The left has replaced socialism with a rigid utilitarianism that has no interest in discussing the appropriate limits of government action.

Last year, the IPA Review had its sixtieth birthday, making it the oldest continuously published political magazine in the country since the demise of The Bulletin. And this year we were awarded the Sir Anthony Fisher International Memorial Award for best magazine by the US-based Atlas Economic Research Foundation.

The mission of the Atlas Foundation is, in the words of its former President, John Blundell, ‘to litter the world with free market think tanks’. To do so, it supports new and existing think tanks by providing logistic and intellectual advice. Much of its work is focused on encouraging free market activists in parts of the world where our message is so alien that operating a think tank has as many legal and safety challenges as intellectual ones.

The Fisher prizes are awarded by a distinguished panel of judges which includes Atlas President Alejandro Chafuen and George Mason University Professor Tyler Cowen, as well as economists and political scientists from the Heritage Foundation, the Mont Pelerin Society, the leading German think tank Institut der deutschen Wirtschaft, and the Institute for Humane Studies, among others.

The IPA Review, long established as a central part of Australia’s political culture, has now been recognised by this influential free market group as doing something genuinely important for the cause of liberty. Australia is neither on freedom’s frontiers or a monument to its greatest successes, but internationally the health of Australian liberty is important.

It is hard to think of another country that has been so completely colonised by green dogma as Australia—we should hope, for the sake of the world’s poor, that our environmentalists aren’t too focused on exporting their anti-growth ideologies elsewhere. How our governments respond to the controversies over climate change, or the Nanny State, or over-regulation, is keenly observed by foreign politicians and activists.

Just as we dig through the impacts of the policies of foreign governments, so do policymakers and critics outside our borders. As Australian governments implement more and more regulations which inhibit individual choice and liberty, we can be sure that aspiring Nanny-Statists in other countries will be watching closely.

Why is the IPA Review important? Australia is a small country. As we lack the size of our English-speaking friends—the United States and Great Britain—we can never be entirely confident that the voice of liberalism will always be heard. As Richard Allsop points out in his review of two recent political biographies in this edition, the Australian public went almost forty years at the beginning of the twentieth century without hearing the cause of political and economic liberty defended in the federal parliament. When it was heard, it was a rare curiosity; widely dismissed as an ideological anachronism. Liberalism’s supporters in the public arena were just as scarce.

In 2008, there is among the educated public a much greater awareness of the existence—if not an understanding of the importance—of liberalism’s political and public policy views. Liberalism’s opponent today is not socialism, as it was when the IPA Review was founded in 1947; liberal philosophy now stands against an arguably more challenging adversary—soft ‘market-orientated’ managerialism, which professes an appreciation of competition and commerce, but is in fact dedicated to limiting it.

Today’s left do not carry utopian Marxist tracts that contain fully elaborated plans for revolutionary government. But now the left clutches cherry-picked studies from the fields of psychology and behavioural economics. We are told that markets are irredeemably irrational, that we need to increase taxes in order to fully account for ‘social costs’ and externalities, and that only a Nanny State can look after us. The left has replaced the socialist objective with a rigid utilitarianism that has no interest in any philosophical or moral discussion about the appropriate limits of government action. They are nonchalant about the impact their policy prescriptions will have on individual freedom. And they are positively hostile to the concept of personal responsibility—people are too irrational to take responsibility for their own actions, and if they did, there would be too many ‘social costs’ for the government to possibly tolerate.

The need for a voice of liberalism in 2008 is just as strong as it was in 1947. The Sir Anthony Fisher International Memorial Award recognises the vital role the IPA Review has in defending liberty in Australia.
Inside this issue

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Cover Story

Front cover: © Everett Collection / Headpress
A politician sitting on the backbench with a good idea is just a politician sitting on the backbench with a good idea.

The magazine you have in your hands right now didn't get to be voted the best free market magazine in the world because it's boring and safe. And its sales haven't doubled in the last year because it is a small target. The perspective on politics and policy which the IPA Review offers is grounded in the values of the Institute of Public Affairs itself. Those values include a belief in the benefits of free markets and small government, and the right of individuals to make their own decisions.

Sometimes those values are unpopular. Increasingly in Australia it is regarded as better to be popular than to be right. Telling the truth or stating the obvious is controversial—especially if it is likely to upset the government of the day. In the climate of today's Nanny State anyone arguing for individual choice (and the responsibility that goes with those choices) is, at the very least, unusual.

The business community which once upon a time could have been relied upon to defend free markets is now fractured. Some business organisations now believe that it is best 'not to rock the boat' because you never know when you might need a politician to appoint you to some board, committee, or review. Business organisations now think twice before supporting policy reform.

The IPA and the IPA Review are clear about where they stand and what they stand for. Clarity of purpose is a prerequisite for success for any enterprise. What applies to think tanks also applies to politics.

Good ideas are of little use if those ideas are never implemented. That's why the IPA Review looks at both policy and politics. One way of thinking about politics is to consider it as policy in action. This edition of the IPA Review is a good demonstration of what the IPA does—it contains articles for example on food and farming policy, monetary policy, housing policy, as well as a piece on the regulation of the performing arts.

This edition of the IPA Review has a piece by Tony Barry on the challenges the Liberal Party faces, especially at the state level. As Barry emphasises, successful political parties and successful political leaders have clear messages that are intimately connected to clear values. The significance of Barry's analysis is that it draws on his experience as a Deputy Director of the Liberal Party division, as a senior staffer to federal members of parliament, and as a senior consultant to the research firm of Crosby/Textor. Crosby/Textor are an Australian qualitative and quantitative research company who have run successful political campaigns in a number of countries. Their most recent success has been working with London's new Lord Mayor, Boris Johnson.

Whether the lessons are from America in 1980, Australia in 1996, or London in 2008, no politician can expect to be elected if they don't communicate what they believe in and what they stand for.

And after all—a politician sitting on the backbench with a good idea is just a politician sitting on the backbench with a good idea.

www.ipa.org.au

AP Photo
Why is petrol so politically potent? It might not just be because of price.

There seems to be a whole psychology of purchasing petrol that gets ignored.

If you read the IPA Review, it probably means you believe in freedom of choice. But how much choice do we get with petrol?

For weeks now, my local service station has been like the Monty Python cheese shop. The premium mix hasn't been available. There's been no ethanol blend. It's been the same right round the country.

We don't seem to get much product choice when we buy essentials. Gas? No. Water? No. Electricity? Maybe a green power option, but that's it.

Still, we're only really aware of these purchases when the quarterly bill arrives.

Petrol is different. Purchasing petrol is a regular chore. It's a pretty basic chore; it's not a very demanding chore, but it's still a chore.

And it's not as if we have much to choose from when we make our purchase. Oils ain't oils, the old Castrol ads used to say. Well, petrol is petrol. Water is a fundamental of life, but think of all the different ways that water is packaged up. All we really get with petrol is the same product under a few different brands. We might treasure our car, but there's no fun in filling it up.

Purchasing petrol involves a certain degree of petty frustration well before the cost comes into the equation—and well before politicians get involved.

Last year Kevin Rudd was silly enough to suggest he could do something about the price of petrol.

He can't—unless he wants to reduce his own tax take from the stuff.

Instead, he proposes to establish a national fuel watch scheme that will steer consumers towards the cheapest petrol available.

To guarantee that price, service stations will be forced to fix their rates for 24 hours. The scheme is fiercely anti-competitive. And that's even before we check through the political spin and the economic modelling to see if it delivers tangible benefits to consumers.

In an attempt to add an air of bipartisanship to the program, Labor has told us its inspiration comes from the FuelWatch scheme launched by Richard Court's Liberal government in Western Australia in 2001.

Rudd has been at pains not to mention the Ministerial Petrol Price Watch Task Force established by Labor in his home state of Queensland the previous year.

He accused Liberal leader Brendan Nelson of populism for promising to cut fuel excise by five cents a litre. The Queensland Ministerial Petrol Price Watch Task Force was launched on a spectacular wave of populism, with then-premier Peter Beattie threatening to call a Royal Commission into the oil companies.

It was the sort of stunt a state government can try. Rudd should have learned that prime ministers can't try these kinds of tricks—unless, of course, he wants to suggest that he isn't actually in charge.

He should know by now that anger over petrol prices is only exacerbated by politicians pretending they can do something about it.

If you read the IPA Review, it means you believe in smaller government. It means you probably remember many of the details of John Hewson's Fightback package from 1991.

Its centrepiece, of course, was a 15 per cent goods and services tax on virtually everything. This was to be balanced up with big cuts in other taxes—including the abolition of fuel excise.

The petrol promise was one of Fightback's biggest selling points.

In 1991, it was estimated the measure would save consumers up to 19 cents a litre. That's much, much bigger than anything that has been discussed by the current generation of politicians of late.

Even back then, the proposal was condemned on environmental grounds. That charge might not stick. The economists tell us demand for petrol is relatively inelastic. It stays much the same when prices rise. Why should it suddenly leap if prices were to fall? If politicians want to do something genuine about fuel prices, we know the path to follow.

Christian Kerr is a journalist with The Australian.
Freedom:
You’ll miss it when it’s gone.

Stand up against big government and the Nanny State! Donate to the Institute of Public Affairs, Australia’s leading free market think tank. Donations are now tax-deductible. Visit www.ipa.org.au or ring Andy Poon on (03) 9600 4744
**Public opinion**

**Concerns about immigration decline; lefties worried.**

*Louise Staley*

In 1996, at the election of the Howard Government, about 70 per cent of people thought immigration levels were too high. But by 2007, the year the Coalition lost office, only 35 per cent thought immigration was too high. And actual immigration dramatically increased over the period.

This is a key finding of new research undertaken by Andrew Markus of Monash University as part of a Scanlan Foundation project. Professor Markus is perhaps best known as the author of the 2001 book *Race: John Howard and the Remaking of Australia* where he argued ‘the mounting levels of dispute over racial issues is in part explained by the willingness of a major political grouping to take advantage of, and accentuate, disaffection with new policies.’ In other words, Professor Markus argued the Howard government played the race card.

But his new report found widespread acceptance of the proposition that ‘accepting immigrants from many different countries makes Australia stronger.’

Overall, 69 per cent of Australians agreed with that statement with the highest support coming from younger people and the tertiary educated.

The Howard government has been characterised by some as pursuing an anti-multiculturalism agenda.

Perhaps remarkably then, from 1996 to 2007 the proportion of people who said they support government assistance to ethnic minorities to support their customs and traditions doubled.

However, when *The Age* covered the report on April 22 this year, the headline chosen was not ‘Racism declines under Howard’ but ‘Concerns on immigration continue to linger.’ Moreover, the story dwelt on the shrinking minority of those opposed to immigration rather than the growing majority who support it.

It seems that not even good news can break through the entrenched pessimism in some quarters about their fellow Australians.

---

**News about goats**

**Commerical rights key to wildlife survival**

*Jennifer Marohasy*

**Of the 1007 movies supported by the federal government’s Film Finance Corporation in the last 20 years, only 10 have recovered their initial investment.**

(Australian Financial Review, 17 April, 2008)

_During the Soviet invasion of Afghanistan a species of wild goat known as the Suleiman-Markhor endemic to the mountains of southern Afghanistan were nearly wiped out, not by landmines or bombing, but by the proliferation of automatic weapons amongst the local Pashtuns. Until the 1970s the hunting of Suleiman-Markhor required some skill, but with the arrival of AK-47s and millions of rounds of ammunition the dynamics changed._

_The war in Afghanistan continues but the population of this rare species of wild goat has been on the increase due to the implementation of a quota system for hunting and the effective enforcement of the regulation through the creation of a new tier within the tribal society—game guards. It’s a job for life and some old men enjoy the status and income even though they can’t walk, hear or even see._

_Indeed by accepting the commercial value of a rare species of mountain goat to trophy hunters—and that a game warden’s role doesn’t have to be primarily about policing—the Pashtuns of Torghar have brought the Sulaiman-Markhor back from the brink of extinction and made some money along the way._

_This was the good news out of Afghanistan last year. Despite fears of global warming, Afghanistan has since experienced its coldest winter in decades with an estimated 230,000 cattle dying of cold and starvation. It is unclear what impact the heavy snowfall has had on the population of Suleiman-Markhor._

_While a wise old man may be able to engender respect for wildlife amongst his tribesmen, he has no control over the weather._
**Intellectual property**

**Patents, not prizes, more likely to foster innovation**

*Tim Wilson*

Prizes for innovation are on the international agenda. In the prelude to the World Health Assembly in late May, the World Health Organisation’s Intergovernmental Working Group on Public Health, Innovation and Intellectual Property (IGWG) held its final meeting. Among other reasons, the IGWG was set up to develop incentives for tackling world diseases.

Prizes got onto the IGWG’s agenda after developing country governments argued that not enough investment was being made by innovative pharmaceutical companies and governments to address developing world diseases. This sentiment is compounded by anti-IP activists who want to undermine the incentives provided by patents for developing pharmaceuticals.

Rewarding innovation with prizes were the solution these groups touted. But despite the high-profile of some prize programs, such as the X-Prize which aims to encourage cheap space travel, most prizes are never awarded. Others are only collected after inventors discover that their invention was entitled to a prize, proving that the prize itself played no role in the pursuit of innovation. The reason for the failure of the prize mechanism is simple—prizes tend to significantly under-value the returns of invention in comparison to pursuing a commercial path.

The success of a prize-based approach to innovation can be summed up by pointing out that it was the innovation system utilised in the Soviet Union—hardly a ringing endorsement.

"But in fact there is no significant shortage of research in developing world diseases. Significant R&D capital is already being invested."

"For example, in February 2008 Novartis established a research institute specifically with a not-for-profit mission to ‘exclusively focus on the development of vaccines for diseases of the developing world.’"

"Prizes may not promote innovation, but patents do."

India has been the epicentre of generic medicine manufacturing for many years. But as a member of the WTO, India recently introduced patents for pharmaceuticals.

Since patent protection has been in place, India has started innovating for cures to developing world diseases. Many generic companies are now becoming innovators because the incentives exist to fund research and development.

Developing world diseases need attention. But to promote innovation, countries with unaddressed diseases need to build a property rights framework to incentivise research and development. That means patents, not prizes.

---

**Environmental management**

**Kangaroos need culling, not coddling**

*Nicole Hoskins*

The recent Department of Defence cull of 400 kangaroos on the Belconnen Naval Transmission Site, north of Canberra, attracted protesters, media attention and public debate. The cull began on May 19th with the Department calling police after protesters tried to rescue sedated kangaroos. The kangaroos were not part of the cull since they were receiving fertility treatment. The kangaroos were part of a trial to reduce reproduction and prevent the need for culls in the future. Rather than saving the kangaroos, the protesters yelling and screaming only frightened the recovering kangaroos.

On April 1st, the Department bowed to pressure from protesters and the media by abandoning earlier plans to cull in favour of relocation. But the department had earlier pointed out that relocating the kangaroos was too expensive—it would cost $3.5 million and that a cull was the only option available.

And the decision to cull is consistent with a 2006 report, commissioned by the ACT Government, which recommended a cull as the most humane method of reducing kangaroo numbers, after considering alternatives such as relocation. The 2006 report also recommended a cull in order to preserve endangered native grasslands and species threatened by the presence of too many kangaroos on the site. The RSPCA and various veterinarians publicly supported the conclusion that a cull was the most humane method.

Despite the agreement of various experts that a cull would humanely resolve the problem of overpopulation, protests at the site gates continued. While protests are limited to particular culls, the problem of overpopulation of kangaroos is not unique to Canberra. According to available data, between 2.7 and 3.9 million kangaroos were killed under commercial quotas each year on mainland Australia between 2000 and 2005, to reduce the numbers of kangaroos on the rangeland areas.
Press pessimism is not a useful guide for nature tourism
Jennifer Marohasy

Just over a year ago the magnificent blue gum forest of the Grose Valley in the Blue Mountains was described in the Sydney Morning Herald as ‘hanging in the balance’ because of a wildfire made ‘more intense, unpredictable and extensive by massive back-burning operations’.

Blue gum is a common term, but the blue gums in the Grose Valley are not common. The isolated stand of *Eucalyptus deanii* in the fork of two streams running through a world heritage area is associated with the birth of the conservation movement in Australia when a group of Sydney bushwalkers stopped development in the area. Now the argument is over how the forest should be managed, with many environmentalists against any active management including controlled burning.

There are no roads into the forest. It is an arduous climb into and out of the Grose Valley from a place called Perry’s Lookdown and so while many Australians have heard of the forest, it is unlikely they will ever visit it.

When I trekked into the forest recently I was surprised to see mostly healthy tall trees some evidence of the 2006 fire. As a biologist, it was clear that the condition of this forest was in stark contrast to some red gum forests along the Murray River that had lost most of their red gums from fires also in 2006.

The back burning undertaken to stop the spread of the fire in the Grose Valley in late 2006 had not harmed the blue gum forest, but presumably this is not the outcome the environmentalists had anticipated.

As I struggled up the steep escarpment on my way out of the valley, I passed a couple descending into the valley and I asked if they were planning to visit the blue gum forest.

‘Yes,’ replied the women, ‘At least what is left of it’.

Like me, and so many Australians, she believed the media reports that the forest had been badly damaged. As we passed I suggested she would be pleasantly surprised by what she saw.

FACTS

There are 635 million fewer Chinese living below the absolute poverty line in 2005 than in 1981.

(World Bank Development Research Group, May 2008)
Economic policy

Not all inflation is inflation’s fault

Sinclair Davidson

Milton Friedman said inflation is always and everywhere a monetary problem, yet we recognise inflation by its symptom—rising prices.

The Consumer Price Index is calculated by the Australian Bureau of Statistics four times each year. The percentage change in the CPI is referred to as the ‘inflation rate’. Almost everyone would know that the last measured inflation rate was 4.2 percent on an annualised basis. Table 1 shows a breakdown of the CPI and its weights.

