucker, America’s larger service sector is handicapping its productive sectors. He says: “The chief economic priority for developed countries, therefore, must be to raise the productivity of knowledge and service work. The country that does this first will dominate the 21st-century economically. The most pressing social challenge developed countries face ... will be to raise the productivity of service work.”

GOVERNMENT COSTS: Local, State and the Federal governments are substantial employers. Their operating costs are passed on to the community in the form of taxes and charges. These charges can represent heavy imposts on groups trying to compete in the international arena. Just as companies and farmers are trying to reduce their operating costs to stay in business, governments should also strive to reduce theirs. This is why it is important for the productivity of the largely government owned and operated electricity industry to be improved.
Unfortunately, many government departments still expect an annual incremental increase in their charges. The wholesale sales tax on trucks and parts was lifted from 20 to 21 per cent in August 1993, and increased to 22 per cent in June 1994. The tax on fuel oil increased by 3 cents a litre in 1993, with a further 2 cents per litre rise in August 1994. According to Ron Knapp of the Australian Mining Industry Council, these rounds of tax increases have wiped out most of the gains made through the reform of coastal shipping.

CARTELS: Ian Lowe's original comment was made in the context of a project to develop a robot to shear sheep while "there are more than enough willing shearers to handle the wool produced in Australia and New Zealand." As can be seen from Figure 3, the price of wool is not immune from the forces that are driving down prices.

It should also be noted that the Australian wool industry acquired a debt of over $A2 billion through the Australian Wool Corporation's attempt to maintain the wool price in the face of falling demand. At the time, the price of wool was about nine times that of cotton.

The Wool Corporation's price stabilization scheme fared no better than the attempts of the International Tin Council or of OPEC to maintain the price of their products. The scheme collapsed, leaving the wool industry with a huge mountain of wool as well as the debt. The stockpile currently contains about 3.1 million bales. The stockpiled wool will probably be sold at a loss (especially when interest and storage charges are taken into account), and until the effects of the drought hit, the stockpile acted as a cap on price rises.

Many Australian wool producers found production at 1993/94 wool prices uneconomic. Estimates two years ago put the proportion of wool growers operating at a loss as high as 90 per cent. Regardless of the practicality of the robot shearer, wool producers will have to raise their labour productivity to remain viable in the long-term. This means there will either be fewer shearers employed or else shearers' wages will have to fall. The following quote from Peter Drucker applies just as much to shearers as it does to service workers: "It is an economic truth that real incomes cannot be higher than productivity for any extended length of time. Unless the productivity of service workers rapidly improves, both the social and economic position of that large group of people ... must steadily go down."

Wool faces stiff competition from cotton and synthetic fibres. You can be sure that the manufacturers of those products will strive to reduce their costs in the face of increased competition from cheaper wool. In fact, there is some pretty innovative research being done in the cotton industry at the moment. Genetic engineers are currently attempting to produce cotton bushes that grow blue cotton for jeans, thus avoiding the need to spend money on dyeing equipment (see New Scientist, 31 July 1993). Other obvious advances that could be made through genetic engineering include increasing the pest resistance of cotton crops, consequently reducing the pesticide input required.

The need for research to reduce production costs and improve productivity is never-ending. It is folly to argue against the adoption of new technology just to preserve jobs.

GOOD FOR THE ENVIRONMENT: It should also be remembered that production costs also include the costs of raw materials and energy. In addition to increasing labour productivity, research is increasing the productivity of the capital, materials and energy required to produce the goods we use; this in turn reduces the quantity of waste produced and reduces the environmental impact of producing those goods.

Steel again provides a good example. In 1974, the Western world was getting, on average, about 78 t of steel products out of each 100 t of crude steel. By 1991, that yield had increased to 89 t of products. Every year, with the spread of computer control, the steel industry has been getting more out of each ton of crude steel.

In short, research aimed at improving productivity improves our quality of life. Perhaps the best example of this can be found by considering working hours. Before 1914, the average American man worked more than 3000 hours a year. Today the average Japanese worker spends about 2000 hours a year on the job, the average American 1800 hours, while the average West German puts in about 1650.

The size of Australia's foreign debt is evidence that we have been living beyond our means. Australia needs more research and development to improve our productivity and hence our competitive position, not less as suggested by Ian Lowe.
when is shooting justified?

UNDER WHAT CIRCUMSTANCES SHOULD POLICE BE ENTITLED TO USE DEADLY FORCE?

Seamus Miller

OVER the last few years members of the Victoria Police have been responsible for a significantly larger number of killings than their counterparts in other States. These recent killings raise the important issue of the moral justification for police use of deadly force.

Human life is a fundamental moral value and killing another person can only be morally justified in extreme circumstances. The basic such circumstance is that of self-defence. I am morally entitled to kill another person if that person is trying to kill me and will succeed if I do not kill him or her first. A related right is the right to kill in defence of others. I am morally entitled to kill someone attempting to kill my wife or husband if this is the only means of prevention.

With the establishment of police services in modern societies, the responsibility for defending myself, and especially for protecting others, has to a large extent devolved to the police. Crudely, the idea is that if someone's life is threatened, whether my own or someone else's, my first step should be to call the police.

The National Committee on Violence states: “Recommendation 85.1 Uniform laws throughout Australia regarding the use of firearms and other lethal force by police. These laws should reflect the principle that lethal force should only be used as a last resort, involving self-defence or the defence of others” (Violence: Directions for Australia, 1990).

But the recent killings by police in Victoria draw attention to a third moral, and presumably legal, justification for police use of deadly force: one which has not as yet received adequate public scrutiny.

A THIRD JUSTIFICATION: Consider the case of a bank robber or heroin dealer wanted by the police. Let's say this person is hiding out, and is armed and prepared to shoot in order to avoid capture, though if left alone with his money or drugs, he will not shoot anyone. There are two moral questions here. First, if an arrest attempt is to be made, how should it be done? Second, should an arrest attempt be made at all?

If an attempt is to be made, it will be a matter of deciding on the most effective method, ideally one that will minimize the risk to life. Perhaps the authorities should opt for a policy of containment and negotiation. Alternatively, the best option might be a surprise attack using forced entry.

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It may well be that, in reality in situations of this kind, the Victoria Police have pursued the wrong options, and the nature of their training may come into this. Certainly the large number of killings by members of the Victoria Police relative to police in other States suggests they have at the very least an unacceptably low level of professional competence in this area. Moreover, if the methods of the Victoria Police are not best practice and if they should have known this, then they may well have been professionally negligent. Obviously, the negligence of a professional group in relation to situations where lives are at risk is completely morally unacceptable.

Let us assume that the method most likely to minimize the risk to life is containment and negotiation and that in fact this is the method chosen. It remains true that the police are committed to apprehending the felon — they are not simply going to let him go and the use of deadly force may be necessary, albeit as a last resort. So just what is the moral justification for the use of deadly force in these sorts of cases?

In these cases the police are not engaged in self-defence. If they were, the best thing would be for them to get back into their patrol cars and return to the station. Nor is the justification for killing in these cases the defence of others. The lives of ordinary citizens in my example are not at risk: the offender simply wants to be left alone to spend his ill-gotten gains. The fact is that the police are engaged in offence: they are trying to apprehend someone so that he can be tried and punished. So just what are the moral considerations in play here?

Firstly, the crime in question is of a very serious nature — heroin dealing and bank robbing being far greater evils than picking pockets.

Secondly, this armed and dangerous felon is prepared to kill in order to avoid imprisonment; though in our example, only to avoid imprisonment — he is not prepared to kill out of hatred or insanity or even to become rich.

These two considerations are held in our society to be jointly sufficient to justify morally the police use of deadly force as a last resort. Society appears to take this view while at the same time being opposed to capital punishment. There is no obvious inconsistency here. On the one hand, society takes the view that killing is not justified as a punishment for criminals who are imprisoned and therefore no longer able to break its laws. On the other hand, society holds that police use of deadly force is justified if this is the only way to ensure that its laws against serious crimes are upheld and, in particular, if the perpetrators of serious crimes are themselves prepared to kill in order to avoid imprisonment.

**Problematic:** While police use of deadly force to ensure that the laws against serious crimes are upheld may well be in principle morally justifiable, it is nevertheless problematic in a number of ways.

Firstly, it needs to be determined which crimes are sufficiently serious to warrant police use of deadly force if the law is to be upheld. The police are presumably entitled to shoot at a fleeing multiple-murderer if this is the only way to ensure his apprehension. But what if the escaping and armed felon is someone who assaults elderly people and takes their money but stops short of killing or even maiming them?

Secondly, it places an enormous responsibility — and a corresponding opportunity for abuse — on individual members of the police force. For, as we have seen, if police are entitled to kill in order to ensure that the law is upheld, then police may kill a bank robber even though he will not fire his gun if left alone. Moreover, in doing so, they will kill this alleged bank robber prior to any considered judgment by a court of law that he has in fact broken the law. In such cases, it is the responsibility of the individual police officer, firstly, to make the judgment that the person is an armed bank robber who will kill in order to avoid apprehension, and then to go on to shoot this person dead in order that he not escape.

In cases of self-defence and defence of others a police officer or citizen unavoidably kills an attacker to preserve life or limb with the consequence that that person does not have the opportunity for a fair trial. In cases in which a police officer kills in order to prevent a suspected felon from escaping — even one who is prepared to kill to prevent his apprehension — the police officer is in effect dispensing justice without a trial, including the ‘punishment’ of death. For the aim of the police officer in such cases is to uphold the law, not to preserve life or limb, and the police officer could avoid loss of life and limb by letting the felon go free. I am not suggesting that this particular responsibility for dispensing justice is one the police ought not to have. Indeed I have outlined the case in its favour. Rather I am claiming that it is an extremely onerous one, that it is problematic and that it has not received adequate public scrutiny.
The long-standing relationship between Australia and Britain is in need of urgent repair

Estranged relations

Michael Munford

As an Englishman, I feel immediately at home in Australia; by comparison, America is alien and incomprehensible. Yet, such is the power of contemporary myth, that I never expected to find Australia so congenial; for our two countries have almost ceased to understand one another, and have acquired entirely inaccurate perceptions of each other’s character.

