From the Editor

Chris Berg

Distilling the lesson of the twentieth century into three words: socialism is hard. After rejecting the coordination provided by prices in a market, socialist leaders have to figure out how to move goods from place to place, choose what to produce, who to produce it and so on. The impossibility of socialist planning was a key insight of free-market economists in the first half of the twentieth century.

Salvador Allende was the first democratically elected Marxist president in the world when he came to power in 1970. Implementing the ‘Chilean Path to Socialism’, he rapidly nationalised many major industries, as well as education and health care.

The *deus ex machina* of a socialist command economy—that is, the device that will make all the economy’s problems go away, coordinate all production and consumption and just generally produce utopia—has always been powerful computers. Comrade Allende, rejecting the Soviet-style planning-by-bureaucracy, rested his hopes on the construction of CyberSyn, a vast computer network.

The ‘socialist internet’ fed information from across the country to the leadership. As a project, it quickly grew in scope and intent—by the time Allende was disposed in 1973, the plan was to not merely use CyberSyn to regulate factory production, but to regulate Chilean politics and society. For instance, the project was to install ‘happiness monitors’ in Chilean homes to monitor reactions to the great leader’s speeches.

The ‘head’ of CyberSyn was never fully operational. It was to consist of a room of seven chairs in a circle, each chair consisting of a drink-holder (obviously) and a series of ‘big hand’ buttons to operate the monitors on the walls. Operators could then ‘thump’ to emphasise a point—it was presumed that the high-level government operators wouldn’t know how to type.

CyberSyn’s inventor, Stafford Beer, a socialist-friendly British management theorist, was courted throughout the 1970s by totalitarian dictators up and down the South American continent, but for the most part, the project died with the Allende Government. The scientific management of socialism was never as scientific again.

But scientific management continues to be the implicit basis of much government policy. In this edition of the *IPA Review*, Sinclair Davidson discusses the flawed assumptions of advocates of the greater funding of research and development, who believe that economic growth can be encouraged by carefully targeted research funds. On the other side, Bob Carter notes that perhaps some climate change activists could do with a little more scientific analysis of the efficacy of action on global warming, and a little less reactionary ‘precaution’. If concern about global warming is really non-ideological and utilitarian, then perhaps some recourse to the evidence would be useful.

Also in this issue, Tom Switzer looks at claims that the ABC is being destroyed by evil conservatives, Mark Lopez looks at ‘Maoist’ texts in the Year 12 English curriculum, and Jennifer Marohasy looks at cod.

Wolfgang Kasper shows how economic freedom brings greater standards of living, and Marshall L. Stocker shows how you can make money from it.

No system can beat economic freedom at providing prosperity. As the twentieth century has shown, experiments with other systems lead to shortages and declining standards of living. To quote the late Milton Friedman, ‘if you put the federal government in charge of the Sahara Desert, in 5 years there’d be a shortage of sand.’ No matter how large the computer.
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56 Strange Times
Terry Eagleton is a professor of English Literature at Manchester University. He is also one of the world’s leading exponents of Marxist literary theory. But despite his obvious shortcomings, not everything he writes is completely wrong.

In a recent edition of the London Review of Books, Eagleton discusses the latest book from biologist Richard Dawkins. Dawkins is a famous atheist and The God Delusion is his attempt at convincing the world that belief in a greater being is superstitious nonsense.

Surprisingly for a Marxist, Eagleton says something quite wise. He compares Dawkins’ understanding of theology to someone who talks about biology and whose only knowledge of the subject comes from reading the Book of British Birds. Eagleton writes that the problem with atheists is that:

[they are] the least well-equipped to understand what they castigate, since they don’t believe there is anything there to be understood, or at least anything worth understanding. This is why they invariably come up with vulgar caricatures of religious faith that would make a first-year theology student wince. The more they detest religion, the more ill-informed their criticisms of it tend to be. If they were asked to pass judgment on phenomenology or the geopolitics of South Asia, they would no doubt bone up on the question as assiduously as they could...

Dawkins on God is rather like those right-wing Cambridge dons who filed eagerly into the Senate House some years ago to non-placet [blackball] Jacques Derrida for an honorary degree.

Very few of them, one suspects, had read more than a few pages of his work, and even that judgment might be excessively charitable. Yet they would doubtless have been horrified to receive an essay on Hume from a student who had not read his Treatise of Human Nature.

There are always topics on which otherwise scrupulous minds will cave in with scarcely a struggle to the grossest prejudice.

No doubt Labor’s new federal leader Kevin Rudd regards himself as a scrupulous mind. Therefore it is unfortunate that Rudd succumbs to the grossest prejudice when it comes to his analysis of Friedrich Hayek.

Any publicity for Hayek and his achievement is good publicity and Rudd shouldn’t be discouraged from his efforts to understand Hayek. But Rudd’s efforts at understanding Hayek have so far failed, as demonstrated by the pieces Rudd has penned for the Australian media in recent months.

According to Rudd, Hayek’s greatest sin is that he not only ignores, but he positively denigrates the importance of community and social organisations. For Rudd as a ‘social democrat’ this is one of the most heinous policy crimes that it is possible to commit. Of course such a reading of Hayek is a travesty of the man and his message, and it is possible for Rudd to come to such a conclusion only because as a ‘social democrat’ he can’t come to terms with Hayek’s critique of government. One of Hayek’s essential insights is that over-powerful government doesn’t build social capital, it destroys social capital.

Community is built when individuals and families are free to pursue their own interests, in their own way. Community is not constructed when people simply follow bureaucratic dictates.

We’ve come a long way if the leader of the ALP is reading Hayek—even if Rudd completely misunderstands the point of Road to Serfdom. Now all that’s necessary is for the Labor leader to start on Free to Choose...
Dear editor,

It is painful to disagree with such an ideologically coherent and visionary, if retrospective, set of ‘great Australian mistakes’ as those laid out in the October 2006 *IPA Review*. But disagree with them I must—because (with the possible exception of the cane toad) they convey a skewed picture of Australian history, in a way more often associated these days with the ideological left.

Again excepting the cane toad, your ‘mistakes’ reflected what the vast majority of voters wanted at the time, so to perceive them as original sin is to say not just that a minister or bureaucrat or two, but the Australian voters got it wrong—and over very long periods.

Sure, there are examples from history where isolated, belatedly heroic figures have foreseen great mistakes in public policy, but this is rare—and even rarer when the ‘mistakes’ become part of the fabric of society for a century or so.

But these alleged mistakes were not mistakes at all. They represented the best way to go at the time.

Let’s look at IPA ‘mistakes’ one and two, protection and the arbitration system, the pillars of the ‘Deakinite’ settlement a century ago. Protection is the ‘great Satan’ of the economic right these days, but it is difficult to see how Australian manufacturing and irrigated agriculture could have developed without it.

The figures you quote showing a relative decline in wealth during the 20th century are misleading. They are partly due to the wealth still coming from gold at the time and from revived wool prices; partly to the increased relative wealth per head since then of some other countries. It is not so much that Australia’s living standards declined, as that there were (and still are) minor realignments on the GDP league table among a group of countries near the top.

Anyway, the older generation looking back on the Edwardian era from the comfortable 1950s did not see it that way—how could they, when they looked back on a time of hard physical yakker and/or long hours for most, no cars or mod. cons., crowded houses, little opportunity for secondary education and high unemployment for most of the 15 years prior to 1906.

An economy based on gold and the pastoral industry could not employ more people. Manufacturing and irrigated farming were indispensable to absorbing both the natural increase and immigrants. If either of these could have developed on the scale they did without protection and catered for the population increase that occurred, critics should show how. I know the background fairly well and don’t believe there was an alternative.

‘Protection’ has to be seen in context. Most countries protected vulnerable industry in some degree for most of the last century, and many still do (look at European, Japanese and US agriculture!) Moreover, tariff duties on imports have historically been the most common way of raising government revenue worldwide, including in the Australian colonies and early Commonwealth. ‘Protection’ in colonially New South Wales, though not Victoria, had the connotation mainly of higher import duties as the countryman’s preference to a land tax. Free Trade was the city workingman’s creed because it meant cheaper goods and better employment in the ports, but that distinction began collapsing when manufacturing expanded in the 1880s.

While there was a mild aura of free trade ideology about generally pragmatic Prime Minister George Reid, his rural Trade and Customs Minister and deputy PM, Allan McLean, was about as much a free trader as his spiritual heir, John McEwen.

Tariffs are difficult to generalise about and compare, but in short a 10 per cent duty was (and still to some extent is) considered a ‘revenue’ tariff and hardly protective at all. In the days of higher protection worldwide, 20 per cent was often considered the buffer most countries needed against the severity of world trade, with its enormous disparities of pay and scale, sudden huge inflows of cheap goods; and low prices for exports based on costs covered by secure home markets overseas.

‘Infant’, or especially vulnerable, industries, including some in Australia, were considered to need extra protection again, either duties more like a third of the imported price or volume arrangements such as quotas.

I find the opprobrium heaped these days on the ‘Harvester’ basic wage judgment of 1907 difficult to understand. State minimum wages and arbitration in some form preceded it, in reaction to the many examples of ‘sweating’
for very low wages or long hours in the slump of the 1890s—the time of a real ‘race to the bottom’ in pay and conditions. In the new century, minimum wages were common or at least demanded in many countries.

In Australia employers accepted a wage fixing floor as both a trade-off for protection and a way of stopping tougher competitors from undercutting prices by wage paring. The Federal arbitration system only gradually became dominant and was little criticised. The court reduced the basic wage in the slump of the 1930s, in line with deflation, and the thin margin it retained above prices was often applauded for providing needed purchasing power.

In inflationary periods such as the early 1950s the ‘spiral’ effect of court-fixed wages was tolerated because it was offset by the maintenance of living standards, meaning purchasing power.

The system only came to be widely condemned in the 1970s, mainly because of the accretion of complexity, rigidity and clubbiness over three-quarters of a century and the changing nature of a high-tech, globalising workplace.

Commonwealth Government assistance to literature and cinema went back well before Patrick White’s Nobel Prize in 1972 and the Whitlam Government. Government assistance has its downside, but the amounts are meagre in the scheme of things and unlikely to make anybody rich. Political correctness is so entrenched in the arts scene that state aid makes only a marginal difference, if a regrettable one.

In theory, the more people there are working in the arts, the more the chance of creative friction leading to top quality results. There would be fewer Australian films and novels without assistance, and the assisted lot have not always been as dull as they are now—look at the 1970s.

It is a nice theory that state aid to non-government schools, starting with the 1963 Federal grants for science blocks, should have all come from state governments, in order to keep the administration tidier. But it was never going to happen. State Governments were so pressed to provide their own education in the 20 years after World War II, with the baby and migration booms, that they simply could not have afforded much more, whereas the Commonwealth could and enjoyed the political luxury.

Had Labor not split in 1955, there was a chance that Arthur Calwell could have become Prime Minister, the last of the big spenders and prone to evaluating foreign affairs issues by their potential for domestic and internal ALP politics. At least it might have made a subsequent Whitlam government tread more carefully. On the other hand, Alan Martin, Menzies’ biographer, says that these were Menzies’ most productive years, when his governments were freer of political pressure than before the split. And it is a mistake to see the split based on anti-communist ideology. The political differences of the parliamentary wings were a minor part of a schism that was based mainly on hard and nasty inter-weaving feuds among the unions of the organisational wing.

Perhaps the more accurate assessment of town planning is that most people want it, but want it to be different. I certainly welcome legislation that allows controlled rather than open-slaughter redevelopment and high front fences in my neighbourhood.

The White Australia Policy could also be more usefully criticised for the rigidity and excesses with which it was applied than its existence. A new, small society is entitled to build up its population nucleus and economy. Until World War II this was done mostly by subsidising British immigrants at times when they and their skills could be fairly readily absorbed.

Those who perceive White Australia as original sin should be more precise about alternatives. Should non-white immigrants have been subsidised or otherwise encouraged, as the British were? Should, for example, sugar cane growers have been allowed to recruit them as permanent immigrants at low pay, in a society without a minimum wage? Rightly or wrongly, people usually took it for granted until at least the 1950s that non-white equalled low pay.

Robert Murray
Hampton, Victoria

Robert Murray is the author of The Split: Australian Labor in the Fifties.
Individuals 1, Social class 0
How the Seven Up! series scored an own-goal

Richard Allsop

You start off making serious documentaries trying to prove that social class pre-determines life. Forty-two years later, you find yourself producing entertaining documentaries that compete at the up-market end of the reality television market. Such could be argued is the fate of Michael Apted and Co., the producers of the Up series, the latest instalment of which, 49 Up, has recently been showing in Australian cinemas.

There are some strong political conclusions to be drawn from the series—although probably not the ones that may have been expected when 7 Up was filmed in 1963 and screened in 1964.

For those who are unaware of the series, it began when Granada TV’s World in Action programme decided to test the Jesuit maxim ‘Give me the child until he is seven and I will give you the man’. The Granada team interviewed 14 English seven-year-olds, asking them about their lives and their expectations for the future. While the original programme was intended as a one-off, the producers have been back every seven years since to check on the subjects’ lives. While the original programme was intended as a one-off, the producers have been back every seven years since to check on the subjects’ lives.

Unfortunately, the series always suffered from a gender imbalance (ten boys and four girls) and from a lack of middle-class children. The choice of children from societal extremes (14 per cent of British children were not living in orphanages in 1963) was clearly designed to add weight to the proposition that roles in Britain’s class system were pre-ordained. Too many middle-class, or even lower middle-class, children would only have blurred the message.

Having originally chosen only three broadly middle-class children, any hopes that they might make a remotely useful sociological contribution were destroyed long ago by the atypical lives of two of them.

Nick, the shy, glasses-wearing son of a Yorkshire farmer provided hopes of some balance not only by being at least arguably middle class, but also by being the only participant from a rural background. However, he progressed from the one-room school he was attending at seven to studying science at Oxford by 21. From his mid-twenties, he has been living in the United States, where he is an academic at the University of Wisconsin.

In 42 Up, Nick claimed that one of his goals was to become more famous for producing ground-breaking research than for being in the Up series! By 49, these hopes have been somewhat dimmed, as his research outcomes did not match his hopes. Between 42 and 49, he has also progressed from his first to his second marriage, a change which will have done nothing to dim the feelings of envy he must induce among less ambitious, stay-at-home Yorkshire farm boys.

While Nick’s academic disappointments have come later in life, those of the Up series’ most famous participant, Neil, came much earlier. Having to settle for the University of Aberdeen rather than Oxbridge was the trigger for sending Neil on a downward spiral that saw him living in a London squat at 21, homeless in northern Scotland at 28, and living in a council house in the Shetlands at 35. By 42, he seemed to have new purpose in his life, being active in local politics as a Liberal Democrat councillor. He is still doing this at

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Tony’s great appeal is that he has always taken responsibility for his own life.

49, but only after a radical geographic shift from London to north-west England.

If one of the working-class participants had ended up living Neil’s destitute existence at 21, 28 and 35, all sorts of class-based conclusions could have been drawn. As it was middle-class Neil, only individual-based ones were available. To Neil’s credit, these are the only ones he attempts to make. Indeed, he has always been quite perceptive about himself and others, a fact best illustrated in 49 Up by his description of how a day at the cricket provided a suitable forum for a partial reconciliation with his father, with whom his relationship had been difficult for many years.

The final blow to any hopes of the Up series having anything profound to say about what happened to middle-class children of the 1960s was the decision by Neil’s childhood friend, Peter, not to re-appear after his sour performance at 28.

However, the fact that there are no childhood middle-class participants living adult middle-class lives in Britain does not mean there are no middle-class participants in 49 Up. There are. Some of the working-class children of the 1960s have become middle-class adults in the twenty-first century, working as university administrators or owning villas in Spain.

Few could have imagined how capitalism has enabled the industrious working class to gain a standard of living that would have been unimaginable in 1964. In fact, the current standards of material prosperity were probably even less imaginable in the Britain of the late 1970s, before Margaret Thatcher had retrieved the country from the path of complete economic destruction.

Even before she had become Prime Minister, Thatcher had come under attack in 21 Up. The verbal assailant was Bruce, an upper-class boy who has always wanted to help the poor, while constantly failing to appreciate that capitalism offers the quickest route out of poverty. In partial mitigation, he did at least endeavour to act on his ‘do-gooder’ views, spending years working in underprivileged schools in London and the Third World.

Between 42 and 49, Bruce has been mugged by reality. In 42 Up, he had recently married and now, having had a couple of children, he has decided that a life spent teaching at a nice private school and playing village cricket does have its advantages. Perhaps surprisingly to some, he seems a much more pleasant person when he is focused on creating a good life for those in his immediate circle, rather than when he is trying to change the world.

To underline how one cannot help but view the film as a piece of entertainment, the fact that Bruce has become less painful has resulted in the mantle of least satisfying participant passing to Andrew. This is somewhat unfair, since there is nothing at all objectionable about him, but being decent, pleasant, successful and happily married makes for somewhat dull footage. As Andrew himself comments, he has learnt to conceal many of his views. When asked about why he is guarded, he says he will be ‘guarded about being guarded’.

Andrew is the only one of the three upper-class boys, filmed together at their preparatory school in 1964, who has appeared in every episode. Charles, who has not appeared since 21, is somewhat ironically (and arguably hypocritically) himself a documentary film-maker. Barrister John seems to appear in every second one, with 49 being an on-again year.

John’s reappearance means that Apted has 12 of the original 14, although judging by some of the comments, there may be a couple more missing at 56. Suzy says of her part in the series ‘I haven’t enjoyed it in any way’, while Jackie complains bitterly about her treatment by Apted at 42. You can see the participants’ point. The series takes all the pressures that may apply to the rest of us attending a school reunion and multiplies them onto a far more public scale.

There is also the risk that the prospect of seven-yearly reviews could actually alter how the participants conduct their lives. It is difficult to gauge whether this has happened, but what the series does demonstrate is that, while the occupations and aspirations of the participants are still clearly affected by the class in which they grew up, the degree of fulfilment and happiness in their lives is largely independent of their upbringing.

Further to this, the Up series also shows that political views can straddle class lines. John, the upper-class barrister has been expressing strong politi-
There is no doubt that the removal of the need for self-reliance has imposed social damage on the working-class suburbs of Britain.

Tony seemed a little down on form at 42, but is back to his cracking best at 49. Regular viewers will recall how, at seven, the pint-sized East-Ender had dreams of becoming a jockey and at 14 seemed well on the way to achieving that feat. However, at 21 the dream was over and he was doing "the knowledge" to become a London cabbie. It was also at 21 that he came up with the memorable line about usually doing the 'four f's' with a girl, but how in one case he had not been able to forget her. He is still with this girl at 49 and, having spoken with brutal honesty at 42 about some of their past marital problems, the joys of grandchildren seem to have made their relationship stronger than at any time in the past couple of decades.

Tony's great appeal is that he has always taken responsibility for his own life. One could not help admire, at 21, his ability to accept the fact that he was not going to be a jockey and move onto something else. He admits his mistakes. He has an entrepreneurial spark. He provides for his family. He is an interesting human being.

The only sad aspect of his life is that he no longer feels any affinity with the culture of the area in which he grew up. For Tony, the traditional East End was poor, but its dominant philosophy was that if you worked hard, you could make a better life for yourself and your family. He is clearly frustrated that, having put this philosophy into action, he feels that he has to pay too much tax to support others who wish to live lives in direct opposition to that philosophy.