The first thing to note is that those sectors of the economy that are highly regulated or government controlled—such as health and education—have consistently high levels of price inflation. Housing is highly regulated by government though land release. Alcohol and tobacco are highly taxed and price increases there are uniformly high.

The old budget headline ‘beer and cigs up’ affects us all through measured CPI increases. We are all going to pay the ‘alcopops’ excise though higher interest rates.

The emissions trading system, promised for 2010, will have a massive impact on electricity prices, a component of housing—with a 19.53 per cent weighting in the CPI that will have a huge ‘inflationary’ effect.

Those parts of the economy that are predominantly private tend to have lower price increases. Transport has increased recently due to high world oil prices and food prices are high due to the drought—these are temporary factors that should reverse themselves in time.

Similarly the increase in inflation in financial services is due to the subprime crisis. While inflation itself is a monetary problem the way we measure it is by looking at prices. Prices are affected by a range of factors unrelated to inflation.

So not all measured inflation is actually an inflation problem. The private sector manages to lower prices and improve quality—government should do more to contain its own price increases.

Table 1: The biggest increases in inflation tend to be seen in highly government controlled, regulated or taxed sectors

<table>
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<th>CPI Weighting</th>
<th>Mar-07</th>
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<td>15.44</td>
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<td>5.7</td>
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<td>Alcohol and tobacco</td>
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<td>3.1</td>
<td>3.0</td>
<td>3.1</td>
<td>3.6</td>
<td>3.8</td>
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<tr>
<td>Clothing and Footwear</td>
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<td>0.7</td>
<td>1.0</td>
<td>1.6</td>
<td>0.5</td>
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<td>Housing</td>
<td>19.53</td>
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<td>3.6</td>
<td>4.2</td>
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<td>5.7</td>
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<tr>
<td>Household contents and services</td>
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<td>2.1</td>
<td>-1.6</td>
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<td>4.6</td>
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<tr>
<td>Transportation</td>
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<td>0.2</td>
<td>-0.9</td>
<td>5.6</td>
<td>6.8</td>
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<td>Recreation</td>
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<td>1.4</td>
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<td>Education</td>
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<td>4.3</td>
<td>4.1</td>
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<td>4.3</td>
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<tr>
<td>Financial and insurance services</td>
<td>9.31</td>
<td>1.8</td>
<td>1.5</td>
<td>3.2</td>
<td>4.9</td>
<td>6.8</td>
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<td><strong>Overall</strong></td>
<td><strong>2.4</strong></td>
<td><strong>2.1</strong></td>
<td><strong>1.9</strong></td>
<td><strong>3.0</strong></td>
<td><strong>4.2</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: ABS, IPA
The problem with Gordon Ramsay isn’t his swearing. It’s his hypocrisy.

Gordon Ramsay, Britain’s most notorious celebrity chef has demanded ‘stringent laws—licensing laws—to make sure produce is only used in season.’ In a BBC interview in early May, Ramsay argued that ‘fruit and veg should be seasonal. Chefs should be fined if they don’t have ingredients in season on their menu.’ Ramsay then became yet another prominent chef happy to hypocritically import truffles for their own restaurant yet simultaneously seek to ban the importation of cheap food. Apparently comfortable with this hypocrisy, Ramsay has taken his concerns to the UK Prime Minister Gordon Brown.

UK chefs are not alone in plating politics; the launch of the most recent Greenpeace campaign co-opts Australian chefs against genetically modified food. The list of movements which make statements about the relative moral worth of types of food is long: ‘fair trade’, organic, food miles, anti-GM and slow food are merely the best known of a growing list. What they all share is a demonization of modern farming practices.

Of all the modern food movements, slow food is arguably the most seductive. It is also the least well understood. The slow food movement stands in opposition to fast food, to the values of efficiency, mass production, uniformity and speed embedded in fast food corporations such as McDonalds and Starbucks. Indeed, the term ‘slow food’ was coined in 1989 during protests in Italy against McDonalds opening in Rome. Slow food’s slogan is ‘good, clean and fair’, a global food movement based on what it calls ‘eco-gastronomy’; food should taste good, be produced in an environmentally friendly way and food producers should be fairly compensated for their work. The slow food movement emphasises conviviality, the shared table, regional cooking and produce, diversity and taste. Slow food is not, as some assume, simply about cooking food slowly.

In Australia the slow food movement has tapped into that affluent group of consumers always looking for ‘authentic’ experiences. They are more likely to read Gourmet Traveller than Donna Hay, Wallpaper! than Home Beautiful. These are the same people who shun the package holiday, deride McMansions (and their occupants) and reject the four-wheel drive vehicles that often accompany those houses.

In short, the typical slow food consumer is a marketer’s dream: time-poor, snobbish, a bit green, and very affluent. Increasingly, the unending need to choose the more environmentally sensitive option wracks them with guilt: Is overseas travel unacceptable? What about food miles or ethanol? The personal decisions demanded by the environmental movement are tiring. At the same time, these consumers are time poor because they work hard. Australians work some of the longest hours in the world. For many dual-income professional households time is the great dream missing from their lives. Slow food offers the idea that eating in a certain way, eating certain types of food can slow us down, can create a space outside the rat race. No wonder slow food events are so popular. Similarly, the elevation of food production from work undertaken by poorly educated peasants to a suitable—even enviable—occupation for a tertiary educated ‘tree-change’ generation makes the slow food movement attractive to the small business proprietors creating gourmet food start-ups all over the developed world.

But slow food is not just an epicurean delight—it is a political and ideological movement that rejects modernity and preaches radical environmentalism. The movement is adament it is much more than a food and wine club. The origins of slow food, in Italy, are political and the movement has never shied away from its goal of claiming good food for the left. The movement’s founder, Carlo Petrini summarises slow food as ‘a place at the table for the left.’ However, it is unlikely that most of the 80,000 global members affiliated with the slow food movement are aware they have joined an organisation formed by Italian communists. Nor would they be aware of the long links between Italy’s daily communist newspaper, Il Manifesto and slow food. The original slow food manifesto was published in a food and wine insert in Il Manifesto on November 3 1987. The slow food organisation, supported by memberships and

Louise Staley is Director, Food and Environment Unit at the Institute of Public Affairs.
For the middle-class foodie, ‘slow’ provides a moral overlay for exempting some kinds of food from the growing environmental asceticism.

its highly profitable publishing arm is now a large and influential organisation with official NGO status at the European Commission.

The divergence in aims of the controllers of slow food and the bulk of its membership—small gourmet food producers and highly affluent consumers—is often missed. Some of the movement’s activities, such as supporting artisanal producers of regional specialities against the heavy hand of EU food regulations accord with the ongoing battles many small businesses have against rampant bureaucracy. Similarly, slow food’s campaigns to save heirloom varieties of fruit, grains, vegetables and livestock by encouraging their consumption is akin to the economist Tyler Cowen’s calls for the globalisation of folk and indigenous art and music as the best way to broaden their markets and thereby ensure their continuation.

However, slow food is also deeply anti-modern and is increasingly aligning itself with the coalition of interests seeking to idealise inefficient and outmoded agricultural practices. The original slow food manifesto explicitly rejected modern agricultural methods and seeks to idealise a medieval lifestyle:

This implies eating slowly and reinstating the Regimen sanitatis Salernitanum (the Salernitan Regimen of Health, composed at the famous medieval medical school of Salerno in the twelfth or thirteenth century) which is unjustly considered to be obsolete, setting aside time for its highest purpose, namely, pleasure (and not intensive production as the owners of machines and the proponents of things fast would have us believe).

The absurdity of this position is evident. The medieval lifestyle being idealised had a life expectancy of 35, horrific infant and child mortality rates and chronic illness for most of the population. The medieval diet for most of Europe consisted of vegetables such as turnips or cabbage, bread and ale with an occasional treat of meat on high days. Winter was particularly grim with little variety and insufficient nutrients. Given this reality, it is perhaps unsurprising the Regimen sanitatis Salernitanum preaches moderation in spring, summer and autumn but recommends eating as much as possible in winter.

There are many who would immediately reject the glorification of Regimen sanitatis Salernitanum yet still find the idyllic rural imagery of slow seductive. The attraction of doing good while eating well is undeniable. But it is not that simple. Modern agriculture has been the saviour of millions of very poor people and instrumental to the development of the highly urbanised lives many slow food supporters choose to live. The phenomenal increases in Asian and Indian food intake, at a time of rapid population increase are directly attributable to modern agricultural inputs and technology. Even in rich countries, modern agriculture has delivered nutritious, cheap food with the result that the proportion of income spent on food has dropped from 25 per cent to 10 per cent over the past fifty years. Moreover, the intensification of agricultural production has allowed the proportion of Australians working on farms to fall from over 9 per cent in the 1960s to 3.5 per cent today. Despite the glorification of a lost pastoral arcadia, today’s urban service economy workers rationally reject the idea of having to personally till their own land for food.

For although many people value the handcrafted product or the organically grown tomato or the undeniable pleasures of eating a carefully prepared 8-hour slow-cooked lamb leg around a table with friends and family, there are equally those people who value the time they gain in not cooking, or shopping or gardening. Throughout history, women have done most of the cooking, growing vegetables, keeping the chooks and milking the house cow. As each part of that lifestyle has been superseded by the convenience of urban living, the lifestyle options of women have expanded. Yet slow food, with its emphasis on food as pleasure, food as environmental statement and food as social justice—‘good, clean, and fair’—makes a moral judgement that those values are superior to other values such as freedom, self-actualisation, and progress.

Nevertheless, slow succeeds because it can take on a number of meanings. For the middle-class ‘foodie’ it provides a moral overlay for exempting some kinds of food from the growing environmental asceticism. For example eating expensive French Roquefort cheese, white Italian truffles and jamón Ibérico gain the slow food tick. But cheap Peruvian asparagus, GM canola oil and—of course—McDonalds are to be shunned. As Ramsay argued, ‘I don’t want to see asparagus in the middle of December. I don’t want to see strawberries from Kenya in the middle of March. I want to see it home-grown.’ It is entirely acceptable not to eat at McDonalds or to choose organic or gourmet food based on one’s own tastes and beliefs. It is at best illogical, and at worst hypocritical, to evaluate food with similar characteristics (imported cheese or imported asparagus) with diametrically opposed criteria.

Local does not mean ‘better’

This ideological imposition of moral criteria onto food is increasingly widespread. Many foodies now describe themselves as ‘locavores’—a new word coined in addition to the more usual herbivores or carnivores. Locavores consume only locally produced food. In their mind, to demonstrate true food awareness they need to know where food comes from, and preferably grow it themselves or at least buy if from a farmers market, not
a supermarket. Traded food, even ‘fair’-traded food, now carries the opprobrium in some quarters as a second best option. Similarly, there is increasing suspicion of ‘industrialised’ organic food as major growers and distributors increase production to meet the heightened consumer demand for food labelled as organic.

The benefits of the locavore regime are touted as environmental, social and taste; the same benefits slow food claims for its recipe of regional specialities, heirloom varieties and eco-gastronomy. However, the rejection of trade, in addition to mass production, makes living the locavore lifestyle appreciably more difficult than enjoying a slow food one. This ratcheting-up of righteousness is largely a function of the perceived mainstream nature of other political food choices and highlights the rejection of modernity inherent in the continuum. Food has always been tied up in taboos (often religious) now in a secular age of plenty, the taboos are political and becoming ever more extreme.

Why is knowing where food comes from important? If food is about nutrition, taste, smell and pleasure what is the link with where it comes from? Why does knowing (or imagining) food is local, or organic matter? Why do we want to believe in an agrarian fantasy of the small farmer, toiling away in our service? Our standard of living depends for its very existence on not having cottage industries or subsistence farming yet increasingly the imagery used to sell food and to inform us of what is ‘good’ food are bucolic images of rustic and pastoral scenes. Locavore is but the latest extreme in this powerful feeling that modernity must be rejected.

Certainly, many people are uneasy about many agricultural practices, particularly in relation to animal welfare and, to a growing extent, the increasing calorie denseness of much processed food. And many more people, who have never heard of slow food or locavore make deliberate choices to restrict their own consumption of processed and fast food in favour of a diet largely based on fresh fruit and vegetables, meat from the butcher and basic staples from the supermarket. Considerable evidence exists to show that lower calorie diets high in fresh vegetables are better for your health.

But too often, the multiple food messages are mixed. As Richard Wilk of Indiana University has noted ‘consumers want food produced by hand which also meets industrial standards of quality, has no additives, and comes from happy animals and farmers.’

What is wrong with the locavore movement (or the ‘food miles’ movement as it is also often known) evades analysis even as it causes unease. Every day consumers are bombarded with bad food stories—e. coli poisoning, agricultural herbicides in the water supply, obesity, trans-fats and type II diabetes—and it is easy to blame a monolithic industrialised agricultural and fast food industry. There is great comfort in retreating to the nostalgia of happy cows eating lush grass on a small family farm. The story continues that if only we could all personally know the farmer who grows the food we eat, then none of these terrible practices would occur. Moreover, ecological degradation caused by transporting food will be eliminated if we all eat locally produced food. But as Tim Wilson explained in the July 2007 edition of the IPA Review, adopting a food miles approach to agriculture will increase CO₂ production, not decrease it.

It is unromantic, yet nevertheless true, to note agricultural specialisation, increased farm size and modern farming methods have succeeded precisely because they are more efficient and use less resources than small holdings and labour intensive production. It is also true that food production is more important to poor nations, that have limited export alternatives.

When Gordon Ramsay called for legislation to mandate local, seasonal produce, Oxfam’s Duncan Green summarised exactly what is wrong with the slow food and locavore movements: ‘I’m sure the million farmers in East Africa who rely on exporting their goods to scrape a living would see Gordon Ramsay’s assertions as a recipe for disaster.’
Chinese-Americans march in San Francisco in support of the Beijing Olympics. © Barry Chambers | Dreamstime.com
Politics, not sport, is the purpose of the Olympic Games

Chris Berg

On the March 26 1938, six months after he died, Pierre de Coubertin’s corpse was exhumed from its grave in Lausanne, Switzerland.

His heart was cut out and transported to Olympia in Greece. The heart of the founder of the modern Olympics was then reburied in a ceremony attended by his long-time friend, Nazi bureaucrat, and organiser of the 1936 Berlin Games, Carl Diem.

The tomb of Coubertin’s heart has remained a spiritual centre of the Olympic movement. The tomb was the first destination of the Beijing torch relay — after the torch was lit with the sun’s rays and a parabolic mirror by an official Olympic ‘Holy Priestess’, of course. And late last year the tomb was the site of a ritualistic olive tree planting, to symbolise the Olympic movement’s appreciation of the environment, and to demonstrate the support of Coca-Cola for the Games.

These bizarre rituals, performed around the decomposing body organ of a dead Frenchman, are emblematic of the sometimes odd, sometimes deeply disreputable, and always lumbering and heavy-handed symbolism that has soaked the Olympic Games for a century. The torrent of symbols, emblems and rhetoric that accompanies the Olympics is supposed to convince us that the Games have a moral and ethical stature beyond reproach.

But all this pageantry obscures the Olympics’ essential purpose — first and foremost, the Games are designed to shine glory upon the nations that hold them. National politicians and government use the Olympics to achieve their individual or national goals.

Certainly, the politics lying behind each Olympics may often be diffuse, but it is overt. Sport may be the style of the Olympics, but nationalism and geopolitics are the content.

The ideology of ‘Olympism’

For such a long-running institution, the Olympic Games to a remarkable degree still reflect of the idiosyncratic vision of the founder of the International Olympic Committee (IOC), the French baron Pierre de Coubertin.

Coubertin was born into a Catholic and Royalist family in 1863, but in the turbulent ideological climate of the French right-wing in the Third Republic, his political views quickly diverged from the traditional. From a modern perspective, his politics were quirky, even contradictory; he described himself as a democrat, yet at the same time nominated the ‘triumph of democracy’ as one of the four political innovations which humanity could have gone without. But he was in many ways typical of his era — a conservative aristocrat whose political and moral views had much in common with the left-wing progressives of the time. While conservatives like Coubertin rejected the utopian dreams of their socialist counterparts, they shared with progressives and socialists an antipathy towards individualism, a belief in the power of experts, a deep faith in the state, and an obsession with proto-totalitarian concepts like ‘moral hygiene,’ ‘national fitness’ and eugenics.

In sport, the conservative progressivist Coubertin found an outlet where he could express all of his political and moral views. While many were searching for national meaning after the French defeat in the Franco-Prussian War in 1870, Coubertin argued that ‘sports can provide the virile formula on which the health of the state can be founded.’

But most importantly for the development of the Olympic ideology, Coubertin complemented this nationalist ethos with a staunch internationalism. Coubertin founded the Olympic movement with a doctrine of ‘universalism’, which as it appears in the most recent Olympic Charter is described as ‘any form of discrimination with regard to a country or a person on grounds of race, religion, politics, gender or otherwise is incompatible with belonging to the Olympic Movement.’ But as John Hoberman writes in The Olympic Crisis: Sport, Politics and the Moral Order:

What this has meant in practise is that the IOC has turned a blind eye to any sort of political crime committed by a member of the Olympic movement. In September 1978, the President of the IOC Lord Killanin, made this claim: ‘I am not for one moment saying we have any right to tell what governments should do in the interests of their own country...’ Such a disclaimer is made to preserve the ‘universality’ of the movement. What is thereby forgotten is that another side of universality is the failure to discriminate.

It is this failure to discriminate that led the Olympic movement to proclaim its support for ‘universal fundamental ethical principles’ while at the same time throwing its support behind the three largest dictatorships of the twentieth century — Nazi Germany, Soviet Russia and now Communist China. Certain-
ly, this is slightly unfair to China—in 2008 its human rights record is poor, but is markedly better than it was during the Great Leap Forward—but the country is still a dictatorship with at least 4000 domestic political prisoners. This would, however, have been fine by Coubertin, who dismissed ethical questions with a trite affirmation of moral equivalence.