The Bushman Myth: Australia is perceived in Britain in terms of the outback. The caricature Australian is a hard-bitten old bushman, slow of speech, with corks on his hat: a masculine figure, but rude and unformed, swearing and drinking to excess.

By contrast New Zealand is perceived in Britain as a civilized country like our own. The New Zealanders are adept at exploiting the image of the uncultured Australian. The New Zealand Tourist Board offers us “a different down under”, as different, they claim, as Kiri is different from Kylie; as if Melba and Joan Sutherland had been New Zealanders.

The perception is remote from reality: Australia, like Britain but unlike New Zealand, is one of the most highly urbanized and culturally developed countries on earth. But the myth persists, and affects our dealings with one another, for we are a long way apart.

Such misconceptions are only possible, because very few British people have even been to Australia; indeed many British people have never even met an Australian. Australians, by contrast, frequently come to Britain, and know what we are like. But the picture which Australians now acquire of Britain’s past — and Britain has a long past — is at least as distorted as Britain’s picture of Australia in the present.

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Some of these misconceptions are long-standing — the old British establishment never much liked Australia; but as Britain has become a more democratic country, we should have rediscovered how much Britain and Australia have in common. Instead things have got significantly worse in the last few decades. Something happened in the 1960s and '70s which set Britain and Australia adrift on opposite courses. The break was probably a necessary one, for the old relationship was unequal; the new Australia and the new Britain have yet to come to terms with one another. It is time that they did.

Britain is a much older country than Australia; but the pace of change has probably been faster in Britain than in Australia in the last 20 years, for we had more to leave behind us. We are benefiting from change; but we have made some serious errors, and alienated some of our best and oldest friends. Much of the current disharmony between Britain and Australia must be blamed on decisions that were taken in Britain. Nevertheless there were some important reasons for the policies that did the damage, and the reasons are perhaps not fully understood in Australia.

Britain found herself in 1945 an almost bankrupt nation that had only just escaped the ultimate horrors of conquest and defeat. She had helped to save Europe, but she had almost bled to death herself in the process. Economically and politically, she was for a long time (and in some respects still is) completely dependent on the USA. The Dominions (as they were then called) had fought beside her in two wars. But despite the loyalty and heroism of their soldiers, Britain had twice learned, very painfully, that Canada, Australia and New Zealand were a long way away.

In both wars, the greatest threat to British survival had been, not the German armies or even their bombers, but their submarines. In the second half of the 19th century, Britain’s population had grown to a size that could no longer be fed from the resources of British agriculture. Worse still, the agriculture which we had, once the most productive in the world, had been neglected as it failed to compete with low-priced imported food. The long life-line between Britain and the Dominions (and, to a lesser degree, Argentina and the American prairies) had twice almost been broken by the German submarine blockade. In the First World War, only weeks separated us, in early 1917, from running out of food.

ISOLATED: There was much incompetence in this — our Navy should have coped better — but the lessons which were learned were understandable ones and made much sense. In 1940 we rediscovered ourselves as islanders in a small country, isolated from the world. Since then, our governments, despite all their ineptitudes, have not forgotten that rediscovered identity. They have turned away from everything that the Empire and Commonwealth stood for, and resolved that for the future, we must always remain in harmony with our European neighbours. It was an understandable conclusion — but of course, like many abrupt changes of policy, it went too far the other way.

In the early 1970s, Britain took two decisive steps which alienated Australia and New Zealand. It applied for membership of the EEC (or EC, or EU). And it imposed restrictions on the free movement of Commonwealth citizens into Britain.

Future historians are likely to debate the relative importance of three factors which contributed to cause Britain’s application to join the EEC. One factor was a kind of idealism. ‘Europe’ has gradually replaced socialism as the fashionable thing to believe in: though it has never become the religion-substitute that socialism was. The second factor was realpolitik — only inside the Community, it was thought, could we influence and perhaps slow down its development. The third and perhaps decisive factor was American political pressure. These three factors all still remain important. But Australians should not take Britain’s Community membership too seriously.

The EC/EEC/EU is fundamentally a close Franco-German coalition, formed to resist American hegemony in Western Europe. The Continental nations at the heart of it — not only the two leading partners, but also the Netherlands, Belgium, Luxembourg and (Northern) Italy — have much in common. They focus the non-English-speaking
half of the developed Western world. They are close neighbours and economically interdependent.

Their political association solves many of the contentious frontier issues of the last few centuries, and promises peace to innumerable traditional battlefields. In some parts — notably around the borders of Belgium, France, Germany and Luxembourg — frontiers which were fought over for centuries seem virtually to have disappeared; and this must be very satisfying for those who live there and have historical memories.

But Britain’s position is different. We have been a clearly-defined nation-state for a long time. Our sea-wall is still intact, and retains much of its strategic value. Culturally we stand at the crossroads of Europe and the English-speaking world, and we shall always have close links to both. To claim that we belong exclusively to one or the other would be nonsense.

There are two reasons why Europe currently exerts the stronger attraction. One is that we tend to see the rest of the English-speaking world entirely in terms of America — and about America we are at best ambivalent. We have forgotten our much stronger and more sympathetic links with Australia, New Zealand and Canada. The other reason is the current state of development of international travel.

Most British people now regularly take holidays in Europe. A sense of sympathy with our nearest neighbours, and a real liking for their countries, has replaced centuries of distrust and misunderstanding. By contrast, relatively few people yet travel outside Europe: the rest of the world remains to most of us alien and little understood.

So we are experiencing a honeymoon period with those Continental neighbours who have given us so much trouble (and to whom we have given so much trouble) in the past. But this period will not last indefinitely. As air travel becomes cheaper, British people will increasingly prefer to holiday further south. Already Florida and Africa, despite the hazards of crime and tropical diseases, receive many British tourists. Increasingly, as they realize what is on offer, British people — and other Europeans — will come to Australia and New Zealand, where the only risks are from jet-lag and the sun.

Strange Union: The organization that binds us to the other countries of Europe is a very strange one. The European Union is certainly not a unitary state, nor is it a federation. Federations normally first give their central governments powers of common defence; next they adopt a common currency. Only later, if ever, do they attempt to harmonize the minor details of commerce and everyday life. The European Union has proceeded in the reverse order. It is still far from having a common currency, and there has never been any question of common armed forces. There is now some co-ordination of foreign policy, but its first result — a shared policy towards the former Yugoslavia — has been a tragic and disgraceful fiasco. Europe, led by Germany, encouraged Yugoslavia to break up, and has since watched in helpless idiocy while it tore itself to pieces.

There is still a sense of inevitability about European integration — but there was once a sense of inevitability about the spread of socialism and public ownership. The one has been unscrambled and so can the other. Because the supposedly unified Europe has no powers of armed coercion over its members, there is nothing to stop any one state leaving the group if it develops a firm and unified resolve to make the break. In Britain, a single Act of Parliament, if clearly supported in the country, would still be enough to achieve the desired result. As new countries come into the Union, its nature and identity changes, and
sooner or later one member state or another will decide that membership has been a mistake. Successful withdrawal will create a precedent likely to be followed by others.

In its present form, the European Union is a temporary phenomenon. The collapse of the Soviet Union has dramatically changed the landscape, and created a very different Germany. The departure of President Mitterrand, which cannot be long delayed, may bring to power a French leader less convinced of the permanent validity of the German alliance. Anything may happen in the future.

IMMIGRATION BAR: If Britain's entry into Europe had the greater economic impact, particularly on New Zealand, our other act of repudiation — the Commonwealth Immigration Act — had more impact on individual Australians, and probably caused even more offence. Offence was not intended, but it was the inevitable consequence of a desperately needed restriction on unlimited West Indian and Indo-Pakistani immigration, combined with a dogmatic determination not to appear racist. Of course ways could have been found to get round this problem, if we had tried hard enough; no-one, unfortunately, took the trouble. No-one thought Australia cared, or particularly wanted to retain the British connections; no-one considered, in the stress of the moment, what Britain might lose by alienating our nearest relatives.

Australia and Britain retain some significant links; but because they developed from the old relationship of mother-country and colony, they now often damage rather than improve mutual understanding. The Commonwealth (of Nations) means less every year. The great days of English cricket are past, with the tradition of gentlemen and players from which they drew their strength. The most important bond of all, of course, is the monarchy.

Australians who value the British connection usually wish to retain the monarchy. The monarchy has great symbolic and practical usefulness in Britain, and there is not the least likelihood of our losing it. But in Australia, the throne is empty; in so far as it has any reality, the Australian monarchy tends to preserve and emphasize the previously unequal nature of the Australo-British connection. As such, it is arguably a divisive irritant rather than what monarchies have to be, a focus of national loyalty; and Australian reactions, selectively presented in the British media, still further damage the British perception of Australia.

The Queen is inescapably and obviously British: her title is an anachronism in Australia. Although Prince Charles loves Australia, he travels the world as a representative of his own country, which is Britain; and Australia, despite its smoothly functioning monarchical constitution, lacks a comparable (and very valuable) symbolic figurehead.

What is required is a major exercise in constitutional and verbal creativity. Words are everything; surely, for example, Australia does not need to become a Republic, being already a Commonwealth: the two words have different associations, but their original meanings are the same. What is at stake is the monarchy, not the essential identity of the country.

All countries need to be reconciled to their own past. In America the repudiation of the British link, however inevitable at the time it happened, has led to a weakness at the heart of the American national identity — an excessive concentration on the future, which can teach us nothing, at the expense of the past, which can teach us a great deal.

Because American society is insufficiently rooted in civilized European traditions, it is naive, unstable and at the mercy of events. A fundamental distaste for authority and tradition as such has led to a breakdown of security, a loss of cultural standards and the destruction of the relationship between parents and children: and the contagion of these failures is spreading to the rest of the world. Britain and Australia need each other, above all because both need to escape from the overwhelming influence of America. Britain can offer Australia roots; Australia can offer Britain an alternative vision of the democratic society to that offered by the United States. Nobody is surprised to see the close links of friendship, the many reciprocal arrangements that (despite real differences) unite Australia with New Zealand. Britain deserves the same treatment — all three countries would benefit equally. Perhaps objections might be made on grounds of geography, but in a rapidly shrinking world, geography means less and less — whilst the differences of language and culture which divide Britain and Australia from their continental neighbours remain as obstructive to communication as ever. It is much easier for us to talk to Australia, to make friends in Australia, to do business in Australia, than it is in France. We need you, and perhaps you need us.
Draft curriculum guidelines circulating in ACT schools last December stated that the history of space travel should be taught using Aboriginal Dreamtime stories and that a gender equity perspective (emphasizing 'female' values and abilities) should be incorporated into mathematics. Irrationalism is on the rise.