There is no doubt that the removal of the need for self-reliance has imposed social damage on the working-class suburbs of Britain. While the 90 per cent plus tax rates and the industrial anarchy of the 1960s and 1970s have been confined to the scrap heap, the British welfare state had become so well entrenched by then that it has proved almost impossible to wind back. Fortunately, the prosperity that capitalism produces has been so great that it has been able to carry the burden of the welfare state.

Tony's views of what has happened to the culture of the East End are echoed in varying degrees by at least two of the three working-class East End girls. University administrator Sue now lives in a nice home in what appears to be a nice middle-class suburb. Apted asks Sue the quite reasonable question whether she now considers herself middle class, but he cannot help doing so in a tone which suggests this may be more an accusation of class treachery, rather than giving credit for the hard-work of a single mother.

Sue's happiness at 49 is clearly helped by being in a very happy relationship, and this lends further weight to what has become one of the key take-out messages from the Up series. Forget social class; it is the personal sphere (health, marriage, family, etc.) that defines life as much as anything. It is striking how hard a number of the working-class participants have worked to keep their families together. Tony maintains that family is what really matters. This sentiment is echoed by Paul and Symon, the boys from the orphanage, living quite different lives on opposite sides of the world (Paul providing particular interest to Australian viewers since moving to Melbourne between 7 and 14). These two have had their ups and downs over the years but, considering the start they had in life, one has to say the positives have outweighed the negatives.

While Pulitzer Prize winning film critic Roger Ebert's view that the series rates in his top ten films of all time and is 'an inspired, almost noble use, of the film medium' may be a little exaggerated, one must acknowledge that the Up series is outstanding. It has always had imperfections, but it continues to draw viewers back, not because it has any message about social class or other determinist theories, but because we are interested in the participants as individuals and we want to see how individual personalities and the choices they make affect life outcomes.

As a bonus, we get to note the vast increase in the standard of living that capitalism has been able to deliver to working-class people across the Western world.
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The Murray River and its environment have a special place in white Australia’s mythology. As a nation we dream of a blue river brimming with water, of tall river red gum forests, fields of golden wheat, and fat, happy sheep. But we fear salt levels rising, red gums dying, the river about to run dry and the famous Murray cod threatened with extinction.

Some fear all this is a sign of our unsustainable lifestyles and industries: how irrigation is incompatible with the fragile Australian landscape and how the burning of fossil fuels is creating a climate crisis.

The Prime Minister, John Howard, called an emergency summit in November to discuss the water crisis in the southern Murray-Darling Basin. The meeting was triggered by the NSW government’s decision to suspend water trading on the Murray and Murray-Bidgee rivers because of very low water levels in the dams.

According to Parliamentary Secretary to the Prime Minister, Malcolm Turnbull, the dams could be empty by autumn if it doesn’t rain.

The prospect of empty dams has been hastened by the NSW and Victorian governments making the world’s largest environmental flow release just last October.

Indeed, during one of the worst droughts on record, these governments released 513 gigalitres of water (the equivalent of a Sydney Harbor of water), into the the Barmah-Millewa red gum forest which straddles the Murray River upstream of Echuca.

The joint release saw over half of the forest floodplain inundated, resulting in greatly improved condition for wetland vegetation and creating breeding conditions for key wetland fauna. According to government reports, the flooding waters provided for new growth and canopy regeneration in stressed river red gums and triggered breeding in important native fish species as well as in many water bird species, including the great egret, darters, spoonbills, grebes, ibis and cormorants, and the critically endangered intermediate egret.

Incredibly, it was possible to create these conditions conducive to the breeding of native fish and bird species during one of the worst droughts on record, because of the dams and weirs built as part of the Snowy Mountain scheme to drought proof the region; dams built to turn the Murray-Darling Basin into the food bowl of Australia.

The Murray River is a part of white’s Australia’s history, but we have never reconciled with it. It is naturally salty, often muddy and before all the dams and weirs were built it did run dry. It is now briddled by dams. It is regulated from the mountains to the sea. It is changed and it is perhaps now more like we always dreamed it should be.

While farmers and environmentalists in South Australia have been complaining over recent years that there is not enough water in the river they have been receiving 80 per cent of their water allocation. In reality, as a consequence of the building of dams and weirs, the water level in the river has been unnaturally high for much of the length of the river, most of the time.

Jennifer Marohasy

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Furthermore, the received evidence shows salt levels have more than halved over the last 20 years at key sites, Murray cod and silver perch numbers have been on the increase and while there are many stressed red gums in South Australia, forests in New South Wales and Victoria are generally healthy and even during drought have supported large populations of water birds.

But what will happen if just 18 months after the world’s largest environmental flow release, the river runs dry?

This winter really was dry. Combine this with the world’s largest environmental flow release, water hungry regrowth following the January 2003 bushfires, new blue gum plantations, groundwater licences being activated by farmers who can now trade water, improved on-farm water use efficiency and water continuing to be evaporated from all the salt interception schemes and it is perhaps not surprising that the region has a chronic water shortage.

Governments and key commentators have conveniently blamed climate change. Yet the long-term rainfall record for the Murray Darling Basin does not show a decline in rainfall. Rather, like the early 1920s and early 1940s, recent years have been dry. This last winter has been exceptionally dry, but there have also been exceptionally dry years in the past where the winter and spring rains failed.

If the Murray runs dry next year it will be devastating for farmers and all the rural communities that draw their water from the river, but it will not be a disaster for the river environment. Australian rivers run dry. The Murray ran dry in 1914 and 1923.

Murray cod will survive in the billabongs, waiting for the floods that normally follow drought. But when it does rain again, I doubt it will flood. Rather the dams will fill, then the water will be released according to a predetermined plan. There will be water allocated for rice in New South Wales, for grapes in South Australia and the iconic red gum forests all along the way.

Murray cod populations would no doubt benefit from a good flood, but they will probably have to wait for the next drought, when some government decides to create an artificial flood, with all the water it has managed to store in a dam or two. Indeed we have managed to regulate the river, but we have not reconciled with it.

IPA
It’s still their ABC

If you listen to a growing chorus of friends of the ABC, you might think that conservatives have hijacked the public broadcaster. Mungo MacCallum warns that the ‘new AWB scandal’ (read: board appointments Janet Albrechtsen, Keith Windschuttle, Ron Brunton) is part of ‘John Howard’s eternal campaign to pack-rape Aunty’. The Age laments: ‘The ABC is too important to be anyone’s plaything’. And according to Robert Manne, the Prime Minister’s efforts to bring the ABC to heel mark ‘a major victory in the culture war’. Memo to the ABC: we’re all right-wingers now.

Well, that’s certainly news to conservatives. True, the new anti-bias guidelines are a good step forward in lifting editorial standards; the staff-elected director position has been removed from the ABC board; and the journalist Chris Masters’s controversial manuscript on Sydney radio identity Alan Jones was axed. But does any of this fix the very problem that keeps so many taxpayers up late at night, hot and bothered, long after the conclusion of Late Night Live with Phillip Adams?

There is a certain bias that shapes news and current affairs coverage and that dictates, all too frequently, what can and can’t be said on air at the ABC. The bias, to be sure, is not deliberate; it’s not as though Aunty’s journalists sit around in dark corners and plan how they will slant their programmes in favour of their friends and causes. But there is little doubt that, notwithstanding their denials, most reporters and producers naturally dress a little to the Left. And there is little doubt that, however interventionist the board, an internal and incestuous culture, with its deeply entrenched set of received opinions, will continue to dominate at the ABC and colour much of its output well into the post-Howard era.

It’s true that there is a lot to like about the ABC. Its Websites and the service provided by regional radio and News Radio are outstanding. Many journalists there—especially those who have no time for the union’s ‘Vietcong-style’ industrial tactics—are intelligent, extremely well-informed individuals who are almost always on the pace with breaking news. At a time when political and current affairs programmes are being dumbed down on commercial television, it is heartening to know that at least one network takes ideas and public affairs seriously. On balance, the taxpayer is better off with the ABC than
Real media bias comes not so much from what party the journalists attack. Bias comes from how they see the world.

Bob Carr). That aside, isn’t it possible to annoy everybody and still be doing something wrong? For real media bias comes not so much from what party the journalists attack. Bias comes from how they see the world.

This is the heart of the matter in any discussion about ABC bias. A left-wing conspiracy is not necessary at the taxpayer-funded behemoth, because (most) ABC journalists quite spontaneously think alike. They just can’t imagine that someone could possibly oppose the Kyoto Protocol or an Aboriginal apology or a labour monopoly on the waterfront because, to them and their friends, these are self-evident truths. Nor can they imagine that someone could possibly support a monarchy or Tasmanian timber workers or close Australian-US relations because, to them and their friends, these are unfashionable views to be ridiculed. It simply doesn’t occur to them that sane or civilised people could disagree with them.

Indeed, what is most depressing about exchanges with many ABC journalists is not that there are disagreements, but that many believe their own narrow frame of reference for debate is the only legitimate one. A classic case in point was the debate over the federal government’s anti-terrorism laws put in place in late 2005. The civil libertarians and the legal academics opposed the legislation and they enjoyed favourable air time, but the pundits or professors who thought the laws were a limited defence against a specific and very real threat were often either ruled out of the debate entirely or, at best, were treated like extremists outside the boundaries of serious (and morally respectable) consideration.

Go back to the week of the parliamentary debate about the legislation in late October and early November 2005. Lateline, for example, lined up a succession of like-minded critics of the Government’s anti-terror laws over three nights without putting up a single acknowledgment—let alone a guest—supporting the fact that most Australians (including the federal Opposition and all State Labor premiers) demonstratedly back these laws. That week, an AC Nielsen poll showed that while most voters opposed the shoot-to-kill element of the laws, a clear 74 per cent were in favour of the laws themselves. And yet Lateline nowhere acknowledged this overall public support for the laws, but merely reported the poll’s shoot-to-kill finding.

Again, it’s hard to believe that host Tony Jones and his producers orchestrate such agendas, but these types of one-sided incidents nevertheless take place all too frequently at the public broadcaster.

If someone in the audience does disagree and complains to the ABC, and if the ABC journalist is found to have produced something lacking in balance, they are ‘informally counselled’ by someone up the chain. It sounds like a group hugging session where a gentle managerial ‘there, there’ is directed at the offender. Until the next counselling session. And the next.

Former BBC staffer Robin Aitken once said he could not raise a cricket team of conservatives among staff at the British public broadcaster. Could an indoor cricket team be raised at the ABC? Aunty’s workers are, in short, creatures of a culture that is divorced from the

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thoughts and attitudes of mainstream Australia.

How else to account for the all-consuming focus on gender issues, ‘civil liberties’, the environment, the rights of minorities, especially asylum seekers? Meanwhile, the issues that matter to the vast majority of voters—health, education, employment, and tax—are played down. Why?

How else to account for the fact that ABC presenters often identify conservatives as such but not those on the other side of the political spectrum? Thus, according to Tony Jones, the right-wing Mark Steyn is a ‘conservative polemicist’, whereas the far Left journalist Robert Fisk is ‘one of the most experienced observers of the Middle East’. No left-wing labels are necessary. Perhaps conservatives require identification because—in the worldview that prevails at the ABC—they are outside the mainstream.

How else to account for the fact that the one ABC programme that challenges the prevailing orthodoxy is called Counterpoint, Michael Duffy’s Radio National programme that airs conservative voices and ideas? And then there’s the ABC’s Insiders. Although a conservative commentator is accommodated on the programme every Sunday morning, he (Andrew Bolt, Piers Akerman or Gerard Henderson) is always outnumbered—surprise, surprise—by two other more liberal counterparts and sometimes host Barrie Cassidy. The token conservative’s input, moreover, is often regarded by the panellists not as a contentious contribution to the debate, but as a flat earther’s fit of extremist nonsense. Incidentally, during its 15 years of existence, Counterpoint has never been hosted by anyone right-of-centre. Why?

All of this might also explain why certain stories that would appeal to a conservative audience are played down. For instance, during the week of Ronald Reagan’s death in June 2004, Lateline virtually ignored covering the Republican president’s life and times. No stories, no features, no debate. Nothing. Yet several months earlier, Tony Jones went weak at the knees remembering Camelot—40 years after the Democrat president’s death. It was wonderful to hear a long and wistful exchange between the ABC host and sympathetic JFK biographer Robert Dallek lamenting the loss of a liberal icon, but why not apply the same treatment to a conservative icon—or, at least, have a debate about his place in history? Instead, Jones focused on tributes flooding in for another American legend who died that week (musician Ray Charles) and he browbeat Alexander Downer for Australia’s (as it turns out) non-role in the Abu Ghraib prisoner abuse scandal in Iraq.

Now, more honest friends of the ABC insist that we need Aunty to ‘balance’ the so-called shock jocks on commercial radio and the right-wing columnists at News Ltd newspapers. But those who hate talk-back programmes or The Australian’s opinion pages can take solace in the fact that they aren’t subsidising Alan Jones or Janet Albrechtsen; we taxpayers who subsidise the ABC to the extent of more than $800 million a year don’t enjoy that peace of mind. Besides, the need for balance is there in the ABC Charter; it is the legislative quid pro quo for public funding.

Of course, there is nothing wrong that left-liberal voices are heard on the ABC. It’s just that there should also be a place for conservative, more contrarian voices—and these should not be put on air with some health warning that they are right-wing. At the very least, there should also be a place for the silent majority—that is, a good percentage of the population to whom the ABC purportedly answers.

Which brings us back to the charge that conservatives have somehow pack-raped Aunty. According to Robert Manne:

As a result of financial retrenchment, the policy of permeation from the top and outright persistent political attack, the Government has succeeded in its long-term aim [of destroying] as much as possible of whatever remains of the cultural influence [Howard] labels the ‘soft Left’…

If only this were true. Sadly, it’s rubbish. The board can radically change Media Watch’s ideologically skewed format, get rid of the staff-elected member, and create a new set of editorial guidelines requiring that news stories be impartial and fair—all of which are welcome—and still not make a dent in the culture. Indeed, short of privatising the ABC or implementing a policy of affirmative action—whereby journalists are hired on the basis of their (conservative) opinions—it is difficult to see how the board can really change the culture. As board member Keith Windschuttle himself once argued, the ABC has ‘built a house culture that even the appointment of a board now dominated by conservatives has been unable to displace’.

Put another way, as an organisation, the ABC resembles the late Ching Dynasty China: The Emperor at headquarters (the board) may give an order, but the warlords who run the programmes may very well not follow it. No, Robert Manne, there is plenty more work left to do.

Short of privatising the ABC or implementing a policy of affirmative action, it is difficult to see how the board can really change the culture.
The passing of a legend

In November, freedom lost one of its foremost advocates. Until his passing, Milton Friedman remained committed to the causes he championed. He is best known for his work on monetarism and its adoption by Reagan and Thatcher, but his success stemmed from his commitment to freedom.

Critics have tried to rewrite his history. During the ceremony for his Nobel prize in 1976, protesters attacked him for working with the Pinochet government of Chile. What they ignored was his purpose and achievements. Pinochet brought Friedman to Chile to slay the dragon of hyper-inflation. It was bankrupting the country due to the communist inflationary policies of Salvador Allende. Friedman successfully argued that reducing state intervention in the economy would slow inflation and promote growth. For Friedman, his aim was as much to slow inflation as it was to promote economic freedom.

He believed that by promoting economic freedom, social and political freedom would follow. History shows that he was right. In an interview for the 2002 television series Commanding Heights: The Battle for the World Economy, he pointed to the link between the return of democracy in Chile to the economic liberty he was responsible for. He can also take much credit for Chile’s wealth that embarrasses neighbouring socialist economies. Not surprisingly, his help to structurally reform an oppressive Chinese communist state did not attract the same ire.

Indeed, Milton Friedman’s appearance in Commanding Heights was typical of his evangelistic approach. Friedman arguably did more to popularise the liberal tradition than any other great thinker of the past. While not the pinnacle of his influence, there are few other economists who have choirs writing their own songs supporting their message as Friedman did. The flow of tributes following his passing is a testament to his contribution to public debate.

Appearing on the public television interview programme The Open Mind in 1975 (the 30-minute exchange is available on Google Video), he was able to present his case for compassionate liberalism firmly but reasonably:

One of the great mistakes is to judge policies and programs by their intentions rather than their results. We all know a famous road that is paved with good intentions. The people who go around talking about their soft heart... unfortunately, it very often extends to their head as well, because the fact is that the programs that are labeled as being for the poor, for the needy, almost always have effects exactly the opposite of those which their well-intentioned sponsors intend them to have.

His documentary, Free to Choose, which was converted into a book co-written with his wife Rose Friedman, convinced a generation of Americans that free markets were under attack from the false promise of socialism and the welfare state. When the series was rebroadcast in 1990, it was introduced by Arnold Schwarzenegger and Ronald Reagan, amongst others, attesting to the impact it had had upon their image of a liberal society.

His 1962 work Capitalism and Freedom has sold half a million copies and has been translated into 18 languages. In this accessible work, he lays out convincingly the case against mandatory professional licensing, and for school vouchers. It is necessary to reflect just how radical his school voucher scheme was, given that, in 2006, vouchers are discussed so casually.

The Friedman Foundation was established to champion this cause. Its charter remains the promotion of school choice for parents. Friedman believed that vouchers would marry the benefits of choice with the need for universal access to education.

Despite his work, teacher unions resisted any push for increased demands in an education market. They used the weapons of class envy to promote fears that parents with privilege would top-up the value of their children’s education.

Friedman remained undeterred. He said that when parents used money to buy alcohol and cigarettes, no-one complained. When it was spent to top-up the financial contribution of their children’s education, parents were charged with anti-egalitarianism.

Compared with fighting back the tide of Keynesian economic policy, his work on school vouchers remains unfulfilled. But trials have been held, and the idea has moved from the fringes to the mainstream.

But Friedman’s legacy is not the sum of his individual contributions. It is the promise of the benefits of his life’s work extending to those who do not now enjoy them.

Tim Wilson is a consultant on trade liberalisation and globalisation. His interview with Friedman appeared in the September 2005 IPA Review.
Marriage remains an economic bulwark. Single people … are economically vulnerable, and much more likely to fall into the arms of the welfare state. Furthermore, they call sooner upon public support when they need care—and, indeed, are likelier to fall ill (married people, the numbers show, are not only happier but considerably healthier). Not least important, marriage is a great social stabiliser of men.

—The Economist on gay marriage, January 1996

When it comes to ending discrimination against same-sex couples, the battle lines are usually drawn between those who oppose such relationships outright and those who champion equality regardless.

This has left little room for people who are keen to judge same-sex entitlements on their merits, especially moderate conservatives free of animosity to homosexuals but unwilling to concede change unless it’s necessary.

That all changed in October when John Howard announced his intention to review discrimination against same-sex and other interdependent couples.

For the first time ever, there is a space in the national debate for centre-right values to be applied to sexuality discrimination.

For the first time, gay rights has jumped the ideological divide.

The economic consequences of discrimination

One of the reasons for this important shift is the Human Rights and Equal Opportunity Commission’s inquiry into financial and workplace entitlements for same-sex partners.

It has raised the profile of the issue higher than ever before. It has also hammered home the need for reform by uncovering the trauma and disadvantage caused by discrimination.

Take these four case studies:

- I am a 50 year old man who for the past 32 years has lived with my male partner… Over those years we have also built up a business which now employs 25 people. Our superannuation fund refuses to even discuss whether they should rightfully include each of us in our partner’s superannuation beneficiary instructions. If one of us were to die suddenly the taxation issues involved in settling our estate with its business interests would be horrendous because of the entrenched discrimination…

- My partner has $35,000 in PSS Super. If he died I would not be eligi-
Far from devaluing traditional unions and family ties, legal equality for same-sex couples and their families focuses public attention on what marriage and family are really about.

