

ALWAYS AFTERNOON

ECONOMIC stability has been the central preoccupation of the democratic communities for the last two decades. The pursuit of economic stability also embraces security, for without stability the prospects of security would be considerably dimmed.

It started with the Great Depression and the upsurge of a public conscience outraged by the wastes and the social and moral destitution of mass unemployment. But the desire for stability and security was brought to a head by the second Great War when, in a world in which all was insecure and unstable, people instinctively sought a safe and peaceful haven in which to shelter.

The craving for security has not been confined to the under-privileged worker always exposed to the vicissitudes of the trade cycle and to the chronic under-employment of the 'twenties and 'thirties. In varying degrees it has been present among all sections of society. The farmer, at the mercy of droughts and floods and capricious markets for his produce, the businessman haunted by the fear of economic slump, have sought security little less ardently than the wage-earning millions.

The results of this universal public demand are to be seen in the post-war world and in the economic and political policies of governments. Since the early 1940's, in most of the modern states, there has been economic stability in the sense that men and capital resources have been fully employed. It is true that minor deviations from this rule have occurred, but by contrast with the under-employment and sharp fluctuations of employment of the pre-war world, our present condition is one of extraordinary stability.

There is no certainty, of course, that this happy state will continue, but at least it can be said that the prospects are far brighter than ever before. Not only has there been a vast improvement in economic understanding and in the techniques and instruments of economic control, but governments themselves are uncomfortably aware that even a comparatively small aberration from the full employment standard will mean

sudden death when they next face their masters at the polls. They are, therefore, alert to take action to counter any recession, even though the measures adopted may not always be in the long-term economic interest.

MOREOVER, the last decade has seen the provision of social benefits by governments on a scale that could hardly have been conceived of twenty years ago, certainly not before the Great Depression. Social security has become the supreme concern of governments in all industrialised democratic countries so that today there is virtually no-one who is not guaranteed by his government at the very least the physical means of subsistence.

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These new developments undoubtedly, on balance, represent great advances. But now a fear is beginning, even if only faintly, to obtrude itself. Are stability and security to be the end of the road, the only things that will count in the future? Is the only goal in the years ahead to be the achievement of still greater security—stability at all costs, security piled on security, cash benefits on cash benefits? We would indeed be entering upon a dull prospect if governments conceive the prime purpose of their existence to be to increase their hand-outs to all sections of the community in response to a never-ending, self-regarding clamour.

In some ways there has seldom, if ever, been a more sordid, materialistic election in Australia than that of 1954. Certainly there has been none less inspiring. As the campaign developed virtually the only issues were, on the one hand, by how much taxes could be reduced and, on the other, by how much government hand-outs could be increased. Are the 1957 and 1960 elections to be nothing more than a re-run of 1954?—10/- on pensions here, 5/- for the fourth, or fourteenth, child there, another £20 on the maternity or funeral allowance, another 10% off taxes. Surely there must be bigger challenges for Australia, bigger things over which to conduct a political campaign, than that, matters worth the interest and demanding the energies of a people presented with almost unexampled opportunities?

The danger of stability and security is that we may lose our zest for big deeds and big issues, that we may become so enamoured with the peace and quiet of the happy valley that we no longer want to venture forth into the unknown, to test our skill and ingenuity and courage against the heights and the far distances. When a people begin to think like this, when all change that does not appear to add *immediately* to creature comforts becomes hardly worth the candle, why should political parties put their necks out by proposing courses of action which are certain to be received indifferently and even coldly? Is there a possibility that we may become so satisfied with our present state that we won't be bothered to try to improve it? Is there not a danger that economic stability could lead to a stagnant self-complacency?

All this should not be construed as an argument against stability and security. On the contrary these are ends much to be desired. It is rather an argument against an over-concentration on these goals to the neglect of practically all others, against a stability which degenerates into rigidity, a security which leads to a distaste for change and experiment. After all, a world in which it was "always afternoon" would probably be pretty boring, pleasantly boring at best. It would certainly be enervating. *If a people are to remain really alive there must be big issues at stake, issues great enough to fire their imagination and to inspire their best efforts.* The 1954 election serves, at least, as a warning.

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THE trouble is that man's finest achievements have always been produced under testing circumstances. The greatness that resides in men and in peoples is only elicited in response to challenge or under stress. The intellectual mastery of Keynes came to full flower in the economic chaos of the 'twenties and 'thirties. The political genius of Franklin Roosevelt in the upheavals of the Great Depression and World War II.