**Science & Superstition**

Roger Sandall

The Arts have declared war on the Sciences — a war for the soul of modern man. If this sounds far-fetched and apocalyptic, anyone inclined to dismiss it should first study the evidence presented in a new and important book. *Higher Superstition: The Academic Left and Its Quarrels with Science* is a sober description of the anti-science campaign of numerous American ‘humanists’ in numerous arts departments today. Waged on a number of fronts (philosophical, literary, environmental, feminist, and other) its galloping, headstrong irrationality is what leads the authors to regard it as Higher Superstition — for Higher Education it plainly is not.

Superstition consists of irrational and unreasoning belief, founded on fear and ignorance. In the old days the uncomprehending ignorance of science by arts men was either a minor worry or a joke. But there’s nothing funny about it in an era which has seen whole departments constituted as bureaus of anti-scientific disinformation, a tidal wave of books and periodicals, and university appointments which permit and encourage the expression of hostile ignorance at the highest levels. An arrogantly obscurantist attack is being mounted in which, in the authors’ words, “the proliferation of distortions and exaggerations about science, of tall tales and imprecations, threatens to poison the intellectual cohesion necessary for a university to work”.

Paul R. Gross is University Professor of Life Sciences and director of the Center for Advanced Studies at the University of Virginia. Norman Levitt is professor of mathematics at Rutgers University. Both are men of distinction in their fields. They agree — and who doesn’t? — that some kind of social monitoring of science is necessary. But it’s just as necessary that the monitors know what they’re talking about. Instead, “We encounter books that pontificate about the intellectual crisis of contemporary physics, whose authors have never troubled themselves with a simple problem in statics; essays that make knowing reference to chaos theory, from writers who could not recognize, much less solve, a first-order linear differential equation; tirades about the semiotic tyranny of DNA and molecular biology, from scholars who have never been inside a real laboratory, or asked how the drug they take lowers their blood pressure.”

Roger Sandall taught for 20 years in the Department of Anthropology at the University of Sydney, retiring last year as a Senior Lecturer.
The catechism of good and evil now taught in arts departments gives even the most ignorant, malicious and irresponsible lecturer the moral authority to indict physics and chemistry worldwide — indeed, the greater his ignorance the more confident the indictment. This blind "animus toward science", write Gross and Levitt, is symptomatic of a certain intellectual debility afflicting the contemporary university: one that will ultimately threaten it.

The fate of universities and university science teaching is their main concern. But the matters discussed in Higher Superstition: The Academic Left and Its Quarrels with Science are every bit as important for people in the humanities to digest. What the authors have undertaken, writing with impressive eloquence and breadth of reference, is a lucid discussion of the present academic attack on our culture generally, from Cultural Construction and Postmodernism to Radical Feminism and Deep Ecology, from the paranoid tales being told about AIDS as a wicked invention of capitalistic medicine to the sort of absurdity which discovers "experiments in aeronautical engineering" in African wood-carvings of birds.

But isn't this sort of thing so nonsensical that it stands automatically self-condemned? How could the teaching of eco-radicalism, for example, possibly displace chemistry, or even put it under the least pressure? And even if this happens in America, surely it can't happen here?

Not immediately perhaps. But three things should be noted. Firstly, this is a war of attrition involving successive campaigns. Initially this has meant spreading so much alarm and confusion among non-scientists that the social and political environment of science has been poisoned. Next, in a climate of mounting criticism and hostility, young people will be discouraged from embracing scientific careers. Finally it is hoped that the more wicked sciences will be starved of funds and gradually wound down. No doubt this is all some way off, but the incessant ignorant agitation about 'chemicals', for example, indicates that the first stage is well under way (See Sev Sternhell's Chemophobia and the Molecular Level, IPA Environmental Backgrounder No. 13).

Secondly, it is a big mistake to underestimate the determination of the "academic left" to overturn existing curricula. In large areas of the arts this has already occurred. Thirdly, although Higher Superstition has evidently gone a good deal further in America than in Australia, experience shows that it's only a matter of time before what happens in the US is faithfully copied here. The value of Gross and Levitt's book for Australian readers is that it enables us to learn in advance about the anti-science superstitions which have such a grip on US arts departments, and the seriousness of the war now being waged.

CULTURAL CONSTRUCTIONS INC.: But first one has to master the funny phrases the Barmy Army in the arts employs. For example, I once heard an anthropology professor say something was "culturally constructed" three times in two consecutive sentences. What on earth did the man mean? Well, this is largely a variation of the old Marxist superstition that collective forces — History, Culture, Ideology, Economics — always tell us far more than the personal gifts and achievements of individual men and women. In keeping with collectivistic dogma C.C. Inc. constantly seeks to deny the contribution, and intellectual and moral responsibility, of individuals and individuality.

Several writers even claim that the theory of relativity was "culturally constructed", arguing that Einstein's part was relatively minor, and that his ideas were little more than an intellectual reflection of social trends. Just a sort of accidental effect, really. If you believe Stanley Aronowitz, author of Science as Power, Einstein hardly knew what he was saying: he was just an unconscious actor in the "cultural discourse" of late 19th-century European capitalism and imperialism. This thesis is "staggeringly silly" according to Gross and Levitt, and made all the sillier by Aronowitz's obvious ignorance of physics. But no member of C.C. Inc. would worry about that.

While denying the truth-seeking activity of men like Einstein is part of the game, the main ambition of C.C. Inc. is more malignant: it is to deny the concept of scientific truth itself. For cultural constructivists the notion of truth is replaced by arbitrary conventions, rules or decisions: truth, we are told, is no more than what it is expedient to believe. In this way the unmistakable and enduring truth-seeking character of science itself is assimilated to collectivist dogma — something illustrated in the writings of Bruno Latour.

Cute, paradoxical, rhetorically ingenious, the author of Science in Action sees laboratory life as a war of all against all. According to Latour each researcher is trying to dominate the rest and compel them to adopt his view — the facts of the case having nothing to do with it. He seizes on an obvious and healthy aspect of laboratory life — that men and women compete in their research — and then caricatures the whole enterprise as nothing more than a power struggle, and its results as nothing more than expedient beliefs. It follows from Latour's 'theory' that if five people agree with the statement, "it is raining", this is not because it's actually raining, or because of the verdict of meteorological science — it's because by bullying and intimidation a baseless opinion has been imposed as the collective agreement of the group. In this reductionist parody, scientific research is 'just' a power game, while truth is 'just' the outcome of power.

"The central ambition of the cultural constructivist program", write Gross and Levitt, "— to explain the deepest and most enduring insights of science as a corollary of social assumptions and ideological agenda — is futile and perverse." Yet in the humanities the facetious
mendacities of a Bruno Latour are widely admired. For the benefit of a larger public his book was both translated and distributed by the Open University in the UK. How can this be?

**THE REALM OF IDLE PHRASES:**

Wordy people of the kind found in arts departments have a high opinion of words. This is understandable. The trouble is that some of them become “intoxicated with their own verbosity”, are then seized by delusions of verbal grandeur, and may even come to imagine that reality itself is all words and stories — and nothing else. “Words Rule. OK!” is the slogan on their banderol. A belief in the infinite power of the merely verbal, a conviction that he who masters the word masters the world is central to that realm of idle phrases known as “postmodernism” (referred to hereunder as PM) an utterly misleading term which means exactly the opposite of what it says. The entire thrust of so-called postmodernism is premodern, prescientific, and — most important for our present purposes — both pre and anti-maths. That much of the world can be described by mathematics very much better than by words — a basic assumption of modern science — is to such people as wicked as it is false.

As with C.C. Inc. we’re told that there is no such thing as objective knowledge, and certainly no such thing as scientific truth. Once again knowledge is reduced to expedient beliefs — but this time beliefs embodied in the stories people tell. Everything in this world of “narratives” is relative: tales told by idiots, tales told by politicians, and tales told by physicists about atomic particles — according to PM they’re all just stories and their truth status is the same. Who but literary intellectuals, one wonders, could possibly believe such stuff?

But they do — and there’s a paranoid twist where things get nasty. The capitalist ruling classes tell stories which reinforce their domination, holding entire populations permanently in thrall. These stories are called discourses of power, and it’s a lucky student in a modern arts department who can avoid being asked to write about them. True enlightenment consists of recognizing that discourses of power lurk everywhere (in McDonald’s advertising, in weather reports, in relativity theory), and postmodern literary intellectuals who have experienced this blinding revelation feel qualified to sit in judgment on everything.

The results are hilarious. Literary folk are more at home with figures of speech than with figures. As George Steiner ruefully noted, “Having no mathematics, or very little, the common reader is exclud ed (from science). If he tries to penetrate the meaning of a scientific argument, he will probably get it muddled, or misconstrue metaphor to signify the actual process”. Yet mathematical illiteracy hasn’t stopped a whole range of highly-paid and prominently-appointed American professors in the humanities — Andrew Ross, Steven Best, and Katherine Hayles are those discussed by Gross and Levitt — from “vaporously pontificating” on such matters as “linearity” (moralized as a Bad Thing), or carrying on with a “megalomaniac pretentiousness” about chaos theory (moralised as a Good Thing). In a recent 640-page compendium, ZONE 6 — Incorporations, several leading postmodern gurus can be seen amateurishly trying “to pass off mere verbal tinsel as mathematical knowledge”. Here and elsewhere the effect of their misunderstandings is at best to sow confusion, and at worst to demean or deny the true significance of everything they touch.

Postmodernism, Gross and Levitt conclude, is “prophetic and hortatory rather than analytic”, elevates wishful thinking over intractable fact, is systematically hostile to science, and contains whole shiploads of arrant nonsense. So why worry? What is worrying about PM’s collection of “intellectual misadventures” is that they “are so well received in non-scientific academic circles, especially on the left, [providing] the route to publication, tenure, reputation, and academic authority for a growing body of would-be scholars.”