One needn’t have human rights as a public-policy gold standard to be shocked by these stories. Lurking not far beneath the detail of disadvantage is every responsible economic policy-maker’s nightmare: a system of laws which limits financial self-reliance and heightens the risk of welfare dependence.

The discrimination that same-sex couples face in areas such as the Medicare safety net and the child care rebate are regular, irritating imposts that add up to a kind of tax on being gay, if not financial catastrophe. But when that discrimination reaches areas such as joint pensions, the aged care assets test or accident compensation, we’re talking about the kind of unmanageable financial burdens that change lives for the worse. (From a free-market position such government subsidies are obviously a problem. But once their political reality is conceded, it’s also the discrimination within these benefits which should earn the disapproval of fiscal conservatives.)

There is substantial empirical evidence to suggest that legal discrimination can have disastrous economic consequences for the individuals and couples involved. A number of US and UK studies analysing same-sex couple household incomes support the claim that the absence of legal rights and protections for same-sex relationships heightens the risk of financial jeopardy. In her paper, ‘Sexual Orientation Discrimination in the UK Labour Market’, British researcher Michele Calandrino sums up two of the most important conclusions of this body of research for policy-makers.

The first is about discrimination reducing the workplace choice and flexibility needed to maximise personal income. As a result (of institutionalised discrimination) lesbian, gay and bisexual people (LGB) might be more risk averse within the labour market and decide to trade-off some income in exchange of greater job security and better benefits. The main point here is that even if LGB people may not end up being worse off than heterosexual people, the final outcome is not efficient, because LGB people are not free to choose the preferred family/job arrangements.

Calandrino’s second conclusion is about discrimination preventing family members from providing for each other.

Since same-sex partnerships are not legally recognised, homosexual people do not have the possibility to form their own legally protected family. (Legally recognised) families represent strong safety nets for individual workers and this possibility of ‘income-insurance’ is not open to homosexuals.

What does it mean for couples to suffer ‘resource penalties’, to have their freedom of financial choice reduced and to be bereft of ‘income-insurance’?

At the hands of systemic legal discrimination, same-sex couples experience the kind of financial insecurity that no amount of savings, income or planning can eliminate. For some partners in same-sex relationships, this is a disincentive to maximise earning, savings and investments, to plan or take any of the financial risks necessary to increase personal capital. For others there is the heightened risk of falling into the welfare net. For all, there is a reduced capacity to engage in wealth creation.

If the Census is correct to suggest
that at least 40,000 Australians are in same-sex relationships, and if the Bureau of Statistics is correct to further suggest that this is a serious under-estimate, it is more than an individual misfortune when a lover’s embrace cannot stop you falling from financial independence into poverty and the arms of the state.

It is a serious problem in public policy that so many people are withdrawn, to whatever degree, from full economic participation.

The ethical argument for gay marriage

As important as eliminating discrimination is in the development of rational economic policy, there are ethical considerations as well.

Advocates of blanket prohibitions on homosexuality seize more than their fair share of attention whenever the moral debate begins. But beyond Leviticus there is another important moral debate to be had about centre-right values such as fidelity, commitment, self-discipline and responsibility, about the gradual evolution of traditional institutions such as marriage, family and parenthood, and about the role of the law in fostering these values and institutions.

Gay conservatives or ‘homocons’ such as Jonathan Rauch, Andrew Sullivan and William Eskridge have argued passionately that giving equal rights and status to same-sex relationships will ‘civilise’ homosexuals, in particular men. Rauch claims that reform is less about civil rights than responsibility. He calls same-sex marriage a form of ‘soft-coercion’ away from ‘a Peter Pan culture of libertinism and liberation’ towards ‘a social compact forged of responsibility’.

Rauch may be overstating his case. Most gay men take on the same levels of interpersonal and social responsibility as everyone else, and those who don’t won’t change just because the law does. But despite their stereotyping and their overreaching claims, homocons have made a valuable contribution to the relationship debate.

They have highlighted the hypocrisy of other social conservatives who cite the health and well-being benefits of marriage but then deny these to homosexuals, who talk of the importance of protecting children but deny the children of same-sex couples equal legal protection and social opportunities, who denounce homosexuals for being promiscuous and then denounce us for wanting to commit to each other.

When Australian Christian Lobby spokesperson, Jim Wallace, declares his opposition to recognising same-sex relationships because ‘so many of those people are lonely’, homocons are right to scratch their heads and ask what better way to stop us being lonely than to encourage fidelity in same-sex relationships?

When Archbishop Peter Jensen cites the benefits of a greater emphasis ‘on love not tolerance, on community not individualism, on self-discipline not permissiveness’ homocons are right to demand the benefits of those values should flow to same-sex couples too.

The other contribution that homocons have made is to highlight how important extending traditional values and institutions to include same-sex couples is to strengthening these values and institutions.

Imagine if the way we defined relationships and family was the same today as it was a hundred years ago when interracial unions were barred and wives and children were considered to be property. Loyalty to these institutions would have long ago withered away. In the same way, those contemporary conceptions of relationship and family which fail to adapt to changing social reality will become steadily less relevant.

Gay rights has jumped the ideological divide.

When social conservatives declare that same-sex unions and families ‘de-mean and degrade’ marriage and parenting, they show a profound lack of confidence in the institutions they claim to champion. To these conservatives the homocons’ challenge is simple: include same-sex couples and their families in traditional institutions to demonstrate the resilience and relevance of these institutions, and to show that the conservative ideal is so universal that even homosexuals have a place in it.

The weight behind this challenge is the experience in those countries such as the Netherlands, Canada and Scandinavia, where same-sex couples and their families have full or virtual legal equality and protection. Not only have traditional values not collapsed, they have been reinvigorated, with heterosexual marriages up and divorces down for the first time since the 1950s.

Far from devaluing traditional unions and family ties, legal equality for same-sex couples and their families focuses public attention on what marriage and family are really about. It strips these institutions of the cultural baggage and political hype that has worn them down, and draws our attention back to the love and commitment they were always meant to be about.

It’s a lesson as relevant in today’s Australia as it has ever been, and one the political Right now has an opportunity to embrace.
The New York Times has endorsed British Conservative Party leader David Cameron as ‘nimble, persuasive, telegenic and popular’.

This latest indictment must send shivers down the spines of those looking for some renewal of Britain after the cultural disintegration, decay of national identity and looming economic crisis that are the legacy of the New Labour years. Cameron seems to be dismantling all that is left of the British Conservative Party’s traditions, values and achievements and deliberately turning it into a clone of New Labour—indeed, to be trying to outflank Labour from the left.

It is not socialism but Thatcherism that is Cameron’s bête noire. Indeed, high-taxing socialism at home and possibly a dash of anti-Americanism abroad seem the Tory leader’s goals.

Cameron has repeatedly denounced Thatcher’s legacy and policies, and in South Africa recently he apologised for her having called the African National Congress ‘terrorists’.

Actually, they were terrorists. Soviet trained, they planted bombs in public places and burned people (nearly all black) to death by setting fire to petrol-filled tyres round their necks, sometimes filming the process. Cameron, holding a position previously occupied by William Pitt, the Duke of Wellington and Winston Churchill, as well as Margaret Thatcher, might be expected to know a little history.

Cameron suggested that Thatcher had supported Apartheid when in fact she had strongly opposed it. What are we to make of a Conservative leader who slanders the record of his own party’s greatest Prime Minister in the last 50 years?

Symbolically, Cameron has dropped the Tories’ previous logo of a burning torch and replaced it with a child’s scribble of a green tree, although one critic pointed out that it could equally well be a distant view of an old Etonian in a cloud of marijuana smoke. The Conservative Party seems to have no policies except to distance itself from any possible accusations of being conservative.
Itself from any possible accusations of being conservative.

A policy review group set up by Cameron effectively apologised for the party’s alleged traditional hostility to the public sector (in fact, spending on the public sector has grown under every British Government in modern times—it has simply tended to grow slower under the Tories), and called

**Does Cameron think that what this intrusive and dysfunctional Nanny-State really needs is more power and prestige?**

for an end to ‘public bad, private good’ thinking.

‘The political culture has often required the Conservatives to belittle the efforts of people whose objectives we share’, the Public Service Improvement Policy Group said.

Increasing the size of the public sector as the country became richer was allegedly ‘part of being human’, and it is in this context that we believe that all Conservatives should embrace an unambiguous commitment to the growth of public services, as part of general well-being.

Oliver Letwin, the party’s policy director, endorsed the conclusion of more public spending as a ‘decisive turning point’ both for the country and the Party. There is an alarming probability that he is right. Letwin has called for income redistribution as though it were a new, promising and untried idea in British politics. This is the same Oliver Letwin who, as Shadow Chancellor in April 2004, told the party conference that a Tory government would reduce the civil service by 100,000 people. He also promised that regulations would be made more difficult to introduce and easier to abolish. Blogger Tim Worstall commented of the Cameronian Tories: ‘Perhaps we should adopt the US moniker of RINO (Republicans in name only) and call them TINOS. Surely there is room for a party that says redistribution is bunkum?’

The report also claimed that what the public sector could learn from the private sector had been ‘vastly overstated’. This doesn’t really mean anything except a declaration of commitment to socialist principles and probably the further entrenchment of public-sector employee privileges. It is thought likely that its recommendations will be adopted by the Conservative shadow cabinet.

The party should also, the report claimed, embrace a new approach involving greater ‘respect’ for front-line professionals, and ‘commitment to equitable access to services such as health and education’.

Back in 2003, the *Weekly Telegraph* editorialised:

The public sector has employed an additional 354,000 people since 1997, and is due to grow by more than 200,000 over the next three years. It now employs 5.3 million, one in five of the working population … Industry has lost 11% of its workforce, Whitehall has more than half a million civil servants, about as many as the city of London … The new ruling class has privileges that most people working in the productive sector can only dream of: generous state-funded pensions, guaranteed against fluctuations in the stock-market; jobs guaranteed against fluctuations in the labour market; subsidised housing reserved for public-sector workers … Practically all the new money pouring into health and education is being spent on salaries. Public sector pay is now rising faster than ever before, but efficiency is some 16% below that of America. We are spending a third more on the National Health Service, with hardly any improvements … Taxes are due to rise by another £5 billion pounds over the next three years.

The London *Spectator* editorialised on 2 September this year: ‘The latest OECD figures show Britain now faces a heavier tax burden than Germany. The value for money offered to the taxpayer is appalling; productivity in the National Health Service has fallen, though spending on health had doubled since 1997.’

To all this the Cameronian Tories seem oblivious. Tory support went up on opinion polls a bit because Labor is in such a state that it would go up if the Tories were led by a chimpanzee, but it has stalled again. Britain seems to have had enough of the high-taxing, high-spending socialism which Cameron seems determined to perpetuate. According to a recent poll, nearly half the population thinks that the country is a worse place to live than it was 20 years ago. More than one in four said that failing public services had made life worse, although public spending on health has doubled in the last six years and 700,000 more public-sector workers have been taken on since New Labour came to power in 1997. There is great resentment over the fact that they will enjoy indexed-linked pensions while the government has slashed the value of private pension funds by tax-raids.

In a statement of core principles, Cameron said that tax-cuts will not be a top priority—and when a politician says that, you can’t say you haven’t been warned. Cameron attacked the Tories for the fact that ‘While people wanted, more than anything else, stability and low mortgage rates, the first thing we talked about was tax cuts’. Is Cameron really unable to realise that these things are actually connected? Or
that tax cuts and low mortgage rates are not an either/or proposition?

He claims that high taxes are necessary to finance the welfare state, and one wonders if he has ever heard of the Laffer Curve—the notion that lower taxes could increase government revenue as the economy expands. Googling some of the very few references to ‘Cameron’ and ‘Laffer Curve’ suggests unavailing attempts to tell him about it.

The statement of core principles also promised, somewhat ungrammatically, ‘giving all those who work in our public services the freedom to fulfil their vocation’.

Does this include those with a vocation for ordering other people’s lives about and constructing their own Utopian dreams via State Power? Here are a few examples of their recent activities: the Daily Mail of 9 September reported a Mr Gordon MacKillop had been summoned and may be arrested and prosecuted under the Protection from Harassment Act 1997 for dressing a gnome in his garden in a miniature policeman’s helmet—he was woken late at night by two policemen who served him with the notice telling him the constabulistic mannikin was offensive to his neighbours. Two days later, it was reported that up to two years in jail or fines of up to £2,500 were being considered by the Government as penalties for the crime of not having a bell on a bicycle.

A day later, it was reported that some local authorities told war veterans that they could not hold Remembrance Day marches unless they organised public liability insurance, carried out risk assessments and engaged marshals in fluorescent jackets to police the event. On 17 September, the Sunday Mail reported a driver spent two nights in jail after having been accused of ‘revving his car in a racist manner’.

(The charge was later dropped.) A choir suddenly could not sing in a church where choirs have sung for 900 years without risk-assessment and insurance. Does Cameron think that what this intrusive and bullying, yet inefficient and dysfunctional, Nanny-State really needs is more power and prestige?

Cameron speaks of ‘developing with America a tough and effective foreign policy for the age of international terrorism: a policy that moves beyond neo-conservatism, retaining its strengths but learning from its failures’. Trouble is, it is impossible to know what this means. Neo-conservatism is a term with many meanings—and what ‘failures’ exactly did he have in mind?

Former Tory Minister Ann Widdecombe asked recently: ‘Why does Her Majesty’s Opposition run a moral Vi-
The media is big business. Organisations such as Microsoft, Google, Apple and Yahoo! are rapidly manoeuvring themselves into competition with the traditional services. They exist in an unregulated online environment where innovation is rewarded and there is no limit to the acquisition power of companies.

In a short time, many Internet companies have grown to be even larger than the regulated traditional media players with which they compete. For instance, Fairfax’s market capitalisation of US$3.43 billion is dwarfed by Google’s US$139.1 billion. In the US market, Yahoo!’s market capitalisation is larger than CBS’s.

These companies are genuine competitors, and represent one of the greatest challenges to the incumbent leaders in the media industry since the introduction of broadcasting.

Like their traditional counterparts, the new media players have recently been undergoing dramatic structural and ownership changes. The big names—Google, Yahoo!, Microsoft—are buying up smaller entities which have developed recognisable and popular products, in order to integrate them into broad suites of products united under a single brand. The quickest way to fortune in 2006 is start-up Upstartle. At the time it was acquired by Google, in March 2006, it had only four employees. Google has since merged it with a spreadsheet program it developed independently, a product which most commentators believe signals a direct challenge to Microsoft’s dominating Office software suite.

Indeed, the often reported YouTube acquisition is just the tip of the iceberg. In the same month that Google acquired YouTube, it also acquired JotSpot, a collaborative document service, which will also integrate into its Office competitor. In November, Yahoo acquired Bix, an advertising/context service, MyBlogLog, a blogging aggregation tool, and Kenet-Works, a service for mobile phones.

Since 2002, Microsoft has bought 24 individual Web services, Yahoo! 25, including the bookmark-sharing Del.icio.us and the photo-sharing flickr, and Google has bought 27.

Online media is still in its early stages of development. But this ‘flurry’ of mergers and acquisitions seems to indicate that from Apple, Microsoft and Google—all released in 2006—which provide films and television programmes for download or streaming at home. These services are an example of the competitive threats that are now facing the traditional media. But they also highlight the amazing benefits that increased competition brings for consumers.

Diversity—as far as it has any useful meaning—will survive any manner of media mergers or acquisitions, even in the unregulated online environment. It is now more useful to look at the media as an integrated market consisting of all the players mentioned above rather than the segregated silos of print, broadcasting and online which seems to dominate the analysis of the commentariat.

There is money to be made on the Internet, and there are serious businesses online. If only the traditional media were as dynamic.

Hugh Tobin is the Associate Editor of the IPA Review.

Chris Berg is the Editor of the IPA Review.

There is money to be made on the internet, and there are serious businesses online.
The two opposing cases in the debate over ownership deregulation of the media can be quickly summed up. The first group argues that the case for deregulation is buttressed by the explosion of choice available on the Internet, and the second group counters that the influence of online media is exaggerated.

This second group commonly cites a series of polls indicating that the most commonly trafficked sites for domestic news are owned and operated by the proprietors of existing media businesses. Fairfax, News Limited, Channel 9 (in its ninemsn partnership with Microsoft) and the ABC top the list, with ‘new media’ sites such as crikey.com.au and Yahoo! News struggling to compete. Not only this, but fewer people than it is often assumed gather their news online—in one such survey, 75 per cent of people were either unable to name an online news source they visited, or did not do so.

The news revolution and the deregulation it inspires, is, argue the critics of reform, a myth.

Of course, none of the data is surprising. In 2006, established media organisations can far easier produce news content, with their network of in-house journalists and associations with news services such as Reuters and Associated Press. Obviously not everybody is comfortable yet with browsing the Internet for their news; established patterns are hard to break.

But there are problems with these one-dimensional measurements of news site popularity. It is arguably more interesting that, in the 2005/2006 poll displayed on this page, in fifth and sixth position are Yahoo! and Crikey, archetypal Web start-ups. Bigpond comes in seventh—before the Internet, how many people could say they primarily sourced their news from Telstra?

Drawn from a series of interviews and extrapolated to the population at large, the polls also appear to underestimate the traffic at these sites. The 2005 poll reports 190,000 visitors to the Crikey Website per month. Crikey itself claims double that—355,000 unique visitors to their Website, with 41,000 readers of the daily e-mail.

Internet statistics are an amazingly problematic enterprise. The differences between hits, page views, visits and unique visitors are arcane and technical, but can dramatically raise or lower sites in the rankings. Whether the user is on a home computer directly connected to the internet, or through a corporate network—which could mean that a couple of thousand employees only register as a single visitor—adds to the challenge. Whether you identify unique users by tracking their IP address, with a cookie, or by imposing a registration system on the site itself, further complicates the issue. Unfortunately, trying to ascertain traffic by interviewing consumers doesn’t really cut it.

The diffusion of knowledge about current affairs is not as linear as these surveys imply. As these metrics measure ‘news only’ sites, they ignore a large number of sources of news and opinion available both on and offline. Outlets which are not classified ‘news only’ are often rich with references to current events. Online services run by traditional proprietors are richer with content and opinion than their print or broadcast counterparts, and in many cases, by linking to other sources, encourage consumers to explore alternative outlets.

News consumption is shifting from a hit-driven culture to a niche culture, as consumers spread out across a suddenly massive array of media outlets available online.

By leaning on surveys such as these as a crutch, opponents of media deregulation miss the point. Media use has rapidly and irreversibly changed. Whether consumers visit Fairfax Digital or an obscure blog—or more likely, both—they have not just shifted format, but shifted their approach to news gathering.

The media is now more than ever intensely competitive—the ABC, ninemsn, News Limited and Fairfax aren’t resting, confident in their status as most popular news sites, but are instead being chased by hungry start-ups and competitors eating away at their bottom lines. Media regulation has to change to suit.

How significant is online news?

**Chris Berg**

<table>
<thead>
<tr>
<th>News Only Sites visited in last 4 months</th>
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<tbody>
<tr>
<td>Fairfax</td>
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<tr>
<td>News Ltd.</td>
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<tr>
<td>ninemsn</td>
</tr>
<tr>
<td>abc.net.au/news</td>
</tr>
<tr>
<td>Yahoo! News</td>
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<tr>
<td>crikey.com.au</td>
</tr>
<tr>
<td>Bigpond News</td>
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</table>

‘What?’ My student exclaimed in a manner that demanded immediate clarification. While tutoring him in the Year 12 English course (VCE), I had made a comment that inferred the existence of poets who were not of the Left, that is poets who expressed, for example, liberal, conservative, or patriotic views. My student, stunned with surprise, did not believe that such creatures existed. He neither believed that there could be such a thing as a non-Left poet nor that poetry could be used to express non-Left ideas. This was not the student’s fault. My student was very clever, hardworking, and he had writing ability, which I was very keen to develop.