In an interview during the 1936 Berlin Games, he argued that:

> It is good that each nation of the world be granted the honour of putting on the Games and of celebrating them in their own manner, in accordance with its own creative powers and by its own means. In France they are disturbed by the fact that the Games of 1936 were illuminated by a Hitlerian force and discipline. How could it have been otherwise?

This doctrine of ‘universality’ above all other considerations was also the lynchpin upon which the Soviet bloc was able to hang their claims that the communist world was being unreasonably ignored by the IOC.

After all, for Coubertin, a nation’s political system is merely a reflection of its culture. For the Olympic movement, totalitarianism is not an aberration, but an accepted part of the international cultural patchwork.

As a consequence, there is very little in the Olympics’ doctrine of universalism that suggests any allegiance to ‘fundamental ethical principles’.

**Pagentry and politics**

For the cities and corporate sponsors of the games, Olympism and its doctrine of universality are not much more than a philosophy of convenience; a pre-packaged ideology ready to be adopted when the Olympics come to town. Few outside the IOC share Coubertin’s views on the moral neutrality of political systems, or, indeed, the IOC’s view that politics has nothing to do with the Olympic ceremony. Instead, for the host nations, the games represent an easy opportunity to conduct domestic and international politics without the distraction of being accused of doing so.

Even the athletes, standing on the winners podium, draped in their national flag and singing their national anthem, must realise that politics, not sport, is the dominant Olympic event.

For much of the life of the modern Games, politics was defined by the Cold War, which divided participating nations into clearly delineated factions. The nationalistic passions inflamed by this international and ideological rivalry became the primary characteristic of the Games in the second half of the twentieth century.

Australians may remember Melbourne 1956 through sepia-tinged nostalgia, but the political circumstances of those Games were controversial and impassioned. They were held in the international atmosphere created by the Suez crisis and the Soviet invasion of Hungary. The then President of the IOC, the American Avery Brundage, in an attempt to separate the Melbourne Games from the fragile international situation, argued desperately that ‘the Olympic Games are contests between individuals and not between nations.’ The President of the Netherlands Olympic Committee, which boycotted the Games responded bitterly: ‘How can sports prevail over what has happened in Hungary? How would we like it if our people had been atrociously murdered, and someone said that sports should prevail?’

His questions are surely more morally clear than any of the vague platitudes contained in the lavish Olympic Charter.

The IOC’s pleas for calm had little effect on the political aggression displayed during the contests. A water polo match between Hungary and the Soviet Union was a violent blood bath, but Hungary managed a 4-0 victory.

The attitude described by an Ameri-
can contestant at Helsinki (the site of the 1952 Olympics) was characteristic of many of the Olympics during the early Cold War period:

[Russians] were in a sense the real enemy. You just loved to beat ‘em. You just had to beat ‘em. It wasn’t like beating some friendly teams like Australia. This feeling was strong down through the entire team, even [among] members in sports where the Russians didn’t excel.

Not only has the international political context of the Games undermined its claim to the moral high ground, but the Olympics have themselves been affiliated with state violence. As Hoberman writes, ‘the world of sport has given rise to more bizarre, violent, aberrant, and even criminal behaviour than its faithful public is disposed to recall.’ The most notorious example of this was the Tlatelolco Massacre, which occurred just ten days before the 1968 Mexico City Games, where the Mexican government fired upon a demonstration of 5000 students demanding greater human rights. Some estimates of the death toll at Tlatelolco range up to 300 people.

And quite apart from the failure of the IOC to influence China’s poor human rights practices in the lead up to Beijing, critics of the communist regime can point to mass home evictions to make way for construction. One left-leaning human rights group, the Centre on Housing Rights and Evictions, claims that there have been over 1.25 million Chinese forced to resettle, although the group has not made their report public, apparently to protect their sources. The Chinese government only acknowledges 6,000 homes seized, all with adequate compensation. Nevertheless we know that like many other previous host cities, Beijing has launched a program to ‘clean up’ the city of beggars, hawkers and prostitutes before the tourists arrive.

Much of the pageantry of the modern Games was developed by the totalitarian hosts. Nazi propagandists invented the torch relay in order to ferry Western journalists around idyllic German villages, in support of the Nazi’s rural ideology.

And the opening ceremony to the Moscow Games was reportedly the most expensive ever held, a gigantic billboard for the social superiority of Soviet communism, setting the stage for the lavish ‘cultural’ ceremonies of the coming decades.

The Olympics offer totalitarian or otherwise oppressive governments an opportunity to repurpose the publicity accorded to sport for the benefit of the state and its ideology. The official website of the Chinese Olympic Committee is unambiguous about Beijing’s ideological content, advertising its National Fitness Program, which has been hard at work since 1995 ‘promoting mass sporting activities on an extensive scale, improving the people’s physique, and spurring the socialist modernisation of our country’.

The same website laments the attempted politicisation of the Beijing Games by ‘some Western forces’ and ‘separatists’.

For democratic states, the political purposes may be different, but they are still clear. In Sydney 2000, the government emphasised Australia’s tourist potential. Politicians wanted their country to be seen as more than just a ‘good source for raw materials—a perpetual cry of Australia’s economic interventionists.

**Economic distractions**

Part of the reason we can be sure that it is politics that is at the centre of governments’ relationship with the Games is because they cost a great deal but provide little economic benefit. Politicians eager to host the Olympics talk up their financial and social benefits—rhetoric which the IOC is more than happy to encourage.

The Olympic movement has had a turbulent economic history. For most of its history, the Games have been overwhelmingly supported by government finances, with corporate sponsorship and the sale of television rights playing a supportive role. This model of Games funding reached its zenith with the Munich 1972 and Montreal 1976 Olympics. But the City of Montreal ended its closing ceremony with a deficit of 2.7 billion dollars (in 2000 terms) which it only managed to finally pay off in 2006.

After Moscow 1980, the next Games held in a democratic nation were the Los Angeles Games of 1984, and following a significant protest movement, the citizens of LA refused to provide any public funds for staging the Olympics.

In 1984 there were no formal organisational links with the city, and the United States Olympic Committee managed to skirt IOC regulations which would have otherwise compelled them to provide public funds. As a consequence, the 1984 Games were the first to be fully paid by the private sector, with only minimal infrastructure upgrades and sport facilities provided by the city.

Successive games have managed to slowly reinvolve public financing, and the Sydney Games set a new standard in government involvement, when the NSW government and Commonwealth provided US$1 billion (in year 2000 dollars). For Beijing 2008, the Chinese government’s habit of trying to take credit for private investment makes it hard to properly account for the taxpayer’s contribution, but the Belgian analyst Gilbert Van Kerckhove conservatively estimated a figure of roughly $5-6 billion.

But what for? Supporters of the Games can cite a myriad of potential benefits of staging the Games. Few of them stack up.
Tourism is the most common perceived benefit from the Olympics. Tracking the long term impact of the Games on a city’s tourist market is tough. In *The Economics of Staging the Olympics*, Holger Preuss argues that it is impossible to prove that the Sydney Games increased Sydney’s tourist market, as the impact of September 11 on the world’s tourist market muddies the evidence. But September 11 occurred more than twelve months later and had worldwide, not Australia specific, impacts.

Furthermore, as Preuss concedes, local tourism markedly decreased during the Games period. As an example, Sydney Zoo saw a 300 per cent decrease in tourism. Certainly, many studies—often commissioned by governments seeking to defend their policies—proclaim long term tourist increases to be in the hundreds of thousands.

But the causal link between a city hosting the Games is far from established. Calgary, site of the 1988 Winter Games, saw a 12 per cent decrease in tourism immediately following the Games, and a 10 per cent decrease the following year.

An increasingly common benefit claimed from the Olympics is infrastructure improvement. As the argument goes, staging the Games allows a city to conduct widespread infrastructure upgrades, avoiding the normal political bargaining required to achieve even modest investments. From this perspective, the hosting of the Olympics is merely an excuse to conduct the normal business of municipal government, allowing the city to upgrade its airports, road and rail networks and telecommunications services.

Undoubtedly, hosting the Olympics sparks a frenzy of big infrastructure projects.

But a study by a group of RMIT University economists demonstrated that while overall the market did not respond to the announcement that Sydney was to host the Games, the only sector that did respond positively was the construction industry. Building firms—and politicians interested in basking in the bright light of political glory—are the only unambiguous beneficiaries of the Olympics, outside the athletes themselves.

But infrastructure disasters are common in the history of the Games—many projects, like the Montreal-Mirabel International Airport, while initially praised, are quickly revealed to be little more than boondoggles.

At their best, the Olympics are a government supported circus provided by politicians from democratic countries who want the world’s media to flock to their most attractive city. But at their worst, the Olympics have have provided totalitarian regimes with pre-packaged marketing programs, allowing them to paper-over serious human rights issues while they pretend to be enlightened members of the international community. The moral authority that the International Olympics Committee continues to claim has been repeatedly shattered by the experience of 100 years of the Olympic Games.
South Australia abandons due process in face of imaginary bikie threat

South Australian Premier Mike Rann is obsessed with the Hells Angels. The Labor leader thinks that bikie gangs like the Hells Angels are a scourge on his state and the root of most evil, and that they are threatening the very existence of the good people of South Australia itself. How else can one explain his government’s extraordinary new legislation that outlaws bikie gangs, makes guilt by association a jailable of fence and gives the police unprecedented power to close down protests?

The Serious and Organised Crime (Control) Bill passed through the South Australian Parliament on May 7. The new law gives the Attorney-General the right to call an organisation, which could be anything from an informal group of people who meet at the local pub for a weekly drink through to a football club or a business, a declared organisation. The Attorney-General just has to be satisfied that he thinks that members of the organisation associate for the purpose of planning, organising, facilitating or engaging in serious criminal activity—which is basically anything except traffic offences—and that the organisation represents a risk to public safety and order. The Attorney-General can use secret and untested evidence in making that declaration, and his decision can’t be challenged in the courts.

The Commissioner of Police can ask a court to make a Control Order against a person if that person is a member of a declared organisation, or regularly associates with members of the declared organisation. A Control Order may be issued by a court without giving any notice to the person affected and the Order can stop people from even speaking with members of a declared organisation or going anywhere near where members might happen to be. Once again, these Orders can be made on secret evidence that the person affected cannot see.

And if a friend of yours is subject to a Control Order or is a member of a Declared Organisation and you meet with them six times or more in one year you can go to jail for up to five years.

And finally, the icing on the cake. The SA police have the power to make a Public Safety Order if they are satisfied that a person or a group of people pose a serious risk to public safety or security.

Even if a person or a group is gathered somewhere for a protest rally or a strike action, the police can still make a Public Safety Order and have them removed from the area. These Orders can even be made on the spot, verbally, by the police.

The Rann anti-bikie gang laws effectively shift the balance between the accused and the state so far in favour of the latter that it is no exaggeration to say that these laws would not look out of place on the statute book of your common garden variety authoritarian regime like Zimbabwe.

If you have been to Adelaide, the Barossa Valley or any other part of South Australia over the past few years, have you observed bikie gangs endlessly terrorising the locals? Does South Australia have some peculiar problem with bikie gangs like the Bandidos and other similarly termed groups of biker rebels? What possible explanation can there be for Mr Rann’s obsessive desire to be the number one trouble shooter against bikie gangs on the planet?

A couple of years ago the Australian Crime Commission released data which showed that there were around 3500 fully ‘paid up’ members of bikie gangs in Australia. There were 18 outlaw motorbike clubs operating in NSW, 17 in Victoria, eleven in Queensland, eight in South Australia, six in Western Australia, four in Tasmania, three in the Northern Territory and two in the ACT. In per capita terms there is nothing untoward for the figures for South Australia.

Even though most of the clubs are in New South Wales and Victoria, neither of those states has felt the need to use a sledgehammer to crack the bikie gang walnut.

And in the end, will this new law which effectively prohibits bikie gangs work? Of course not. The gangs will survive by going deep underground. South Australians will have had their liberties eroded for no other reason than to satisfy a Premier’s obsession.

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The moral code of
Grand Theft Auto IV

Benjamin Hourigan is a Sydney-based editor who has written and lectured on videogames' place in global popular culture. His Are videogames conservative? appeared in the September 2005 edition of the IPA Review.

Want to steal cars and shoot cops?

Then Grand Theft Auto IV (GTA IV) is the videogame for you. You won't be the only one playing it: released for the Microsoft Xbox 360 and Sony PlayStation 3 in April this year, it's the game of 2008. In its first week, it sold over 6,000,000 copies worldwide, worth more than US$500 million. (By contrast, the final film in the Pirates of Caribbean trilogy made US$400 million in its first six days at the box office.) GTA IV is the latest instalment in a series that has become one of the biggest brands in videogaming, a form of entertainment that looks to eclipse Hollywood's cultural and economic influence. The game is also a major instance of what some see as the depravity of modern popular culture. But more than anything else, GTA IV is an exploration of extreme moral dilemmas, and—provided that players can understand the game as an exercise in taking responsibility for their actions—its lashings of sex and ultra-violence are valuable causes for introspection.

Since the release of Grand Theft Auto III for PlayStation 2 in 2001, the series has been famous for its interactive depiction of the world of organised crime. GTA III caused a storm because the main character could solicit prostitutes and then kill them. The later game Grand Theft Auto: San Andreas created major controversy in the US when hackers found a way to unlock a sex minigame known as 'Hot Coffee,' which the series' developers, Rockstar Games, had intended to cut. More recently, Rockstar's Canis Canem Edit (Dog Eat Dog), known as Bully in the US, has come under fire for supposedly promoting school bullying. People who don't play videogames usually believe that GTA IV, like its predecessors, is designed to let players revel in committing acts of criminality and violence. The fear, for some, is that the game will encourage people—particularly young men—to become violent criminals in the real world.

But as Lawrence Kutner and Cheryl Olson, cofounders and directors of the Harvard Medical School Center for Mental Health and Media, write in Grand Theft Childhood, this fear is unfounded:

There is more to violent videogames than most people think, writes Benjamin Hourigan.

Video game popularity and real-world youth violence have been moving in opposite directions. Violent juvenile crime in the United States reached a peak in 1993 and has been declining ever since. School violence has also gone down. Between 1994 and 2001, arrests for murder, forcible rape, robbery and aggravated assaults fell 44 per cent.

This fact—violent crime rates have been going down as videogame sales have been going up—is one that videogame players keen to defend their hobby (and themselves) have long been aware of. But there’s no stopping journalists trying to stir up community fears. In the Los Angeles Times the day after GTA IV’s release, Tim Rutten wrote: ‘what Grand Theft Auto IV affirms is the pleasure of eschewing decency for obnoxious violence.’ He went on to call it ‘a work of genius … in the service of nothing more than sensation and profit.’ To see whether it is really that simple, we need to take a closer look at the game’s content.

GTA IV includes a complex story that moves through an imagined world of American organised crime. Though you can put the story on hold and just go for a drive (maybe testing the cops’ response to your mowing down of pedestrians on the sidewalk rather than driving on the street), there’s always a set of missions ready to move the narrative along when you feel like it.

The hero is Niko Bellic, a former teen soldier and witness to wartime atrocities in Eastern Europe, now a middle-aged merchant seaman and petty criminal. After falling in with the wrong crowd in his home country, he’s come to Liberty City (the game’s setting, modelled on modern-day New York) to join his gambling-addicted taxi-driver cousin in the pursuit of the American dream, and to hunt down two men that betrayed him in a war many years ago.

Wanting to gauge how accurate the perceptions of GTA IV’s depravity were, I made detailed notes on my first two hours of play. The game rationalises most of Niko’s actions as favours done for others, and in the beginning you’ll just be giving people rides in his cousin Roman’s taxi. It was forty-three minutes before I had committed my first violent act, accidentally running over a pedestrian while helping Roman flee from loan sharks. Five minutes later, I saw Niko break a loan shark’s arm in a non-interactive story scene. Then at around the ninety-minute mark, Niko (under my control) beat the loan sharks’ ringleader to death after a long car chase.

Two deaths in ninety minutes is startlingly low for a videogame. In Ratchet & Clank: Tools of Destruction, a PlayStation
What kind of moral responsibility could you have for actions carried out in a game, which have no lasting consequences?

3 game featuring a furry alien hero and clearly aimed at a junior audience, you would easily kill over a hundred cartoony enemies in the same timeframe. The outrage and moral concern that GTA inspires comes not from the quantity of its violence, but from its disturbing and graphic quality. Later, Niko executes a petty underworld thug, Vlad, who has been terrorising Niko's friends and acquaintances. Vlad goes down with a fountain of blood gushing from a bullet hole in his eye. By contrast, the slaughtered horde of Ratchet & Clank explode in clouds of family-friendly glowing cogs and bolts.

As you play, Niko descends into a world ruled by drug-addled crime bosses, where killing is a routine transaction. But as the player, you must still continually decide for Niko what is right and wrong. When Vlad sends you to kill a man because he is going to rob Roman, you may decide that Vlad is just trying to manipulate you into rubbing out someone he doesn't like, and let Ivan go. But later, when you feel that cocaine-addicted Mikhail Faustin's call for a hit on a man named Lenny is just the drugs talking, you may change your mind when Lenny's accomplice opens fire on you at the slightest provocation, and decide that if he wanted you dead, then he deserves to die himself.

Niko has a strong sense of what it is to be moral in his own world. He is self-deprecating and polite, quite unlike his cowardly braggart of a cousin, who is forever babbling misogynistic curses. But Niko, unlike any of his material cars, fists, weapons, buildings, and people. Players of GTA IV can use the material at hand to revel in wanton violence and criminality, but don't have to. People who haven't played the game often don't realise that in GTA IV, as in the real world, the purpose of a car, a driver, and a pedestrian can be a carjacking or a hit-and-run killing, but it can also be a taxi ride. This adds a moral dimension to the game. For Aristotle (and for most Westerners thereafter), to be morally responsible for something, you must have caused it and you must have been able to do otherwise. So, where GTA IV gives players an option to indulge in violence but does not compel them to do so, players are morally responsible for their wrongdoing.