**FEMINIST AUGURY:** In the kind of superstition rife in radical feminism it is taken for granted that science is just a “male way of knowing”. Science wrongly values reason over emotion, objectivity over subjectivity, mechanism over
organism — all of them things which a new and caring feminine science will reverse. Taking a cue from PM's literary analysts, who spend their lives fussing over the meanings of words, the feminist critique of science minutely examines the writings and thoughts of scientists for sinister metaphors, or omens of the writer's intent, or psychological clues of the kind which so hideously [they say] deform the work of Francis Bacon. Four hundred years ago Bacon had rashly described his experimental method as a way of "forcing nature to give up her secrets".

Well we all know about force, don't we? Especially when a 'her' is involved. Force means violence. Violence means rape. And when (say the augurers) the father of Western science, Francis Bacon, writes of scientific experiments designed to force nature to yield her secrets, only a fool could mistake his intention. Believe it or not, nothing more substantial than this allows Sandra Harding, for example, in her popular and widely used *The Science Question in Feminism*, to ask "why is it not as illuminating and honest to refer to Newton's laws as 'Newton's rape manual' as it is to call them 'Newton's mechanics'?"

Margarita Levin's calm and measured comments in *The American Scholar for Winter 1988* say most of what needs to be said on this strange matter. Author Harding had been comparing different kinds of figures of speech. "Harding is unaware", writes Levin, "that she has already answered her own rhetorical questions. The machine metaphor is fruitful; the rape metaphor is not... That is why rape metaphors are irrelevant to any analysis of extant scientific concepts, and why no one today speaks of Newton's rape manual."

But fantastic extrapolations from figures of speech are central to feminist science critique. Metaphor-mongering is endemic. It is of paramount interest to the authors of *The Importance of Feminist Critique for Contemporary Cell Biology* that in scientific accounts of fertilization "the fertilizing sperm is a hero who survives while others perish... Whereas the ovum is a passive victim, a whore, and finally, a proper lady whose fulfilment is attained." Again, "Metaphor plays a central role in the construction of mathematics," write the authors of a 1993 paper, *Toward a Feminist Algebra*, concerned with politically correcting high-school algebra problems. "No! It does not," Levitt retorts with feeling. "Speaking as a mathematician who has seen an awful lot of mathematics 'constructed' and has constructed some himself, [I] can testify to the *uselessness* of metaphor in mathematical invention, though analogy — a rather different notion — can be of some help."

Along with the supposed evils of 'linearity' Isaac Newton's ideas are regularly denounced as male-chauvinist. But as Margarita Levin notes, one can play 'the gendered metaphor' game with any scientific discovery. "You could argue that Einstein's theory of relativity is more masculine than Newton's classical mechanics because relativity uses non-Euclidean geometry... Or you could argue that Einstein's theory is more feminine than Newton's because it offers no absolute reference frame..." It is a game which can be played forever, and makes absolutely no difference to reality: "Masculine or feminine, the solar system is the way it is."

**THE GATES OF EDEN:** Nowhere does the gale of superstitious anti-scientific rhetoric blow more strongly than on ecology's wilder shores. This is to be expected: extreme environmentalism is synonymous with romantic primitivism — with the pre-modern intellectual milieu in which sorcerers and witches flourished. As Gross and Levitt observe, the forests of eco-radicalism are so thick with superstition that the "fixed demonology" of the movement has made rational policy discussion nearly impossible. The 'greenhouse effect', or 'carbon', or 'nuclear power', or 'hydro-electric dams' now have the sort of diabolical status which "completely exclude the careful, unemotional weighing of costs and benefits, of relative risks and relative certainties that is a necessary part of making pragmatic judgments".

Relative risk? What's that? As Michael Fumento writes in his 1993 book *Science under Siege* "Alarmists and people subjugating science to political ends don't want you to consider relative risk." Indeed, "many of them haven't the slightest idea what relative risk is... They want to be able to present you with a simple model that says that since this or that has been alleged to be harmful, it must be banned or at least heavily regulated." As with those who in medieval times wanted prompt action taken against witches, such people feel that the more alarming the rumours and allegations — the more purely emotional they can make the public response to words like 'chemicals' or 'nuclear waste' or 'dams' — the better.

Yet the science-hating primitivism of eco-radicals is not without inconsistency. For global warming (if it's a fact) was not discovered by Amazonian Indians. Nor was the ozone hole (if it's a fact) first apprehended by some spirit-worshiping herdsman in Tibet. It was Western science itself, in the course of its inquiries, which discovered the very things which sorcerers and witches flourished. As Gross and Levitt observe, the forests of eco-radicalism are so thick with superstition that the "fixed demonology" of the movement has made rational policy discussion nearly impossible. The 'greenhouse effect', or 'carbon', or 'nuclear power', or 'hydro-electric dams' now have the sort of diabolical status which "completely exclude the careful, unemotional weighing of costs and benefits, of relative risks and relative certainties that is a necessary part of making pragmatic judgments".

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Some of us might see a contradiction here — how can a mortal enemy be also the source of one's own enlightenment?

Not a problem! A stuffy concern with 'contradictions' (we are told) is typical of those unable to break with Baconian science and logical positivism — i.e., with science and logic. Such people fail to see that since all knowledge is partisan, partial, and 'culturally constructed', it is both natural and appropriate to exploit whatever scientific
Australia has already made its own contribution to the curiosa of eco-feminism in the person of Dr Val Plumwood, who warns us that what is now needed “is a reconceptualization of the human side of the human/nature dualism to free it from the legacy of rationalism”. [Hypatia — a Journal of Feminist Philosophy, Vol 6, No. 1, Spring 1991.] In 1985, rumination perhaps on that burdensome legacy as she paddled along in her canoe in the Northern Territory, Dr. Plumwood was unfortunate enough to be taken by a crocodile. A full account of the three “death rolls” she then both suffered and amazingly survived is to be found in her article ‘Human Vulnerability and the Experience of Being Prey’, Quadrant, March 1995. She remains, however, an unrepentant irrationalist. “I learnt many personal lessons from the event” she writes, “one of which is to place less faith in the rational mind and listen more to the messages and warnings coming from the senses and from other sources not necessarily accountable in our present frameworks of rationality.”

reports serve one’s purposes and to ignore the rest. All’s fair in love, war, and ecology.

It is instructive to study Gross and Levitt’s rebuttal of Jeremy Rifkin’s arguments in his 1992 Beyond Beef, a book they characterize as “a blend of hyperbole, misinformation” and flagrantly selective favourable sources. It takes them almost two-and-a-half pages, drawing on a wide range of disciplines, to deal with the fallacies and distortions in only five lines of the original text. The time and effort involved explain much about the steady progress of the superstitionists, and suggest that it might pay scientists to establish an organization, along with an appropriate war chest, specifically to combat the enemy. Not, be it emphasized, for ‘public relations’, but for full-time self-defence.

DOES IT MATTER?: AIDS, animal rights, and Afro-centric delusions of cultural grandeur (the last a largely American phenomenon) complete Higher Superstition’s survey of modern irrationalism. Each of these topics is replete with absurdity. But of just as much interest is why the doctrines involved should so strongly appeal to members of the academic left.

Gross and Levitt make a number of suggestions. There is first the frustration of having finally to abandon revolutionary politics — a frustration which has led to an obsessive preoccupation with social theories. Also involved may be an envious and resentful academic ‘settling of old scores’ between the sciences and the arts. Perhaps most important is a perception of science as something so challenging as a source of intellectual interest, a source of power, and a meritocratic source of social hierarchy, that the literary left is impelled — willy nilly, and however desperate and implausible their arguments may be — to denounce science and seek its overthrow.

Does it matter? Modern irrationalism is already having a devastating effect on science education: “Many students in lower-level science courses are not only ignorant of science but are ignorant as well of the fundamental frame of mind, the attitudes, the intellectual rhythms needed if one is to acquire useful knowledge.”

Is it all a storm in a conservative teacup? But responsible figures on the left are also concerned with what is happening in the universities. A true-believing socialist like Bogdan Denitch warns in After the Flood of “a broad, generational, postmodernist current of irrationalism … which is at its core elitist and antidemocratic … [which] includes the rejection of science … [and] is permeated by utter contempt for the warp and woof of genuine democracy, for discussion, give and take, compromise, and elected representative bodies.” While a man broadly of the left, philosopher-of-science Alan Chalmers at Sydney University, is reported as “viewing social trends in the contemporary world with dismay and alarm …”, but also of believing that the urgent problems which face us are not “helped by construals of science as a capitalist male conspiracy or as indistinguishable from black magic or voodoo.” As for the looming prospect of having courses which seek to impose a romanticized vision of voodoo on American science students, right-of-centre sociologist Lewis Feuer predicts:

“If multiculturalists succeed in acquiring control of the curriculum and if they then institute a kind of force-conditioning of students with the ‘literatures’ and ideological apologia for backward peoples, the consequences for the universities will be quite other than they foresee. Science students, with their essential preparatory studies growing all the time, will finally rebel against the ‘humanities’ requirements, and for all practical purposes, the colleges of science will secede from their traditional association with the liberal arts college … The free marketplace of students and professors will, unless politically intimidated, decide for those institutions loyal to scientific values.”

Will it come to this? Maybe not. But if it does, the publication of Gross and Levitt’s invaluable book means that no-one can say they weren’t warned.

**DISORIENTATION:** At its recent Annual Federal Conference, the Australian Education Union, the national representative body for teachers, adopted a lengthy policy on “Sexual Orientation and Gender Preferred Identity”. Readers whose minds still operate in pre-post-modernist mode may require an explanation of the latter term. The important thing to recognize is that while ‘male’ and ‘female’ used to be thought of as more or less mutually-exclusive categories based in nature, they are now seen as socially-constructed, negotiable options. Sexual identity is a matter of choice and one can always change one’s mind.

Under the heading “Lesbians, Bisexuals and Gay Men and Transgender People in Education” the Union’s policy recommends that “all teachers have extensive pre-service and ongoing in-service training on the elimination of sexism in education and that the focus should be inclusive of matters pertaining to sexual orientation and/or gender preferred identity.”