However, like most students, he did not read poetry of his own volition, so all of his encounters with it had been imposed by school. Consequently, he had only ever been presented with left-wing poets, such as the Australian Bruce Dawe, and he therefore reached the (understandable but mistaken) conclusion that all poets were left-wing, for example, pacifists rather than patriots. This misunderstanding is just one of the consequences of the overwhelming ideological bias favouring the politically correct Left in the English curriculum in Victorian high schools.

This bias is not confined to poetry. It permeates the entire English course, and it has done so for decades. The subtle un-stated implication of an English curriculum that consists almost exclusively of the study of books, films, plays and poems that espouse left-wing sentiments is that the only ideas worthy of display in serious art are left-wing ideas. This ideological bias also carries the subtle un-stated implication that to be intelligent and creative, in a manner that may one day produce works worthy of scholastic study, is to be left-wing.

The criteria for the selection of texts for study are published with the course text list, and presented on the Victorian Curriculum and Assessment Authority website. It states that the texts should ‘have literary merit and be worthy of close study’. This criterion appears innocently unbiased. Taken at face value, it could even potentially accommodate the study of an ideologically wide spectrum of texts.

However, not all the selection criteria appear ideologically neutral. The criterion that stipulates that the list of the 30 texts (from which school English departments select three or four texts for their students to study) should ‘include texts that display affirming perspectives’ is indisputably ideological. This is because what is considered to be ‘affirming’ by the members of the predominantly left-wing educational establishment is what they deem to be affirming for ideologically designated groups, such as Aborigines, migrants from non-English-speaking backgrounds, asylum seekers, Irish-catholic republicans, etc. What they deem to be affirming for these groups, in practice, often becomes disconfirming for free-market liberals, conservatives, traditional Australian nationalists, Irish-protestant loyalists, etc. The implication from the Victorian English curriculum is that

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Dr Mark Lopez is an educational consultant and the author of The Origins of Multiculturalism in Australian Politics. (MUP, 2000) He also participated in the Commonwealth Government’s History Summit in August 2006.
these are the bad guys, those who are unworthy of the affirmation of their values.

In addition, many of the selected texts may not be all that affirming in practice for some of the students who are members of the groups nominated by the Left as in need of affirmation. Unfortunately, the heavy handed anti-racist messages in many texts, such as Garry Disher’s *The Divine Wind*, can backfire, making some Asian students suddenly feel uncomfortably self-conscious, as they are transformed (by an English lesson they will probably never forget) from being just one of the gang to being an ‘Asian’ who is designated much preferred by the editor. Both patriotic and anti-patriotic sentiments were eloquently expressed in the range of works in the anthology, and both patriotic and anti-patriotic sentiments are very worthy of study and appreciation.

Regrettably, the study of poetry from the First World War (a worthy choice) was rotated off the curriculum prematurely, well before it had finished the standard four-year stint. It was replaced by a collection of lyrics by the Australian singer-songwriter and left-wing political activist Paul Kelly, *Don’t Start Me Talking: Lyrics 1984-2004*, which featured protest songs about Aboriginal reconciliation and other politically correct subjects. No conservative sentiments are to be found here. Kelly is a competent lyricist, but the inclusion of his works raises another issue emanating from the ideological bias in the curriculum – opportunity cost.

Year 12 English students only get to study four texts, or three, or sometimes even only two if their teacher does not cover the designated material in the designated time. Time spent studying the lyrics of Paul Kelly is time lost that could have been spent studying Rupert Brooke or Wilfred Owen or William Shakespeare. Even Paul Kelly, who would be understandably flattered by his selection, would probably admit this. But one wonders, would a lyricist of equivalent talent to Paul Kelly, but expressing the opposite views, ever be selected for Year 12 study? Is the decisive factor for being selected literary talent? (Kelly has some.) Or is it ideological conformity? (Kelly has this in abundance.)

The preference for political correctness seems to particularly stand out in the selection of contemporary Australian literature for study. The pattern could not be an accident. Although the defenders of the current education system could argue that the decisive selection criterion is quality, it has to be recognised that ideology often profoundly shapes perceptions of quality, and the fact that left-wing texts are routinely selected according to criteria claimed to highlight quality appears to be testimony to this very human tendency.

At the beginning of the school year when I analyse the recently added contemporary Australian literature in preparation to tutor my students, the ideological themes become monotonously repetitive. They are the ideological canons of political correctness: environmentalism, feminism, anti-racism, Marxism, and pacifism. In addition, the specific issues covered in the texts are equally repetitious, being those of most interest to the politically correct Left, such as Aboriginal land rights and reconciliation, migrant settlement and multiculturalism, immigration and asylum seekers, and so on.

Along with Paul Kelly’s lyrics, one can currently observe these ideological themes and issues repeated in various combinations in Tim Winton’s *Minimum of Two*, Wayne Macauley’s *Blueprints for a Barbed-Wire Canoe*, Amy Witting’s *I for Isobel*, Hannie Rayson’s *Inheritance* and Raimond Gaita’s *Romulus, My Father*. Before 2006, these views were found in Bruce Dawe’s *Sometimes Gladness*, Philip Hodgins’ *Dispossessed*, Jane Harrison’s *Stolen*, Julia Leigh’s *The Hunter*, Thomas Keneally’s *The Chant of Jimmie Blacksmith*, Daryl Tonkin and Carolyn Landon’s *Jackson’s Track*, David Malouf’s *Dream Stuff*, Christopher Koch’s *The Year of Living Dangerously*, Brian Caswell and David Phu An Chiem’s *Only the Heart*, and Garry Disher’s *The Divine Wind*, among others.

The themes and topics examined in these texts are important and interesting. However, what is concerning is that the effect of this ideological uniformity emanating from the texts is the unstated but evident message that what is politically and socially important is what the Left perceives to be important. In addition, this ideological conformity also implies that when one displays interest in these issues, one is expected to broadly conform to a particular pattern defined by the po-
politically correct Left regarding the designation of victimhood and villainy to various historical actors.

This raises several questions. Is this ideological uniformity and conformity educationally advantageous in a pluralist society? Moreover, is it democratically fair to those many students and their tax-paying and/or school-fee-paying families who have different views from those of the politically correct Left? If it is educationally beneficial to have one’s views challenged, as many educationalists on the Left could claim as a defence, then why should it consistently be the case that it is always the young Australians with, for example, liberal, or conservative or traditional nationalist views who are given the educational ‘benefit’ of having their views challenged in the classroom? Meanwhile, those families who support, for example, the left faction of the Australian Labor Party, Greenpeace or the International Socialists consistently have their views confirmed and validated.

The school English departments choose three or four texts from a list of 30 options. Although William Shakespeare’s *Hamlet* is on the list, which would be reassuring to those parents who desire a less politicised and more traditional English course, chances are that it may not be chosen by the English Department at their child’s school. For example, those students whose school English departments in 2006 chose to teach Shakespeare’s psychologically insightful *Hamlet*, Henry Lawson’s cynically ambivalent *Short Stories*, Martin Scorsese’s masterfully directed cinematic adaptation of Edith Wharton’s exquisitely well-observed novel *The Age of Innocence*, and Sophocles’ famous classical tragedy *King Oedipus*, did very well. These students were fortunate.

Meanwhile, students at schools that chose Paul Kelly’s *Don’t Start Me Talking*, Hannie Rayson’s *Inheritance*, and Wayne Macauley’s *Blueprints for a Barbed-Wire Canoe*, drew the cultural short straw. These students were less fortunate.

In addition, the choices of texts annually rotated onto the curriculum seems to reflect trends in the contemporary political concerns of the politically correct Left, which provides circumstantial evidence suggesting that the educational establishment may be interested in using English to affect the political process regarding issues closest to their heart. For example, following the refusal of the Howard Government to accept the findings of the Human Rights and Equal Opportunity Commission report on the stolen generations, *Bringing Them Home*, a flood of texts coincidently entered the English curriculum advocating politically correct positions contrary to that taken by the Howard Government. These included Jane Harrison’s *Stolen*, and Daryl Tonkin and Carolyn Landon’s *Jackson’s Track*. This is a thematic trend that continues unabated with the recent addition of Hannie Rayson’s *Inheritance* to the list, among others.

Following the defeat of the referendum on whether Australia should become a republic in 1999, by coincidence, texts were subsequently added to the English study list that espoused republican views, such as Brian Friel’s anti-British pro-Irish-republican Marxist play *Freedom of the City* and the film *Breaker Morant*, which argued that Australia’s membership of the British Empire was against Australia’s national interest.

The Howard Government’s stand on illegal immigrants preceded the addition of texts to the curriculum that argued for the acceptance of illegal immigrants, such as Arthur Miller’s *A View from the Bridge* and Khaled Hosseini’s *The Kite Runner*. The Howard Government’s decision to join the US-led coalition of the Willing and contribute troops to the war in Iraq was soon followed (coincidently) by the addition of anti-war texts – Graham Greene’s anti-American Cold War tract *The Quiet American*, and Salem Pax’s *The Baghdad Blog*.

Coincidently, the texts added to the curriculum are never remotely supportive of Coalition Government policy. Coincidently, they consistently seem to support the politically correct Left’s position recently thwarted by government policy. Interestingly, on occasions when texts in

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**YEAR 12 ENGLISH TEXTS AVAILABLE FOR STUDY IN VICTORIA**

<table>
<thead>
<tr>
<th>Text</th>
<th>Author</th>
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<tbody>
<tr>
<td><em>I’m Not Scared</em></td>
<td>Niccolo Amaniti</td>
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<tr>
<td><em>Border Crossing</em></td>
<td>Pat Barker</td>
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<tr>
<td><em>The Plague</em></td>
<td>Camus, Albert</td>
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<tr>
<td><em>The Kite Runner</em></td>
<td>Khaled Hosseini</td>
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<tr>
<td><em>General’s Die in Bed</em></td>
<td>Charles Harrison</td>
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<tr>
<td><em>The Quiet American</em></td>
<td>Graham Greene</td>
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<tr>
<td><em>The Curious Incident of the Dog in the Night-time</em></td>
<td>Mark Haddon</td>
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<tr>
<td><em>The Wife of Martin Guerre</em></td>
<td>Janet, Lewis</td>
</tr>
<tr>
<td><em>Blueprints for a Barbed-wire Canoe</em></td>
<td>Wayne Macauley</td>
</tr>
<tr>
<td><em>The Stories of Tobias Wolff</em></td>
<td>Tim O’Brien</td>
</tr>
<tr>
<td><em>The Age of Innocence</em></td>
<td>Amy Witting</td>
</tr>
<tr>
<td><em>Short Stories</em></td>
<td>Henry Lawson</td>
</tr>
<tr>
<td><em>Minimum of Two</em></td>
<td>Tim Winton</td>
</tr>
<tr>
<td><em>The Stories of Tobias Wolff</em></td>
<td>Tobias Wolff</td>
</tr>
<tr>
<td><em>Inheritance</em></td>
<td>Hannie Rayson</td>
</tr>
<tr>
<td><em>A View from the Bridge</em></td>
<td>Arthur Miller</td>
</tr>
<tr>
<td><em>Hamlet</em></td>
<td>William Shakespeare</td>
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<tr>
<td><em>King Oedipus</em></td>
<td>Sophocles</td>
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<tr>
<td><em>Fine Line</em></td>
<td>Mark Haddon</td>
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<tr>
<td><em>The Plague</em></td>
<td>Camus, Albert</td>
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<tr>
<td><em>The Quiet American</em></td>
<td>Graham Greene</td>
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<tr>
<td><em>The Plague</em></td>
<td>Camus, Albert</td>
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<tr>
<td><em>Retribution</em></td>
<td>Patrick White</td>
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<tr>
<td><em>Secrets &amp; Lies</em></td>
<td>Charles Yale Harrison</td>
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<tr>
<td><em>The Accidental Tourist</em></td>
<td>Amy Witting</td>
</tr>
<tr>
<td><em>China</em></td>
<td>Xinran</td>
</tr>
<tr>
<td><em>Salem Pax</em></td>
<td>The Baghdad Blog</td>
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</table>

Students must study at least three texts from the above list. At least one text must be by an Australian or about Australians. Further, only one non-print text may be studied.
the curriculum are critical of Labor Party policy, it is because Labor Governments adopted policies that departed from the politically correct Left’s agenda. For example, the deregulation of the financial sector by the Hawke Government, a policy influenced by economic rationalism, found criticism in English texts such as Philip Hodgins’ *Dispossessed* and Hannie Rayson’s *Inheritance*.

The criterion for text selection recommends that the works will be ‘raising interesting issues and providing challenging ideas’. However, the choice of literature that is relevant to current issues can easily become political proselytising by literary proxy if there is no mechanism for accountability. What is suggested by this evident trend is that, currently, there appears to be nothing or no-one in the education bureaucracy to establish or ensure a degree of pluralism.

With the origins of what is now understood as political correctness stemming from the New Left and the (hippy) counter-culture of the 1960s, it is not surprising that, with the strong presence on the English curriculum of texts by authors who espouse politically correct views, that dimensions of the hippy lifestyle would be presented in accepting or favourable terms. This can even include the recreational use of illicit drugs. This complex, difficult and divisive social issue is of particular relevance to young people in their teens because these are the years when the temptations are more frequently presented to them and the peer pressure to take drugs is strongest. The Howard Government has expressed support for ‘zero tolerance’ rather than the harm-minimisation approach to illicit drugs, and it has funded public awareness campaigns to encourage young people to say no to drugs. However, a number of texts on the curriculum appear to present more counter-cultural attitudes.

In Hannie Rayson’s *Inheritance*, a mother in the play, in jest, mildly criticises her son’s generation for seeking ‘ersatz adventure’ in computer games or drugs. Her comment could represent disapproval or a kind of acceptance. It is not clear.

What is clear is that her son, who smokes marijuana during the play, is admirably presented as one of the main positive politically correct characters who stands up to the racists. He is depicted as insightful and as a character with whom the audience is invited to identify.

Andrew Bovell, who once co-wrote a play with Rayson, wrote the screenplay for a film text set for study, *Lantana*, an otherwise intelligent drama that mostly examines human relationships involving love.

Like Rayson, he could not resist an appropriately counter-cultural drug reference, with the character of a mother, whom the audience is positioned to see as a strong sympathetic character, advocating parentally supervised marijuana-smoking for her son in the family home. By contrast, the audience is positioned to see the father who rejects this policy as unreasonable. Presumably, this represents the screenwriter’s support for the harm-minimisation approach to illicit drugs.

In some passages or references in Gra- ham Greene’s overtly existentialist novel *The Quiet American*, readers could legitimately interpret opium-smoking as described as sensuously alluring. Drugs are regularly used by the hero of the story, a character who is presented as a flawed but admirable individual with whom the audience is positioned to identify and regard as politically insightful, culturally sensitive, and possessing a moral conscience.

On the other hand, there are drug references in several of Paul Kelly’s lyrics, some of which appear negative while others are explicitly matter-of-fact about drug use, particularly those songs that seem to have been influenced by the observations of urban decadence expressed in the music of Lou Reed, whom Kelly admired. There is also a brief critical reference to illicit drug users in Mark Haddon’s plea for tolerance regarding the sufferers of autism, *The Curious Incident of the Dog in the Night-Time*. When reflecting on the presence in the curriculum of these counter-cultural attitudes to the use of illicit drugs, or to support for the harm-minimisation approach, it is worth being reminded of another of the official text selection criteria. It recommends that the texts ‘be appropriate for the age and development of students and, in that context, reflect current community standards and expectations’.

Despite its flaws, there is merit in the Victorian Year 12 English course. Many of the texts currently on the curriculum are worthy of study, and some are profound and enlightening. However, there is room for improvement. Unfortunately, some texts currently on the curriculum are of questionable value. Meanwhile, there are other texts that espouse different views to those traditionally listed that are also worthy of study and could be included.

There is a need for far greater pluralism. Perhaps the current list of 30 texts could be reduced to 20, with ten selected by the Left and ten selected by the non-Left, with the stipulation that school English departments must choose from both sides of the list. The ideal situation would be an English curriculum that is both philosophically broad and richly educational, where students are presented with a range of interesting ideas from which they can freely select or reject according to their capacities for reason and the dictates of their consciences.
One can only hope that no-one thinks that the holding of the History Summit in August this year addressed all the issues of how history is taught and learnt in Australia.

It is important to be clear that the Summit actually had quite a narrow focus. It was looking at how Australian history is, and should be, taught in Years 9 and 10 in secondary schools. It was not looking at how non-Australian history should be taught; nor was it addressing the teaching of history at any other academic level—primary, the rest of secondary or tertiary; nor was it looking at any other role of history in society.

Naturally, the Federal Government was keen to talk up both the significance of the Summit and to paint a picture of success in its aftermath. Hence, at its conclusion, Education Minister Julie Bishop announced that it had been an ‘outstanding success’ and had laid a ‘solid foundation for further development of a framework to promote the teaching of Australian History to students throughout the nation’.

Bishop’s bullish view was not shared by key participant in the Summit, Professor Gregory Melleuish, who expressed disappointment at the outcome. He had reason to feel aggrieved.

Melleuish’s views were quoted with approval by the Prime Minister on Australia Day, in a speech that signalled the Government’s new-found focus on Australian history teaching. Melleuish was then asked to prepare one of the two papers presented at the Summit. While he eagerly carried the ball up into the fray, the proceedings left him dangerously exposed to the rigorous tactics of his opponents in the history establishment’s defensive line.

It was clear straight after the Summit that the recommendations in the Melleuish paper—that narrative history needs to be taught—played little role in what emerged as the final communiqué. With the subsequent release of the full transcript of proceedings, it became possible for non-attendees to make their own assessment as to how the summit delivered an outcome that was more satisfying to many in the history establishment than to Melleuish.

The first of the three sessions considered a paper from Education academic, Tony Taylor, which showed how badly history was currently being taught in most jurisdictions. What was remarkable about this session was that it was largely devoted to a debate about whether the teaching of Australian History should be ‘mandatory’ or ‘core’. Several participants queried whether there was, in fact, a difference between the terms. It seems that they actually mean the same, but ‘core’ is less likely to offend bolshie teachers.

Mark Lopez was brave enough to raise the ‘incredible politicisation’ of history as it is taught in schools. The general lack of concern at the Summit about this fundamental problem became clearer in the two afternoon sessions, when debate turned to the key issue of talking about what every child should know.

In rejecting the narrative approach of the Melleuish paper, in favour of a question-based model proposed on the day by John Hirst, the participants demonstrated that they were largely content to see the collectivist assumptions behind much of what is taught.

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in our schools remain unaddressed. The delivery of the Summit's position that history be taught as a stand-alone subject may be an improvement on the status quo in some States. However, as Melleuish has pointed out, the imposition of the questions-based approach could actually lead to a diminution in quality in New South Wales, which until now has provided the best of the offerings to students.

Hopefully, the working party will at least give some consideration to what is surely an essential element of the history teaching process—namely, evaluating how learning about Australian history fits into the broader context of the history of the world. That broader history should not be forgotten as Australian children of the twenty-first century take their places in an increasingly globalised environment.