But what kind of moral responsibility could you have for actions carried out in a game, which have no lasting consequences? A violent death in the game causes no suffering, so where could be the wrong in it?

Let's imagine that you get home and sit down to play GTA IV for some entertainment and relaxation. Thinking about the possibilities, you decide that what you'd really like to do is carjack a sports car at an intersection, and then cruise down to the industrial precinct to pick up a prostitute. You'd drive off to have sex with her in a park, set her on fire with a Molotov cocktail as she walks away from the car, then look on while she dies a gruesome, fiery death.

This is all possible. But there is something at least distasteful about being the sort of person who would do this for entertainment—even in a videogame. Would you let your grandmother sit on the couch next to you and watch you set prostitutes on fire? Psychologically healthy individuals will feel uncomfortable about having others know they had done these things for fun, even in a virtual world.

When we understand this, we can see GTA IV as—among other things—a tool for exploring the limits of our morality when the consequences are limited, and learning what our consciences dictate in situations where we will not be punished for doing wrong.

Criticising Rockstar for allowing players to create the above prostitute-on-fire scenario ignores that one of the tenets of good game design is to make objects behave consistently.

It is the major element of what makes GTA IV fun and successful. As fire burns the flesh of villains, so it burns the flesh of innocents.

Tragically, this is the way the real world works, and we should not imagine artists (and videogame developers are artists) have a moral duty to sanitise the world their work reflects. They may go beyond reflection, to encapsulate some aspiration or paint some model of perfect human character, but we cannot blame them for showing us the truth.

If there is blame to be laid here, it should rest on the shoulders of those who use GTA IV's sandbox to take pleasure in the simulated suffering of others. It remains concerning that GTA IV is part of a wider popular culture that sees violence as a spectacle. Unlike Hollywood action cinema, though, videogames of this kind give players a measure of responsibility for events. As such, they are valuable tools for exploring our moral responses to the unpalatable sides of our society and our popular culture.
INDEPENDENCE AND THE DEATH OF EMPLOYMENT

A book by Ken Phillips

What is your career? Who defines your work life? What does it mean to manage or be managed? What is the firm? How do organisations achieve their objectives and make profit? How are these things—and you—controlled and regulated? These are just some of the questions which flow from this book. Professional managers, national and international policy makers, economists, labour lawyers and entrepreneurs will find much Independence and the Death of Employment of deep interest.

Ken Phillips is Director of the Institute of Public Affairs Work Reform Unit. He is also co-founder and Executive Director of Independent Contractors of Australia.

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How long until our pubs have no beer?

Federal and state anti-alcohol policies are unlikely to be effective, argues Hugh Tobin

Australians are consuming the same amount of alcohol per person as they were 20 years ago. Nevertheless, we are suddenly being told by the federal government that the country is in the grip of a binge drinking ‘epidemic’.

In March Kevin Rudd launched the National Binge Drinking Strategy aimed at reducing alcohol-related problems among young Australians. $53.5 million was allocated over four years for education and community initiatives which particularly target sporting organisations.

New laws and regulations are being rushed through by federal and state parliaments many of which are token symbolism, and the majority do nothing more than place unnecessary Nanny State burdens on the majority of Australians who enjoy drinking alcohol responsibly.

State governments across the country are trialling and implementing lockouts which dramatically reduce the freedom to enter and exit licenced premises. Consumer Affairs Victoria has implemented a freeze on issuing new late night alcohol licences. State and federal health minister have proposed mandating graphic warnings on all alcohol labels.

There have been numerous calls across the country to restrict how people order their drinks and restrict drink promotions in bars that are said to encourage excessive consumption.

A Senate inquiry is investigating banning alcohol advertising before 9pm on television and radio. Family First Senator Steve Fielding has proposed extending NSW laws which target adults who supply alcohol to visiting children in their home. And the Rudd government has not ruled out raising the legal drinking age above 18.

Drinkers risk falling into the legislative twilight zone occupied by smokers—their activity remains technically legal, but is also a playing thing for politicians and regulators who want to appear tough on public health.

But the strategies currently being implemented or proposed are unlikely to achieve the ambitious aims that have been set.

Certainly, alcohol fueled violence and alcohol-related health problems are a major problem, but they are bound together with a larger cultural problem, particularly associated with young males who feel the need to intoxicate themselves with anything they can: from alcohol, to large doses of caffeine, ecstasy, or prescription drugs.

The federal government’s 70 per cent excise tax increase on alcopops—small bottles of ready to drink, premixed spirits—was justified on the basis that the number of young girls consuming pre-mixed drinks has increased from 14 to 60 per cent since 2000. But this is only half the story. Overall, teenage girls are not drinking any more than in the past. According to the Australian Institute of Health and Welfare high-risk binge drinking by people aged 14 to 19 has fallen from 10.7 per cent in 2001 to 9.1 per cent in 2007. Alcohol consumption by Australians 15 years and older has remained stable at about 10 litres per person per year. Furthermore, the AIHW points out that it is not possible to match the increase in alcopop consumption over the last decade to any consumption patterns in specific demographic groups. A submission to the Senate Inquiry following the alcopops excise increase by Independent Distillers Australia points out that contrary to popular belief, there are more alcopops consumed by males than females. And the majority of alcopops consumed are not the stereotypical ‘girlly’ light spirit drinks like pre-mixed vodka and rasberry soda, but dark spirits such as bourbon and cola.

Nevertheless, a 1.6 per cent drop in teenage high-risk drinking is not indicative of a crisis situation. And as the AIHW has revealed, there is little indication that the increasing prevalence and popularity of alcopops over the last decade has contributed to any increase in risky behavior.

International experience with raising the tax on alcopops does not inspire confidence that doing so will have a marked effect on health. When the British and German governments targeted alcopops, most consumers quickly changed their drinking preferences to lower-taxed beer, cider and wine. Other consumers replaced their alcopops consumption with spirits.

And in Australia, early indications appear that since the tax was increased, consumers have been substituting with straight spirits. The Australian reported in June that alcopop sales dropped by almost 40 per cent in the first month after the increase, but spirit sales increased by 20 per cent. Given that consumers of straight spirits are likely to be less informed about the quantity of alcohol they consume in any one drink—young teenage girls who carefully measure their vodka into shot glasses are surely in the minority—these initial figures imply that the govern-

Hugh Tobin is Managing Editor of the IPA Review.
Institute of Public Affairs Trade and IP Unit Director Tim Wilson (with megaphone) joins protesters opposing Melbourne’s new 2am lockout policy, which came into effect on June 3 this year. The 2am lockout is a controversial three-month trial by the Brumby government that prevents entry into pubs, bars and nightclubs in certain ‘hot-spots’ between 2am and 7am. Patrons already inside venues can remain but cannot re-enter the premises if they leave. John Woudstra courtesy of Fairfax Photos

ment’s alcopop tax may be making the binge drinking problem worse.

If the government’s alcopop tax increase was part of a broad measure to harmonise the excise level on all alcoholic beverages this would be a separate matter. It doesn’t make much sense to have different alcoholic products taxed at different rates. For example, while the excise hike increases the tax on alcopops to the same level as the tax on straight spirits, it does not bridge the remarkable gap between spirits and beer or wine. While alcopops and spirits are now taxed at just over 80 cents per standard drink, the tax on a standard drink of cask wine is just 5 cents.

If the government feels it needs to impose a special sin tax on alcoholic products on top of the GST, then that tax should be uniform. Alcohol is just as much a ‘sin’ no matter what form it is consumed in. That the excise rate across alcoholic products varies so much reflects nothing more than political desire to encourage the wine and beer industry. It is hard not to be cynical that this year’s excise increase seems to have had far more to do with maintaining the surplus in the federal budget than any coherent ‘binge-drinking’ strategy.

Under-age drinking is already illegal, as is drink-driving, drunken violence and drunk and disorderly conduct. The introduction of lockouts and curfews to combat violence on the streets is a sign that police resources are under strain. In Melbourne, the same weekend that the 2am lockout was implemented, the Victorian Police Association claimed that there was a major shortage of police officers available for patrol work, particularly at night.

It is often speculated that the first European settlers in Australia drank more alcohol per head of population than any other community in the history of mankind. Alcohol will always be a part of Australian culture. And an overwhelming majority of Australians consume alcohol responsibly and want to continue to be able to do so. The majority do not deserve to be punished for the violent crimes of the few. But they should be protected from them, and that protection will come from more effective policing, not from knee-jerk policy decisions.
NEW INTERNATIONAL THINK-TANK FOR VICTORIA

Wednesday, 30 April 2008

Victoria’s reputation as the ideas capital of Australia will be further reinforced with the Premier John Brumby and the Deputy Prime Minister Julia Gillard today announcing a new international public policy institute will be established in Melbourne.

Mr Brumby and Ms Gillard announced that the new Australian Institute for Public Policy would be based in Melbourne.

Mr Brumby said Victoria had forged a strong reputation in public policy, with the Victorian Government providing strong policy leadership on issues such as the National Reform, media, science and technology, as well as arts and literature.

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Andrew Kemp

THE RISE OF POP ECONOMICS

Economics has come along way since Tom Carlyle dubbed it ‘the dismal science’.

The classical economists of the nineteenth century were largely concerned with wealth creation. David Ricardo developed theories of wages, rent and profit. Thomas Malthus wrote the consequences of population growth. Karl Marx looked at the moral and spiritual effects of the Industrial Revolution.

Today, Steven Levitt investigates why drug dealers still live with their mothers, Steven Landsburg asks why popcorn costs more at the movies, Tim Harford applies game theory to speed dating, and Peter Leeson is about to release a book on the hidden economics of pirates. This is popular economics, and the book-buying public seems to be lapping it up.

Each of these economists delight in applying the insights of their discipline to as diverse an array of human activities as possible. Nevertheless, they are surprisingly consistent, arguing a few universal messages.

Firstly, there is a clear dissatisfaction amongst the authors about how economics as a discipline should be taught. ‘The sad irony of Econ 101’, explains Charles Wheelan, author of Naked Economics, ‘is that students too often suffer through dull, esoteric lectures while economics is going on all around them’. Robert Frank, author of The Economic Naturalist, believes that introductory economics courses ‘inundate students with equations and graphs’, the result being that students ‘never really grasp that distinctive mind-set known as “thinking like an economist”’.

So how does an economist actually think? As all undergraduate economics students are taught, the economist recognises that people act rationally by responding to incentives. That’s the easy part. The difficulty is discovering what the incentives are, and occasionally, the results aren’t always what we hope them to be.

For example, Tim Harford’s The Logic of Life describes a concept called ‘statistical discrimination’. This involves people using aggregate information of a particular group to form judgements about particular individuals. This is different from simple bigotry, but it is a rational response that can produce undesirable results. For instance, an employer in the United States will choose a white applicant over a black applicant because statistically the white applicant on average will be better educated.

It is, as Tim Harford describes it, ‘rational racism’. This type of behaviour was even replicated in a university experiment conducted by economists at the University of Virginia. It appears that even the land of the free has been unable to fully break away from its past.

In the same book, Harford attempts to explain the rise of oral sex in the US as a rational response to our improved knowledge of the risks of actual sex, such as sexually transmitted diseases.

Economists make no apology for these touchy subjects—‘The economist’s greatest passion is not to change the world but to understand it’, explains Steven Landsburg. Understanding the world is easier said than done, though economists are probably doing it better than any other profession in the social sciences. Thinking dispassionately about passionate subjects is almost impossible, and that’s partly why politicians are so often wrong about policy matters—dispassion doesn’t win over voters.

More importantly, economics has been quietly developing itself into a discipline that encourages rigour and precision in its analysis. As the authors of Freakonomics explained in their introduction:

[Economics] comprises an extraordinarily powerful set of tools that can reliably assess a thicket of information to determine the effect of any one factor, or even the whole effect...

Since the science of economics is primarily a set of tools, as opposed to a subject matter, then no subject, however offbeat, need be beyond its reach.

There are certainly some economists who are nervous about pop economics. James Heckman, the 2000 recipient of the Nobel Prize in Economic Sciences, believes that younger economists are devoting too much time to trivial pieces of research in the hope of gaining larger citations for their research. ‘In some quarters of our profession’, argues Heckman, ‘the level of discussion has sunk to the level of a New Yorker article: coffee-table articles about “cute” topics, papers using “clever” instruments … this is a sad development that I hope is a passing fad’.

But from the point of view of the general reader these criticisms are largely irrelevant. Pop-economics is bringing positive attention to a discipline that has experienced two hundred years of scorn and cries of boredom. Moreover, they are presenting some of life’s most important questions in a modern light. In its own funny way, pop-economics is becoming a sub-genre of the ‘self-help’ style of book. Tyler Cowen’s Discover Your Inner Economist: Use Incentives to Fall in Love, Survive Your Next Meeting, and Motivate Your Dentist is certainly a creative approach that stands in stark contrast to the incomprehensible equations of Leon Walras in the late nineteenth century.

The Chicago connection

Gary Becker won the Nobel Memorial Prize in Economic Sciences in 1992 for having extended the domain of microeconomic analysis to a wide range of human behaviour and
interaction, including non-market behaviour. The long road to Becker's Nobel achievement began with his 1957 doctoral thesis on *The Economics of Discrimination*, a ground-breaking paper which used microeconomic theory to analyse the extent of discrimination in the workplace.

Becker would continue his efforts in applying price theory to typically non-market related issues in his extraordinary *Treatise of the Family*, a book that approaches behaviour in families in purely cost/benefit terms with the objective of maximising welfare. The results were definitely original but not always popular. Becker's colleague at the University of Chicago, George Stigler, remarks in his autobiography that, 'I still remember the tone of outrage with which a Harvard economist complained at the impropriety of comparing babies with refrigerators and other durable consumer goods'.

True enough, Becker may not have got the user-friendly language right. Those with certain sensitivities may not have liked the assumption that 'children are viewed as a durable good, primarily a consumer's durable, which yields income, primarily psychic income to parents'. It would take the penmanship of a Stephen Dubner or Tim Harford to translate controversial economics into a more compassionate and reader-friendly format, but the ground had been set for similar research to take place. Becker opened the door for thousands of young economists who finally saw that such research could be not only empirically rewarding but now also publicly rewarding.

A year later, Steven Landsburg, also from the University of Chicago, would publish *The Armchair Economist*, the first commercially successful 'pop-economics' book. In 1996, David Friedman, son of the most famous Chicago economist, Milton Friedman, would publish *Hidden Order: The Economics of Everyday Life*. It was not until 2005 however, that Steven Levitt produced *Freakonomics*, the most successful book of the genre yet.

That the University of Chicago was the origin of this new sort of economics makes sense. George Stigler remarked that 'it would have been surprising to see the appearance of the works of … Becker … at a university hostile to the traditional Chicago School’. The Chigaco School is famous also for its libertarian bent, and it is no surprise then to find the majority of these books coming from economists sympathetic to the free market. Nevertheless, the market for books on economics aimed at the non-specialist probably opened as soon the discipline was born.

William Cobbett, the prolific journalist of early nineteenth century England, turned to Adam Smith's *Wealth of Nations* for hope of a general education in economic matters, but 'could make neither top nor tail of the thing'. Cobbett spent much of his life trying to educate working people on a range of topics, and while an accessible economic text was certainly in the pipeline, Cobbett never managed to complete it.

Even by the twentieth century, this demand had been largely unmet. A particularly early attempt at such a book was Henry Clay's *Economics for the General Reader*, which was probably more famous for a cameo appearance in F. Scott Fitzgerald's *The Great Gatsby* than anything else. Even so, Clay's book begins in many ways similar to the books of today—an admission of the lack of a proper book on economics aimed at the general reader and an affirmation of the importance of economics in understanding the world.

Clay's work—which deals with more traditional topics than the quirky *Freakonomics* or *The Undercover Economist*—has modern relatives in recent books like Thomas Sowell's *Basic Economics*, Charles Wheelan's *Naked Economics* or John Kay's *The Truth About Markets*. These works attempt to explain the traditional concepts of economics to the general reader—monetary policy, price formation and international trade, for example—that are not as clearly spelt out in *Freakonomics*-style books.

**The sensitive economist**

In his 1944 address to the London School of Economics, 'On Being an Economist', F.A Hayek admitted that 'the dislike for most of the teaching of the economists in the past has built up a picture of the economist as a sort of monster devouring children'. But Hayek continued that 'I must say that I have found them on a whole a surprisingly nice, sensitive and sane lot of people, less crotchey and mad than other scientists'.

This misperception of economists is no doubt partly responsible for the tone set in most pop-economics books. This is certainly true for one in particular, Diane Coyle's 2007 *The Soulful Science: What Economists Really Do and Why It Matters*. The final chapter, named 'Why Economics Has A Soul', aims to put an end to this idea of the economist as soulless, jargon ridden and obsessed with financial markets:

’No matter that this isn’t what most economists do, it’s what most people mostly see of us. That the public face of economics is usually a dull but pompous, middle-aged, white man makes matters even worse. When a critic charges economists with only caring about money, it’s easy to believe, as that’s all we’re seen to talk about in public.’

Pop economics has provided a powerful vehicle for defending a discipline that feels it has been misunderstood for too long. George Stigler called economics the 'Imperial Science'. After so many successful battles in university campuses against those unfortunate but ill-disciplined foes—sociology and political science—it has now spotted your bookshelf.
Empty spaces:

Government regulation is killing Australian culture

Christopher Murn

There is now an increasingly significant barrier to a vibrant Australian culture—nanny state regulations and bureaucratic red tape.

The most difficult time for any artist is at the beginning of their career. Artistic entrepreneurs don’t hold the promise of windfall profits that their commercial brethren possess and this can discourage investors.