It recommends that special publicly-funded non-sexist resource centres be established to supply materials for teacher and student education in such matters. Moreover, career guidance in schools must “ensure that students are educated as to the rights and support group mechanisms available to lesbians, bisexuals, gay male and transgender workers ...”

The policy asks for more than the elimination of prejudice; it wants affirmative messages to be taught. The presentation of issues of sexual orientation and gender preferred identity to pupils, it says, should be “positive in approach,” and committees should be established to “pursue the rights of all teachers to influence curricula in ways that will enhance understanding and acceptance of lesbians, bisexuals and gay men.”

Meanwhile one in four children completes primary school with reading difficulties.

**AUSTRALIA ON TRIAL:** The celebration of Australia Day in *The Age* was distinctly low-key this year — more like a wake really — thanks to a sizeable proportion of the 45 “prominent Australians” asked to describe the meaning to them of Australia Day, Patricia Caswell, executive director of the Australian Conservation Foundation, thought we should have been celebrating our Aboriginal heritage “that was very kind to the environment,” not the last 200 years which were not. (The mega-fauna made extinct during Aboriginal times may not agree.)

Peter Botsman, director of the Evatt Foundation, reflected on Australia’s inadequacies and strengths, but particularly its inadequacies, which included “our system of government, increasing social inequality, no bill of rights, crumbling social welfare institutions ...” etc, etc. Eva Cox said she was ambivalent, so did Georgia Savage. To Ruby Langford Ginibi Australia Day is Shame Day; and Jocelyne Scutt more or less agreed. Let Peter Singer sum up: “I guess Australia Day means the day on which Europeans began the conquest of Australia and all the implications that has for the devastation of our forests and our natural environment; the destruction of Aboriginal society, and the loss of many of our native species.” Still feel like celebrating?

**IT PAYS TO TALK:** How did people get through life before counselling? Professional counselling has its place, but the multiplication of experiences for which counselling is now seen as essential seems excessive. In a cover story in *Good Weekend* on
jury service, Inge Rumble suggests that jurors ought to receive not only training before jury service, but also "some form of counselling" after it.

A cry for counselling was heard recently from Buckingham Palace. A royal valet was suspended for gossiping to a tabloid newspaper about a liaison between Prince Charles and Mrs Camilla Parker-Bowles. Keeping mum was playing havoc with Ken Stronach's health: "All through my time with him [Prince Charles] we've all been told not to speak to anyone about everything," he said. "We've all kept his secrets and the strain made me ill." Freud, who knew the therapeutic power of talk, would understand.

**COLONIALIST MENTALITY:** In his none-too-modest autobiography, Bob Hawke claims a good part of the credit for ending apartheid in South Africa. Now Paul Keating claims that if John Howard had been elected Prime Minister in 1987, apartheid would still be in place. It's a pity those South Africans can't learn to manage their own affairs.

**IS IT ART?:** An exhibition of conceptual art, Perspecta '95, has opened in Sydney. What is conceptual art? One of its founders, Yves Klein, is featured in Art Review (February 1995). Although hardly a household name, Klein is, according to Art Review, "the first of the modern conceptual artists — a far greater influence on the genre than [even] Duchamp." He was also "a confirmed egotist", believed in his own "messianic power", and possibly a "sophisticated fraud" — but all that seems to go with the territory.

Klein, who was born in Nice in 1928, opened his career with an exhibition of 11 identical canvases in Milan (the exhibition, apparently successful, went on to London and Dusseldorf). The canvases were not only identical, they were monochromatic — each a flat, featureless expanse of ultramarine (a colour which Klein patented as International Klein Blue). Having stumbled on an insipid but successful idea, Klein exploited it for all it was worth (in fact much more than it was worth). An exhibition which consisted solely of a gallery painted white, outside which stood two members of the French Republican Guard, followed, and attracted large audiences. Then came a Monotone Symphony — a single chord held for 20 minutes.

No doubt new vistas could have been found for this aesthetic of monotony, but instead Klein turned his creative powers to finding a substitute for "the dehumanizing intermediary between the artist and the canvas" or, as we might refer to it, the paint-brush. The technique he developed gave 'painting nudes' a new meaning: Klein smeared the naked bodies of women with paint and then directed them as they applied their bodies directly to the canvas. An appreciative audience was invited to watch.

Klein died of a heart attack in 1962, but he was lucky to survive even this long. Convinced that he could levitate, he once tried leaping from a second-storey window.

**Sick joke:** A hospital for hypochondriacs is to open in Norway. Dr Ingvard Wilhelmsen, who heads the project, explains: "Hypochondriacs may only imagine they are ill, but they really do suffer. When they have a headache they are convinced they have a brain tumour." But surely sending them to hospital will only feed their delusions. As Richard Littlejohn comments in The Spectator, it is "the equivalent of Alcoholics Anonymous handing out bottles of single malt."

**obsolete families:** An Australian anthropologist says that the traditional nuclear family is dysfunctional, an "aberration" left over from the Dark Ages of the 1950s. Fortunately, says Julie Marcus, Professor of Anthropology at Charles Sturt University, a range of "viable and comfortable" alternatives exist, including "multi-marriage families, extended Aboriginal and ethnic families, single parent families and same-sex partner families."

Australians still attached to the anachronistic ideal of Mum, Dad and the kids should think again: "... while some privileged people can look back to a happy childhood or a fulfilling career as a mother in the 1950s, for many others that same family structure produced and hid violence, isolation, depression, despair and the truncation of opportunity for the women so central to them."

**RAPING WITH GOD:** A new version of the Bible published by the African American Family Press is cast in a language that, according to its introduction, is "truly relevant" to young black Americans. Here is a familiar passage from Exodus, rendered unfamiliar: "You shouldn't dis the Almighty's name, using it in cuss words or rapping with one another. It ain't cool, and payback's a monster ... You shouldn't be takin' nothin' from your homeboys. Give honor to your mom and dad, and you'll live a long time. Don't waste nobody. Don't mess around with someone else's ol' man or ol' lady. Don't go 'round telling lies on your homebuddies. Don't want what you can't have or what your homebuddy has. It ain't cool."
The recent appearance of a book entitled *Australian Civilization* has once again raised the question of how best to describe the sorts of activities and flourishes in which Australians engage. Americans quite proudly refer to ‘American civilization’ and courses with that title are common at American colleges. Australians are less willing to attach the word ‘civilization’ to themselves, preferring instead to refer to ‘Australian culture’. The distinction is both revealing and significant.

‘Civilization’ is a word that comes from the Enlightenment writers of the 18th century and refers not only to the artistic and literary activities but also to science, commerce and politics. A civilized country is one that has a flourishing commerce, a vigorous science and literature and whose social relationships are governed by high ethical standards and a concern for the well-being of others. It is also a place where the civic virtues are cultivated and individuals take a serious interest in the running of their own affairs.

‘Culture’ is a much narrower concept. It was developed by the writers and poets of the 19th century in opposition to what they perceived to be the defects of ‘civilization’. It views science and commerce with a suspicious eye, as things that have the potential to destroy those conditions under which art and literature flourish. As for politics and the civic life of a country, its advocates have very little to say, except generally to favour state support for the arts. The presence of ‘culture’ and the relative absence of ‘civilization’ as a description of Australian life indicates something about the fundamental attitudes of Australians and, in particular, Australian intellectuals. Not only have many of them looked on modern commerce and science with a less than friendly eye, but they have also failed to
appreciate the importance of a balanced and well-developed civic life in the modern world.

It is significant that the most recent version of *Australian Civilization* should have come out of a conference of the same name held in Hungary. In 1962 there also appeared a volume entitled *Australian Civilization*, that came into being at the suggestion of a Hungarian émigré, Andrew Fabinyi. Perhaps both volumes arose as mistakes caused by the fact that Hungarians do not understand that Australia does not have a civilization? The only way to answer such a question is to examine these two volumes and see what they say about Max Crawford's *An Australian Perspective* and its view that it had been the late 1930s when Australia began to 'come of age'.

I think that there is good evidence, much of it provided by this volume, that it is the early 1960s, rather than the late 1930s, that is the fault line between 'old' and 'new' Australia. Coleman was indeed right to proclaim a 'new' Australia although far too optimistic in his assessment that it would be a major improvement on what had come before. For example, he pointed to what he termed the 'Counter revolution in Australian Historiography', arguing that the study

Australian civilization. Such an exercise will also enable us to see what, if any, major changes have taken place in Australian civilization between 1960 and 1995.

A NEW AUSTRALIA: *Australian Civilization* appeared in 1962 and was edited by Peter Coleman. Although it was not informed by some general idea of civilization, it cast its net fairly widely, including chapters on businessmen, the press, literature, intellectuals, education, even faith and foreign policy. The political orientation of the collection was generally liberal, but broad church liberal and most certainly no single homogeneous viewpoint dominated it. The general theme of the book was that an old Australia was coming to an end and that a 'new Australia' was coming into being. The old Australia was the Australia of the 'Australian Legend', of the outback and its tribal male workers and of the myth that the history of Australia was the same thing as the history of the labour movement. The 'new Australia' was an Australia that was finally coming of age, a more sophisticated and middle-class Australia. Many of the contributors referred to

of Australian history was moving away from its traditional concern with labour and into new areas such as religion, culture, education and the middle classes. He pointed, in particular, to the work of Bruce Mansfield, Alan Martin and Peter Loveday. From the perspective of 1995 it is sobering to reflect on just how limited that 'counter-revolution' was; with the rise of the New Left in the 1970s and the 'doom and gloom' school of the 1980s Australian historical writing has remained tied to a variety of history that owes its inspiration to the Left and labour.

The other chapters of *Australian Civilization* were also roughly organized around this theme of a transition from an old to a new Australia. A.A. Phillips pointed to the massive rise in school retention rates that had taken place during the 1950s and attempted to work through some of the implications of this change for Australian education. Ronald Taft examined the relationship between the myth of the 'ordinary Australian' and the growing migrant presence in Australia. Others examined previously ignored subjects, with Ken Inglis discussing the Australian press and Manning Clark 'Faith'.

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The other major feature of the collection was that it attacked the version of Australian history that had been produced during the years of ‘old Australia’. In particular James McAuley pointed to the way in which the ailing body of the ‘Australian Legend’ had been given an extended life through its appropriation by the Communist Party.