To come closer to home, it is hard to dispute that the depression years produced the finest economic thinking we have yet seen in Australia. It was in those critical times that we really began to understand how the Australian economy func-

tioned, the forces that made for prosperity and those that made for depression, and how these forces exerted their influence. And these years were not only productive of great thinking, they produced big personalities, big not so much because they were above-average economists, or even because they were distinguished by exceptional intellectual powers—there are good economists today—but because they were big human beings. Certainly in the field of Australian economics at present it is hard to find men who compare with these in personal force, in imaginative vision, and in practical grasp of realities.

Today we have much more sophisticated methods of analysis and more efficient tools of application than the economists of twenty or thirty years ago. But something is missing. These men, whatever their defects, were builders. They participated fiercely in the everyday hurly-burly. They were not fearful of making mistakes. They were prepared, if necessary, to say the unpopular thing. Nothing was too “politically hot” for them to touch. They aroused great dissensions and they made enemies who, however, were influenced by them in spite of themselves. But, today, the economics profession, if it doesn’t look out, is in danger of becoming just a little bloodless. Is it over-willing to remain an onlooker of the game rather than become a participant, satisfied to hurl “silly clever” shafts at the poor ignorant saps in the arena?

We know more of the theory of the matter than the economists of twenty years ago. We indulge in technically more sophisticated arguments than they ever dreamed of. We have “the consumption function” and “liquidity preference” and all sorts of esoteric concepts which were unknown a few years ago. But has this new technical proficiency been accompanied by any notable increase in economic wisdom? Certainly it would be hard to claim that at the present time the economics profession is making any contributions to the practical economic understanding and life of the community that compare with those of two decades ago. We have an abundance of first-rate economic technicians; but where are the economic philosophers?

When some great controversial question is at stake today, the economics profession, to which the community is entitled to look for guidance, too often maintains a deafening silence.

Is this lack of courageous, challenging leadership to be attributed, at least partly, to the lulling calm of the oceans of stability and security, so that those who should be helping to guide the vessel are satisfied to fill the role of "button pushers" and to indulge their spare time in "clever talk"? If it is, then we need to be on our guard.

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TO take another example:

One would have thought the new condition of economic security would have induced a fresh state of mind in the trade unions, one in which they would have been prepared to break with past ideas conceived in an environment of insecurity and to embrace a more positive and adventurous philosophy. But there are so far few signs of this. Has stability had the opposite effect—a complacent satisfaction with what is, a distaste for the difficult task of transforming an approach to economic and industrial affairs that has been "built into" trade union thinking over the best part of a century. Are the leaders in effect saying: "Well, we now have stability and security, all we have to do is to see that stability is maintained and security made more secure." Certainly the trade unionism of today seems to lack the vigour of mind, the ardent, crusading zeal and the adventurousness which it displayed under more difficult circumstances. Progress should still be the watchword of the trade unions; but when are they going to realise that progress today must be pursued by methods vastly different from those which were appropriate in the earlier decades of the century?

Nor has the businessman remained entirely unaffected by the new conditions. Having had a taste of security, and understandably liked it, there are signs that too much of his energies are being directed toward still more security. He may be justified in pressing the government for protection against forces over which he has little control. But he, more than others, should be careful to observe a decent moderation in his solicitations. There is a danger that he could acquire the habit of looking to a paternalistic government for getting him out of any jam, even though his own errors of judgment may be re-

sponsible for his plight. After all, what the community wants from its men of business are boldness and enterprise, the willingness to incur risks. That is indeed the whole basis of their case for the community's support against policies of socialistic intervention in business activities. But the pleasant calm of long-continued stability and the prevailing psychology of "security first" may induce in the businessman a frame of mind that is averse to the risk-taking and experiment upon which real progress depends. He should remember that when profits are virtually guaranteed the justification for their existence disappears altogether.

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THESE are only a few discursive and disconnected aspects of the matter. There are many others. Moreover, the picture has been painted in over-strong colours.

It is not stability that is in question. Perhaps nothing is more important. It is the attitude of mind to which stability is in danger of giving rise, an attitude that could be disastrous to Australia in the period of her greatest prospective development. Of course, since the war we have done well. But abounding good fortune has been ours. It is against the law of life to suppose that it will always remain that way. And when the tide turns, as one day it must, let us beware lest we find ourselves in a state of such mental flabbiness that we lack the flexibility and the vision to grapple with the tougher conditions. A generation reared in the comfortable environment of economic stability may not find it easy to answer the challenge of a more rigorous climate calling for bold, unorthodox and severely practical expedients.