At present, it is possible for a student passing through the Australian school system to learn about Australia's contribution at Gallipoli, without gaining any knowledge of the broader First World War. Similarly, they might spend quite some time learning about racist treatment of the Chinese on Australian goldfields, without being given the opportunity to gain any appreciation of the significance of China as a country throughout history.

A layperson might conclude that this phenomenon is the result of Australian nationalists having gained control of the history curriculum. However, what it actually represents is that at all levels there is an excessive focus on the narrow rather than the broad.

This complaint is not confined to Australia. According to leading British historian David Starkey, history teaching in British schools is so fragmented that pupils are left with no understanding of the order in which important events occurred and little idea of what went before or after them. Starkey recently argued that 'there is no point in doing merely a fragment in time with no sense of what might have led up to events and what consequences flowed from them'. By way of example he pointed out that the main A-Level history syllabus covering Hitler stops in 1939, thus leaving out World War II and the Holocaust.

According to Starkey, teachers focus far too much on historiography—the study of the way history is written—rather than history itself. Allied with this, the discovery method of teaching is used, which he says places far too much emphasis on the science of gathering evidence for historical events. He argues that the study of original documents and the search for evidence should not come until university level.

Teachers use the discovery method to teach when the Norman Conquest was. We know when it was. What's the point in having a teacher if not to tell the students what the facts are?

Of course, for many modern historians there are no facts, only a 'multiplicity of voices, competing narratives and diverse texts', as one Melbourne historian recently put it.

What is meant by 'multiplicity of voices' is in reality the pursuit of a rigid agenda of class, race, gender and environmental issues, usually applied to a particularly narrow field of study. A classic example of how these themes dominate the thinking of our professional historians was displayed in the book of essays, published in 2003, on the work of Geoffrey Blainey.

Six of the 14 essays by academic historians in *The Fuss that Never Ended* were attacks on Blainey for his alleged failures to spend enough time on Aboriginal issues, the environment, gender, British imperialism, labour history, and race. Blainey's value as a historian was challenged for failing to appreciate the centrality of each writer's historical theme to the telling of the Australian story. The great irony is, of course, that Blainey's writings have covered a far broader canvas than the writers of these contributions put together.

Naturally, the academic historians in their university departments create courses and subjects around their special themes. While some of these subjects have interest and value, their dominance of the curriculum disenfranchises from the study of history all those who would prefer history presented differently, in particular, those looking for a narrative-based approach.

One of the key problems that the absence of narrative history creates was identified recently by Melleuish:

It is history as narrative, the interaction of human beings as they attempt to resolve problems and deal with each other, that draws so many people to a love of the subject.

With those potential historians alienated, we end up with a self-perpetuating cycle which leaves only those who feel comfortable with the modern academic orthodoxy pursuing further historical study at tertiary level, or teaching history at secondary level. Until the current orthodoxy is challenged, too many students will continue to be denied access to the facts, narratives and character studies that can make the study of history such an engaging experience.

The evidence of the August 2006 History Summit is that the top-down approach to reform only has limited efficacy. Re-establishing a role for narrative history teaching in universities and schools will only come about from a long, slow grind from the dissident voices, who believe that learning history should be a pleasure, not a guilt-trip.

Professor Greg Melleuish will be a Visiting Scholar at the Institute of Public Affairs in 2007.
dozen years ago, virtually all electricity in Australia was generated in government-owned plants, transmitted along government-owned facilities and marketed by government-owned retailers. The electricity industry comprised seven State-based utilities, which had total control over generation and sales within their respective States. Competition from other suppliers and retailers was illegal.

A rare level of political consensus—the 1993 National Competition Policy report (the Hilmer Report)—led State governments to separate their electricity businesses into the parts that were monopolies, that is, the poles and wires (which account for about half of the costs), from the generation and retailing parts where competition was possible. This was followed by opening up local markets to competition.

Unbundling the monopolies created dozens of new businesses in place of the integrated monopoly networks. Soon after, Victoria and South Australia privatised their systems, and other States also introduced some private ownership.

Although Australia was by no means the first modern market-based electricity system, ten years ago, when the process commenced here, such markets were in their infancy. In essence, the industry ceased to feature integrated, commonly owned supply. Instead, the means of scheduling generation was turned on its head. In place of a central scheduler deciding what was required and directing plants to provide it, totting up the costs later, a bid-based system was introduced. Each potential supplier now submits price and quantity offers covering each half hour for the day ahead; they may change these offers in the light of market or other developments.

On the basis of producers’ offers, the lowest cost supplies are scheduled and the market price is set at the highest price/quantity mix required to meet all market demand for the half hour.

Concerns about the New Structure
Ten years ago, there were many concerns about the Brave New World we were entering. These included:

• Would retail distribution businesses ensure reliable supply?
• Would prices remain competitive?
• Would there be adequate transmission to allow a national market?
• Would private enterprise have sufficient confidence and incentives to invest in new generation?

In general, these concerns have proven to be unfounded.

Alan Moran is Director, Deregulation Unit at the Institute of Public Affairs.

Reliability
Reliability has remained at the high levels achieved previously and the best performance has actually been the privatised Victorian system, although the NSW system appears to be showing some deterioration and Queensland suffered from severe problems in 2004. Table 1 illustrates the trends.

Prices
Prices to the final consumer remain among the lowest in the world. Prices to households are largely government controlled; those to businesses are largely individually negotiated and have been reduced in all markets.

Prices at the wholesale level have been kept down by competition. The linked market, which excludes West Australia and the Northern Territory, means that prices in each State tend to converge, although because transmission is sometimes stretched, prices do differ. Prices have been trending up slightly, indicating a need for more capacity, but compared with the levels in the three years to 2001, prices last year were lower in Queensland, Victoria and South Australia and only slightly higher in NSW. Moreover, the price movements are in nominal dollars—adjusted for inflation, prices are down significantly.

Underlying the favourable price outcomes have been very impressive improvements in productivity during
the post-monopoly period. This is most easily measured in terms of labour productivity.

The productivity of the generators has increased considerably, with the outstanding improvement having been the privatised Victorian system, both in terms of output per employee and reliability. Labour productivity trends are illustrated in Table 2.

Distribution businesses have vastly improved productivity levels as measured by the number of customers per employee (including contractors pro-rated as Full Time Equivalents). The most impressive gains were in the privatised Victorian and South Australian systems (WA in Table 3 refers only to the area around Perth). Even so, the State-owned systems have also shown notable improvements.

**New Investment**

Another question asked of the market was ‘Would private enterprise have sufficient confidence and incentives to invest in new generation?’

The concern was motivated by the knowledge that half-hourly prices are very volatile and can differ from period to period by a factor of a hundred or more. This is an oversimplification of the market.
Even though firms bid and are scheduled on a half-hourly basis, almost all energy is contracted forward at agreed prices. Neither retailers nor generators want to take the risks of being exposed to very high prices, and although the price is set half-hourly, the contracts are settled on pre-arranged terms and the pool price represents only a tiny share of true sales.

One response to fears about the market not working has been to put a cap on prices, but this only serves to suppress the high prices that are necessary to signal to firms that it is profitable to invest in new capacity, even if it will only run occasionally.

An agreement between State and Federal governments also saw a Reserve Trader being put in place as a supplier of last resort financed by mandatory charges on consumers. This can never work in the long term.

If the public agency considers there to be insufficient supply, it must contract for that supply. In doing so, it must either:
- move into the market and contract supply at a higher price than the supplier was able to get from real customers; or
- build its own capacity. If it moves into the market, the supply it is likely to get is mothballed supply and it will contract for this by lifting prices. Although the consequential price increases may not be serious, they do raise costs to customers, thereby defeating the purpose of the market model. More than this, the process will encourage firms to hold back on offering supplies to the market in the hope that the government will offer them a better price. This has a snowballing effect by creating even greater apparent shortages and can start a process that will unwind the market itself.

If the reserve power agency were to build its own capacity to be used only in special circumstances, this is simply an added insurance and a drain on the market. Of course, if the reserve capacity were to be used more liberally than this, it would undermine investment incentives and contribute to supply shortages in the future.

Another answer to capacity shortages is a capacity payment offered in addition to the energy price. If additional payments are made for supplying energy for one set of reasons, compensating reductions will occur with related payments as firms jockey for revenues that cover their costs. Moreover, experience has shown that where supply is ample, the capacity price will be bid down, perhaps to negligible proportions.

The single price market that we have in Australia is superior to all the refinements that have been tried elsewhere. It places the onus on commercial parties to cover their future positions in the knowledge of their customer bases and future demand shifts. Suppliers and retailers develop their own reserve trader through contracting in ways that give them adequate insurance for mistakes and uncertainty.

Moreover, on the face of things, it has served us well in terms of incentives. Not only are plants and facilities being run more cheaply, but new capacity in generation has kept pace with requirements. This has been in the form of a mix of public and private, peak and base-load. In the main, the sort of capacity brought into commission has corresponded with observers’ expectations.

Problems for the Future

The main problems for future supply stability stem from government activities. These are severalfold.

First, there is a danger that governments will over-encourage their own generators to invest by informally accepting a less-than-commercial rate of return. There are suggestions that this has been the pattern in Queensland, where the Minister has stated his opinion that 20–25 per cent surplus capacity allows him to sleep easier at night.

One outcome of this is the very low Queensland spot price, which also somewhat depresses prices in southern States.

A second danger is that governments will positively discourage new investment. This has doubtless been the case in NSW where the State Government announced that it would go to considerable lengths to prevent a new coal-fired generator. In Victoria, too, the experience of Hazelwood in trying to obtain approval for an extension of its plant will have raised the bar somewhat on new coal-based investment.

The third main impediment to timely new investment is the requirements stemming from greenhouse fears. These place coal and, to a lesser degree, gas at a disadvantage as a power supply.

The uncertainties about future government policies—and Victoria is in the process of increasing the penalty on fossil fuel powered electricity—are likely to create under-investment incentives.

The main problems for future supply stability stem from government activities.
The precautionary principle has been much in the news lately in connection with climate change.

The principle is intended to assist governments and peoples with risk analysis of environmental issues. First formulated at a United Nations environment conference at Rio de Janeiro in 1992, it stated that ‘Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation’. Heavy campaigning from environmental pressure groups since then has caused many governments to use the principle as a tool for policy development—generally under a more restrictive wording that says something like ‘where there is a potential for harm from a technology, then use of that technology should be restricted until and unless it is demonstrated or proved to be safe’.

That there is a disturbing lack of intellectual rigour, not to mention the presence of ambiguity, in these and other definitions has not prevented the precautionary principle from being incorporated into law in several countries. For instance, the EU Cartagena Protocol on Biosafety (January 2000) asserts the principle in its operational text as a binding environmental requirement. In Australia, the Commonwealth Fisheries Management Act 1991 (Section 516A) requires the regulatory authority ‘to pursue the objective of ensuring that the exploitation of fisheries resources and the carrying on of any related activities are conducted in a manner consistent with the principles of ecologically sustainable development and the exercise of the precautionary principle’. Of most concern, perhaps, is that experience shows that the adoption of the precautionary principle as a policy guideline is inevitably followed later by the development of legally binding precautionary rules.

Returning to climate change, those who give public talks on the issue are well used to vigorous questioning, the topic being a polarised one. Inevitably, and often quickly, after a talk comes the relaxing question—‘but surely because there is a risk of damage from human-caused climate change, we must apply the precautionary principle to try to prevent the change’.

Relaxing? Yes, because the question is an acknowledgement that the audience, or at least the questioner, has run out of scientific arguments. It has become clear to him or her that the scientific evidence for human-caused climate harm is at best ambiguous. So having exhausted the science at no avail to the cause, refuge is sought in sociology.

There are, of course, numerous
other solecisms implicit in our questions’ plea. They include: that there is a 100 per cent risk of damage from natural climate events, which happen every day; that no amount of precaution is going stop natural climate change; that we cannot measure, much less isolate, any presumed human climate signal globally; that extra atmospheric carbon dioxide causes mild warming only, and is at least as likely to be beneficial as harmful; and that the causes of climate change are many, various and very incompletely understood. These being largely scientific arguments, they will of course never carry the day against a warmaholic, because such persons are afflicted not by science but by faith.

Driven by their addiction to alarmism, and a false belief that the causes of climate change are understood, environmental lobby groups worldwide urge the adoption of the precautionary principle to solve the ‘global warming problem’. They argue that the world needs to move to a ‘post-carbon’ economy as soon as possible in order to curtail drastically the carbon dioxide emissions that lie just over the horizon, and who were egged on by the science managers whose research budgets now depend so strongly on warming alarmism and the media representatives for whom such alarmism sells product.

The real economic needs and the actual—as opposed to imaginary—environmental problems that today beset under-developed nations were swamped during this guilt-laden jamboree of Western self-interest. Bjørn Lomborg is entirely right to point out that if the West has environmental or aid money to spend, then it should use it to solve real, high priority problems rather than frittering it away ineffectually on the chimera of ‘stopping’ global warming.

There is such a thing as relative risk analysis, and it is missing from virtually all the public bleatings about climate change. Sensibly managing environmental issues is not about combating every single threat that can be dreamed up in the vivid imaginations of environmentally concerned citizens. As Lord Nigel Lawson has recently written: ‘As a general rule, rationality suggests that we concentrate on present crises, and on future ones where the probability of disaster if we do not act appears significant—usually because the signs of its emergence are already incontrovertible. The fact that a theoretical danger would be devastating is not enough to justify substantial expenditure’. Risk analysis, then, is about judging the balance of risk on a wide scale of possible misadventures, and about paying most attention to demonstrable, near-horizon threats.

The risk of climate change is, of course, not small. In fact the risk is 100 per cent, because climate has always changed and always will. The last seven years of climate stasis, during which global average temperature has not changed significantly since 1998, is unusual. Nothing seems surer than that cooling or warming will reassert itself.

An estimated 6,000 persons have just attended a United Nations climate meeting in Nairobi that focused on carbon taxes and related issues (just contemplate the carbon footprint of the delegates’ travel alone). Despite all the moral posturing and frisbee science on show in Nairobi, most participants were there to make money or achieve power as part of the biggest Baptists and Bootleggers coalition that the world has ever seen. Prime amongst the Baptists were managers from the environmental NGOs, government bureaucrats and national politicians, whose actions were intended to deliver membership subscriptions, departmental budgets, and votes, respectively—all justified by the presumed moral worthiness of their climate cause. Leading the Bootleggers were the merchant bankers and other financiers who can sense the rich plunderings that lie just over the horizon, and who were egged on by the science managers whose research budgets now depend so strongly on warming alarmism and the media representatives for whom such alarmism sells product.

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shortly, but regrettably we don't know which. The deterministic computer models used by the Intergovernmental Panel on Climate Change (IPCC) predict warming (but then they predicted warming, wrongly, for 1998–2005 too), whereas other computer models based on the forward projection of natural climate rhythms predict cooling for the next few decades. Which leads us right back to the precautionary principle again.

In order to take precautions, it is necessary to understand what one is taking them against. ‘Well, the risk of climate change is near enough to 100 per cent’, say the experts, ‘so take precautions against that’. ‘Yes, but what will the direction of change be?’ you reply. ‘About a 50 per cent chance of warming and 50 per cent of cooling’ comes the answer. At this point, a pause is needed to reflect on how we might apply the precautionary principle to two alternative yet equally likely outcomes.

The answer lies, one supposes, in assessing which outcome would be the more damaging. At the level of a full glaciation, it is obvious that cooling will be more damaging to human interests than warming—for the novelty of an ice-cap developing over most of northern North America and Scandinavia would soon wear off, and the economic damage would be horrendous. But even at the level of another Little Ice Age, it is likely that the costs and damages of cooling would greatly exceed those of warming. Precaution would say that perhaps the best, non-polluting way to help avert such cooling—which, note, has recently been predicted to occur over the next few decades by both American and Russian scientists—would be to inject extra carbon dioxide into the atmosphere. After all, one of the things that global warming zealots and skeptics alike agree about is that carbon dioxide is a greenhouse gas that causes mild warming. And, while we're at it, instead of a carbon tax to penalise emitters, perhaps governments could stimulate emissions by removing subsidies from uneconomic and environmentally damaging ‘alternative’ sources of power, such as wind farms, thus favouring coal- or gas-fired power stations.

But all of this analysis leaves unmentioned what is perhaps the biggest problem with the precautionary principle, which is that it is a moral precept masquerading under a scientific cloak.

In science, the term ‘principle’ refers to a relationship that has been derived from experimental data or observation, and that can usually be expressed mathematically. Thus Le Châtelet’s Principle states that introducing a change into a chemical system at equilibrium will cause the system to shift in a way that minimises the change; for example, increasing the concentration of an ingredient in a chemical reaction will cause an increase in the amount of the product of the reaction, as has been confirmed by countless numbers of chemical experimenters since 1884. In contrast, the term ‘principle’ in everyday life generally refers to the assumption of one moral rule or another, as manifest in the phrase ‘she stuck to her principle of doing no harm to another’.

These two usages could not be more different, for where scientific principles acknowledge the supremacy of experiment and observation, everyday principles adhere instead to untestable moral propositions. Adhering to a moral principle through thick and thin is certainly a part of the precautionary principle as practiced by environmentalists, and as such it is a principle of the wrong type to be used for the formulation of public environmental policy.

After comprehensive analysis, the Science and Technology Committee of the UK House of Commons recently came to a similar conclusion, commenting that ‘we can confirm our initial view that the term ‘precautionary principle’ should not be used, and recommend that it cease to be included in policy guidance’. The committee added that ‘In our view, the terms ‘precautionary principle’ and ‘precautionary approach’ in isolation from ... clarification have been the subject of such confusion and different interpretations as to be devalued and of little practical help, particularly in public debate’.

Put another way, all that is needed to fix the precautionary principle is a little more rigour. Rigor mortis.
OverREACCh from the UN and EU: Putting both chemicals and progress at risk

Wolfgang Kasper

Just when we thought that the Eurocrats and their allies in the United Nations had got the message that America, Australia and major developing countries were not going to tolerate further attempts to impose global controls—such as the Kyoto Protocol and global bans on genetically-modified crops—we are confronted with a new proposal to do just that. Under a new initiative, from 2020 most chemicals are to be subjected to strict bureaucratic evaluations and controls before they can be used and traded.

The European Union (EU) has already set in motion its own comprehensive scheme to license or prohibit some 30,000 commonly used chemical compounds, plus any newly discovered ones, under its new REACH scheme (Registration, Evaluation and Authorization of Chemicals). At an International Conference on Chemicals Management in Dubai in February 2006, EU representatives managed to get delegates of numerous other countries to adopt a 'Global Plan of Action', consisting of some 270 specific chemical control measures, through which this policy is to be expanded globally under United Nations auspices (the United Nations' Environmental Program, UNEP, has created a Strategic Approach to International Chemical Management, SAICM).

To Rule World Markets

The EU began to implement a 'chemicals policy' in the wake of an accident at Seveso in Italy in July 1976, which had more to do with foolhardy management than with deficient industry licensing. Nonetheless, the EU adopted a precautionary policy that chemicals, before they could be marketed, henceforth required strict official examination. It was also argued that, in future, consumers and users should never again be used as guinea pigs to test new chemicals. Gradually, a huge number of substances were to be registered and tested, which inflicted enormous bureaucratic and compliance costs. Therefore, some 10,000 'old substances' were exempted, and only about 2,700 'new substances' have been notified. Since this implied an uneven treatment of old and new compounds, the EU authorities were induced by the German government to develop a more comprehensive chemicals policy, covering everything. By October 2003, this led to REACH. The programme is to be implemented from the middle of 2007 and will cover some 30,000 chemical compounds, including imports, in their thousands of diverse uses. Past knowledge and practical experience will be replaced by millions of new, official laboratory experiments. The time-tested legal principle that you are innocent till proven guilty is being turned on its head: industry and importers will have to prove a product harmless, otherwise they are henceforth considered guilty—all this at a time when there are hardly any chemically caused illnesses in Europe.