Coleman’s volume remains a work of great interest because it has the feel of being a manifesto of reform, produced at a time when Australia was beginning to undergo massive changes. Moreover, the intellectual calibre of its contributors was extremely high, including, as well as those already noted, Max Harris, Vincent Buckley and Robin Boyd. Australian Civilization expresses a mood of both optimism and openness, and encapsulates a hope that the shackles of the past have been broken and that a new and better Australia is waiting to be made, a more mature and balanced Australia.

BABY BOOMERS: To see the extent to which the hopes of Coleman’s volume were realized we must now turn to Australian Civilisation, circa 1995. One change that we can immediately note is that a ‘z’ has become an ‘s’ — which is, I suppose, a bit like the way in which the introduction of decimal coinage removed Latin from our coinage. The editor of this volume, Richard Nile, states that it is a book in which the ‘baby boom’ generation are well represented, and it expresses the outlook of a significant proportion of that generation. Unfortunately it also expresses the desire of many members of that generation to reimpose the shackles that Coleman and his contributors believed were being removed.

For all of its claims to represent the new pluralist spirit of Australia, Australian Civilisation is a much less pluralistic volume than its predecessor. There is a much narrower range of political views expressed in it and the themes equally lack the breadth of the earlier book. Australian Civilisation may not have discussed such matters as science and the state of the sexes, but it could plausibly be considered a survey of the subject matter discussed. Even more disturbing is the way in which this narrow list of concerns is described as embodying the new pluralist spirit of Australia. In reality its pluralism is that of political correctness; there is a prescribed list of topics that one is allowed to discuss and a limited set of opinions that one can express about these topics.

Australian Civilisation believed that it was heralding a new dawn of openness and pluralism in Australia. Australian Civilisation represents an attempt to take the language of pluralism and use it to reimpose a regime of thought control and political correctness on those of us who had been foolish enough to believe that Australia had become a freer and more open place over the past thirty years. Taken together these two books should lead us to reflect on the meaning of the term ‘civilization’ in the Australian setting. Australian Civilisation, despite being written in 1962, does point to the possibility of building a civilization in Australia, founded on decent and humane values, that will allow a range of activities to flourish, not least being those activities associated with the civic life. It is to that model of civilization and civilized life that Australians need to look; maybe then the hopes expressed by Peter Coleman and his collaborators will find some sort of fulfilment.
THE DEFEAT of communism and the collapse of the Soviet Union seemed to herald a new era of stability and democracy, not least for the Russians themselves. Unfortunately, history seldom unfolds so neatly: Russia is instead crashing headlong through a protracted economic and political experiment, and few will risk a view as to where it will end.

The first possibility, ‘Muddling Down’, is essentially an extension of the present. The central government of Russia is presently characterized by deadlock, with a rough three-way balance between pro-market reformers, conservative bureaucrats scrabbling for resources, and authoritarian nationalists. Cutting across this pattern is another cleavage, with the provincial governments having enough power to frustrate Moscow but not enough to break away.

Untidy as it is, there are considerable advantages in this system. Provided the moderates can hold out against the extremists in elections, the process of restructuring the economy will continue, albeit slowly and with periodic setbacks. The key threat is mass unemployment, which could feed fringe movements and paralyse the government entirely. But unemployment can probably be contained through subsidies and promises, and the military — which must also remain employed — kept busy with action in one or another recalcitrant province.

In this scenario a weak central government can handle one crisis at a time but if faced with multiple crises it might go under. By 2010, the outlines of a functioning economy and a stable political system will have started to emerge, but a solution will still be a long way off. ‘Muddling Down’ is the slow, confusing way of reaching capitalism.

The second scenario, ‘Two-Headed Eagle’, sees the emergence of powerful elites within the democratic system. The key is public disgust with crime and corruption, such that a coalition of industrial technocrats, can-do state bureaucrats, and non-communist military heavyweights is elected on a platform of cleaning up the mess with whatever means are necessary. Yergin and Gustafson see this as “the premature reconstitution of a strong state” — premature because the institutions of the market economy are not sufficiently developed to defend their interests.

The leaders in this model see government largely as a process of dividing resources amongst the lobbies who can influence decision-making. While it provides stability after decades of convulsion, ‘Two-Headed Eagle’ is a system not for solving problems but for suppressing them, although within a quasi-market framework. Eventually, there is likely to be an explosion expressed through union militancy and ultra-nationalistic splinter parties in the provinces.

‘The Long Good-Byes’ scenario involves the slow unravelling of the Russian Federation, as regional leaders slowly gain the upper hand over Moscow. St Petersbourg becomes the de facto, and eventually the formal, capital of a northern confederation of cities based on trade with Europe. The resource-rich eastern maritime provinces turn increasingly to Japan and the Pacific Rim, with Vladivostok becoming a thriving regional centre. In the south, the Central Asian provinces form another group based on agricultural exports. Paradoxically, the move to a number of smaller states may help the reformers in Moscow as it would remove the source of many of the deadlocks in the current system.

MILITARY RULE: A less benign model is ‘Russian Bear’. This scenario grows out of chaos in Moscow, as hungry mobs start to loot food stores while unpaid police stand by. The divided government effectively collapses. The only remaining organized...
force, the elite military units, move in against the mob and establish a dicta-
torship, declaring that democracy has failed. At the same time, the new gov-
ernment makes clear that dissent from the provinces will not be tolerated and replaces several provincial leaders with hand-picked military men.

The emphasis of the new government is that of political control: economically, it follows — indeed, enforces — free-market policies. The ‘Russian Bear’ looks not unlike Pinochet’s Chile. The scenario is, however, dependent on the rise of a quasi-military leader who combines charisma with administrative competence. In the long term, it runs into problems similar to those of the ‘Two-Headed Eagle’ model. Eventually, capitalism will be reached but the road is studded with sudden, sharp convulsions.

The final scenario, ‘Chudo’ (miracle), assumes that the reformers will continue to slowly make ground until about 2002, to the point where a reliable legal system has been established, an army of viable small firms has developed, and a fair-sized pool of capital has grown. But the process of incremental reform can go no further, blocked by the large industrial enter-
prises. An election is fought on the issue of dismantling and privatizing the Thou-
sand Dinosaurs, and the reformers win. This proves to be the trigger for a spurt of economic growth fuelled by foreign investment, although the cost of the final step of restructuring is widespread unemployment.

Yergin and Gustafson carefully avoid ranking their scenarios in order of likelihood, but one reads the section about the ‘Chudo’ scenario with a certain scepticism. It all seems a bit too easy, given Russia’s current parlous state. But perhaps the rise of Japan and Germany would have seemed equally implausible in, say, 1946.

It is not difficult to find fault with any or all of the scenarios in Russia 2010. It might be said, also that Yergin and Gustafson ignore several important problems, such as the rise of organized crime, the awful state of the country’s natural environment, and the impact of international events. But such criticisms miss the point of the book, which is to provide a banquet of food for thought, not just about Russia but about the process by which history is made.

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Right and Wrong

Susan Moore

The Book of Virtues

Compiled by William J. Bennett

Bookman Press

THE ENTHUSIASTIC reception which has greeted William J. Bennett’s 832-page anthology of “great moral stories”, essays and verse has surprised cynics and nihilists, but nobody else. Reviews and sales over the past year in America, and over the past three months in a special Australian edition, underline what many eminent educators have been saying for years: adults who care for the young are hungry for literature which upholds worthy principles, and which offers impressionable readers authentic role models.

For well over a decade, the material provided for school children on the related questions ‘What is right and wrong?’ and ‘What is the good life?’ has been woefully inadequate. As the US Secretary of Education, Chairman of the National Endowment for the Humanities under President Reagan, and a well-known defender of perennial values, Bill Bennett would have been painfully aware of this situation. But, unlike many other public figures calling for better character formation in schools, he had the foresight to meet a pressing market demand before it could be fully articulated.

It would be churlish not to say ‘At last!’ in response to a volume whose stated purpose is to allow parents and teachers to browse at their leisure among writings which provide “anchors and moorings” for children within a common world of “shared ideals”. And it would be ungenerous not to remark on the soundness and clarity of the editorial comments framing each of the ten virtues which are given “form and content” in the anthol-
ogy. In his introductory statements, Bennett moves easily among ideas which have shaped lives in many parts of the world over hundreds of years.

At the start of Chapter 2, for example, he remarks that “just as courage takes its stand by others in challenging situations, so compassion takes its stand with others in their distress”. To introduce the fifth chapter, he says that Work is not “what we do for a living but what we do with our living”, and soon afterwards that Work’s opposite is “not leisure or play or having fun but idleness”. On Perseverance, early on, he quotes Harry Truman, who once observed that being a country’s president “is like riding a tiger. A man has to keep on riding or be swallowed.” Indeed, some of the remarks which prepare the way for the literature to follow are as instructive as the selections themselves.

It is therefore the more regrettable that Bennett’s enterprise is marred in three important and related respects. His classification of the virtues named in his ten chapter headings and within each chapter is hopelessly confused — which means that he generates concep-
tual looseness about the nature of virtue itself. Omissions hard to justify even on the grounds of “practical limitations” such as space give the volume as a whole a peculiarly provincial flavour. And the selections vary enormously not simply in complexity, but in quality.

The fact that Bennett does not specify the ages of the children for whom the material is intended,
remarking only that it progresses from “the very easy to the more difficult”, need not concern sensible parents and teachers. What he calls instruction in “the basics” rather than “tough issues” like creationism or euthanasia has an obvious commonsense validity. But there are differences between ‘easy’ and ‘linguistically inadequate’, ‘simple-minded’ and ‘simple’, ‘corny’ and ‘readable’, which he does not sufficiently appreciate.

LITERARY QUALITY: As Lansdowne Press’s best-selling My Country reveals, an anthology of imaginative writing can contain fine selections whose appeal will be both immediate and wide-ranging. But this won’t happen unless its editor has secure literary judgment. Although Bennett rightly values literature which can be readily committed to memory by children — as many of these selections apparently were by members of his own generation — his understanding of the verbal qualities which facilitate and suitably enrich this process is both untutored and naive.