In Australia, taxpayer subsidies overwhelmingly favours established artists. Last year the Australia Council issued $156 million in grants of which $63 million went directly to orchestras alone—over 40 per cent of total funding. Amongst other reasons, arts funding often fails because it is impossible to distinguish who constitutes a good investment in the absence of a proven reputation. After all, no-one would appoint a candidate with an empty resume and no references as the CEO of their company.

But while acquiring necessary funding is (and will always be) a constant challenge for young artists, they are now facing perhaps a more challenging problem—high regulatory barriers which prevent artists from finding performance and exhibition space, hosting events, and obtaining necessary permits. And their lack of capital makes regulatory compliance costs even more crippling. New acts and events find it difficult and burdensome to obtain funding, which they must then spend on public liability insurance, lawyers, acoustic engineers, permits, licences and building inspectors to ensure they meet regulatory requirements.

The problem every artist faces is how to bring their talent to the public. This requires holding an exhibition or public event, obtaining a venue and promotion to ensure an audience.

Finding a place to perform isn’t easy; in the case of musicians there has been a growing decrease in the demand for live acts by venue owners. The Australia Council’s 2002 *Vanishing Acts* report showed that various forms of regulation contributed to this downward trend. Aspiring artists depend on the availability of venues, which in turn are heavily regulated.

Venue owners must comply with excessively onerous regulations. Firstly, a place of public entertainment permit (POPE) is needed from the local council before they even think of admitting the public to their residence. POPE costs vary from council to council but can be as high as $2,050 (City of Melbourne). This particularly hurts smaller community and cultural institutions, creating a venue shortage for aspiring artists.

POPE permits require venue owners to obtain an occupancy permit. This involves hiring building inspectors to ensure the venue meets the building code and often additional fire safety upgrades are needed. In Sydney any stage constructed must be able to contain a fire for over an hour before it spreads; no easy feat and hardly worth the effort unless pyrotechnical displays are involved.

POPE regulations can also apply to temporary structures such as booths and marquees at outdoor events. Not surprisingly, more time and money is required for a temporary venue than establishing a permanent commercial venue. Outdoor festivals need to be planned months in advance to accommodate the long and intensive local council permit processes. Extensive community consultation is required with affected parties. Road closure approval, emergency plans, public liability insurance, occupational health and safety laws, traffic management plans, and notification of emergency services must all be addressed to obtain a permit.

Venue owners and event organisers rely heavily on food and beverage sales to supplement their income from cover charges and ticket sales. *Vanishing Acts* found that 81 per cent of hotels derived no direct income from live music, and a further 17 per cent derived less than 5 per cent of their income from live performances. Artists rely on food and alcohol sales to subsidise their performances and exhibitions. However, here too, increasingly stringent and onerous liquor licensing and food regulations are raising the cost of cultural production for artists and venue owners.

Liquor laws vary throughout Australia. In Melbourne liquor licences are around $500 whereas in Sydney liquor...
licences can cost as much as $60,000. However, this is set
to change due to liquor licensing reforms in NSW, dramati-
cally reducing fees. Nevertheless, as NSW liberalises its li-
quor laws, Victoria is tightening its regulatory control. In
Melbourne, the state government has enacted a 12-month
freeze on new liquor licences trading after 1am in the city
and inner suburbs. Furthermore, existing venues will be
subjected to the freeze if they attempt to alter any condition
upon their liquor license. This effectively prohibits venue
owners from upgrading their facilities—such as creating an
outdoor space to accommodate smokers.

This freeze on late night licences will act as a significant
barrier to competitive entry, restricting new venues while
supporting existing venues by relieving them of potential
competition. The only way a new entrant can sell alco-
hol beyond 1am is to purchase an existing venue without
amending its liquor licences. And this has a knock on effect
for Melbourne’s cultural scene, further limiting the avail-
ability of cultural venues.

Existing liquor permits are saddled with many regula-
tory conditions, including compliance with EPA noise lim-
its, which are monitored by local councils.

Vanishing Acts found that the greatest consideration
making live music difficult was noise complaints. EPA regu-
lations are extremely technical and complicated. For instance,
in Victoria acceptable noise levels vary depending on:
• Whether it is a weekday or weekend.
• Whether the venue is indoor or outdoor.
• How often the venue is used.
• How high the level of background ambient noise is.
• Whether the venue emits constant or spasmodic noise
pollution.

Just to complicate things further, the method of measure-
ment varies between day and night. At night the ambient
noise is only measured across particular frequencies making
it a much stricter requirement. Not only do venue owners
require a solicitor to understand the intricacies of the regu-
lations but they also need an acoustic engineer to under-
stand the measurement techniques required.

Cultural production is a largely voluntary—or semi-
voluntary industry—where the struggle for funding means
that artists and their support staff work without much com-
ensation.

But while it is not hard to find actors or exhibition direc-
tors who will work for love or loose change, it is much harder
to find regulatory lawyers and acoustic engineers who will
do so. What funding is available to artists is being funnelled
towards regulatory compliance rather than art.

Given this regulatory mishmash, it might be easier to
perform on the streets—however buskers don’t escape regu-
larity control.

Even if artists perform on the streets they can still be fined
for busking without a permit, creating excessive noise and
obstructing the footpath. In Melbourne fugitive buskers
are limited to the immediate vicinity of the venue. A
permit is required from the local council to display any ma-
terial in a public place, including handing out fliers. Even
community notice boards require council approval. In the
City of Melbourne a permit to hand out fliers to pedestri-
ans costs $50 per day with an additional $5 for each loca-
tion used. Non-compliance attracts a $500 fine. Whereas
in Sydney a permit is not required so long as advertising
is restricted to the promoters clothing and no third party
advertising is present. However, the Sydney City Council
retains the right to charge a fee for occupation of a foot-
path when handing out fliers.

Buskers often promote their work by selling their art
cheaply. This necessitates a roadside selling permit, adding
a further dimension of regulation. Some councils expressly
prohibit the sale of CD’s in areas such as Sydney Harbour
Foreshore. Buskers in Melbourne are permitted to sell CDs
as long as a Melbourne City Council bureaucrat has listened
to and approved of the content of the CD, adding a degree
of censorship to the process.

In many circumstances the burden of publicity falls
on the event organisers and venue operators. This occurs
because a majority of their income is generated indirectly
through food and drinks sales.

Clearly there is a need for regulatory reform, cultivat-
ing a vibrant and innovative culture brings vast social and
economic rewards. The first step must be to clear up this
tangle of red tape and minimise the unfettered discretion
given to local councils under current regulations.

If governments are really serious about creating cultur-
ally rich communities, rather than focusing on the contro-
versial issue of government arts subsidies, they must first
remove the regulatory impediments that smother creativity
and innovation. Innovative and new artists are being left to
drown in a regulatory cocktail.
Oppositions have to change before they can win

Incumbent governments are flooding the media cycle, writes Tony Barry. Because of this, oppositions will need to abandon their small target strategies or they will never have a chance.
Liberal oppositions across the country are using an old game plan—where a ‘small target’ strategy could pave the way to government. Unless they figure out why this strategy is failing, these oppositions will remain in the political wilderness. Contemporary Australian politics has become an exercise in tactical media contact and tight news cycle management. Unfortunately this recent development has come at the expense of values based leadership and outward looking policies.

Incumbent governments have mastered the art of controlling the news cycle and starving the opposition of oxygen. This, coupled with paid media campaigns in the form of government advertising, effectively suffocates oppositions to the point where they get caught in the trap of trying to respond tactically through the media on a day to day basis in the hunt for elusive media coverage. But populist positions on the hot issues of the day may often not be consistent with a party’s core values. A party can only enhance its brand by building a long term values-based narrative with the electorate. By starving oppositions of oxygen, incumbent governments, particularly at a state level, have effectively reduced their opponents to irrelevancy. As a result, oppositions have scant opportunity, outside of a paid media campaign, to prosecute the case for change.

The notion of starving an opponent of oxygen is hardly a new tactic. At the height of the troubles in Northern Ireland, former British Prime Minister Margaret Thatcher sought to deny Sinn Fein what she called ‘the oxygen of publicity’ by banning the appearance of their representatives on broadcast media. Although this effort failed (the BBC simply hired actors to read their lines) incumbent governments have transplanted this strategy to their own political environment.

Overseas, Tony Blair and Bill Clinton set the benchmark for tactical media contact and micro-management of the news cycle. The legacy of their contribution to politics is tightly scripted media stunts and celebrity endorsements which are now turning political races into beauty contests.

Closer to home in Australia, former state premiers Peter Beattie, Bob Carr and Steve Bracks have emulated their international counterparts. And now, at a federal level, Prime Minister Kevin Rudd is clearly attempting to replicate this strategy.

As Prime Minister, Kevin Rudd rarely engages his opposition counterpart, instead choosing to float above the political fray in micro-managed media stunts that deprive his opponent of oxygen. On the few occasions when Prime Minister Rudd has engaged his opponent it has been in set media pieces such as the national apology to the stolen generation or the 2020 Summit. Indeed, the 2020 Summit is a monument to scripted set media pieces and management of the news cycle. As a media spectacle, the 2020 Summit reached new heights. But as a serious forum for policy development, the 2020 Summit, unsurprisingly, failed to match the hype.

The challenge for oppositions is to break free from this vortex created by starving oppositions of oxygen and effectively communicate a set of values to the electorate which builds a bridge between those established values and policies.

This is not a new, untried theory. Former United States President, Ronald Reagan had an uncanny ability to link stories or political narratives to personal values structures.

Reagan believed that political leadership was about being able to communicate a set of commonly shared values with the electorate. Reagan knew that once those shared values have been established, leaders must show they embrace those values in their own lives to help create an expectation in the electorate that those same values would manifest themselves in the leader’s policies or responses to emerging problems.

Reagan’s campaign strategist and pollster, Richard Wirthlin, was a pioneer in values based communication.

Underpinning values based communications is one simple principle—‘persuade through reason, motivate through emotion’.

According to Wirthlin, what made Ronald Reagan such a remarkable leader was his understanding that values are the strategic hinge for effective persuasion. Wirthlin has argued that values are:

the measures by which individuals determine the worth or importance of matters of concern in their lives. For example, ‘freedom’ is a value. If a person cherishes freedom, that value becomes the yardstick by which he or she can measure the importance of relevant public policies. A president might argue that a given military action is necessary to protect our ‘freedom’. The presence of that value communicates that the speaker treasures an insight that exists within the individual members of his or her audience.

Reagan and Wirthlin knew that the perceptions, expectations and beliefs that drive decision-making behavior have both rational and emotional components.

This complex set of rational and emotional perceptions are linked by a network of connections including a functional component. For every rational thought, there is a functional element and a terminal value. For instance, a strong national economy is a rational argument, and depending on the individual the functional dimension to that might be lower interest payments on

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their house or low unemployment. The terminal value of that path, depending on the particular person, might be personal security, peace of mind or similar. In other words, depending on the individual, a rational argument might be that a strong national economy is important, the functional consequence of that might be lower interest repayments and therefore more disposable income and the terminal value of that might be that it gives that individual peace of mind.

In his halcyon days, former Prime Minister John Howard consistently demonstrated an established set of shared values with the electorate. While the media were caught up in the technicalities and detail of John Howard’s so-called ‘Pacific solution’ and other like initiatives, the electorate were more interested in a shared value of protecting our borders. In other words, confident in their perception of John Howard’s values, the electorate were given some comfort about how he might respond to other unique situations.

But the national political landscape has changed dramatically in recent times.

Robust policy and values debates have given way to micro-management of the media and staged public relations exercises. Tactical media contact and tight control of the news cycle by the incumbent government now dominate the new politik.

In the era of the new politik, values have taken a back seat and policy has been relegated as a tactical device to give the perception of differentiation between political opponents.

For instance, the much vaunted ‘education revolution’ in last year’s federal election campaign was big on promise and hope, but short on detail. Six months into the Rudd Government, it is now clear that there was no ‘education revolution’ in a policy sense. It was simply an effective tactical device designed to sell a message about an opposition with plans for the future contrasted against a government perceived to be too focussed on its track record.

Similarly, Kevin Rudd’s pre-election promise to sign the Kyoto Protocol was positioned as an off the shelf panacea to address global climate change concerns. Few voters actually believed it was, but in their minds it was a potent symbol of Kevin Rudd having the new ideas and fresh thinking which he had promised—a key differentiator between him and his opponent John Howard. Again, this was an effective tactical device but not a substantive policy.

This has significant consequences for opposition strategy. In the early 1990’s the prevailing political wisdom for oppositions was ‘don’t be the issue’. By being a large target it invited the incumbent to attack the opposition and fuel doubts about their capacity to govern. But by keeping the focus on the incumbent government, voters were more likely to make their vote assessments based on performance considerations of the government.

Particularly in state politics the small target strategy no longer works as hard. Rather than the old ‘don’t be the issue’, today the new strategic paradigm for oppositions is ‘don’t be irrelevant’.

In this new paradigm, rather than engage and attack the opposition, governments starve their opponents of oxygen thereby making them irrelevant. This inertia makes it more difficult for oppositions to build any momentum and gain relevance. Unable to gain relevance, oppositions struggle to demonstrate political competence which is a minimum requirement for the electorate in their vote assessments.

In this new paradigm, oppositions have no share of voice and the incumbent government, by owning the media cycle, has superior weight of message.

This new paradigm is more pronounced at a state level where there is less media scrutiny as well as lower expectations from the electorate of what state governments can actually achieve. Laurie Oakes has often observed that voters have higher expectations of federal governments because they see them as responsible for the key areas of economic management, including cost of living, employment, interest rates and inflation, as well as major infrastructure, trade, defence and border protection. By comparison, voters now somewhat regard state governments as service providers where anything can be fixed by throwing more money at it.

The small target strategy also fails in the new paradigm because the incumbent government can run a totally positive campaign (particularly with the use of government advertising) that neutralises its own weaknesses, effectively slamming every door shut before the opposition is able to push it open.

The era of oppositions merely opposing the incumbent government’s positions on issues is over, and is seen to be over. The iterative ‘we’re not Labor’ or ‘we’re not Liberal’—which is a shapeless position—simply no longer works. Instead, the electorate is looking for political parties to provide some shape through values that can manifest themselves in broad based policies.
Liberal politicians need to ask themselves how they would be different from Labor if the Liberals were in government tomorrow. If they cannot answer this question, then why are they in parliament?

Instead of being caught in the strategic vortex of tactical media contact, a political party seeking electoral success must return to its core values that have underpinned its earlier successes.

For the Liberal Party to do so requires three elements. First: Liberal oppositions need to be more disciplined when it comes to media contact—quality is better than quantity. The temptation in opposition is to focus on tomorrow’s headlines. Rather, oppositions need to develop a connected narrative around the values, ideas and policies they produce rather than simply engage in a staccato release of unrelated policy ideas, punctuated by shrill media led attacks on the government.

Second: the Liberal Party needs to return to its core values of enabling personal choice, family, enterprise, reward for effort and less government interference. Liberal politicians need to ask themselves how they would be different from Labor if the Liberals were in government tomorrow. If they cannot answer this question, why are they in parliament?

And third: the Liberal Party needs to reassess its personnel. No credible discussion about the Liberal Party can avoid raising issues relating to personnel. For years some sections of the party have argued that the problem with the ALP was that it was too top-heavy with political professionals from the union movement. But with the Liberal Party on its knees federally and in every state and territory while the Labor Party enjoys unprecedented success, it is difficult to continue to defend that position. Just as some of the Liberal Party’s best performers have come up through the ranks after cutting their teeth in student politics, the union movement is an intense political training ground where young ambitious Labor hopefuls learn the fundamentals of politics and develop into hardened operatives.

Peter Costello frequently defends the political professional and advocates that though politicians may not be popular en masse, politics is a vocation—almost a calling—of its own.

There is a widely held view that in the future the most successful political parties will be those whose preselection processes will accommodate the logical balance between strong community representatives and political professionals who have an innate understanding of the need for values based politics. This is particularly so for parties in opposition. Until they recognise this necessary balance, oppositions will be unable to actively shape the long term identity, values and positioning of their party and leaders. There is a service industry secret that could easily be adopted by Liberal oppositions at the state level. Making no mistakes is good, but making a mistake or two for the right reasons on the road to improvement is better.

The electorate is well accustomed to governments and politicians making mistakes whether it is economic mismanagement or projects being built over-time and over-budget.

But they are far less forgiving of governments and politicians that they feel are not even trying. A successful opposition will need to take some risks to break free from the news cycle vortex.

Only then will they be able to establish a longer term narrative with the electorate that articulates a clear set of commonly shared values.
The covert return of the Industrial Relations Club

Paul Maguire

One of the few positive results of the Howard government’s WorkChoices reforms was that the old ‘Industrial Relations Club’—the Australian Industrial Relations Commission (AIRC), Australian Council of Trade Unions (ACTU), Australian Chamber of Commerce and Industry (ACCI) and the Australian Industry Group—was put out of business. This opened up the possibility of genuine reform of award and wage regulation in this country.

Unfortunately the new Labor government has provided the IR Club with an opportunity to reimpose its power over Australian award wages and conditions. The decision to put the IR Club back in business is bad news for Australian employers and employees. In the long term it may also be bad news for the Rudd government. The phrase ‘industrial relations club’, was originally coined by Gerard Henderson to describe the cabal of lawyers, industrial relations commissioners, and industry and union officials that determined what Australians were to be paid for nearly a century.

Wrenching authority from this group in 2006 meant that, for the first time in Australian history, decisions affecting wage and salary earners would be based on thorough economic research rather than sectional interests.

The initial minimum wage decisions of the Australian Fair Pay Commission and the two reports of the Australian Government Award Review Task Force of July 2006 on award rationalisation, although not perfect, revealed all too briefly the superiority of an evidence-based approach to wage decisions.

But when the Rudd government decided to reform the award system, the President of the Australian Industrial Relations Commission, Justice Geoffrey Guidice’s first public statement signalled that the Commission will act as a mere conduit for the wishes of the IR Club. Justice Guidice stated that he had ‘consulted with the ACTU, the ACCI and AIG ... concerning the best process to be followed by the Commission when creating modernised awards’ and ‘the classification of industries (and occupations) used in the Commission’s panel system will be the starting point for the award modernisation process.’ Justice Guidice believes ‘The panel system is familiar to commission users and will provide a convenient frame of reference.’