The professional associations of chemists and big industry are not overly perturbed by the prospect of REACH, since it promises huge career opportunities and competitive advantages for big industry. But smaller producers and users of chemicals are protesting that they will be burdened with disproportionate expenses, in violation of the principle of proportionality, which the Maastricht Treaty had propounded.

Fear for the international competitiveness of Old Europe's over-regulated industries were no doubt part of the reason why the EU wanted to export its new regulatory handicaps to the world at large, through a UN convention which set up SAICM. This conformed to a well-known pattern: Opportunistic, but costly EU regulations, which handicap European industry, such as costly environmental or social controls, are being exported from Brussels to a willing UN agency. Resistance to the spread of top-down EU-originated planning and control is put up mainly by the United States, but many smaller

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countries comply, often because their diplomatic representatives lack the relevant expertise or do not care about costs.

The politics is confused and confusing. To date, it is clear that the UN-SAICM strategy will be an expensive undertaking, but it is unclear how it will be funded and whether the US, Australia, Japan, South Korea and Canada will subscribe to the precautionary principle in chemicals production and trade. They opposed much of what was adopted at the midnight hour of the Dubai conference. High-level European government officials are now nevertheless arguing as if the entire world had agreed to the precautionary principle for chemicals and as if the new UN strategy was binding, rather than voluntary. It will, of course, be binding for anyone trading chemicals, or products made with such chemicals, in Europe. European officialdom now busies itself to have not only industrial and agricultural chemicals covered by SAICM, but also long-existing household chemicals and disinfectants.

An Intergovernmental Forum on Chemical Safety now pushes an agenda that is to distinguish between harmful and harmless compounds, based on precaution, and that harmonises the rating of chemicals and how they are to be labelled. Can sulphuric acid be licensed for the production of fertilisers or glass, or in minerals processing, because it hurts laboratory rats? What concentrations, combinations and applications of chlorine, which humans have long used, will be banned irrespective of the consequences, as was done with DDT? Will H₂O and NaCl, which in certain concentrations can be quite dangerous to humans, be banned? What new bureaucratic costs will be caused for the transport of chemicals?

Yet, a global association of major chemical producers has welcomed the UN’s SAICM, although it was sceptical about plans to finance the undertaking by a UN tax on chemicals. These rich-country producers argued as far back as 2005 that developing countries and the transition economies ‘should make chemicals policy a building block of their national public policy, and integrate the sound management of chemicals into the country’s assistance strategies, poverty reduction strategies, energy plans and sustainable development agenda’—in other words, that the new industrial competitors should adopt all the cost handicaps of Old Europe and rule out their own judgements about running risks in the interest of faster economic development.

Much of the improvement in human well-being owes a lot to chemistry and chemicals.

**Progress and Precaution**

Some historical context would be useful. Human life expectancy, as well as general health and nutrition, have been improving enormously over the past two centuries. In the affluent West, life spans have gone up by about 25 years during the twentieth century alone. Much of this improvement in human well-being owes a lot to chemistry and chemicals.

Chemical progress has been propelled by market competition, and so has the know-how about the safe use of chemical compounds. Like progress in other areas of human knowledge, entrepreneurs, animated by profit expectations, weighed technical and commercial risks when developing and marketing new compounds. Sometimes, their guesses were welcomed by market demand and made profitable. Sometimes the costs and risks proved to be excessive so that products had to be abandoned or modified. The process of decentralised trial and error also produced some chemical accidents, which of course hurt the profitability of chemical companies and produced new, useful knowledge. The protagonists of a centrally-planned chemicals policy have argued that maybe 4,500 lives could be saved annually if people were completely protected from excessive exposure to man-made chemicals. These statistics are hotly contested. But whatever loss of human life there may be, it has to be weighed against the many millions of human lives that are saved, extended and improved annually by the blessings of chemical and pharmaceutical progress.

Weighing the costs and benefits of new knowledge in the informal, decentralised ways of the market is, however, anathema to central planners. They argue for a precautionary principle to prevent all harm. They tell us that enlightened, dispassionate elites can avert all risks. But the precautionary principle, so beloved to Green elites these days, always singles out one narrow goal, for example avoiding all deaths from chemicals or all harm to nature, to the neglect of all other human aspirations, such as general prosperity, high employment, self-reliance in old age, or longevity. In other words, the protagonists of precautionary principles arrogate for themselves the right to single out a particular objective from the manifold human aspirations and want to preclude that we balance the expected costs and benefits in terms of all the many objectives we pursue. Behind this is a power grab: ‘We, the elites, decide what has priority!’ The proponents of precautionary principles often argue that the opponents advocate incaution. This is not so! They only argue for a
balanced assessment of risks and gains, and against the one-sided promotion of specific causes by single-issue pressure groups.

Another problem with precautionary principles is, of course, the unrealistic assertion that elites, who implement policies based on such a principle have perfect knowledge, are competent and never cause deleterious side-effects. In reality, this is not so! The pursuit of one sole priority objective all too frequently leads to dramatic backlashes and costly reversals of policy. In reality, the gradual evolution of useful knowledge and democratic policy are served much better if we acknowledge that we have to cope with many conflicting objectives and, alas, have to incur some risks.

Impoverishing the Poor

The global chemicals initiative pays as little attention as Kyoto did to the aspirations of poor countries. The pattern was set long ago by global DDT bans: Arguably false alarms in the 1960s about the impact of DDT on the eggshells of sea eagles led to a ban of a chemical that was harmless to humans. As is now well known and documented, this led to the renewed spread of malaria, causing millions of avoidable malaria deaths in the Third World.

A global chemicals policy will have similar, but much broader, impacts on the world’s poorest. Indian economists have, for example, pointed out that the labour-intensive, profitable recycling of electronic equipment and the dismantling of ships in India and Pakistan will probably soon be precluded by regulations, which control the international trade in products that might contain regulated chemicals. More generally, the UN and the EU are preparing the ground for creating another barrier to economic development. Basic hygiene, health care and food preservation will become unaffordable for millions of the world’s most destitute and for many Third-world governments, so that more will remain aid-dependent clients of the World Bank and other, often corrupt, aid agencies.

If realised, these measures will also have profound consequences for Australians as consumers and producers. They will inflict high compliance costs, but also create numerous new bureaucratic careers. We are already learning from a whole alphabet soup of lobby groups, government authorities, councils and conferences how many new bureaucratic careers. The responsibility of producers and users of chemicals is being eroded, and the dispersed, entrepreneurial knowledge-testing of markets, to which we owe so much of humanity’s progress, is to be replaced by huge, cumbersome bureaucracies. The errors and corruption, which go with central planning and bureaucratic licensing the world all over, will do much to slow human progress.

But dreams of world government will be advanced, yet again.
This fiscal year, the Commonwealth plans to spend $5.9 billion on public science and innovation. That makes up 2.78 per cent of Commonwealth expenditure. Over the past ten years, the Commonwealth has spent almost $48 billion on science and innovation. This is a huge sum of money, yet government is not clear on what return the taxpayer has earned on this investment. Rhetoric and emotional support for publicly funded science is running high—particularly when innovation is increasingly being seen as a primary engine of economic growth—yet few people undertake a hard-headed analysis of its justifications.

The case for public science rests upon five key myths, and policy-makers look to these myths when they advocate public science funding. At $5.9 billion this tax-year, these myths are expensive and call for critical examination.

Five Myths of Public Science
In his 1996 book, Frontiers of illusion: Science, technology, and the politics of progress, Daniel Sarewitz sets out five myths that surround public science.

The myth of infinite benefit: the notion that more funding will automatically lead to more public good.

The myth of unfettered research: any publicly funded research is as likely to lead to some public benefit as any other.

The myth of accountability: publicly funded science need only be accountable to itself in order to provide quality.

The myth of authoritativeness: scientific process is an objective means for resolving political issues.

The myth of the endless frontier: new knowledge is valuable in itself and should be pursued whatever its moral or political consequences might be.

Each of these five myths is alive and well in Australia. These myths stifle the public debate that surrounds any scrutiny of the money that government spends on public science. (To be fair to Sarewitz, I have interpreted his myths in a manner he may not necessarily approve of.)

The Myth of Infinite Return:
There is a notion that money spent on science and innovation automatically, at some point, translates into economic growth. This is the basis for calls to increase public expenditure on science and innovation. In the long run, we are told, basic (pure) research will always have some practical value. The Allen Consulting Group, in its 2003 report into the returns from public science, wrote that:

investigator initiated research … may not be orientated towards generating outcomes … [but] it must be noted that it is the quality of research, rather than its explicit orientation, that is the key predictor of eventual value (emphasis added).
Gordon Tullock, writing as long ago as 1966, has demolished this notion. Arguments such as this are based on look-back bias. It is easy, in hindsight, to identify some pure research that has had an enormous impact. What we cannot be certain of is how much pure research has had an impact. In any event, it is far from clear that Australian industry relies on ‘high-quality’ research from Australian universities. Indeed, the Australian Bureau of Statistics’ Innovation in Australian Business report shows that employing a new graduate is the single largest technique that innovating firms use when acquiring knowledge from an Australian university.

The Myth of Unfettered Research:
This myth argues that not only will basic research have some long-term value, but any curiosity-driven research is likely to have some long-term value. As far as myths go, this one is very seductive. It correctly recognises that picking winners is difficult. Therefore, rather than attempting to pick winners, all basic research should be supported. Further, researchers engaged in basic research should not have to account for themselves, or their work. At the extreme, this myth suggests that basic knowledge will be valuable, therefore scientists should be free from any constraint to add to the stock of basic knowledge.

This myth has been the focus of public debate in the past few years. Former Education Minister Brendan Nelson vetoed a number of ARC grants in 2004, and again in 2005. Writing in The Australian, Professor Elspeth Probyn indicated that ‘the subject of ministerial meddling has been on everyone’s lips’ (emphasis added). Mind, the Minister did not prevent the research from occurring, he simply refused public funding. Professor Probyn also wrote, ‘If it weren’t so serious, it would be truly farcical.’ Sex- and gender−obsessed researchers not being funded by the Federal government is hardly serious. Ultimately, this myth implicitly rejects any notion of cost−benefit analysis in public funding; the more public research the better, irrespective of the cost or relevance of that research. Clearly, few beyond the scientific community would subscribe to this type of open-chequebook financing.

To rely on science to inform public policy is not equivalent to the science being the public policy.

The Myth of Accountability:
To whom is public science accountable? To politicians and taxpayers this question might be trivial. The funding basis of public science is public benefit. It is not unreasonable that taxpayers, or their elected representatives, enquire into the exact nature of that ‘public benefit’. Yet it is here that we see substantial conflict. According to the accountability myth, all researchers need do is deliver research that is ‘scientifically sound’. In other words, scientific excellence is social accountability. This world-view implies a phenomenal lack of external accountability.

Science, we are told, is a self-regulating, self-correcting process. To some extent, internal accountability may well substitute for external accountability. The question, then, is whether peer review, open debate, and reproducibility of experimental results provide internal accountability. Woo Suk Hwang—a Korean scientist—published peer-reviewed papers claiming to have cloned human embryonic stem cells. He has recently been exposed as a scientific fraud. Jan Hendrik Schön—a German physicist—had published over 90 peer-reviewed papers, and had won two prestigious prizes, before being discovered as a fraud. These are not isolated cases; the peer-review process is, at best, an imperfect mechanism. Scientific commitment to open debate is questionable. Anyone who recalls the treatment that Bjorn Lomborg has received cannot possibly conclude that a commitment to open debate exists in the scientific community. The internal quality-control mechanisms are not enough to ensure accountability on quality, let alone the type of external accountability being demanded by politicians.

Privately funded science, whether for commercial gain or purely for a non-commercial search for knowledge, need only be accountable to its financial backer. However, when the government funds any activity, the taxpayer is entitled to demand transparency.

The Myth of Authoritativeness:
Science produces facts. Facts are either true, or they are false. Consequently to argue that the scientific evidence supports X, but not Y, is an authoritative statement. Many scientific facts are uncontroversial: the Earth is approximately round. Other scientific facts are in dispute. These disputes arise especially when political controversy—that is, whether any taxpayer-funded activity or restriction on activity is justified—is involved. But, contrary to the myth, science cannot resolve political controversy. The notion that politicians can simply make decisions by recourse to the ‘facts’ is nonsense.

Political disputes revolve around the consequences of differing actions. What action should be taken? Is it best to act now, or later, or not at all? Many prediction techniques are complex, difficult, and require scientific training, yet predicting the future is not science. Science produces hypotheses that are tested in reproducible experiments. In other words, science itself
cannot provide the information politicians most need for decision-making. Scientists can speculate, and when the political stakes are high, the return to speculation increases. Consequently, the amount of speculation increases and the certainty surrounding scientific ‘facts’ declines. Further, as more and more scientific work is conducted, so greater understanding leads to more nuanced argument and (genuine) scientific disagreement. It is unsurprising that science provides few clear policy options for politicians.

These arguments, of course, ignore the self-interest that scientists themselves may display. As Sarewitz observes, ‘Authoritative scientific advice is least likely to be available when it is most needed’.

**The Myth of the Endless Frontier:**
To some extent, this myth is an extension of the unfettered myth. If science is free to pursue any area of inquiry, what can we say about the moral consequences of that inquiry? The frontier myth holds that new knowledge has no moral consequence—the application of that knowledge may have moral consequence, but the discovery itself has none. There is substantial evidence to suggest that the wider community does not subscribe to this myth.

To take a topical example, strictly speaking, stem-cell research is not basic science. This type of research, however, illustrates the issues very clearly. To what extent should researchers pursue their research even when extremely valuable contributions can be made? Over 2002–2003 this very question was addressed in numerous op-ed pieces, and in the Federal parliament. It was an ugly debate with phrases such as ‘irrational hypocrites’ being bandied about.

There was strong opposition to aspects of the research, and it is clear that many in the general community do not subscribe to the notion that researchers should pursue any and every avenue of research. Scientists and commentators should not be surprised when the public—or its representatives—demand that publicly funded science be governed like all other publicly funded activities.

**Simply relying on the latest scientific study can lead to policy failure.**

**Science and Public Policy**
The government is a large consumer of research, as public policy often relies on scientific information and input. But we must draw a careful line here. To rely on science to inform public policy is not equivalent to the science being the public policy. Scientists do not, and should not, make policy decisions. Elected politicians make policy decisions and are required to defend those decisions at the ballot box.

Confusion over this point has led to allegations of ‘science wars’. *The Republican War on Science* is the provocative title of a recent book by Chris Mooney. Writing in the *Australian Financial Review*, John Quiggin suggests that some aspects of this war have been imported into Australia. *The Age*, for example, has run some stories indicating political interference in CSIRO climate change studies.

Scientific knowledge and understanding evolve over time. Simply relying on the latest scientific study can lead to policy failure. Consider Australia’s salinity crisis—subject of an exposé on Channel Nine’s *Sunday* programme earlier this year. In 2000, the National Farmers’ Federation called for a $65 billion expenditure programme to fix the salinity problem. This exchange between *Sunday* and the Chief Executive of the Murray-Darling Basin Commission, Dr Wendy Craik, is revealing:

*Wendy Craik*: ‘We were basing our recommendation on the best available information at the time’.

*Sunday*: ‘But that information was wrong wasn’t it?’

*Wendy Craik*: ‘Subsequently I think we would say, we wouldn’t, I wouldn’t support that particular line’.

*Sunday*: ‘Imagine if those billions of dollars had been expended on what you now acknowledge are incorrect models that were talking up the threat of salinity.’

*Wendy Craik*: ‘As a taxpayer I am just as happy as you that we didn’t actually do that.’

Despite there being no observable relationship between public funding and public benefit from public science, government will continue funding. Even when the public science is horribly wrong, government will continue funding. The myths of public science form the basis of much commentary and are entrenched in the public mind. Even to attempt to hold public science accountable becomes a ‘war on science’. The most contested myths are those of accountability and authoritativeness. In a democracy it is inappropriate that unelected scientists should dictate policy choices. Robert Gourlay told *Sunday*, ‘There’s too much at stake in terms of the credibility of public science to admit to a major error in this area of science’. With almost $6 billion at stake, the tax-paying public are entitled to more than just myths and rhetoric.

Professor Davidson is the author of the *IPA Backgrounder “Back to Basics: Why government funding of science is a waste of our money”*, released in November 2006. It is available at [www.ipa.org.au](http://www.ipa.org.au).
What is ‘Socially Responsible’?

In 1970, the late Milton Friedman, the Nobel laureate economist, wrote that ‘the social responsibility of business is to increase profits’. In contrast, NGO Oxfam’s Website uses ‘socially responsible’ as an adjective to describe manners, values, and decisions, without defining what exactly it is. Tellingly, Oxfam’s career page provides the most concrete description for those seeking ‘an ethical career, where the emphasis is less on income than on social responsibility and a warm feel-good glow’.

Rather than a ‘warm feel-good glow’, an advocate of economic and individual freedom should argue that socially responsible conduct is that which allows one to improve his/her living standards at no coerced expense to anyone else. By extension, socially responsible economic policies create an environment for individuals to improve their lot without a coerced expense to others. This begs the question, are policies that promote capitalism socially responsible?

To answer this question, in the late 1980s, economists set out to create the Rosetta stone of development economics: an objective measure of economic freedom. The group defined economic freedom as secure rights to property, freedom to engage in voluntary transactions (domestically and internationally), freedom from government control over contractual terms, and freedom from governmental expropriation by confiscatory taxation or unanticipated inflation. Using this definition, the Fraser Institute annually publishes the Economic Freedom of the World (EFW) survey, an ordinal ranking and numerical score of economic freedom for 130 countries.

Early studies using the EFW survey showed that high levels of economic freedom correlated with higher per capita income, higher real per capita GDP growth and longer life expectancies. Later, low unemployment rates and child participation in the work force were tied to high levels of economic freedom. As for poverty, countries with the highest level of economic freedom recorded per capita incomes for the poorest 10 per cent of citizens that were eight times those of the poorest 10 per cent in countries with the least economic freedom.

By 2004, the academy had spoken. Empirical evidence overwhelmingly confirmed what classical liberals had for years proffered: the absence of government interference in private economic transactions, a strong rule of law to enforce contracts and property rights, a sound money supply, the freedom to trade internationally, and a government of limited size were conditions necessary for economic prosperity. Simply, the empirical evidence unquestionably demonstrates: life is better in a market-based economy than a highly regulated social-democratic economy.

If economic freedom is good for a country’s citizens, what about for those who stoke the fire of free-market economies—capitalists? ‘Equity Returns and Economic Freedom,’ published in Cato Journal in 2005, demonstrates that the same increase in economic freedom associated with improved socio-economic well-being also provides investors with above-average investment returns. Countries that underwent economic liberalisation, shifting from centrally planned economies to free-market economies experienced an annual equity return 11 per cent greater than those countries whose governments moved to exercise greater control over their domestic economies during the years 1970–2000.

Rather than the ethical investment fad of a few years ago, investments made on the basis of economic freedom are both proven to be ethical—they encourage policies which improve standards of living—and proven to be wise investments.