Almost all the verse in The Book of Virtues is of greeting card calibre; and too many of the prose selections, penned by unknown authors, are similarly hackneyed. Bennett lacks the ear which helps talented editors to distinguish immediately between the moralistic and the compellingly moral. His chapter on Responsibility, which juxtaposes saccharine poems by Longfellow with powerful selections from Thucydides, Plato, Jefferson, Madison, Frederick Douglass, Lincoln, Martin Luther King and C.S. Lewis, dramatizes a difficulty present throughout the volume.

Whether because of copyright problems (much of the material is in the public domain) or on the mistaken assumption that watered-down versions of classical tales have greater appeal than either the originals or the renditions provided by the greatest narrative writers, Bennett loads down his volume with disappointing retellings of great myths, legends, fables, and Bible stories. This is equivalent to the wholesale replacement of traditional hymns with bland and undemanding modern ones — a process which, over the past 30 years, has contributed to a vast popular exodus from churches.

Modern audiences may initially ‘like’ utterances without rhythmic and tonal complexity; but such utterances don’t compel the repeated revisiting which is an automatic response to greatness. When C.S. Lewis remarked that the best children’s literature appeals as much to adults as to their progeny, he was explicitly quarrelling with the view, proffered by Bennett, that selections which strike grown-ups as “too simple, too corny, too old-fashioned” won’t seem so to children. On the contrary: the most discerning youngsters recoil from inferior nourishment as surely as do their elders.

Not for nothing would most intelligent children hold their noses or stifle boos if they were given a diet of poems like these:

<table>
<thead>
<tr>
<th>When little Fred</th>
<th>He made no noise,</th>
</tr>
</thead>
<tbody>
<tr>
<td>was called to bed,</td>
<td>Like naughty boys,</td>
</tr>
<tr>
<td>He always acted right;</td>
<td>But gently up the stairs</td>
</tr>
<tr>
<td>He kissed Mama,</td>
<td>Directly went,</td>
</tr>
<tr>
<td>And then Papa,</td>
<td>When he was sent,</td>
</tr>
<tr>
<td>And wished them all good night.</td>
<td>And always said his prayers.</td>
</tr>
</tbody>
</table>

The popularity of Madeleine L’Engle’s beautiful books on Biblical events (e.g., The Glorious Impossible and Ladder of Angels), or of Jan Pienkowski’s incomparable Christmas: The King James Version, or of Lewis’s own The Lion, the Witch and the Wardrobe, attests to the responsiveness of children and their parents to literary quality. So long as youngsters are exposed early and regularly, to the finest prose and poetry available, they will continue to respond enthusiastically to it all their lives.

Schmalz not only impoverishes language; it falsifies emotion. One reason for the continuing, universal appeal of such humorous classics as Winnie the Pooh, the Curious George books, or Beverly Cleary’s Ramona, Henry Huggins and Ralph S. Mouse series is that their vision of life is morally balanced without being sanctimonious. Because they don’t sacrifice reality to the need for an improving message, they instruct at the same time that they delight. What they render morally is never tainted by smugness.

CLASSIFICATION: Bennett’s choice of so much trite material is not unrelated to his higgledy-piggledy classification of the virtues. There are, unfortunately, important forms of intellectual formation within moral philosophy and the expressive arts which he has never experienced — despite being a philosophy major at Williams College and doing a Ph.D. in political philosophy at the University of Texas.

As Mortimer Adler makes clear in his brilliant volume for Encyclopædia Britannica’s Great Books series, Syntopicon, the contemporary tendency — exemplified by Bill Bennett — is to think of virtue chiefly in terms of

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ALMOST ALL THE VERSE IN THE BOOK OF VIRTUES IS OF GREETING CARD CALIBRE.

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character rather than of mind. This is a mistake. The ancient conception of virtue as the quality which makes a person good extended to the sphere of thinking and knowing as well as to desire and action. Plato, Aristotle and, later, the great medieval metaphysicians divided all the virtues into intellectual and moral, or excellences of mind and character. Bennett’s book would have a very different conceptual and aesthetic cast if he had taken into account this division.

Of the natural virtues (i.e. those attained by one’s own efforts) commended by the Greeks, the cardinal virtues, which are organically related, are prudence (the most intellectual of the four), justice, fortitude and temperance. Christian moralists, accepting this grouping, nonetheless believe that more than natural goodness is required for salvation. According to St Paul — on whom Bennett relies in other contexts — faith, hope and charity (the supernatural virtues) are of even greater importance, because they direct human life to a plane which exceeds man’s nature. These three virtues are infused in humankind freely by God, as gifts.

Over the centuries, great thinkers preoccupied with the question ‘What is the difference between good and evil?’ have turned to the ancients and their theological heirs in order to reflect systematically on vice and virtue. Many of these thinkers, for the sake of cogency, have accepted their essential grouping of faith, hope, charity (or love), and then prudence, justice, fortitude and temperance. Many, too — including Mr Adler and others who have influenced Britain’s conceptual frame — have looked to the Greeks, and to the theologians who took the lead from them, to decide upon the virtues which should be defined under each of these seven large headings.


<table>
<thead>
<tr>
<th>Predominant cardinal virtue</th>
<th>Up to the age of 7</th>
<th>8 to 12</th>
<th>13 to 15</th>
<th>16 to 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Justice</td>
<td>Fortitude</td>
<td>Temperance</td>
<td>Prudence</td>
<td></td>
</tr>
<tr>
<td>Principal theological virtue</td>
<td>Charity</td>
<td>Faith</td>
<td>Hope</td>
<td></td>
</tr>
<tr>
<td>Key</td>
<td>Obedience</td>
<td>Fortitude</td>
<td>Modesty</td>
<td>Prudence</td>
</tr>
<tr>
<td>Human virtues</td>
<td>Sincerity</td>
<td>Perseverance</td>
<td>Moderation</td>
<td>Flexibility</td>
</tr>
<tr>
<td>Sincerity</td>
<td>Perseverance</td>
<td>Industriousness</td>
<td>Sociability</td>
<td>Understanding</td>
</tr>
<tr>
<td>Orderliness</td>
<td>Industriousness</td>
<td>Patience</td>
<td>Friendship</td>
<td>Loyalty</td>
</tr>
<tr>
<td>Sincerity</td>
<td>Patience</td>
<td>Responsibility</td>
<td>Respect for others</td>
<td>Audacity</td>
</tr>
<tr>
<td>Obedience</td>
<td>Responsibility</td>
<td>Justice</td>
<td>Simplicity</td>
<td>Humanity</td>
</tr>
<tr>
<td>Orderliness</td>
<td>Justice</td>
<td>Generosity</td>
<td>Patriotism</td>
<td>Optimism</td>
</tr>
</tbody>
</table>

Result: Happiness and human maturity

barely rate a mention. One recognized saint, Francis of Assisi, gets slightly over a page (The Sermon to the Birds). There are no excerpts from such morally resonant utterances as Paul’s letters or — from another influential moral tradition — the analects of Confucius. In their place are page after page of verses like ‘Little Fred’.

Despite these embarrassing weaknesses, however, Bennett’s book is a helpful starting point for adults who share his awareness that “children are essentially moral and spiritual beings” who deserve to experience a much richer literature than, of late, they have been given. The opening paragraph of the entire volume, from a longer epigram culled from Plato’s Republic, is worth quoting in full: ”You know that the beginning is the most important part of any work, especially in the case of a young and tender thing: for that is the time at which the character is being formed and the desired impression is more readily taken . . . . Shall we just carelessly allow children to hear any casual tales which may be devised by casual persons, and to receive into their minds ideas for the most part the very opposite of those which we should wish them to have when they are grown up?”

Even though it’s true, as Bennett points out, that people of good character don’t all “come down on the same side of difficult political and social issues,” the need for schools to offer reminders about choices made by Horatius, Damocles, and Icarus, Ruth and Naomi, Silas and Barnabas, and Men-Tse remains pressing.

Dr Susan Moore is the editor of Education Monitor and the author of a parents’ guide to good novels for children called What Should My Child Read?

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**Economics on Trial**

**Tony Rutherford**

**The Death of Economics**

by Paul Ormerod

Faber: London, 1994

**ATTACKS ON** the practice and profession of economics are not new to Australians. For some years now we have seen a succession of books and conferences denouncing, in particular, the evils of ‘economic rationalism’; a crusade now joined by Brian Toohey’s Tumbling Dice, which adds economic modelling to the list of heresies. It is, therefore, interesting to have a British book which seems to belong to the same line of debate. Despite the title, however, The Death of Economics is very different from its Australian predecessors. It is written from inside the profession, by one who appears to have an impressive command of the technicalities of his discipline. It will give some comfort to the anti-rationalists, certainly; and irritate some of their bêtes noires. It is in the end, nevertheless, a plea for better economics, rather than an irrational demand to give up economics altogether.

Perhaps the title was wished on Ormerod by his publishers. It is certainly misleading, in that it is not about the ‘death’ of economics at all — perhaps rather, if Ormerod had his way, a rebirth of economics.

The book is directed at the public policy debate in general, rather than at fellow economists. It is for the most part clearly and forcefully written, at about the same level, say, as an Economist briefing; and though economists will find it much easier going, it is accessible to determined non-specialists.

**MUDDLED MODELLING:** Ormerod’s argument, very briefly, is that much of economic practice is flawed. He believes in particular that the theory and practice of economic modelling (and hence much of the economic policy advice based on such modelling) are widely astray, because of the extent to which that practice depends on competitive equilibrium theory. It is that which enables economists to say what happens when one part of a given set of economic circumstances changes, moving from one notional point of equilibrium to another. Ormerod believes, strongly, that it is a theory which cannot bear close scrutiny. That leads into the most interesting section of the book, in which Ormerod tries to explain why linear mathematical models are of limited usefulness for complex phenomena such as economic behaviour, and why non-linear theory (now becoming familiar to laymen in its ‘chaos theory’ guise) offers a more useful starting place for better theory and practice.

Ormerod illustrates his thesis by a discussion of unemployment, showing how unemployment levels tend to fluctuate quite closely for some years around notional ‘attractor points’ until an economic shock moves the point, up or down, to provide a new focus. His point here is that the traditional economic measures (such as demand management) will affect only the oscillations; what is needed is a way of shifting the attractor points. He goes on to offer his own minimal non-linear model of the macro economy — the details of which we can leave to professional economists.

Economists and non-economists alike will find much to chew over in all this.