There are two significant problems with this approach.

The government’s request was to merely consult with the peak organisations, not carry out their instructions. Secondly, it might be a convenient frame of reference for the IR Club but the Commission’s panel system contributes nothing to the task of creating truly modernised awards.

The very reason Australia needs a process to modernise awards in the first place is because the AIRC’s panel system of award classification failed. It is the problem, not the solution. The real motivation to retain the Commission’s panel system of award classification may be gleaned from this observation of the Award Review Task Force in 2006:

A substantial element in support for the retention of the AIRC approach to the arrangement of awards and a cohorts model appears to be related to concerns that various employer organisations will lose traditional membership arrangements built around award coverage.

There is no doubt that the Rudd government understands that the success of its reform of employment regulation depends largely on the success of the award modernisation process. It has taken the sensible step to delay the full implementation of its legislative agenda until this process has been completed. However, granting the IR Club the keys to drive the award modernisation process will enable its members to re-assert their own sectional interests and effectively kill any chance of proper reform.

It is not too late for the current government to regain control and to put the IR Club out of business for good.

Paul Maguire is the Director of Maguire Consulting Pty Ltd, and is a former union official and junior member of the IR Club.
Has the ALP shifted too much for the Liberal Party?

Ken Phillips

Let’s be blunt: at the state level, it seems like the Liberal Party is achieving little more than self-destruction. Why is this so?

The answer can be found in the Australian Labor Party. The ALP has completely transformed itself.

Certainly, the Labor Party constitution still maintains socialism as its objective. The constitution says Labor is ‘a democratic socialist party,’ which ‘has the objective of the democratic socialisation of industry, production, distribution and exchange to the extent necessary to eliminate exploitation.’

But these words have become historically anachronistic and empty; no longer followed as an active principle.

The ALP has dumped socialism and now seems to be a pro-business, pro-market political machine. It receives more funding from the business community than from the unions.

There are individuals in the Liberal Party who are intellectual matches for the best of the ALP. They mostly function at the federal level. At the state level, intellectual thought is confused.

At the core of Liberal confusion is a lack of recognition about these ideological changes inside the ALP. If the change is pointed out the reaction is aggressive denial.

The reality however is that the ALP presents itself as the very thing the Liberal Party aspires to be; economic managers with a pro-free market bias matched by a social conscience.

Further, at the state levels the ALP is demonstrating itself to be significantly more competent as free market managers than the alternate on offer from the Liberals.

It’s too early to judge the federal situation.

This powerful performance by the ALP confuses the Liberals. Unable to explain and frustrated by ALP success, the Liberals have turned inward devouring themselves.

The Liberal Party has always been a healthy dynamic of tensions between different views. Today there are royalists, pro-republicans, conservatives, neo-liberals, nationalists, internationalists, bleeding-heart soft lefties, hard religious rightists, mild anarchists and strong government interventionists to name just a few.

To the extent factionalism exists it floats around issues and personalities. From a policy perspective, individuals cross from one side to the other depending on the issues of the day.

What has always united the Liberal Party is a belief in saving Australia from socialism. This means stopping the ALP and its union backers from being in government. This has been the 60-plus year binding glue that has given Liberals their success.

It’s easy to bond when you know what to oppose. But fear of ALP and union socialism is now a Liberal myth, one made irrelevant by the changed ALP.

The first Liberal reaction to these changes has been denial. So sacred is the socialist-fear myth that party operatives cannot accept, or even conceive of, a changed ALP. The common refrain is ‘just you wait; they (the ALP) will return to form.’ And in the waiting the Liberals have been losing badly. Denial has been political death.

The second reaction has been self-destruction. Without the binding glue of socialist fear the disparate views and tensions have wildly split.

Unable to analyse the cause of their problems the Liberals have so far proven incapable of identifying solutions.

If the ALP has changed and accepted core principles to which Liberals subscribe how do Liberals define a difference?

The solution, if there is one, lies in a close and honest analysis of the new ALP, done without preconceptions of the past. Then a focus on and reassessment of principles of good government.
How humanity outflanked starvation

Sinclair Davidson reviews

A Farewell to Alms: A brief history of the world
by Gregory Clark
(Princeton University Press, 2007, 440 pages)

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ometimes in the last 200 years there was a fundamental shift in the human condition. Our lives changed from being somewhat ‘nasty, brutish and short’ into the long prosperous lives we lead today. In one important sense we changed from living ‘brutish’ lives to living ‘British’ lives—the industrial revolution started in England.

It is a great irony that this change occurred during the life of Thomas Malthus (1766–1834) who had set out and explained the notion that gains in income were lost through population growth—an idea now known as the Malthusian trap. That humanity escaped the Malthusian trap cannot be doubted—how and why we escaped is an open and hotly debated issue.

Gregory Clark’s A Farewell to Alms: A brief history of the world is the latest book in a long line of tomes that attempts to explain what happened and why. A particularly important issue is why the industrial revolution happened first in England and not elsewhere; Clark makes a valiant effort to address that question. Overall, Clark has produced a massive book, brimming with facts and analysis; yet it is unsatisfying.

Unlike previous books in the genre, most notably Jared Diamond’s Guns, Germs and Steel, Clark’s effort is written as a scholarly work and few lay readers are likely to struggle through the often mind-numbing detail.

Clark’s basic thesis is that high-income individuals had more surviving offspring than low-income individuals. In a Malthusian world this implied downward social mobility.

[T]he superabundant children of the rich had to, on average, move down the social hierarchy in order to find work. Craftsman’s sons became laborers, merchants’ sons petty traders, large landowners’ sons small-holders. The attributes that would ensure later economic dynamism—patience, hard work, ingenuity, innovativeness, education—were thus spreading biologically throughout the population.

While Diamond argued geography is destiny, Clark has an argument somewhat familiar to Australians—demography is destiny. It appears the industrial revolution occurred in England and not in Japan, for example, because the English aristocracy had more children than elites elsewhere. Bourgeois values slowly permeated society as the downward mobility of the aristocracy displaced the vulgar values of the lower classes—who Clark tells were effectively dying out. Rather than the meek inheriting the earth, according to Clark the envious inherited the earth.

This is a very different story from that which economists normally tell in explaining economic growth in general and the Industrial Revolution in particular. Adam Smith famously wrote, ‘Little else is requisite to carry a state to the highest degree of opulence from the lowest barbarism, but peace, easy taxes, and a tolerable administration of justice’. In this view, institutions matter. Private property, stable government, and the rule of law are important in the usual economic story. Clark’s argument is that these institutions are necessary but not sufficient conditions for economic prosperity.

There is, however, a fundamental difficulty with Clark’s thesis. He makes the argument that vices and virtues are reversed in a Malthusian world compared to our non-Malthusian world.

Rather than the meek inheriting the earth, according to Clark, the envious inherited the earth.

Conflict, disorder and poor sanitary practices increased living standards, while peace and order, improved sanitation and personal hygiene lowered living standards. In particular he argues that hard work was a vice, while indebtedness was a virtue.

Where then does the work ethic come from? James Buchanan, the 1986 Economics Nobel laureate, has argued the work ethic expands the size and scope of the market and so contributes to prosperity. Yet Clark has us believe that this ethic was a vice, that it existed and slowly spread through society via the downward mobility of those people who had this ethic. Why would this ethic have evolved at all, at any point in human history, if it were a vice? Why would the upper classes have this vice,
A return to a Malthusian world requires much more social engineering than growth critics imagine. To return to a world where most humans live at a subsistence level is an impossibility given the number of people alive today.

if it were a vice? Are we to believe that our current prosperity is due to the ‘bad habits’ of an ancient elite? Unfortunately, this question arises early in reading the book and is not answered. Clark provides copious evidence of his downward mobility thesis but, as Professor Tyler Cowen of George Mason University argues, he never proves his argument about the Malthusian trap.

A Farewell to Alms has been widely discussed and reviewed. The New York Times, for example, has published two reviews; the first by Tyler Cowen and the second by Benjamin Friedman. These reviews were mostly sympathetic, although Cowen published a more detailed critique on his blog Marginal Revolution. Deirdre McCloskey, however, is far less kind. She summarises Clark’s thesis as ‘rich people proliferated, and by a social Darwinian struggle the poor and incompetent died out, leaving a master race of Englishmen to conquer the world’. While Clark has failed to fully reference McCloskey’s own work in this area, and they are academic competitors in some sense, her position is nuanced. McCloskey does admit that a large part of the book is ‘uncontroversially good, a review for outsiders’. She does not, however, believe the central hypothesis at all. Nonetheless his argument is sufficiently important for McCloskey to take the time to refute the argument rather than simply ignore it.

The question that Clark never asks, is whether these changes were for the better. Clark’s major contribution lies in the historical detail that he provides. His description of the pre-1800 world is both shocking and illuminating. The description of how filthy Europeans were relative to Asians is particularly shocking. In particular the notion that Europeans enjoyed higher incomes because they were less willing to spend economic resources on cleanliness. The implicit assumption is that changes that have occurred since 1800 are for the better.

This is in contrast to the change from hunter-gatherer society to agricultural society. Here Clark presents evidence consistent with the notion that human welfare declined over time. The hours of work in an agricultural society are higher with a lower-payoff than in a hunter-gatherer society.

What does it mean to have escaped the Malthusian trap? In short, rising population and rising real income. Some environmentalists, however, are unhappy with this state of affairs.

Rising income, with the associated rising consumption, and rising population is ‘unsustainable’. Calls for the creation of a ‘low carbon’ society effectively argue that the industrial revolution was all a mistake—that escaping the Malthusian Trap has led to an unsustainable lifestyle.

Ian Dunlop, chairman of the Australian National Wildlife Collection Foundation (CSIRO), set out the principles of a sustainable lifestyle earlier this year in an Australian Financial Review article. Reduced mobility, reduced trade, local production, and no trade in energy are all hallmarks of an environmentally sustainable lifestyle.

The only difference between this and the Malthusian world is his call for high high-speed internet—but for what purpose? Demand for long distance communication would quickly collapse in a Malthusian world.

An even more blatant example of Malthusian nostalgia can be seen in a recent article by Ross Gittins in the Sydney Morning Herald. He writes ‘in olden days, the rich regarded bathing as a sign of their social superiority’. Clark indicated that cleanliness was a Malthusian vice and that Europeans, in particular, suffered little from this vice.

To combat climate change, Gittins tells us we need to bathe or shower less often. Yet, if we are to believe Clark we’re descended from people who preferred more cleanliness to less and there may be a genetic preference to bathing in addition to social considerations. Mind you, historically, it was only Europeans who made a virtue of filthy living.

Of course, a return to a Malthusian world requires much more social engineering than that either Dunlop or Gittins imagine. As it is Dunlop imagines far more social engineering than a democratic society could ever undertake. To return to a world where all humans—except for a tiny downwardly mobile elite—live at a subsistence level is an impossibility given the number of people alive today. Cities would need to depopulate and the number of people rapidly decrease.

Our environmental friends have yet to articulate this aspect of their Malthusian philosophy. Thanks to Clark’s book more people understand the Malthusian world and few readers will want to live there.

Clark has a fascinating thesis and produces a wealth of evidence. Ultimately however Clark raises even more questions than he answers. In scholarly circles that can be valuable, but the lay reader is likely to be frustrated. Even if his basic thesis were true, he doesn’t explain why the English upper classes chose to have more children than those in other parts of the world.

We are back to the basic explanation for the industrial revolution; for some reason, something happened in England that totally revolutionised our world.
It may not come as a surprise that Hostel: Part II, the 2007 movie which depicts nearly an hour and a half of brutal, explicit and uninterrupted torture, is part of a rich cultural lineage. Hostel II is part of a new movement of neo-exploitation cinema, and its direct artistic ancestors date back nearly half a century. So have ‘bad’ movies like these edged out ‘good’ movies?

Few cultural fields illustrate the blurring between ‘highbrow’ art and ‘lowbrow’ craft more than the movies. As Jeffrey Sconce points out in the new edited collection of essays on trash cinema Sleaze Artists: Cinema at the Margins of Taste, Style and Politics, movies were never an elite art; condemned to be practiced and enjoyed only by the cultured few. Instead, movies have always existed only to entertain, and as such, have always been a ‘vulgar medium’ designed to appeal to the unwashed masses.

But there is vulgar, and then there is vulgar. Sleaze Artists explores the depths of trash, exploitation and grindhouse cinema of the last forty years. Not only do the films discussed in Sleaze Artists have no artistic pretensions; they barely even have entertainment pretensions. For the cinema underground, the first priority is to titillate.

The essays in Sleaze Artists are diverse, as is typical for an academic collection, with contributions covering gay military films, boredom as a motif in the Italian underground, the quasi documentary elements of the postwar nudie film, and an account of the production and distribution of a gothic horror movie that couldn’t find an obvious market. The authors are an assortment of professors and cultural studies academics from the United States; if they were Australians, our first reaction would be to decry a university system that redistributes taxpayers’ money to tenured lecturers just so that they can watch all eleven Friday the 13th films, but as they are Americans we can just marvel in amusement. So it is easy to write that many of the essays in Sleaze Artists are fascinating. After all, it’s not our taxes.

As an example, an interesting chapter by Kay Dickinson looks at the strange partnership between Italian horror of the 1970s and early 1980s and the often very beautiful soundtracks which accompanied them. In this, the archetypal example is the infamous 1980 film Cannibal Holocaust. The gruesome violence of this film—the director, Ruggero Deodato, was forced to prove in an Italian court that he had not actually killed anybody during filming, and the film shows the actual slaughter of half a dozen live animals—is matched with an unpredictably lush synthesizer jazz score by the composer Riz Ortolani. Dickinson nominates the dissociative and unnatural quality of the synthesiser itself as a conscious artistic decision by the filmmaker to unnerv the viewer—as if seeing a live turtle dissected on screen was not unnerving enough.

Tania Modeleski’s chapter on the 1960s director Doris Wishman is one of the few in Sleaze Artists that shows the necessarily ambiguous relationship modern audiences have with exploitation cinema. Modeleski, a Californian academic with an interest in feminist film criticism, is deeply ambivalent about her subject. Doris Wishman produced some brutal films. Her female protagonists get raped, abused and forced to murder. Every
bruise is carefully fetishistically recorded for the silent male audience.

For Modeleski, that a female director produced the most misogynistic films of the genre is a distinct challenge. Most of the essays in Sleaze Politics seek to normalise their films and their audiences—to make the unusual seem pedestrian. Furthermore, a focus of the cultural studies movement over the last few decades has been not just to make marginalia the focus of legitimate academic study; it has been a conscious effort to detect ‘transgressive’ artistry and politics in the cultural underground. Movies are carefully parsed and examined to discover ironic visions worthy of the twenty-first century arts faculty in even the most forgettable cookie cutter exploitation genres. If you pick up a copy of any schlock horror film in a bargain DVD bin, the advertising on its case will proclaim its ‘subversive’ nature. In most cases, this subversiveness is absent and rarely more than wishful thinking. After all, modern audiences, trained on Quentin Tarantino-esque postmodernism, far more interesting than Stanley Kubrick’s achingly important and serious 2001: A Space Odyssey, made in the same year. The final essay, ‘Movies: A Century of Failure’ takes this observation as its jumping off point, and tries to work out just what the appeal of underground or otherwise unsuccessful films is. How have embarrassingly bad movies—like Jennifer Lopez and Ben Affleck’s wildly unpopular 2002 romantic comedy Gigli, or 2004’s Catwoman, which reduced the Oscar winner Halle Berry to a lifeless, latex wearing sex object—managed to ascend the cultural ladder and gained cult status? How has the 1950s director Ed Wood, whose films are barely able to sustain a timeline, let alone a plot, become a modern film legend? Whenever Wood’s Plan 9 From Outer Space is again nominated as the worst film ever made, it assures that he will be watched and discussed for far longer than some of the middle of the road directors today. And it is likely that Showgirls, the 1995 film that was little more than an excuse to display the former teen actress Elizabeth Berkley naked, will, having now achieved cult status, be seen for decades.

Jeffrey Sconce argues that film going is, at least for those who ask for great things from the movies, almost always one of disappointment—rarely do movies live up to their expectations. Films are always too formulaic, characters are always too poorly drawn, and direction is always too flat to maintain our interest. And so, the pleasure of unexpectedly finding an inexplicably bizarre film on late night SBS or buried at the rental store becomes a far greater thrill than can be provided by the majority of material produced in the Hollywood machine. The frustration with ‘bad’ cinema became a search for ‘so bad it’s good’ cinema.

But, as Sconce writes, disappointment is never too far away, even if we are actively searching out movies that are cringe-inducing sub-par. After all, how could a film with the title of Satan’s Cheerleaders (the poster for which adorns the cover of Sleaze Artists) ever live up to the expectations encouraged by its title? Ditto for Zombie Holocaust; Santa Claus Conquers the Martians; Two Thousand Maniacs! or Nude for Satan. Could Death Bed: The Bed That Eats ever be as good as it sounds?

It would be easy to conclude that the cinema described in Sleaze Artists is no longer on the cultural margins, but has now firmly entered the mainstream. Quentin Tarantino and Robert Rodriguez self-consciously replicated the underground aesthetic in Grindhouse—their double billed feature which included a road revenge flick Death Proof and the Texas zombie homage Planet Terror. The video store clerk, proudly schooled in the most obscure exploitation and horror films, is a nearly extinct cliché; displaced by online forums dedicated to bad cinema and the steady archiving of cinema’s miscellany onto DVD.