Consider Estonia. After completing comprehensive economic reforms that included privatisation of state-owned enterprises, development of capital markets, price control liberalisation, balancing of the fiscal budget and implementation of the flat-tax, Estonia is now reaping the reward of improved socio-economic well-being. Inflation has dropped from nearly 1000 per cent in 1992 to 4 per cent in 2005. Though

Marshall L. Stocker, is vice president of Sanderson & Stocker, Inc. He manages World Freedom Select, an investment in economic freedom.
surprise, then, that in 2005 Venezuelamonetary system has increased. No interference in labour markets and the property rights and bureaucratic programmes have weakened private dramatically as nationalisation pro-economic freedom has decreased! If Es-

Meanwhile, the United States’ level offreedom to the 12th freest country. Ranking, having moved from the 75th of any country in its economic freedom acr,

economic freedom has decreased! If Es-

unemployment initially increased as a result of shrinking government burea,

economic freedom has decreased! If Es-

had the worst performing eq-

fice in 1999, the murder rate has tri-

Confident that increases in eco-

Convinced that increases in eco-

It is seventeen years since the Berlin Wall fell and market-based economies are no longer questioned in favour of the once trumpeted centrally-planned economy. Today, sup-

true Australian advocates of social responsibility should dispatch with the chase to secure a ‘warm feel-good glow’ and instead shrink the size of government. The empirical evidence shows clearly that this will improve living standards across the board.

Now consider Venezuela. There, economic freedom has decreased dramatically as nationalisation programmes have weakened private property rights and bureaucratic interference in labour markets and the monetary system has increased. No surprise, then, that in 2005 Venezuela...
Work safety too important to be left to unions

Why is it that debate over work safety laws seems to be caught up in party political point-scoring, rivalry between the States and the federal government, and warfare between unions and employers?

Surely the issue is too important for this—at stake is the well-being and lives of every Australian who attends any workplace. Consequently, it’s important to understand how work safety laws have developed and identify problems. A pathway through the politics needs to be found.

Work safety laws have a straightforward task. They need to guide, encourage and enforce the highest possible work safety behaviour. The target, even if it seems impossible to achieve, must be for zero injuries and deaths in all work situations. But, as with road laws, the practical challenge is how it is achieved.

Road laws have achieved a high level of policy consensus across Australia. There is significant co-operation between the States resulting in similar management approaches to drink-driving, speeding, policing and prosecutions. States will try different things and learn from each other. About the only time political point-scoring occurs is when demands are made for more road funding. Most importantly, all drivers have imposed upon them a legal requirement to drive safely.

But these same levels of co-operation and consistency across Australia on road safety are not happening with work safety. Similar work safety incidents will lead to prosecution and conviction in one State but not another. Huge fines will occur in one State but small fines in another. Employees have significant responsibility to behave safely in some States but low responsibility in others. WorkCover authorities work closely with and assist businesses in some States, yet refuse to supply help in other States. Any co-operation is at the comparative margins rather than the core issues.

The international principles of work safety laws are clear. The benchmarks were established under the Robens principle (from a UK inquiry in the 1970s) and the International Labour Organisation’s Convention (ILOC) 155 to which Australia is a signatory. These principles hold that all persons involved in work should be held liable and responsible for what they control given what is reasonable and practicable in the circumstances.

Until the late 1990s, most Australian States generally followed these principles in their work safety laws to some degree. NSW, however, breached the principles by applying presumption of guilt against employers without consideration of control, but didn’t follow through with aggressive prosecutions.

Around the turn of the century, work safety laws started to be pulled in several directions by powerful forces.

A key force emerged from an apparently unlikely source: the anti-globalisation movement. This portrays corporations as evil and needing to be regulated by the global community. The concept fits neatly with the legal idea in employment law that the employer ‘controls’ the employee. The two concepts are natural partners. The idea of class consciousness in the work situation holds that the employer/corporation class is all-powerful and will systematically seek to exploit the employee class.

In the late 1990s, these concepts found legal form in amendments to the Federal Criminal Code. In a massive shift from centuries of accepted criminal law in which only individuals were held liable for criminal actions, Australian criminal law was changed so that a legal collective of people, a corporation, but only a corporation, is now held to be capable of committing criminal acts. But the criminal code has no effect unless it’s applied in specific legislation. This is what was attempted in Victoria.

In 2000, the Victorian Government attempted to change its work safety laws to reflect the new criminal code and hold corporations criminally guilty for work safety offences. Managers were to be jailed for the criminality of the corporation. The public sector and work done by volunteers were excluded. This meant that criminality under the proposed laws was to be tied to a person’s legal status and was dependent upon the payment of money for work. There was community uproar and the Bill was defeated in the Victorian Upper House.

When the Victorian Government gained control of the Upper House it did not attempt to reintroduce these laws. Instead, it introduced new work safety laws which display the closest adherence to the Robens and ILOC 155 principles.

Ken Phillips

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people in Australia. The 2004 laws apply exactly the same statutory liability to an employee as they do to an employer. This sends powerful signals that everyone must apply equally strong measures of due diligence to work safety. Further, the laws created a break-through by enabling the WorkCover authority to give advice to businesses on safety and for the businesses to be able legally to rely on that advice. No other State has made a similar advance. From a bad start Victoria has become the leader.

But running counter to this positive development is the Australian Capital Territory. In 2003, the ACT passed a modified version of the corporate manslaughter laws that Victoria had earlier attempted. Corporate criminality in work safety laws now applies in the ACT, reflecting the structure of the federal criminal code. But the Commonwealth passed laws exempting Commonwealth-owned corporations from the ACT Act. In effect, the Commonwealth refuses to have its own corporate criminal code applied to itself, but allows the private sector to suffer under such laws. In this respect, work safety laws have developed into a shambles of inconsistent double standards.

NSW also moved in an aggressive direction in 2000. Under a new Act, it reinforced statutory presumption of guilt against employers and enabled unions to prosecute and receive half the fines collected from successful prosecutions. The Robens/ILOC 155 principles are only applied if a legal defence is mounted, creating a distortion of the work safety principles rather than an application of them. There is no trial before a jury and no rights to appeal. In 2005, NSW created first-offence jailing provisions.

Around the year 2000, prosecutions began to leap in NSW and, with only one-third of Australia’s workforce, NSW now accounts for 63 per cent of prosecutions. The stacked laws result in a 96 per cent conviction rate and unions are making huge sums of money.

The IPA released a report in October this year (The Politics of a Tragedy, available at www.ipa.org.au) which raised serious concerns not only about the laws but about the integrity of the NSW prosecution processes as well. The failure to prosecute a government department and a union majority-owned labour hire company are just two examples amongst many leading to these concerns.

The business community has largely been left floundering in the debate. Bad behaviour by one corporation, such as Hardies in restructuring offshore to avoid asbestos compensation claims, is used against all business. Work safety incidents are frequently used as public relations opportunities.

The Tasmanian 2006 Beaconsfield mine disaster is one example. Tasmania has just given union officials the powers of work safety inspectors, seemingly starting a move in a NSW-type direction.

The politics of work safety has taken on an additional direction with the Commonwealth now offering its workers’ compensation scheme (Comcare) to large businesses who trade nationally. In entering Comcare, businesses enter the Commonwealth’s work safety laws, thereby escaping State laws. Victoria has mounted a High Court challenge and the States’ rights debate has intruded into work safety.

In this environment the movement toward vitally important harmonisation and improvement in work safety laws has come to a stalemate. In fact it is regressing.

And no-one in this debate is purer than anyone else. Unions delight in claiming that only they can look after the safety of workers. Business has generally cowered under a public relations assault.

Yet unions have frequently proven that they are compromised on the issue. The Cole Commission into the construction sector produced significant evidence that construction unions have sullied work safety to achieve industrial relations outcomes. In NSW, unions’ commercial interests have despoiled work safety laws and practices. Unions seek the advantages of high moral posturing, yet where they exercise work site control, they defect liability.

Australia’s work safety regimes are being pulled in many opposing directions. Victoria has the benchmark for positive directions and NSW the benchmark for negatives. And then there’s a mix of forces from the other States and the Commonwealth.

What is needed is a sharp focus on work safety principles. At the centre of that should be the concept that everyone who is involved in work must be held responsible and liable for the matters over which they have reasonable and practical control. This must apply to everyone, including employers, employees, unions, managers, contractors, suppliers, and the government and private sector in equal measure. To do anything less is to compromise safety.
Software design by competition law

Chris Berg

Europe is providing a steady stream of wrongheaded and counterproductive regulations—good for anecdotable bad for Europeans.

When Windows Vista, the long-awaited successor to Microsoft’s operating system Windows XP, is released to the general public on January 30, some consumers around the world will have an additional product available. But, if the sales records of Windows XP ‘N’ are any indication, then Vista ‘N’ will be Microsoft’s most unpopular product in a long time.

The ‘N’ series is a special variety of Microsoft’s operating systems designed specifically to comply with antitrust rulings in the EU and in South Korea, which also has aggressive competition laws. In order to do so, XP ‘N’ shipped without Media Player, the free video and audio player which, for users outside these jurisdictions, is bundled with a standard XP installation. Both versions, ‘N’ and the bundled package, were available to European consumers at the same price.

Unsurprisingly, there have been no reported sales of XP ‘N’ to consumers since it was released in mid-2005. It would be hard for a market to reject a product any more entirely.

As has been argued, as long as competition is a download away, the law has done its job. But a steady stream of regulatory intervention and litigation in the computer industry over the last ten years disagrees.

Microsoft has been a staple target of antitrust authorities across the world. In 1998, the US Government sued the software manufacturer for tightly integrating its Internet browser with its operating system. The litigants alleged that their victory in the ‘browser wars’—a period of vigorous competition between Microsoft’s Internet Explorer (IE) and Netscape Navigator—was due to IE being bundled with XP. Both products were free—but free and bundled can’t compete with free and downloadable, the critics alleged.

Experience suggest otherwise. Mozilla’s Firefox, the heir to Netscape Navigator, is rapidly gaining a share of the browser market. Firefox’s success has largely been due to a perceived lack of security and performance with Microsoft’s bundled product. Consumers are fickle enough to choose between competing products.

Indeed, there is good reason to suggest that the death of Netscape Navigator in the late 1990s was not due to predatory bundling by its powerful competitor, but to consumer disappointment with the software itself. Navigator had undergone a complete rewrite, and was buggy and bloated. When consumers were looking to upgrade their browser for the new features and web specifications becoming available, Internet Explorer was simply the better choice.

In the highly competitive computer industry, technological change makes announcements of such-and-such company as ‘anti-competitive’ laughable. IBM is no longer the terrifying anti-competitive monster that prosecutors described it as in the 1970s—in part because of Microsoft’s aggressive marketing of MS-DOS in the first years of the 1980s, and then the Windows 3.1x family of operating systems.

The 2004 competition actions in the European Union against Microsoft were encouraged by organisations such as Real Networks, which publishes a competing product to Windows Media Player. Again, Microsoft’s rivals allege that the competitiveness of their product is harmed by the product bundled with Windows. The EU regulators forced Microsoft to provide European consumers the option of buying XP ‘N’—without the bundled Media Player. Microsoft wanted to call the package ‘Reduced Media Edition’ until the EU objected.

But again, reality intervenes. While Real Networks may have been disappointed with the popularity of their product, many of Microsoft’s rivals should not be. Apple’s iTunes, for instance, has ridden the popularity of its portable music player, the iPod.

In 2006, before it has been officially released, Windows Vista is under heavy fire from its competitors, and they’re going to the European Union for help. The new operating system includes an array of new features for which, presumably, Microsoft foresees a demand. Producers of anti-virus and security software object to the new low-level enhancements to security—a feature that consumers have desperately sought for a long time. Adobe, which invented the PDF document format, objects to the new document format XPS—a more dynamic format than the now standard PDF.

The EU fined Microsoft €497 million for bundling Media Player with XP, and it has been remarkably vague about Vista’s prospects when it comes before the European regulators. While Microsoft is already obligated to produce the Europe-only Vista ‘N’, the European regulator’s role, the EU argues, is not to give a ‘green light’ before Vista is available to consumers. If Adobe and others have their way, Microsoft could be lumped with another massive fine or have its product crippled for providing new features that consumers demand.

The nineteenth-century French liberal economist Frédéric Bastiat divided human activity into two categories: ‘harmonious’ and entrepreneurial, or ‘antagonistic’ and rent-seeking. Unfortunately, as the vibrant, innovative technology industry becomes bogged down in competition litigation, too many are showing themselves to be the latter.

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History is usually about ‘what happened next’. Events are important, not only because they happened, but because they lead to something else. And so it is with the First World War. Strictly speaking, The Great War begins at the battle of Fromelles in July 1916 and concludes with the Armistice in November 1918. However, in a broader sense, the story of The Great War actually ends in 1945.

What is described in The Great War takes on significance because we know what happened after the fighting stopped in 1918, and after the Treaty of Versailles, and after the Nazis’ rise to power. Carlyon offers an understanding of much more than just the experiences of the Australians on the Western Front during the First World War. He offers a clue to the puzzle of the 1930s.

It’s commonplace to be told about how the politicians of the inter-war period did everything they could to avoid the horrors of another war—however diplomatic histories don’t provide an explanation for appeasement. Nor do they provide an explanation for the near unanimous support for the policy in Britain, France and Australia. (It shouldn’t be forgotten that both Menzies on the conservative side and Curtin on the Labor side of politics were firmly ‘pro- appeasement’.)

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British soldiers learned much this day. There were so many ways of killing a man in the Great War, but here was something new. Wounded men lay in shell holes—and drowned. They lay out there because it sometimes took six stretcher-bearers an hour to carry one wounded man 100 yards... Men with relatively minor wounds had arms and legs amputated because they had lain in the mud too long. Unwounded soldiers discovered that the mud had no bottom, that if they struggled too violently against it, they would only sink deeper.

Readers are never allowed to forget that for every life lost there is a tale, and from the personalities of the soldiers themselves Carlyon draws conclusions about the nations involved in the war.

For example, of the French there are quoted the remarks of Charles de Gaulle about the first confrontation between French officers and the Germans in August 1914. ‘With affected calm the officers let themselves be killed standing up, some obstinate platoons stuck their bayonets in their rifles, bugles sounded the charge, isolated heroes made fantastic leaps, but all to no purpose. In an instant it had become clear that not all the courage in the world could withstand this fire.’

As Carlyon comments, ‘De Gaulle, a soldier in the line, knew at once that a machine gun spitting out 500 rounds a minute could kill a lot of character’.

Of the Australians, Carlyon tends to endorse the sentiments of the official historian of the First World War, Charles Bean. According to Bean, the country’s soldiers came from a ‘quirky new democracy’, where respect was earned not inherited. Australia might not have been classless but it had an ‘egalitarian streak’. If there is such a thing as an ‘Australian way of war’ it is not a way that has anything to do with equipment, battle formations, or technology. The Australian way of war is manifest in the attitude of our citizen soldiers, and it is an attitude shared by both officers and their subordinates. It is an attitude born of our democracy, our egalitarianism, and our mateship.

The Great War is a story of a war of unremitting confusion, incompetence, and above all, killing. A few yard of territory gained for the price of thousands of casualties. All the stereotypes of the First World War are confirmed. After the first few hundred pages the names of the myriad of battles, villages, and trench lines blur and details about them are soon forgotten. What’s not forgotten are the soldiers themselves.
Strictly, the father of the modern international shipping container, Malcolm McLean, didn’t invent his own invention. It wasn’t even new.

When the shipping container was first deployed on McLean’s converted World War II tanker Ideal X in 1956, experiments with its ancestors had been being conducted for nearly a century. British and French railway operators tried using custom-made wooden boxes for household furniture shipment in the second half of the nineteenth century. After the First World War, entrepreneurs experimented with interchangeable truck bodies and steel containers for railroads.

The problem was simple: none of these efforts ever demonstrated any cost savings to transport. Malcolm Mclean’s innovation was not the box itself, but the systematised, standardised, international network of shipping containers, freighting massive quantities of goods speedily and efficiently across the world.

Marc Levinson’s The Box: How the Shipping Container Made the World Smaller and the World Economy Bigger illustrates clearly how great risks are taken by entrepreneurs when entrenched interests and government regulators conspire against them. Even after these opponents are dispatched, technological and economic uncertainty plague the entrepreneur just as much as the vaunted ‘first-mover advantage’ blesses him, perhaps more.

The story of the shipping container is the story of the opponents of innovation.

Unions

Before the shipping container, the job of a longshoreman was brutally physical. Longshoreman could utilise winches to load and unload ships, but, as the unsorted cargo was dumped on the dock after its trip by railway or truck, and squeezed into every irregular space in the ship’s hold, human force was resorted to more often than not. Levinson quotes a former pier supervisor: ‘Because they had to bend over to do that, you’d see these fellows going home at the end of the day kind of like orangutans. I mean, they were just kind of all bent, and they’d eventually straighten up the next day’.

Not only this, but as pallets were packed and unpacked to squeeze into irregularly shaped cargo holds (the shipping fleet used after the war was mostly converted military surplus, not custom-made cargo vessels) damage—and ‘damage’—were common. Longshoremen would pride themselves on such skills as the ability to tap whiskey form a sealed cask supposedly stored deep in the ship’s hold.

Automation, in its full-blooded shipping container form, came as a shock to the highly parochial and defensive maritime unions. Containerships could be loaded and unloaded in one-sixth of the time it took for traditional cargo ships. Sealed containers dramatically reduced theft. More disturbingly, containerisation required one-third of the labour. When the first shipping line asked to hire a smaller work gang in New York, the unions announced boycotts. The industry was to become bogged down in union disputes for ten years after the Ideal X first sailed.

Levinson details carefully the inter-necine rivalries of competing unions and the negotiations needed to relax the rigid contracts which had dominated maritime work. The radical changes that were re-negotiated slowly modernised the docks, but also spurred a massive boost in productivity for non-containerised cargo loading, as employers were suddenly given the capacity to change previously entrenched work practices on the docks. The casual conditions and practices were, in the ensuing decades, converted into highly paid, highly structured and highly secure jobs. But one unionist lamented: ‘the fun is gone’.

Regulators

Unions desperate to preserve existing work practices present a huge challenge for entrepreneurial innovation, but, as Mclean and other adopters of the shipping container discovered, the challenge posed by regulators can be even larger. By the mid-twentieth century, the United States’ Interstate Commerce Commission (ICC) had developed a firm regulatory structure which was being undermined not only by the nascent shipping container, but also by the increasing dominance of trucking.

The ICC, which regulated the rates
All innovation is incremental; steady computerisation and automation is cutting down the time spent at port.

and services of both trains and interstate trucks, struggled to adjust its regulations to the new dynamics of trucking and shipping. Rates were previously set depending on the commodity being carried, but in an era of homogenous containers distinguishable only by weight, this rate-setting principle began to make less and less sense.

But the ICC’s primary error was not practical but philosophical. The ICC’s brief, which was reiterated in the Transportation Act of 1958, was to block the chimeras of unfair or destructive competition. In the highly dynamic transport industry of the 1950s and 1960s, this instruction encouraged the ICC to protect existing operators from innovative practices such as the shipping container, and ‘piggy-backing’—that is, placing a truck’s body on rail for the long legs of its journey.

A regulator briefed to defend an industry against ‘destructive’ competition—a phrase which is antithetical to an entrepreneurial economy—is not uncommon. It is just as antithetical to economic growth. Regulatory frameworks which are built around specific technologies or business models have no reason to promote innovation within that industry, and firms which benefit from the confines of those frameworks have every reason to prevent or resist change.

After a lengthy series of court decisions and regulatory pronouncements, the full influence of containerisation, which both ripped up the transport industry and pumped up the world economy, is obvious.