**NARROW FOCUS:** The focus on varieties of economics is remarkably narrow. The reader would never guess that there are whole schools of economics which do not share the theoretical framework which Ormerod so forcefully criticizes. No single economist of the ‘Austrian’ school, for instance, is mentioned. And many ‘free market’ economists would be surprised to discover that...
their preferred approaches are alleged to depend intimately on competitive equilibrium theory.

Indeed, it has to be said that Ormerod, in concentrating so heavily on equilibrium theory, gives a rather skewed picture of the huge range and wealth of economics as a discipline. In fact, his views on the pitfalls of modelling would be shared by many economists; his critique is not quite the solitary voice in the wilderness that his tone would have us believe. In Australia, many practising economists are very wary of the applicability of anything much beyond the classical micro level — and for reasons which have as much to do with politics as economics. Much economic policy-making in Australia since the early 1980s has been a caricature of the management policies Ormerod criticizes. It may be fortunate that the notions summed up in the claim that ‘I have my hands on all the economic levers’ have been fairly thoroughly discredited in Australia in recent years by the politicians who have practised it.

Ormerod also indulges in what can only be called some cheap shots. It is unnecessarily irritating to read, for instance, that ‘It may, of course, be mere coincidence that at a time when barriers to trade within the European Community are lower than ever before ... Europe is entering a sharp recession!’ It is simply silly to eliminate all factors apart from free trade from such an observation. This sort of shallow prejudice characterizes quite a number of his observations, such as his discussion of the US labour market.

BLIND SPOT: Ormerod shares, too, some of the blind spots of the tradition which he is attempting to demolish. Like too many economists since the 1930s, he devotes too little attention to the problems caused by institutional rigidities in labour markets; apparently sharing the common belief that even temporary downward movements in the price of labour are not to be contemplated. (This is curious in that his proposal for job-sharing to alleviate chronic unemployment amounts to much the same thing, in a rather less efficient form.)

Perhaps the single biggest flaw, however, in a book so obviously directed toward improving the public policy debate, is the omission of any serious discussion of the interaction between economics and politics. Economic policy is not formed and implemented in a vacuum. Nor is it implemented by benevolent, disinterested guardians of the common good. So while it may be quite easy to agree with much of Ormerod’s critique of the traditional macroeconomic policy apparatus, it is unwise to omit the political failure which may well have caused far greater economic damage (unemployment, for instance) than any misconceived economic theory.

What one misses in all of this is a sense of the real wealth of economics. The real virtue of economics is not in mathematical modelling, in the pages of calculus which adorn the journals, but in providing ways of thinking about the world which are quite unique and uniquely helpful. It is this that has enabled economics to extend its empire so much in the last 50 years. Notions such as the scarcity of resources, efficiency, equity, comparative advantage, ascertaining and satisfying preferences, the role (good and bad) of self-interest — to name only a few — are hugely valuable tools. This is a damaging omission, and for two reasons.

First and not least because those ways of thinking offer a logic superior to what former senior OECD economist David Henderson so aptly characterized as ‘Do It Yourself Economics’. One of the problems economics faces — one acutely present in the current ‘economic rationalism’ debate in Australia — is that its outcomes are so often counter to intuition. The argument for industry protection, for instance, seems unsailable, and not only to committed ‘economic irrationalists’. (Indeed, Henderson’s short book Innocence and Design, taken from his 1985 BBC Reith Lectures, should be one of the principal starting points for economists trying to improve the quality of public policy debate.)

Second, those ways of thinking do in fact seem to correspond closely with observed patterns of human behaviour. This would seem to mean that if the complex models generated by competitive equilibrium reflect the same patterns of economic behaviour, then the problems with their application lie in areas other than those suggested by Ormerod.

POLITICAL ECONOMY: Apart from his brief historical introduction, this sense of the richness of the economic approach is absent from Ormerod’s polemic. This absence is strange, because ultimately what Ormerod advocates is a return to old-fashioned ‘political economy’, with the integrated understanding of politics and economics and ethics which so strongly characterized Adam Smith and his successors. He is perfectly justified in criticizing the simple-minded application of model-based economic theory; he is right in trying to find models which can more accurately reflect the complexity of human behaviour; and equally right to try to end the divorce between theory and society. For those points alone his book is worth reading. One cannot help feeling, however, that the arguments could have been better put.

Based in Perth, Tony Rutherford is Director of the IPA’s Federalism Project.
Values too often Evaded

Fundamental moral questions, which underlie many important public policy choices, are too often evaded, according to a leading American social commentator, Glenn Loury, speaking at an IPA conference in March. A society which refuses to debate such questions and defend its values is in decline, he said.

The aim of the conference, *A Stitch in Time: Repairing the Social Fabric*, was to help focus public attention on the link between the erosion of key social values, such as personal responsibility, and national problems such as foreign debt, crime and unemployment.

Glenn Loury is a Professor of Economics at Boston University and a leading member of a small but distinguished group of black conservative thinkers.

As well as speaking to audiences in Sydney and Melbourne, Professor Loury addressed the National Press Club in Canberra on the topic, ‘Divided Societies and the Democratic Idea’. In Perth he spoke on multiculturalism and affirmative action.

He was accompanied on his visit to Australia by Dr Michael Joyce, President of the Bradley Foundation, which funded much of the conservative thinking, research and networking that made the crushing victory of the Republican Party in last November’s US elections possible.

Dr Joyce spoke at the Melbourne conference about the decline of the American Left since the 1970s and the origins of the Republican victory in November.

In Sydney, along with Glenn Loury and Owen Harries, Editor of *The National Interest* (one of America’s two most important foreign policy journals), Dr Joyce spoke on the implications of recent American policies for business. Two local speakers, Bruce Kean, Chairman of CEDA’s Strategic Issues Forum, and Barry Murphy, CEO of Caltex Australia, also spoke at the Sydney seminar.

Participating in the Melbourne conference were local speakers Dr Geoffrey Partington of Flinders University and Dr Susan Moore of the IPA’s Education Policy Unit. Dr Partington looked at the origins of Australian values; Dr Moore at the role of the family in moral education.
Speaking at an IPA luncheon, part of the *Stitch in Time* conference on 8 March, historian Geoffrey Blainey said that gaining citizenship of Australia had become too easy. “Applicants for citizenship have to live here, or claim to live here, for only two years, and one of those years can be spent overseas,” said Professor Blainey. Proficiency in English, he argued, ought to be a prerequisite to citizenship. A sense of citizenship is vital to democracy, he said.

The speech, which was widely reported and part-published in *The Australian*, drew strong criticism from the Minister for Immigration and Ethnic Affairs, Senator Bolkus, but was warmly received by the luncheon audience of 150.

**A Lesson in Fiscal Responsibility**

In February, the Honourable Ruth Richardson, New Zealand's Minister for Finance from 1990 to 1993, explained to a Melbourne audience the aims and features of New Zealand's Fiscal Responsibility Act, passed in June 1994.

As Minister, Ms Richardson produced New Zealand's first financial surplus in nearly 20 years. “I was determined to build on that financial milestone,” she said, “by ensuring that surpluses, not deficits, became the budget norm and that governments should in future adhere to some principles of fiscal responsibility.”

Ruth Richardson's visit to Australia was arranged jointly by the IPA and the Melbourne Business School.

Helen Hyde, who has been a member of the IPA Board since the IPA's amalgamation with the AIPP in 1991, has resigned from the Board and Perth engineer Kerran Campbell has been elected. The Board expressed its appreciation of Helen Hyde's contribution.

**Annual Report Available**

A published report of the IPA's activities during 1993-94 is available. It covers the work of the Policy Units, conferences and seminars, finances, publications and the IPA's goals and philosophy. The Chairman, George Littlewood, in his Statement, points out that during 1993-94, despite the impact of the recession on the IPA's finances, the Institute produced “an immense amount of high-quality work.”
The Case for Privatisation by Des Moore
In Victoria there is a renewed debate about privatisation, centred around the Kennett Government's proposal to privatise the SECV and the State Labor Opposition's claim that this is against the public interest. The argument is put that, properly implemented, privatisation is in the public interest and that those opposing it are supporting narrow sectional interests.
(March 1995)

Commonwealth Budget: Cut Spending by $15-16 billion by Des Moore
There is now a serious and growing risk of another 'hard landing' unless the Government reduces its reliance on interest rates by moving quickly to a substantial budget surplus. This paper points out that there are structural as well as cyclical reasons for cutting spending; expenditure has not already been cut to the bone; and that Australia should be looking to reduce the burden of taxation.
(February 1995) $10.00

1994-95 Budget Backgrounder by Mike Nahan
This annual round-up compares budget performances among the States and the Commonwealth and awards accolades and 'lemons' accordingly.
(December 1994) $15.00

ENVIRONMENTAL BACKGROUNDER

Greenhouse: Facts and Fancies by Brian Tucker
Significant uncertainties remain in understanding the timing, magnitude and geographic distribution of the enhanced greenhouse effect and its probable consequences. Biased selection from the highly-variable climate record over past decades has been used by well-intentioned, and less well-intentioned, pressure groups to boost both sceptical and alarmist prejudices. This has confused public opinion, and has induced something akin to panic reaction from some government policy-makers.
(November 1994)

The Precautionary Principle: The Greatest Risk of All by Ron Brunton
The precautionary principle is currently enjoying great success among environmentalists and bureaucrats. In this Backgrounder, Ron Brunton argues that the precautionary principle embodies faulty ideas about the appropriate response to scientific uncertainty.
(May 1994)

The Basel Convention by N.R. Evans
Few Australians have heard of the Basel Convention on Transboundary Movements of Hazardous Wastes and Their Disposal which Australia joined in February 1992, and which, on the surface, seems an innocuous and desirable treaty to control trade in hazardous wastes. Evans, however, points out that in the world of international politics, things are seldom what they seem.
(April 1994)

IPA Backgrounders listed above are available individually for $5 (inc. P&H) unless stated otherwise. Ensure that you receive IPA Backgrounders, including Environmental Backgrounders, as soon as they are issued by subscribing now ($80 per year). Write to IPA, Ground Floor, 128-136 Jolimont Road, Jolimont, Vic. 3002; or phone (03) 654 7499 to pay by credit card.
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