Another surprised victim of Death Bed: The Bed That Eats (1977)
And our relationship with underground films has even changed in the meantime. In the early 1990s, the American television show *Mystery Science Theater 3000* specialised in uncovering some of these B-grade science fiction films and subjecting them to relentless ridicule. Nearly two decades later, our response to yesterday’s cultural leftovers is less likely to be ridicule than ironic respect. Not just the high-profile self conscious mimicking of Tarantino, but scores of films are released each year that resurrect themes and techniques of the underground. The famously dated zoom shot was once an amusing anachronism, but it now appears in many contemporary productions with barely a hint of irony. Contemporary horror franchises like *Saw* and *Hostel* which feature extended torture scenes are nearly indistinguishable from the video nasties popular two decades ago, although more professionally produced.

The English Conservative MP Charles Walker described 2007’s *Hostel II* not inaccurately when he said that ‘from beginning to end, it depicts obscene, misogynistic acts of brutality against women—an hour and a half of brutality’; a description which could just as easily apply to a Doris Wishman film. Grindhouse cinemas may have closed down and videos been replaced by DVDs and internet file-sharing, but movies whose first priority is to shock are shown in chain theatres across the globe, not in small off-Broadway adults only theatres.

But standards have changed. Modern audiences may accept—it would be inaccurate to write ‘are comfortable with’—special effects depictions of sadistic violence at the cinema but they would not accept the very real slaughter of a very real turtle, as occurs in *Cannibal Holocaust*. Similarly the masochistic brutality seen in the video nasties are absent in modern homages to exploitation. Even the semi-pornographic undressing scenes which were awkwardly squeezed into the typical underground 1970s horror film have no contemporary equivalent. The moral content of mainstream exploitation in the twenty-first century and postwar underground exploitation may seem superficially similar, but there are major differences; there are new ethical and moral lines which modern filmmakers do not cross.

For these reasons, it is important to avoid the typical conservative reaction to seemingly immoral—or disconcertingly amoral—culture. It is certainly not clear that the mainstreaming of trash is a sign of a cultural decay. Highbrow cultural production exists comfortably beside trash, and more often than not they share the same audiences. Furthermore, there exists no convincing argument that immorality and criminality at the movies transposes to immorality and criminality in the real world. For the most part, violent crime is in decline across the western world.

Filmgoers are not that easily influenced. Individuals who watch the movies invariably apply their own moral standards to the movies, rather than the movies imposing morality upon viewers. Jeffrey Sconce’s final essay may be melancholic, but it is not uniformly negative about the film industry. And the dominant emotion after having read *Sleaze Artists* isn’t one of regret for the decline of moral standards. The underground can certainly be ugly, but it is vibrant. For every Oscar winner, there are one hundred middle brow romantic comedies, and ten *Nude for Satan*. If we ignore our cultural trash, we ignore a large part of our culture.
I was a teenage revolutionary

Scott Hargreaves reviews

Young Stalin
by Simon Sebag Montefiore
(Weidenfeld & Nicolson, 2007, 496 pages)

Young Stalin is in the best Hollywood tradition of the prequel. Written after the highly rated and popular work on Stalin, The Court of the Red Tsar, Young Stalin delves into his early life as a son, student, poet, radical, husband, gangster, and conspiracist. Also in the Hollywood tradition, the author, Simon Montefiore, has the capacity to weave a gripping narrative out of what could have been dry archival material. His literary skills are put to good service as he brings to life Stalin’s early milieu of Tsarist Georgia, an incredibly violent, drunken, booming, romantic cross-roads of multiple ethnicities and ideologies.

The prequel is perhaps the more important of the two as an historical work: Stalin’s time in power is necessarily well-covered by histories and biographies, but before the publication of Young Stalin, there had only been two or three biographies of his early life. With so many Tsarist archives and personal journals only becoming available since the collapse of the Soviet Union, Montefiore has shed new light on Stalin’s early life and made explicable his rise to the top. We also better understand the well-springs of his later record.

Montefiore has shed new light on Stalin’s early life and made explicable his rise to the top. We also better understand the well-springs of his later record.

The turning point in his life came when his remarkable mother cajoled, begged and borrowed from enough supporters to ensure her son a half-schoolship and sufficient supplementary funds to attend Seminary in the Georgian capital, Tbilisi, the only hope for the further education of Soso. There he wrote poetry, read voraciously and excelled academically, all the while clashing with the repressive school authorities. It surely becomes more difficult for the left-wing intellectuels to dismiss Stalin as a mere ‘thug’, when his reading habits included Hugo, Zola, Schiller, Maupassant, Balzac, Russian and French history, Marx of course, and Plato in the original Greek. A particular favourite novel told of a Georgian bandit-hero called ‘Koba’, a name he adopted as the first of his many pseudonyms. Even before finishing school he was attending meetings of the local radical and workers movements. After leaving school he was working as a meteorologist, of all things, when he was first marked for arrest by the Tsar’s secret police. Ever alert, he spotted the plain clothes police, and escaped, but thereafter never again held gainful employment outside the revolutionary movement.

He was frequently dismissed and
Montefiore dispels the myth that Lenin was, as Manning Clark put it, ‘Christ-like... in his compassion’. Rather than betraying Lenin’s legacy, Stalin continued his policies of class genocide and the use of terror as a tool of social engineering.

derided in that movement by its leaders, who couldn’t see past the pock-marks, the withered arm, the eccentric Georgian clothes and his general air of gangsterism. He was that, but much more. In the early years of the twentieth century he gravitated to Lenin’s faction and this is where his skills for organisation and violence came to the fore.

While the movement was officially non-violent, Soso raised cash with daring robberies, extortion rackets, and smuggling. His daylight raid of a Tsarist payroll delivery in Tbilisi in 1907, complete with massive explosions, terror, and death, raised the then phenomenal sum of 250,000 roubles, nearly $3.4 million in today’s money. Lenin, in exile, fighting for leadership of the anti-Tsarist forces, officially distanced himself from the terrorism while fighting off his rivals to secure the cash.

Over the next decade Soso rose in influence within the revolutionary movement, mainly, but never entirely, aligned with Lenin. Soso travelled in and out of Russia to attend meetings with Lenin and others, including one notable visit to London. He was also in and out of jail, and served stints of varying severity in Siberian exile. Montefiore, drawing on his researches in the archives of the Tsarist secret police, the Okhrana, shows just how much they knew about the revolutionaries, but also how much the state maintained the formalities of justice and more or less European notions of punishment. Sentences might be for only a few years, and escapes from exile were both frequent and not greatly punished if the prisoner was caught again.

For all the repressiveness of the Tsarist state, the first Red Terror after the revolution executed more people in eighteen months than in the entire history of Tsarist Russia. Nevertheless, the Okhrana was quite competent in its intelligence gathering and use of double-agents and Soso’s life-long paranoia was well-founded. It was during this time he began the practice of purging his terrorist cells and executing suspected collaborators. The great and murderous purges of party, state and people that he carried out in office were therefore entirely consistent with the pitiless and paranoid mental framework he developed during his time in the revolutionary demi-monde.

We also learn the remarkable story of Stalin’s marriages, affairs, and cast-off children. Montefiore even interviewed a 109-year-old Georgian who remembered Stalin’s first wife, Kato Svanidze. Soso was passionate about Kato, but when he dragged her to the oil boom-town and radical hotbed of Baku, his neglect and the polluted environment led to her early and difficult death from disease. Her relatives never forgave him, and he later said that something of himself died with her. The son he left with relatives to raise was not the last child he was to abandon.

Soso attracted women, particularly intelligent and/or radical women, with his poetry, singing, humour, romantic gestures and dashing figure. If they were married to other men, it did not matter. Soso took up Stalin (‘Man of Steel’) as a revolutionary code-name only in 1912. By the time he returned from exile to the revolutionary hot-bed of St Petersburg in 1917 he was a member of the Central Committee of the Bolsheviks, but not necessarily visible as one of its leading lights. Having spent nearly two decades underground, he had no public profile and was unprepared for the somewhat democratic public space which opened up after the abdication of the Tsar. This made Trotsky’s subsequent version of events more easily believable, but Montefiore provides evidence that when Lenin wanted something done, only Trotsky and Stalin would be considered. All three were dismissive of the dithering of their more cautious and softer-hearted colleagues, and believed absolutely in violence as the indispensable tool for transforming society. In this way the author also helps dispel the myth that Lenin was, as Manning Clark put it, ‘Christ-like... in his compassion’. Rather than betraying the legacy, Stalin in power was continuing the policies of class genocide and the use of terror as a tool of social engineering put in place by Lenin.

It is profoundly disturbing and perhaps dangerous to get as close to the mind of a tyrant as we do by reading this book, especially when the quality of the writing keeps us hooked. In any other circumstance it would be hard not to admire the daring, erudition, and occasional charm of the Georgian warrior-poet it describes. But in this remarkable work Montefiore has given us the complete picture, and fascination is admixed with revulsion.

At a time when the Russian state begins to see once again criticism of Stalin as unpatriotic, this book is almost essential reading.
The political orientation of Australia’s intelligentsia has produced a situation where there have been biographical studies of a plethora of Australian socialists and communists.

Often the subjects studied were quite obscure in their own times and—given the subsequent discrediting of their ideology—it is hard to see how they have much contemporary significance. Yet, by contrast, some very significant Australian free traders have languished; their fascinating and significant stories untold.

The publication of biographies of Sir Hal Colebatch and Bertie Johnston, two Western Australian advocates of the free trade cause in the federal parliament in the 1920s and 1930s, has gone some way towards rectifying this serious anomaly in the writing of the nation’s history. While the two men have had to wait many decades after their deaths to have their stories told, they are both the beneficiaries of sympathetic biographers, with Hal Colebatch being the namesake son of his subject, and John C. Rice having been commissioned by the Johnston family.

These two biographies also start to resolve a historical dilemma of Australian liberalism—there is a great gap in our understanding of the free trade movement in the prewar and immediate postwar years. It is tempting to think that, after Bruce Smith’s departure from the federal parliament in 1919, there were no free traders in the parliament until the election of the ‘modest member’ Bert Kelly, in 1958, begat a new generation of opponents of protection.

By the time Kelly ceased to be an MP in 1977, John Hyde and others were taking up the free trade baton and were being assisted in their endeavours by a renaissance of classical liberalism around the world, growing interest in the ideas of Friedman and Hayek, and the obvious failures of Keynesian economics and protectionism.

John Hyde and the historian Greg Melleuish have both written about some of those who were extra-parliamentary critics of aspects of the Australian settlement from the 1920s onwards, such as the economic historian, Edward Shann, but until recently there was little writing about whether there were free trade parliamentarians in those sorry decades in the middle of the twentieth century. The publication of the Colebatch and Johnston biographies demonstrate that the free trade fire continued to burn, if somewhat dimly, between the eras of Smith and Kelly.

There is a great gap in our understanding of the Australian free trade movement in the prewar and immediate postwar years.

Colebatch and Johnston were both elected to the Senate in the 1928 election, having previously been members of the Western Australian state parliament. They were not in the same party—Colebatch being a Nationalist/United Australia Party man, while Johnston was in the Country Party, having started his parliamentary career representing Labor. As well as their mutual support for the free trade cause, the two men were also friends and bridge partners.

The junior Colebatch says that while his father ‘was sometimes called the last free-trader in Australian politics’ there were other politicians, apart from Johnston, who supported his views, including another Western Aus-

Richard Allsop reviews

**Steadfast Knight:**

*A life of Sir Hal Colebatch*

by Hal G.P. Colebatch

(Fremantle Arts Centre Press, 2004, 304 pages) &

**Senator Bertie Johnston**

by John C. Rice

(Hesperian Press, 2006, 658 pages)

Richard Allsop is a Research Fellow with the Institute of Public Affairs.
tralian, Harry Gregory and the South Australian, Charles Hawker. Colebatch also cites three examples of prominent free-traders outside parliament—farmer's representative on the Tariff Board (and father of Bert), Stan Kelly, A.H. Lewis of the Commonwealth Bank and Shann. However, when the other three politicians died within four years of one another around 1940, it probably did leave Colebatch with the honour of being the ‘last’, although, by that stage, he was also no longer a federal MP.

There can be no doubts about Colebatch's free trade credentials. He was chosen, in 1939, to give the Centenary Address to the Cobden Club in London, which his son describes as ‘an unusual honour for a dominion official and a tribute to his long fight for free trade’, although a contributing factor may also have been the shocking decline in support for Cobden's principles among Britain’s own political class in that era.

One of Bertie Johnston's best speeches on the subject of free trade was given in 1933. In it, he observed of the worldwide shift from free trade to protection that 'unfortunately the world went mad, and every country wanted to sell its products to the other, and take nothing in return'. He continued:

That system has failed miserably, and the sooner we return to a proper system of interchange of goods between countries, the better it will be for the world generally, and particularly for a country like Australia, which cannot live without its great export production and markets.

Given its significance as an issue, one might have thought that advocacy of lower tariffs might be a crucial aspect of a politician's career, but for most historians it is either something to be ignored, or condemned. The topic does not rate a mention in G.C. Bolton's entry on Johnston in the *Australian Dictionary of Biography*, unless such advocacy is meant to be included in the comment that 'during the depression he pushed the sectional interests of wheatgrowers, at times annoying colleagues...’

Somewhat better is B.K. DeGaris' entry on Colebatch which notes that 'as president of the Melbourne-based Tariff Reform League, he was a notable critic of high tariffs, which he saw as doubly bad in their unfair impact on the less developed states'.

As well as voting in parliament to oppose the rapid tariff increases, which both sides of politics supported in the depression era, Colebatch also wrote columns for newspapers in the eastern states attacking protectionism. While not a native of Western Australia, Colebatch saw that the state was suffering from the twin consequences of Australia's federation and the subsequent protectionist settlement.

The former, by delivering free trade within Australia, had given the protected industries of the eastern states complete access to the developing states, and thus the ability to kill off nascent potential competitors; while the latter was destroying the potential prosperity of these export-oriented states by stifling international trade.

Colebatch had a clear philosophical opposition to protection and used the obvious harm it was doing Western Australia to illustrate the principle. In Johnston’ case, one senses that it was perhaps more the other way around—he saw the specific harm being done to his state and thus adopted a more general anti-tariffs position.

Nonetheless, it was still a long-held and consistent position. Some years before he entered the Senate, Johnston noticed 'the great growth of the protected secondary industries in Sydney and Melbourne which is being achieved at the expense of our great primary industries, particularly of agriculture'.

Before John McEwen imposed his protectionist views upon it, the Country Party was the least protectionist of the major parties, being beholden to neither the manufacturing interests nor the unions.

Rice's biography makes clear that the vigour of Bertie Johnston's opposition to protection far exceeded that of many of his Country Party colleagues—he provides numerous examples of Johnston's regular attacks on proposals advanced by the Bruce, Scullin and Lyons governments to increase or extend protection.

As well as the advocacy of free trade, another key issue for Western
Supporters of free markets should appreciate how hard the free trade case was to prosecute in the 1930s, when free trade seemed dead and democracy was facing an uphill battle to survive.

Australia’s federal MPs was how the Commonwealth’s other financial arrangements discriminated against their state. Colebatch Jnr. notes that his father and Johnston ‘had similar views on the disadvantages Western Australia was suffering vis-a-vis the federation, though at this time Colebatch emphasised the constitutional aspect, on which he wrote a great deal, and Johnston emphasised the financial’.

An interesting sidelight of this issue was Johnston’s strong opposition to the appointment of F.W. Eggleston as the Chairman of the States Grants Commission. While Eggleston is often remembered for his famous critique of public transport administration in his book State Socialism in Victoria, he was a firm Deakinite protectionist, with a faith in the benefits of centralised planning.

Another key element of the Australian Settlement that Colebatch opposed was the White Australia Policy. In the words of his son, Colebatch saw it as ‘an example of counterproductive economic irrationalism: fear of the ‘Yellow Peril’ was retarding the development of Australia’s north and leaving it more open to any invader’.

Meanwhile, Johnston showed sound instincts when he opposed the Commonwealth government building houses and flats in Canberra believing that, if there was real demand, it would be met by private enterprise. He also attacked the newly formed Australian Broadcasting Commission when it proposed publishing a journal to compete with privately funded magazines.

All of this is not to say that both men were paragons of political virtue. Johnston had a well-earned reputation for being a ‘roads and bridges’ member, being particularly noted for his ability to get railways built in his own state electorate of Williams-Narrogin. As his Dictionary of Biography entry describes, Johnston was ‘a maverick politician who treated the conventions of public life with adventurous disregard, Johnston never lost an election because voters responded to his gusto and his willingness to prime the parish pump’.

Johnston also came under scrutiny for a number of his business dealings, mainly in hotels, and his untimely death was triggered by the tax office taking legal action over alleged unpaid taxes.

It was not just in their political life that Colebatch and Johnston shared similarities. Colebatch’s second marriage occurred in his seventies and Johnston’s first at 51. Both had children later in life. There were also significant differences in their backgrounds and experiences. For instance, while one trip to Papua-New Guinea was the limit of Johnston’s travel outside Australia, Colebatch traveled widely, meeting many world leaders, assisted by spending two spells as Western Australian Agent General in London.

These two biographies are written in very different styles.

Colebatch writes with a lighter touch and is not afraid to insert himself into the narrative. It includes a foreword by Geoffrey Blainey, who expressed the view that being ‘written by his son enhances rather than impairs it, for they are virtually three generations apart’. The value of this book is not only that free traders get rare sympathetic coverage, but also some of those regularly lionised by the left cop some well-deserved criticism. While generally polite to all his opponents, Colebatch could not abide the dishonourable actions of men such as Red Ted Theodore, Jack Lang and Eddie Ward.

Rice’s book is twice as long and adopts a more forensic style that provides lots of detail about the minutiae of Johnston’s life. A former political staffer, Rice brings a keen appreciation of politics to the writing. He observes, when one of Johnston’s local opponents calls for the end of the party system, that it was a ‘sentiment (that) will win a round of applause even today, but the party system is not so naively exorcised’.

Both Sir Hal Colebatch and Bertie Johnston have fascinating life stories that their respective biographers, despite their stylistic differences, tell well.