Levinson spends time trying to tease out the quantitative benefits of the box—as he notes, ‘a near impossible task’—but he quotes Edward L. Gleaser and Janet E. Kohlhase who argue that, ‘it is better [now] to argue that moving goods is essentially costless than to assume that moving goods is an important component of the production process’. Levinson convincingly credits McLean’s shipping container as a major, if not definitive, cause of the boom in world trade since the 1960s.

Ports

There was a boom for the international economy, but like so many economic revolutions, the benefits were diffuse. There were definite losers, particularly if you were a mayor in a town traditionally based around a port. The new breed of ship quickly outgrew the available space in ports designed before the container. Furthermore, older ports tended to have entrenched unions with just as entrenched antagonism towards change.

But some of the largest problems for older ports stemmed from the rapid change in business models caused by dramatically cheaper ocean transport. Immediately, the cost advantages of a factory location in New York, right next to the port, were eliminated. Between 1967 and 1976, New York lost a quarter of its factories and one-third of its manufacturing jobs.

In 2006, with ‘essentially costless’ transportation, it is possible to distribute the production of goods across the globe. The sudden rise of ports at Busan in Korea and La Havre in France and new ports at Felixstowe in England and Tanjung Pelepas in Malaysia, capable of processing super-sized container ships is just as much a factor in the deindustrialisation of the Western world as is industrial relations.

Once the impact of containerisation was clear, traditional port cities unleashed vast sums of money during the 1970s and 1980s to upgrade their infrastructure. In some cases they were successful. Seattle’s docks saw 10 per cent less cargo in 1960 than 1950, but had managed to resuscitate their traffic by the 1970s. Others, such as New York, tried and failed to do so.

But by the 1990s, not even the largesse of government was sufficient to make or break ports. Seven of the top 20 ports in 2003 had seen little or no traffic in 1990. Tanjung Pelepas, which now handles three and a half million 20-foot containers a year, did not exist in 1990. These new ports are mostly privately financed and managed—as Levinson describes them, ‘investments in globalisation’. As container ships inevitably grow, new ports will be built to service them.

In 2006, the revolution in international transport is obvious, but not complete. All innovation is incremental; steady computerisation and automation is cutting down the time spent at port and streamlining the processes. Reduced paper handling in Australian ports, and the reduction in manpower and human error it has brought, has already brought greater productivity for shipping lines. The upheaval brought about by containerisation has cleared many of the entrenched obstacles to change.

For the dock culture in the old, traditional, highly-unionised ports, the fun may be gone, but the benefits to all consumers brought about by costless shipping are clear.
There has been little reflective writing about State politics in Australia, and so the publication of the memoirs of Walter Jona (Victorian Liberal MLA 1964–85) is a welcome event.

Jona was always an unusual politician in one regard - he only ever wanted to represent one electorate (Hawthorn), not use any available seat as a springboard to a parliamentary career. In the earlier part of his career, the seat actually spanned the geographic and demographic divide of the Yarra, taking in a solid chunk of working class Richmond and he has some interesting stories to tell about how Labor politics was conducted in that suburb's notorious local council.

In providing an insight into his own work practices as an MP, Jona performs the important service of highlighting how much the profession of politics has changed. Only in 1973 were electorate offices introduced for Victorian MPs, prior to which they either provided an electorate office out of their own pocket, or did their constituency work at home. In Jona's view, current politicians are generally less accessible as he notes that these days they “exclude their home addresses and phone numbers from the telephone directory”.

Moving beyond local politics, Jona provides a detailed account of his role in one of the key policy changes at a State level in Australia in the second half of the twentieth century. As Chair of the Parliamentary Road Safety Committee, he was instrumental in pushing the Bolte Government into world-leading road safety measures, in particular, the compulsory wearing of seat belts.

Jona comments that there was opposition to these changes, but he ascribes this to conservatism rather than to genuine concern about whether it is the role of the state to protect people who choose not to protect themselves. For Jona, the decline in the road toll, of itself, seems sufficient to answer any philosophical arguments.

The other political issue to which Jona devotes the most space is his role as Minister for Community Services in the building of the Jika Jika section of Pentridge Prison. The campaign against the new facility saw ‘Jail Jona’ posters plastered all over Melbourne for quite some time. He presents a strong case that the critics of what was being built were generally acting from mischievous motives, rather than genuine concern, as the new wing was clearly an improvement upon what it was replacing.

Beyond road safety and prisons, and his role as Australia's first ethnic affairs minister, Jona spreads himself far and wide across political issues, persuasively on some topics (for example, preferential voting) and less so on others (for instance, compulsory voting). The book begins with a well-argued and topical chapter on the dangers of federal incursions into traditional areas of State responsibility that got him quite a run in The Age on the day the book was launched.

As well as politics, Jona addresses other important aspects of his life. His description of the persecution suffered by his Jewish forebears in nineteenth-century Europe is all the more powerful for its understated tone; his recollections of the Hawthorn Football Club in the 1930s and 1940s are evocative of the era and benefit from his understanding that his father's position as club President gave young Walter privileges that were not available to others.

In reviewing this book, I should declare something of a conflict of interest. While Jona has been a member of the Hawthorn Football Club for 74 unbroken years and of the Liberal Party for 60, my own figures for these two institutions are 33 and 20 respectively. Clearly, I am more likely than most to find the book interesting. However, it should also appeal to a broader audience, as it is a very genuine account of an important politician's life.
There are two images that are en-grained in the reader's mind after reading *The Pursuit of Happiness*. One is of Raphael's 'School of Athens', of Plato and Aristotle centred in the picture, Plato in mid-step with one hand pointing to the sky, Aristotle with both feet on the ground with one hand parallel to the earth. The other is an absurdly futile mathematical formula intended to calculate benevolence, developed by Francis Hutcheson in the eighteenth century.

These images describe the ultimate pursuit—Plato yearns for some divine, heavenly answer whereas Aristotle concerns himself with more earthly matters. Likewise, Francis Hutcheson, and later the utilitarians, yearn for some concrete measurement that might place a value on human morality.

Both Raphael's 'School of Athens' and Hutcheson's formula epitomise an inner conflict that McMahon attempts to confront in his ambitious history on happiness. It is a conflict between reconciling our ceaseless hunger for satisfaction with the ever-lingering thought that we can never be completely content—this is the pursuit of happiness.

The book itself is a very detailed and well-researched history. Its strength is the objectivity that McMahon has endeavoured to create when dealing with countless competing opinions on the subject, from Thomas Aquinas to Karl Marx. Each thought and idea is given serious consideration and we are left to draw our own conclusions. McMahon continually draws upon new ideas that have come and gone since the early texts of the Greek philosophers, and in doing so brings forth important philosophical as well as political considerations when dealing with the problems of our own time.

Perhaps the greatest difficulty with writing a history on happiness is the definitional problem. If we wish to incorporate the concept into psychological studies or even governmental responsibility, we must at least know what the word actually means. McMahon's history shows an evolution of the meaning, a constantly evolving but ever-present idea that changes shape and size depending on the general ethos of the society and the times.

For the Ancient Greeks, instability and frequent violence made pleasure a scarce luxury, and happiness a state only attainable through death. ‘Where life is governed by uncertainty, one can count no man happy until he is dead’, writes McMahon. Drawing on the writings of Herodotus and the remaining Greek tragedies that have survived the march of time, McMahon interprets happiness during this period as not simply a description of the emotional highs with which we tend to equate happiness today, but a symbol that recognises man's achievement in his work, health, relationships and harmony with the world. McMahon writes:

> Happiness, rather, is a characterization of an entire life that can be reckoned only at death. To believe oneself happy in the meantime is premature, and probably an illusion, for the world is cruel and unpredictable, governed by forces beyond our control. A whim of the God's, the gift of good fortune, the determination of fate: Happiness at the dawn of Western history was largely a matter of chance.

While happiness certainly celebrated human achievement, the ability for men to actually direct themselves to this goal was practically impossible.

It was a concept that would eventually find a new home in Christianity, a ‘gift of God’ that would be ‘imparted only at death and only to a chosen few’. McMahon points to a chapter title in one of St Augustine's works—‘True happiness, which is unattainable in our present life’. Original Sin had stripped us of perpetual bliss, punished us with knowledge, and cast us into a world of suffering and pain redeemable only after death. ‘The struggle of the journey,’ writes McMahon, ‘was itself a constant reminder that struggle was not in vain, for to suffer was to suffer in righteous punishment’.

The most interesting part of McMahon's history, and perhaps the most important, comes during his description of the Utilitarians. Bentham, in his quest to calculate pleasure, was unable to do so.
Tis in vain to talk of adding quantities which after the addition will continue distinct as they were before, one man’s happiness will never be another man’s happiness: a gain to one man is no gain to another; you might as well pretend to add 20 apples to 20 pears.

Perhaps Bentham’s discovery (or lack thereof) is the greatest of all arguments for a free and liberal society. If one man’s pleasure is another man’s pain, how can any government, or any central authority, successfully hand down orders or pass laws that aim at distributing happiness amongst the people? When UK Conservative leader David Cameron argues that ‘it’s time we focused not just on GDP but GWB—General Well Being’, it is hard not to take this as just another futile effort to measure the immeasurable.

Contemporary debate on happiness has left-wing critics drawing on the argument that happiness and liberalism are at conflict, and this argument is given ample consideration in the book, and perhaps even a slight endorsement from the author. When McMahon describes the ‘troubling thought’ that ‘the majority might actually prefer its petty fortune to ‘higher joys’ and ‘Socratic delights’, it is hard not to be slightly unsettled by the thought that even the more objective of authors (at least in this book) may be prone to enforcing his own beliefs on the judgement of others.

There is a clear theme that McMahon uses to encompass and bound this history, and it is the age-old idea that the pursuit of happiness is ultimately a tragic one. ‘The tragedy of happiness’ (which may have been a more accurate title for the book) is not so much a philosophical concept anymore, but a condition inherent in our nature that is supported by contemporary evidence.

‘The same research that testifies to human beings’ ability to pick themselves up after a fall’ writes McMahon, ‘also suggests a dismaying tendency to waft back to earth when we have risen too far from the norm’. That we will never achieve perpetual happiness, that our satisfactions continually climb to more demanding heights, is considered a ‘tragedy’ by some. From Darwin to contemporary evolutionary psychologists,

In what they call the ‘tragedy of happiness’ or ‘the hedonic treadmill’, they point out that human beings display an undeniable tendency to quickly accommodate themselves to their pleasures—to grow bored—and then become anxious or uneasy in their satisfaction. Like junkies in need of a fix, we need variety in our pleasures or greater doses of the same when the initial ‘rush’ wears off. It is this longing—a form of pain—that sends us in renewed pursuit.

There are problems with this concept, however, not so much with the explanation of our infinite desire, but with the claim that this is somehow a tragedy. That our needs can never be fully satisfied is not a tragedy but an extraordinary gift, that without them we would simply stop moving and die out. Though this is acknowledged by proponents of evolution, it is nonetheless painted in tragedy, suffering, and ‘longing’ by some, including McMahon:

Is not this desperate longing for good feeling—this frantic, frenzied pursuit—a symptom of the evaporation of meaning, or the belief in meaning, in other ends?

McMahon’s criticism of the pursuit of pleasure will inevitably lead the author to criticise contemporary society in general. ‘The problem for many in the contemporary world’, writes McMahon, is that people ‘find it hard to set long-term goals other than good feeling, to chart narratives that give hope, conviction, and purpose in their lives’. This is always useful advice, but probably one that’s been given every year since man has learnt to communicate. When reading the early pages of McMahon’s text, of the ‘privileged male dinner parties’ of Ancient Athens ‘that began with feasting, end with fucking, fuelled by binge drinking and sometimes fighting along the way’, the contention that modern man is somehow more materialistic and vulnerable to the simple pleasures becomes utterly unconvincing.

Though the conclusions of the author leave much room for disagreement, they are disagreements that are, ironically, harnessed by the objectivity that McMahon has, for the most part, presented in his history. That we are able to draw our own conclusions from this smorgasbord of philosophy makes this a rare and ultimately rewarding history.
Mark Steyn has for many years been building a reputation as one of the finest conservative columnists in the world. His new book, *America Alone*, confirms this well-earned reputation. Because he is such a skilled and funny polemicist, there is a risk that one might not take his arguments as seriously as if they had been written in a more scholarly manner. This would be a dreadful mistake, however, for the issues he raises in this book are the most serious imaginable.

*America Alone* is at its core a book about the future of Western civilisation, and whether that civilisation and the culture it has bequeathed to us has the will to survive. Steyn hopes that the answer is ‘yes’, but gives us plenty of reasons to think that the answer might be ‘no’. He suggests that most citizens of the West have yet to wake up to the fact that the comfortable world they have been living in over recent decades is but a tiny blip in history—the world that future generations will face may possibly be somewhat less pleasant.

At the heart of Steyn’s thesis is a paradox—the West, which has long enjoyed military power and economic prosperity to an extent perhaps unrivalled in history, seems to have horri-bly lost its direction and confidence in itself. Many Western nations are suffering from demographic collapse and failing to reproduce themselves. Nature abhors a vacuum, however, and filling it is a resurgent, youthful and culturally confident militant radical Islam that threatens to change these societies in ways that would have been unthinkable only a few decades ago.

Steyn believes that the key to understanding how this situation has arisen is the growth of big government in Western nations, which has elevated the secondary impulses of society (such as government health care, government child care, lifelong welfare) over the primary impulses of society (such as self-reliance, national defence, and reproductive activity). The result of this has been to infantilise the citizenry of those nations, whose lives have been largely reduced to pleasure-seeking and the prolonging of adolescence, but which are otherwise devoid of meaning and direction, thus destroying the primal instinct for survival. Steyn gives an example of this problem—the growing trend for Western elites to worry in apocalyptic terms about environmental issues that do not constitute an imme-}

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with anything that comes along other than your own’.

The multicultural preaching of tolerance at any cost, including tolerance of the intolerant, has allowed radical Islam to gain numerous footholds right in the heart of Europe. Large numbers of immigrants and even growing numbers of native-born have become increasingly alienated from the society that surrounds them, a process that has been hastened by official policies that have the practical effect of all but encouraging them to feel contempt and even hatred for the dominant culture. It is thus not surprising to find that growing numbers of people are finding their meaning and identity in radical Islam, which at least offers a strong and coherent worldview for its followers. The growing impact of Islamic radicalism in Europe, however, is troubling to say the least.

Much of Europe is now finding itself under increasing threat from home-grown terrorism, as can be seen by the Madrid train bombings or the London tube bombings to give just two spectacular examples. It has been revealed that the security service in the United Kingdom was aware of close to 30 separate plots to kill people and damage the economy in the UK alone. Furthermore, those that seek to question the growing influence of radical Islam in Europe sometimes face death threats and are forced into hiding, perhaps the most famous recent example of which is Ayaan Hirsi Ali. The well-known film maker Theo van Gogh was actually murdered.

Steyn draws attention to surveys suggesting that only 17 per cent of British Muslims believed that there was any Arab involvement in the September 11 terrorist attacks. To be fair, however, they are not exactly on their own in Europe at the moment, as is indicated by another survey suggesting that approximately one-third of Germans under the age of 30 think that the US Government was responsible for carrying out the September 11 attacks. Both of these polls give a sense of the air of unreality that has descended over large parts of Europe in recent times. Another poll that is mentioned indicates that 60 per cent of British Muslims want to live under Shariah law, and numerous examples are given showing how parts of Britain are now rapidly changing in small but significant ways. These range from public authorities showing an increased sensitivity to images of pork to the growing prevalence of non-Muslim women heavily covering themselves up when going out in public in largely Muslim areas.

Steyn suggests that this is how nations die—not by way of conquest, but by a thousand seemingly trivial concessions. As suggested by the title of this book, he believes that, within the space of only a few decades, the US along with Australia may be the only outposts of traditional Western civilisation remaining in the world.

Unfortunately, America Alone will be difficult to find in most Australian bookstores, which tend to be heavily stocked with the titles of somewhat less insightful commentators. If you are looking for books by Noam Chomsky and Michael Moore, you’ll have no problem. Authors who buck the prevailing trendy left-wing view of the world such as Mark Steyn, however, often tend to get far less of a run, meaning that those who wish to buy a copy will probably have to go searching on the Internet.

But few of those who take the trouble to order America Alone over the Web will regret it. It is difficult to think of such a funny book written about such a depressing subject, but the combination makes it a book that is very difficult to put down.

Mark Steyn delivered the IPA’s 2006 CD Kemp Lecture in Melbourne. His speech is available at www.ipa.org.au.
**UPSIZE ME (AND MY BIKE)**
A large motorbike rider has been put in danger of serious injury by current restrictions on engine sizes for P-plate drivers in Victoria.

‘He is a tall, big man who is extremely uncomfortable on a small bike… He looks like an elephant riding a minibike,’ said his local MP.

An amendment recently proposed in the Victorian parliament by State MP Victor Perton sought exemptions to the current regulations that limit P-plate motorcycle riders to 250cc engines. Mr Perton said that the underlying basis of the regulation had been disproved by research published by the Monash Accident Research Centre which showed that engine capacity has no provable bearing on accident rates.

**SONIC THE HEDGEHOG**
Hedgehog preservationists in the UK have won a 5-year battle with burger giant McDonalds, forcing it to redesign its McFlurry ice-cream container lids in order to protect hungry hedgehogs from becoming trapped.

The McFlurry container lid has, up until now, been just large enough for sugar loving hedgehogs to get their heads into to lick at any left over ice-cream.

However, at the end of the treat the animals have been unable to withdraw their heads from the lids, remaining trapped and starving to death.

As of September the lids have been redesigned so that the aperture of the lids have been reduced in size, making them too small for the hedgehogs to get their heads into.

A McDonald’s statement said that pressure from the Hedgehog society had resulted in ‘significant research and design testing’.

‘The small aperture of the lid has been designed to prevent hedgehogs from entering the McFlurry container in the unfortunate incidence that a lid is littered and is then accessible to wildlife.’

**KILLING NEMO (AND ALL HIS MATES)**
15,000 fish were released to their deaths in September by animal rights activists on a Scotland farm.

Ironically the attack, which has seen thousands of dead halibut wash up along the west coast of Scotland, is suspected to have been carried out by animal rights activists after the letters ALF (Animal Liberation Front) were found spray painted near by. The freed halibut died from starvation and being caught in seaweed.

The owner of the farm, whose losses are estimated at close to $500,000 pounds said, ‘They claim they liberated them into the sea but sadly, as we all know, farmed animals, whether they are fish or any animals, don’t survive unless they are looked after.’

**WALKER, CHRISTIAN RANGER**
Chuck Norris has written a column responding to the estimated 50,000 jokes making their way around the Internet which describe him as having superhuman characteristics.

While finding most of the jokes funny, Norris, the star of *Walker, Texas Ranger*, took offense to a number of jokes on religious grounds saying that there has only ever been one superman.

One Chuck Norris joke wrote ‘Chuck Norris’ tears can cure cancer. Too bad he never cries. Ever.’ In response Norris wrote, ‘There was a man whose tears could cure cancer or any other disease, including the real cause of all diseases—sin. His blood did. His name was Jesus, not Chuck Norris.’

**PLANET OF THE PIGS AND SHEEP**
Humans could resemble domesticated animals within 10,000 years according to a British evolution expert.

Dr Oliver Curry predicts that within 1000 years humans will evolve into coffee coloured giants about 2-metres tall as a result of our reliance on gadgets and technology.

After that humans may split into two sub-species within 100,000 years with the race peaking in the year 3000 and then collapsing into technology-driven decline.