Their state political careers were also full of incident, with Colebatch briefly reaching the premiership and having to deal with a violent waterfront dispute, while Johnston was instrumental in bringing down a state Labor government.

However, for the student of Australian political history there is much more than the human interest in these books. Supporters of free markets in the twenty-first century should appreciate how hard the free trade case was to prosecute in the 1930s, when free trade seemed dead and democracy was facing an uphill battle to survive.

And, while others were preaching a mantra of appeasement at the end of that sorry decade, Sir Hal Colebatch, saw that:

‘every nation that has put the ideal of peace before the ideal of liberty has lost first its liberty then its peace, while every nation that has put the ideal of liberty first … has generally preserved both its liberty and its peace’.

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Cathedrals and the birth of freedom

Enter any one of the great gothic cathedrals of Western Europe and you cannot help but be overwhelmed by their beauty and profound mystery, and also the sheer size, boldness and complexity of their structure.

But because of their ubiquity, and their modern association with travel and tourism, we tend to lose sight of their central historical significance to European history and the events they represent.

One such gothic cathedral, England’s Lincoln Cathedral, was completed in 1311 and its original spire soared to 160 metres. Until its construction, no building had equalled the height and scale of the European cathedrals anywhere in the world since the construction of the Cheops Pyramid in 2560 BC, which was, at completion, just over 146 metres, the tallest construction ever built to that date. Why did it take almost another 4000 years for this feat to be surpassed? Although the spire of Lincoln Cathedral collapsed three hundred years after it was built, nothing was to rival the heights achieved by these gothic cathedrals until the late nineteenth century with the ‘modern’ Eiffel Tower for the Great Universal Exhibition in Paris in 1889.

Quite apart from any consideration of medieval religious belief and symbolism—why were such singular and remarkable edifices built? These buildings, in purely economic terms, were the biggest single financial undertakings in the medieval period.

The expenditure and scale of the structures eclipsed those of defensive castles, parliaments, government buildings and anything else.

Their construction and the political will to build them often extended over several generations from conception and planning to completion. Massive, long scale projects of this nature are completely unknown in the modern world. The Snowy Mountain Scheme or the Three Gorges Dam are mere bagatelles at their side.

A preliminary report on a study that Anne E.C. McCants from Massachusetts Institute of Technology is undertaking on the economics of cathedral building in the late Middle Ages, has come up with some fascinating cost figures to give us an idea of the economic effort that these cathedrals represented to the society of the time. Many Australians will remember the spiralling costs of the Sydney Opera House, funded, judiciously as it turned out, by a state run lottery. At its completion in 1973, the basic building, before machinery and fittings were installed, blew out to an impressive $400 million in today’s dollars.

McCants quotes from research based on billing techniques relied on by modern quantity surveyors and suggests that in the Paris basin alone between the years 1120 and 1270, the number of ecclesiastical buildings created for this small population was equivalent to constructing three Sydney Opera Houses in each of Sydney’s nine local government council areas within a period of one hundred and fifty years. In fact, it has been estimated that in Europe at that time there was a church or chapel for every 200 inhabitants.

And Europe had a poor, overwhelmingly agricultural economy, not a rich modern one like today’s Australia. 95 per cent of people then worked and depended directly on agriculture and had a life expectancy of less than 50 years. McCants relies on calculations from Bernard Bachrach’s book, The Cost of Castle Building, emphasising the puny economic output in those times. Considering the low grain yields—yield ratios of as low as 2:1 and only occasionally as high as 4:1—and the labour intensive nature of agricultural production, the opportunity cost of building at the close of the tenth century required the full time efforts of at least 4 and possibly 5 agricultural workers to sustain the construction workers (and their dependents) assigned to building. This opportunity cost should be compared to that of military expenditure at the time to underline the perceived social priority for church building. To sustain a mounted warrior and his horse with wheat-equivalent calories amounted to the surplus of almost twelve agricultural workers every year.

Could it be, as McCants wryly observes, that ‘there may yet be a case to be made for the power of the afterlife in medieval financial markets’?

Robert A. Scott, in The Gothic Enterprise, illustrates just how motivated the protagonists of these constructions of megalomania were. In France, Scott writes, what mattered to competitive cathedral builders was height. Bourges Cathedral reached 37 metres inside the nave under the stone vaulted ceiling. In short order, Reims came along at 38 metres, Amiens at 42 and then Beauvais Cathedral, the tallest, at 48 metres. To give the reader an idea of scale, Beauvais could house a whole modern sixteen story office building inside the nave under its ceiling. Over the channel in England, it was length that counted. Salisbury Cathedral reached 138 metres, Canterbury 165 metres, and the biggest, St Paul’s in London, later destroyed by fire, reached nearly 183 metres: nearly twice the length of a soccer field.

The physical scale nevertheless directly reflected the cathedral’s vital function within each city as a political and administrative power. Education, legal and social services were central to the cloister attached to the cathedral buildings. Religious courts played a role in the legal system, and the traditional role of priestly training metamorphosed into these city based cathedrals into the new universities that were to be critical in developing the new class of professional city dwellers. These would, ironically, lead to secular, independent thought.

The Church was everything. Like God Himself, She was omnipotent. The

Andrew McIntyre

Andrew McIntyre is a Research Fellow with the Institute of Public Affairs.
The emergence of market towns, in the Church held over economic life. Chants challenging the monopoly that king, rather than an archbishop.’

The prosperity of the thirteenth century established royal power. Between 1076 and 1302 there were two papal bulls asserting superiority of the papacy over the kings. The prosperity of the thirteenth century however helped to settle things down between the Episcopal bureaucracy and the royal administrations and a mutual back scratching of sorts developed. Cannon points out that ‘kings, to retain the support of the Church … became patrons, and gave clerics even stronger control over common people.’ Henry III, for instance, spent about ten per cent of the state’s annual income over many years on architecture, notably in building Westminster Abbey. This amounted to spending roughly the equivalent of the state’s entire annual income for two years. As Cannon points out, ‘for the first time, the most influential building in England was a work of a king, rather than an archbishop.’

Similar challenges came from merchants challenging the monopoly that the Church held over economic life. The emergence of market towns, increased trade, urban professionals, and universities—themselves springing from the cathedral—created a more secular, economically independent middle class. Peter Watson, in his grand 2005 overview Ideas: A History of Thought and Invention, from Fire to Freud, reminds us that a good proportion of European peasants owned land. Land ownership was as high as 40 per cent in some areas. Along with the rising mercantile class, parliaments and estates evolved to give voice to the new classes and their interests’, and could be seen as an aspect of kingly weakness. As Watson puts it, ‘in the high middle ages, we see a weakening papacy fighting weakening kings.’

There was much unease caused by an overbearing Church, and often violent struggles between the people and the repressive power of this theocracy. As with all politically repressive regimes, ideology was central to maintaining power. Canon evokes the power of magic and symbolism that the cathedrals were able to impose on the people. He says,

At a time when the vast majority of people were illiterate, illustrations in the stained glass, sculptures and religious iconography of all sorts filled the cathedral church … through the rituals performed there each day, God confirmed his contract with humanity. Without the authority of its bishop, man’s side of this contract would break down.

There was an increasingly urgent need for the Church to resist heretical statements and utterances as people were exposed to new ideas and developed an intellectual cut and thrust relevant to town people.

Duby reports instances of growing resentment and even assassination of clerics by the bourgeois, as a revolt at the Church’s demands and monopoly. He explains the nexus between the power of the Church and its enthusiasm for its own aggrandizement in its massive building programme.

It was, in the end, the art of the gothic cathedrals that became the most effective instrument, perhaps, of catholic repression … of the heretical movement.

Clearly there was an economic reawakening in Europe. The cathedrals may have represented some sort of ‘last fling’ of Church power just as it was slowly being undermined by a more assertive, economically independent, and confident middle class. But nevertheless, the cathedrals did signal, if not represent, a new, confident, Europe. Watson sees the emergence of middle class individualism as a vital causal factor leading directly to the development and flowering of science, scholarship, and exactness in secular life. He writes,

The two centuries from 1050-1250AC were pivotal in the emergence of the West from its earlier medieval stuper. It was a time of explosion of new ideas, central to the West’s identity and spectacular growth.

To this spectacular growth Watson also counts the discovery of crop rotation and the use of mechanical power which both increased productivity enormously, the widespread adoption of Arabic numerals, and the development of double-entry bookkeeping, amongst others. (We should of course count the contribution of the medieval warming period from around 800 to 1300 AD.)

Whatever the proximate causes, Gothic cathedral building during these pivotal centuries was a very concrete manifestation of a confidence born of increasing economic prosperity that heralds a new dynamic in Europe.

The buildings are such a technical triumph on their own terms that they should be measured on a scale of millennia. They represent a Western awakening that has not yet diminished.
Constituents

Make yourself seen by knocking every door.
Reject that offer of a paramour.
Well, press their interests in the Parliament
And never ever cross the folk you represent.
For so say they: so says your party too.
Both claim your re-election's really up to you.
And so my Leader Great and Glorious
Whose love of numbers was notorious,
Who urged us to speak and vote our party's call
Not thinking for the nation or ourselves at all,
Allowed us modest measures of dissent
When pressed by citizens we represent.

Most folk of decency and common sense,
Would disregard political pretence.
The few who blustered with a prejudice,
Demanded favour for their avarice
Or begged to jump an immigration queue
Had little ken how little I could do.
The better Ministers refused, I'm sure,
To basely undermine the rule of law.
Their minions drafted letters to explain
My fervent pleading was alas in vain,
But did that ploy allay the discontent
Or fool the folk I claimed to represent.

The Greens

The false alarm's an art of politics
Where most hobgoblins are but tricks
To keep us in such dire alarm
We vote for promises to stop their harm.
They say we'll boil. They said we'd freeze.
From Anti-Christ to loss of trees
Apocalypse has been in calm remand,
But Greens assure us crisis is at hand.

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A Political Rake's Progress is available from Access Press, ph: (08) 9379 3188

Utopians

Penned while reading Whittaker Chambers' Witness

There is a class of men, who being sure
They know what is to know of life's true way,
Pronounce, that others follow and obey.
Who does not want less poverty, less war
More liberty, a life beyond life's shore?
Respect the men who join those bold crusades
And forfeit life upon the barricades
Of gallant hopes of bliss from better law.

But do not praise them, nor their cause.
Of gulag, guillotine and shot beware.
Beware a Stalin or a Robespierre.
Of plans to force a better world give pause.
Coerced Utopias deny men's liberty
And turn once selfless zeal to tyranny.
How land supply restrictions have locked young people out of the housing market, and how Australia is starting to figure it out

Alan Moran: Adjusted for inflation, the price of houses in Australia has more than doubled (trebled in Sydney and Perth) over the past 30 years. How has this occurred? In a landmark address to the Housing Industry Association in July 2005, the Institute of Public Affairs demonstrated that the stellar rise in house prices across Australia was due to land costs.

Those costs were shown to be derived from state governments and local authorities acting to restrict the availability of land for housing. This is corroborated in Chart 1.

The 2005 HIA address was followed by a formal project, the Great Australian Dream, which sought to tease out and clarify in greater detail the measures that had brought about these developments. This culminated in a number of articles in the press and journals. It also resulted in a book, The Tragedy of Planning: Losing the Great Australian Dream, which the then-Treasurer, Peter Costello, launched in Parliament House in August 2006.

The culprit of higher housing prices in Australia was clearly identified as being the price of land which had been driven up by planning controls often designed to create more compact cities. The IPA has demonstrated that the cost of building and of land preparation had remained modest—increasing at a lesser rate than general inflation. This was notwithstanding the increased regulatory pressures placed on developers and builders to conform to fashionable environmental goals. And although governments were increasingly singling new housing for spurious infrastructure 'contributions', these too were dwarfed by the scarcity driven price increases of land.

The work of the IPA and of others—in particular Bob Day, home builder and former president of the Housing Industry Association—was instrumental in changing the views of leading policy advisers.

Until recently, the Productivity Commission and Reserve Bank had previously blamed rising house prices on such diverse causes as interest rates, building industry capacity and taxation. Both these institutions and others have come round to the IPA position that it was land supply constraints causing the problem. It was easy to demonstrate that building capacity was not seriously stretched since far more houses had been built in the early 1990s than ten years later. Indeed, the IPA has assessed that the industry is presently under-building by as much as 50 per cent.

There remain many with a contrary view. One influential banking analyst argued that the price was all due to demand within Australian cities. But that line of argument fell foul of the price escalation on the periphery of our cities and the subdued prices in major overseas metropolises like Houston, Atlanta and Quebec, where Australian style planning controls are absent.

Within political circles the reaction to the IPA view has not always been positive. Many conservationists and the majority within the planning fraternity are strongly opposed to opening up more land for development. Many of these define themselves on the political left and their views sit well with prominent circles within the ALP.

Indeed, the federal Housing Minister, Tanya Plibersek, placed two leading opponents of ‘urban sprawl’—Sue Holliday, former NSW Director General of Planning and Marcus Spiller, Director of SGS Economics—on the eight member National Housing Supply Council.

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

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**Chart 1: Inflation adjusted median house and land packages, 1973-2006**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sydney Land</th>
<th>Sydney House</th>
<th>Sydney Total</th>
<th>Melbourne Land</th>
<th>Melbourne House</th>
<th>Melbourne Total</th>
<th>Brisbane Land</th>
<th>Brisbane House</th>
<th>Brisbane Total</th>
<th>Perth Land</th>
<th>Perth House</th>
<th>Perth Total</th>
<th>Adelaide Land</th>
<th>Adelaide House</th>
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<td>1973</td>
<td>$100,000</td>
<td>$180,000</td>
<td>$280,000</td>
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<td>$280,000</td>
<td>$100,000</td>
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<tr>
<td>1983</td>
<td>$200,000</td>
<td>$360,000</td>
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<td>1993</td>
<td>$300,000</td>
<td>$540,000</td>
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<td>$840,000</td>
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<tr>
<td>2006</td>
<td>$400,000</td>
<td>$720,000</td>
<td>$1,120,000</td>
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</table>
For the most part politicians have reacted to the housing issue from an electoral perspective. Labor in government in all states has a vested interest in blaming the high prices on matters other than those within their own bailiwicks. In opposition current housing Minister Tanya Plibersek wanted to capitalise on John Howard’s interest rate increases as the bogeyman, refusing to recognise data presented to her that demonstrated the true cause.

When he was opposition Treasurer, Wayne Swan took a more sophisticated position, recognising that an increase in land availability would reduce prices and, though it would ease the burden of the aspiring home owner, it would leave incumbent home owners poorer. Generally, maintaining the barriers to new land supply appears to be politically popular throughout the community and was responsible for a string of populist victories in the 2008 Queensland local elections. Apparently we all want our children to have access to lower cost housing but we prefer to maintain our own capital gains and to retain the ‘character’ of our neighbourhood.

The 2008/9 Commonwealth Budget provided little comfort about improved land supply. There is $500 million a year in subsidies for renters and savers but the only supply initiative is an allocation of $30 million to facilitate faster processing of land approvals.

Some in the housing construction industry, perhaps grateful for any government measures that might assist the industry and keen to avoid antagonising the new administration, have lavished praise on the demand measures contained in the first Swan budget. Nevertheless, the high ground of informed opinion has been persuaded that regulatory restraints of land supply have been the main factor behind higher house prices. There are considerable vested interests in the political and planning fraternities, as well as among home owners. These do not want to see a loosening of land regulations.

Much work remains to be done to build upon our work and that of others. If Australia is to see more affordable housing and a home building industry producing at the underlying level of demand the debate needs to be intensified. Praising the government for following incorrect policies is not likely to be a useful strategy in addressing this agenda.
Fun for the whole family

Never say the ABC isn’t trying to appeal to the youth market. Its Planetslayer website—www.abc.net.au/science/planetslayer/—is awash with green and anti-capitalist dogma, all presented in colourful cartoons.

The fun begins with ‘Professor Schpinkee’s Greenhouse Calculator’, that encourages kids to discover what age they should die in order to be environmentally sustainable. But the cartoon Professor Schpinkee isn’t satisfied with measuring just the usual carbon footprint suspects—how much individuals drive, size of energy bills, and so forth. It is also deeply anti-wealth and business. Flying for work is somehow worse than flying for pleasure—apparently business trips are many times more environmentally unsustainable. By far the worst thing you can do to your carbon footprint is earn a salary over $100,000—unless, of course, in the final step you invest it in ‘ethical investments’.

Another game, ‘This Is Your Lifestyle’ mixes unthinking environmentalism with blasé anti-capitalism. Amongst other things, it asks children whether they would prefer to buy a shirt made in China versus one made in Australia—when they answer, a xenophobic hippy characterises all Chinese industry as ‘child labour’. When presented with the choice between a new car and an older, less well maintained car, the hippy harangues children into walking instead. And, according to the ABC’s children’s website, genetically modified food is worse for the environment than organic food—despite the fact that bioengineered food uses less land than organic to produce the same yield.

Critical theorist sues critical students

An Ivy League professor of English literature in May this year threatened to sue Dartmouth College students after they expressed scepticism within her lectures on eco-feminism and French-narrative theory. The professor alleges that her students subversive and ‘anti-intellectualistic’ behaviour amounted to a ‘fascist demagoguery’. The students allege she would erupt at any sign of criticism making her lectures unbearable. She maintains that her student’s remarks amounted to harassment causing intellectual distress and creating a hostile working environment.

Protect and serve

The West Midlands Police were quick to jump into action when Britain’s Channel 4 late last year aired a documentary which included radical Islamic preachers urging their followers to attack the House of Commons and to throw homosexuals off mountains. But target of the the police’s wrath was not the preachers, but the documentary makers, who the police claimed had distorted the views of the Islamic radicals—the police charged Channel 4 with inciting racial hatred. Subsequent investigations—that found that the filmmakers had not altered the footage in any way, nor taken the remarks out of context—left the police with no other option but to apologise.